

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

BSE Limited
1st Floor, New Trading Ring
Rotunda Building
P.J. Towers, Dalal Street
Fort
MUMBAI – 400001, India

Scrip Code : MOTHERSUMI

Scrip Code : 517334

Ref.: Unaudited Financial Results for the quarter and half year ended September 30, 2020

Dear Sir(s) / Madam(s),

The Board of Directors of the Company in their meeting held on **Tuesday, November 10, 2020**, *inter-alia*, have discussed and approved unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2020.

Pursuant to Regulations 33, 52 and other Regulation of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the following:

1. Unaudited Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2020;
2. Limited Review Reports on the Standalone and Consolidated Financial Results for the quarter and half year ended September 30, 2020;
3. Presentation on the performance of the Company for the quarter and half year ended September 30, 2020; and
4. Press Release issued by the Company.

The Board Meeting of the Company commenced at 10:30 a.m. and concluded at 12:40 p.m.

The results will be uploaded on Company's website at www.motherson.com in compliance with Regulation 46(2)(1)(ii) and will be published in the newspapers in terms of Regulation 47(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The above is for your information and records.

Thanking you,

Yours truly,
For Motherson Sumi Systems Limited



Alok Goel
Company Secretary



Encl(s). : As above

Head Office:
Motherson Sumi Systems Limited
C-14 A & B, Sector 1, Noida – 201301
Distt. Gautam Budh Nagar, U.P. India
Tel: +91-120-6752100, 6752278
Fax: +91-120-2521866, 2521966
Website: www.motherson.com
Email: investorrelations@motherson.com

Regd Office:
Motherson Sumi Systems Limited Unit –
705, C Wing, ONE BKC, G Block Bandra
Kurla Complex, Bandra East
Mumbai – 400051, Maharashtra (India)
Tel: 022-61354800, Fax: 022-61354801
CIN No.: L34300MH1986PLC284510



**Proud to be
part of.**

Motherson Sumi Systems Ltd. (MSSL)
Financial Performance
Q2 FY 2020-21

- Key Highlights
- Order Book
- Results Q2 FY20 vs Q2 FY21
- Debt & Liquidity status
- Results H1 FY20 vs H1 FY21
- Status of reorganisation
- Appendix : Financial Highlights-
 - DWH
 - Subsidiaries / JVs of SAMIL

Highlights (1/2).

Strong industrial recovery and operational improvements globally helped us to post improved Q2 performance, says Motherson Sumi Systems Ltd

Operational Highlights

- Improvements in global operations in post COVID world.
- Approx. 80% of our facilities are running at over 75% capacity, indicating that things have come back to near normal
- Improved performance of Greenfield plants, marginal EBITDA positive for first time due to intensified operational improvement activities

Reorganisation Highlights

- All activities are as per original time plan
- Incorporated Motherson Sumi Wiring India Limited as a wholly owned subsidiary of the Company for Domestic Wiring Harness Division
- BSE and NSE has referred the Scheme to SEBI
- Next Steps: Scheme to be submitted to NCLT post approval from the Stock Exchanges
- Booked expenses related to reorganisation as exceptional expenses of Rs 19.85 crores in the quarter

Commenting on results, Mr. Vivek Chaand Sehgal, Chairman, Motherson Sumi Systems Ltd. said,

“Global automotive industry is on a path to recovery in post COVID world. We are seeing surge in demand across the globe. Our teams are geared up to fulfil the demands of our customers. We believe that in the upcoming quarters, strong traction will continue to be there. Operational improvements done by our teams across the globe have resulted in improved performance of our plants. Above all, the health of our employees remains our top priority.”

Highlights (2/2).

Strengthened balance sheet profile

Financing Highlights

Funds raised of over Rs. 3,000 crores at substantially lower cost versus the current borrowing costs

- 6.65% NCD issuance which was upsized from Rs 1,500 crores to Rs. 2,130 crores using green-shoe option due to overwhelming demand
- 5 years term loan of Rs 1,000 crores (drawn Rs 850 crores) at very competitive pricing for enhancing liquidity

Average Tenor of debt maturity extended; No near-term maturities (in next 2 years)

- Repayment of US \$ 375 million out of US \$ 400 millions, due in December 21 using the proceeds from NCDs and cash of SMRPBV (exceptional cost of Euro 5 million booked during the quarter)
- Post Q2, out of the remaining US\$25 Mn, US\$17.6 Mn purchased on November 02, 2020; to be held as treasury notes

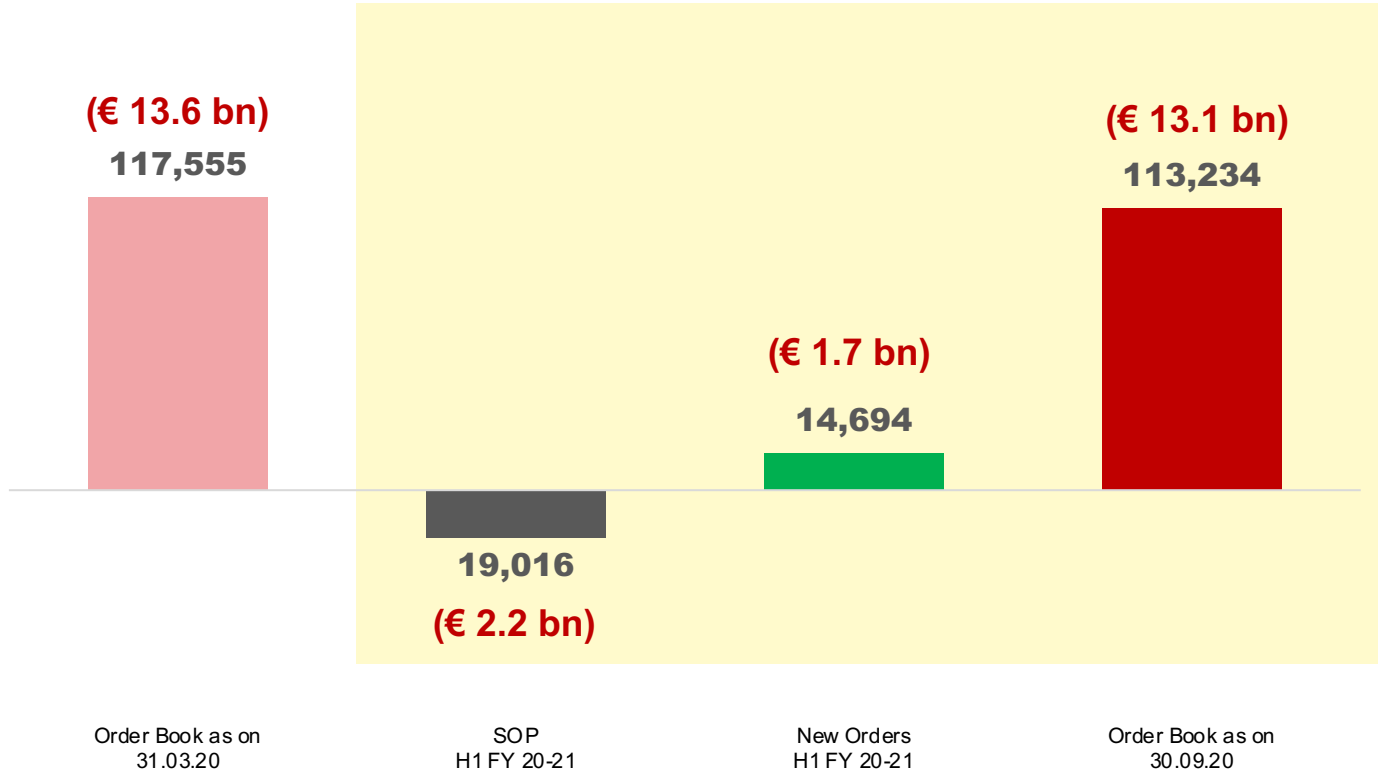
With improved operating performance and debt repayments, Net debt reduced from Rs. 9,083 crore to Rs 7,512 crore between June 30th, 2020 to September 30th, 2020

Further liquidity also enhanced from Rs 10,037 crore to Rs 11,629 crore between June 30th, 2020 to September 30th, 2020

With the above measures, MSSL has not only strengthened its balance sheet but also substantially reduced its financing cost - Well capitalized for any future uncertainties

- Key Highlights
- **Order Book**
- Results Q2 FY20 vs Q2 FY21
- Debt & Liquidity status
- Results H1 FY20 vs H1 FY21
- Status of reorganisation
- Appendix : Financial Highlights-
 - DWH
 - Subsidiaries / JVs of SAMIL

Order book status at SMRP BV level.



