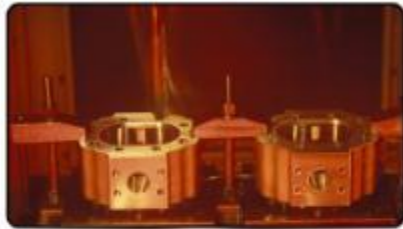


DYNAMATIC TECHNOLOGIES LIMITED

Q3 & NINE MONTH FY2016 **EARNINGS**
PRESENTATION



HYDRAULICS



AEROSPACE & DEFENCE



AUTOMOTIVE





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 Dynamatic Technologies’ (“Dynamatic” 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.

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



DYNAMATIC TECHNOLOGIES LIMITED

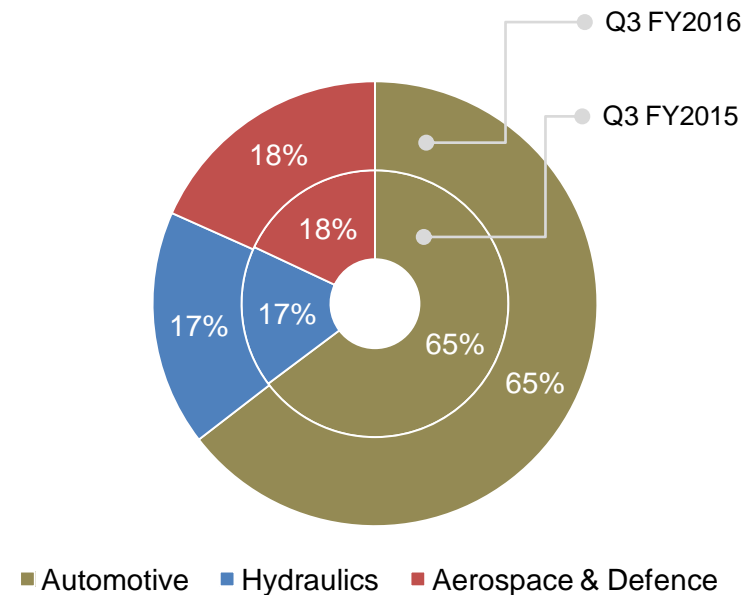
PERFORMANCE HIGHLIGHTS

Consolidated Financial Highlights

Q3 FY2016 Highlights

- Net Revenues of Rs. 3,628 million
- EBITDA of Rs. 300 million at 8.3% margin
- Interest expense declined by 6.4% y-o-y to Rs. 175 million
- Net Debt of Rs. 5,464 million (vs. Rs. 5,284 million as of September 30, 2015)
- Net Worth of Rs. 2,447 million (vs. Rs. 2,460 million as of September 30, 2015)
- Debt/Equity Ratio of 2.5x (vs. 2.3x as of September 30, 2015)

Revenue Breakup





PERFORMANCE HIGHLIGHTS

Management Commentary

Commenting on the results, **Mr. Udayant Malhoutra, CEO and Managing Director** said:

“Our performance during the quarter was a clear reflection of the prevailing difficult global macroeconomic scenario. This coupled with significant depreciation of the Indian Rupee against the Euro had a strong bearing on our financial performance.

Recovery of the domestic Auto industry remained slow and fragile. Erratic monsoon and drought like situation continued to impact the Indian agriculture industry resulting in weak farmer sentiment. These trends impacted the performance of our Automotive and Hydraulic segments. Performance of our Aerospace segment remained stable and given strong order book execution, we expect to see strong growth in the coming quarters.

We have made significant investment over the past couple of year in terms of building capacities and capabilities. This gives management the confidence of capitalizing on the industry uptrend in the future.”



