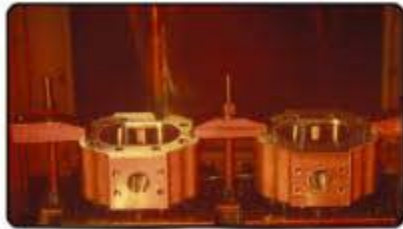


Q1 FY2016 **EARNINGS**
PRESENTATION



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 “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.



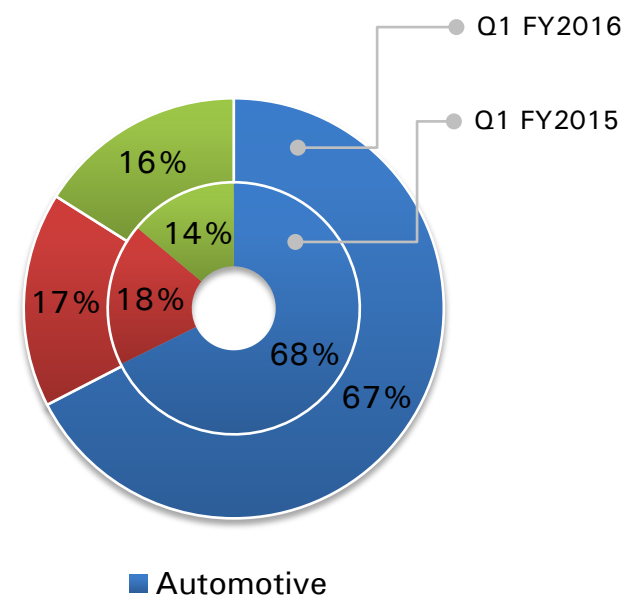
PERFORMANCE HIGHLIGHTS

Consolidated Financial Highlights

Q1 FY2016 Highlights

- Net Revenues of ₹3,728 million
- EBITDA of ₹245 million at 6.6% margin
- Interest expense declined by 9.5% y-o-y to ₹193 million
- Net Debt of ₹ 5,071 million (vs. ₹ 5,550 million as of June 30, 2014)
- Net Worth of ₹ 2,456 million (vs. ₹ 1,677 million as of June 30, 2014)
- Debt/Equity Ratio of 2.4x (vs. 3.7x as of June 30, 2014)
- Net Debt/LTM EBITDA of 3.9x (vs. 3.1x)

Revenue Breakup





PERFORMANCE HIGHLIGHTS

Management Commentary

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

“Overall, recovery in the global auto industry remains slow and performance volatile. This industry scenario coupled with significant depreciation in the Euro has impacted our Q1 FY2016 financial results. Our Hydraulic business segment performance was impacted by the subdued demand environment in the agriculture and infrastructure industry. Performance of our Aerospace segment remained stable and given a strong order book, we would see strong growth for the rest of year.”

As part of our ongoing deleveraging strategy, during the quarter, we swapped our total debt from high interest to into low interest bearing loans. This will result in significant finance cost saving in the coming period. In summary, we have strong balance sheet which coupled with our robust product portfolio and order book puts us in a very strong position for future growth.”



PERFORMANCE HIGHLIGHTS

Foreign Exchange Fluctuation

Exchange Rate	Q1 FY2016	Q1 FY2015	Impact	Impact %
EURO vs. INR	70.31	81.94	(11.63)	(14.2)%
GBP vs. INR	97.52	100.65	(3.13)	(3.1)%
USD vs. INR	63.50	59.77	3.74	6.3%

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

Particulars	Erla	DL UK	JFTL	Total Impact
<i>Currency</i>	<i>EURO</i>	<i>GBP</i>	<i>EURO</i>	
Revenue (₹mn)	(355.9)	(18.2)	(31.0)	(405.1)
EBITDA (₹mn)	(96.0)	(10.1)	(31.0)	(137.1)

- Q1 FY2016 Revenue of ₹3,728 million compared with ₹4,250 million representing a decline of ₹522 million. Of this total decline ₹405 million was due to unfavorable foreign exchange fluctuation, in particular EURO-INR
- Q1 FY2016 EBITDA of ₹245 million compared with ₹463 million representing a decline of ₹218 million. Of this total decline ₹137 million was due to unfavorable foreign exchange fluctuation, in particular EURO-INR



