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INVESTOR PRESENTATION

MAY- 2015

go the distance

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KEY HIGHLIGHTS – FY 2015

- **Improvement in Profitability**
  - **14.1% to 15.2%** : Operating margin* improvement on YOY basis
- **Sixth consecutive year of value creation**, with ROCE of ~24%
- **Net Debt lowered** by 57% to Rs 4.1 Bn YOY
  - **0.5 to 0.2** : Net Debt - EBITDA* improvement on YOY basis
  - **0.2 to 0.1** : Net Debt - Equity improvement on YOY basis

Notes:
* EBITDA without other income and exceptional items

KEY OPERATING RESULTS

Improvement in profitability

	FY 2014	FY 2015	YOY Growth
Net Sales (Rs Bn)	133.1	127.3	-4.4%
EBITDA^	14.1%	15.2%	3.0%
EBIT^^	11.0%	12.1%	5.3%

- **Sales impacted** by Euro depreciation and sale of majority of SA operations in November 2013 & subsequent restructuring
- **Profitability has improved** because of softening raw material and improved internal efficiencies

Notes:
^ EBITDA without other income & exceptional items
^^ EBIT without other income & exceptional items

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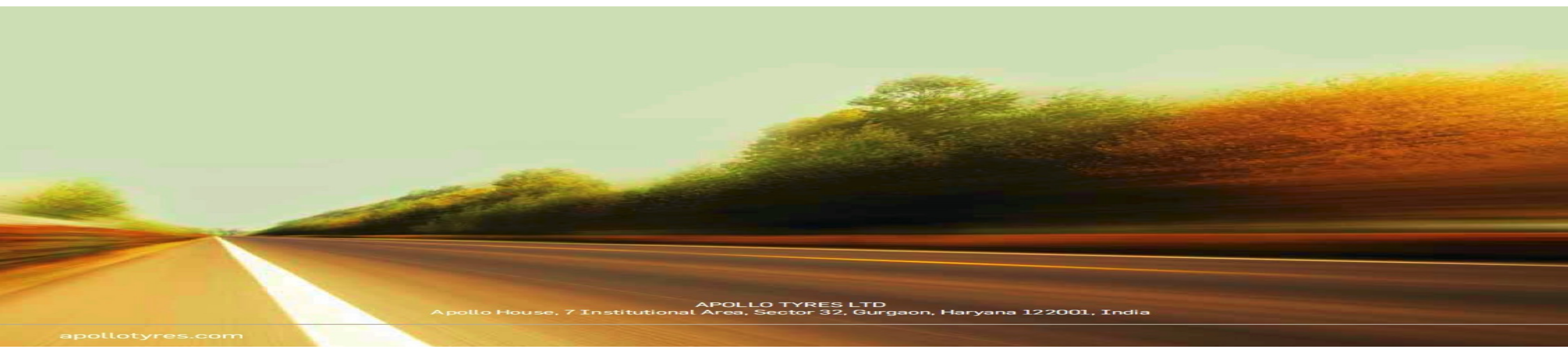

OVERVIEW

Fast Growing Tyre Company Globally

- US$2.1bn[1] net sales in FY15[2]
- 5 year CAGR for Net Sales is ~ 9%
- 5 year CAGR EBITDA[3] is ~ 19%

Leading Tyre Manufacturer in India, Balanced Product Portfolio

- One of the largest radial tyre capacity in India (FY 2015)
- UHP and Winter tyres capabilities
- Market leader in truck tyre segment (with market share of 26%[4]) which is 2/3rd of the Industry

Manufacturing Across 2 Continents

- Manufacturing presence in Asia & Europe
- Combined capacity of ~1,640 MT/Day[5]

Mix of Global and Regional Brands

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VREDESTEIN
REGAL TYRES
KAIZEN TYRES

Extensive Distribution Network

- ~4,900 retail dealers in India
- ~3,550 dealer outlets in Europe

Large Talent Pool

- ~15,000 employees[6,7] worldwide

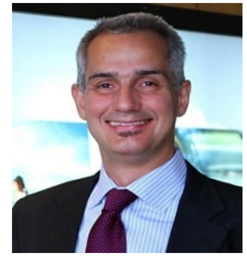
Notes:
(1) 1US$ = 61.05 INR, based on average exchange rate for FY15 as per www.oanda.com
(2) Consolidated financials; FY refers to financial year ended 31 March
(3) EBITDA without other income and exceptional items
(4) As per ATMA data for 9M FY 2015
(5) Average for FY 2015 for India and Europe plants
(6) As of 31st March 2015
(7) Including contractual workers

