



Safety, Security and
Restraint Systems



Driver Information and
Telematics Systems



Interior Systems



ASHOK MINDA GROUP

Powered by Passion

Minda Corporation Limited

(NSE: MINDACORP)

**Q3 FY2015 Consolidated Earnings
Presentation
February 13, 2015**

Important Notice

This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Minda Corporation Limited (“Minda Corp” or the Company) future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Minda Corp undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

Conference Dial-In Numbers: February 18, 2015 (Wednesday) at 3.00 PM IST	
Primary Number	+ 91 22 6746 8328
Secondary Number	+ 91 22 3938 1028
<i>The numbers listed above are universally accessible from all networks and all countries</i>	
International Toll Free Number	USA: 1 866 746 2133 UK: 0 808 101 1573 Singapore: 800 101 2045 Hong Kong: 800 964 448

Financial Highlights

Highlights – Q3 FY2015 vs. Q3 FY2014

- Total Revenue increased by 36.1% Y-o-Y to Rs. 5,359 million
- EBITDA increased by 73.1% Y-o-Y to Rs. 560 million; margins expanded by 224 bps
- Profit after Tax increased by 91.0% to Rs. 240 million, margins expanded by 129 bps
- Net Debt of Rs. 4,335 million (Q2 FY2015: Rs. 4,094 million)
- Debt / Equity ratio of 1.16x (Q2 FY2015: 1.08x)
- Declared interim dividend @ ₹. 0.20/- per share

Management Commentary

Commenting on the results and performance, **Mr. Ashok Minda, Chairman and Group CEO** said:

“We continued to build on the growth momentum with stellar revenue growth of around 36% y-o-y to reach Rs. 5,359 million. This growth was broad-based across all our key geographies and segments. Our EBITDA has increased significantly driven by higher volumes and better cost control measures.

This robust performance led to almost doubling our PAT compared to the same period last year. This growth was driven by better operating profit during the quarter. It should be noted that this growth was achieved after factoring for the impact of higher interest cost on account of working capital requirement to cater to increased volumes.

We believe that we will continue this growth momentum going forward. Significant decline in crude prices and relaxing of interest rates by RBI, will result in further recovery of the domestic auto industry. These factors coupled with improved consumer sentiments will contribute to our growth in mid to long term.

We remain committed to enhancing the value and returns of our shareholders. In-line with our objective we have declared an interim dividend during the quarter and have also successfully concluded bonus issue and stock split.”



Investment Highlights

Compelling Competitive Position	Industry Dynamics	Best in class operations	Blue chip Customers
<ul style="list-style-type: none"> • Technological advancement and R&D to increase market share and addition to customer base • Focus on exceeding customer's expectation by delivering high quality products, reducing time to market and optimizing utilization levels • Successful strategy of amalgamating the Group companies on the basis of their product compatibility, resource allocation and use of facilities 	<ul style="list-style-type: none"> • Emerging economies have seen rising demand for automotive and component manufacturing • Indian component manufacturing are key beneficiary of OEM globalization • OEMs like BMW, Jaguar Land Rover and Volkswagen, scaling Indian operations • Favorable government policies including 100% FDI in automotive industry • Improving consumer sentiments to drive the demand globally 	<ul style="list-style-type: none"> • 28 plants globally, 24 in India, 1 each in Poland, Germany, Vietnam and Indonesia • End market focus on 2/3 wheelers, passenger vehicles and off-road vehicles • Entered new agreements, and joint ventures to strengthen its market position • Filed 22 patents and received grants for 4 products in mechanical and electronic locks for various markets 	

Recent Corporate Developments

Corporate Social Responsibility: Spark Minda Foundation (SPV for Group CSR activities)

Business integrated

- Partnered with Tihar Jail for on-the job training of jail inmates
- This is the 1st PPP model program in Automobile Industry
- Stakeholders – Minda Furukawa, Tihar Jail, Maruti, Inmate's family, victim's family



