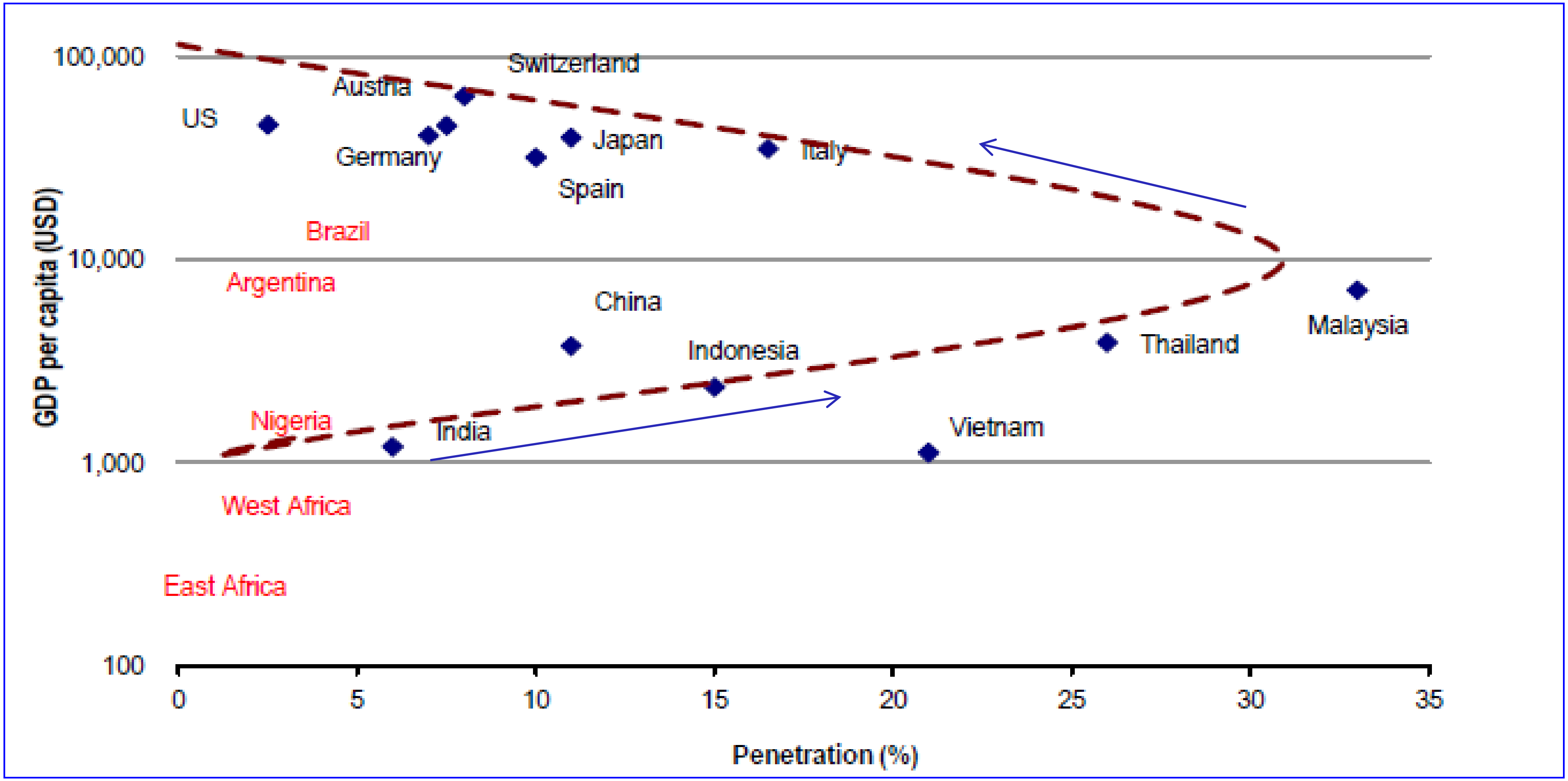
With hardly 7% penetration, Indian Two Wheeler Industry is sitting on the launch pad of an exponential growth phase