PERFORMANCE HIGHLIGHTS

Foreign Exchange Fluctuation

Exchange Rate	Q3 FY2016	Q3 FY2015	Impact	Impact %	9M FY2016	9M FY2015	Impact	Impact %
EURO vs. INR	71.60	79.92	(8.32)	(10.4)%	71.60	79.92	(8.32)	(10.4)%
GBP vs. INR	99.44	100.00	(0.56)	(0.6)%	99.44	100.00	(0.56)	(0.6)%
USD vs. INR	64.78	60.77	4.01	6.6%	64.78	60.77	4.01	6.6%

Impact due to change in average exchange rates (Y-o-Y)

Particulars	Q3 FY2016				9M FY2016			
	Erla	DL UK	JFTL	Total Impact	Erla	DL UK	JFTL	Total Impact
<i>Currency</i>	EURO	GBP	EURO		EURO	GBP	EURO	
Revenue (Rs. mn)	(234.7)	(3.1)	(22.5)	(260.4)	(722.0)	(9.6)	(67.0)	(798.6)
EBITDA (Rs. mn)	(8.4)	(0.2)	(22.5)	(31.1)	(31.6)	(0.9)	(67.0)	(99.5)

- Q3 FY2016 Revenue of Rs. 3,628 million compared with Q3 FY2015 representing a decline of Rs. 207 million. Our revenue growth was impacted due to unfavorable foreign exchange fluctuation by Rs. 260 million, in particular EURO-INR. Adjusted for the foreign exchange fluctuation Q3 FY2016 revenue would have increased by Rs. 53 million
- Q3 FY2016 EBITDA of Rs. 300 million compared with Rs. 343 million representing a decline of Rs. 43 million. Of this total decline Rs. 31 million was due to unfavourable foreign exchange fluctuation, in particular EURO-INR



FINANCIAL PERFORMANCE SUMMARY

Consolidated Performance Highlights

Rs. million	Q3		y-o-y Growth (%)	Q2 FY16	q-o-q Growth (%)	Nine Months		y-o-y Growth (%)
	FY16	FY15				FY16	FY15	
Revenue	3,628	3,835	(5.4)%	3,704	(2.0)%	11,059	12,403	(10.8)%
EBITDA	300	343	(12.3)%	338	(11.1)%	883	1,180	(25.1)%
Margin (%)	8.3%	8.9%		9.1%		8.0%	9.5%	
Profit After Tax (PAT)	25	6	nm	3	nm	(69)	236	nm
Margin (%)	0.7%	0.1%		0.1%		nm	nm	
Basic EPS (Rs.)	3.87	0.91	nm	0.50	nm	(10.94)	39.56	nm
Adjusted PAT	25	6	nm	3	nm	(69)	197	nm
Margin (%)	0.7%	0.1%		0.1%		nm	1.6%	

Adjusted PAT: Excludes exceptional item adjusted for tax using effective tax rate

- Q3 FY2016 Revenue growth was impacted by continued subdued market demand in the auto and hydraulics end markets. These macro trends, coupled with unfavorable foreign currency fluctuation had a significant impact on our top-line and profitability. The Hydraulics segment declined by 5.7% y-o-y and the Automotive segment declined by 5.6%. Aerospace segment registered a 3.7% y-o-y decline and order ramp up expected in the coming quarters
- EBITDA margin was impacted by lower volumes across segments and foreign currency fluctuations; as the volumes and facility ramp up increase in coming quarters, margins are expected to improve
- Decline in Interest expenses by 6.4% to Rs. 175 million compared with Q3 FY2015

