



Chennai, India, October 22, 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 second quarter (Q2FY20) and six months (H1FY20) ended September 30th, 2019

Q2 FY20 Performance

- Total Net Revenue was ₹112.1 Crore for Q2 FY20 as compared to ₹121.3 Crore in the Q2 FY19, a decrease of 7.6%
- EBITDA stood at ₹15.2 Crore as compared to ₹13.1 Crore during Q2 FY19, an increase of 16.3%
- EBITDA Margin at 13.6% for Q2 FY20 as against 10.8% in Q2 FY19, an increase of 279 basis point (bps)
- Net profit (PAT) stood at ₹7.5 Crore for Q2 FY20 as compared to ₹5.3 Crore in Q2 FY19, an increase of 40.5%

H1 FY20 Performance

- Total Net Revenue was ₹231.0 Crore for H1 FY20 as compared to ₹244.4 Crore in the H1 FY19, a decrease of 5.5%
- EBITDA stood at ₹30.9 Crore as compared to ₹28.6 Crore during H1 FY19, an increase of 8.1%
- EBITDA Margin at 13.4% for H1 FY20 as against 11.7% in H1 FY19
- Net profit (PAT) stood at ₹14.8 Crore for H1 FY20 as compared to ₹11.9 Crore in H1 FY19, an increase of 24.4%

Operating Highlights

- Sales to OE customer declined 14% due to drop in volumes across segments. Revenue from two-wheeler segment grew 19%.
- Sales to Aftermarket customers grew 1%. Managed flat growth despite sluggish market and stock corrections at dealers.
- EBITDA margin improved 279 bps
 - Favourable product mix helped offset higher employee cost
 - There was also an one off reversal of provision for bad debts during the quarter

MANAGEMENT COMMENT

“The volume drop in Q2 was more pronounced than Q1. RBL managed to control major cost elements and post good margin. In the near term, maximizing sales opportunities and controlling cost remains top priorities to navigate the tough market environment.”

– **L. Ganesh, Chairman, Rane Group**

BUSINESS HIGHLIGHTS

Financial Performance

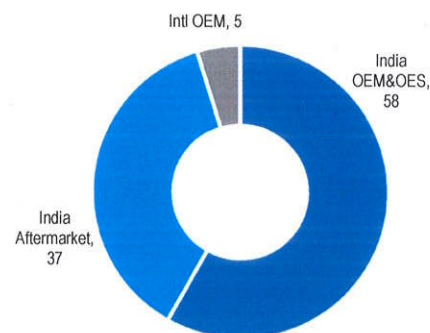
Particulars	Q2 FY 20	Q2 FY 19	YOY%
Total Net Revenue	112.1	121.3	-7.6%
EBITDA	15.2	13.1	16.3%
Margin (%)	13.6%	10.8%	279 bps
PAT	7.5	5.3	40.5%

Particulars	H1 FY 20	H1 FY 19	YOY%
Total Net Revenue	231.0	244.4	-5.5%
EBITDA	30.9	28.6	8.1%
Margin (%)	13.4%	11.7%	169 bps
PAT	14.8	11.9	24.4%

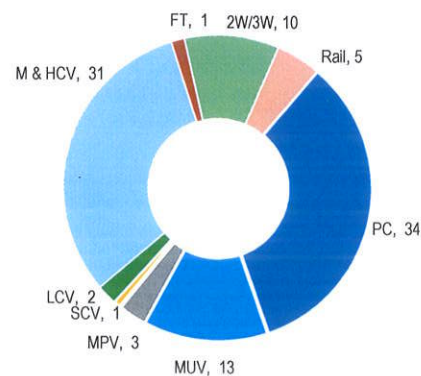
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q2 FY20)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



[Handwritten signature]

[Handwritten marks]

PROFIT AND LOSS ACCOUNT

Particulars	Q2FY20	Q1FY20	QoQ%	Q2FY19	YoY%	H1FY20	H1FY19	YoY%
Income from Operations	109.1	116.1	-6%	119.7	-9%	225.2	241.9	-7%
Other Operating Income	0.3	0.1	140%	0.2	43%	0.5	0.4	18%
Other Income	2.6	2.7	-1%	1.3	95%	5.3	2.2	144%
Total Revenue	112.1	118.9	-6%	121.3	-8%	231.0	244.4	-6%
Expenses								
-Cost of Material Consumed	52.8	57.6	-8%	60.2	-12%	110.4	125.8	-12%
-Purchase of stock-in-trade	-	-	-	-	-	-	-	-
-Changes in inventories	1.2	-1.4	185%	1.1	7%	-0.2	-3.6	94%
-Excise Duty	-	-	-	-	-	-	-	-
-Employee Benefit Expense	19.4	20.2	-4%	18.5	5%	39.7	36.7	8%
-Finance Cost	0.0	0.0	-82%	0.1	-99%	0.0	0.1	-96%
-Depreciation & Amortization	6.3	6.3	-1%	5.7	11%	12.6	11.2	13%
-Other Expenditure	23.4	26.8	-13%	28.3	-17%	50.2	56.8	-12%
Total Expenses	103.1	109.5	-6%	113.9	-9%	212.7	227.1	-6%
PBT before Exceptional Items	8.9	9.4	-5%	7.4	21%	18.3	17.3	6%
Exceptional Item	-	-	-	-	-	-	-	-
PBT	8.9	9.4	-5%	7.4	21%	18.3	17.3	6%
Tax Expense	1.5	2.0	-28%	2.1	-28%	3.5	5.4	-35%
PAT	7.5	7.3	2%	5.3	41%	14.8	11.9	24%

KEY BALANCE SHEET ITEMS

Particulars	As at 30.09.2019
Non-current assets	137.6
-Property, Plant and Equipment	108.4
-Financial Assets	13.4
Current assets	197.7
- Inventories	52.8
-Trade receivables	86.1
-Cash and cash equivalents	48.4
Total Assets	335.3
Shareholders Fund	215.5
Non-current liabilities	3.3
-Long-term borrowings	-
Current liabilities	116.5
-Short-term borrowings	-
-Trade payables	85.2
Total Liabilities	119.8
Total Equity and Liabilities	335.3

(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

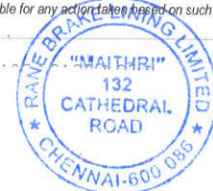
Established in 1964, Rane Brake Lining Limited (RBL) is part of the Rane Group of Companies, a leading auto component group based out of Chennai. RBL manufactures friction material products such as Brake Linings, Disc pads, Clutch facings, Clutch buttons, Brake Shoes and Railway brake blocks. RBL is market leader in India and global player in friction material. It has technical collaboration with Nissin/Inbo Brakes (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 Stationary Engines.

IF YOU HAVE ANY QUESTIONS OR REQUIRE FURTHER INFORMATION,
PLEASE FEEL FREE TO CONTACT: INVESTORSERVICES@RANEGROUP.COM OR DPINGLE@CHRISTENSENIR.COM

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 any 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.



dy

dy