Societal Level

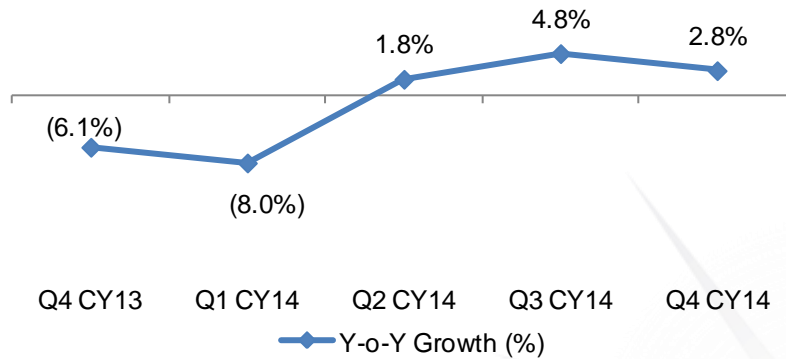
- Aakarshan: Developing Skills
 - Computer Training: 250 Learners
 - Cutting & Tailoring: 36 Learners
 - Spoken English : 65 Learners
- Health and Sanitation
 - Health check up camp
- Community Infrastructure
 - School Toilet Renovation

Other Developments

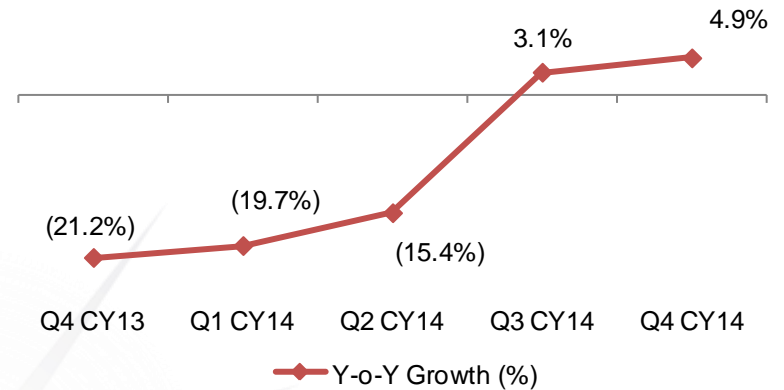
- Declared Interim dividend @ ₹. 0.20/- per share
- Successful completion of bonus shares issue and stock split
- Received In-principle approval from Bombay Stock Exchange (BSE) for listing of its equity shares
- Started supply of latest intelligent key, I-KEY door handles
- Established "Spark Minda Foundation" a 100% subsidiary of the company to carry out the CSR activities of the Group. This is in compliance with section 8 of the new Companies Act
- Re-appointed Mr. S B Mathur, as Independent Director

Industry Overview

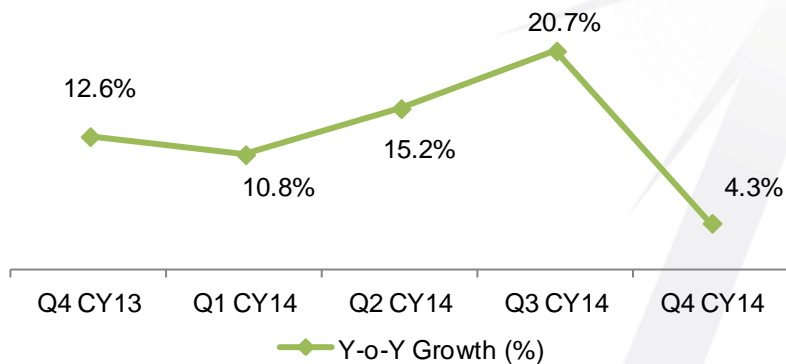
Passenger Vehicles – Domestic Production



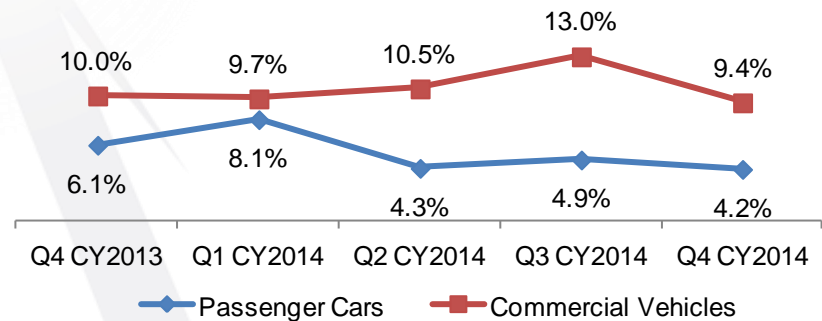
Commercial Vehicles – Domestic Production