MANAGEMENT BOARD

Onkar S Kanwar
Chairman & Managing Director

Sunam Sarkar
President & Chief Business Officer

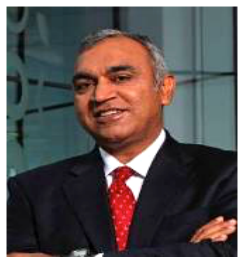
Robert Steinmetz
Non-Executive Director



Marco Paracciani
Chief Marketing Officer

Dr. Seshu Bhagavathula
Chief Technology Offier

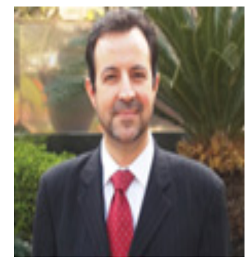
Peter Snel
Chief, R&D PV



Satish Sharma
President, APMEA

P K Mohamed
Chief Advisor, R&D

Markus Korsten
Chief Manufacturing Officer

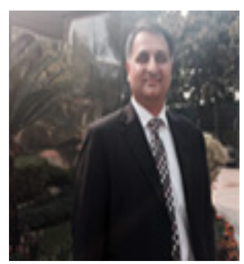


Pedro Matos
Chief Quality Officer

K Prabhakar
Chief Projects

Neeraj Kanwar
Vice Chairman & Managing Director

Mathias Heimann
President, EA

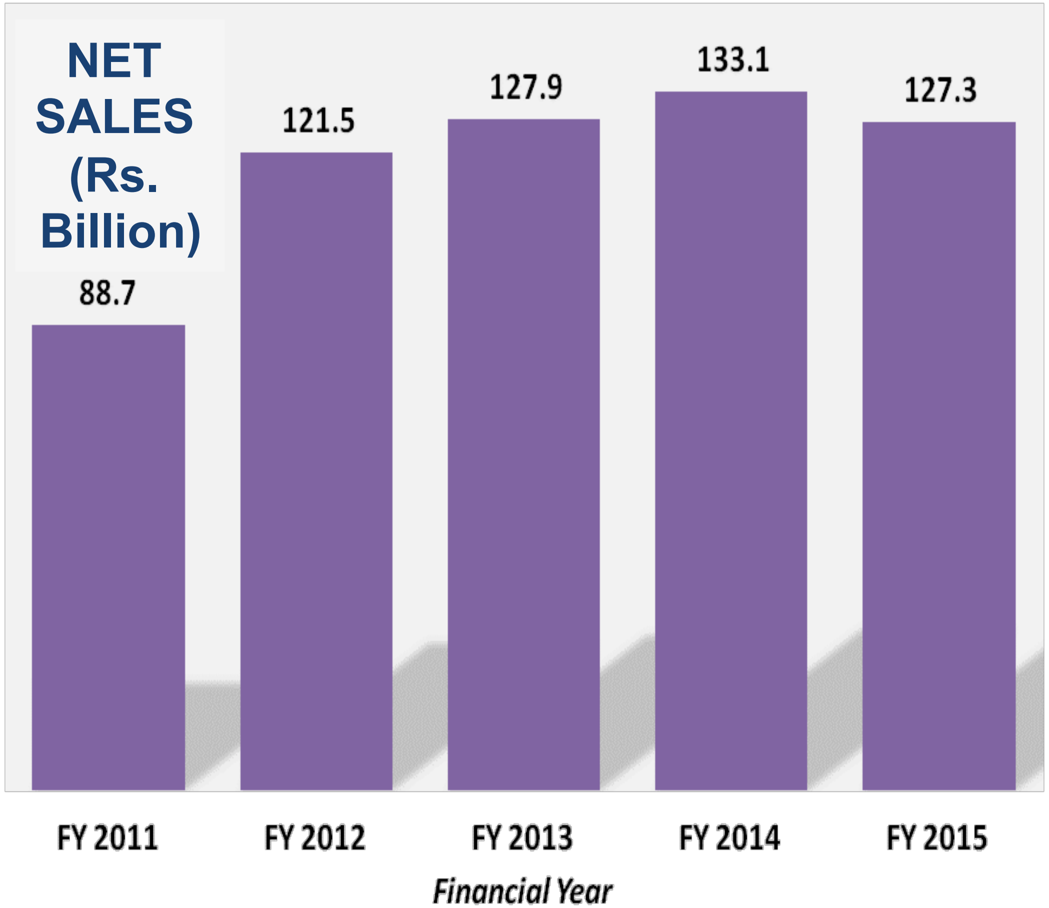