Total Order book of Rs. 113,234 crores (Euro 13.1 billion) at SMRP BV level for H1 FY20-21

New Orders worth Rs. 14,694 crores (Euro 1.7 billion) received H1 FY20-21

Orders worth Rs. 19,016 crores (Euro 2.2 billion) executed during H1 FY20-21

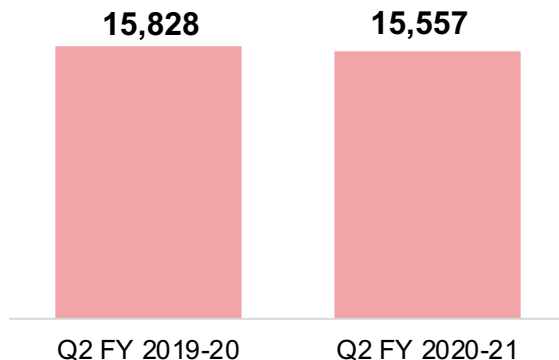
Total order book, new orders and SOP have been translated into INR using closing exchange rate as on 30.09.20 of 1 Euro = 86.44 INR



- Key Highlights
- Order Book
- Results Q2 FY20 vs Q2 FY21
- Debt & Liquidity status
- Results H1 FY20 vs H1 FY21
- Status of reorganisation
- Appendix : Financial Highlights-
 - DWH
 - Subsidiaries / JVs of SAMIL

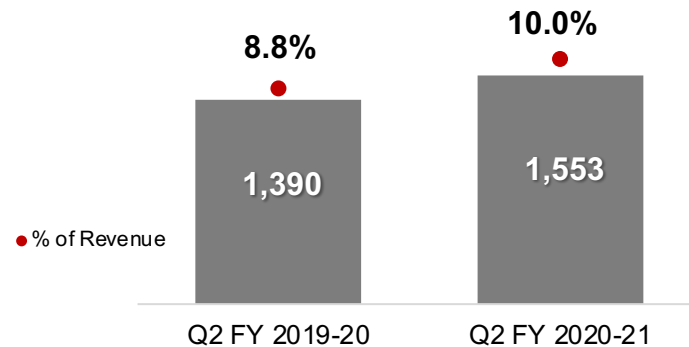
MSSL Consolidated : Q2FY20 vs Q2FY21.

Revenues.



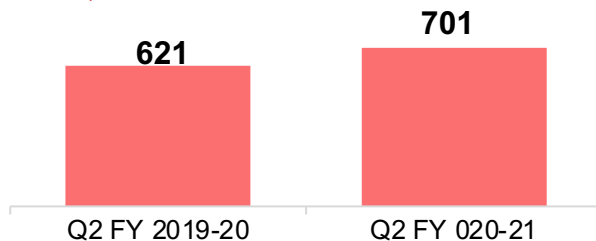
EBITDA.

(Rs in Crores)

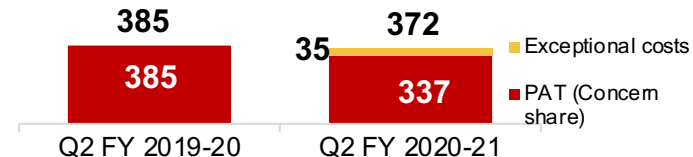


PBT.

(before exceptional items)



PAT (Concern Share).

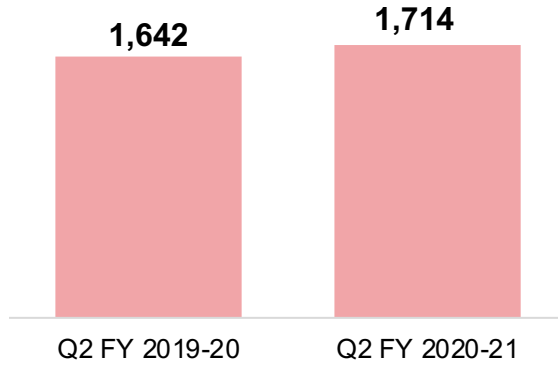


- With the improvement in Greenfield performance, the effective tax rate should normalise
- PAT adversely impacted by one-time costs of €5 Mn on redemption of US\$375 Mn notes

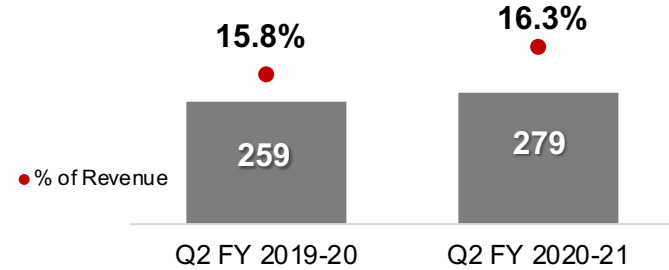
MSSL Standalone : Q2FY20 vs Q2FY21.

(Rs in Crores)

Revenues.

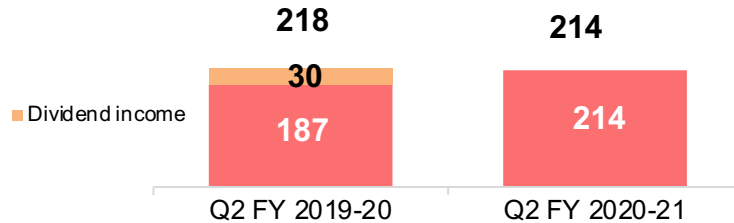


EBITDA.

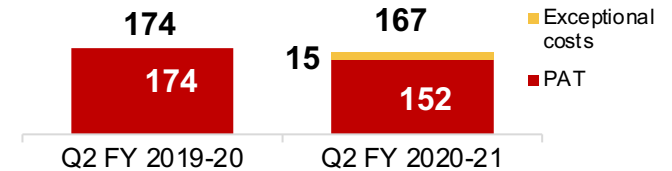


PBT.

(before exceptional items)

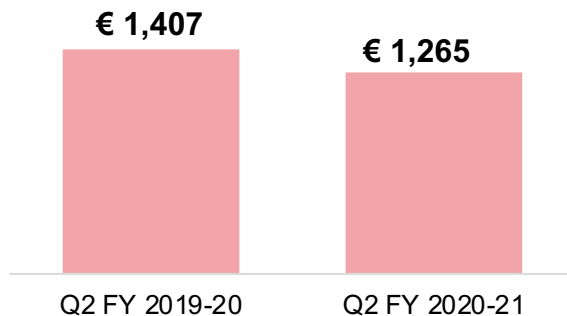


PAT.

