

REF:NS:SEC:

9th February, 2018

National Stock Exchange of India Limited
"Exchange Plaza", 5th Floor,
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400051.

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001.

Bourse de Luxembourg
Societe de la Bourse de Luxembourg
Societe Anonyme/R.C.B. 6222,
B.P. 165, L-2011 Luxembourg.

London Stock Exchange Plc
10 Paternoster Square
London EC4M 7LS.

Sub: SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015
- Presentation made to the Analyst/Institutional Investor

This is further to our letter bearing REF:NS:SEC dated 5th February, 2018 wherein we had given you an advance intimation of the upcoming Analyst or Institutional Investor Interactions in terms of Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We wish to inform that the Company today conducted M&M Q3 FY2018 Earnings Con-Call with several funds/Investors/Analysts, at Mumbai and the Presentation which was sent to the Stock Exchanges vide letter bearing REF:NS:SEC dated 9th February, 2018 has been uploaded on the Company's website with the link <http://www.mahindra.com/resources/investor-reports/FY18/Earnings%20Update/Investor-Presentation-post-Q3FY18-results.pdf>

Further, an IR Flash being issued based on the discussions on the above Con-call is attached.

Kindly take the same on record and acknowledge receipt.

Yours faithfully,

For MAHINDRA & MAHINDRA LIMITED



NARAYAN SHANKAR
COMPANY SECRETARY

Encl.: a/a

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Mahindra & Mahindra Limited

IR Flash – Q3FY18 – Earnings Call

Date & Time	February 9, 2018; 6:00 pm IST
Event	Earnings Call – Q3FY18
Participants from M&M	<ul style="list-style-type: none"> ➤ Dr. Pawan Goenka - Managing Director; ➤ Mr. V.S. Parthasarathy - Group CFO, Group CIO ➤ Senior Management of the company including the IR team
Audio Recording	Available on: http://www.mahindra.com/investors/reports-and-presentations under M&M Reports/2017-2018/Earnings Update

Key Financial Highlights:

- Net Revenues of Rs.11,491 Crs, higher by 10.3% Vs Q3FY17 (Rs.10,420Crs);
- EBIDTA at Rs.1,693 Crs is 19.6% higher than Q3FY17 (Rs.1,415Crs)
- OPM margin at 14.7% expanded 115 bps over Q3FY17 (13.6%);
- PAT (before EI) at Rs.920 Crs is up by 19.2% against Q3FY17 (Rs.772 Crs)
- PAT (after EI) at Rs.1,306 Crs is up by 16.9% against Q3FY17 (Rs.1,117 Crs)
- The Effective Tax Rate for the year (YTD) is 31.6%; going forward this is likely to be higher to the extent of additional cess
- The company expects no headwinds in Q4FY18 and FY19 with recovery in rural environment, rural oriented budget and smooth transition to GST regime; however, the risks could arise from:
 - Less than 90% monsoon rainfall
 - Increase in interest rate beyond 50bps
 - Oil price going beyond \$70 per barrel
 - Commodity prices firming up further

FES Highlights:

- Segment Result at Rs.839 Crs is higher by 14.8% Vs Q3FY17 (Rs.730 Crs). ROS margin at 20.5% was higher than that of Q3FY17 by 1.1%.
- Export volumes at 4,361 in Q3FY18 were higher by 6% over previous year.
- Tractor Industry is expected to end the year with 15-18% growth for FY18. Given two years of good monsoon, FY19 can still grow at long-term CAGR of 8% provided monsoon remains above 90%.
- The company has been able to pass on all the cost increase due to increase in material costs (Point-to-point – 3.5% YTD December)
- The inventory is at the optimum level & as per our expectations.
- New Product Launch Plan
 - Swaraj: A new platform in Q4FY18;
 - Mahinda: Variants of existing products would continue to be launched in FY19

Auto Highlights:

- Auto Sector reported segment profit of Rs. 605Crs & ROS margin of 8.5%, which were higher than segment profit and ROS of Rs.452cr and 7.1% in Q3FY17.
- Exports were lower by 12%, mainly due to challenging economic environment in neighboring markets.
- The inventory levels at the end of the Q3FY18 was lower than normal level;

- Though the MHCV segment is growing significantly, the discounts in the industry still remain high. However, if the similar growth rate continues for the next 2-3 quarters, the company expects these discounts to come down.
- The company would be launching four products in FY19:
 - U321 (Mass segment)
 - S201 (Mass segment)
 - New Rexton (Niche segment)
 - One more product (Niche segment)

The company would develop a schedule to ensure that these launches are spaced out evenly. Apart from these passenger vehicles, the company would also be launching an ICV in FY19.
- The company is on course to meet the BSVI deadlines as set by the Government. The company would also use the opportunity, not only to upgrade the engines (e.g. new 2LT engine), but also to upgrade the entire product experience.

Electric Vehicles –

- E-Alfa has received good acceptance and is being introduced in more markets. Its proportion in 3W passenger sales is around 20%.
- EVs are likely to gain acceptance first in Commercial segment, both in load and passenger segments. Within commercial passenger segment, 3Wheelers and buses are likely to be the early adopters followed by 4-wheelers. Various initiatives of Central and State Governments are aiding in this adoption. Continuance of benefits under FAME are critical for continued adoption in these segments.
- The company plans to participate in phase 2 of EESL tender as well, as and when it is released.
- The company has envisaged an investment of Rs.700-800cr, for a manufacturing capacity of 5000 vehicles per month.

Financials at a glance (Figures in Rs Crs)			
(M&M + MVML)	Q3FY18	Q3FY17	Change
Net Income from Operations	11,491	10,420	10.3%
EBITDA	1,693	1,415	19.6%
OPM	14.73%	13.58%	1.15%
PAT before EI	920	772	19.2%
PAT (%)	8.0%	7.4%	0.6%

- Access our first Integrated report on our website:
<http://www.mahindra.com/annualreviewFY17/assets/Downloads/Mahindra/Riseforgood/mahindra-integrated-report-FY17.pdf>
- Mahindra Investor Relations App is available on Google Play Store and Apple Store. Kindly search for 'Mahindra Investor Relations'