



Expanding Horizons

RANE BRAKE LINING LIMITED

Q1 FY19 Earnings Release



Chennai, India, July 24, 2018 – 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 FY19) ended June 30th, 2018

Q1 FY19 Performance

- Total Net Revenue was ₹123.2 Crore for Q1 FY19 as compared to ₹100.9 Crore in the Q1 FY18, an increase of 22.0%
- EBITDA stood at ₹15.5 Crore as compared to ₹16.0 Crore during Q1 FY18, a decrease of 2.6%
- EBITDA Margin at 12.6% for Q1 FY19 as against 15.8% in Q1 FY18
- Net profit (PAT) stood at ₹6.6 Crore for Q1 FY19 as compared to ₹7.3 Crore in Q1 FY18, a decrease of 10.1%

Operating Highlights for Q1 FY19

- Strong demand from Indian OE customers particularly Utility Vehicles, M&HCV and Two Wheeler segment
- Sales to Aftermarket grew significantly albeit on low base as Sales in Q1FY18 was affected owing to GST implementation
- EBITDA margin declined by 320 bps
 - Adverse material cost and forex movement and increase in employee cost resulted in the EBITDA margin drop
 - There was provision write-back and reversal of bad debts to the tune of 3.2 cr in Q1 FY18

MANAGEMENT COMMENT

“RBL had robust sales growth in this quarter supported by strong demand from Indian OE and Aftermarket customers. With the impact of raw material price movement and higher wage cost the management is focusing on areas to mitigate the inflationary challenge. The demand environment is likely to remain favourable in the current year.”

– L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

Financial Performance

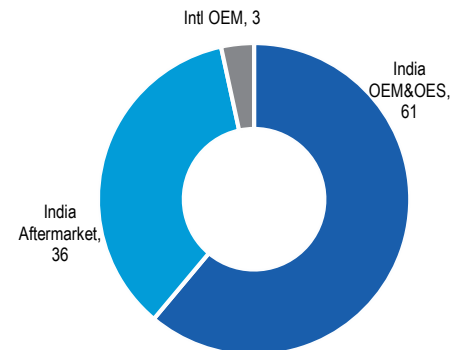
Particulars	Q1 FY 19	Q1 FY 18	YOY%
Total Net Revenue*	123.2	100.9	22.0%
EBITDA	15.5	16.0	-2.6%
Margin (%)	12.6%	15.8%	-320 bps
PAT	6.6	7.3	-10.1%

*Revenue excludes excise duty wherever applicable

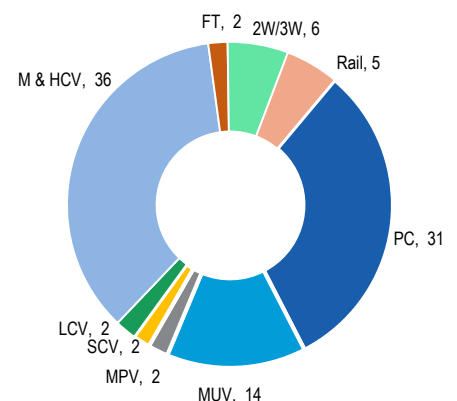
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q1 FY19)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	Q1 FY19	Q4 FY18	QoQ%	Q1 FY18	YoY%
Income from Operations	122.1	141.4	-14%	113.7	7%
Other Operating Income	0.2	0.2	-20%	0.1	15%
Other Income	0.9	3.8	-77%	0.5	87%
Total Revenue	123.2	145.4	-15%	114.3	8%
Expenses					
-Cost of Material Consumed	65.6	65.5	0%	54.5	20%
-Changes in inventories	-4.7	5.1	-192%	-6.2	25%
-Excise Duty	-	-		13.4	
-Employee Benefit Expense	18.3	18.2	1%	15.6	17%
-Finance Cost	0.1	0.1	-36%	0.1	-53%
-Depreciation & Amortization	5.5	7.7	-28%	5.3	5%
-Other Expenditure	28.4	36.3	-22%	21.1	34%
Total Expenses	113.2	132.8	-15%	103.8	9%
PBT before Exceptional Items	9.9	12.6	-21%	10.6	-6%
Exceptional Item	-	1.6		-	
PBT	9.9	10.9	-9%	10.6	-6%
Tax Expense	3.4	5.0	-33%	3.3	4%
PAT	6.6	5.9	11%	7.3	-10%

(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.