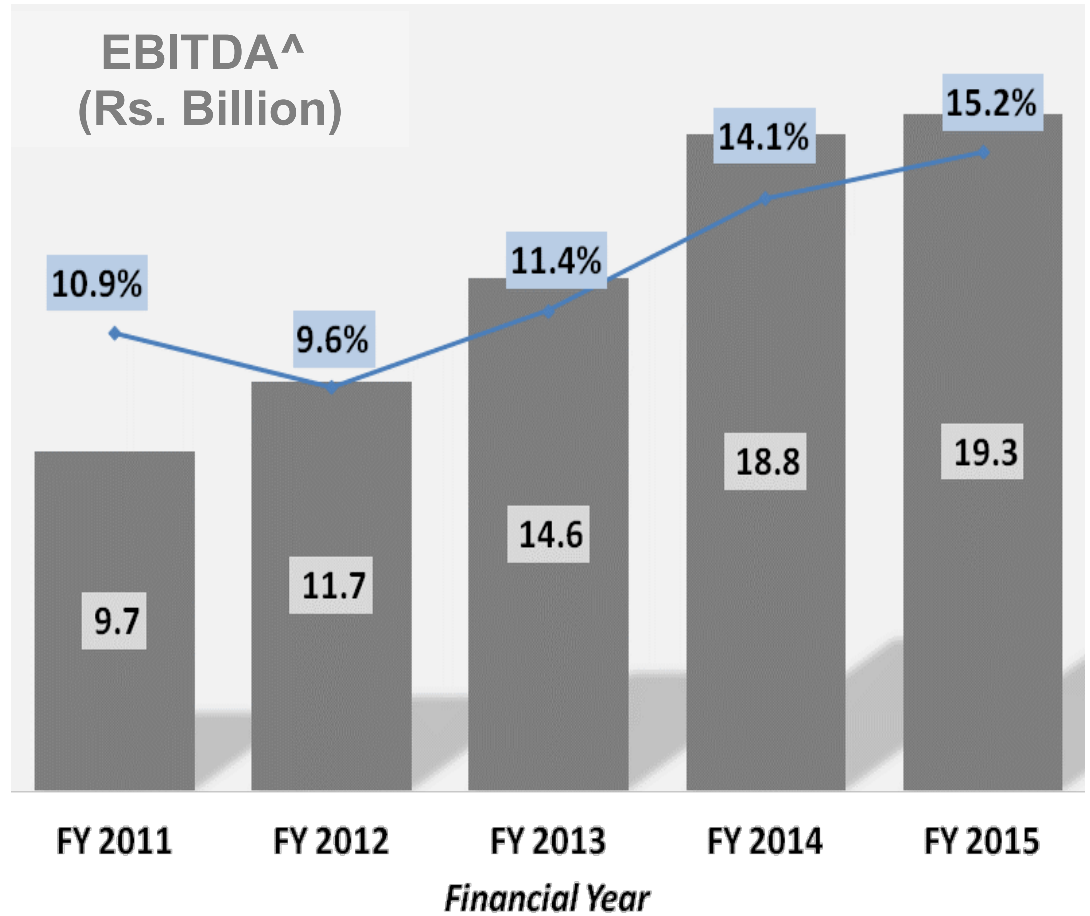
Atulya Sharma
Chief Legal Counsel

Gaurav Kumar
Chief Financial Officer

Martha Desmond
Chief Human Resources Officer

HISTORICAL PERFORMANCE



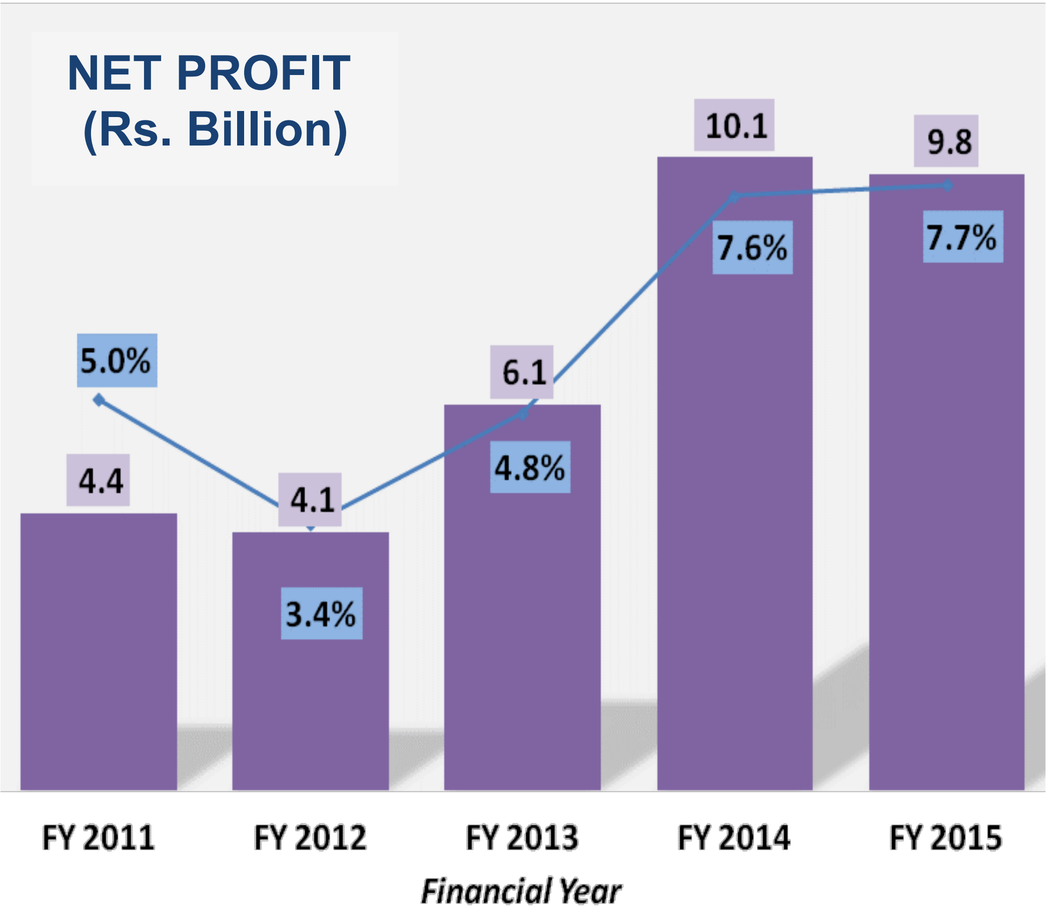


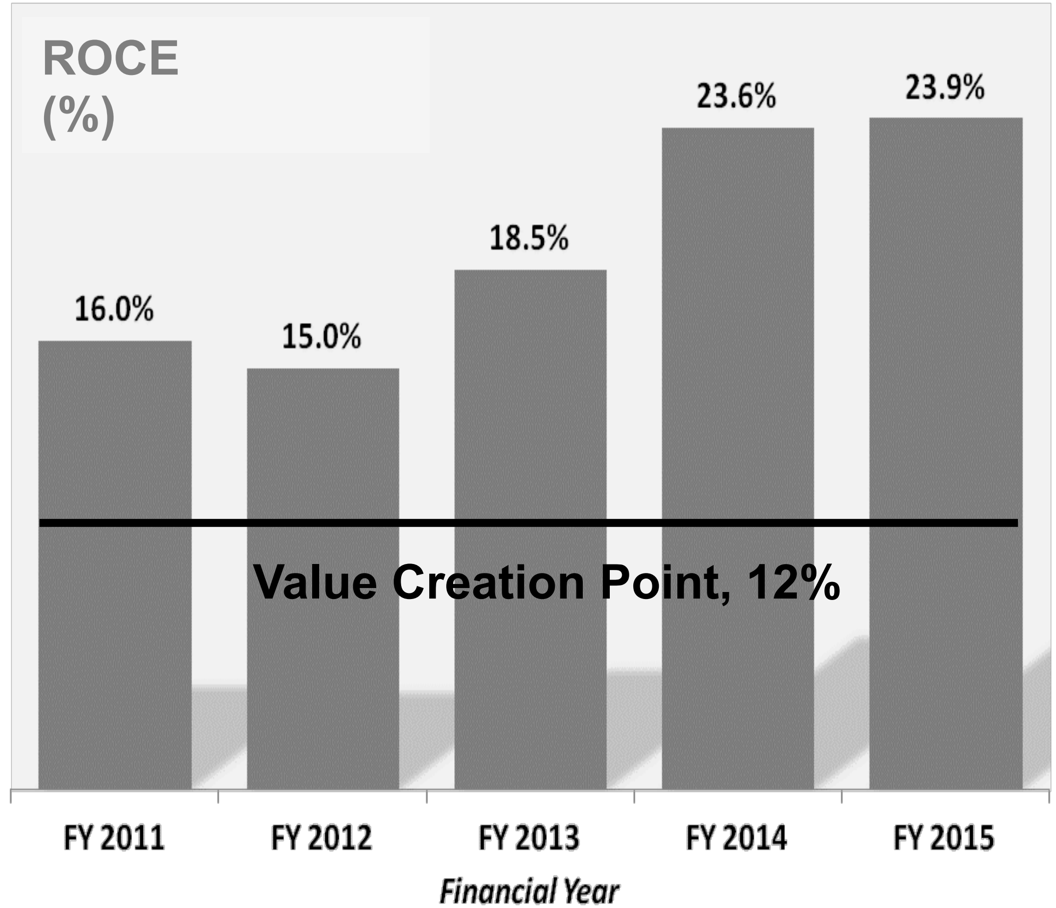
Net Sales has shown a CAGR of 9%

Median EBITDA^ of 11.4%

Notes:
^EBITDA shown above is excluding other income and exceptional items

HISTORICAL PERFORMANCE

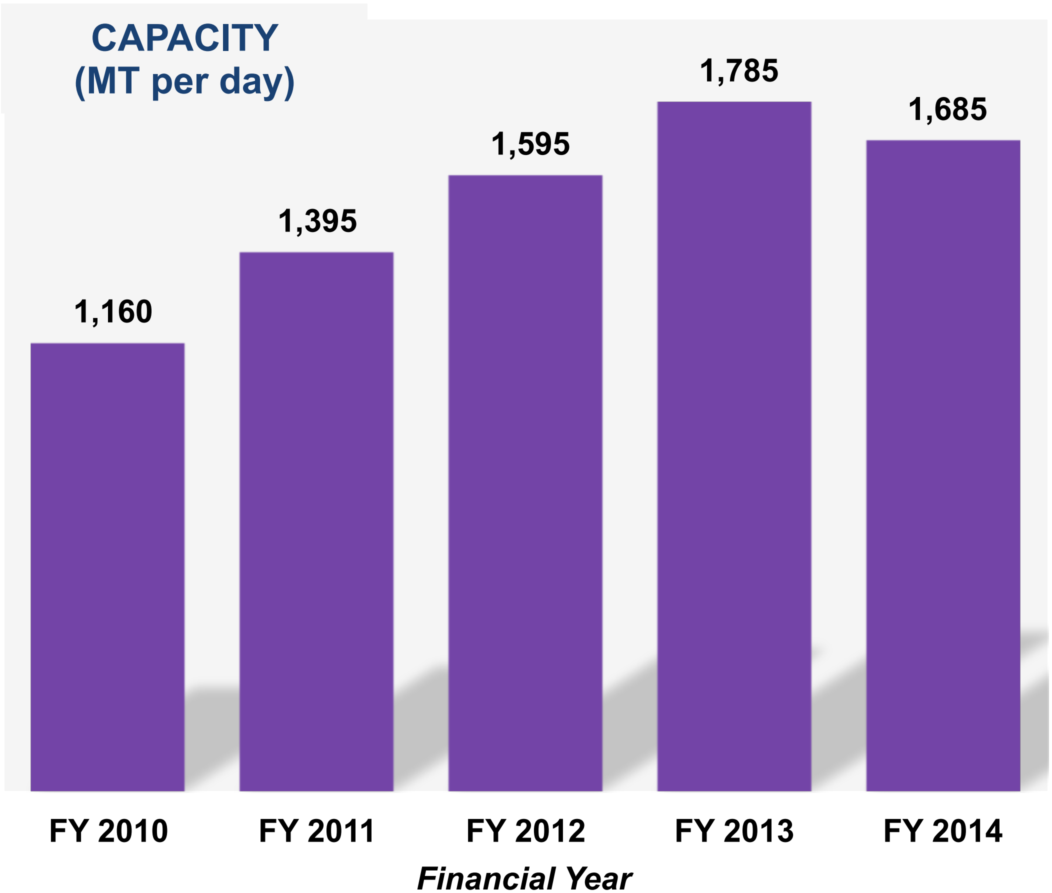


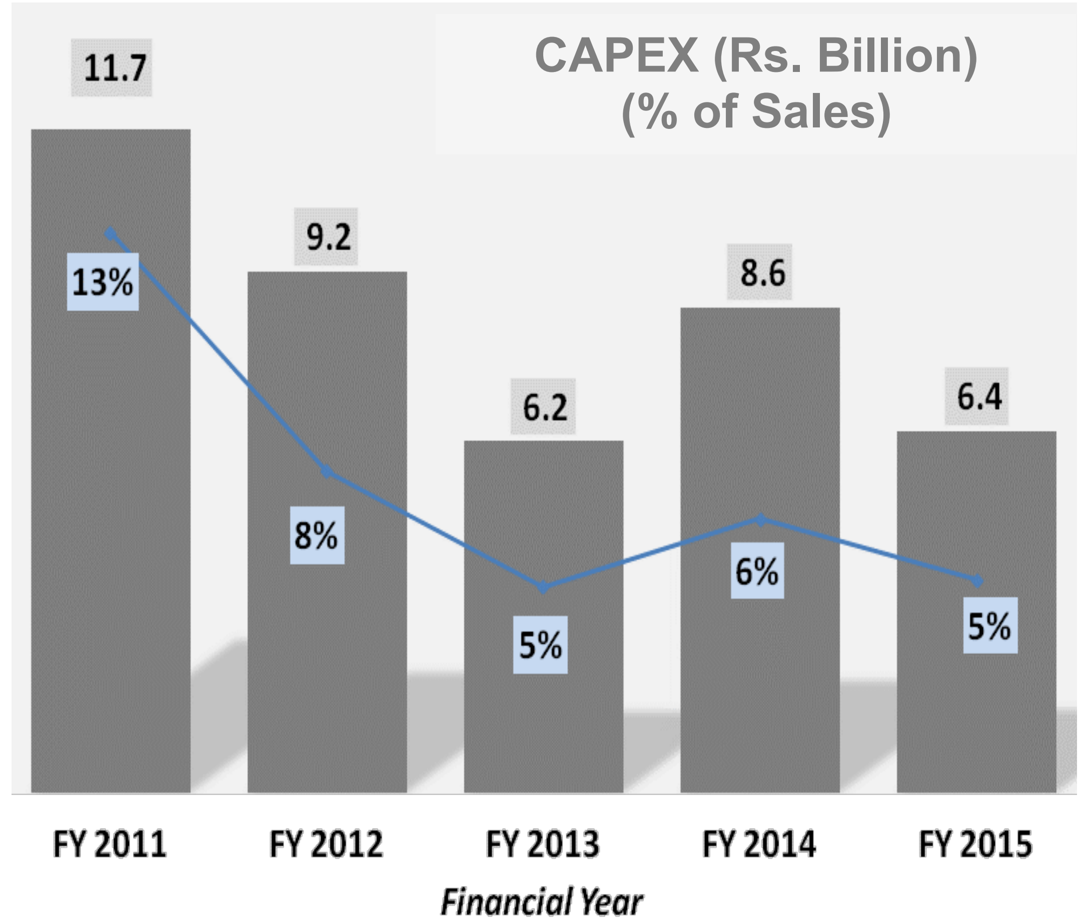


Median Net Profit of 5.0%

Consistent Value Creation for Shareholders

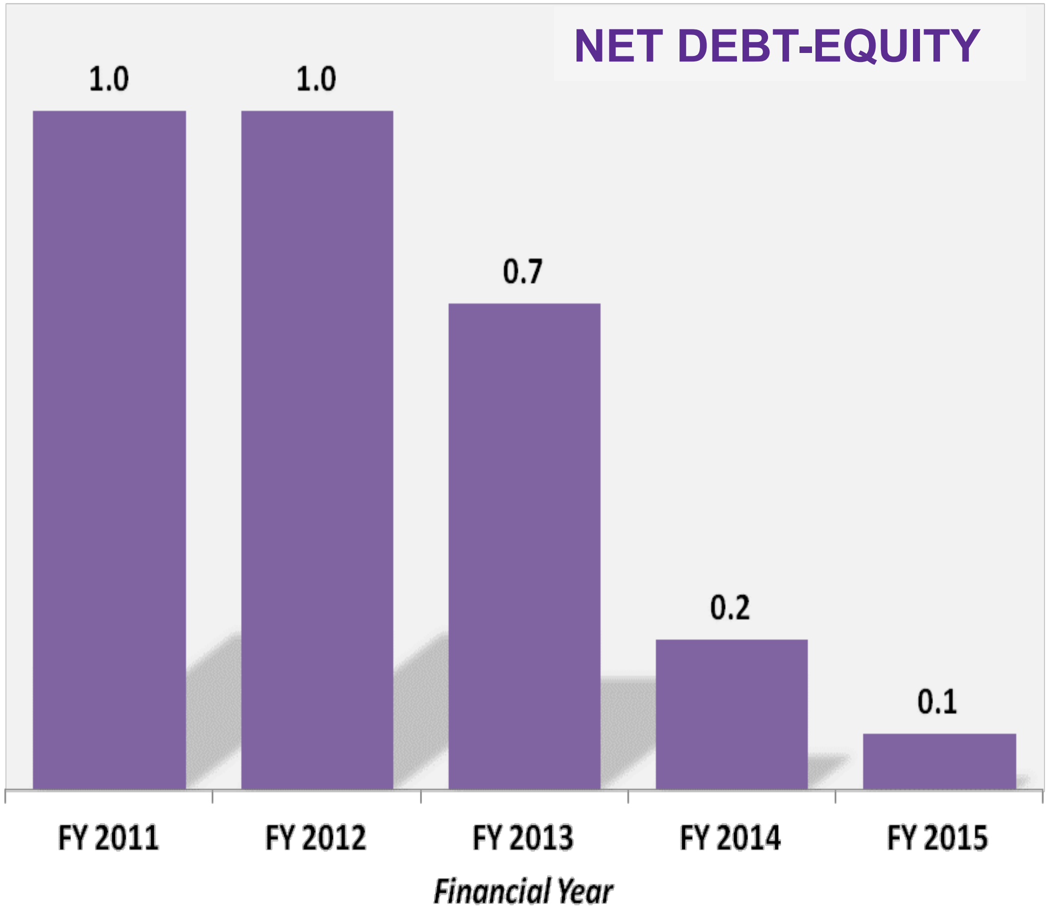
HISTORICAL PERFORMANCE

