

BHARAT FORGE



KALYANI

**INVESTOR PRESENTATION
AUGUST 2019**

Bharat Forge Overview



ROBUST FINANCIALS

Consolidated Revenue
US\$ 1.6 B



GLOBAL MANUFACTURING

10 locations across
5 countries -
US, Germany, Sweden,
France and India



VERTICALLY INTEGRATED

With end-to-end
capabilities



GLOBAL LEADERSHIP

In Powertrain
& chassis
components



MARQUEE CUSTOMERS

Leading Automotive
OEMs & Tier-1 Suppliers

Leading Industrial
Organizations

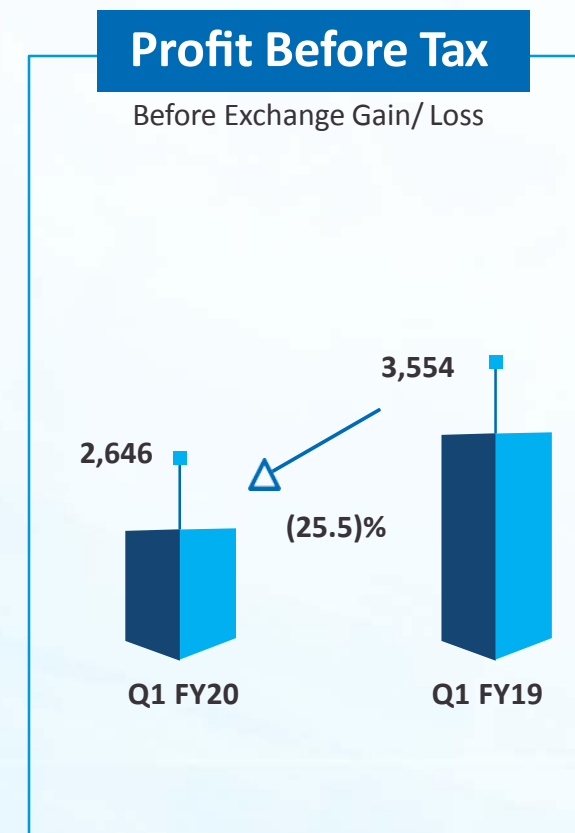
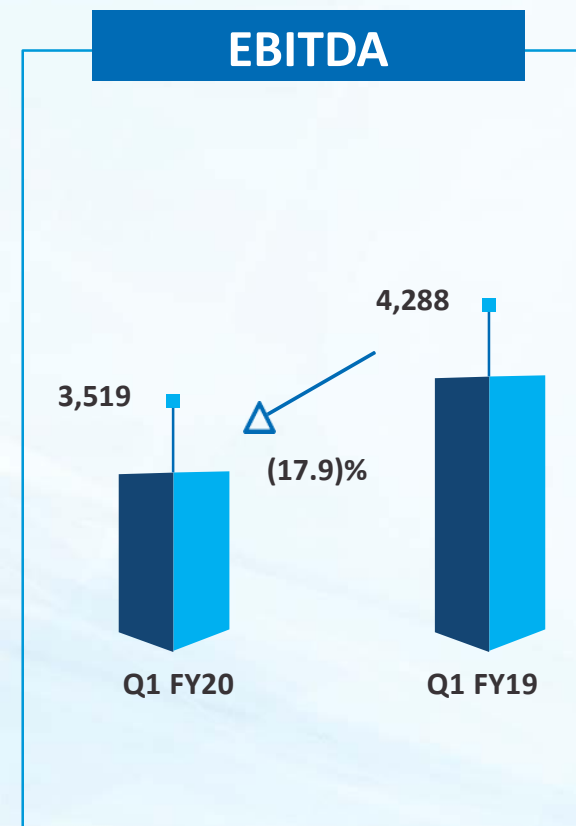
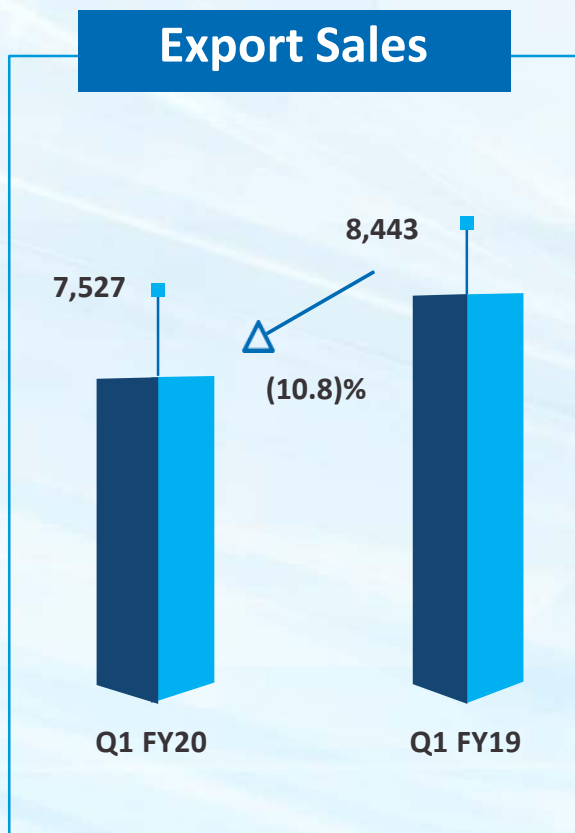
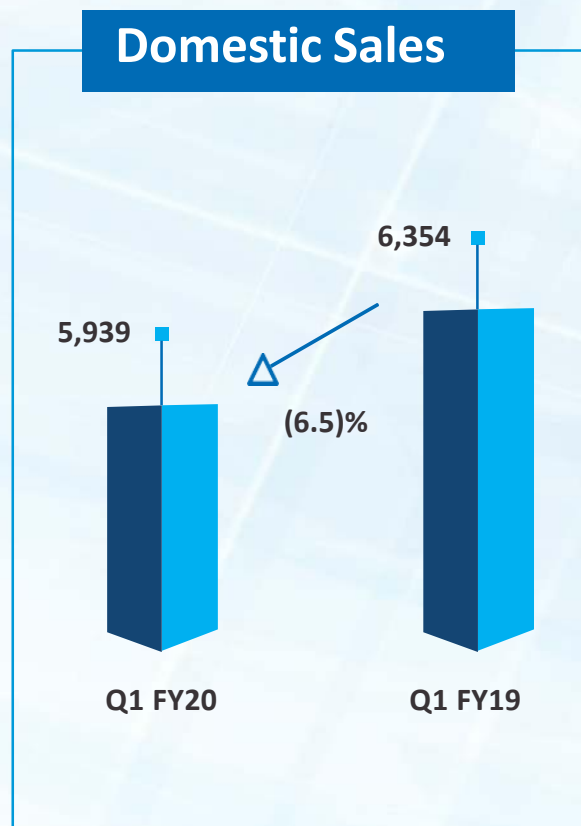