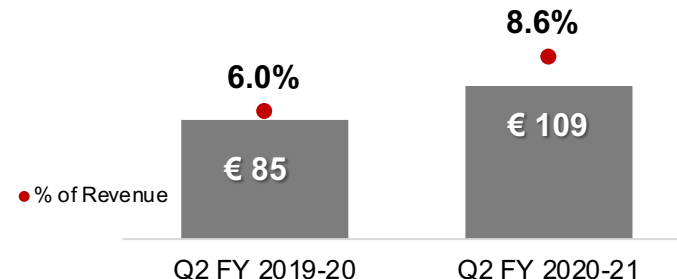


SMRPBV (In Euro Terms) : Q2FY20 vs Q2FY21.

Revenues.

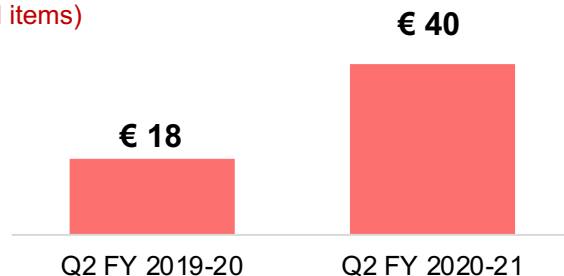


EBITDA.



PBT.

(before exceptional items)



PAT (Concern Share).

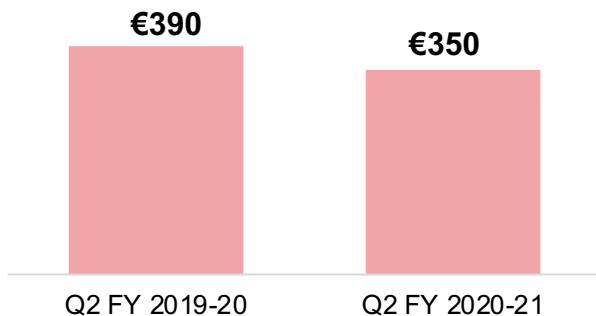


- With the improvement in Greenfield performance, the effective tax rate should normalise
- PAT adversely impacted by one-time costs of €5 Mn on redemption of US\$375 Mn notes

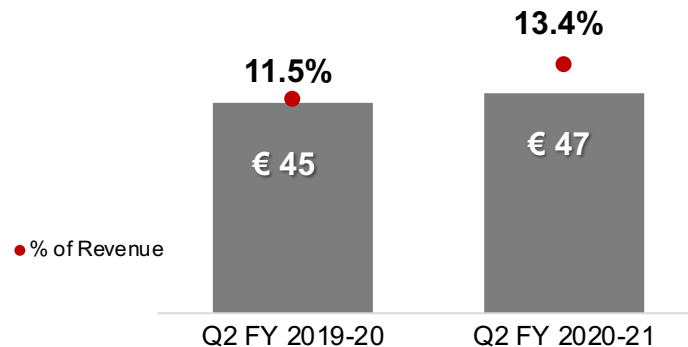
SMR & SMP (In Euro Terms) : Q2FY20 vs Q2FY21.

(In Million Euros)

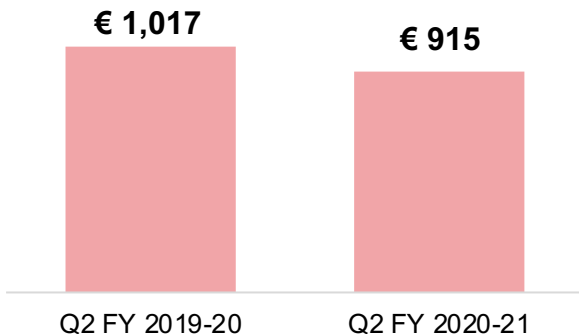
SMR Revenues.



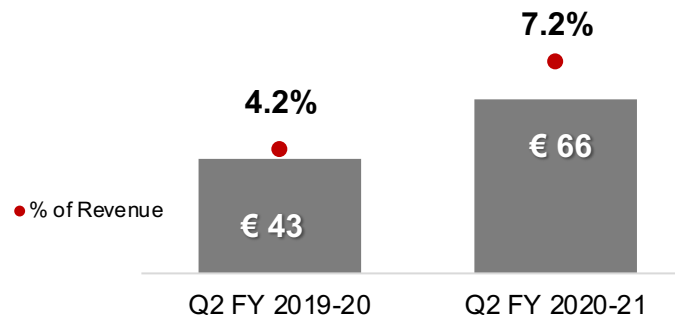
SMR EBITDA.



SMP Revenues.



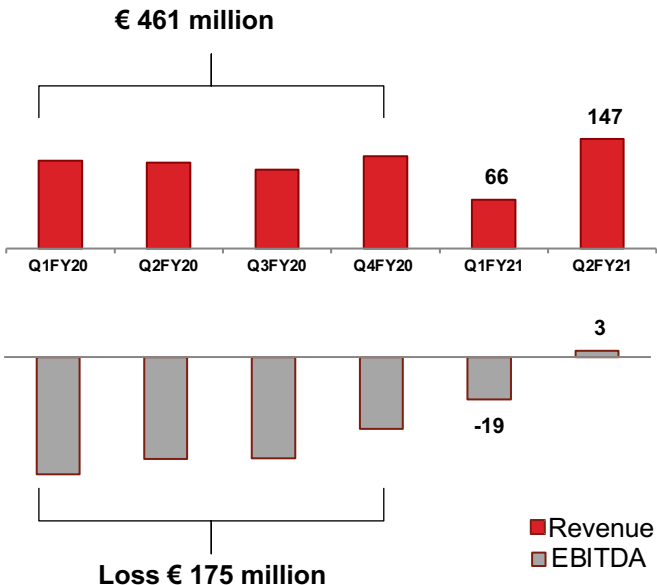
SMP EBITDA.



Focused Measures at Greenfield Plants taken to improve performance in FY21

Financial Performance of Greenfield Plants*

(€ Mn)



*Refers to SMP plants at Tuscaloosa and Kecskemet; data based on manufacturing sales

Key Improvements – Tuscaloosa (USA)

Operations

- Post stabilisation of plant, teams focussed on bringing in cost and price actualisation of all engineering changes done during development phase
- Continuous improvement in all cost areas with clear identified ownership
- Renegotiation of various contracts with service providers and material supplier to bring in cost improvement

Quality

- Significant improvement in plant efficiency/OEE and scrap reduction in all manufacturing area
- Eliminated line stoppages, delays in customer deliveries and rework cost due to missing parts

Manpower

- Stable local experienced leadership team with reduced dependence on expats and external consultants
- Shop floor optimization and rationalization of manpower from ~2,600 people to ~1,800 people in 2 shift working model
- Overcame issues of labor availability, continuity and experience through training and focused attendance & retention

Key Improvements – Kecskemét (Hungary)

Operations

- Improvement in plant level logistics; insourced critical logistic activities from external service provider thereby reducing cost
- Renegotiation of various contracts with service providers and material supplier to bring in cost improvement

Quality

- Significant improvement in Internal & Customer PPM and delivery performance
- Continued efforts on reduction in scrap, OEE improvement and plant efficiency in various production areas

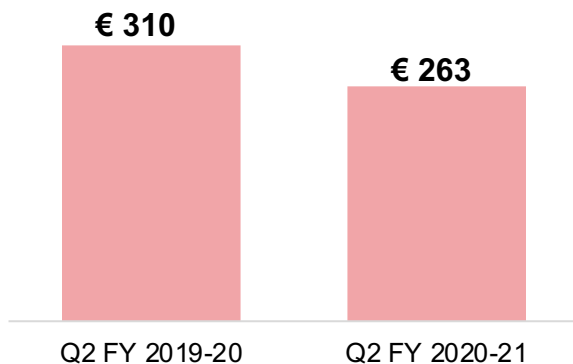
Manpower

- Reorganized local management structure with experienced local management team and leaner indirect organizational structure
- Cost optimization by insourcing of plant activities by shift from external service providers to internal employees
- Elimination of most of group/expat manpower support