SOURCE: Credit Suisse Aug 2012

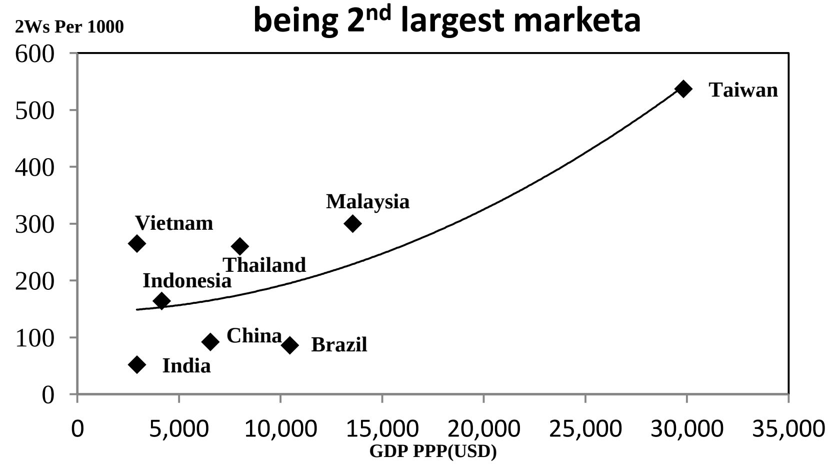
Global Two Wheeler Penetration and GDP Per Capita

Increasing Per Capita Income and low penetration level signals the entry of India into a prolonged growth phase

- India is the second largest two-wheeler market in the world with sales of ~13.43 mn units in domestic market in FY12
  - However, penetration levels still very low compared to other countries such as China, Indonesia etc.

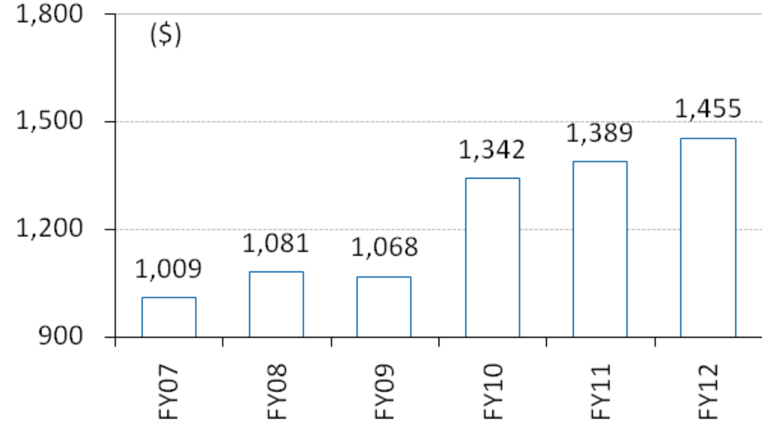
- Rising per capita income to enhance affordability, and demand for two-wheelers
  - Lack of public transport
  - Emergence of a large young working population