LARGEST

single location
forging capacity
in the world

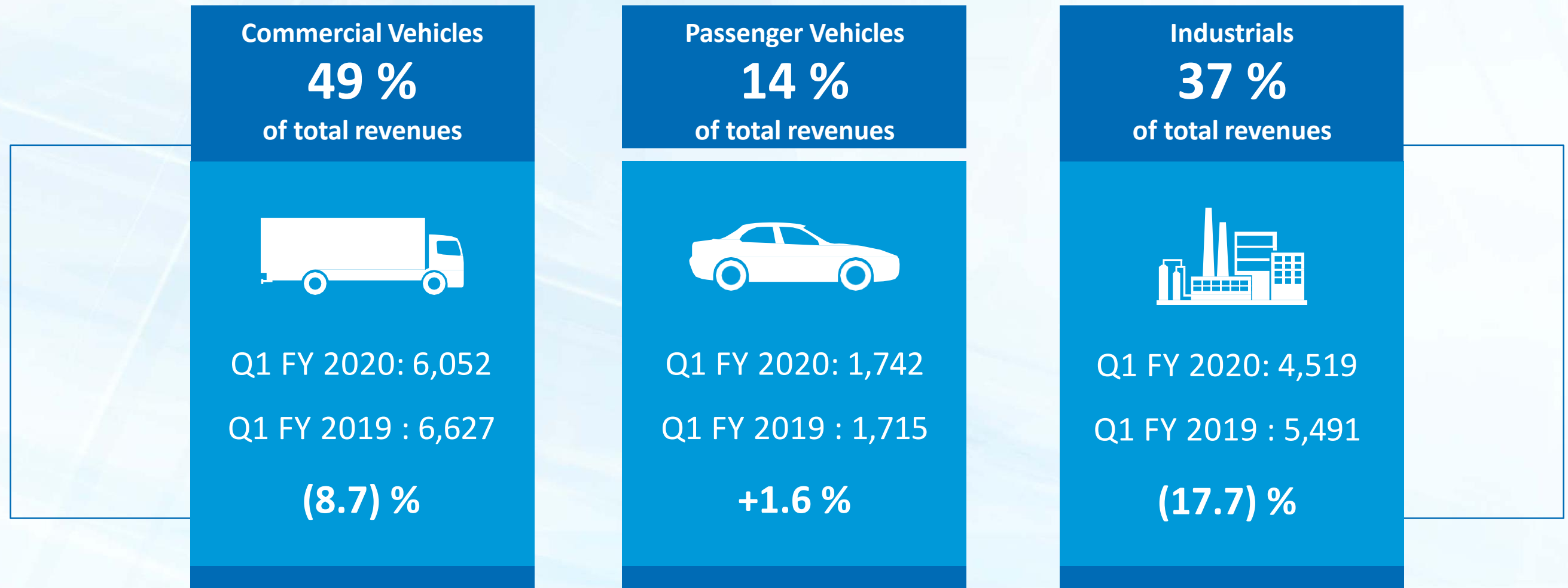
Standalone Numbers – Q1 FY 2020

(INR Million)



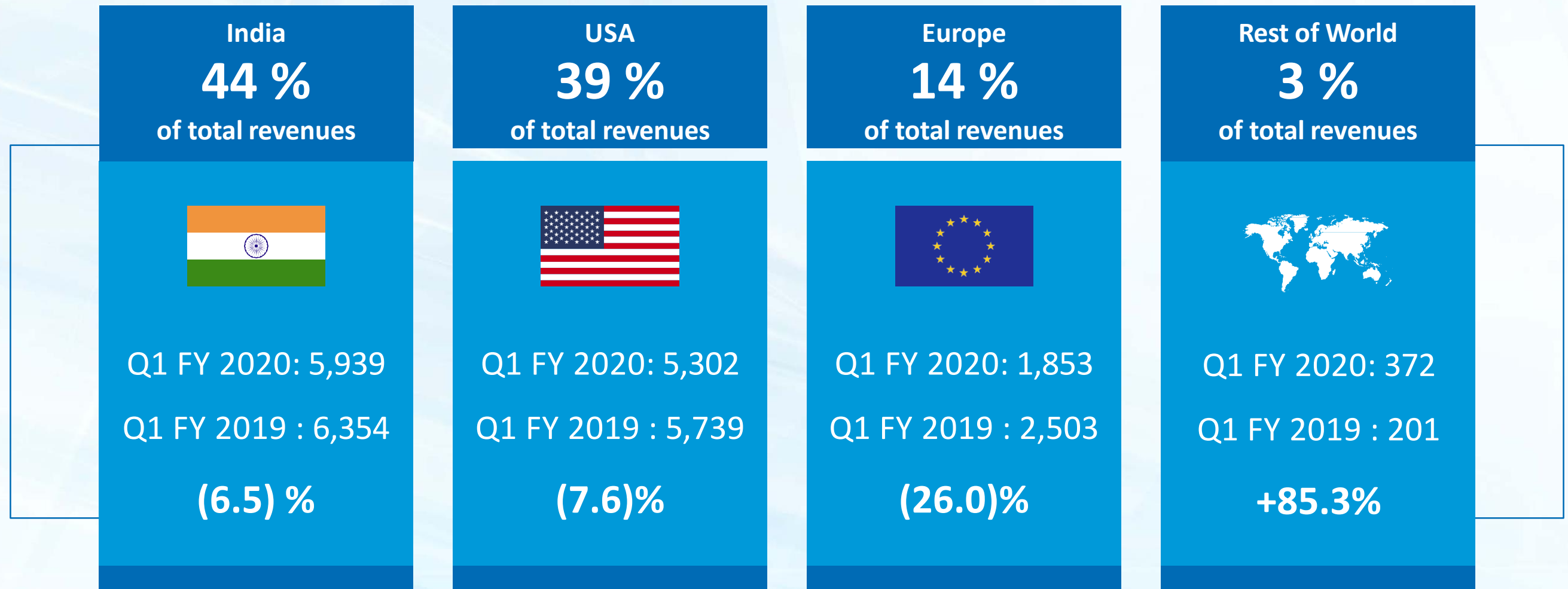
Segmental Breakup - Standalone

(INR Million)