FINANCIAL PERFORMANCE SUMMARY

Consolidated Performance Highlights

Rs. million	Q1		y-o-y Growth (%)	Q4 FY15	q-o-q Growth (%)	Full Year		y-o-y Growth (%)
	FY16	FY15				FY15	FY14	
Revenue	3,728	4,250	(12.3)%	3,885	(4.0)%	16,288	15,875	2.6%
EBITDA	245	463	(47.1)%	331	(26.0)%	1,511	1,629	(7.3)%
Margin (%)	6.6%	10.9%		8.5%		9.3%	10.3%	
Profit After Tax (PAT)	(97)	(110)	nm	50	nm	286	138	108.1%
Margin (%)	(2.6)%	(2.6)%		1.3%		1.8%	0.9%	
Basic EPS (Rs.)	(15.31)	(19.64)	nm	7.95	nm	47.28	25.42	86.0%

Note: PAT includes an exceptional expense item of ₹226 million in Q1 FY2015

- Q1 FY2016 revenue growth was impacted to a certain extent by continued softness and slower than expected recovery in both the auto and hydraulics segments. Furthermore, unfavorable foreign currency fluctuation had a significant bearing on the overall performance. The Hydraulics segment declined by 21.2% y-o-y and the Automotive segment declined by 12.8%. Aerospace segment remained flat with 0.9% y-o-y growth 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 from Q2 FY2016 onwards, margins are expected to improve
- Decline in Interest expenses by 9.5% to ₹193 million compared with Q1 FY2015
- Net debt declined from ₹5,550 million in June 2014 to ₹5,071 million in June 2015

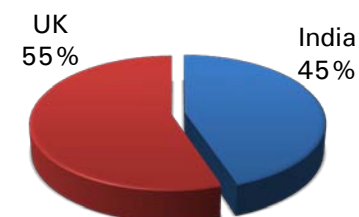


AEROSPACE AND DEFENCE SEGMENT

Financial Overview

Rs. million	Q1		y-o-y Growth (%)	Q4 FY15	q-o-q Growth (%)	Full Year		y-o-y Growth (%)
	FY16	FY15				FY15	FY14	
Revenue	598	593	0.9%	645	(7.3)%	2,617	2,233	17.2%
India	266	238	11.7%	300	(11.3)%	1,173	919	27.6%
UK	332	354	(6.4)%	345	(3.8)%	1,444	1,314	9.9%
EBITDA	138	137	0.5%	145	(4.9)%	639	672	(4.9)%
<i>Margin (%)</i>	<i>23.0%</i>	<i>23.1%</i>		<i>22.4%</i>		<i>24.4%</i>	<i>30.1%</i>	
India	94	97	(3.0)%	109	(14.1)%	445	437	1.7%
<i>Margin (%)</i>	<i>35.2%</i>	<i>40.5%</i>		<i>36.4%</i>		<i>37.9%</i>	<i>47.5%</i>	
UK	44	40	8.8%	36	23.5%	195	235	(17.2)%
<i>Margin (%)</i>	<i>13.2%</i>	<i>11.4%</i>		<i>10.3%</i>		<i>13.5%</i>	<i>17.9%</i>	

Q1 FY16 Revenue Breakup



Performance Overview

- Revenue growth remained flat and order ramp up expected in the coming quarters
- Decline in EBITDA was primarily due to lower capacity utilization levels; as ramp up happens in the near term with execution of the order book, EBITDA is expected to improve
- **Outlook:** Strong order book in excess of ₹60 billion. New orders and delivery of existing orders to drive growth
- **Strategy:** Establishing state-of-the-art Bangalore facility; developing capabilities in large aero-structural assemblies, composites, and high precision aero-structure design and engineering