Low penetration rate despite India being 2nd largest marketa



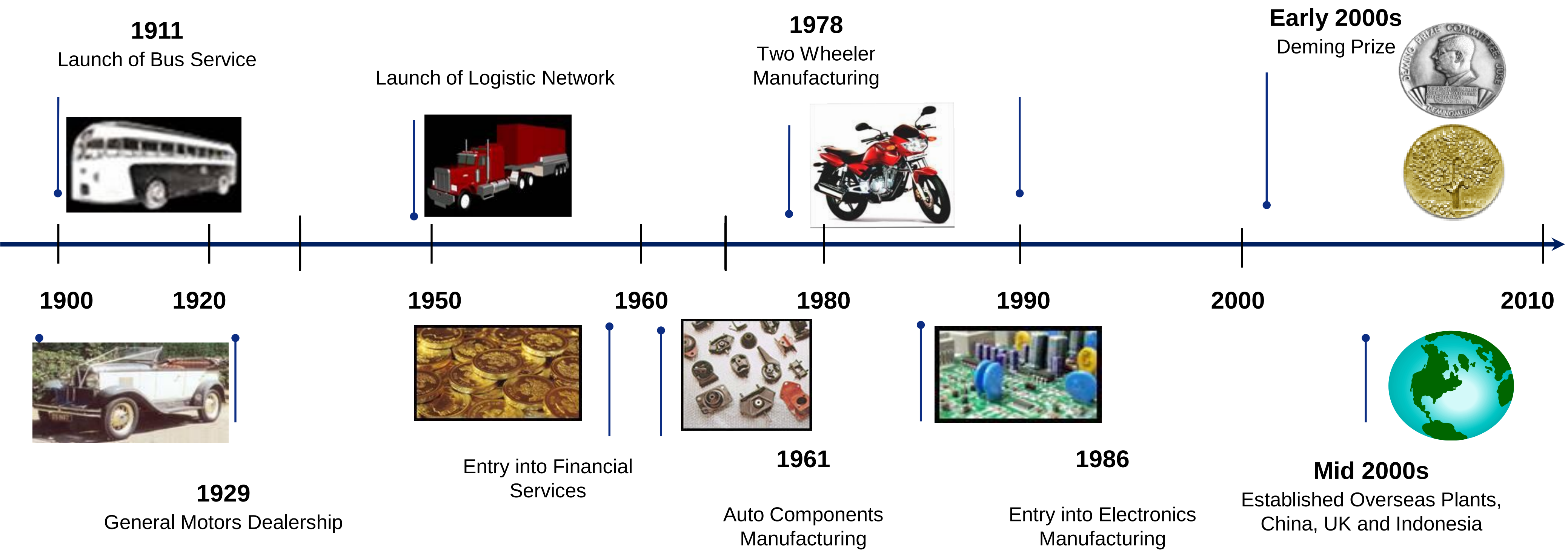
Source: IMF, World Bank

Increasing per-capita income



Source: IMF

TVS Group – Our Journey



Established in 1911, TVS Group today is a US$ 7 Bn diversified conglomerate with interests across Automotive, Manufacturing, Logistics and Electronics

TVSM – poised for Quality growth

TVS Motor – Shaping Indian Two Wheeler Industry since 1980

1980 1985 1990 2000 2003 2006 2009 2012

1980
Started Manufacture of Moped

1982
JV with Suzuki Motor Corporation (SMC)

1984
First player to introduce 100 cc Motorbike in India

1994
Launch of India's first variomatic sub-100cc scooter

1998
Established Manufacturing Plant in Mysore

2001
Emergence as TVS Motor Company after exit of SMC

2002
Indonesian Subsidiary formed;
Deming Award

2006
Himachal Pradesh Plant established

2008
Commercial Production of 3-Wheeler started

2010
New 110cc Scooter WeGo launched

2011
India's first ABS fitted 180cc motorbike launched

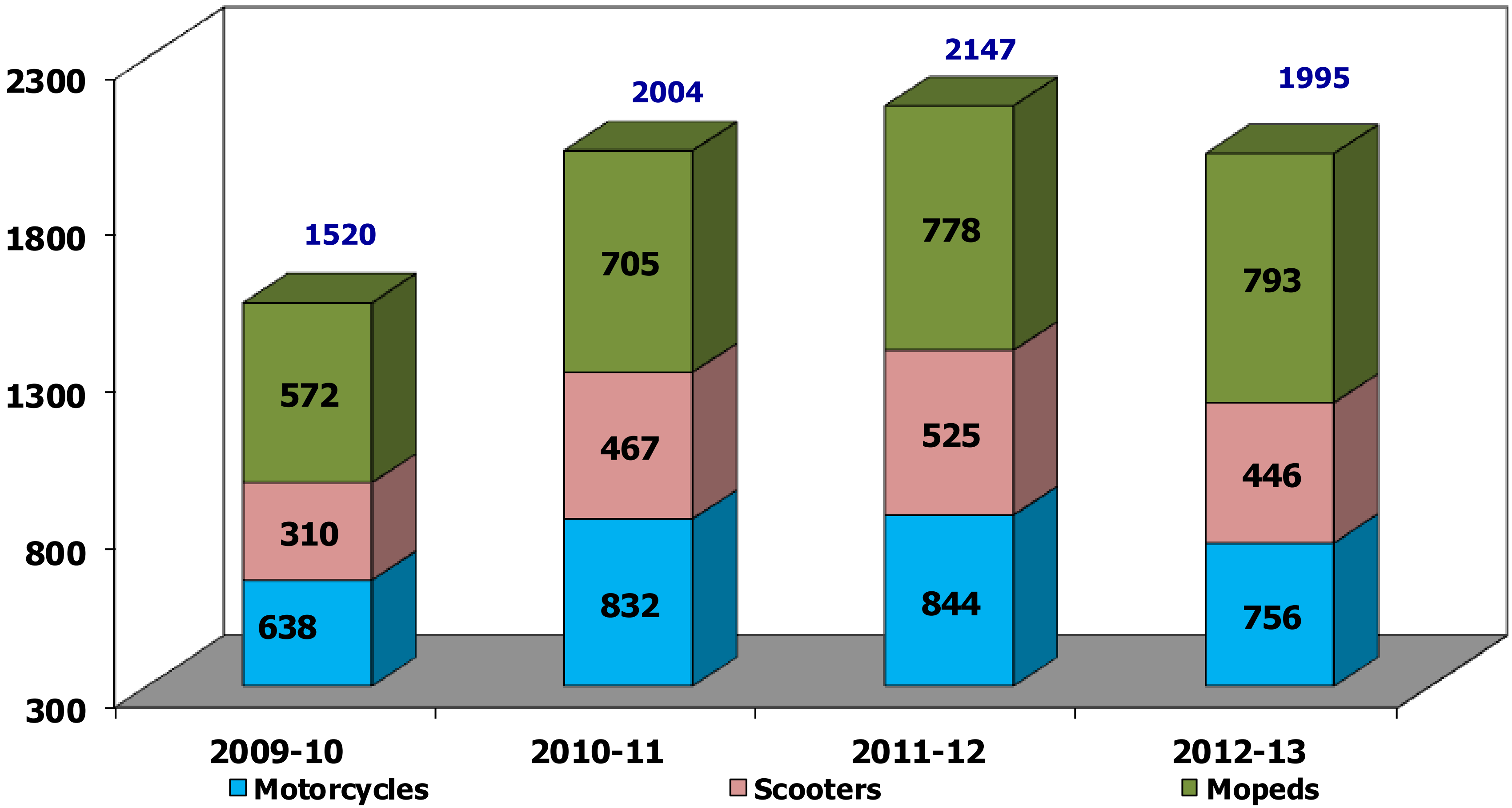
2012
Phoenix, India's first Premium 125cc motorbike launched

