

27th July, 2015

1.	National Stock Exchange of India Ltd. Listing Department Exchange Plaza 5 th Floor, Plot No. C/1, G Block Bandra – Kurla Complex Bandra (East) Mumbai – 400 051 NSE Scrip Code: MAHINDCIE	2.	BSE Limited Listing Department Phiroze Jeejeebhoy Towers Dalal Street Fort, Mumbai – 400 001 BSE Scrip Code: 532756
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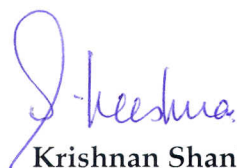
Dear Sir / Madam,

Sub: Press Release of the Standalone and Consolidated Un-audited Financial Results of the Company for the quarter ended 30th June, 2015

We are enclosing a copy of the Press Release in respect of the Standalone and Consolidated Un-audited Financial Results of the Company for the quarter ended 30th June, 2015.

Kindly acknowledge receipt of the same.

Yours faithfully,
For Mahindra CIE Automotive Limited



Krishnan Shankar
Company Secretary & Head – Legal

Encl. as above.



Quarterly Update Q1FY16

Mahindra CIE Automotive

27 July 2015 | Mumbai



Key Highlights : Q1 F16

MCIE India begins supplies in the newly launched models of key customers

The parts supplied are

- Stampings – Cabin Parts, Cargo Body, Fuel Tank, Lower Control Arm and Semi-trailing Arm
- Castings – Gear Carrier and Bearing Carrier
- Gears – Transmission Kit and Engine Gears

New Orders finalized at Castings for Cast crankshafts, Stampings for Cross Car Beam Assembly & Magnetics

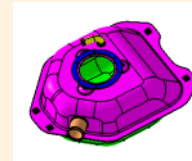
Zaheerabad plant of Stampings commences operations