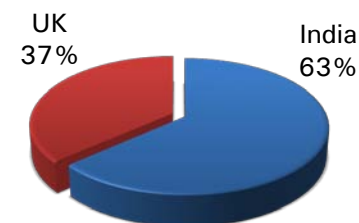


HYDRAULICS SEGMENT

Financial Overview

Rs. million	Q1		y-o-y Growth (%)	Q4 FY15	q-o-q Growth (%)	Full Year		y-o-y Growth (%)
	FY16	FY15				FY15	FY14	
Revenue	616	782	(21.2)%	663	(7.1)%	2,922	3,098	(5.7)%
India	391	457	(14.5)%	395	(1.0)%	1,785	1,684	6.0%
UK	225	325	(30.6)%	268	(16.0)%	1,137	1,414	(19.6)%
EBITDA	58	88	(34.6)%	90	(35.8)%	341	404	(15.6)%
<i>Margin (%)</i>	<i>9.4%</i>	<i>11.3%</i>		<i>13.6%</i>		<i>11.7%</i>	<i>13.0%</i>	
India	57	73	(22.3)%	69	(17.7)%	283	301	(6.3)%
<i>Margin (%)</i>	<i>14.6%</i>	<i>16.0%</i>		<i>17.5%</i>		<i>15.8%</i>	<i>17.9%</i>	
UK	1	15	(95.3)%	21	(96.6)%	58	103	(43.2)%
<i>Margin (%)</i>	<i>0.3%</i>	<i>4.6%</i>		<i>7.7%</i>		<i>5.1%</i>	<i>7.3%</i>	

Q1 FY16 Revenue Breakup



Performance Overview

- Slowdown in the Indian tractor industry continued to impact India revenue. However towards the end of the quarter, demand started to pick up. UK revenues declined due to muted demand in Europe for agricultural machinery and aftermarket
- Overall profitability impacted y-o-y due to volume decline
- **Outlook:** New orders expected in the UK. Demand expected from pick up in the domestic construction equipment and infrastructure industries
- **Strategy:** Focus on OEM market and exports. Growth through replacement market and lean manufacturing systems

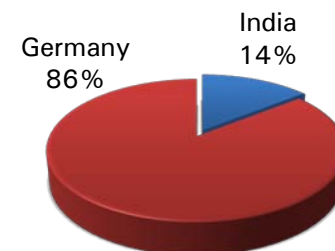


AUTOMOTIVE SEGMENT

Financial Overview

Rs. million	Q1		y-o-y Growth (%)	Q4 FY15	q-o-q Growth (%)	Full Year		y-o-y Growth (%)
	FY16	FY15				FY15	FY14	
Revenue	2,510	2,878	(12.8)%	2,578	(2.6)%	10,756	10,585	1.6%
India	359	433	(17.2)%	403	(10.9)%	1,587	1,762	(9.9)%
Germany	2,151	2,445	(12.0)%	2,175	(1.1)%	9,168	8,822	3.9%
EBITDA	72	218	(67.0)%	140	(48.4)%	531	474	11.9%
<i>Margin (%)</i>	<i>2.9%</i>	<i>7.6%</i>		<i>5.4%</i>		<i>4.9%</i>	<i>4.5%</i>	
India	(32)	1	<i>nm</i>	(17)	<i>nm</i>	(67)	(87)	<i>nm</i>
<i>Margin (%)</i>	<i>(9.0)%</i>	<i>0.2%</i>		<i>(4.1)%</i>		<i>(4.3)%</i>	<i>(4.9)%</i>	
Germany	104	217	(52.1)%	156	(33.2)%	598	561	6.6%
<i>Margin (%)</i>	<i>4.8%</i>	<i>8.9%</i>		<i>7.2%</i>		<i>6.5%</i>	<i>6.4%</i>	

Q1 FY16 Revenue Breakup



Performance Overview

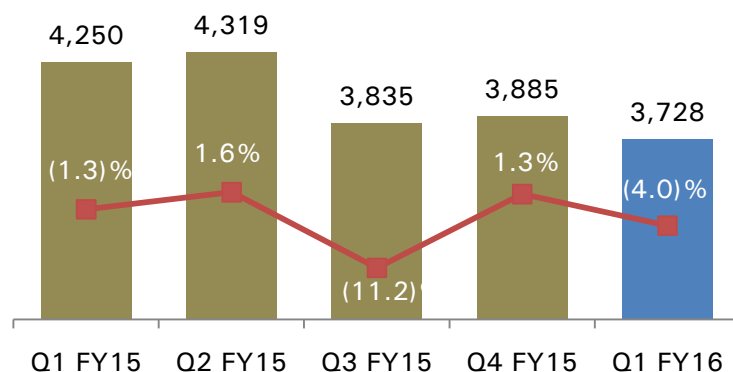
- Recovery in the Auto sector in India remains sluggish. Germany sales impacted due to muted demand and change in sales mix coupled with significant depreciation in the Euro
- Margins impacted primarily due to the significant depreciation in the Euro
- **Outlook:** Higher revenue and profitability expected driven by steel castings production by German foundry; recovery in the domestic auto industry also expected to improve demand
- **Strategy:** Focus on high margin product mix, exports, ramp-up of existing products, performance-critical components, customer diversification, steel castings and capacity utilization



