



Expanding Horizons

RANE BRAKE LINING LIMITED

Q1 FY20 Earnings Release



Chennai, India, July 25, 2019 – Rane Brake Lining Limited (NSE: RBL; BSE Code:532987), a leading manufacturer of Brake Linings, Disc Pads and Clutch Facings today announced financial performance for the first quarter (Q1 FY20) ended June 30th, 2019

Q1 FY20 Performance

- Total Net Revenue was ₹118.9 Crore for Q1 FY20 as compared to ₹123.2 Crore in the Q1 FY19, a decrease of 3.5%
- EBITDA stood at ₹15.7 Crore as compared to ₹15.5 Crore during Q1 FY19, an increase of 1.5%
- EBITDA Margin at 13.2% for Q1 FY20 as against 12.6% in Q1 FY19, an increase of 65 basis points (bps)
- Net profit (PAT) stood at ₹7.3 Crore for Q1 FY20 as compared to ₹6.6 Crore in Q1 FY19, an increase of 11.4%

Operating Highlights

- Sales to OE customer declined 9% due to drop in volumes across segments. Revenue from two-wheeler segment grew 9%.
- Sales to Aftermarket customers grew 1%. Expanded product range and launched new grades.
- EBITDA margin improved 65 bps
 - Favourable product mix helped offset higher employee cost

MANAGEMENT COMMENT

"Despite the volume drop in Indian automotive segment RBL managed to post decent performance in Q1 supported by Aftermarket segment. The market outlook for near-term looks challenging and RBL is trying to build resilience through various cost control initiatives and capitalizing on available opportunities in the Aftermarket segment." – **L. Ganesh, Chairman, Rane Group**

BUSINESS HIGHLIGHTS

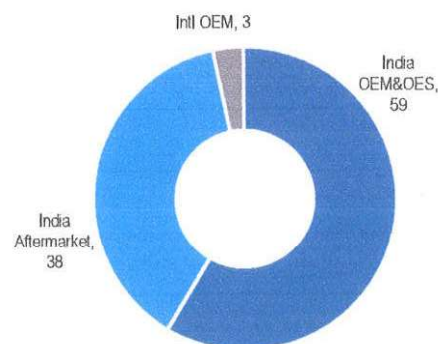
Financial Performance

Particulars	Q1 FY 20	Q1 FY 19	YOY%
Total Net Revenue	118.9	123.2	-3.5%
EBITDA	15.7	15.5	1.5%
Margin (%)	13.2%	12.6%	65 bps
PAT	7.3	6.6	11.4%

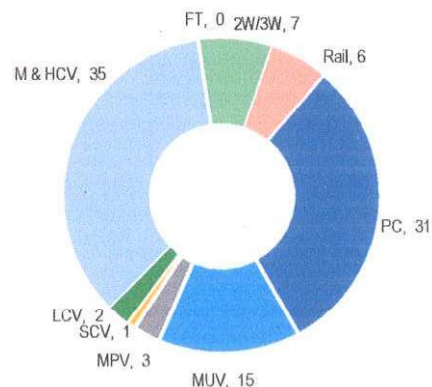
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q1 FY20)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	Q1 FY20	Q4 FY19	QoQ%	Q1 FY19	YoY%
Income from Operations	116.1	139.0	-16%	122.1	-5%
Other Operating Income	0.1	0.1	0%	0.2	-17%
Other Income	2.7	2.9	-8%	0.9	202%
Total Revenue	118.9	142.0	-16%	123.2	-3%
Expenses					
-Cost of Material Consumed	57.6	62.7	-8%	65.6	-12%
-Changes in inventories	-1.4	-0.5	-164%	-4.7	70%
-Employee Benefit Expense	20.2	19.8	2%	18.4	10%
-Finance Cost	0.0	0.4	-99%	0.0	104%
-Depreciation & Amortization	6.3	7.5	-15%	5.5	14%
-Other Expenditure	26.8	34.2	-22%	28.3	-5%
Total Expenses	109.5	124.1	-12%	113.2	-3%
PBT before Exceptional Items	9.4	18.0	-48%	9.9	-6%
Exceptional Item	-	0.9		-	
PBT	9.4	17.0	-45%	9.9	-6%
Tax Expense	2.0	3.0	-31%	3.4	-39%
PAT	7.3	14.1	-48%	6.6	11%

(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.