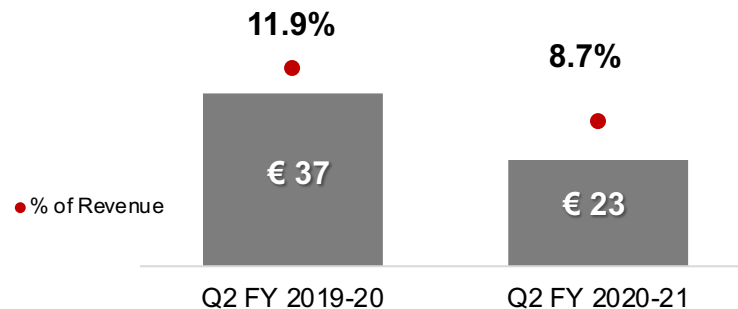
Achieved positive EBITDA for first time due to intensified operational improvement initiatives

PKC (In Euro Terms) : Q2FY20 vs Q2FY21.

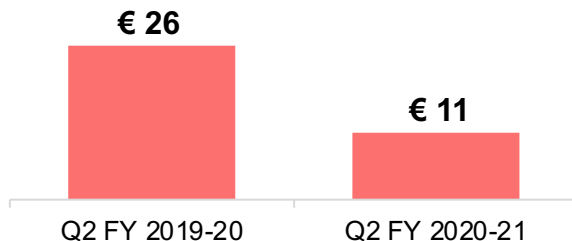
Revenues.



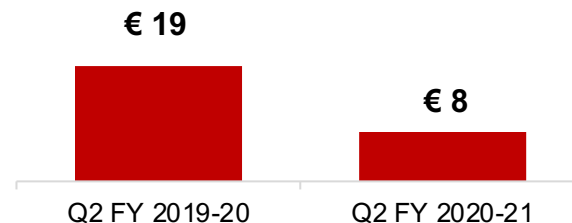
EBITDA.



PBT.



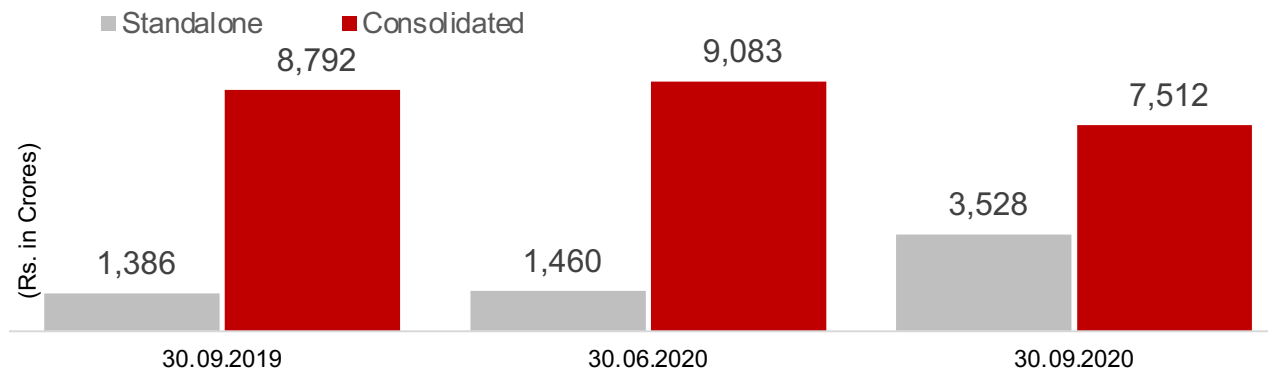
PAT (Concern Share).



- Key Highlights
- Order Book
- Results Q2 FY20 vs Q2 FY21
- **Debt & Liquidity status**
- Results H1 FY20 vs H1 FY21
- Status of reorganisation
- Appendix : Financial Highlights-
 - DWH
 - Subsidiaries / JVs of SAMIL

A. Net Debt.

Rs. In Crores	30.09.2019		30.06.2020		30.09.2020	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Gross Debt	1,529	11,784	1,692	13,218	4,763	13,118
Cash & Bank	143	2,992	232	4,135	1,235	5,607
Net Debt	1,386	8,792	1,460	9,083	3,528	7,512



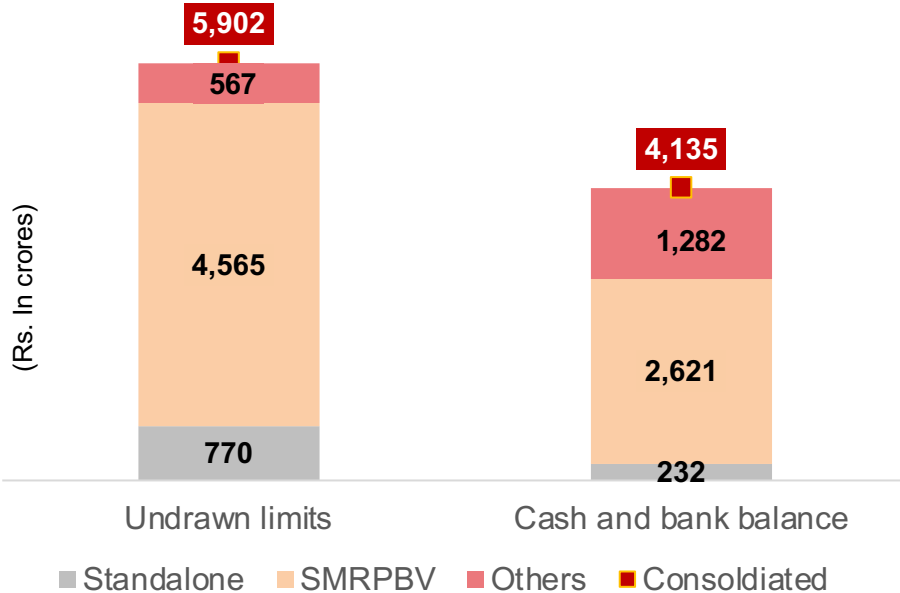
B. Impact of Ind AS 116. (not included in net debt table above)

Rs. In Crores	30.09.2019		30.06.2020		30.09.2020	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Lease liability	88	1,231	91	1,302	88	1,325

Liquidity : Strong Position.