Company overview

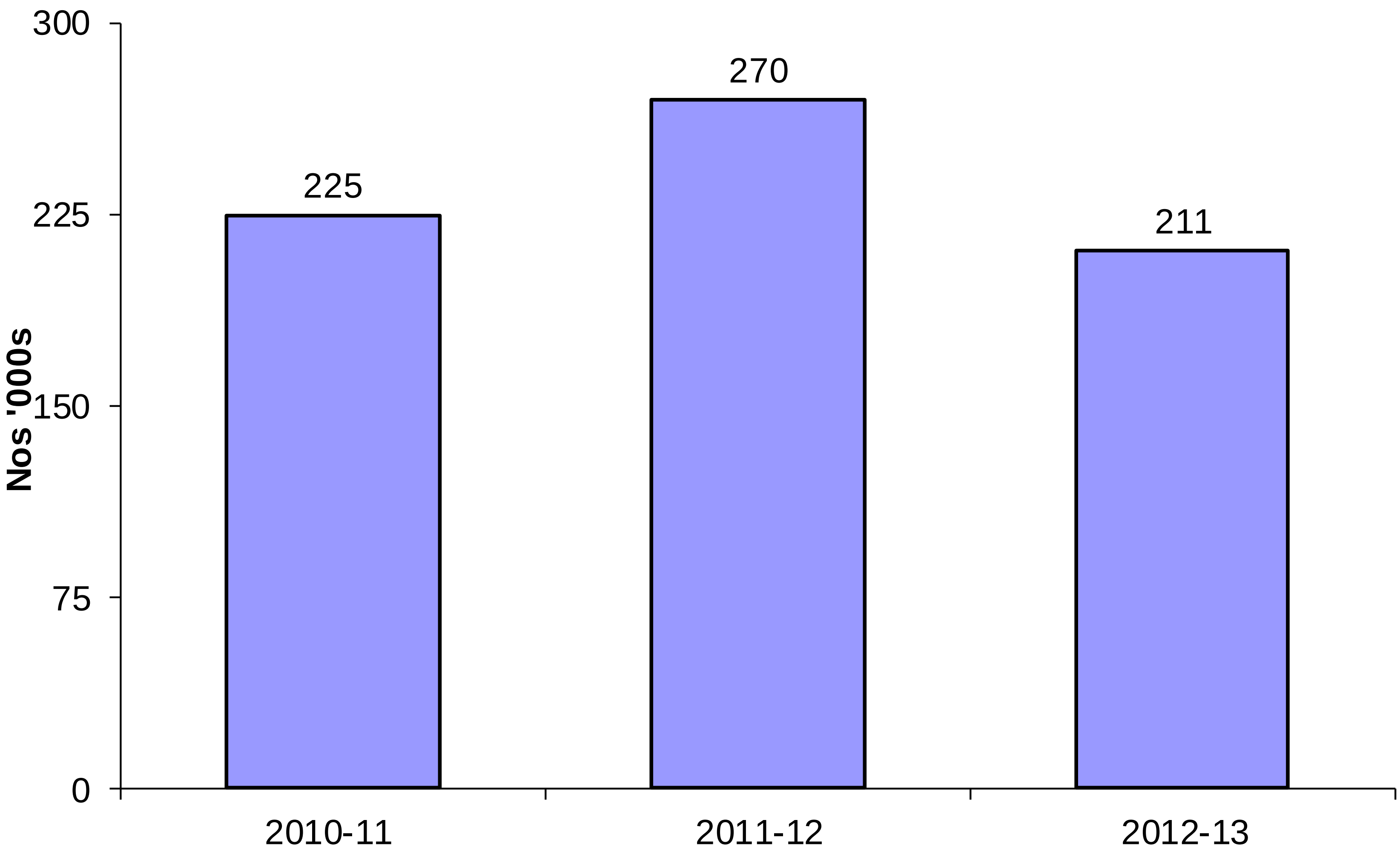
- One of the largest two and three wheeler companies
- A state of the art manufacturing plants located in Karnataka, Tamil Nadu, Himachal Pradesh and Indonesia
- Capacity as at March 2013 - 30 Lakhs two wheelers
- Strong World class in-house R & D
- Robust supplier base
- Extensive all India sales & service network
- Rapid growth in exports
- Total Revenue (2012-13) : Rs. 7089 Cr.

