

Rane Brake Lining Limited



//Online Submission//

RBL / SE / 43 / 2018-19

January 28, 2019

BSE Limited Listing Centre Scrip Code: 532987	National Stock Exchange of India Ltd. NEAPS Symbol: RBL
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Dear Sir / Madam,

Sub: Outcome of Board Meeting held on January 28, 2019 - under Regulation 30 of SEBI LODR

Ref: Our letter no. RBL / SE / 39 / 2018-19 dated December 31, 2018

This is to inform that the Board of Directors, inter alia, approved the un-audited financial results of the Company for the quarter and nine months ended December 31, 2018 as recommended by the audit committee at their respective meeting(s) held today (January 28, 2019).

The un-audited financial results of the Company for the quarter and nine months ended December 31, 2018 is enclosed along with the Limited Review Report issued by M/s. Varma & Varma, Chartered Accountants, Statutory Auditors. **(Regulation 33)**.

The financial results will be uploaded on the website of the company at www.ranegroup.com **(Regulation 46)**.

The extract of the un-audited financial results will be published in newspapers, i.e., 'Business Standard' and 'Dinamani' in the format prescribed **(Regulation 47)**. An 'earnings release' for the above results is also enclosed **(Regulation 30)**.

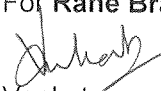
The meeting of the Board of Directors commenced at 11:00 hrs (IST) and concluded at 12:55 hrs (IST).

We request you to take the above on record and note the compliance under above referred regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR).

Thanking you.

Yours faithfully

For Rane Brake Lining Limited


Venkatraman
Secretary



Encl: a/a

1. Un-audited financial results for the quarter and nine months ended December 31, 2018.
2. Extract of the un-audited financial results for Newspaper publication.
3. Limited Review Report for the quarter and nine months ended December 31, 2018.
4. Earnings release for the quarter and nine months ended December 31, 2018.



Expanding Horizons

RANE BRAKE LINING LIMITED

Q3 FY19 Earnings Release



Chennai, India, January 28, 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 third quarter (Q3FY19) and nine months (9M FY19) ended December 31st, 2018

Q3 FY19 Performance

- Total Net Revenue was ₹134.5 Crore for Q3 FY19 as compared to ₹128.5 Crore in the Q3 FY18, an increase of 4.6%
- EBITDA stood at ₹20.6 Crore as compared to ₹25.2 Crore during Q3 FY18, a decrease of 18.5%
- EBITDA Margin at 15.3% for Q3 FY19 as against 19.6% in Q3 FY18
- Net profit (PAT) stood at ₹10.6 Crore for Q3 FY19 as compared to ₹13.2 Crore in Q3 FY18, a decrease of 19.9%

9M FY19 Performance

- Total Net Revenue was ₹378.9 Crore for 9M FY19 as compared to ₹341.8 Crore in the 9M FY18, an increase of 10.9%
- EBITDA stood at ₹49.2 Crore as compared to ₹60.3 Crore during 9M FY18, a decrease of 18.4%
- EBITDA Margin at 13.0% for 9M FY19 as against 17.6% in 9M FY18
- Net profit (PAT) stood at ₹22.4 Crore for 9M FY19 as compared to ₹29.8 Crore in 9M FY18, a decrease of 24.8%

Corporate Action

- An interim dividend of ₹6.50/- 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 07, 2019.