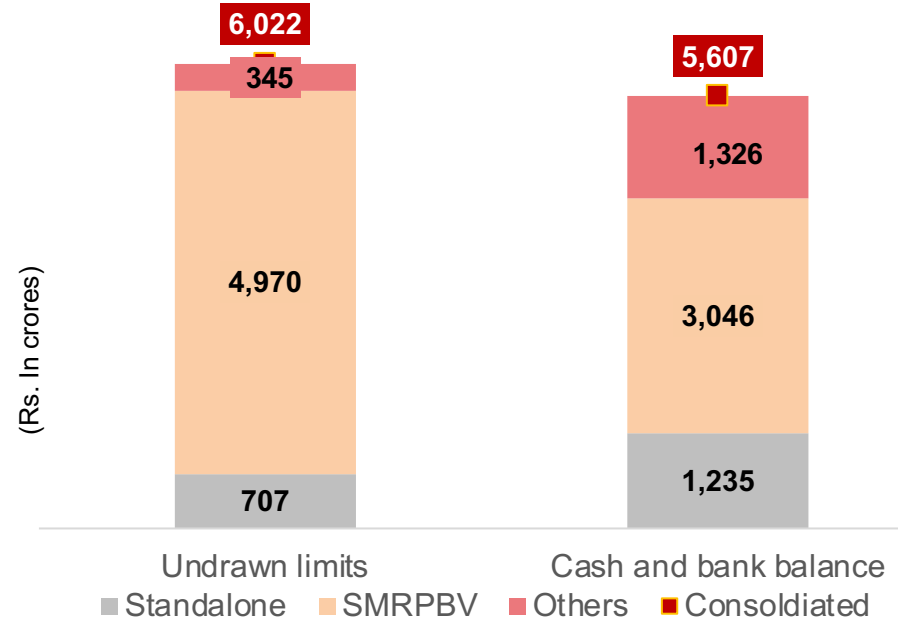
Total Liquidity : Rs. 10,037 crores

As on 30th June 2020



Total Liquidity : Rs. 11,629 crores

As on 30th Sep 2020

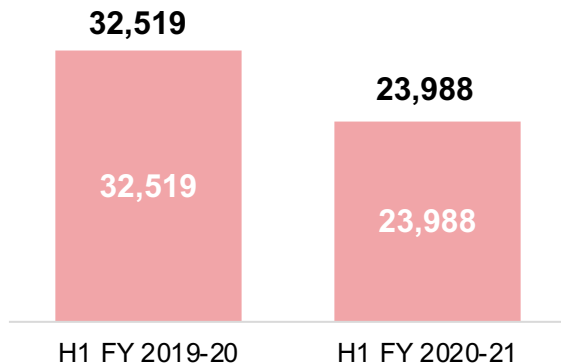


- Key Highlights
- Order Book
- Results Q2 FY20 vs Q2 FY21
- Debt & Liquidity status
- **Results H1 FY20 vs H1 FY21**
- Status of reorganisation
- Appendix : Financial Highlights-
Subsidiaries / JVs of SAMIL

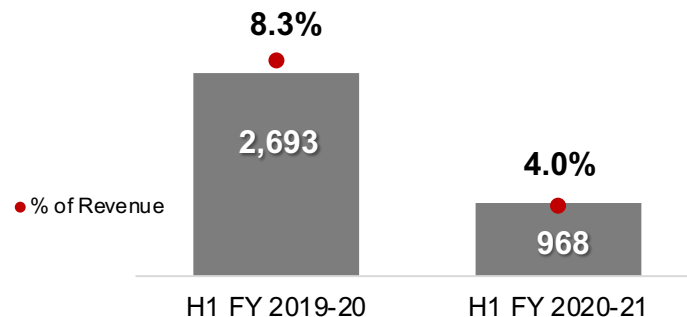
MSSL Consolidated : H1FY20 vs H1FY21.

(Rs in Crores)

Revenues.

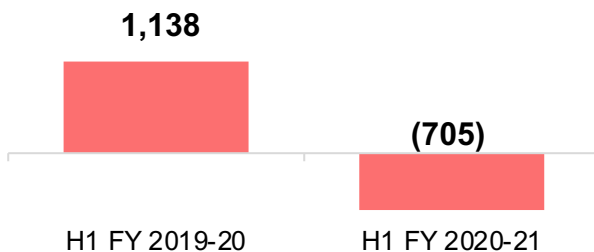


EBITDA.

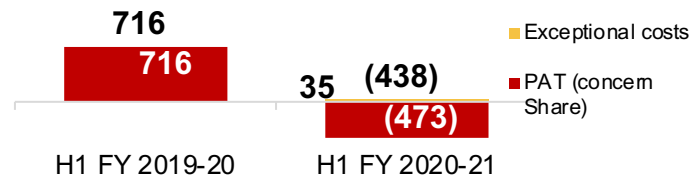


PBT.

(before exceptional items)



PAT (Concern Share).



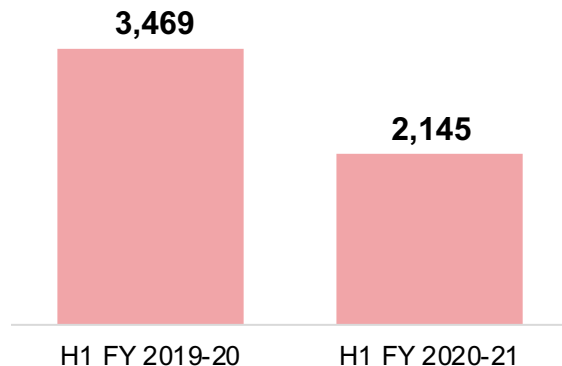
- With the improvement in Greenfield performance, the effective tax rate should normalise
- PAT adversely impacted by one-time costs of €5 Mn on redemption of US\$375 Mn notes



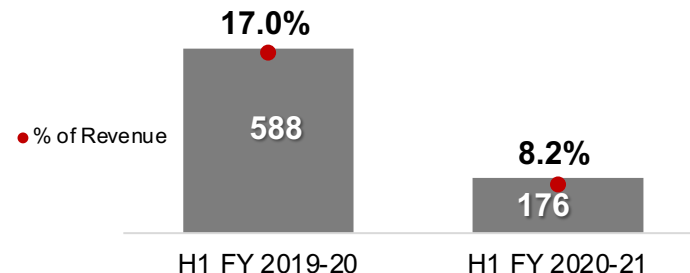
MSSL Standalone : H1FY20 vs H1FY21.

(Rs in Crores)

Revenues.

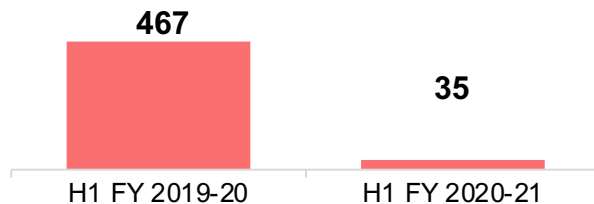


EBITDA.

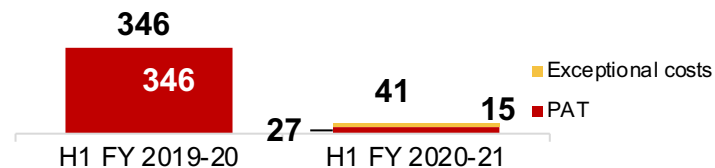


PBT.

(before exceptional items)



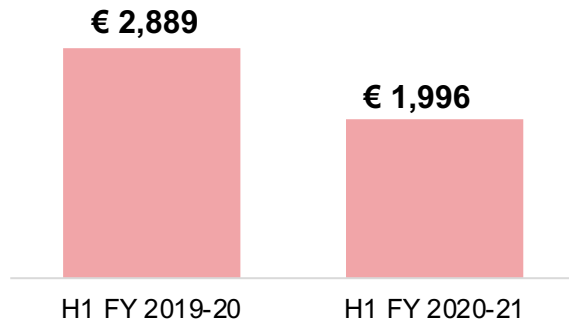
PAT



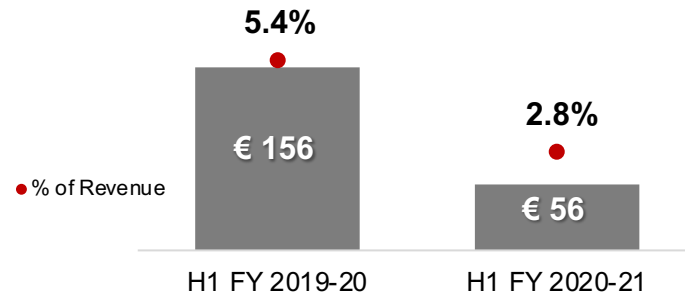
SMRPBV (In Euro Terms) : H1FY20 vs H1FY21.