Strong presence in all 3 segments of Two Wheelers

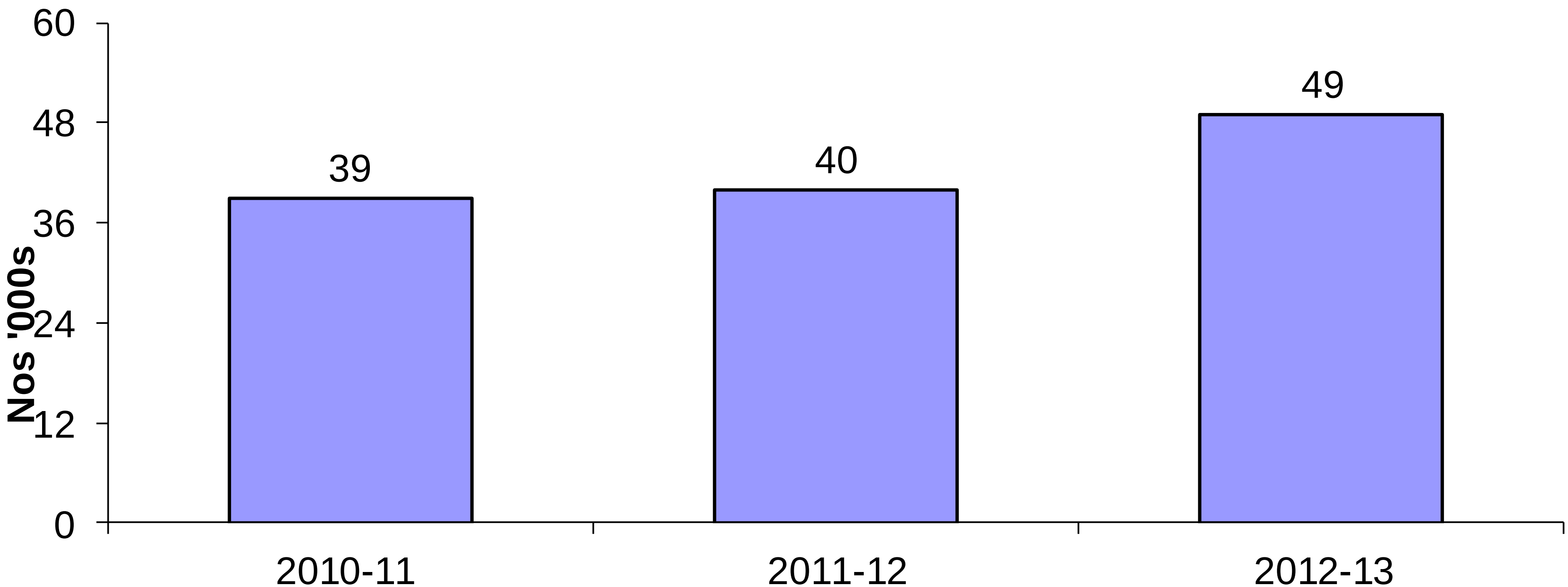
(nos. in 000's)