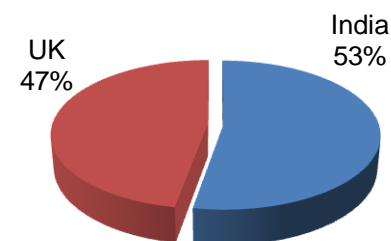


AEROSPACE AND DEFENCE SEGMENT

Financial Overview

Rs. million	Q3		y-o-y Growth (%)	Q2 FY16	q-o-q Growth (%)	Nine Months		y-o-y Growth (%)
	FY16	FY15				FY16	FY15	
Revenue	665	691	<i>(3.7)%</i>	652	2.0%	1,915	1,973	<i>(2.9)%</i>
India	352	338	3.9%	336	4.6%	954	874	9.2%
UK	314	353	<i>(11.0)%</i>	316	<i>(0.7)%</i>	962	1,099	<i>(12.5)%</i>
EBITDA	174	195	<i>(10.3)%</i>	171	2.2%	483	494	<i>(2.4)%</i>
<i>Margin (%)</i>	26.2%	28.2%		26.2%		25.2%	25.1%	
India	135	124	8.7%	112	21.0%	341	335	1.6%
<i>Margin (%)</i>	38.5%	36.8%		33.3%		35.7%	38.4%	
UK	39	70	<i>(44.1)%</i>	59	<i>(33.5)%</i>	142	159	<i>(10.7)%</i>
<i>Margin (%)</i>	12.5%	19.9%		18.6%		14.8%	14.5%	

Q3 FY16 Revenue Breakup



Performance Overview

- Revenue growth in India was sustained; UK revenue declined primarily due to the impact of the December holiday season
- EBITDA margin declined due to decline in the UK volumes
- **Outlook:** Strong order book in excess of Rs 60 billion. New orders and delivery of existing orders to drive growth. Execution of existing orders going as per plan and the ramp up will start from Q4 FY2016
- **Strategy:** Establishing state-of-the-art Bangalore facility; developing capabilities in large aero-structural assemblies, composites, and high precision aero-structure design and engineering

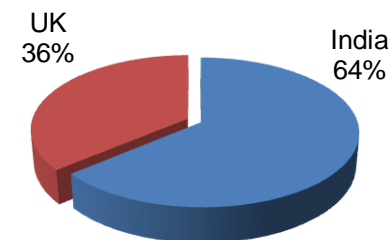


HYDRAULICS SEGMENT

Financial Overview

Rs. million	Q3		y-o-y Growth (%)	Q2 FY16	q-o-q Growth (%)	Nine Months		y-o-y Growth (%)
	FY16	FY15				FY16	FY15	
Revenue	623	660	(5.7)%	692	(10.0)%	1,930	2,259	(14.5)%
India	398	425	(6.3)%	443	(10.2)%	1,232	1,390	(11.4)%
UK	225	236	(4.5)%	249	(9.5)%	699	869	(19.6)%
EBITDA	67	59	13.7%	91	(25.9)%	215	251	(14.1)%
<i>Margin (%)</i>	10.8%	8.9%		13.1%		11.2%	11.1%	
India	70	54	30.5%	79	(11.8)%	206	213	(3.3)%
<i>Margin (%)</i>	17.6%	12.6%		17.9%		16.7%	15.3%	
UK	(3)	5	<i>nm</i>	11	<i>nm</i>	9	38	(75.8)%
<i>Margin (%)</i>	(1.3)%	2.3%		4.5%		1.3%	4.3%	

Q3 FY16 Revenue Breakup



Performance Overview

- Performance of the India business was impacted by continued poor agriculture industry environment resulting in subdued tractor industry demand. UK revenues were impacted by the muted demand in Europe for agricultural machinery
- Despite decline in volumes, margins were sustained due to declining raw material prices
- **Outlook:** New order wins in the UK and supplies to start in in the coming quarters. Demand pick up in the domestic construction equipment and infrastructure industries to drive growth in near term
- **Strategy:** Focus on OEM market and exports. Growth through replacement market and lean manufacturing systems

