

July 05, 2017

<p>The Deputy General Manager <b>BSE Limited</b> Corporate Relationship Department 1<sup>st</sup> Floor, New Trading Ring, Rotunda Building, P J Towers, Dalal Street, Fort, Mumbai 400 001</p>	<p>The Manager Listing Department <b>National Stock Exchange of India Limited</b> 'Exchange Plaza', C-1, Block G, Bandra-Kurla Complex, Bandra (E), Mumbai 400 051</p>
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**Sub:** Disclosure under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

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Dear Sir,

We forward herewith a copy of presentation which is being hosted on the Company website.

This is for your information and record.

Thanking you,

Yours faithfully,

For **Timken India Limited**



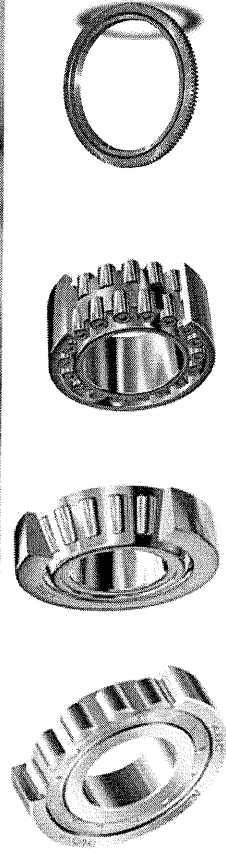
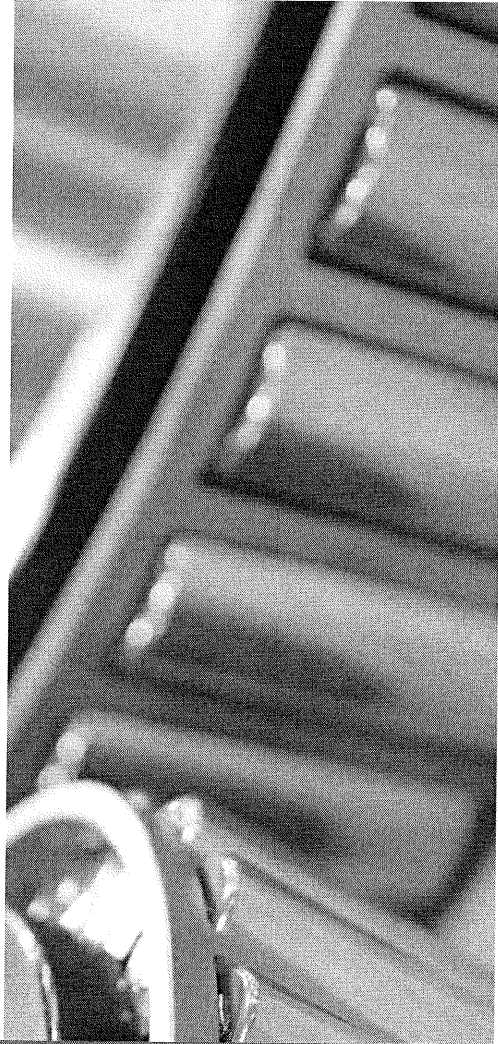
Soumitra Hazra  
Company Secretary  
& Chief Compliance

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CIN:L29130KA1996PLC048230

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**Stronger. By Design.**

## Acquisition of ABC Bearings

**ABC**  
Bearings Limited

## Disclaimer

Certain statements in this release are forward-looking statements, which involve a number of risks, uncertainties, assumptions and other factors that could cause actual results to differ materially from those in such forward-looking statements. All statements, other than statements of historical fact are statements that could be deemed forward looking statements, including but not limited to the statements containing the words 'planned', 'expects', 'believes', 'strategy', 'opportunity', 'anticipates', 'hopes' or other similar words. The risks and uncertainties relating to these statements include, but are not limited to, the inability to complete the acquisition or unexpected delay in the completion of the acquisition due to either the failure to satisfy any condition to the closing of the transaction, including receipt of shareholder or regulatory approval, the impact of pending regulatory or stock exchange proceedings or approvals, or the occurrence of any event, change or other circumstance that could give rise to the termination of the scheme of merger or implementation agreement, fluctuations in earnings, our ability to manage growth, intense competition in bearing manufacturing or any ancillary industry including those factors which may affect our cost advantage, wage increases in India, customer acceptances of our services, products and fee / cost structures, our ability to attract and retain highly skilled employees, our ability to integrate acquired assets in a cost effective and timely manner, time and cost overruns on fixed-price, fixed-time frame contracts, client concentration, restrictions on immigration, our ability to manage our international operations, reduced demand for technology in our key focus areas, disruptions in telecommunication networks, our ability to successfully complete and integrate potential acquisitions, the success of our brand development efforts, liability for damages on our service contracts, the success of the companies/entities in which we have made strategic investments, withdrawal of governmental fiscal incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property, other risks, uncertainties and general economic conditions affecting our industry. There can be no assurance that the forward looking statements made herein will prove to be accurate, and issuance of such forward looking statements should not be regarded as a representation by TIL, or any other person, that the objective and plans of TIL will be achieved. All forward looking statements made herein are based on information presently available to the management of TIL and TIL does not undertake to update any forward-looking statement that may be made from time to time by or on its behalf