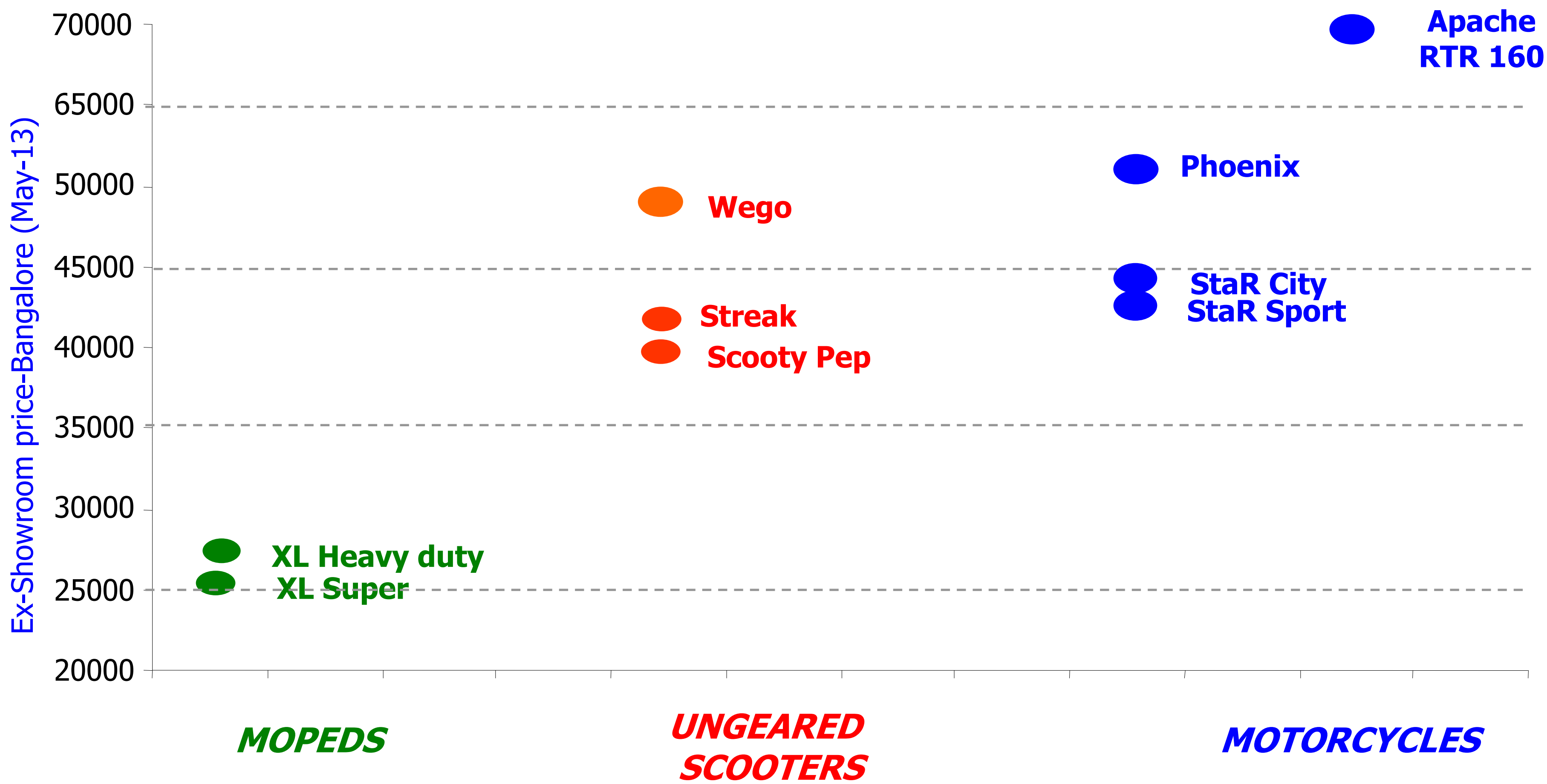
TVSM 2W Export Sales



TVSM 3W Sales



Offering a Comprehensive Product Range



A complete portfolio with product at every price point

TVS

Motorcycles – Premium, Executive, Economy

Apache

- Unleashing the Racing DNA to build the Ultimate Roadster. TVS Apache derives heavily from the Racing platform, building the thrill of racing into the performance biking segment. With over 10 Product of the Year and Design of the Year awards, TVS Apache is one of the most recognized Performance Bikes in the country

Phoenix 125

- Introducing premium features including Fully Digital Speedometer, Hazard lights and world class suspension into the executive segment, Phoenix has already won awards including Bike of the Year upto 125cc – NDTV and developed significant traction within 3 months of launch

StaR City

- Combining durability and best-in-class mileage with executive segment features such as dual tone body colours and an stylish headlamp, TVS StaR City offers a unique proposition of compromise-breaking performance for the customer.

Sport

- With style as the anchor and by setting a benchmark in terms of mileage, Sport has carved out a niche for itself, combining economy and self-expression for the discerning young customer.

Scooters, Mopeds

Scooty Streak

- The young independent working woman inspired the new "TVS Streak". The all black Streak was to celebrate the coming of age of the Indian working woman and her ability to excel in all walks of life.

WEGO

- **Wego** is a family-friendly scooter loaded with differentiating features including 12" alloy wheels, telescopic suspension and nitrogen gas charged rear suspension. This sleek metal bodied scooter strikes a perfect balance between stability and maneuverability, power and mileage, making it a delight to ride for all category of users.

Scooty Pep+

- The Iconic Scooty brand which pioneered the Ungeared Scooter revolution in India, continues to play a dominant role in the female segment of the scooter category. Available in an incredible range of 99 colors, Scooty primarily addresses the mobility needs of Student Girls.

