

REF:NS:SEC:

14th October, 2016

National Stock Exchange of India Limited
"Exchange Plaza", 5th Floor,
Plot No.C/1, G Block
Bandra-Kurla Complex
Bandra (East), Mumbai 400051.

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400001.

Bourse de Luxembourg
Societe de la Bourse de Luxembourg
Societe Anonyme/R.C.B. 6222,
B.P. 165, L-2011 Luxembourg.

London Stock Exchange Plc
10 Paternoster Square
London EC4M 7LS.

Dear Sirs,

Sub: SsangYong Motor Signs LOI for Joint Venture with Shaanxi Automobile Group of China

- SsangYong to establish Task Force Team to study the feasibility of setting up its first overseas CBU production plant in Xi'an Economic and Technological Development Zone in Xi'an, Shaanxi Province in northwest China in a partnership with Shaanxi Automobile Group
- SsangYong's decision to study a joint venture in Xi'an supported by the geographical advantage of the city's location in the center of the Chinese mainland and a Chinese automotive market that is continuously growing
- With a local production facility in China, SsangYong hopes to gain new growth momentum to become a strong global SUV manufacturer

This has reference to our earlier Press Release sent to the Stock Exchanges on the above mentioned subject. Inadvertently, a wrong version of this Press Release was submitted.

A correct version of the Press Release is now attached to this Letter. We regret the inconvenience and request you to take the above on record.

Kindly ignore the earlier Press Release and take on record the attached Press Release.

Yours faithfully,
For MAHINDRA & MAHINDRA LIMITED



NARAYAN SHANKAR
COMPANY SECRETARY
P

Encl: a/a



SSANGYONG

Press Release

October 14, 2016 (Friday)

SsangYong Motor Signs LOI for Joint Venture with Shaanxi Automobile Group of China

- **SsangYong to establish Task Force Team to study the feasibility of setting up its first overseas CBU production plant in Xi'an Economic and Technological Development Zone in Xi'an, Shaanxi Province in northwest China in a partnership with Shaanxi Automobile Group**
- **SsangYong's decision to study a joint venture in Xi'an supported by the geographical advantage of the city's location in the center of the Chinese mainland and a Chinese automotive market that is continuously growing**
- **With a local production facility in China, SsangYong hopes to gain new growth momentum to become a strong global SUV manufacturer**

Mumbai, October 14, 2016: SsangYong Motor Company(CEO Choi Johng-sik; www.smotor.com), part of the Mahindra Group, today announced that as part of its effort to grow in China the company signed a letter of intent (LOI) with Shaanxi Automobile Group to study feasibility for a joint venture that will establish a local production plant for CBU vehicles.

The signing ceremony, which was held in Xi'an in Shaanxi Province, China on October 11, was attended by SsangYong Motor CEO Choi Johng-sik, Communist Party Secretary of Shaanxi Province Lou Qanjian, Governor of Shaanxi Hu Heping, Vice Governor of Shaanxi Jiang Feng, Communist Party Secretary of Xi'an Wei Minzhou, Xi'an Mayor Shangguan Jiqing and President of Shaanxi Automobile Group Yuan Hongming and other officials and executives from Korea and China, who witnessed the signing of a Strategic Joint Venture Framework Agreement and a LOI.

The joint venture, if signed, will become SsangYong's first overseas production base. The company will study feasibility of constructing production facilities for CBU vehicles and an engine in the Xi'an Economic and Technological Development Zone in Xi'an.

Furthermore, SsangYong will study to establish an automotive cluster with its major suppliers that will also enter the market, to ensure product competitiveness and start the production of SsangYong's current models and models under development.

SsangYong has been reviewing the central and western parts of China for the establishment of its first overseas production facility taking into consideration the Chinese government's policies and the growth potential of the Chinese automotive market.

Xi'an is a strategic bridgehead for West China Development by the Chinese government and one of the key cities in the central and western Chinese region with an excellent geographical location, industrial infrastructure and facilities, good education and human resources, which give it a comparative advantage over other regions. Due to these advantages, it is a city with great investment potential within China.

With the signing of a LOI for a joint venture, SsangYong and Shaanxi Automobile Group will form a team to work on the Xi'an project and discuss the details for the establishment of a joint venture. Next steps will also involve obtaining the approval from SsangYong's Board of Directors, the governments of Shaanxi Province and Xi'an as well as the central government of China.

SsangYong Motor CEO Choi Johng-sik commented that "it is quite essential to have a local CBU plant in China to increase our competitiveness in the rapidly growing Chinese car market and to increase our sales volume," adding, "The subject to feasibility study and SsangYong's Board of Directors' approval, the joint venture, which will be SsangYong's first overseas production base, will serve as a new growth engine for SsangYong as the company continues its efforts to become a strong global SUV manufacturer." <END>

※ Reference: About SsangYong's JV partner

- Company name: Shaanxi Automobile Group Co., Ltd.
- Year of Establishment: 1968
- Production Models: Commercial vehicles.
- Production/Sales Volume: approx. 100,000 units (as of 2014)
- Others: ranking 21 of top 500 Chinese machinery companies

###