2/3 Wheelers – Domestic Production



Passenger & Commercial Veh. – European Sales



Source:

- Domestic: SIAM
- Europe: ACEA

Financial Performance

Key Financial Statistics

(Rs. Million)	Q3		y-o-y	Q2		Nine months ended		y-o-y
	FY2015	FY2014	Growth (%)	FY2015	Growth (%)	FY2015	FY2014	Growth (%)
Total Revenue	5,359	3,938	36.1%	4,846	10.6%	14,788	11,370	30.1%
EBITDA	560	324	73.1%	454	23.3%	1431	847	68.9%
Margin (%)	10.5%	8.2%		9.4%		9.7%	7.5%	
Profit Before Tax (PBT)	323	174	85.5%	262	23.1%	808	441	83.3%
Margin (%)	6.0%	4.4%		5.4%		5.5%	3.9%	
Profit After Tax (PAT)	240	126	91.0%	217	10.5%	631	334	88.9%
Margin (%)	4.5%	3.2%		4.5%		4.3%	2.9%	
Basic EPS (Rs.)	1.15	0.60	91.0%	1.04	10.5%	3.02	1.60	88.9%

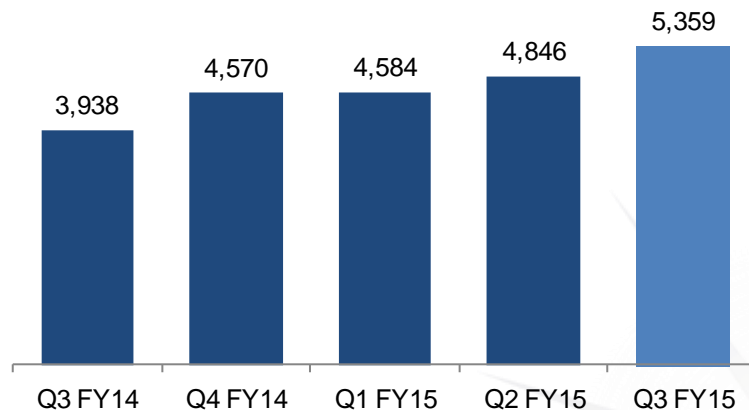
Note: Profit Before Tax (PBT) includes exceptional items of Rs. 16.1 million in Q3 FY2014 and Rs. 24 million & Rs. 53 million in 9 months FY2015 and 9 months FY2014 respectively

Highlights – Q3 FY2015 vs. Q3 FY2014

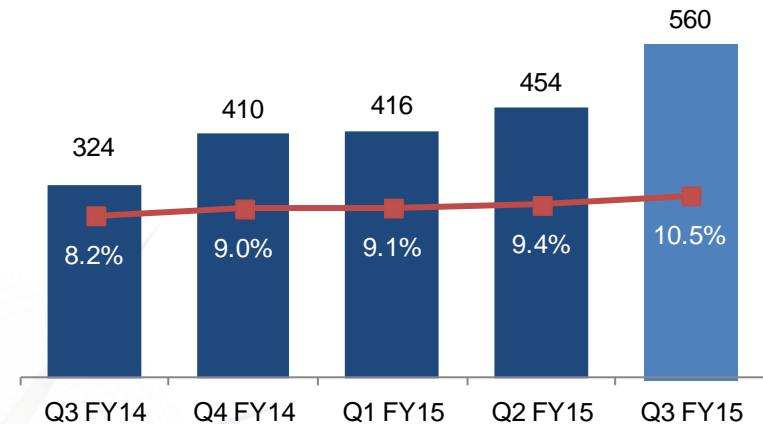
- Domestic operations increased by 29% y-o-y and international by 51% y-o-y. Growth in International business is led by consolidation of PT Minda Automotive Indonesia and Minda Vietnam Automotive. During the quarter, Safety Security & Restraint Systems increased by 24% y-o-y, Driver Information & Telematics Systems by 66% y-o-y and Interior Systems increased by 18% y-o-y. Growth in Driver Information and Telematics segment was driven by consolidation of Minda Furukawa
- Q3 FY2015 EBITDA increased by 73.1% on a y-o-y basis with margin expansion of 224 bps. Better cost management supported the margin enhancement
- Interest expense during the quarter increased from Rs. 79 million in Q3 FY2014 to Rs. 116 million in Q3 FY2015. This increase was due to higher working capital requirement to cater to increased volumes
- Q3 FY2015 PAT increased by 91.0% with margin expansion of 129 bps. This growth was driven by better operating profit offset to certain extent by higher interest expense

