



Expanding Horizons

RANE HOLDINGS LIMITED

FY17 Earnings Release



Chennai, India, May 26, 2017 – Rane Holdings Limited (NSE: RANEHOLDIN; BSE Code: 505800), the holding Company of Rane group today announced financial performance for the financial year ended March 31st, 2017 (FY17)

Consolidated FY17 Performance*

- Total Revenue was ₹3,029.34 Crore for FY17 as compared to ₹2,431.30 Crore in the FY16, an increase of 25%
- EBITDA stood at ₹367.89 Crore as compared to ₹254.71 Crore during FY16, an increase of 44%
- EBITDA Margin at 12.1% for FY17 as against 10.5% in FY16
- Net profit (PAT) stood at ₹136.82 Crore for FY17 as compared to ₹65.54 Crore in FY16, an increase of 109%

Corporate Action

- A final dividend of ₹5/- per equity share has been recommended by the Board of Directors on the paid-up capital of 1,42,77,809 of ₹10/- each. The total dividend for the year ended March 31, 2017 would be ₹8.50 per equity share including an interim dividend of ₹3.50 per equity share declared on February 9, 2017 and paid on February 21, 2017.

Group's Key Business Highlights for FY17

- Revenues from Indian OE customers went up by 20% YoY
 - Group companies benefitted by the supplies to successful new passenger vehicle models and increased offtake in LCV and SCV segment
 - Growth in the Farm Tractors segment is limited mainly due to higher growth in unserved markets
- Revenues from international customers grew 59% YoY
 - Commencement of new businesses for Steering and Die-cast components and Occupant safety products supported the healthy growth
 - This growth factors the full year impact of overseas acquisition by Rane (Madras) Limited
- Indian aftermarket business was impacted by demonetization
- Various cost control initiatives helped in improving the overall profitability across group companies
- Exceptional items for the FY17 includes
 - Profit on sale of REVL land
 - Expenditure towards VRS incurred by some of the group companies

MANAGEMENT COMMENT

"FY17 was an eventful year marked by significant events such as US elections and Brexit globally and demonetization in India. The Group companies delivered robust performance supported by positive growth across major vehicle segments in India. We believe the demand environment is favourable both India and globally though there is increased policy uncertainty. We continue to work on several initiatives to deliver profitable growth."

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

BUSINESS HIGHLIGHTS

CONSOLIDATED FINANCIAL PERFORMANCE*

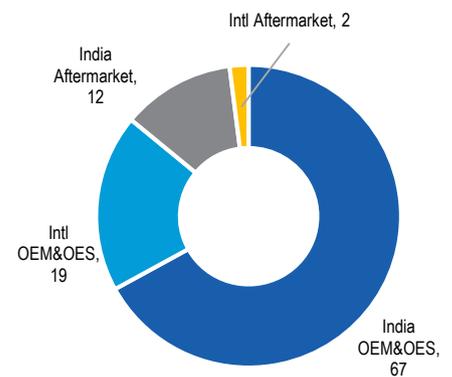
| Particulars | FY17 | FY16 | YoY% |
|----------------|---------------|--------------|-------------|
| Total Revenue | 3,029.34 | 2,431.30 | 25% |
| EBITDA | 367.89 | 254.71 | 44% |
| EBITDA Margins | 12.1% | 10.5% | 167bps |
| PAT | 136.82 | 65.54 | 109% |

(In ₹ Crore, unless otherwise mentioned)

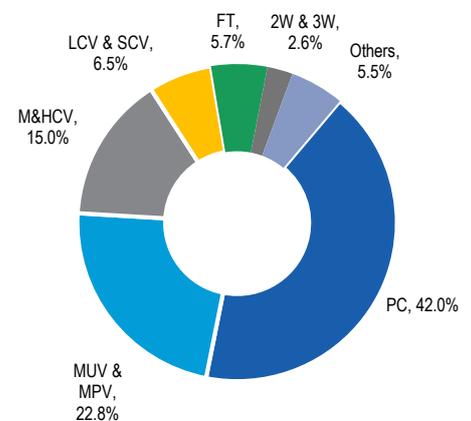
GROUP AGGREGATE SALES

(FY17)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



*Financials for FY17 include full year financial performance of our U.S. Subsidiary - Rane Precision Die Casting Inc. Corresponding Growth (YoY%) is not strictly comparable

CONSOLIDATED PROFIT AND LOSS ACCOUNT

| Particulars | FY17 | FY16 | YoY% |
|--|-----------------|-----------------|-------------|
| Net Sales | 2,926.00 | 2,366.31 | 24% |
| Other Operating Income | 44.93 | 40.81 | 10% |
| Other Income | 58.41 | 24.18 | 142% |
| Total Revenue | 3,029.34 | 2,431.30 | 25% |
| Expenses | | | |
| -Cost of materials consumed | 1,657.91 | 1,352.89 | 23% |
| -Purchase of stock-in-trade | 19.90 | 18.34 | 9% |
| -Changes in inventories | -16.04 | -18.27 | 12% |
| -Employee benefits expense | 426.16 | 346.52 | 23% |
| -Finance costs | 49.55 | 44.93 | 10% |
| -Depreciation and amortisation expense | 137.78 | 113.84 | 21% |
| -Professional charges | 23.16 | 23.51 | -1% |
| -Information Systems expenses | 7.82 | 7.49 | 4% |
| -Other expenses | 542.53 | 446.12 | 22% |
| Total Expenses | 2,848.77 | 2,335.37 | 22% |
| PBT Before exceptional items | 180.57 | 95.93 | 88% |
| Exceptional Items | 75.49 | 13.36 | 465% |
| PBT | 256.06 | 109.29 | 134% |
| Tax Expense | 73.38 | 31.61 | 132% |
| Net Profit for the year | 182.68 | 77.68 | 135% |
| Share of Associates | 2.94 | 1.12 | 162% |
| Minority Interest | -48.80 | -13.26 | -268% |
| Consolidated PAT | 136.82 | 65.54 | 109% |

KEY CONSOLIDATED BALANCE SHEET ITEMS

| Particulars | FY17 | FY16 | Change |
|--------------------------------|-----------------|-----------------|---------------|
| Shareholders Fund | 721.99 | 590.76 | 131.23 |
| Minority Interest | 236.19 | 190.90 | 45.29 |
| Non-current liabilities | 261.53 | 273.04 | -11.51 |
| -Long-term borrowings | 231.68 | 248.32 | -16.64 |
| Current liabilities | 901.64 | 841.56 | 60.08 |
| -Short-term borrowings | 283.19 | 264.98 | 18.21 |
| -Trade payables | 436.81 | 372.81 | 64.00 |
| Total Liabilities | 2,121.36 | 1,896.25 | 225.11 |
| Non-current assets | 1,153.60 | 1,097.16 | 56.44 |
| -Fixed assets | 958.59 | 911.70 | 46.89 |
| -Others | 195.01 | 185.46 | 9.55 |
| Current assets | 967.75 | 799.09 | 168.66 |
| - Inventories | 304.09 | 262.35 | 41.74 |
| -Trade receivables | 484.72 | 428.48 | 56.24 |
| -Cash and cash equivalents | 38.54 | 15.10 | 23.44 |
| Total Assets | 2,121.36 | 1,896.25 | 225.11 |

In ₹ Crore, unless otherwise mentioned.

*Financials for FY17 include full year financial performance of our U.S. Subsidiary - Rane Precision Die Casting Inc. Corresponding Growth (YoY%) is not strictly comparable

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 manufactures Steering and Suspension systems, Friction materials, Valve train components, Occupant safety systems and Die-casting products. 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 ANKITGUPTA@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.