Geographical Breakup - Standalone

(INR Million)



Strong Balance Sheet

(INR Million)

Particulars	June 30, 2019	March 31, 2019
Long Term Debt	15,796	15,722
WC & Bill Discounting	15,682	16,220
Equity	55,612	53,982
Cash	18,266	17,252
D/E	0.57	0.59
D/E (Net)	0.24	0.27
Long Term D/E (Net)	(0.05)	(0.03)
ROCE (Net of cash)	15.4%	24.7%
RONW	12.5%	19.8%

International Operations

(INR Million)

Particulars	Q1 FY20	Q4 FY19	Q1 FY19
Total Income	8,107	7,863	8,308
EBITDA	426	316	704
EBITDA %	5.3%	4.0%	8.5%
PBT before Exceptional Item	(80)	3	266

- Performance will track the underlying market going forward
- Continue to focus on margin improvement by improving product mix and increasing share of Aluminum forgings
- Working on new product development

Consolidated Numbers – Q1 FY20

(INR Million)

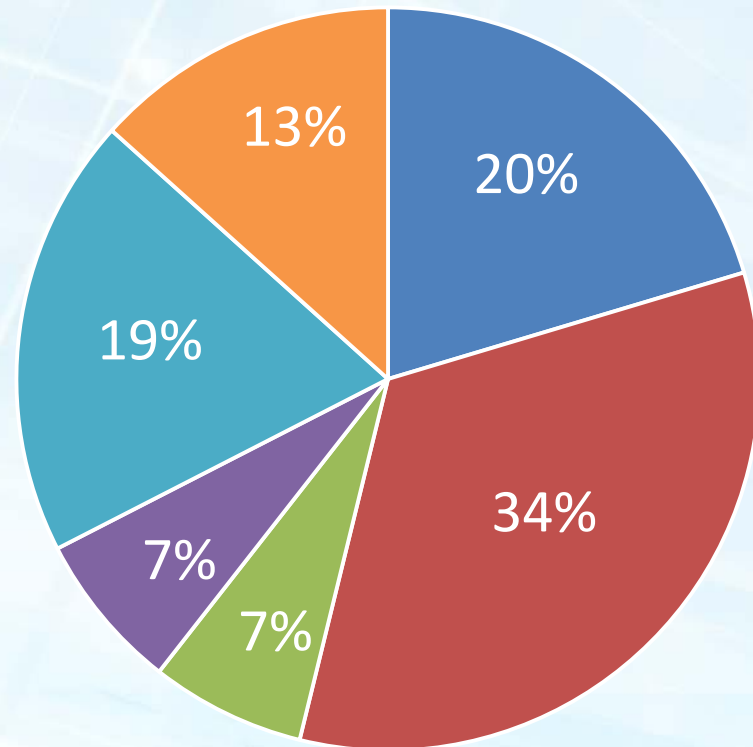
Particulars	Q1 FY20	Q4 FY19	Q1 FY19
Total Income	23,279	26,708	24,137
EBITDA	4,148	5,600	4,901
EBITDA %	17.8%	21.0%	20.3%
PBT before Exceptional Item	2,761	4,648	3,726
PAT after Associate/JV share & MI	1,732	3,205	2,396

Particulars	June 30, 2019	March 31, 2019
Long Term Debt	19,755	19,350
Equity	55,504	54,059
Cash	19,213	18,352
Long Term D/E	0.36	0.36
Long Term D/E (Net)	0.01	0.02

De-risking and Growing

- Reduced dependence on Auto sector
- Diversified Industrials business across geographies
- Strong growth in Export Industrials and Passenger Vehicles