MCIE Products for New Launches

STAMPINGS



Assembled Cabin and Cargo



Fuel tank



Lower control arm



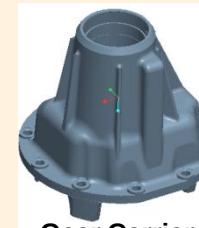
Semi trailing arm

GEARS



Transmission Kit and Engine Gears

CASTINGS



Gear Carrier

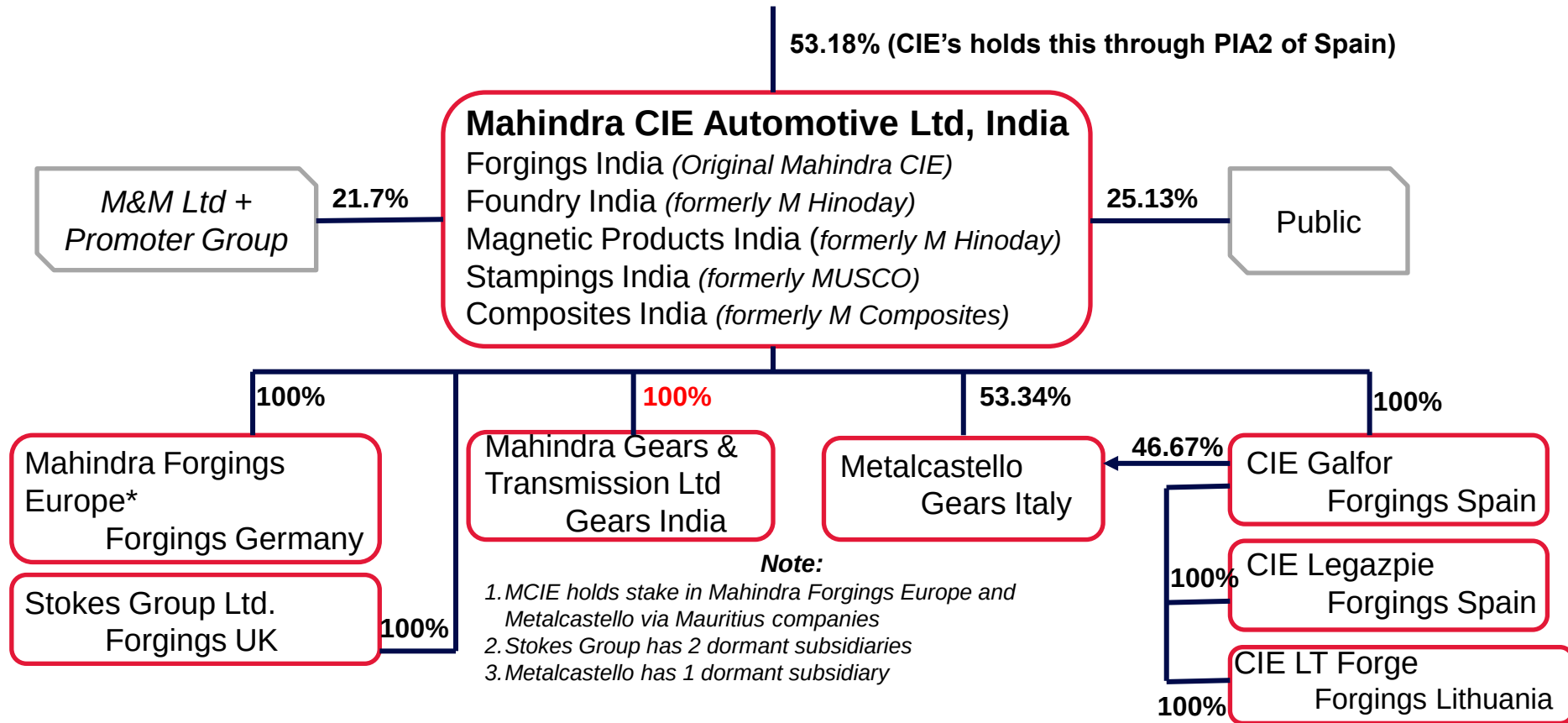


Bearing Carrier

Mahindra CIE: Alliance of CIE + M&M

Definition of Standalone and Consolidated

CIE Automotive Ltd, Spain



Note:

1. MCIE holds stake in Mahindra Forgings Europe and Metalcastello via Mauritius companies
2. Stokes Group has 2 dormant subsidiaries
3. Metalcastello has 1 dormant subsidiary

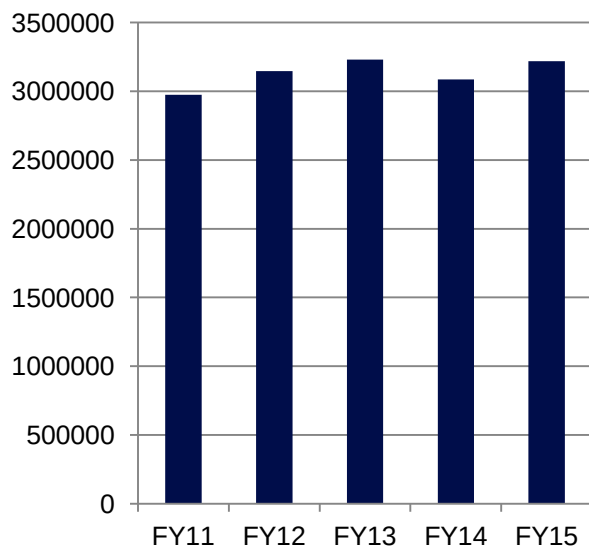
* Includes GSA, Schoeneweiss, Falkenroth & JECO Holdings all in Germany