TVS XL HD

- TVS Mopeds revolutionized mobility in the early 80s empowering a segment of India that was hitherto unserved. These models empower the entry level Two Wheeler user to enhance his efficiency and drive economic prosperity.

Three Wheelers – The stylish TVS KING

- TVS entered the 3W market towards the end of FY08, with TVS-King
- TVS-King engineered with 'best in class' features.
- Annual Sales of 49k for 2012-13.
- Building significant traction in international markets

Strong Research & Development – Infrastructure and Intellectual Property

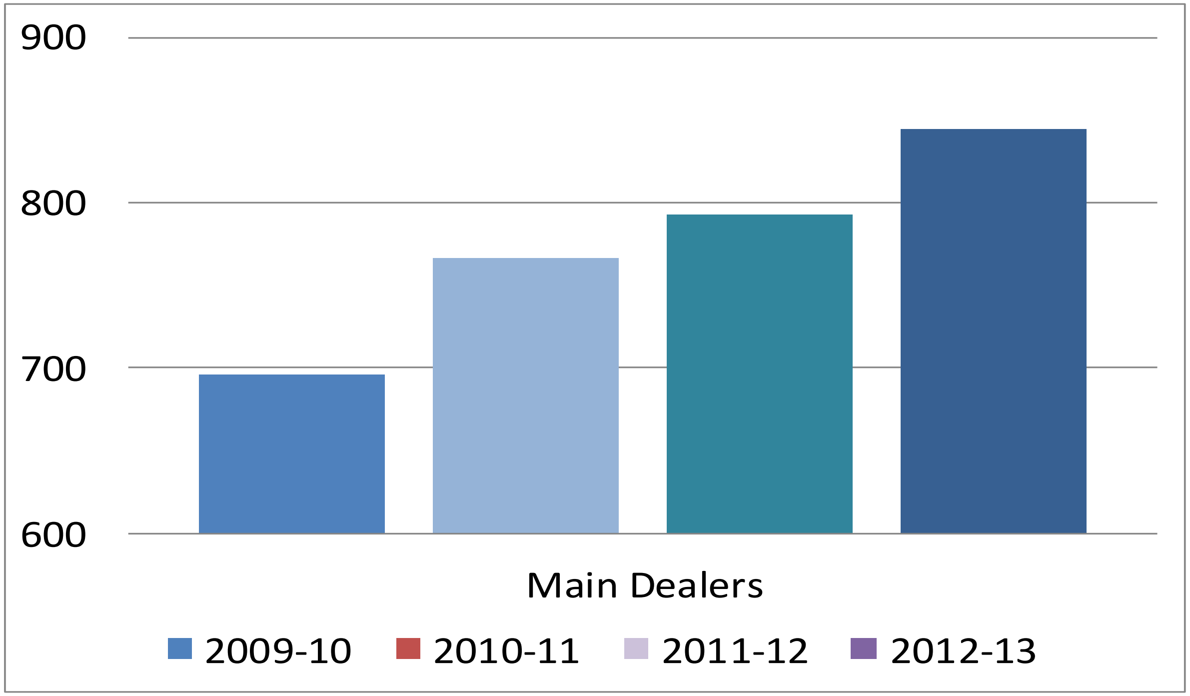
- **World class facility employing over 500 engineers**
- **Partnership with leading international research institutes**
- **World Class products setting the benchmark in their category**

R&D Spends	2008-09	2009-10	2010-11	2011-12	2012-13
Rs Mn	777	836	999	1204	1239
% of Sales	2.1	1.9	1.6	1.7	1.8

