



Expanding Horizons

RANE BRAKE LINING LIMITED

Q3FY17 Earnings Release



Chennai, India, January 20, 2017 – Rane Brake Lining Limited (NSE: RBL; BSE Code:532987), a leading manufacturer of Brake Linings, Clutch Facings and Disc Pads today announced financial performance for the third quarter (Q3FY17) and nine months (9MFY17) ended December 31st, 2016.

Q3 FY17 Performance

- Total Operating Income was ₹119.50 Crore for Q3 FY17 as compared to ₹111.68 Crore in the Q3 FY16, an increase of 7%
- EBITDA stood at ₹17.66 Crore as compared to ₹16.44 Crore during Q3 FY16, an increase of 7%
- EBITDA Margin at 14.8% for Q3 FY17 as against 14.7% in Q3 FY16
- Net profit (PAT) stood at ₹9.98 Crore for Q3 FY17 as compared to ₹7.91 Crore in Q3 FY16, an increase of 26%

9M FY17 Performance

- Total Operating Income was ₹354.03 Crore for 9M FY17 as compared to ₹324.64 Crore in the 9M FY16, an increase of 9%
- EBITDA stood at ₹52.87 Crore as compared to ₹39.46 Crore during 9M FY16, an increase of 34%
- EBITDA Margin at 14.9% for 9M FY17 as against 12.2% in 9M FY16
- Net profit (PAT) stood at ₹30.30 Crore for 9M FY17 as compared to ₹16.62 Crore in 9M FY16, an increase of 82%

Corporate Action

- An interim dividend of ₹6/- per equity share has been declared by the Board of Directors on the paid-up capital of 79,14,980 of ₹10/- each. The record date for payment of interim dividend is February 2, 2017

Operating Highlights for Q3 FY17

- Strong demand from Indian OEM customers predominantly in the passenger vehicle and commercial vehicle segment
- The Indian aftermarket business was affected due to demonetization, however, disc pads products maintained its growth momentum
- Demand drop in the rail segment while international aftermarkets recorded flat performance
- The effect of adverse currency movement and unfavorable product mix was offset by continued cost reduction and operating measures

MANAGEMENT COMMENT

“Q3FY17 was an eventful quarter given the macroeconomic issues facing the industry. Despite headwinds, RBL clocked a steady performance on the back of robust demand from Indian OEMs in Passenger vehicle segment coupled with our ongoing cost reduction initiatives. As we move forward, we believe our select products are poised well to gain from anticipated recovery of the auto industry.”

L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

FINANCIAL PERFORMANCE

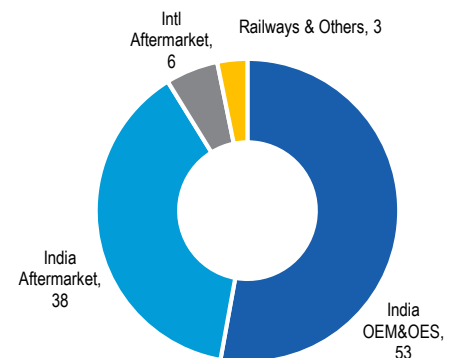
Particulars	Q3FY16	Q3FY17	YoY%
Total Operating Income	111.68	119.50	7%
EBITDA	16.44	17.66	7%
EBITDA Margins	14.7%	14.8%	6 bps
PAT	7.91	9.98	26%

Particulars	9MFY16	9MFY17	YoY%
Total Operating Income	324.64	354.03	9%
EBITDA	39.46	52.87	34%
EBITDA Margins	12.2%	14.9%	278 bps
PAT	16.62	30.30	82%

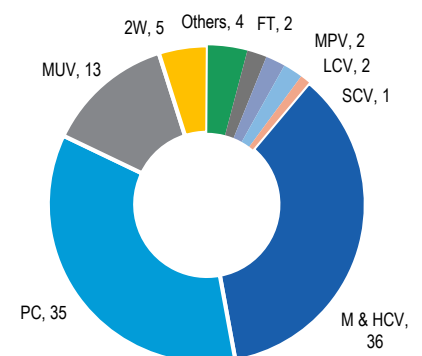
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q3 FY17)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	Q3 FY17	Q2 FY17	QoQ%	Q3 FY16	YoY%	9M FY17	9M FY16	YoY %
Income from Operations	119.41	112.74	6%	111.59	7%	353.45	324.33	9%
Other Operating Income	0.09	0.33	-71%	0.09	2%	0.58	0.30	91%
Total Operating Income	119.50	113.07	6%	111.68	7%	354.03	324.64	9%
Expenses								
-Cost of Material Consumed	56.76	53.58	6%	52.28	9%	168.68	155.48	8%
-Changes in inventories	-0.14	-2.30	94%	-0.91	84%	-3.48	-1.77	-96%
-Employee Benefit Expense	16.77	16.64	1%	14.79	13%	49.08	47.28	4%
-Depreciation & Amortization	4.79	4.80	0%	4.76	1%	14.52	14.18	2%
-Other Expenditure	28.70	30.09	-5%	29.29	-2%	89.45	85.47	5%
Total Expenses	106.87	102.80	4%	100.20	7%	318.25	300.64	6%
EBIT Before Other Income	12.63	10.27	23%	11.48	10%	35.78	23.99	49%
Other Income	0.24	1.81	-87%	0.21	14%	2.57	1.29	99%
Finance Costs	0.10	0.25	-60%	0.82	-88%	0.73	2.92	-75%
PBT	12.77	11.83	8%	10.87	18%	37.62	22.36	68%
Tax Expense	2.79	2.00	39%	2.97	-6%	7.32	5.74	27%
PAT	9.98	9.83	2%	7.91	26%	30.30	16.62	82%

(In ₹ Crore, unless otherwise mentioned, the sum of the sub-segment amounts may not equal the total amounts due to rounding off)

ABOUT RANE BRAKE LINING LIMITED

Established in 1964, Rane Brake Lining Limited (RBL) is part of the Rane Group of Companies, a leading auto component group based out of Chennai. RBL manufactures friction material products such as Brake linings, Disc pads, and Clutch facings. Clutch buttons, Brake Shoes and Railway brake blocks. RBL is market leader in India and global player in friction material. It has technical collaboration with Nisshinbo Brakes Inc., Japan for know-how in brake linings, disc pads & clutch facings, RBL products have application in every segment of automobile industry such as PV, CV and 2W/3W.

ABOUT RANE GROUP

Headquartered in Chennai, India, Rane Group is engaged primarily in manufacturing auto components for well over five decades. Rane Group is a preferred supplier to major OEMs in India and abroad. Through its group companies, it manufactures Steering and Suspension systems, Friction materials, Valve train components, Occupant safety systems and Die-casting products. Its products serve a variety of industry segments including Passenger Vehicles, Commercial Vehicles, Farm Tractors, Two-wheelers, Three-wheelers, Railways and stationery Engines.

IF YOU HAVE ANY QUESTIONS OR REQUIRE FURTHER INFORMATION,
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Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. The Company will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.