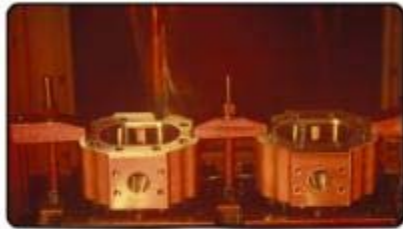


DYNAMATIC TECHNOLOGIES LIMITED

Q4 & FULL YEAR FY2016 **EARNINGS**
PRESENTATION



HYDRAULICS



AEROSPACE & DEFENCE



AUTOMOTIVE





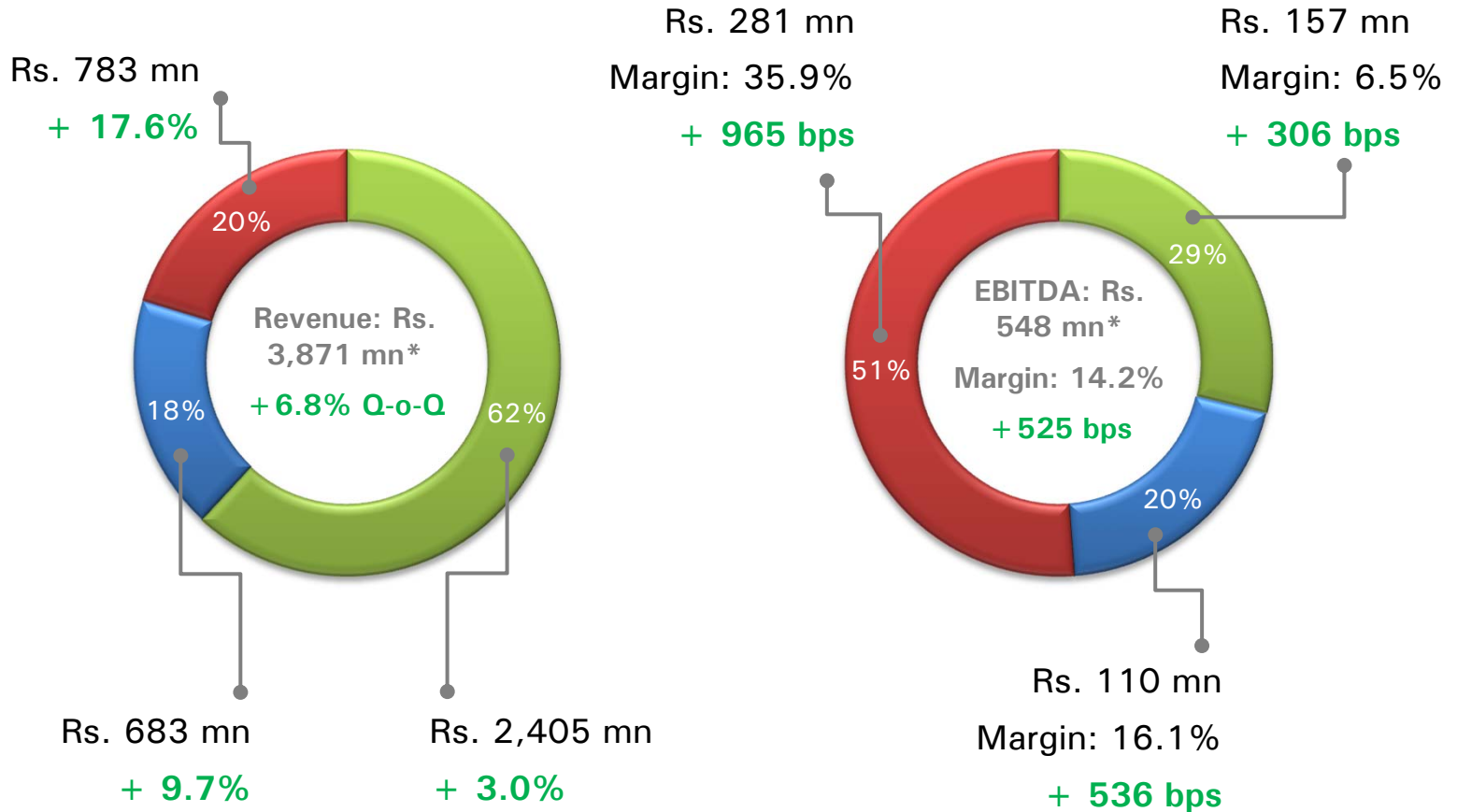
DYNAMATIC TAKING OFF



DYNAMATIC TECHNOLOGIES LIMITED

Q4 FY2016 PERFORMANCE HIGHLIGHTS (Q-o-Q)