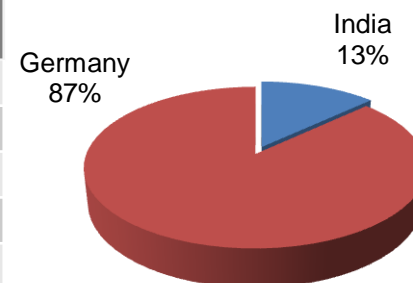


AUTOMOTIVE SEGMENT

Financial Overview

Rs. million	Q3		y-o-y Growth (%)	Q2 FY16	q-o-q Growth (%)	Nine Months		y-o-y Growth (%)
	FY16	FY15				FY16	FY15	
Revenue	2,346	2,484	(5.6)%	2,357	(0.5)%	7,214	8,181	(11.8)%
India – M	235	269	(12.7)%	254	(7.7)%	770	950	(18.9)%
India – F	72	68	5.9%	77	(6.3)%	229	237	(3.6)%
Germany	2,039	2,147	(5.0)%	2,026	0.7%	6,215	6,994	(11.1)%
EBITDA	81	95	(14.6)%	83	(2.6)%	236	391	(39.7)%
Margin (%)	3.4%	3.8%		3.5%		3.3%	4.8%	
India – M	(20)	(25)	<i>nm</i>	(27)	<i>nm</i>	(85)	(49)	<i>nm</i>
Margin (%)	<i>nm</i>	<i>nm</i>		<i>nm</i>		<i>nm</i>	<i>nm</i>	
India – F	28	7	278.4%	16	77.7%	49	(2)	<i>nm</i>
Margin (%)	38.1%	10.6%		20.1%		21.6%	<i>nm</i>	
Germany	73	112	(34.4)%	94	(22.0)%	272	442	(38.5)%
Margin (%)	3.6%	5.2%		4.7%		4.4%	6.3%	

Q3 FY16 Revenue Breakup



Note:
 India – M: India – Machining
 India – F: India – Iron Foundry

Performance Overview

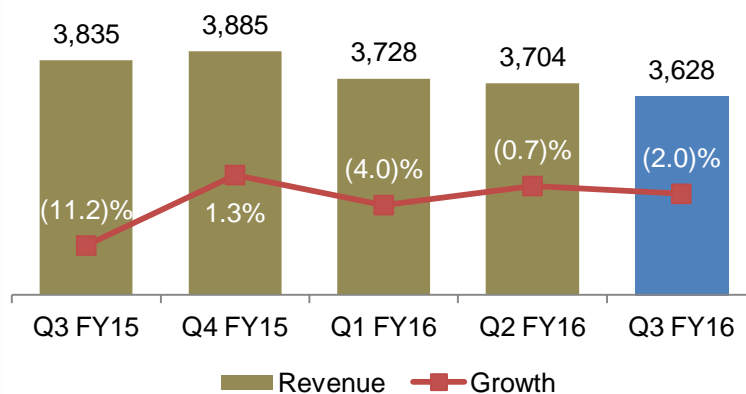
- Recovery in the Auto sector in India remains constrained. Germany sales impacted due to with significant depreciation in the Euro; on constant currency basis the performance was stable
- India margins improved primarily due to higher foundry volumes and decline in raw material prices; Germany margins were impacted due to change in product mix
- **Outlook:** Higher revenue and profitability expected to be driven by steel castings production by German foundry; New customer wins for casting products
- **Strategy:** Focus on high margin product mix, exports, ramp-up of existing products, performance-critical components, customer diversification, steel castings and capacity utilization