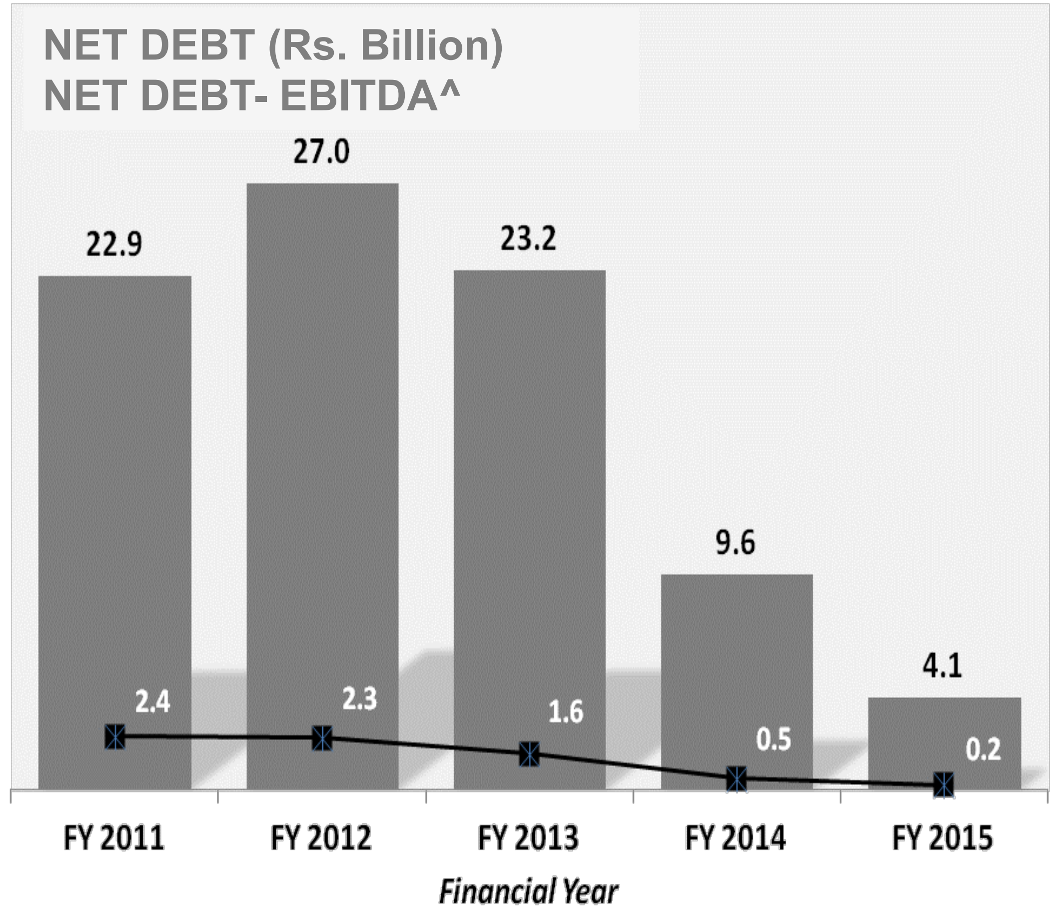




Consistent capital investments to augment capacity and capitalize on market growth

HISTORICAL PERFORMANCE





Strong Balance Sheet position

Consistently maintained conservative leveraging to position for future growth

Notes:
^EBITDA considered above is excluding other income and exceptional items

KEY RELATIONSHIPS WITH GLOBAL BRANDS

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Strong relationships with market leading OEMs, raw material suppliers and testing facilities

BUSINESS

Audi
VOLVO
FIAT
Mahindra
MAN
GM
MITSUBISHI MOTORS
MARUTI SUZUKI
HYUNDAI
ASHOK LEYLAND
TATA
Volkswagen
JOHN DEERE
Mercedes-Benz