Significantly improved all round performance



* Above breakup excludes Other revenue and Other EBITDA₃



PERFORMANCE HIGHLIGHTS

Management Commentary

Commenting on the results, **Mr. Udayant Malhoutra, CEO and Managing Director** said:

“FY2016 which started off on a weak note has ended with a very strong all round performance. Dynamatic is taking off from a strong platform that we have established over years. In particular, in the Aerospace segment, we have made investments over the past two years in building capacities for the execution of our strong order book from Airbus, Bell and Boeing Chinook. During Q4 FY2016, we started commercial deliveries for our projects to Boeing Chinook which resulted in a robust topline performance and improved profitability. We expect this performance to improve further as we continue to execute our order book.

Agriculture sector in India remained under pressure due to weak monsoon over the past two years which had an adverse impact on our Hydraulic segment performance. However, now that this year is expected to experience better rainfall, we see improvement in sentiment. We see early signs of revival which was reflected in our Hydraulic segment Q4 performance. Recovery in the global auto sector was fragmented which had a bearing on our Auto segment performance. Outlook for the Auto sector is stable as we received new orders and execute the current ones.

On the capital structure front, we concluded a 10-year long term financing arrangement with certain financial institutions at competitive interest rates. This will result in significant interest cost savings going forward.

We are pleased with the all round progress we have made during FY2016 as it demonstrates the inherent strength of our business segments. *Dynamatic is Taking Off* to move into the next orbit of growth from here.”



PERFORMANCE HIGHLIGHTS

Foreign Exchange Fluctuation

Exchange Rate	Q4 FY2016	Q4 FY2015	Impact	Impact %	FY2016	FY2015	Impact	Impact %
EURO vs. INR	72.31	77.47	(5.16)	(6.7)%	72.31	77.47	(5.16)	(6.7)%
GBP vs. INR	98.76	98.56	0.20	0.2%	98.76	98.56	0.20	0.2%
USD vs. INR	65.46	61.15	4.31	7.1%	65.46	61.15	4.31	7.1%

Impact due to change in average exchange rates (Y-o-Y)

Particulars	Q4 FY2016				FY2016			
	Erla	DL UK	JFTL	Total Impact	Erla	DL UK	JFTL	Total Impact
<i>Currency</i>	EURO	GBP	EURO		EURO	GBP	EURO	
Revenue (Rs. mn)	(145.5)	1.1	(10.1)	(134.6)	(593.6)	4.6	(51.7)	(584.7)
EBITDA (Rs. mn)	(11.4)	0.2	(10.1)	(1.5)	(31.1)	0.5	(51.7)	(26.3)

- FY2016 Revenue of Rs. 14,938 million compared with FY2015 represented a decline of Rs. 1,354 million. Revenue growth was impacted due to unfavorable foreign exchange fluctuation of Rs. 585 million, in particular EURO-INR
- FY2016 EBITDA of Rs. 1,410 million compared with Rs. 1,514 million in FY2015 representing a decline of Rs. 100 million. Of this total decline Rs. 26 million was due to unfavourable foreign exchange fluctuation, in particular EURO-INR



FINANCIAL PERFORMANCE SUMMARY

Consolidated Performance Highlights

Rs. million	Q4		y-o-y Growth (%)	Q3 FY16	q-o-q Growth (%)	Full Year		y-o-y Growth (%)
	FY16	FY15				FY16	FY15	
Revenue	3,878	3,885	(0.2)%	3,628	6.9%	14,938	16,292	(8.3)%
EBITDA	528	331	59.4%	300	75.6%	1,411	1,514	(6.8)%
Margin (%)	13.6%	8.5%		8.3%		9.4%	9.3%	
Profit After Tax (PAT)	192	50	281.2%	25	681.5%	123	286	(57.1)%
Margin (%)	5.0%	1.3%		0.7%		0.8%	1.8%	
Basic EPS (Rs.)	30.30	7.95	281.2%	3.88	681.5%	19.36	47.28	(59.1)%
Adjusted PAT	192	50	281.2%	25	681.5%	123	177	(30.6)%
Margin (%)	5.0%	1.3%		0.7%		0.8%	1.1%	