Financial Performance

Revenue (Rs. million)



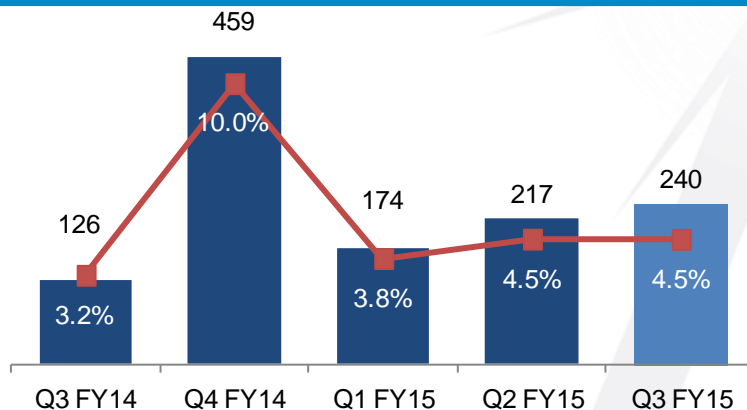
EBITDA (Rs. million) and Margin (%)



Note:

1. Profit from associates have been re-categorized as income from non core activities
2. EBITDA for Q4 FY2014 includes lease income of Rs. 33.5 million in one of the subsidiary companies

PAT (Rs. million) and Margin (%)



Note:

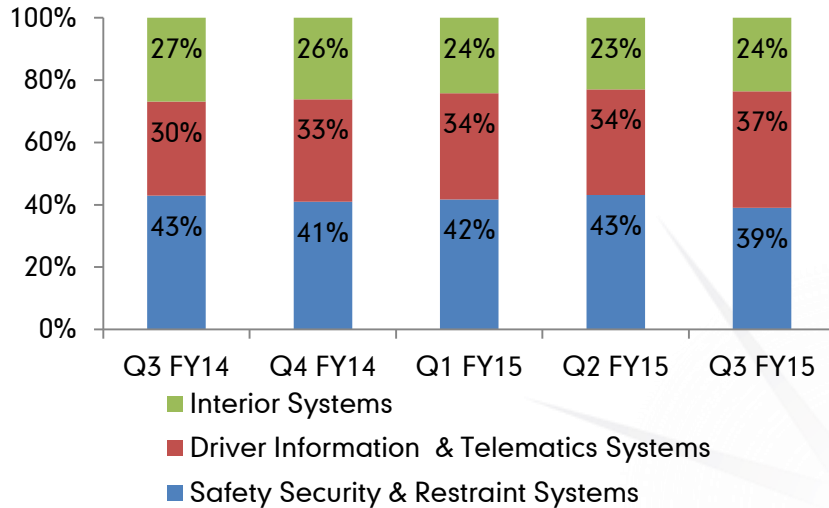
1. PAT for Q4 FY2014 includes Rs. 112.2 million on account of lease income and Rs. 94.5 million on account of disposal of investment in one of the subsidiary companies

Performance Discussion – Q3 vs. Q2 FY2015

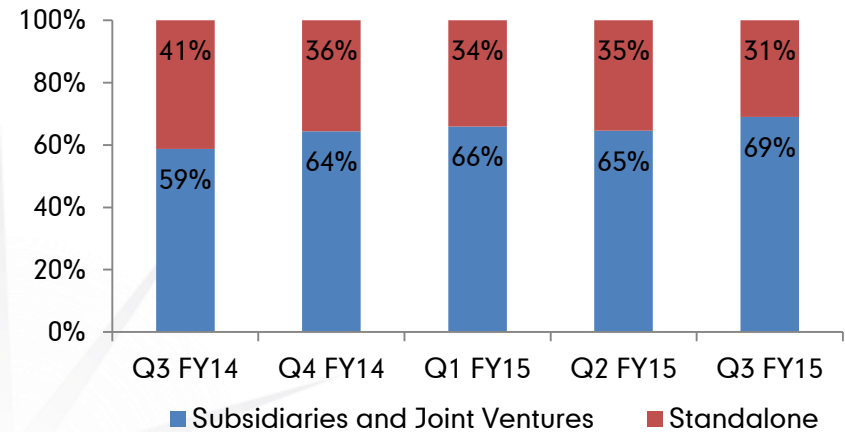
- Revenue growth was driven by growth of 22% in the Driver Information and Telematics segments
- EBITDA margins in Q3 FY2015 improved by 108 bps led by cost synergies on account of better capacity utilization
- PAT has increased by 10.5%. However, the margins remained constant due to lower other income on account of unfavourable exchange rate variations