India Market - Trends

Growth in all segments lower than expected in the last two years

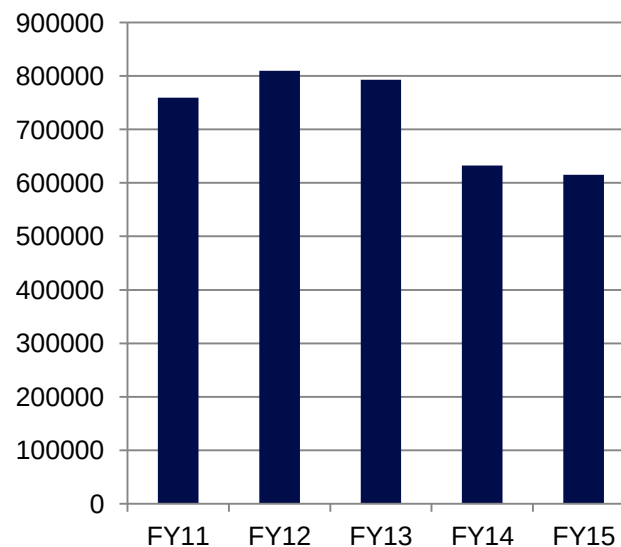
Market - Production Numbers

Cars + UV's



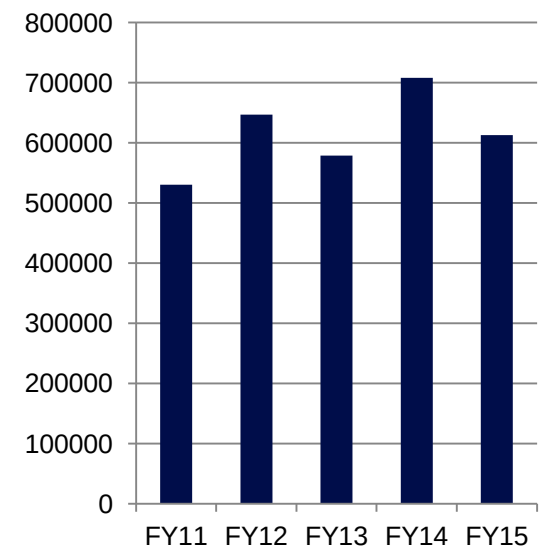
Source: CRISIL

CV's



Source: CRISIL

Tractors



Source: CRISIL

India Market Update - Quarterly

Demand Cautiously Optimistic

Market - Production Numbers

	PVs + UVs	CVs	Tractors
Q1F16	771,222	173,886	156,371
Q1F15	719,631	165,168	181,429
Change	7.2%	5.3%	-13.8%

Production at Key Customers*

M&M and Tata	
Q1F16	292,973
Q1F15	298,639
Change	-1.9%

* Includes production in all segments e.g. M&M nos. includes PV+UV+CV+Tractors+3Wheelers, but excludes two wheelers.

