



Expanding Horizons

RANE HOLDINGS LIMITED

Q3FY19 Earnings Release



Chennai, India, February 7, 2019 – Rane Holdings Limited (NSE: RANEHOLDIN; BSE Code: 505800), the holding Company of Rane group today announced financial performance for the third quarter (Q3 FY19) and nine months (9M FY19) ended December 31st, 2018.

Group Aggregate Performance – Q3 FY19

- Total Net Revenue increased by 6.4% to ₹1,310.9 Crore in Q3 FY19 from ₹1,231.7 Crore in Q3 FY18
- EBITDA stood at ₹109.6 Crore as compared to ₹156.3 Crore during Q3 FY18, a decrease of 29.9%
- EBITDA Margin at 8.4% for Q3 FY19 as against 12.7% in Q3 FY18
- PAT stood at ₹26.6 Crore for Q3 FY19 as compared to ₹62.4 Crore in Q3 FY18, a decrease of 57.3%

Consolidated Financials – Q3 FY19

- Total Net Revenue increased by 7.2% to ₹638.8 Crore in Q3 FY19 from ₹595.6 Cr in Q3 FY18
- EBITDA stood at ₹63.3 Crore as compared to ₹70.4 Crore during Q3 FY18, a decrease of 10.0%
- EBITDA Margin at 9.9% for Q3 FY19 as against 11.8% in Q3 FY18
- PAT stood at ₹19.9 Crore for Q3 FY19 as compared to ₹44.5 Crore in Q3 FY18, a decrease of 55.2%

Corporate Action

- An interim dividend of ₹8/- per equity share has been declared by the Board of Directors on the paid-up capital of 1,42,77,809 equity shares of ₹10/- each. The record date for payment of interim dividend is February 19, 2019.

Group's Key Business Highlights for Q3 FY19

- Revenues from Indian OE customers had muted growth of 2% YoY. The growth in all segments including Commercial Vehicles, Passenger Vehicles, Farm Tractors and Two Wheeler segment started weakening.
- Revenues from international customers grew 25% YoY. Growth driven by increase in schedules from key OEM customers for Mechanical Steering Systems and Occupant Safety products
- Indian aftermarket business registered a 4% drop
- EBITDA margin declined by 433 bps
 - Unfavorable forex movement, increase in raw material / employee cost impacted the profitability

MANAGEMENT COMMENT

"Rane group companies' aggregate sales increased 6% despite sluggish demand environment. We continued to experience inflationary pressure on raw material resulting in lower profitability. Better operational performance helped us to mitigate the impact to a certain extent. Management is focusing on various initiatives to mitigate cost escalation."

L. Ganesh, Chairman & Managing Director, Rane Holdings Ltd.

BUSINESS HIGHLIGHTS

GROUP AGGREGATE FINANCIAL PERFORMANCE

Particulars	Q3 FY 19	Q3 FY 18	YOY%
Total Net Revenue*	1,310.9	1,231.7	6.4%
EBITDA	109.6	156.3	-29.9%
Margin (%)	8.4%	12.7%	-433 bps
PAT	26.6	62.4	-57.3%

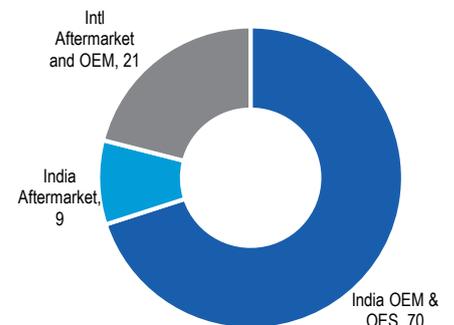
CONSOLIDATED FINANCIAL PERFORMANCE

Particulars	Q3 FY 19	Q3 FY 18	YOY%
Total Net Revenue*	638.8	595.6	7.2%
EBITDA	63.3	70.4	-10.0%
Margin (%)	9.9%	11.8%	-190 bps
PAT^	19.9	44.5	-55.2%

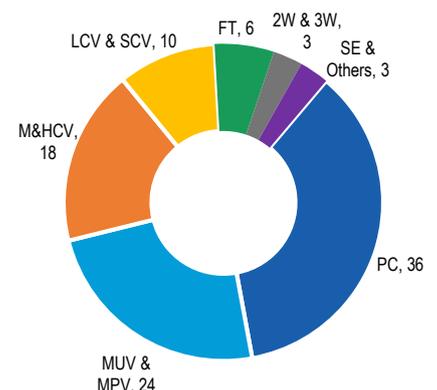
*Revenue excludes excise duty wherever applicable
 ^PAT is before non-controlling interest
 (In ₹ Crore, unless otherwise mentioned)

GROUP AGGREGATE SALES (Q3 FY19)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Q3 FY19	Q2 FY19	QoQ%	Q3 FY18	YoY%	9M FY19	9M FY18	YoY%
Income from Operations	607.5	617.8	-1.7%	570.1	6.6%	1,826.7	1,621.7	12.6%
Dividend Income	-	-		-		-	-	
Other Operating Income	27.0	26.9	0.3%	24.7	9.3%	87.5	69.9	25.1%
Other Income	4.2	3.1	34.0%	0.8	421.5%	15.1	5.7	167.7%
Total Revenue	638.8	647.9	-1.4%	595.6	7.2%	1,929.3	1,697.2	13.7%
Expenses								
-Cost of Material Consumed	345.4	344.4	0.3%	313.0	10.3%	1,039.1	848.3	22.5%
-Purchase of stock-in-trade	3.3	6.3	-47.9%	1.7	94.4%	15.3	5.8	163.3%
-Changes in inventories	-11.5	-3.2	-262.3%	-18.9	38.8%	-27.1	-24.9	-8.8%
-Excise Duty	-	-		-		-	47.0	
-Employee Benefit Expense	112.9	111.0	1.7%	104.0	8.6%	336.2	299.4	12.3%
-Finance Cost	12.6	11.7	7.6%	10.6	18.4%	35.5	33.1	7.1%
-Depreciation & Amortization	31.5	31.2	1.1%	28.7	10.0%	92.5	83.8	10.4%
-Professional Charges	5.2	7.2	-27.5%	6.6	-21.1%	18.0	17.5	2.8%
-Information Systems expenses	3.3	2.4	37.9%	2.2	47.8%	8.4	6.1	37.6%
-Other Expenditure	117.0	117.9	-0.8%	116.6	0.3%	353.2	308.1	14.6%
Total Expenses	619.6	628.8	-1.5%	564.5	9.8%	1,871.0	1,624.2	15.2%
PBT before share of profit / (loss) of JV & associates	19.2	19.1	0.7%	31.1	-38.3%	58.4	73.0	-20.1%
Share of Profit / (loss) of JV and Associate	16.1	34.9	-53.8%	36.0	-55.2%	85.2	91.2	-6.5%
PBT before Exceptional items	35.3	54.0	-34.5%	67.1	-47.4%	143.6	164.2	-12.5%
Exceptional Item	-	-		-		-	15.7	
PBT	35.3	54.0	-34.5%	67.1	-47.4%	143.6	179.9	-20.2%
Tax Expense	15.4	20.1	-23.4%	22.6	-31.9%	57.1	61.9	-7.8%
PAT	19.9	33.9	-41.1%	44.5	-55.2%	86.5	118.0	-26.7%

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

ABOUT RANE HOLDINGS LIMITED

Rane Holdings Limited (RHL) is the holding company of Rane Group. RHL owns the trademark in Rane and provides a wide range of services to group Companies. These include employee training, development, investor services, business development and information system support.

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.