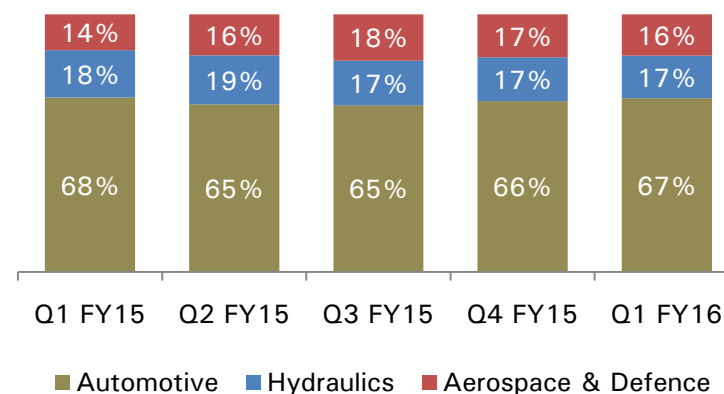
QUARTERLY FINANCIAL TRENDS

Financial Performance

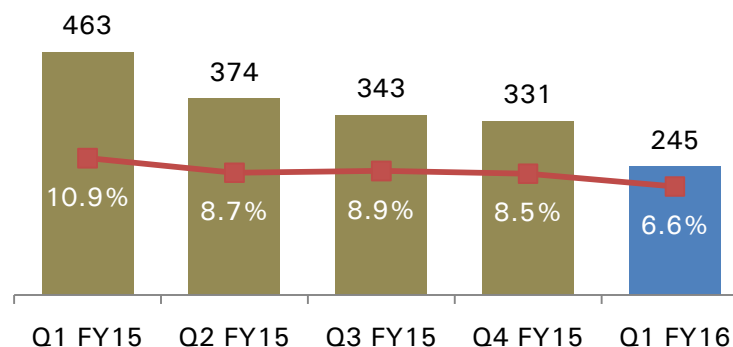
Revenue (₹ mn) and Growth (Q-o-Q)



Segment Wise Revenue Contribution



EBITDA (₹ mn) and Margin (%)