RAW MATERIAL

BIRLA CARBON
ADITYA BIRLA

Performance Fibers
Endless Possibilities
USA
Polyester

synthos
chemical innovations

Kiswire

ExxonMobil
USA
Butyl

KUMHO PETROCHEMICAL

BEKAERT
Belgium
Steel Tire Cord

TESTING FACILITIES

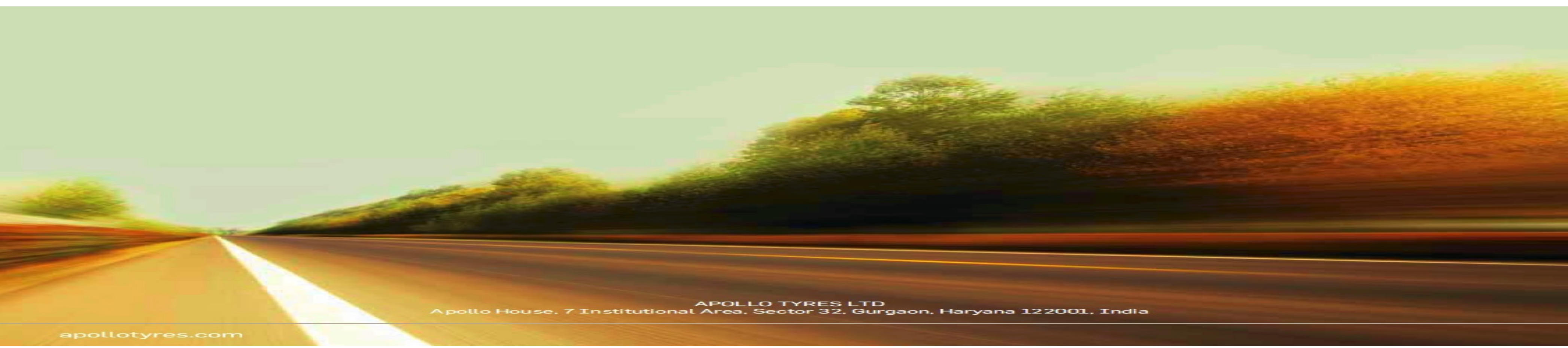
ATP

VRDE

Applus IDIADA

Nardò Technical Center
PROTOTIPO GROUP

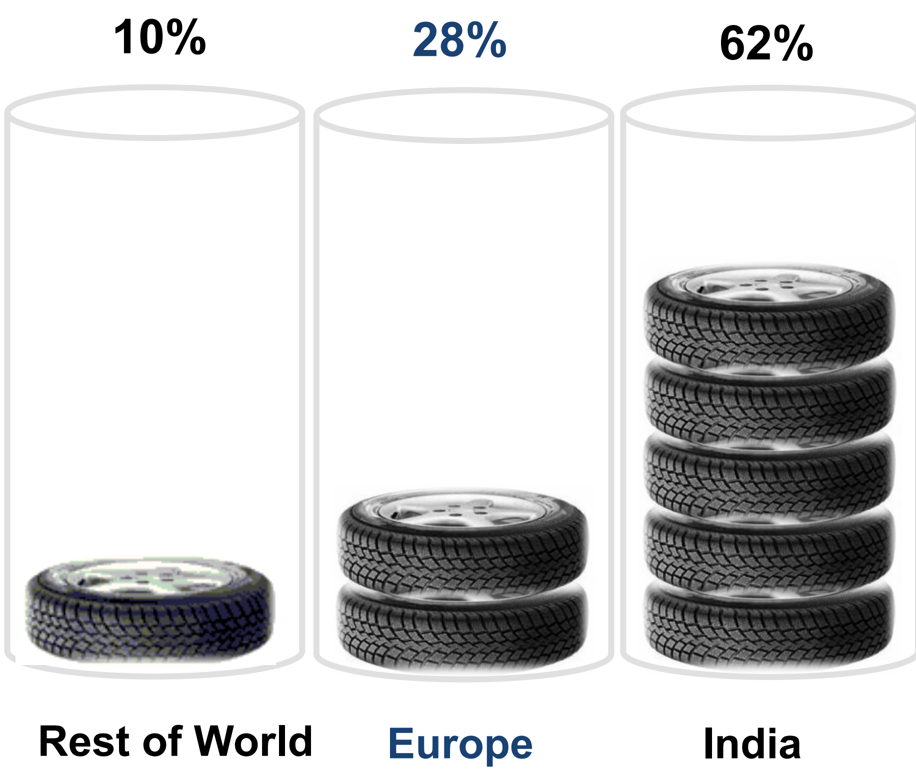
FINANCIAL OVERVIEW



REVENUE SEGMENTATION – FY 2015

Diversified business across India, Europe & Rest of World, 3/4th in Replacement market

Region Wise

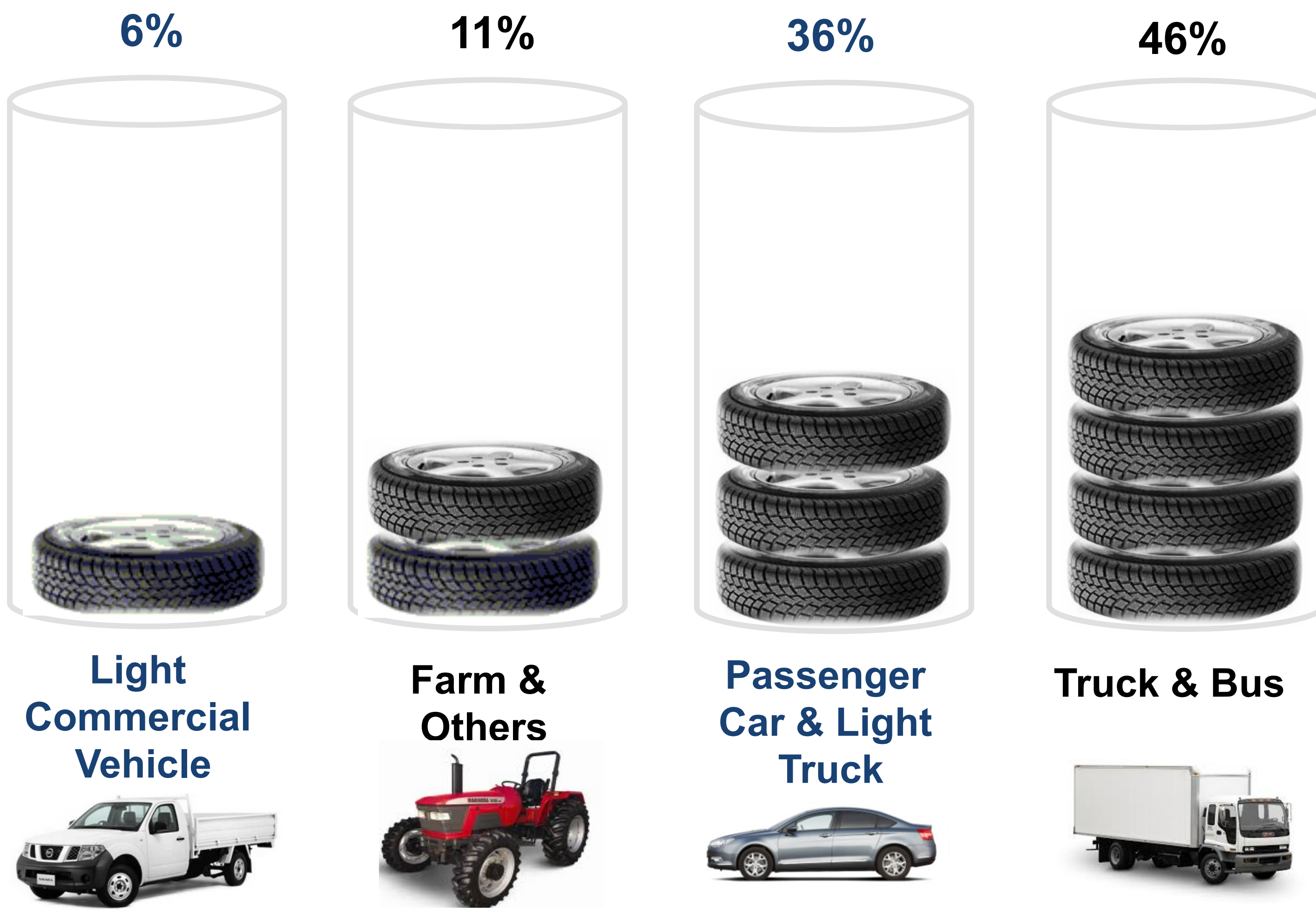


Market Wise

REVENUE SEGMENTATION – FY 2015

More than 80% of the revenues are contributed by PCLT and Truck & Bus Tyres

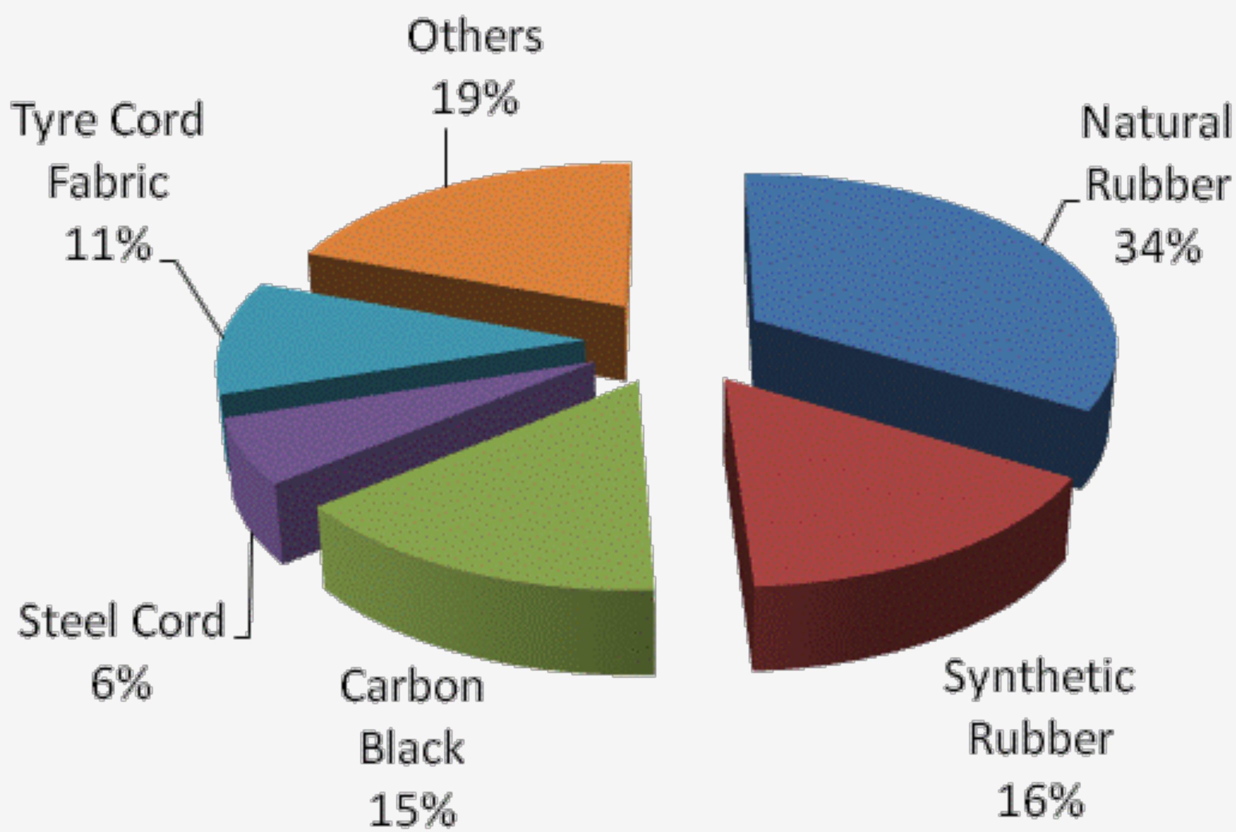
Product Category Wise Revenue Segmentation