(In Million Euros)

Revenues.

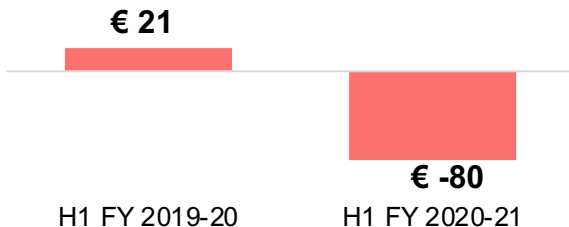


EBITDA.



PBT.

(before exceptional items)



PAT (Concern Share).

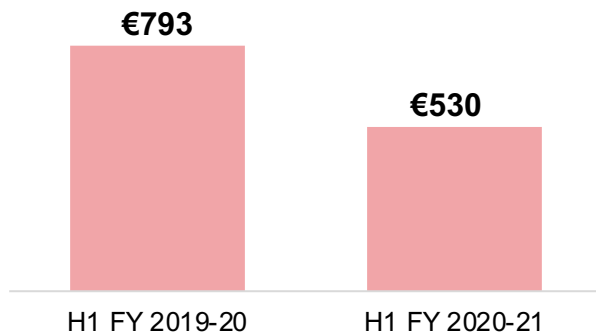


- With the improvement in Greenfield performance, the effective tax rate should normalise
- PAT adversely impacted by one-time costs of €5 Mn on redemption of US\$375 Mn notes

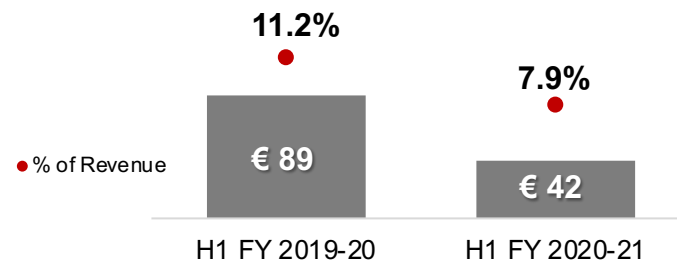
SMR & SMP (In Euro Terms) : H1FY20 vs H1FY21.

(In Million Euros)

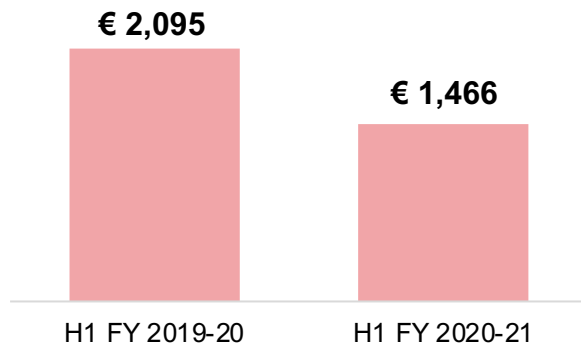
SMR Revenues.



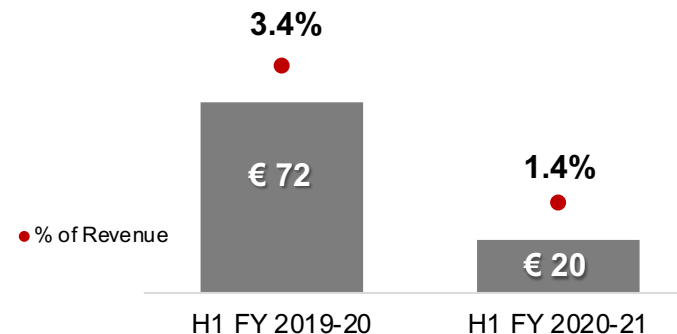
SMR EBITDA.



SMP Revenues.

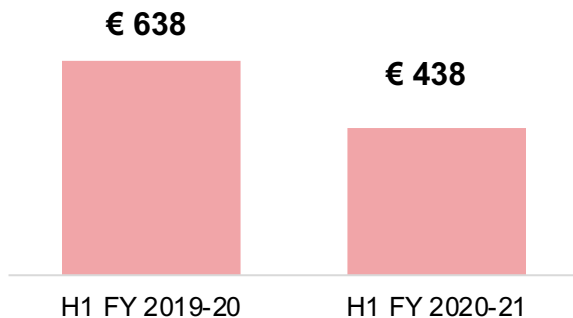


SMP EBITDA.

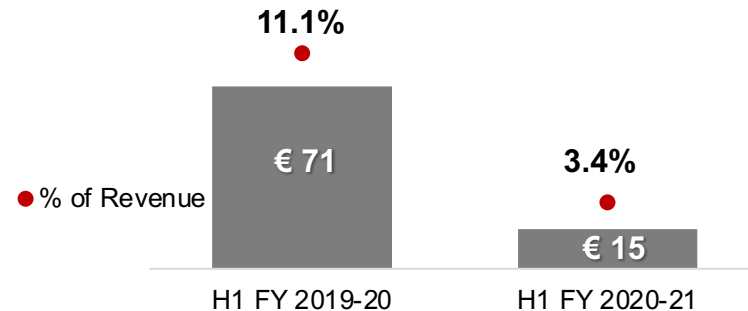


PKC (In Euro Terms) : H1FY20 vs H1FY21.

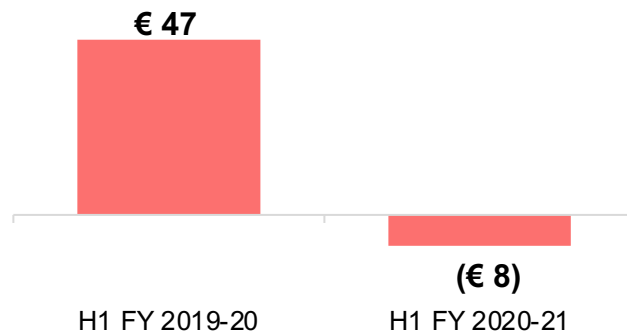
Revenues**.



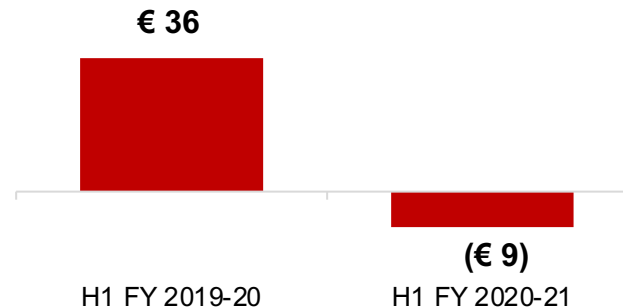
EBITDA.



PBT.



PAT (Concern Share).



Reference Rates, Notes & Safe Harbor.

Copper Rates.

Average	Q2 2019-20	Q2 2020-21	% Change
LME Copper (USD / MT)	5,998	6,521	17.0%
Copper (INR / KG)	447	523	12..5%

Exchange Rates (Average).

Currency (equal to Rs.)	Q2 2019-20	Q2 2020-21	% Change
INR to EUR	78.23	86.93	11.1%
INR to USD	70.38	74.37	5.7%
INR to YEN	0.656	0.701	6.9%

Exchange Rates (Closing).