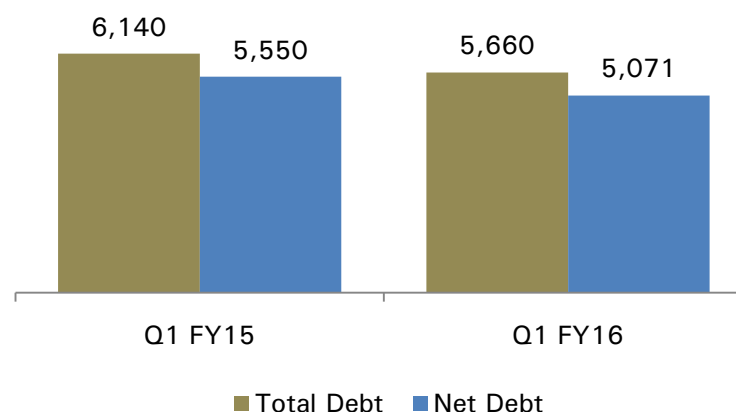
QUARTERLY FINANCIAL TRENDS

Focus on Deleveraging the Balance Sheet

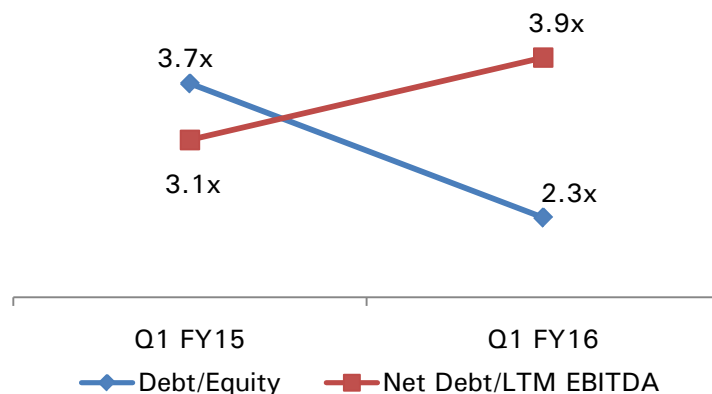
Capital Structure

(₹million)	Jun 30, 2016	Jun 30, 2015
Long Term Borrowings	4,440	4,645
Short Term Borrowings	1,220	1,495
Total Debt	5,660	6,140
Less: Cash & Cash Equivalents	589	591
Net Debt	5,071	5,550
Net Worth	2,456	1,677

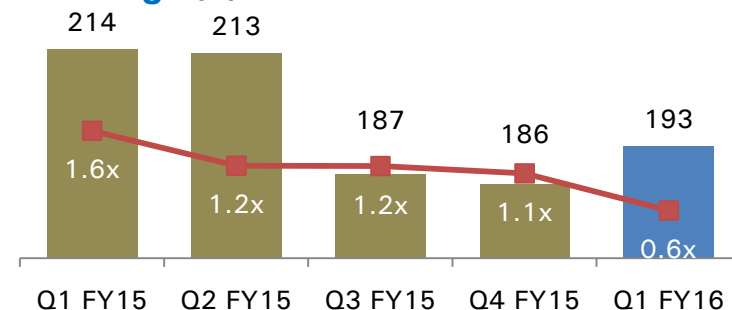
Debt and Net Debt (₹ mn)



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



Interest Expense (₹ mn) & Interest Coverage (x)



Note: Interest Coverage ratio = Operating Profit/Interest Expense



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

67% of Q1
FY16
Revenue

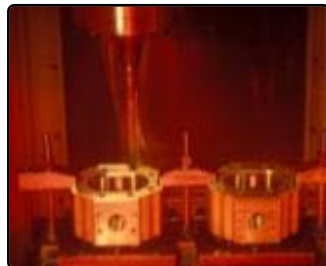


- Ferrous and non-ferrous automotive components including engine, transmission, turbocharger and chassis parts
- Metallurgical ferrous and aluminium castings

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

HYDRAULICS

17% of Q1
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

16% of Q1
FY16 Revenue



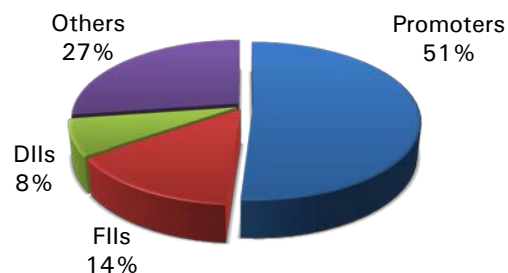
- Wings, rear fuselages, ailerons, wing flaps and major airframe structures
- Defence products and solutions

- Airbus
- Boeing
- Bell
- Sprint
- HAL



BLUE CHIP INVESTOR BASE

Shareholding Structure



Shareholding Pattern Trend

Shareholders	Dec-14	Mar-15	Jun-15
Promoters	51.1%	51.1%	51.1%
FIs	16.8%	15.2%	14.3%
DIIs	5.4%	6.8%	7.3%
Others	26.7%	26.9%	27.3%
Total	100.0%	100.0%	100.0%