Revenue Metrics

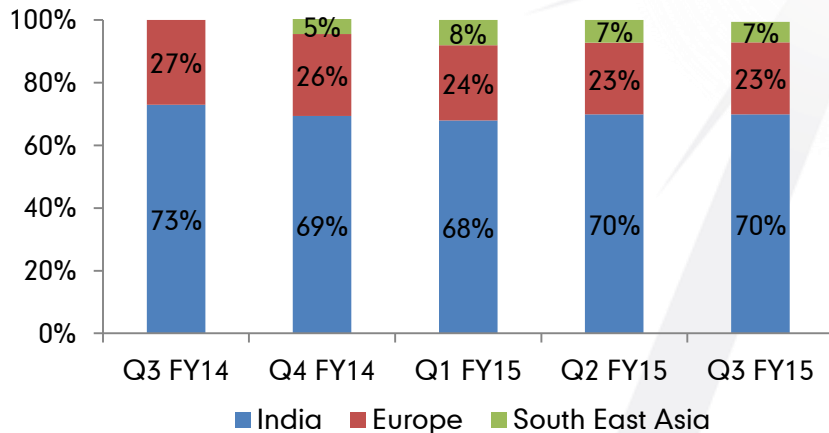
Revenue Breakdown by Product Category



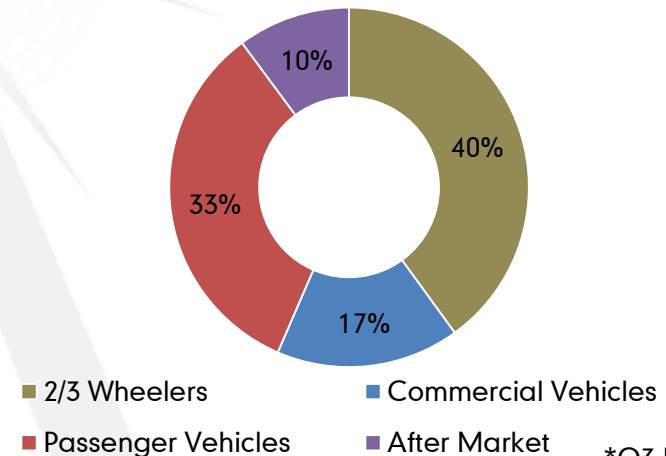
Revenue Breakdown by Businesses



Revenue Breakdown by Geography



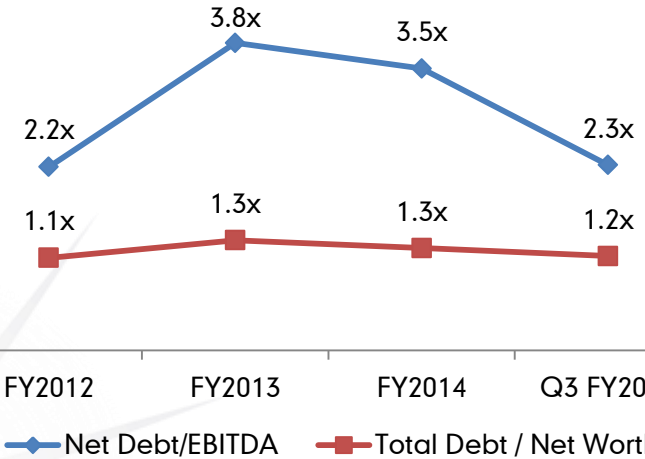
Revenue Breakdown by End User Market*



Capital Structure

Particulars (Rs. million)	31 Dec 14	31 Mar 14
Short Term Borrowings	2,620	2,789
Long Term Borrowings	2,277	2,097
Total Debt	4,897	4,886
Less: Cash & Cash Equivalents	562	540
Net Debt / (Net Cash)	4,335	4,346
Net Worth	4,236	3,894
Total Debt / Net Worth	1.16x	1.25x