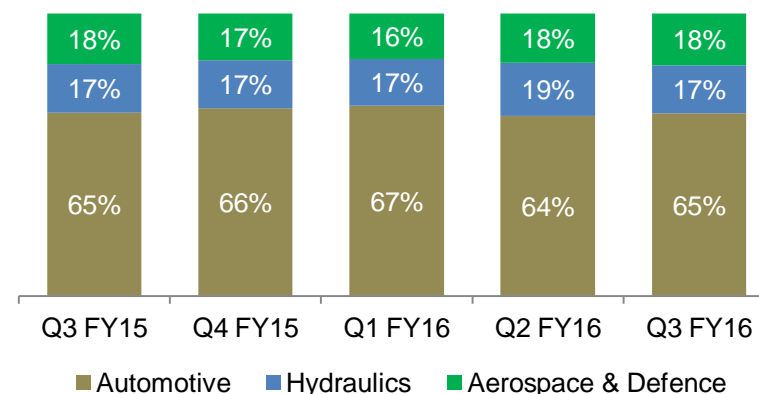
QUARTERLY FINANCIAL TRENDS

Financial Performance

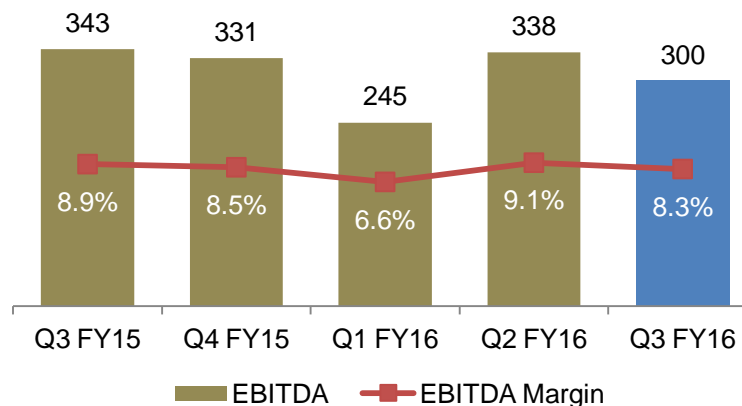
Revenue (Rs. mn) and Growth (Q-o-Q)



Segment Wise Revenue Contribution



EBITDA (Rs. mn) and Margin (%)





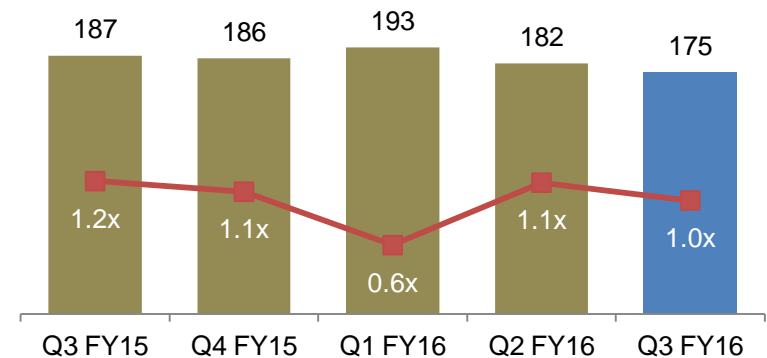
QUARTERLY FINANCIAL TRENDS

Focus on Deleveraging the Balance Sheet

Capital Structure

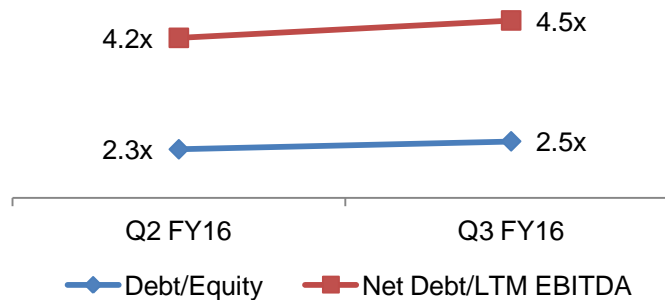
(Rs. million)	Dec 31, 2015	Sep 30, 2015
Long Term Borrowings	5,044	4,760
Short Term Borrowings	966	956
Total Debt	6,010	5,716
Less: Cash & Cash Equivalents	546	432
Net Debt	5,464	5,284
Net Worth	2,445	2,460

Interest Expense (Rs. mn) & Interest Coverage (x)



Note: Interest Coverage ratio = Operating Profit/Interest Expense

Net Debt/LTM EBITDA & Debt/Equity (x)



Management Perspectives

- Converted the non fund based working capital to fund based facilities which resulted in:
 - Increase in total borrowings
 - Building up of inventories and decline in trade payables
- Total debt also increased due to increased borrowings



DYNAMATIC OVERVIEW

Diversified business

- A combination of stable and high growth businesses with highly engineered products for the automotive, hydraulic, aerospace and defence industries
- Successful track record of enhancing manufacturing capabilities through R&D and selective acquisitions

