

For immediate release

MAHINDRA CIE AUTOMOTIVE LIMITED (Formerly known as MAHINDRA FORGINGS LIMITED) ANNOUNCES UNAUDITED FINANCIAL RESULTS

Mumbai, July 29, 2014: The Board of Directors of Mahindra CIE Automotive Limited (MCIE) today announced the unaudited financial results for the Quarter ended 30th June, 2014 of the company.

MCIE Consolidated Highlights

Particulars (Rs Mio)	Q1 (2014-15)	Q1 (2013-14)	F 2014 (2013 - 14)
Revenue	6,478	5,886	25,908
EBIDTA	346	297	1,087
PAT	-185	-248	-815

MCIE Standalone Highlights

Particulars (Rs Mio)	Q1 (2014-15)	Q1 (2013-14)	F 2014 (2013 - 14)
Revenue	987	1,035	3,865
EBIDTA	161	141	523
PAT	65	56	180

Highlights : April - June '14

India

Revenue in Q1 F15 is Rs 987 mio , 4.6% lower than in Q1 F14 mainly due to slow down in auto market in India.

EBITDA Margin has improved to 16.3 % in Q1 F15 as compared to 13.6% in Q1 F14 due to operational efficiencies.

Europe

Revenue in Q1 F15 is Euro 68 Mio which is at the same level as that of Q1 F 14.

EBITDA margin in Q1 F 15 is 3.3%, which has marginally improved from 2.9% in Q1 F 14.

Consolidated

The revenue numbers for the current quarter include a currency translation gain of Rs 607 mio due to fluctuation in Euro-Rupee Exchange Rate between Q1 F15 and Q1 F 14 .

Revenue has increased by 10 % in Q1 F15 as compared to Q1 F14. Without considering Currency Translation Gain, Revenue is almost at the same level as that of Q1 F14.

EBITDA margin in Q1 F 15 is 5.3%, which has marginally improved from 5.0% in Q1 F 14.

Q1 F 14 numbers of foreign subsidiaries have been restated by translating inventory and depreciation at average exchange rates instead of period end rates.

OUTLOOK

India

MCIE target segments in India are the passenger car, utility vehicles (UV) & tractor markets.

- In the first quarter of the current financial year (Q1F15), the production of UVs has grown by 10% compared to the corresponding quarter from the previous year.
- The production of cars in Q1F15 has grown marginally by 1% compared to the corresponding period in the previous year.
- Overall, passenger vehicle (cars + UVs) production Q1F15 has grown marginally by ~2% compared to the previous year. In the same period production at our top3 customers grew marginally by 2.3%. Meanwhile production at Indian owned OEMs; who are 2 out of our top 3 customers, has degrown by 22.3% in Q1 F15 as compared to the corresponding period in F14.
- The cumulative Tractor industry production has shown ~ 4% growth compared to the corresponding period in the previous year.
- Leading auto industry analyst CRISIL, expects the Auto industry to return on to the growth trajectory in 2014-15. But this return to growth is expected to be gradual. In line with this we expect a slight growth in next quarter. The domestic tractor market is expected to retain its growth momentum, even though CRISIL expects the growth to slow down

Europe

- MCIE target segment in Europe is heavy trucks. Data on heavy truck (>6T) registrations in Germany an uptick of 6.5% over the same period in the previous year. The market conditions in the next year are expected to maintain slight growth, thus we see a cautious recovery with a few key customers.

ABOUT MAHINDRA CIE AUTOMOTIVE LIMITED (MCIE)

- We are one of the leading automotive forging companies in the world. We manufacture and supply engine and chassis forged components for commercial and passenger vehicles and other non-automotive products.
- We have a diversified and complementary product portfolio across geographies. In India, our Company is focused on design, development and machining of crankshafts and steering knuckles for cars and multi-utility vehicles. Schöneweiss, our German subsidiary, is one of the leading axle beam manufacturers in the world. Jeco-Jellinghaus GmbH ("Jeco"), Gesenkschmiede Schneider GmbH ("GSA") and Falkenroth Umformtechnik GmbH ("Falkenroth"), our other German subsidiaries, are providers of a diverse range of forging products, primarily for heavy commercial vehicles, and collectively manufacture more than 250 products. Stokes Group Limited, our subsidiary in UK, has an expertise in flashless forgings for passenger car applications.
- We are also now a part of CIE Automotive Group.
- As of 28th November 2013 Mahindra Forgings Limited has been renamed to Mahindra CIE Automotive Limited and continues to be listed under a new name (Ticker: BSE: 532756, NSE: MAHINDCIE)
- We continue to be optimistic about the benefit that MCIE can derive from technical and commercial synergies out of this global alliance which is subject to approval for proposed merger schemes.

ABOUT CIE AUTOMOTIVE

CIE Automotive; headquartered in Bilbao – Spain, is one of the main suppliers of components and sub-components for the automobile sector operating in Europe, Brazil, NAFTA and China with sales of EUR 1.65 Billion / USD 2.2 Billion. CIE develops its entire line of products through seven processes or technologies (forging, machining, aluminum, stamping, plastic, iron casting and painting). CIE's operations in Brazil, Mexico, USA and China are constituted under its subsidiary, Autometal, listed on the Sao Paolo stock exchange (Ticker: AUTM3).

CIE Automotive (Listed; Madrid, Bilbao: CIE.SM)

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