Adjusted PAT: Excludes exceptional item adjusted for tax using effective tax rate

- Q4 FY2016 Revenue growth picked up when compared to Q3 FY2016 as orders in the Aerospace segment ramp up and deliveries start to happen. Hydraulic and Automotive segment also showed signs of improvement
- EBITDA margin improved significantly as capacity utilization across segments improve in particular, the Aerospace division

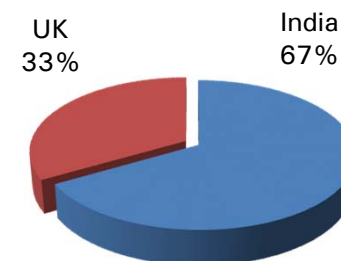


AEROSPACE AND DEFENCE SEGMENT

Financial Overview

Rs. million	Q4		y-o-y Growth (%)	Q3 FY16	q-o-q Growth (%)	Full Year		y-o-y Growth (%)
	FY16	FY15				FY16	FY15	
Revenue	783	645	21.4%	665	17.6%	2,698	2,617	3.1%
India	521	300	73.8%	352	48.3%	1,475	1,173	25.7%
UK	262	345	(24.1)%	314	(16.7)%	1,223	1,444	(15.3)%
EBITDA	281	145	94.2%	174	60.9%	764	639	19.5%
<i>Margin (%)</i>	<i>35.9%</i>	<i>22.4%</i>		<i>26.2%</i>		<i>28.3%</i>	<i>24.4%</i>	
India	257	109	135.7%	135	90.1%	598	445	34.5%
<i>Margin (%)</i>	<i>49.3%</i>	<i>36.4%</i>		<i>38.5%</i>		<i>40.5%</i>	<i>37.9%</i>	
UK	24	36	(33.3)%	39	(39.7)%	166	195	(14.8)%
<i>Margin (%)</i>	<i>9.0%</i>	<i>10.3%</i>		<i>12.5%</i>		<i>13.5%</i>	<i>13.5%</i>	

Q4 FY16 Revenue Breakup



Performance Overview

- Revenue growth driven by strong order book execution and deliveries in India. Ramp-up in UK expected from FY17 onwards
- EBITDA margin improved due to higher capacity utilization and improved performance in India
- **Outlook:** Strong order book in excess of Rs 60 billion. New enquiries and orders to further strengthen the order book
- **Strategy:** Ramp-up of the state-of-the-art Bangalore facility; developing capabilities in large aero-structural assemblies, composites, and high precision aero-structure design and engineering

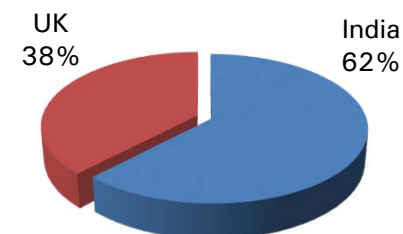


HYDRAULICS SEGMENT

Financial Overview

Rs. million	Q4		y-o-y Growth (%)	Q3 FY16	q-o-q Growth (%)	Full Year		y-o-y Growth (%)
	FY16	FY15				FY16	FY15	
Revenue	683	663	3.1%	623	9.7%	2,614	2,922	(10.5)%
India	423	395	7.0%	398	6.2%	1,655	1,785	(7.3)%
UK	261	268	(2.7)%	225	15.9%	959	1,137	(15.6)%
EBITDA	110	90	22.7%	67	64.2%	326	341	(4.4)%
<i>Margin (%)</i>	<i>16.1%</i>	<i>13.6%</i>		<i>10.8%</i>		<i>12.5%</i>	<i>11.7%</i>	
India	76	69	10.1%	70	9.0%	283	283	0.0%
<i>Margin (%)</i>	<i>18.0%</i>	<i>17.5%</i>		<i>17.6%</i>		<i>17.1%</i>	<i>15.8%</i>	
UK	34	21	65.0%	-3	nm	43	58	(26.0)%
<i>Margin (%)</i>	<i>13.1%</i>	<i>7.7%</i>		<i>(1.3)%</i>		<i>4.5%</i>	<i>5.1%</i>	