Competitive market position

- One of the world's largest manufacturers of hydraulic gear pumps and automotive turbochargers; leadership in hydraulic gear pumps market for over 35 years
- Has 65% share of the Indian organized tractor market, supplies to almost all OEMs in India
- Pioneer and leader in the Indian private sector for manufacture of high precision airframe structures and aerospace components. Tier I supplier to the global aerospace OEMs such as Airbus, Boeing, Bell Helicopters and HAL
- Manufactures high precision, complex metallurgical ferrous and aluminium castings for performance critical components such as turbochargers and exhaust manifolds and has capabilities to develop automotive components on single-source basis

Locational advantages

- Automotive facilities in Chennai, one of India's major automotive hubs and in Germany, a global auto OEM hub
- Aerospace and Defence facilities in Bangalore, headquarters of primary clients and in Bristol, UK's south west aerospace hub



DYNAMATIC TECHNOLOGIES LIMITED

DYNAMATIC OVERVIEW

Vertically Integrated Facilities

- Advanced iron foundry in India and Germany. Also has aluminium foundry in India for captive use
- Owns one of the most advanced ferrous foundries in Europe (Germany) capable of manufacturing highly intricate castings
- In-house division for design validation and optimization, analysis and prototypes
- Has 11 facilities across India (Bangalore, Chennai, Coimbatore, Nasik), UK (Swindon, Bristol) and Germany (Schwarzenberg)

R&D and Intellectual Property

- Owns 17 patents for various products in India and internationally
- Has the design IP for all the products manufactured in the Hydraulics segment
- R&D units recognized by Department of Scientific and Industrial Research, Government of India

Blue Chip Customers

- Automotive: Audi, BMW, Daimler, Ford, Hyundai, Nissan, Tata Motors, Volkswagen
- Hydraulics: Caterpillar, Cummins, Eicher, Escorts, John Deere, Mahindra & Mahindra, New Holland Fiat, Same Deutz-Fahr
- Aerospace and Defence: Airbus, Bell Helicopter, Boeing, GKN Aerospace, HAL, Spirit Aerosystems

Board and Management

- Highly qualified board and management team with significant industry experience
- 6 out of 13 Directors Independent



DYNAMATIC TECHNOLOGIES LIMITED

DYNAMATIC OVERVIEW

Combination of Stable and High Growth Businesses

AUTOMOTIVE

65% of Q3 FY16 Revenue

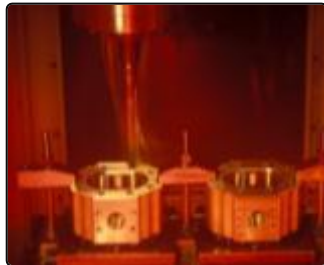


- Ferrous and non-ferrous automotive components including engine, transmission, turbocharger and chassis parts
- Metallurgical ferrous and aluminium castings

- Audi
- BMW
- Daimler
- Ford
- Hyundai
- Nissan
- Tata Motors
- Volkswagen

HYDRAULICS

17% of Q3 FY16 Revenue



- Hydraulic valves
- Hydraulic gear pumps
- Combined displacement pump packages
- Fan drive systems
- Fixed displacement pumps

- Caterpillar
- Eicher
- Escorts
- John Deere
- Mahindra & Mahindra
- New Holland Fiat
- Same Deutz-Fahr

AEROSPACE & DEFENCE

18% of Q3 FY16 Revenue



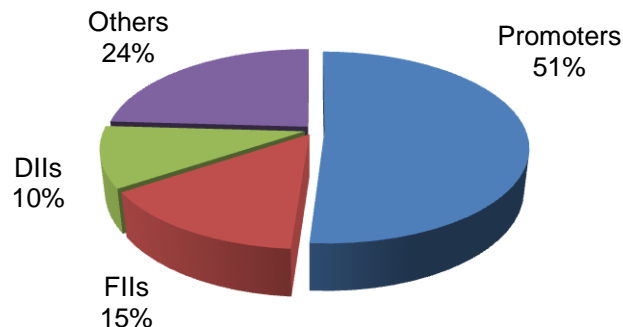
- Wings, rear fuselages, ailerons, wing flaps and major airframe structures
- Ramp structure assembly
- AFT Pylon assembly
- Defence products and solutions