RAW MATERIAL CONSUMPTION

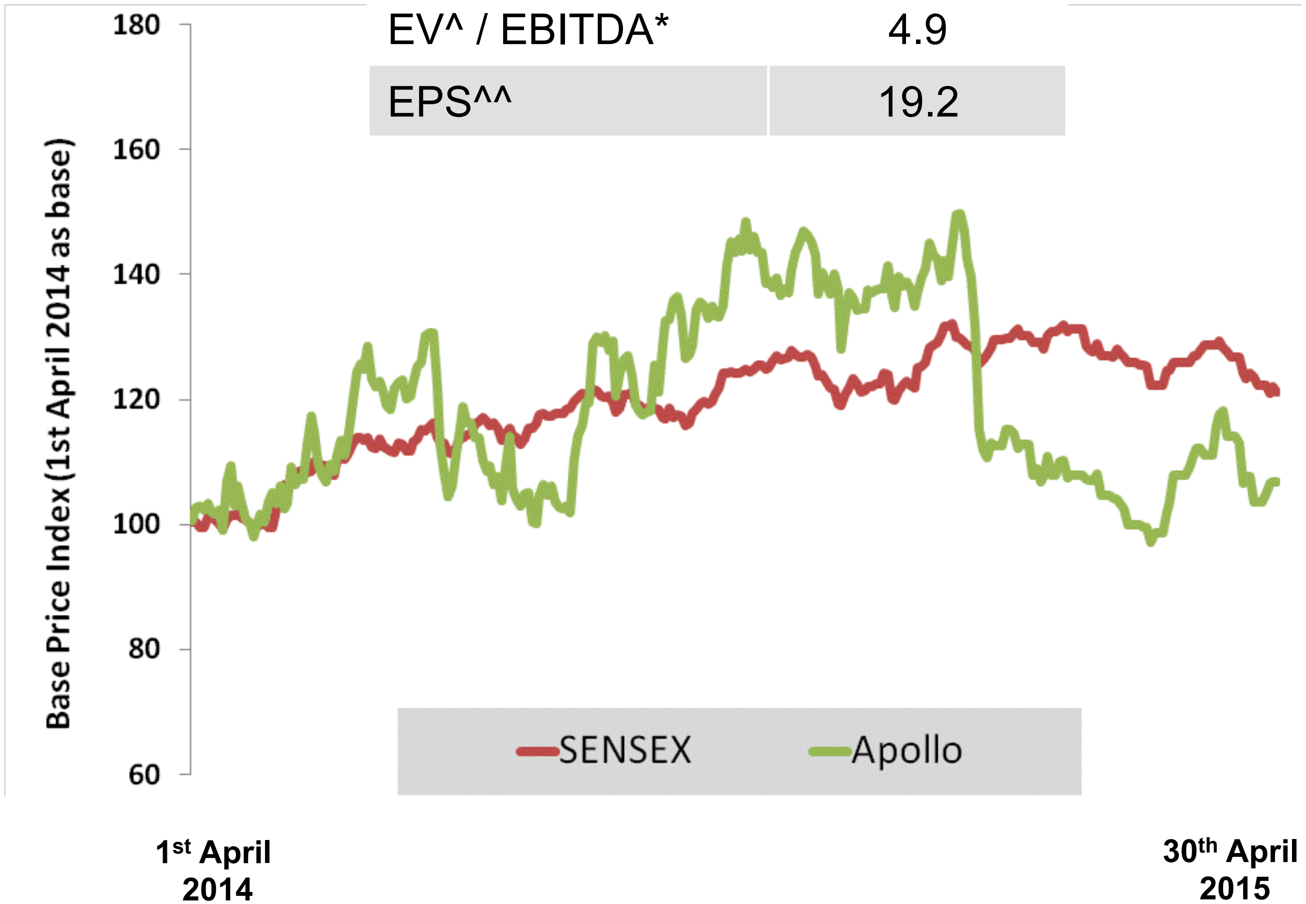
Raw materials account for ~50% of total sales

CONSOLIDATED OPERATIONS



Notes:
- Based on FY 2015

Valuation Ratios	Value
Price to Earnings^	9.2
EV^ / EBITDA*	4.9
EPS^^	19.2

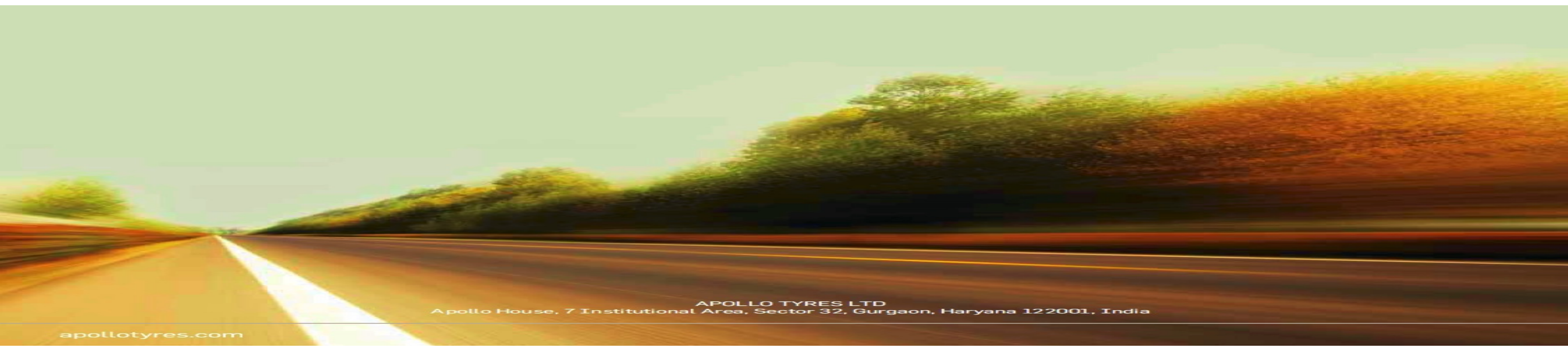


Shareholding Pattern as on 01.05.2015

Classification	% of Shares
Promoters	44.1%
Financial Institutions/ Banks/ Mutual Funds	10.3%
FIIs/NRIs	30.2%
Government of Kerala/ Travancore/ Titanium Products Ltd.	2.0%
Public	13.4%

Notes:
^ Based on 15 days average share price (from 15th April 2015- 30th April 2015)
* EBITDA is without other income and exceptional items for Y 2015
^^ For FY 2015

KEY COMPETITIVE STRENGTHS



Key Competitive Strengths

Leading Manufacturer

One of India's leading tyre manufacturers growing into a global tyre group

Diverse Portfolio

Well positioned multi-brand strategy with diverse product offering, supported by extensive International distribution network

R&D Focus

Strong focus on R&D and testing capabilities

Global Presence

Global presence with proximity to growth and profit pool markets

Proven Success

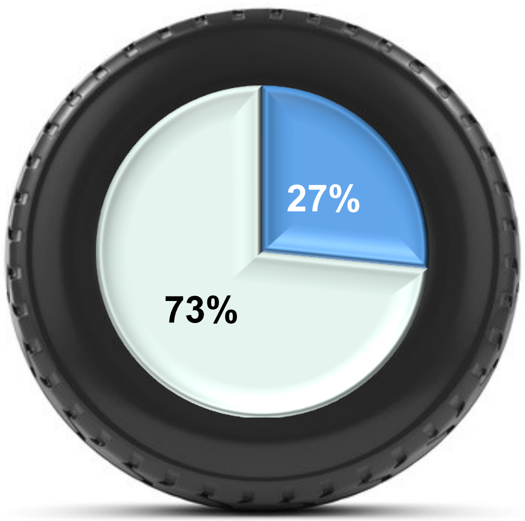
Proven success in pursuing strategic growth