Q4 FY16 Revenue Breakup



Performance Overview

- Hydraulics segment experienced early signs of recovery in the industry environment both in the UK and India. UK business was also benefited by new order wins
- Higher sales and product mix change resulted in improved EBITDA margins
- **Outlook:** Demand pick up in the domestic construction equipment and infrastructure industries to drive growth in near term
- **Strategy:** Focus on OEM market and exports. Growth through replacement market and lean manufacturing systems

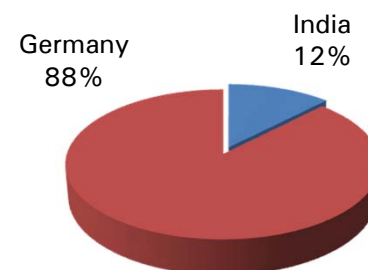


AUTOMOTIVE SEGMENT

Financial Overview

Rs. million	Q4		y-o-y Growth (%)	Q3 FY16	q-o-q Growth (%)	Full Year		y-o-y Growth (%)
	FY16	FY15				FY16	FY15	
Revenue	2,405	2,578	(6.7)%	2,335	3.0%	9,604	10,756	(10.7)%
India – M	218	286	(23.6)%	234	(6.7)%	985	1,235	(20.3)%
India – F	87	118	(26.0)%	62	40.5%	305	355	(14.0)%
Germany	2,100	2,175	(3.5)%	2,039	3.0%	8,315	9,168	(9.3)%
EBITDA	157	140	12.3%	81	93.9%	393	531	(26.0)%
<i>Margin (%)</i>	<i>6.5%</i>	<i>5.4%</i>		<i>3.5%</i>		<i>4.1%</i>	<i>4.9%</i>	
India – M	(20)	(22)	<i>nm</i>	(20)	<i>nm</i>	(105)	(70)	<i>nm</i>
<i>Margin (%)</i>	<i>nm</i>	<i>nm</i>		<i>nm</i>		<i>nm</i>	<i>nm</i>	
India – F	16	5	197.5%	28	(42.8)%	65	3	<i>nm</i>
<i>Margin (%)</i>	<i>18.1%</i>	<i>4.5%</i>		<i>44.5%</i>		<i>21.4%</i>	<i>0.8%</i>	
Germany	161	156	3.2%	73	119.2%	433	598	(27.6)%
<i>Margin (%)</i>	<i>7.7%</i>	<i>7.2%</i>		<i>3.6%</i>		<i>5.2%</i>	<i>6.5%</i>	

Q4 FY16 Revenue Breakup



Note:
 India – M: India – Machining
 India – F: India – Iron Foundry

Performance Overview

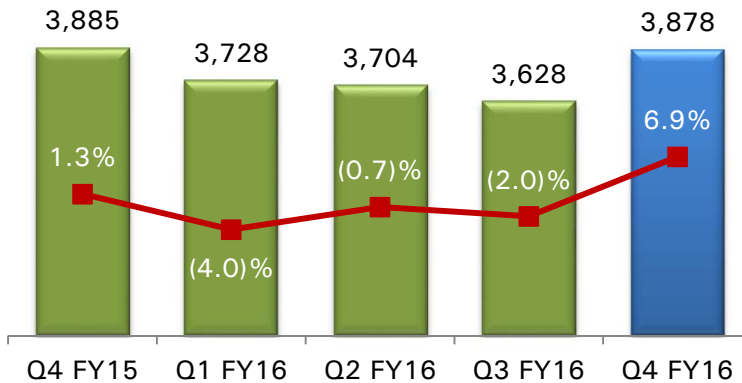
- Recovery in the global auto sector remains fragmented. This had an adverse impact on the Company's performance during FY2016; however margins were sustained
- India margins improved primarily due to higher foundry volumes and decline in raw material prices; Germany margins were sustained due improved product mix and operational efficiencies
- **Outlook:** New order wins in Germany to drive both revenue and profitability in FY17
- **Strategy:** Focus on high margin product mix, exports, ramp-up of existing products, performance-critical components, customer diversification, steel castings and capacity utilization