- Airbus
- Boeing
- Bell
- Sprint
- HAL



BLUE CHIP INVESTOR BASE

Shareholding Structure



Key Institutional Investors

- Goldman Sachs India Equity Fund
- L&T Infrastructure Fund
- HDFC Trustee Company Limited (HDFC Infrastructure Fund)
- Principal Mutual Fund
- SBI Magnum Multiplier Plus Scheme 1993
- Param Capital Research Pvt Ltd
- Alchemy India Long Term Fund
- Citigroup Global Mauritius Markets Pvt Ltd
- Samena Special Situations Mauritius

Shareholding Pattern Trend

Shareholders	Mar-15	Sep-15	Dec-15
Promoters	51.1%	51.1%	51.1%
FIIIs	15.2%	14.3%	14.5%
DIIIs	6.8%	7.8%	10.3%
Others	26.9%	26.8%	24.1%
Total	100.0%	100.0%	100.0%

Equity History

Year	Event	Equity Capital (Rs. mn)
1974	Initial Public Offering	2.9
1987	Rights Issue	11.2
1992	Rights Issue	21.0
1994	Rights Issue	31.5
1995	Bonus Issue	41.9
2008	Amalgamation	48.1
2008	Qualified Institutional Placement	54.1
2014	Preferential convertible warrants	60.4
2014	Qualified Institutional Placement	63.4



DYNAMATIC TECHNOLOGIES LIMITED

FINANCIAL STATEMENTS

Income Statement (Quarterly Trend)

Profit & Loss Statement (Rs. million)	Q3 FY15	Q4 FY15	Q1 FY16	Q2 FY16	Q3 FY16
Revenues					
Net Sales / Income from Operations (Net of Excise Duty)	3,790	3,838	3,691	3,670	3,598
Other Operating Income	45	47	37	33	30
Total Revenues	3,835	3,885	3,728	3,704	3,628
Expenses					
Cost of Raw Materials Consumed	2,276	2,249	2,180	2,042	2,150
Changes in Inventories of Finished Goods, WIP and Stock in Trade	(71)	(68)	(29)	9	(77)
Employee Benefit Expenses	580	572	549	542	542
Other Expenditure	707	801	783	772	712
Total expenses	3,492	3,554	3,483	3,366	3,327
Operating Profit (EBITDA)	343	331	245	338	300
Depreciation and Amortization Expenses	126	134	129	130	127
EBIT	217	197	116	208	173
Other Income	20	64	11	6	4
Finance Costs	187	186	193	182	175
PBT – Pre Exceptional	49	76	(66)	32	2
Exceptional (Gain)/ Losses	0	0	0	0	0
PBT	49	76	(66)	32	2
Tax Expenses	44	25	31	29	(22)
PAT	6	50	(97)	3	25
Basic EPS (Rs)	0.91	7.95	(15.31)	0.50	3.88
Margins (%)					
Gross Margins	42.5%	43.9%	42.3%	44.6%	42.9%
EBITDA margins	8.9%	8.5%	6.6%	9.1%	8.3%
PAT margins	0.1%	1.3%	(2.6)%	0.1%	0.7%
Y-o-Y Growth (%)					
Total Revenues	(4.1)%	(9.7)%	(12.3)%	(14.2)%	(5.4)%
EBITDA	(20.8)%	(22.3)%	(47.1)%	(9.6)%	(12.3)%
PAT	(85.4)%	(61.8)%	nm	(99.1)%	328.5%
Q-o-Q Growth (%)					
Total Revenues	(11.2)%	1.3%	(4.0)%	(0.7)%	(2.0)%
EBITDA	(8.4)%	(3.5)%	(26.0)%	38.1%	(11.1)%
PAT	(98.3)%	778.6%	nm	nm	680.1%
Effective Tax Rate	88.4%	33.6%	nm	90.1%	nm