One of the widest distribution networks in Two Wheeler industry

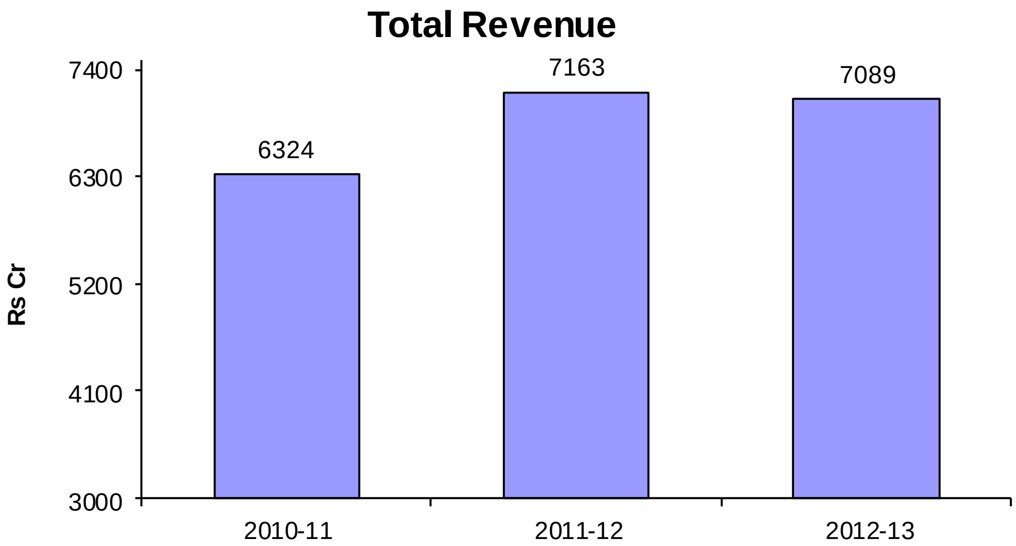
Number of Dealers 845

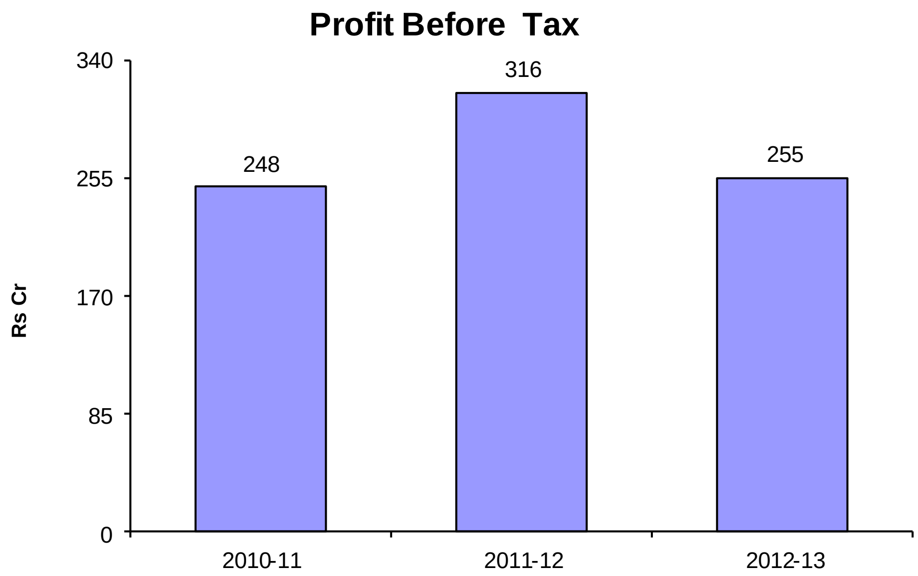
January ' 2013



TVSM has a robust two tier distribution network with 845 exclusive dealers supplemented by more than 2500 sales & service points

TVSM Performance





PBT for 2012-13 is before exceptional item of Rs 91.63 cr debit and extraordinary items of Rs 0.79 cr credit

TVS Motor's Standalone performance 2012-13

Rs Cr

Particulars	Actual
2 W Sales nos in 000's	1995
3 W Sales nos in 000's	49
Total revenue	7089
EBIDTA	461
Depreciation	130
Amortisation	28
Interest	48
Profit Before Tax before exceptional and extraordinary items	255
Exceptional and Extraordinary items (net)	91
Profit Before Tax after exceptional and extraordinary items	164
Provision for tax	48
Profit After Tax	116

TVSM Borrowings (Standalone)

Rs Cr

Details	Actuals 31st Mar-13
External Borrowings	235
Sales tax deferral loans	399
Gross Borrowings	634
Less: Cash/Short-term treasury investments	32
Net Borrowings	602
Net worth	1257
Gearing ratio	0.48

Summary

- Long term growth prospects are attractive

- TVSM poised to grow
  - Strong innovation and faster upgrades
  - Strong brands that resonate with their customers
  - Exports will be a significant growth engine
  - Entry into three wheeler has enhanced product portfolio

- Significantly improved/ superior product quality
  - New products across segments, will strengthen TVS' presence and lead to market share gains
  - Improved product mix likely to increase realizations and profitability

- Focused efforts to reduce cost will improve profitability
  - Strong free-cash flow expected

TVS Group - Awards & Recognition

- Deming Quality Award
  - Sundaram Clayton
  - Brakes India
  - TVS Motor Company
  - Sundaram Brake Linings
  - Lucas-TVS
- Japan Quality Medal
  - Sundaram Clayton
- TPM Excellence awards
  - Sundram Fasteners
  - Brakes India
  - TVS Motor Company
  - Sundaram Auto Components Ltd

Thank you

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