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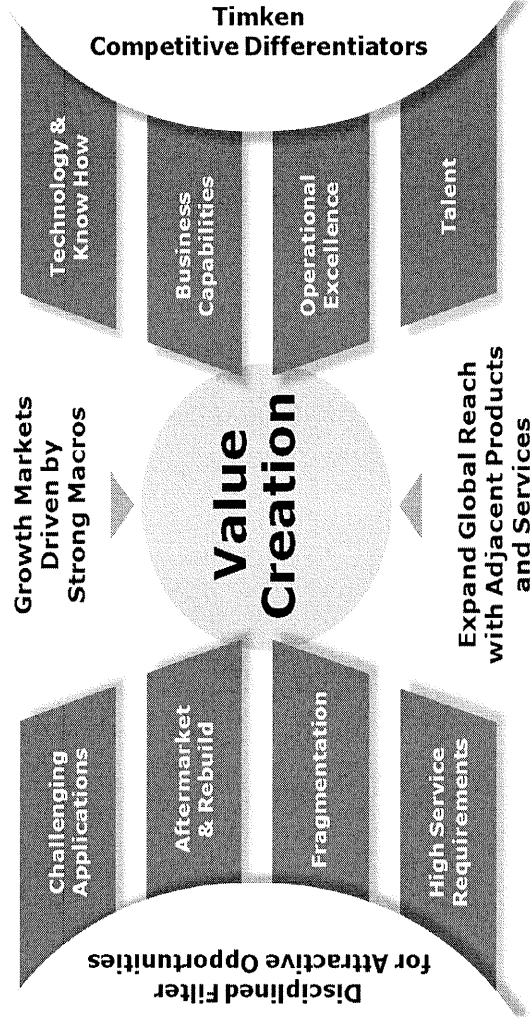
## Introduction to ABC Bearings Limited

- Manufacturer of tapered, cylindrical and spherical roller bearings, and slewing rings
- Widely known in India for tapered roller bearings
- Serves OEMs and aftermarket customers in industries including commercial vehicle, agriculture and industrial segments
- Established in 1961
- Manufacturing operations in Bharuch and Dehradun, India
- Close proximity to an established supply chain
- Approximately 475 employees
- FY17 (year ended 3/31/17) revenue of approximately INR 1,903M

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## Strategic Rationale

- Aligns well with the Timken Business Model
- Furthers Timken's leadership position in tapered roller bearings
- Cost competitive manufacturing footprint
- Open capacity to enable future growth in domestic and export markets
- Strong capabilities in cylindrical and spherical roller bearings, and slewing rings



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## Financial Summary

### Transaction Highlights

- Scheme of amalgamation requiring shareholder, court and other approvals
- ABC shareholders to receive a total of 7.22M shares of TIL in merger
- Purchase multiple of ~13.6 based on FY17 (year ended 3/31/17) adjusted EBITDA

### Meets Financial Criteria

- EPS accretive in Year 1
- Strong revenue and cost synergies

### Synergy Drivers

- Acceleration of tapered roller bearing growth opportunities
- Industrial bearings capacity – TRB/CRB/SRB/slewing rings
- Open capacity to help drive growth in domestic and export markets

### Pro Forma (TIL and ABC combined) (FY17)

- Combined revenue: INR 13,175M
- Combined EBITDA: INR 1,998M
- Combined PAT: INR 1,090M

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## Next Steps

- Filing of the scheme with the relevant National Company Law Tribunals (“NCLTs”) in Maharashtra and Karnataka
  - NCLT convened shareholders & creditors meeting for approval of scheme
  - Filing shareholder resolutions with the NCLT & Registrar of Companies
  - Sanction of scheme by NCLT
- Submission of approved scheme & relevant documents to the stock exchanges.
  - Receipt of final stock exchanges / Securities and Exchanges Board of India approval
- Allotment and listing of shares to the shareholders
- Transaction expected to take at least 6 months to complete