India Market Update - Quarterly

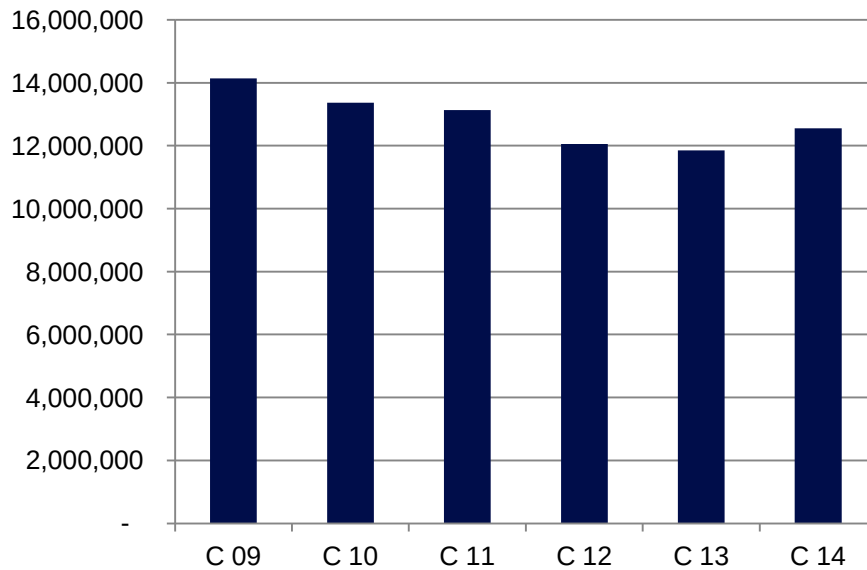
Outlook

- **PVs+ UVs:** *“In 2015-16, we project sales of cars and UVs to witness a faster growth of 6-8 per cent. Demand will be driven by a further revival in economic growth and low inflation levels, leading to a steady growth in disposable incomes. Players have also lined up a number of models across segments which will increase consumer interest.” – CRISIL Research report published on 15 July 2015.*
- **CVs:** *“We expect sales in the medium and heavy commercial vehicles (MHCV) segment to grow 12-14 per cent y-o-y in 2015-16, as freight availability improves due to further pick-up in industrial activity, faster execution/awarding of infrastructure projects and expectations of agricultural output picking up, assuming monsoons are slightly below normal in 2015-16. Also, we expect healthy replacement demand from large fleet operators (LFOs). ” – CRISIL Research report published on 21 July 2015.*
- **Tractors:** *“We expect domestic tractor sales volumes to recover and grow by 3-5 per cent in 2015-16 in the likelihood of a below normal monsoon. Tractor sales will continue to decline sharply in H1 2015-16 owing to damage to Rabi crops from unseasonal rains. A relatively better monsoon scenario than last year will, however, spur sales in the third and fourth quarter, which are together expected to grow by 8-10% over a low base.”- CRISIL Research report published on 15 July 2015.*
- **Our key customers:** With the introduction of New models combined with economic factors like lower than expected inflation, the outlook at our key customers looks cautiously optimistic.

European Market - Trends

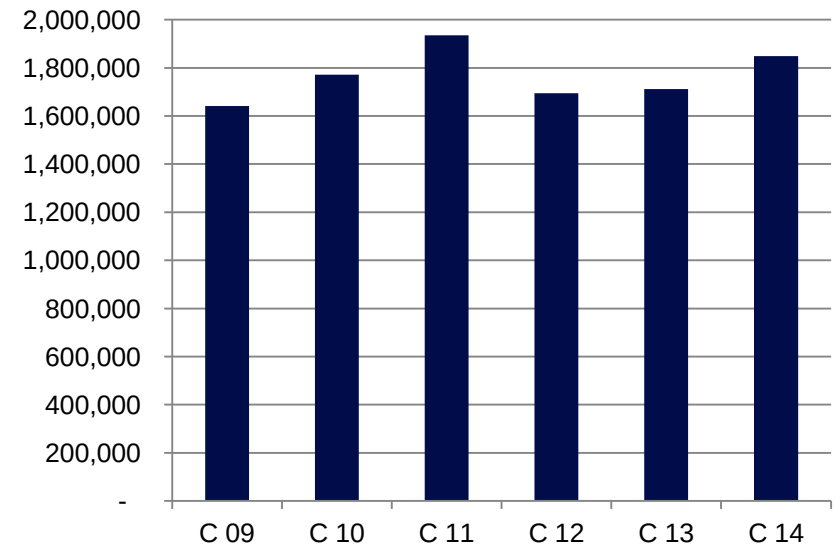
Uncertainty in market sentiment

PV Registrations EU



Source: ACEA

CV Registrations EU



Europe Market Update - Quarterly

Growth returning, but caution advised

Registration Numbers

	EU - Cars	EU – CVs*
Q2 C15	3,640,384	330,296
Q2 C14	3,371,817	303,055
Change	8%	9%

Note:

1. CIE Forge operates largely in the passenger vehicle segment
2. Mahindra Forging Europe operates largely in the commercial vehicle segment but in that segment a large part of the revenues is directed to heavy commercial vehicles (>16T)