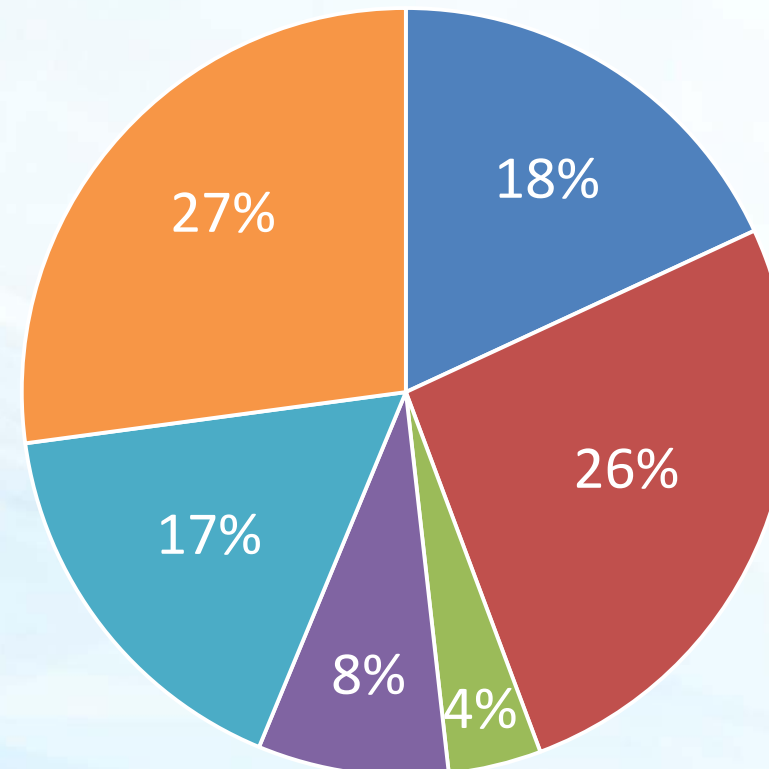
FY 2009



Revenues

FY 2009 : INR 20,586 million

FY 2019

