Dated: 23 Feb 2026

CIE Automotive (CIEINDIA) - REDUCE

Q4CY25 Result Update

Current Market Price (CMP)	Fair Value
Rs.469	**Rs.455**

Rationale:

- Q4CY25: Consolidated EBITDA of Rs349 cr, 1% above our estimates.
- Better-than-expected profitability in the India business, offset by weaker-than-expected profitability in the EU business.
- We expect the CIE Automotive India business to marginally outperform domestic blended automotive industry growth.
- Europe business is likely to be muted in the near term.
- We value CIE India on 17x March 2028E India business EPS and 10x March 2028E EPS for the Europe business.
- We retain our REDUCE rating with a revised FV of Rs455 (Rs435 earlier).

Positives:

- India business revenues improved 9% yoy; strong growth in the CV, 2W and tractor segments and ramp-up of new order wins from non-anchor customers.
- India business EBITDA was (+21% yoy, +2.3% qoq) 7.1% above our estimates; EBITDA margin increased 140 bps yoy.

Negatives:

- Europe: EBITDA margin (excl. other income) was 11.8%, 160 bps below our estimates.
- Europe business EBITDA was Rs94.2 cr, 13% below our estimates.

(EBITDA: Earnings Before Interest, Tax, Depreciation and Amortization; EU: European Union; EPS: Earnings Per Share; CV: Commercial Vehicle; 2W: Two-Wheeler)

Holding Period: 12 months

RATING SCALE (PRIVATE CLIENT GROUP)

Definitions of ratings

BUY – We expect the stock to deliver more than 15% returns over the next 12 months

ADD – We expect the stock to deliver 5% - 15% returns over the next 12 months

REDUCE – We expect the stock to deliver -5% - +5% returns over the next 12 months

SELL – We expect the stock to deliver < -5% returns over the next 12 months

NR – **Not Rated.** Kotak Securities is not assigning any rating or price target to the stock. The report has been prepared for information purposes only.

SUBSCRIBE – We advise investor to subscribe to the IPO.

RS – **Rating Suspended.** Kotak Securities has suspended the investment rating and price target for this stock, either because there is not a sufficient fundamental basis for determining, or there are legal, regulatory or policy constraints around publishing, an investment rating or target. The previous investment rating and price target, if any, are no longer in effect for this stock and should not be relied upon.

NA – **Not Available or Not Applicable.** The information is not available for display or is not applicable

NM – **Not Meaningful.** The information is not meaningful and is therefore excluded.

NOTE – Our target prices are with a 12-month perspective. Returns stated in the rating scale are our internal benchmark.

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