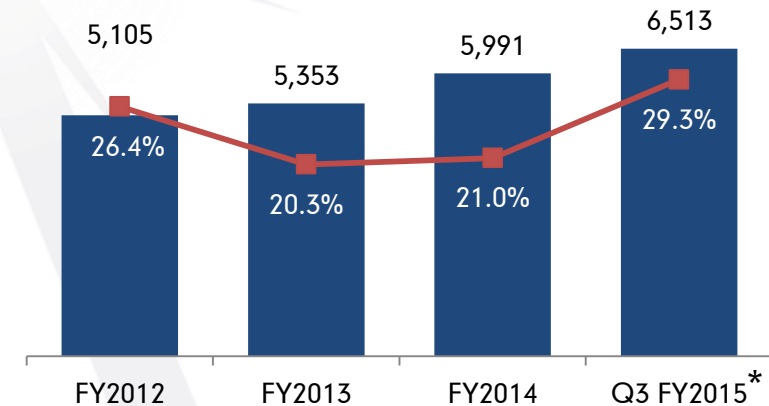
Net Debt / EBITDA(x) & Total Debt / Net Worth(x)



* Q3 FY2015 Net Debt/EBITDA represents 'Net Debt/ annualized nine months FY2015 EBITDA'

Agency	Instrument	Rating
CRISIL	Short-Term Funds	A2+
CRISIL	Long-Term Funds	A- / Stable

Capital Employed (Rs. million) and ROCE (%)






* Q3 FY2015 ROCE represents 'annualized nine months FY2015 EBITDA/ Capital employed'

Note:

1. Capital Employed: Shareholders fund + Long term loan
2. ROCE (Return on Capital Employed): EBITDA / Capital Employed




Minda Corp: Company Overview

- Leading automotive component and flagship company of SPARK MINDA, Ashok Minda Group, which was founded in 1958 by Late Shri S. L. Minda
- A diversified product portfolio that encompasses Safety, Security & Restraint Systems (39%); Driver Information & Telematics Systems (37%) and Interior Systems for auto OEMs (24%)
- End market focus on 2/3 wheelers (40%), passenger vehicles (33%) and off-road vehicles (17%)
- International business accounts for 30% of revenues
- Strong customer base including key OEMs: Ashok Leyland, Bajaj, BMW, Daimler, Hero Motocorp, Honda Motorcycle, Mahindra & Mahindra, Maruti Suzuki, Renault Nissan, Tata Motors, TVS Motors, Yamaha and VW Group
- The Company has 28 state of the art manufacturing facilities - India (24), South-East Asia (2) and Europe (2) and representative offices at Japan and Russia with workforce of over 10,000 employees
- As at the end of December 2014, Promoters held 63.2% of the Company. Domestic Institutional Investors and Foreign Institutional Investors held 11.8% and 3.0%, respectively, while the balance 22.0% was held by other shareholders