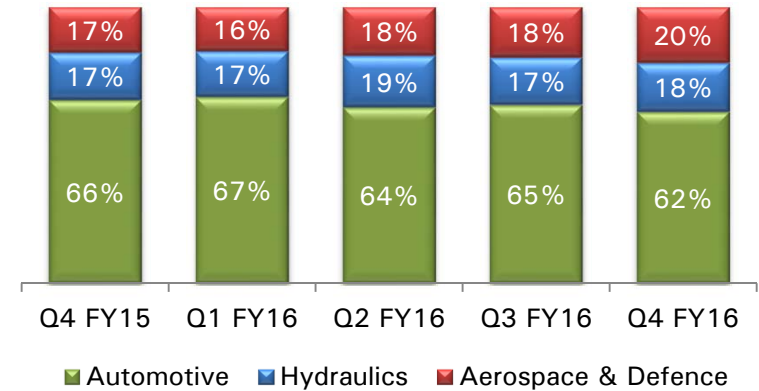
QUARTERLY FINANCIAL TRENDS

Q4 FY16 performance show an improving trend

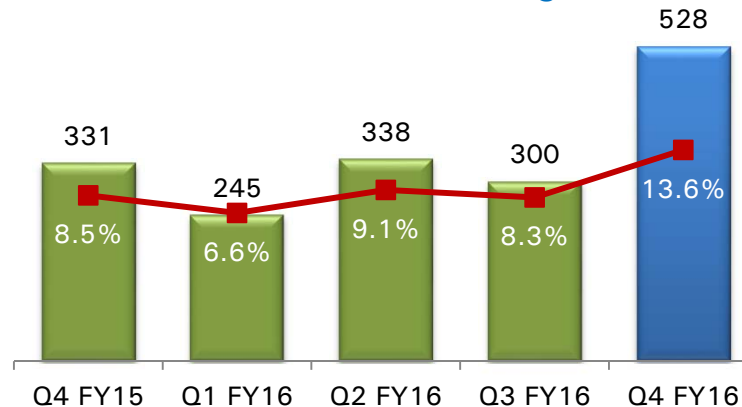
Revenue (Rs. mn) and Growth (Q-o-Q)



Segment Wise Revenue Contribution



EBITDA (Rs. mn) and Margin (%)





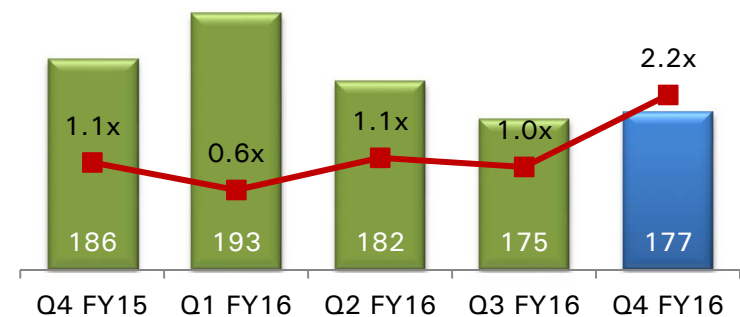
QUARTERLY FINANCIAL TRENDS

Focus on Deleveraging the Balance Sheet

Capital Structure

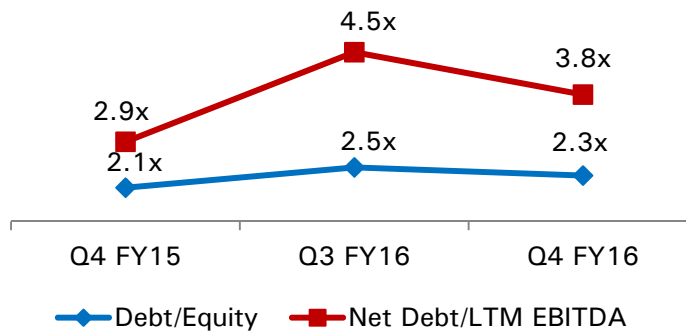
(Rs. million)	Mar 31, 2016	Dec 31, 2015	Mar 31, 2015
Long Term Borrowings	5,038	5,044	3,766
Short Term Borrowings	920	966	1,397
Total Debt	5,958	6,010	5,163
Less: Cash & Cash Equivalents	627	546	761
Net Debt	5,331	5,464	4,402
Net Worth	2,576	2,445	2,517