Currency	30.09.2019	30.06.2020	30.09.2020
Rs./Euro	77.23	84.79	86.44
Rs./USD	70.87	75.50	73.77

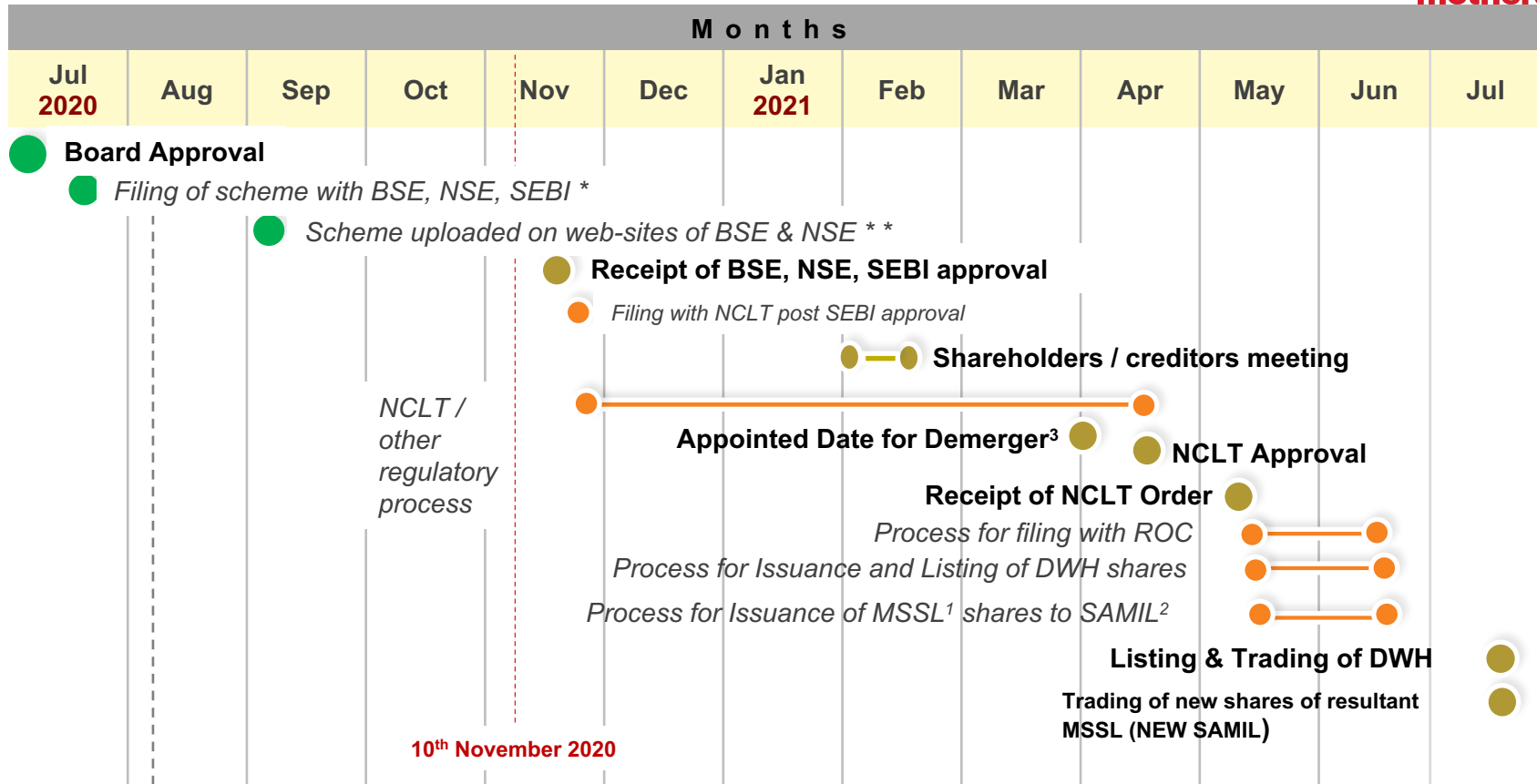
Notes.

1. This presentation has been prepared from the unaudited financial results for the quarter ended on 30th September 2020. Explanatory notes have been added with additional information
2. Revenue represents Sales of products and services to the customers.
3. EBITDA is Profit / (Loss)before exceptional items + Finance cost + amortization expenses & depreciation expenses-interest income – dividend income
4. SMRPBV (parent company for SMR & SMP) & PKC prepares financial statements in EUR currency, hence comparative data is given in EUR terms. These results are consolidated in MSSL by using average year to-date exchange rates.
5. The company has announced reorganisation on July 02, 2020 which , inter alia includes, demerger of domestic wiring harness (DWH) business to new company “Motherson Sumi Wiring India Limited“ (MSWIL) with mirror shareholding, w.e.f appointed date 1-4-2021. The DWH business has been classified as Discontinued Operations with corresponding period figures also shown respectively. The financial data on this presentation is including the financial results of DWH, as in the past, pending approval of the scheme and effective date being 1-4-2021.
6. Figures of previous year have been reclassified / regrouped , wherever necessary.
7. For details, please refer to the results published on the website

Safe harbor The contents of this presentation are for informational purposes only and for the reader's personal non-commercial use. The contents are intended, but not guaranteed, to be correct, complete, or absolutely accurate. This presentation also contains forward-looking statements based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in their opinion, are reasonable. Forward-looking statements involve known and unknown risks, contingencies, uncertainties, market conditions and other factors, which may cause the actual results, financial condition, performance, or achievements of the Company or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. The Company disclaims any obligation or liability to any person for any loss or damage caused by errors or omissions, whether arising from negligence, accident or any other cause. Recipients of this presentation are not to construe its contents, or any prior or subsequent communications from or with the Company or its representatives as investment, legal or tax advice. In addition, this presentation does not purport to be all-inclusive or to contain all of the information that may be required to make a full analysis of the Company, target entities or the proposed transaction. Recipients of this presentation should each make their own evaluation of the Company and of the relevance and adequacy of the information and should make such other investigations as they deem necessary

- Key Highlights
- Order Book
- Results Q2 FY20 vs Q2 FY21
- Debt & Liquidity status
- Results H1 FY20 vs H1 FY21
- **Status of reorganisation**
- Appendix : Financial Highlights-
 - DWH
 - Subsidiaries / JVs of SAMIL

Scheme Execution Progressing



1. Name of MSSL will be changed to SAMIL ; 2. Refers to current SAMIL ; 3. 1 April 2021. * Stock Exchange filing to get SEBI observations done on July 24, 2020. ** Expected to receive SEBI observations shortly. Post which the scheme will be filed with NCLT which will appoint dates for shareholder / creditor meetings. Post approval from shareholders and creditors, NCLT will hear the matter.





Thank you.