Key Institutional Investors

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

Equity History

Year	Event	Equity Capital (₹ 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 (₹ million)	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	Q1 FY16
Revenues					
Net Sales / Income from Operations (Net of Excise Duty)	4,217	4,270	3,790	3,838	3,691
Other Operating Income	33	49	45	47	37
Total Revenues	4,250	4,319	3,835	3,885	3,728
Expenses					
Cost of Raw Materials Consumed	2,441	2,532	2,237	2,249	2,180
Changes in Inventories of Finished Goods, WIP and Stock in Trade	14	1	(71)	(68)	(29)
Employee Benefit Expenses	596	612	580	572	549
Other Expenditure	737	800	746	801	783
Total expenses	3,787	3,945	3,492	3,554	3,483
Operating Profit (EBITDA)	463	374	343	331	245
Depreciation and Amortisation Expenses	122	127	126	134	129
EBIT	341	247	217	197	116
Other Income	11	11	20	64	11
Finance Costs	214	213	187	186	193
PBT – Pre Exceptional	139	44	49	76	(66)
Exceptional (Gain)/ Losses	226	(416)	0	0	0
PBT	(87)	461	49	76	(66)
Tax Expenses	23	120	44	25	31
PAT	(110)	340	5.7	50.4	(97)
Basic EPS (Rs)	(19.64)	56.75	0.91	7.95	(15.31)
Margins (%)					
Gross Margins	42.2%	41.4%	43.5%	43.9%	42.3%
EBITDA margins	10.9%	8.7%	8.9%	8.5%	6.6%
PAT margins	(2.6)%	7.9%	0.1%	1.3%	(2.6)%
Y-o-Y Growth (%)					
Total Revenues	19.8%	7.3%	(4.1)%	(9.7)%	(12.3)%
EBITDA	56.0%	(21.0)%	(20.8)%	(22.3)%	(47.1)%
PAT	nm	384.0%	(85.4)%	(61.8)%	nm
Q-o-Q Growth (%)					
Total Revenues	(1.3)%	1.6%	(11.2)%	1.3%	(4.0)%
EBITDA	8.7%	(19.2)%	(8.4)%	(3.5)%	(26.0)%
PAT	nm	nm	(98.3)%	nm	nm
Effective Tax Rate	nm	26.1%	88.4%	33.6%	nm



DYNAMATIC TECHNOLOGIES LIMITED

FINANCIAL STATEMENTS

Income Statement (Annual Trend)

Profit & Loss Statement (₹ 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	9,458
Changes in Inventories of Finished Goods, WIP and Stock in Trade	(71)	(125)
Employee Benefit Expenses	2,216	2,360
Other Expenditure	3,119	3,084
Total expenses	14,246	14,778
Operating Profit (EBITDA)	1,629	1,511
Depreciation and Amortisation 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%	42.7%
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 (₹ million)	Sep-13	Mar-14	Sep-14	Mar-15
ASSETS				
Non-Current Assets				
Goodwill	679	679	679	879
Fixed Assets				
i) Tangible Fixed Assets	5,685	5,967	5,558	5,355
ii) Intangible Fixed Assets	272	224	193	202
iii) Capital work in progress	769	28	71	44
Non-Current Investment	0	0	0	0
Deferred tax asset (net)	0	0	5	0
Long Term Loans and Advances	242	250	273	242
Other Non Current Assets	89	110	79	161
Total Non-Current Assets	7,735	7,258	6,858	6,882
Current Assets				
Inventories	2,313	2,280	2,257	2,272
Trade Receivables / Sundry Debtors	1,069	1,016	1,020	1,131
Cash and Cash Equivalentents	545	441	557	761
Short-Term Loans and Advances	233	321	352	314
Other Current Assets	318	278	254	138
Total Current Assets	4,478	4,336	4,440	4,616
TOTAL ASSETS	12,213	11,594	11,298	11,498



DYNAMATIC TECHNOLOGIES LIMITED

FINANCIAL STATEMENTS

Balance Sheet – Liabilities

Balance Sheet (₹ million)	Sep-13	Mar-14	Sep-14	Mar-15
EQUITY and LIABILITIES				
Shareholders Fund				
Share capital	54	55	60	63
Reserves and surplus	859	1,376	2,134	2,453
Money Received against Share Warrants	125	100	0	0
Non-controlling interest (Preference capital)	330	26	26	4
Total Shareholders Fund	1,367	1,558	2,220	2,520
Non-Current Liabilities				
Long-Term Borrowings	3,645	3,619	3,005	2,658
Deferred Tax Liabilities (net)	315	341	278	276
Other Long Term Liabilities	201	139	33	30
Long Term Provisions	31	29	37	68
Total Non-Current Liabilities	4,192	4,127	3,352	3,032
Current Liabilities				
Short-Term Borrowings	1,412	1,008	1,265	1,397
Trade Payables	2,587	2,806	2,617	2,743
Other Current Liabilities	2,456	1,939	1,578	1,580
Short-Term Provisions	197	157	265	226
Total Current Liabilities	6,653	5,909	5,726	5,946
TOTAL EQUITY AND LIABILITIES	12,213	11,594	11,298	11,498



DYNAMATIC TECHNOLOGIES LIMITED

CONTACT DETAILS

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