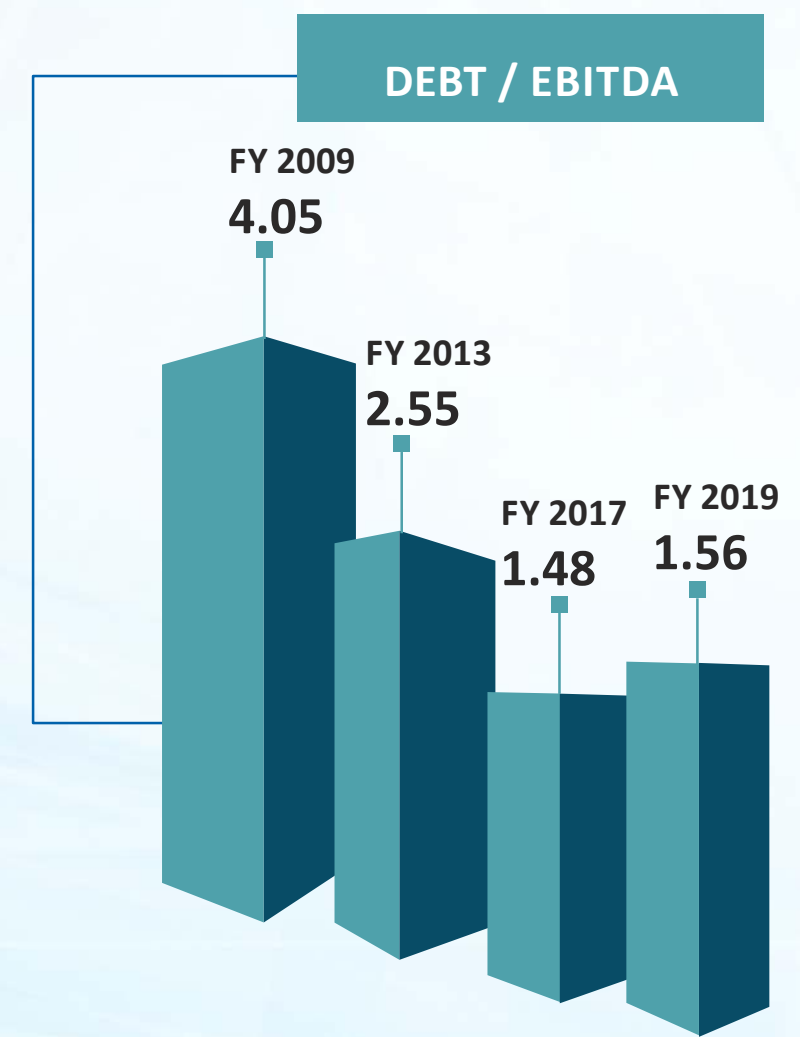
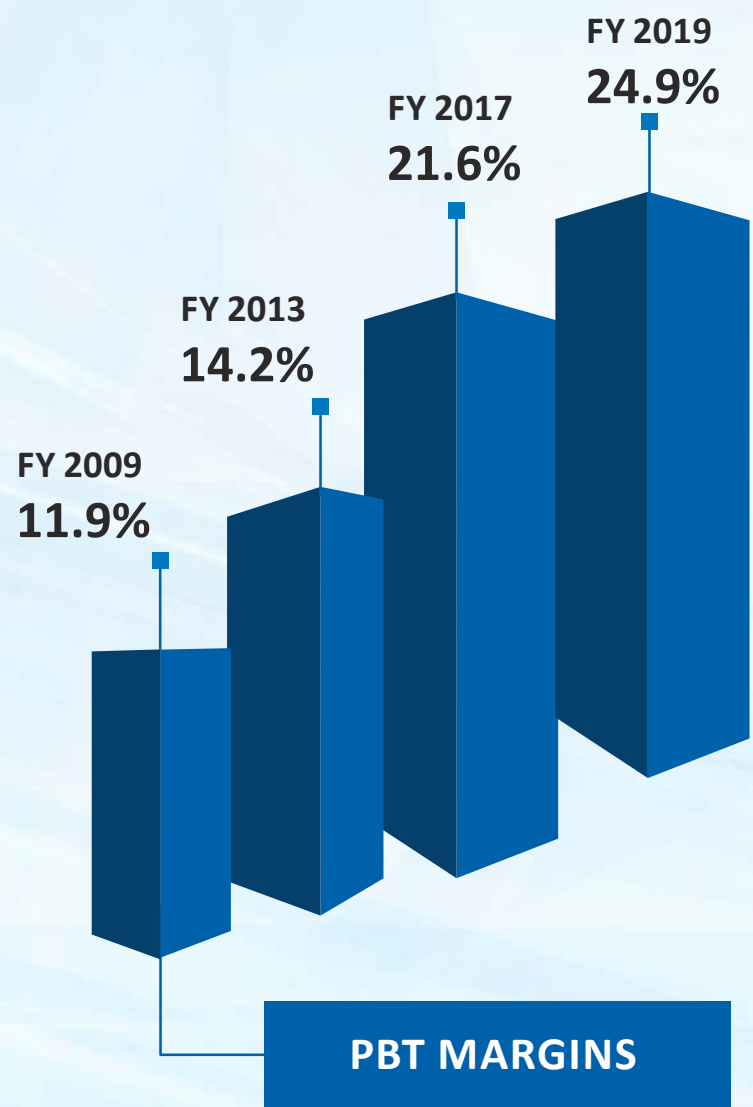
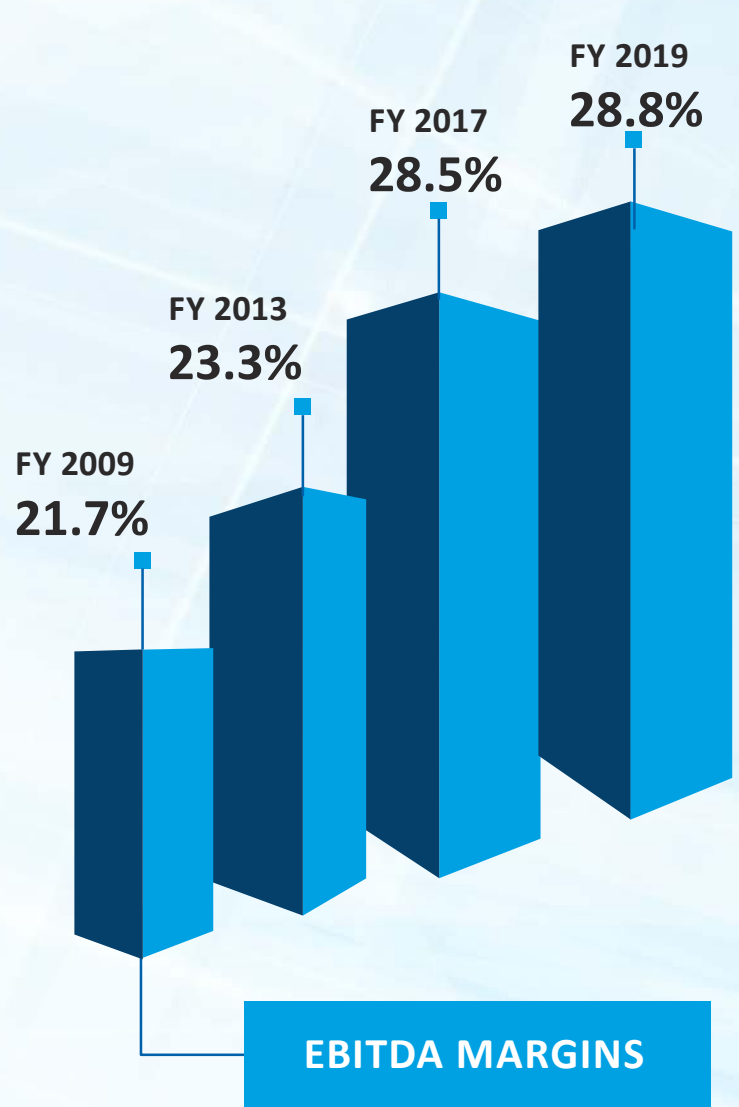