DYNAMATIC TECHNOLOGIES LIMITED

FINANCIAL STATEMENTS

Income Statement (Annual Trend)

Profit & Loss Statement (Rs. million)	FY14	FY15
Revenues		
Net Sales / Income from Operations (Net of Excise Duty)	15,719	16,115
Other Operating Income	156	174
Total Revenues	15,875	16,288
Expenses		
Cost of Raw Materials Consumed	8,982	9,611
Changes in Inventories of Finished Goods, WIP and Stock in Trade	(71)	(125)
Employee Benefit Expenses	2,216	2,360
Other Expenditure	3,119	2,931
Total expenses	14,246	14,778
Operating Profit (EBITDA)	1,629	1,511
Depreciation and Amortization Expenses	513	509
EBIT	1,117	1,002
Other Income	35	106
Finance Costs	997	799
PBT – Pre Exceptional	155	308
Exceptional (Gain)/ Losses	(103)	(191)
PBT	258	499
Tax Expenses	120	213
PAT	137.7	286.5
Basic EPS (Rs)	25.42	47.28
Margins (%)		
Gross Margins	43.9%	41.8%
EBITDA margins	10.3%	9.3%
PAT margins	0.9%	1.8%
Y-o-Y Growth (%)		
Total Revenues		2.6%
EBITDA		(7.3)%
PAT		108.1%
Effective Tax Rate		42.6%



DYNAMATIC TECHNOLOGIES LIMITED

FINANCIAL STATEMENTS

Balance Sheet – Assets

Balance Sheet (Rs. million)	Mar-14	Sep-14	Mar-15	Sep-15
ASSETS				
Non-Current Assets				
Goodwill	679	679	879	950
Fixed Assets				
i) Tangible Fixed Assets	5,967	5,558	5,355	5,211
ii) Intangible Fixed Assets	224	193	202	179
iii) Capital work in progress	28	71	44	295
Non-Current Investment	0	0	0	0
Deferred tax asset (net)	0	5	0	0
Long Term Loans and Advances	250	273	242	223
Other Non Current Assets	110	79	161	139
Total Non-Current Assets	7,258	6,858	6,882	6,998
Current Assets				
Inventories	2,280	2,257	2,272	2,504
Trade Receivables / Sundry Debtors	1,016	1,020	1,131	1,049
Cash and Cash Equivalents	441	557	761	432
Short-Term Loans and Advances	321	352	314	351
Other Current Assets	278	254	138	179
Total Current Assets	4,336	4,440	4,616	4,514
TOTAL ASSETS	11,594	11,298	11,498	11,512



DYNAMATIC TECHNOLOGIES LIMITED

FINANCIAL STATEMENTS

Balance Sheet – Liabilities

Balance Sheet (Rs. million)	Mar-14	Sep-14	Mar-15	Sep-15
EQUITY and LIABILITIES				
Shareholders Fund				
Share capital	55	60	63	63
Reserves and surplus	1,376	2,134	2,453	2,397
Money Received against Share Warrants	100	0	0	0
Non-controlling interest (Preference capital)	26	26	4	0
Total Shareholders Fund	1,558	2,220	2,520	2,460
Non-Current Liabilities				
Long-Term Borrowings	3,619	3,005	2,658	3,977
Deferred Tax Liabilities (net)	341	278	276	282
Other Long Term Liabilities	139	33	30	32
Long Term Provisions	29	37	68	67
Total Non-Current Liabilities	4,127	3,352	3,032	4,358
Current Liabilities				
Short-Term Borrowings	1,008	1,265	1,397	956
Trade Payables	2,806	2,617	2,743	1,907
Other Current Liabilities	1,939	1,578	1,580	1,581
Short-Term Provisions	157	265	226	251
Total Current Liabilities	5,909	5,726	5,946	4,694
TOTAL EQUITY AND LIABILITIES	11,594	11,298	11,498	11,512



DYNAMATIC TECHNOLOGIES LIMITED

CONTACT DETAILS

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CIN: L72200KA1973PLC002308