Outlook

- EU - Cars: “ACEA has now revised its forecast for car registrations for the full year to 5%, considering that over the first five months of 2015 the year-on-year growth was 6.8%. In terms of units, this would mean surpassing the 13 million cars mark this year. This is still well below the 2007 peak of almost 16 million cars.” – ACEA Press release 9 July 2015.
- EU - CVs: “In line with the improving economy, positive tendencies were apparent also in the European market based on the H1 registration numbers.” – Daimler Interim report Q1 2015

* Includes data only for the first two months. The data for June 2015 for CV's is still not available.

Q1 F16 Performance

Standalone

Consolidated

Parameter	Q1F16	Q1F15	Change	Q1F16	Q1F15	Change
Revenues	4,159	4,289	-3.0%	13,346	14,034	-4.9%
EBITDA	400	440	-9.0%	1474	1205	22.2%
EBITDA %	9.6%	10.3%	-0.6%	11.0%	8.6%	2.5%
EBITDA w/o one time gains and losses	400	440	-9.0%	1474	1415	4.1%
EBITDA% w/o one time gains and losses	9.6%	10.3%	-0.6%	11.0%	10.1%	1.0%
EBIT	255	276	-7.6%	967	426	126.9%
EBIT %	6.1%	6.4%	-0.3%	7.2%	3.0%	4.2%
EBIT w/o one time gains and losses	255	276	-7.6%	967	636	52.0%
EBIT% w/o one time gains and losses	6.1%	6.4%	-0.3%	7.2%	4.5%	2.7%
PAT	162	170	-4.7%	666	(14)	
PAT %	3.9%	4.0%	-0.1%	5.0%	-0.1%	5.1%
PAT w/o one time gains and losses	162	170	-4.7%	666	196	240.2%
PAT% w/o one time gains and losses	3.9%	4.0%	-0.1%	5.0%	1.4%	3.6%

All figures in INR Millions

Notes:

- Refer page 3 of this presentation for description of MCIE Standalone & MCIE Consolidated
- Financial figures of foreign subsidiaries have been converted at the exchange rate (1 Euro = Rs 70.2)
- Q1 FY 15 EBITDA includes Non recurring costs viz., repairs to 12000 ton press in Germany amounting Rs. 210 Mio (EUR3 Mio). Excluding this, Q1 F15 EBITDA, EBIT and PAT would be 10.1%, 4.5% and 1.4% respectively.

Q1F16 Financial Performance – Discussion

- **Performance Summary**

- Q1F16vs. Q1F15

- Standalone - Revenue Growth: -3%, Change in Normalized EBITDA%* : -0.6%
 - Consolidated - Revenue Growth : -5% Change in Normalized EBITDA%* : +1.0%

Standalone:

- In Q1 F16, our key customers shrank by 2%, MCIE standalone revenues grew/declined by 3%
- The change in EBITDA% is largely due to decline in revenues.
- Scrap prices and power costs are turning adverse, thus focus on cost reduction to maintain profitability: Forgings, Castings & Stampings divisions to be most affected
- New product launches at Indian OEM's expected to lead to improvement in revenues. Our key customers (Indian OEMs) are cautiously optimistic of growth, with the introduction of new models lined up
- Diversification into new products and new customers is progressing.

Consolidated:

MFE

- Turnaround strategy progressing steadily
- Profitability being maintained
- Phase 1 actions for turnaround have been completed
- Phase 2 actions on optimizing products and production lines has begun

Metalcastello

- Good improvement in profitability due to restructuring actions taken last year
- Restructuring actions taken in C14 are bearing fruit
- Steady increase in volumes as key customers are increasing outsourcing.

CIE Forgings Europe (Spain + Lithuania)

- Stable operations with Profitability being maintained

* - EBITDA% without one time gains and losses

Thank you

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