Revenues

FY 2019 : INR 65,200 million

- Domestic CV
- Export CV
- Domestic PV
- Export PV
- Domestic Industrials
- Export Industrials

Resilient Operating Model



...Driven by Segmental Diversification

SECTOR	YEAR 2001	YEAR 2004	YEAR 2012	YEAR 2015	YEAR 2017	FOCUS ON A DE- RISKED BUSINESS MODEL	
TRUCK	●	●	●	●	●	GEOGRAPHICAL DIVERSIFICATION	✓
PASSENGER CAR		●	●	●	●		
CONSTRUCTION & MINING			●	●	●	SECTOR DIVERSIFICATION	✓
AGRICULTURE			●	●	●		
OIL & GAS			●	●	●	PRODUCT EXPANSION	✓
AEROSPACE			●	●	●		

New Strategic Business

1

Light Weighting Center



2

E-Mobility



3

Transmissions



4

New Technologies



Addressing E-Mobility Opportunity

Develop solutions across the entire spectrum of EV's from low voltage powertrains in personal mobility to high voltage applications for commercial vehicles



- Strategic investment in EV start-up
- Gain technical expertise on EV powertrain development
- Access technologies in personal E-mobility space



- Strategic investment in EV company operating from UK
- Access to electric powertrain solutions for Commercial Vehicles & Buses in the 7.5 -14 T weight category
- License for commercialization of Tevva technology within India



- R&D facility in UK for powertrain solutions of Electric Vehicles
- Technical Training
- Complementing capabilities and knowledge of KCTI & KCM I
- Benchmarking activities

Leveraging our strengths



Capacity

State of the art advanced manufacturing facilities with fungible assets to address multiple industries.

People

A strong knowledge workforce

Customer Relationship

Adding new customers and increasing share with existing customers

Technology & Innovation

Steadfast focus on new product development and emerging technologies

Financials

Improved free cash flow and a strong balance sheet

Future Growth

We are leveraging all our strengths to drive our next leg of growth

Disclaimer

This presentation contains certain forward looking statements concerning Bharat Forge's future business prospects and business profitability, which are subject to a number of risks and uncertainties and the actual results could materially differ from those in such forward looking statements. The risks and uncertainties relating to these statements include, but not limited to, risks and uncertainties, regarding fluctuations in earnings, our ability to manage growth, competition (both domestic and international), economic growth in India and the target countries for exports, ability to attract and retain highly skilled professionals, time and cost over runs on contracts, our ability to manage our international operations, government policies and actions with respect to investments, fiscal deficits, regulations, interest rates and other fiscal costs generally prevailing in the economy. The company does not undertake to make any announcement in case any of these forward looking statements become materially incorrect in future or update any forward looking statements made from time to time by or on behalf of the company. No part of this presentation shall be reproduced, copied, forwarded to any third party either in print or in electronic form without prior express consent of the company.

BHARAT FORGE



KALYANI

Thank You