Interest Expense (Rs. mn) & Interest Coverage (x)



Note: Interest Coverage ratio = Operating Profit/Interest Expense

Net Debt/LTM EBITDA & Debt/Equity (x)



Management Perspectives

- Concluded a 10-year long term financing agreement with ICICI Bank, Axis Bank and IndusInd Bank at competitive interest rates which will result in:
 - Reduced interest cost
 - Favorable repayment terms
 - Availability of internal accruals for growth capital



DYNAMATIC OVERVIEW

Diversified business

- A combination of stable and high growth businesses with highly engineered products for the automotive, hydraulic, aerospace and defense industries
- Successful track record of enhancing manufacturing capabilities through R&D and selective acquisitions

Competitive market position

- One of the world's largest manufacturers of hydraulic gear pumps and automotive turbochargers; leadership in hydraulic gear pumps market for over 35 years
- Has 65% share of the Indian organized tractor market, supplies to almost all OEMs in India
- Pioneer and leader in the Indian private sector for manufacture of high precision airframe structures and aerospace components. Tier I supplier to the global aerospace OEMs such as Airbus, Boeing, Bell Helicopters and HAL
- Manufactures high precision, complex metallurgical ferrous and aluminium castings for performance critical components such as turbochargers and exhaust manifolds and has capabilities to develop automotive components on single-source basis

Locational advantages

- Automotive facilities in Chennai, one of India's major automotive hubs and in Germany, a global auto OEM hub
- Aerospace and Defense facilities in Bangalore, headquarters of primary clients and in Bristol, UK's south west aerospace hub



DYNAMATIC OVERVIEW

Vertically Integrated Facilities

- Advanced iron foundry in India and Germany. Also has aluminium foundry in India for captive use
- Owns one of the most advanced ferrous foundries in Europe (Germany) capable of manufacturing highly intricate castings
- In-house division for design validation and optimization, analysis and prototypes
- Has 11 facilities across India (Bangalore, Chennai, Coimbatore, Nasik), UK (Swindon, Bristol) and Germany (Schwarzenberg)

R&D and Intellectual Property

- Owns 17 patents for various products in India and internationally
- Has the design IP for all the products manufactured in the Hydraulics segment
- R&D units recognized by Department of Scientific and Industrial Research, Government of India

Blue Chip Customers

- Automotive: Audi, BMW, Daimler, Ford, Hyundai, Nissan, Tata Motors, Volkswagen
- Hydraulics: Caterpillar, Cummins, Eicher, Escorts, John Deere, Mahindra & Mahindra, New Holland Fiat, Same Deutz-Fahr
- Aerospace and Defence: Airbus, Bell Helicopter, Boeing, GKN Aerospace, HAL, Spirit Aerosystems

Board and Management

- Highly qualified board and management team with significant industry experience
- 5 out of 11 Directors Independent as of May 27, 2016



DYNAMATIC TECHNOLOGIES LIMITED

DYNAMATIC OVERVIEW

Combination of Stable and High Growth Businesses

AUTOMOTIVE

64% of FY16 Revenue

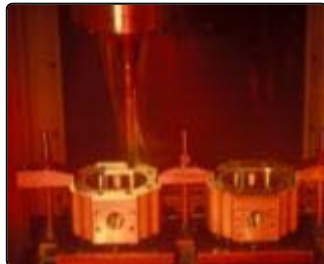


- Ferrous and non-ferrous automotive components including engine, transmission, turbocharger and chassis parts
- Metallurgical ferrous and aluminium castings

- Audi
- BMW
- Daimler
- Ford
- Hyundai
- Nissan
- Tata Motors
- Volkswagen

HYDRAULICS

18% of FY16 Revenue



- Hydraulic valves
- Hydraulic gear pumps
- Combined displacement pump packages
- Fan drive systems
- Fixed displacement pumps

- Caterpillar
- Eicher
- Escorts
- John Deere
- Mahindra & Mahindra
- New Holland Fiat
- Same Deutz-Fahr