- Key Highlights
- Order Book
- Results Q2 FY20 vs Q2 FY21
- Debt & Liquidity status
- Results H1 FY20 vs H1 FY21
- Status of reorganisation
- Appendix : Financial Highlights-
 - DWH
 - Subsidiaries / JVs of SAMIL

DWH: Income statement

	Q2 FY 2020-21			Remark
	DWHU	Management adjustment	DWH adjusted	
Year	(a)	(b)	(c=a+b)	
	Reported	Management adjustment		
Revenue from contract with customers	1,075		1,075	
Other operating revenue	4		4	
Other income	4		4	
Total Income	1,083	-	1,083	
Total Expenses	954	8	962	Expense of DWHU includes raw material amounting INR 347 crores purchased from MSSL Standalone ex DWH. Management adjustment represents Management fees to MSSL
Profit / (loss) before interest, tax, depreciation & amortisation	130	(8)	121	
Depreciation & Amortisation Expenses	12	11	23	Depreciation portion under Ind AS 116 for leases of premises to be leased by MSSL on demerger
Finance Costs	2	7	9	Interest portion under Ind AS 116 for leases of premises to be leased by MSSL on demerger
Profit before tax (PBT)	115	(26)	90	
Tax expenses	29	(5)	24	
Profit after tax (PAT)	86	(20)	66	

* Management adjustments represents management fees and lease rentals for leasing of factory premises to be charged by MSSL to DWH , post implementation of demerger scheme

Ex - DWH: Income statement

(Rs in Crores)

	Q2 FY 2020-21			Remark
	MSSL SA Ex DWHU	Management adjustment	MSSL SA Ex DWH adjusted	
Year	(a)	(b)	(c=a-b)	
	Reported	Management adjustment		
Revenue from contract with customers	986		986	
Other operating revenue	10	8	18	Management fee INR 8 crore
Other income	30	13	44	Lease rent INR 13 crore
Total Income	1,026	21	1,047	
Total Expenses	856		856	
Profit / (loss) before interest, tax, depreciation & amortisation and exceptional items	170	21	191	
Depreciation & Amortisation Expenses	50		50	
Finance Costs	21		21	
Profit / (loss) before tax and exceptional items	98	21	120	
Exceptional income / (expenses) (net)	(20)		(20)	
Profit before tax (PBT)	79	21	100	
Tax expenses	13	5	18	
Profit after tax (PAT)	66	16	82	

* Management adjustments represents management fees and lease rentals for leasing of factory premises to be charged by MSSL to DWH , post implementation of demerger scheme

- Key Highlights
- Order Book
- Results Q2 FY20 vs Q2 FY21
- Debt & Liquidity status
- Results H1 FY20 vs H1 FY21
- Status of reorganisation
- Appendix : Financial Highlights-
 - DWH
 - Subsidiaries / JVs of SAMIL

SAMIL Key Highlights.

Operational Highlights

- Strong improvement in revenue and profitability as compared to Q1 on back of pickup in OEM production numbers
- Further improvements expected as CV and buses productions likely to pick up in H2
- Gross and Net Debt for the period ended 31st March 2020 and 30th September 2020 were as follows

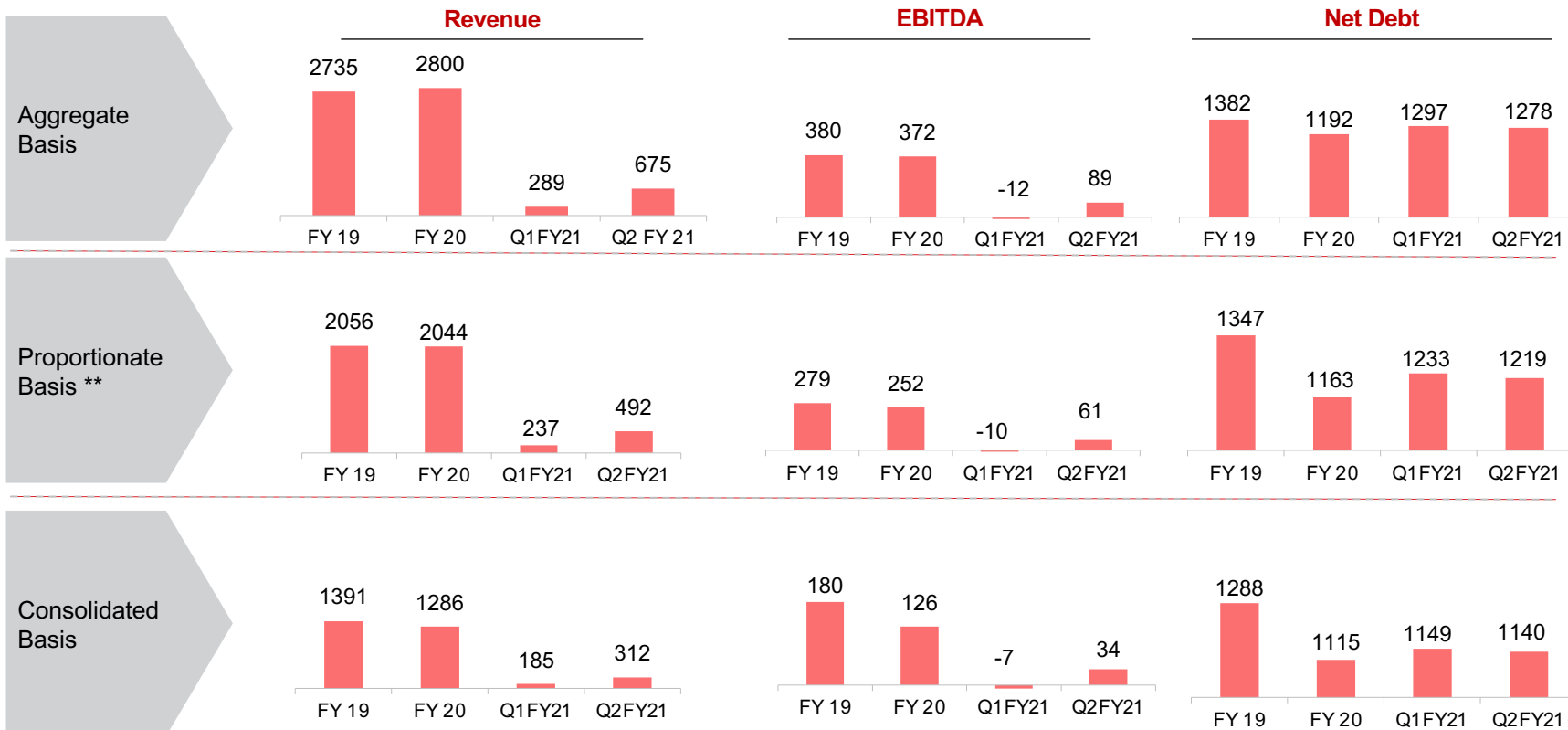
Rs. In Crores	SAMIL Consolidated	
	31.03.2020	30.09.2020
Gross Debt	2,238	2,183
Cash & Bank	1,123	1,043
Net Debt	1,115	1,140

- Post Q2, we repaid INR 305 crores of debt through internal accruals and cash*.

*Part of the repayment was done in Euros and the same has been converted to INR at the conversion rate of 86.10 (as of the repayment date i.e. 14-Oct-2020)

Proforma Financials *

SAMIL Business (ex MSSL ex.SMRP BV) (INR Crores)



* Pls refer to appendix 7, page no.58 of the investor presentation from 2nd July for detailed procedure followed to arrive at proforma financials.

** Only unconsolidated JVs have been proportionately considered.





Thank you.

Safe harbor The contents of this presentation are for informational purposes only and for the reader's personal non-commercial use. The contents are intended, but not guaranteed, to be correct, complete, or absolutely accurate. This presentation may contain forward-looking statements based on the currently held beliefs and assumptions of the management of the Company, which are expressed in good faith and, in their opinion, are reasonable. Forward-looking statements involve known and unknown risks, contingencies, uncertainties, market conditions and other factors, which may cause the actual results, financial condition, performance, or achievements of the Company or industry results, to differ materially from the results, financial condition, performance or achievements expressed or implied by such forward-looking statements. The Company disclaims any obligation or liability to any person for any loss or damage caused by errors or omissions, whether arising from negligence, accident or any other cause. Recipients of this presentation are not to construe its contents, or any prior or subsequent communications from or with the Company or its representatives as investment, legal or tax advice. In addition, this presentation does not purport to be all-inclusive or to contain all of the information that may be required to make a full analysis of the Company, target entities or the proposed transaction. Recipients of this presentation should each make their own evaluation of the Company and of the relevance and adequacy of the information and should make such other investigations as they deem necessary

