

Motherson Sumi Systems Limited



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Date: May 27, 2014

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Fort
MUMBAI – 400001

Subject : Press Release

Dear Sir (Madam)

We are enclosing herewith Press Release in relation to acquisition just announced.

This is for your information and record.

Thanking you,

Yours faithfully,
For Motherson Sumi Systems Limited

(G.N. GAUBA)
Vice President (Finance) &
Company Secretary

Encl. : A/a



Press Release for immediate publication

**Motherson Sumi Systems Limited announces acquisition of
Wiring Harness business of Stoneridge Inc.**

Editor's synopsis

- MSSL announces acquisition of Wiring Harness Business of Stoneridge Inc. for sum consideration of USD 65.7 Million.
- The deal, structured by way of Asset Purchase, is subject to completion of regulatory approvals and is expected to be completed by 3rd quarter of 2014
- Acquisition expands MSSL's wiring harness global business in North America, mainly serving Commercial Vehicles, Agricultural & Material Handling Equipment
- Current Revenue of acquired business: ~ US 300 Million, having 6 manufacturing plants at Mexico and USA.

New Delhi, May 27, 2014;

Motherson Sumi Systems Limited (MSSL) has signed an agreement to acquire the Wiring harness business of Stoneridge Inc. through asset purchase at transaction value of US \$ 65.7 million (debt free and cash free) . This acquisition is expected to close in the third quarter of 2014, subject to customary closing conditions. The acquired business has a turnover of approx. USD 300 Million.

The transaction includes six manufacturing facilities located in Portland, Indiana; Chihuahua, Mexico; Saltillo Mexico; and Monclova, Mexico; as well as an engineering and administrative center located in Warren, Ohio.

The acquired business has a history of 48 years of wiring harness manufacturing and is a well-established name in the markets it serves. It supplies principally to the commercial vehicles, agricultural equipment, material handling equipment and off-highway vehicle segments.

MSSL, started as a wiring harness company in 1986. It has strong synergies with the proposed business being acquired in terms of customer segments, products and global operations. With this acquisition, MSSL can service the customers in these regions as well as globally with its presence in other markets. This acquisition further strengthens MSSL presence in North America where it has in recent past, established wiring harness operations.

The acquired business would now have access to expertise of MSSL in the areas of wire harnesses, wires, wiring harness components including connectors, terminals, protectors, fuse and relay boxes and junction boxes and also of MSSL's in-house capabilities for process engineering, injection moulding tool manufacturing, polymer processing, IT solutions etc. for which it provides a global support to all its units. MSSL would further build upon the existing knowledge, technical expertise, and customer relationships that acquired business has in the region.

This is by far the largest acquisition for the core business of wiring harnesses. Before this MSSL has done 10 acquisitions, the first being in wiring harness in 2002, and other noticeable being acquisition of mirror business from Visiocorp (now renamed as Samvardhana Motherson Reflectec) in 2009 and Peguform (now named Samvardhana Motherson Peguform) in 2011 which established MSSL as a global Tier – 1 supplier to the major OEMs of the automotive industry.



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MSSL is currently the largest auto ancillary in India and also ranked 55th in global auto component suppliers. It is also included in Forbes Fabulous 50 Asian Companies and the Top 100 global challengers by BCG.

"With this acquisition, MSSL gets one of the most experienced wiring harness manufacturing operations in the region which would increase our customer reach, and most importantly add very talented team members who can help MSSL to service the customers in these geographies. We envisage North America playing a key contributor to our Vision 2020. Being done through a wholly owned subsidiary, this acquisition with base revenues of approximately US \$ 300 million would provide us a strong launchpad for our 2020 targets. It's a step further in MSSL's philosophy of growing all its product segments and maintaining a well-balanced product portfolio." said Mr. Vivek Chaand Sehgal, Chairman, Samvardhana Motherson Group.

Citigroup Global Markets Inc. acted as the exclusive financial advisor for the transaction to MSSL".

About Motherson Sumi Systems Limited

Motherson Sumi Systems Limited (MSSL) is the flagship company of the USD 5.4 Bn Samvardhana Motherson Group. Established in 1986. It is a joint venture between Samvardhana Motherson Group and Sumitomo Wiring Systems (Japan). MSSL is a focused, dynamic and progressive company providing customers with innovative and value-added products, services and solutions. The acquisition of mirror business from Visiocorp (now renamed as Samvardhana Motherson Reflectec) and Peguform (now named Samvardhana Motherson Peguform) has helped MSSL evolve as one of the world's leading manufacturers of automotive rear view mirrors and a leading manufacturers of instrument panels, bumpers and door trims in Europe. With a diverse global customer base comprising of almost all leading automobile manufacturers globally, the company has a presence in 25 countries across six continents. For any details, please visit <http://www.motherson.com>
(CIN-L34300DL1986PLC026431)

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