AEROSPACE & DEFENCE

18% of FY16 Revenue



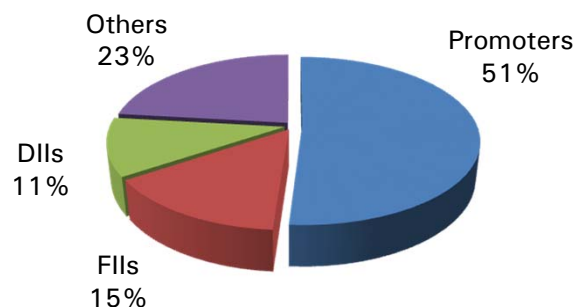
- Wings, rear fuselages, ailerons, wing flaps and major airframe structures
- Ramp structure assembly
- AFT Pylon assembly
- Defense products and solutions

- Airbus
- Boeing
- Bell
- Sprint
- HAL



BLUE CHIP INVESTOR BASE

Shareholding Structure



Shareholding Pattern Trend

Shareholders	Mar-15	Sep-15	Mar-16
Promoters	51.1%	51.1%	51.1%
FII's	15.2%	14.3%	14.5%
DII's	6.8%	7.8%	11.2%
Others	26.9%	26.8%	23.2%
Total	100.0%	100.0%	100.0%

Key Institutional Investors

- Samena Capital and Group
- HDFC Mutual Fund
- Alchemy and Group
- Goldman Sachs Group
- SBI Mutual Fund
- Param Capital and Group
- L&T Mutual Fund

Equity History

Year	Event	Equity Capital (Rs. mn)
1974	Initial Public Offering	2.9
1987	Rights Issue	11.2
1992	Rights Issue	21.0
1994	Rights Issue	31.5
1995	Bonus Issue	41.9
2008	Amalgamation	48.1
2008	Qualified Institutional Placement	54.1
2014	Preferential convertible warrants	60.4
2014	Qualified Institutional Placement	63.4



DYNAMATIC TECHNOLOGIES LIMITED

FINANCIAL STATEMENTS

Income Statement (Quarterly Trend)

Profit & Loss Statement (Rs. million)	Q4 FY15	Q1 FY16	Q2 FY16	Q3 FY16	Q4 FY16
Revenues					
Net Sales / Income from Operations (Net of Excise Duty)	3,838	3,691	3,670	3,598	3,847
Other Operating Income	47	37	33	30	32
Total Revenues	3,885	3,728	3,704	3,628	3,878
Expenses					
Cost of Raw Materials Consumed	2,249	2,180	2,042	2,150	2,103
Changes in Inventories of Finished Goods, WIP and Stock in Trade	(68)	(29)	9	(77)	(14)
Employee Benefit Expenses	572	549	542	542	559
Other Expenditure	801	783	772	712	703
Total expenses	3,554	3,483	3,366	3,327	3,351
Operating Profit (EBITDA)	331	245	338	300	528
Depreciation and Amortization Expenses	134	129	130	127	138
EBIT	197	116	208	173	390
Other Income	64	11	6	4	28
Finance Costs	186	193	182	175	177
PBT – Pre Exceptional	76	(66)	32	2	241
Exceptional (Gain)/ Losses	0	0	0	0	0
PBT	76	(66)	32	2	241
Tax Expenses	25	31	29	(22)	49
PAT	50	(97)	3	25	192
Basic EPS (Rs)	7.95	(15.31)	0.50	3.88	30.30
Margins (%)					
Gross Margins	43.9%	42.3%	44.6%	42.9%	46.1%
EBITDA margins	8.5%	6.6%	9.1%	8.3%	13.6%
PAT margins	1.3%	(2.6)%	0.1%	0.7%	5.0%
Y-o-Y Growth (%)					
Total Revenues	(9.7)%	(12.3)%	(14.2)%	(5.4)%	(0.2)%
EBITDA	(22.3)%	(47.1)%	(9.6)%	(12.3)%	59.4%
PAT	(61.8)%	nm	(99.1)%	328.5%	281.2%
Q-o-Q Growth (%)					
Total Revenues	1.3%	(4.0)%	(0.7)%	(2.0)%	6.9%
EBITDA	(3.5)%	(26.0)%	38.1%	(11.1)%	75.6%
PAT	778.6%	nm	nm	680.1%	681.5%
Effective Tax Rate	33.6%	nm	90.1%	nm	20.4%