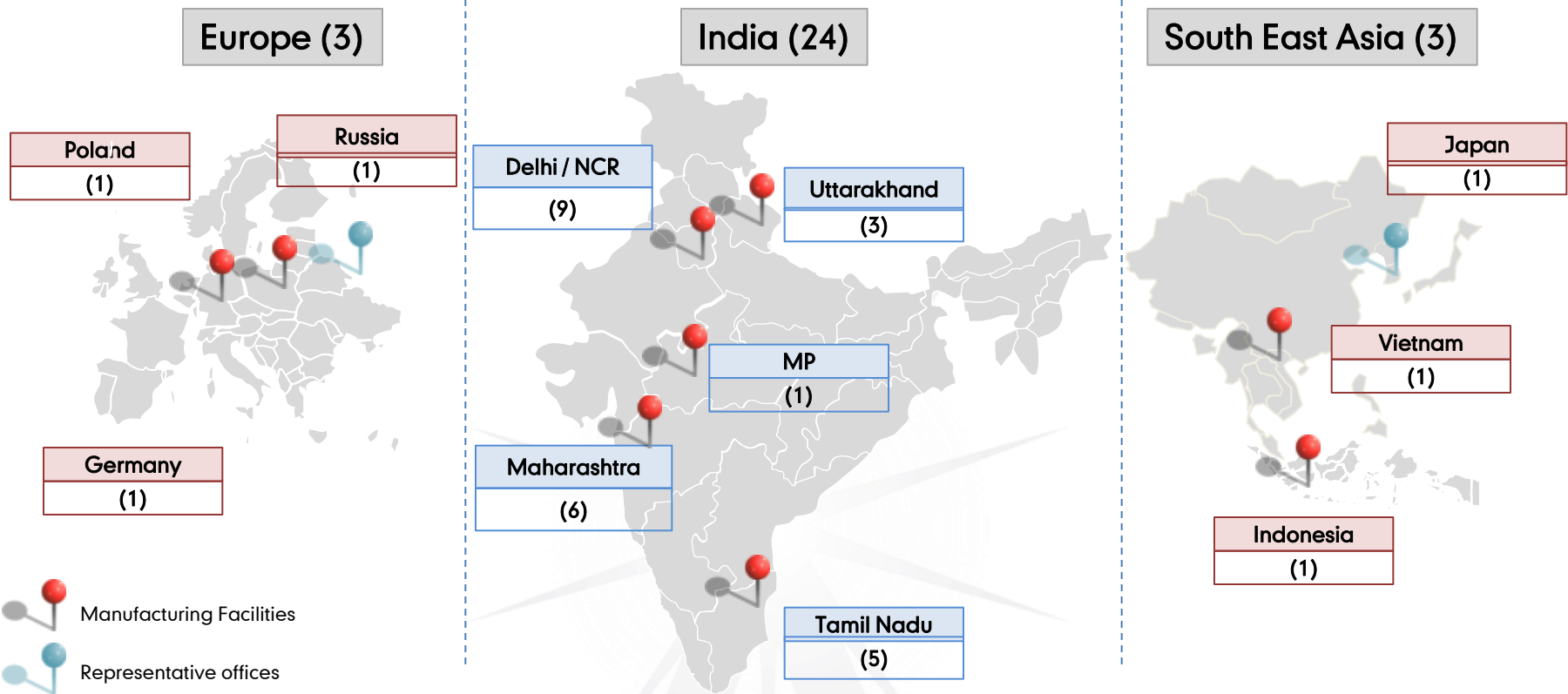
Category	Products Portfolio	
Safety, Security and Restraint Systems	Electronic & Mechanical locks, Door Handles, Die Casting Parts, Latches, Door Checker, Key (Mechanical & Electronics), Key Duplicating Machine, etc	
Driver Information and Telematics Systems	Wiring Harness, Connectors, Terminals, Steering Roll Connectors, Relay Box, Fuse Box, etc	
Interior Systems	Interior Trim & Sub-Systems, Kinematic Modules, Structural Modules, Soft Touch Technology, etc	

Product Portfolio

Diversified Product Portfolio

Group Corp	Corporate Office		
		<ul style="list-style-type: none"> • Minda Management Services Ltd. 	
Safety Security and Restraint system	Electronic & Mechanical locks, Door handles, Die casting parts, Latches, Door Checker, Key etc.	<ul style="list-style-type: none"> • Minda Corporation Ltd. • Minda Valeo Security Systems Pvt. Ltd. • PT Minda Automotive Indonesia • Minda Vietnam Automotive Company 	
Driver Information and Telematics System	Wiring Harness, Connectors, Terminals, Steering Roll connectors, Relay & Fuse box	<ul style="list-style-type: none"> • Minda Furukawa Electric Pvt. Ltd. • Minda SAI Ltd. 	
Interior Systems	Interior trims & Sub-system, Kinematic Modules, Structural Modules, Soft Touch technology	<ul style="list-style-type: none"> • Minda KTSN Plastic Solution GmbH & Co.KG • Minda KTSN Plastic & Tooling Solution Sp. z.o.o 	
After Market	All products made by Group co. and outsourced products	<ul style="list-style-type: none"> • Minda Automotive Solutions Ltd. 	

Minda Corp: Global Footprint



Location	Safety and Security Systems	Driver Information and Telematics Systems	Interior Systems	Representative Offices	Total
India	11	13			24
Germany			1		1
Poland			1		1
Indonesia	1				1
Vietnam	1				1
Japan and Russia				2	2
Total	13	13	2	2	30



ASHOK MINDA GROUP

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