LEADING PLAYER IN INDIAN MARKET

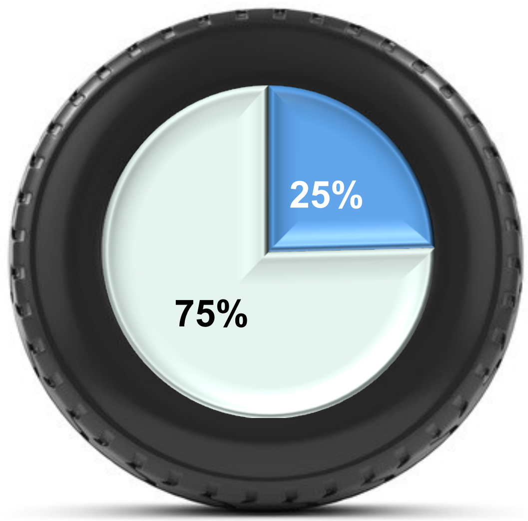
Leading player in India with significant market share across product categories

MARKET SHARES

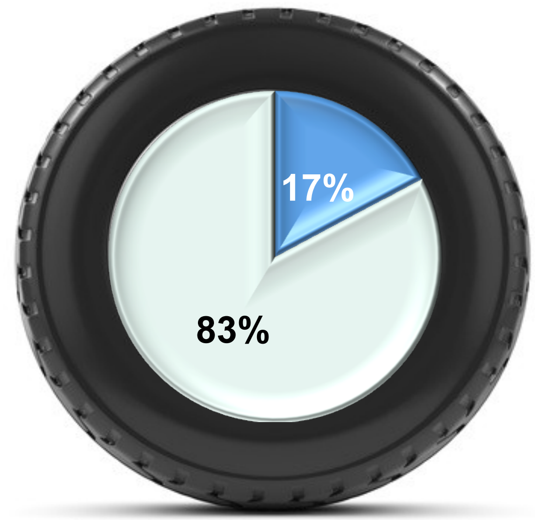
TBR^



TBB^



PCR^



Market Leader for more than a decade in the Truck Tyres category

One of the top 3 players in the Passenger Car Tyres category

Notes:
^ Based on ATMA data for 9M FY 2015

Well positioned multi-brand strategy across different segments

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Vredestein commands a premium position in passenger car tyres

Pricing segment	Brand	Brand Positioning	UHP & Winter tyres	Passenger vehicles tyres	Commercial vehicles tyres	Farm vehicle tyres	Off highway tyres	Bicycle	Peers
Top	VREDESTEIN	Global Niche Premium	✓	✓		✓	✓	✓	BRIDGESTONE, Continental, PIRELLI, MICHELIN
Medium	apollo	Global	✓	✓	✓	✓	✓		Hankook driving emotion, TOYO TIRES driven to perform, KUMHO TYRES, MRF
Others	REGAL TYRES	Global Challenger		✓	✓				
	KAIZEN TYRES	Global Challenger			✓				

The ideology behind our brands is 'Reliability' & 'Customer Safety'

Brand Tie-up with Manchester United

Leverage the partnership with Manchester United to raise Apollo Brand's awareness among potential customers, business partners and consumer audiences in key markets

Apollo Tyres is Manchester United's Official Tyre Partner in several territories including Europe and India

WIDE DISTRIBUTION NETWORK - INDIA & EUROPE

Well positioned to support sale of its regional brands

India

Extensive distribution network in India

- ~4,900 (incl. ~1,600 exclusive) retail dealers*
- 150 sales offices including regional and area offices
- 15 Regional distribution centers servicing 150 stocking points
- Wide specialist network*: Apollo Super Zone, Apollo Zone, Apollo CV Zone, Apollo Point

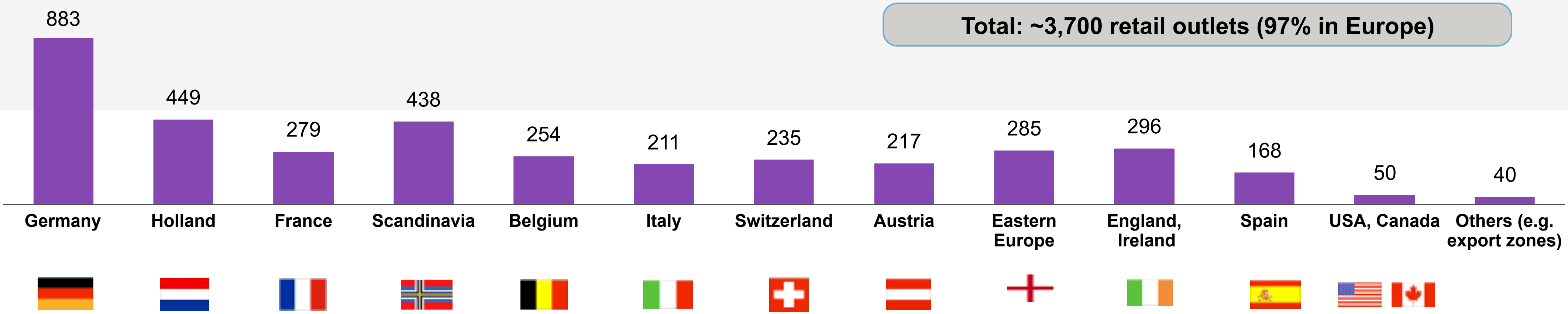
Europe

Distribution network across Europe

- ~3,550 third party dealers in Europe
- 25 distribution centers, retail stores, warehouses ,offices etc

Vredestein distribution network: Ability to deliver within 90% of Europe within 24 hours

Total: ~3,700 retail outlets (97% in Europe)



Notes:
*Not Company owned

STRONG R&D AND TESTING CAPABILITIES

- ❑ Focus on New Product Development to Grow Market Share
- ❑ Research of new transportation solutions with lowest possible impact on environment
- ❑ Partnered with various technical bodies, universities and OEM partners across the world

Commercial Vehicle (CV) R&D Centre, Chennai, India

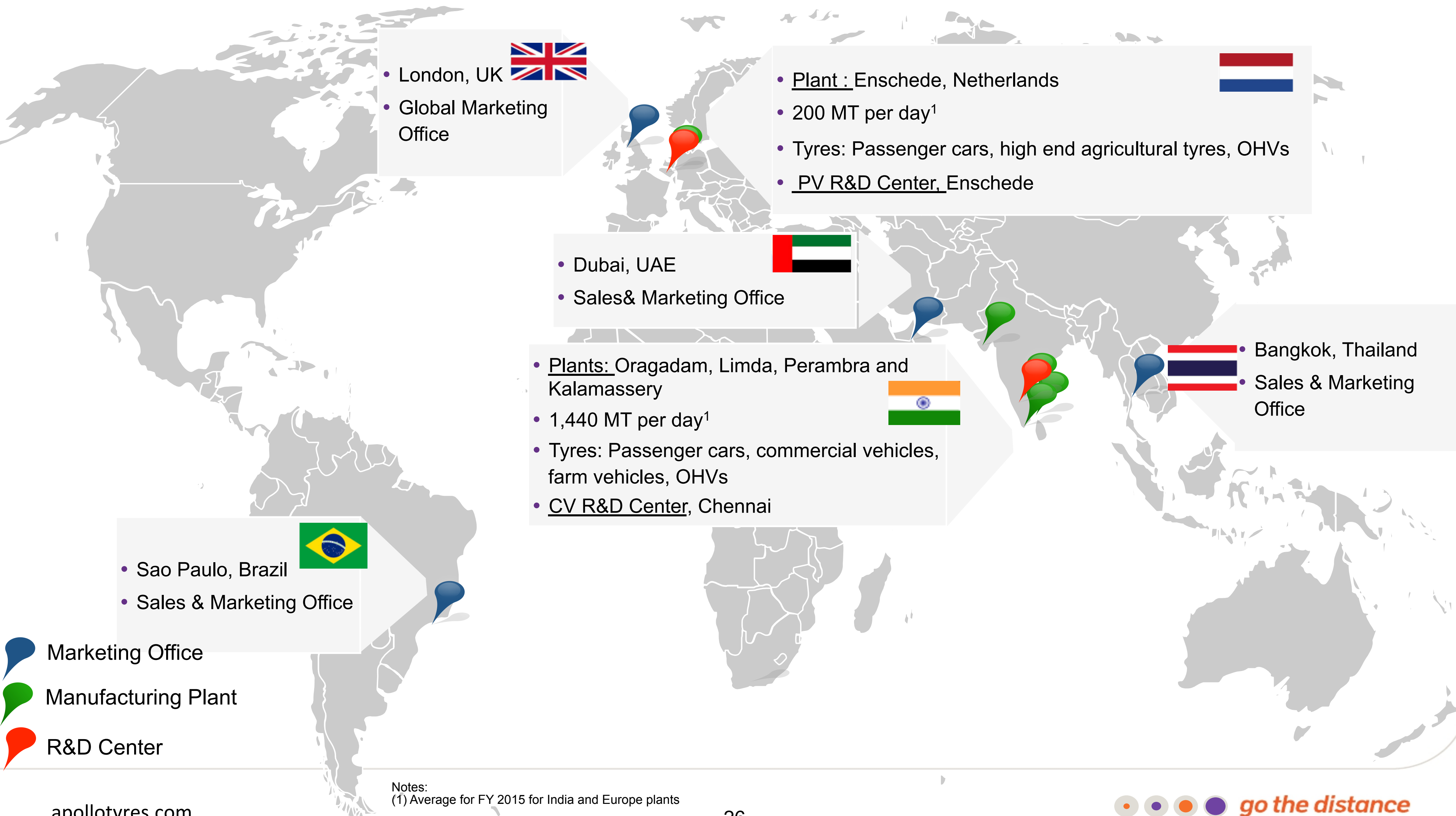
- Developed market leading brands in truck radial and cross-ply categories for India
- Developed superior compounds for Mileage, Rolling Resistance & cut chip resistance
- Launched the new XMR with LiveBond Steer mile technology in India: We believe it offers customers lower cost of ownership and more total tyre life

