



Expanding Horizons

RANE BRAKE LINING LIMITED

FY18 Earnings Release



Chennai, India, April 13, 2018 – 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 financial year (FY18) ended March 31st, 2018

FY18 Performance

- Total Net Revenue was ₹487.2 Crore for FY18 as compared to ₹470.6 Crore in the FY17, an increase of 3.5%
- EBITDA stood at ₹80.6 Crore as compared to ₹77.7 Crore during FY17, an increase of 3.8%
- EBITDA Margin remained unchanged at 16.5% for FY18
- Net profit (PAT) stood at ₹35.7 Crore for FY18 as compared to ₹34.9 Crore in FY17, an increase of 2.3%

Corporate Action

- A final dividend of ₹9/- per equity share has been recommended by the Board of Directors on the paid-up capital of 79,14,980 of ₹10/- each. The total dividend for the year ending March 31, 2018 is ₹15.50/- per equity share including an interim dividend of ₹6.50/- per equity share declared on January 29, 2018 and paid on February 19, 2018.

Operating Highlights

- The Company's overall OE sales registered a growth of 6% mainly supported by strong demand from passenger vehicles and two-wheeler segment
- Recorded flat growth in the Indian aftermarket business. This was primarily driven by lower sales in Q1 as dealers lowered stockings owing to implementation of GST
- Lower offtake from international aftermarket customers resulted in 9% decline in the exports
- Favorable commodity prices, foreign exchange movement and higher cost savings realization helped to sustain lower material cost
- Continued to realize savings on employee costs and power cost through strategic initiatives undertaken in FY17.

MANAGEMENT COMMENT

“RBL registered a decent financial performance in FY18 on the back of strong demand from Indian OEMs in passenger vehicle and two wheeler segment. There was aberration in Q1 from Aftermarket segment which was offset in the subsequent quarters. We were able to sustain the profitability with the support of favourable commodity prices and operational performance. While we see robust demand continuing this year, sharp increase in commodity prices is a challenge.” - L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

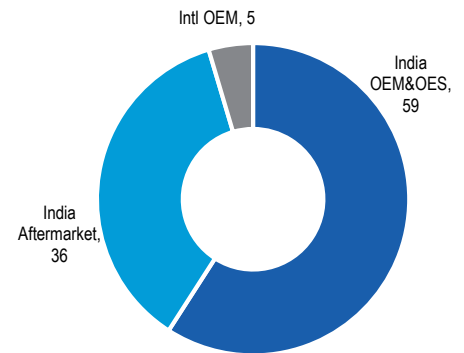
FINANCIAL PERFORMANCE

Particulars	FY18	FY17	YoY%
Total Net Revenue*	487.2	470.6	3.5%
EBITDA	80.6	77.7	3.8%
EBITDA Margins	16.5%	16.5%	3 bps
PAT	35.7	34.9	2.3%

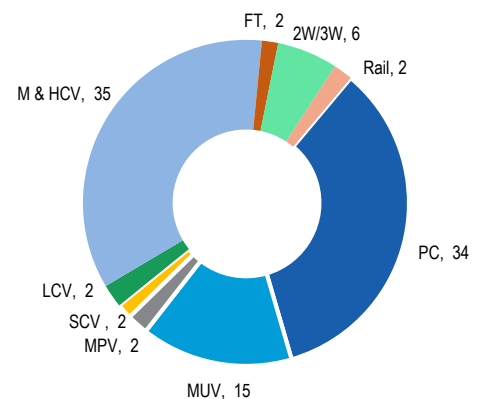
*Revenue excludes excise duty wherever applicable
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (FY18)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	FY18	FY17	YoY%
Income from Operations	495.3	532.0	-7%
Other Operating Income	0.6	0.8	-29%
Other Income	4.7	4.5	6%
Total Revenue	500.6	537.2	-7%
Expenses			
-Cost of Material Consumed	235.5	226.8	4%
-Changes in Inventories	0.1	-2.3	105%
-Excise Duty	13.4	66.7	-80%
-Employee Benefit Expense	65.3	66.6	-2%
-Finance Costs	0.4	0.8	-52%
-Depreciation & Amortization	23.7	19.5	22%
-Other Expenditure	105.7	101.9	4%
Total Expenses	444.1	479.8	-7%
PBT before Exceptional items	56.5	57.4	-2%
Exceptional Item	-1.6	-14.7	
PBT	54.9	42.7	29%
Tax Expense	19.1	7.8	146%
PAT	35.7	34.9	2%

KEY BALANCE SHEET ITEMS

Particulars	FY18	FY17	Change
Non-current assets	131.6	136.3	-4.9
-PP&E	109.6	120.7	-11.1
-Financial Assets	12.2	13.7	-1.6
Current assets	179.5	141.4	38.0
- Inventories	36.0	35.5	0.5
-Trade receivables	120.8	100.3	20.6
-Cash & cash equivalents	9.5	1.2	8.3
Total Assets	310.9	277.7	33.1
Shareholders Fund	188.2	166.8	21.4
Non-current liabilities	3.1	6.1	-3.0
-Long-term borrowings	-	-	-
Current liabilities	119.6	104.9	14.7
-Short-term borrowings	0.1	6.0	-5.9
-Trade payables	106.2	84.5	21.7
Total Liabilities	122.7	111.0	11.7
Total Equity and Liabilities	310.9	277.7	33.1

(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, 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 provides Steering and Suspension systems, Friction materials, Valve train components, Occupant safety systems, Die-casting products and Connected mobility solutions. 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,
PLEASE FEEL FREE TO CONTACT: INVESTORSERVICES@RANEGROUP.COM OR DPINGLE@CHRISTENSENIR.COM

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.