DYNAMATIC TECHNOLOGIES LIMITED

FINANCIAL STATEMENTS

Income Statement (Annual Trend)

Profit & Loss Statement (Rs. million)	FY15	FY16
Revenues		
Net Sales / Income from Operations (Net of Excise Duty)	16,115	14,806
	177	132
Other Operating Income	16,292	14,938
Total Revenues		
Expenses		
Cost of Raw Materials Consumed	9,552	8,502
Changes in Inventories of Finished Goods, WIP and Stock in Trade	(96)	(111)
Employee Benefit Expenses	2,360	2,192
Other Expenditure	2,962	2,945
Total expenses	14,778	13,527
Operating Profit (EBITDA)	1,514	1,410
Depreciation and Amortization Expenses	509	524
EBIT	1,005	886
Other Income	103	50
Finance Costs	799	727
PBT – Pre Exceptional	308	208
Exceptional (Gain)/ Losses	(191)	0
PBT	499	208
Tax Expenses	213	86
PAT	287	122
Basic EPS (Rs)	47.28	19.36
Margins (%)		
Gross Margins	42.0%	43.8%
EBITDA margins	9.3%	9.4%
PAT margins	1.8%	0.8%
Y-o-Y Growth (%)		
Total Revenues		(5.9)%
EBITDA		(13.4)%
PAT		(11.2)%
Effective Tax Rate	42.6%	41.3%



DYNAMATIC TECHNOLOGIES LIMITED

FINANCIAL STATEMENTS

Balance Sheet – Assets

Balance Sheet (Rs. million)	Sep-14	Mar-15	Sep-15	Mar-16
ASSETS				
Non-Current Assets				
Goodwill	679	879	950	936
Fixed Assets	5,822	5,600	5,685	5,617
Non-Current Investment	0	0	0	1
Deferred tax asset (net)	5	0	0	0
Long Term Loans and Advances	273	242	223	260
Other Non Current Assets	79	161	139	128
Total Non-Current Assets	6,858	6,882	6,998	6,942
Current Assets				
Inventories	2,257	2,272	2,504	2,561
Trade Receivables / Sundry Debtors	1,020	1,131	1,049	1,228
Cash and Cash Equivalents	557	761	432	627
Short-Term Loans and Advances	352	314	351	345
Other Current Assets	254	138	179	111
Total Current Assets	4,440	4,616	4,514	4,873
TOTAL ASSETS	11,298	11,498	11,512	11,814



DYNAMATIC TECHNOLOGIES LIMITED

FINANCIAL STATEMENTS

Balance Sheet – Liabilities

Balance Sheet (Rs. million)	Sep-14	Mar-15	Sep-15	Mar-16
EQUITY and LIABILITIES				
Shareholders Fund				
Share capital	60	63	63	63
Reserves and surplus	2,134	2,453	2,397	2,513
Money Received against Share Warrants	0	0	0	0
Non-controlling interest (Preference capital)	26	4	0	0
Total Shareholders Fund	2,220	2,520	2,460	2,576
Non-Current Liabilities				
Long-Term Borrowings	3,005	2,658	3,977	3,999
Deferred Tax Liabilities (net)	278	276	282	253
Other Long Term Liabilities	33	30	32	15
Long Term Provisions	37	68	67	78
Total Non-Current Liabilities	3,352	3,032	4,358	4,345
Current Liabilities				
Short-Term Borrowings	1,265	1,397	956	920
Trade Payables	2,617	2,743	1,907	2,396
Other Current Liabilities	1,578	1,580	1,581	1,452
Short-Term Provisions	265	226	251	125
Total Current Liabilities	5,726	5,946	4,694	4,893
TOTAL EQUITY AND LIABILITIES	11,298	11,498	11,512	11,814



DYNAMATIC TECHNOLOGIES LIMITED

IMPORTANT NOTICE

This presentation contains statements that contain “forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Dynamatic Technologies’ (“Dynamatic” or the “Company”) future business developments and economic performance.

While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations.

These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance.

Dynamatic Technologies undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.



DYNAMATIC TECHNOLOGIES LIMITED

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