Operating Highlights for Q3 FY19

- Sales to Indian OE customers grew 7% supported particularly by M&HCV and Two Wheeler segment
- Sales to Aftermarket dropped 2% on the high base in Q3FY18 which had 28% growth owing to post GST stock alignment
- EBITDA margin declined by 434 bps
 - Adverse forex movement, unfavourable product mix, increase in raw material resulted in the EBITDA margin drop

MANAGEMENT COMMENT

"RBL had favourable growth with OE customers. On aftermarket segment, the sales improved on QoQ basis and demand environment remains positive. The forex and material cost pressure led to drop in margins. We expect the raw material prices to stabilize in the upcoming quarter. Management is focusing on various initiatives to mitigate cost escalation." – **L. Ganesh, Chairman, Rane Group**

BUSINESS HIGHLIGHTS

Financial Performance

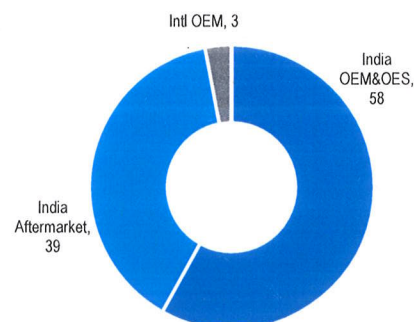
Particulars	Q3 FY 19	Q3 FY 18	YOY%
Total Net Revenue*	134.5	128.5	4.6%
EBITDA	20.6	25.2	-18.5%
Margin (%)	15.3%	19.6%	-434 bps
PAT	10.6	13.2	-19.9%

Particulars	9M FY 19	9M FY 18	YOY%
Total Net Revenue*	378.9	341.8	10.9%
EBITDA	49.2	60.3	-18.4%
Margin (%)	13.0%	17.6%	-466 bps
PAT	22.4	29.8	-24.8%

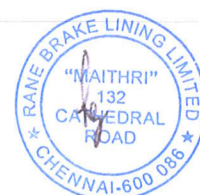
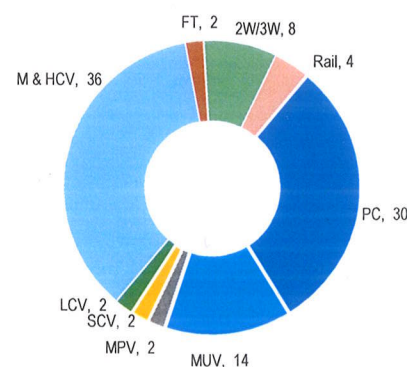
* Revenue excludes excise duty wherever applicable
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q3 FY19)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	Q3FY19	Q2FY19	QoQ%	Q3FY18	YoY%	9MFY19	9MFY18	YoY%
Income from Operations	132.1	119.7	10%	128.1	3%	374.0	353.9	6%
Other Operating Income	0.3	0.2	47%	0.1	154%	0.7	0.3	110%
Other Income	2.0	1.3	57%	0.3	652%	4.2	1.0	324%
Total Revenue	134.5	121.3	11%	128.5	5%	378.9	355.2	7%
Expenses								
-Cost of Material Consumed	71.6	60.2	19%	61.9	16%	197.5	169.9	16%
-Purchase of stock-in-trade	-	-	-	-	-	-	-	-
-Changes in inventories	-2.9	1.1	-363%	-2.3	-30%	-6.5	-5.0	-31%
-Excise Duty	-	-	-	-	-	-	13.4	-
-Employee Benefit Expense	18.3	18.4	-1%	16.0	15%	55.0	47.2	17%
-Finance Cost	0.1	0.1	12%	0.1	-47%	0.2	0.3	-44%
-Depreciation & Amortization	5.6	5.7	-2%	5.5	2%	16.8	16.0	5%
-Other Expenditure	26.9	28.4	-5%	27.7	-3%	83.8	69.4	21%
Total Expenses	119.6	113.9	5%	108.9	10%	346.7	311.2	11%
PBT before Exceptional Items	14.9	7.4	103%	19.7	-24%	32.3	44.0	-27%
Exceptional Item	-	-	-	-	-	-	-	-
PBT	14.9	7.4	103%	19.7	-24%	32.3	44.0	-27%
Tax Expense	4.4	2.1	113%	6.5	-32%	9.8	14.1	-30%
PAT	10.6	5.3	99%	13.2	-20%	22.4	29.8	-25%

(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.