Passenger Vehicle (PV) R&D Centre, Enschede, Netherlands

- Proven history of manufacturing expertise and innovation
- Developed 'Spacemaster', a collapsible spare tyre for high end cars
- Launched the variable front spoiler made with a specially developed EPDM rubber for the European market that we believe helps in improving high speed handling and fuel efficiency
- Focus on sustainable material research: Development of the production chain of natural rubber and Inulin from Russian dandelions & use of reprocessed material as a replacement for natural rubber

Global Presence With Proximity to Growth and Profit Pool Markets

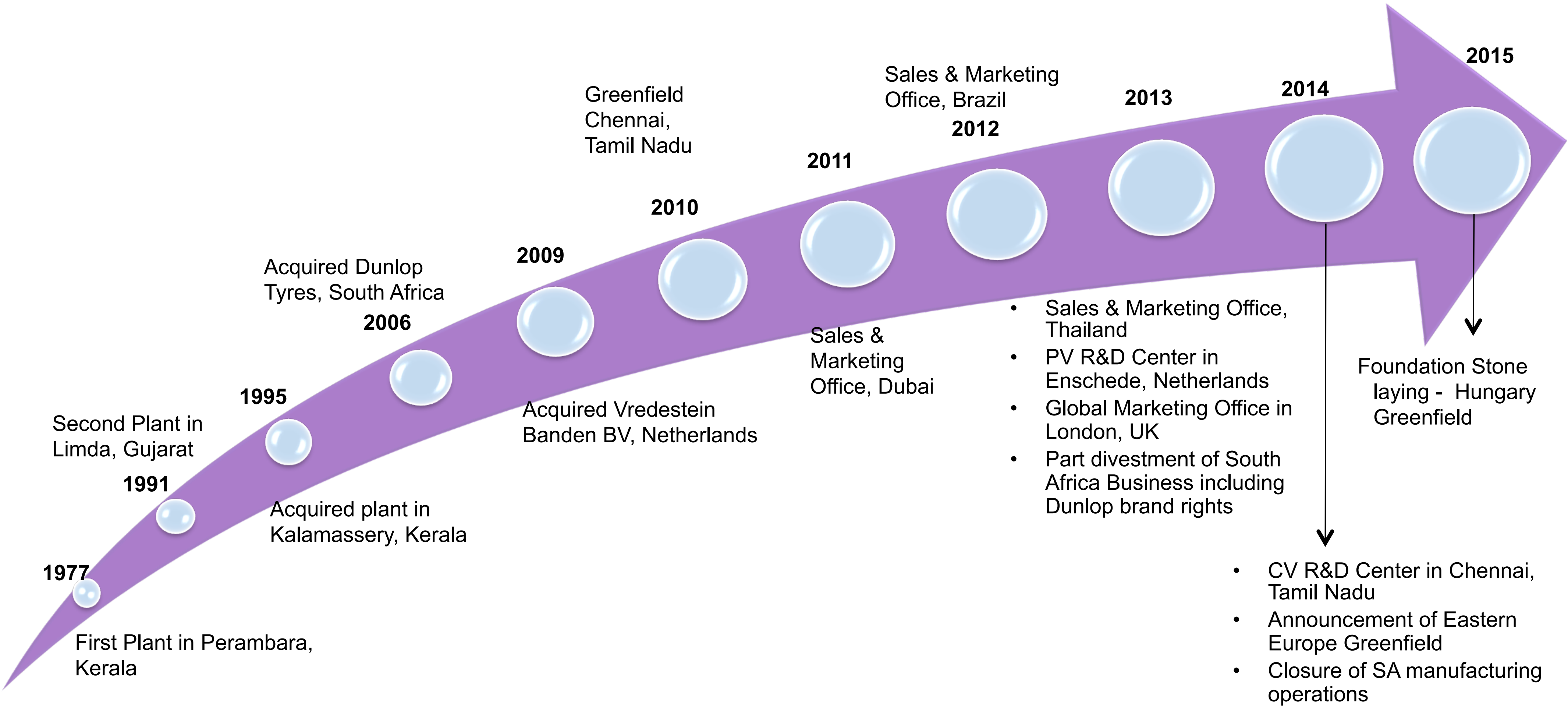
Sales to more than 100 countries world wide



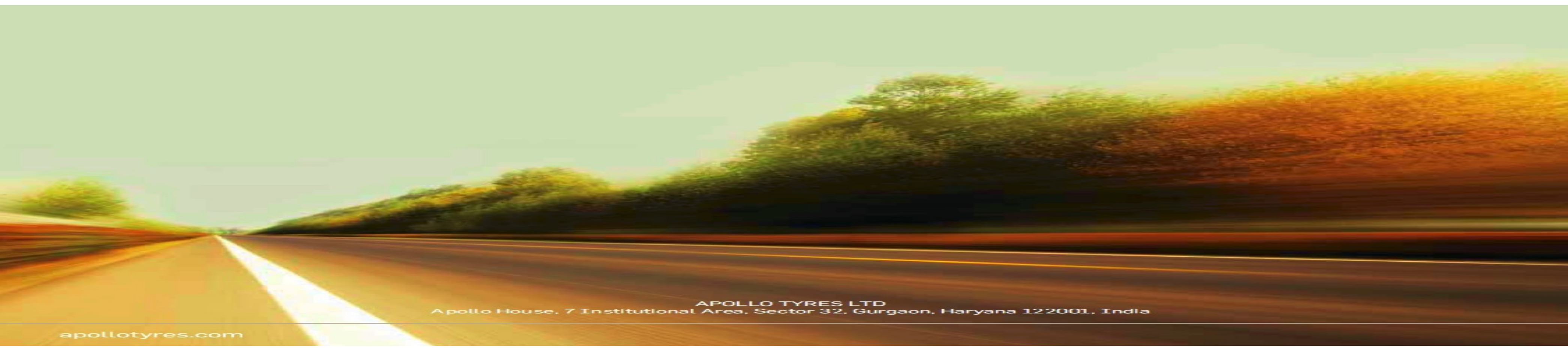
Notes:
(1) Average for FY 2015 for India and Europe plants

PROVEN SUCCESS IN STRATEGIC GROWTH

History of establishing manufacturing plants, international sales offices and acquiring global assets to become a truly international player



OUTLOOK


APOLLO TYRES LTD
Apollo House, 7 Institutional Area, Sector 32, Gurgaon, Haryana 122001, India
apollotyres.com

OUTLOOK

- **Recovery in OEM** in India expected in FY 2016 – signs of pick up in truck segment
- **European market** further improvement expected through FY 2016
- **Continued favourable** raw material prices expected in FY 2016
- **Greenfield** plant in Eastern Europe now under construction with first tyre rollout expected in early 2017
- **Expanding Truck Radial** capacity in Chennai plant with a potential spend of Rs. 15 Bn over next 2 years

Thanks

http://www.apollotyres.com

7, Institutional Area, Sector 32, Gurgaon 122001

investors@apollotyres.com

Board Line: +91-124-2721-000