



Expanding Horizons

# RANE HOLDINGS LIMITED

## Q1 FY19 Earnings Release



**Chennai, India, August 02, 2018** – Rane Holdings Limited (NSE: RANEHOLDIN; BSE Code: 505800), the holding Company of Rane group today announced financial performance for the first quarter (Q1 FY19) ended June 30<sup>th</sup>, 2018.

### Group Aggregate Performance – Q1 FY19

- Total Net Revenue increased by 33.1% to ₹1,346.1 Crore in Q1 FY19 from ₹1,011.6 Crore in Q1 FY18
- EBITDA stood at ₹143.7 Crore as compared to ₹112.5 Crore during Q1 FY18, an increase of 27.7%
- EBITDA Margin at 10.7% for Q1 FY19 as against 11.1% in Q1 FY18
- PBT (before exceptional items) stood at ₹81.7 Crore for Q1 FY19 as compared to ₹53.0 Crore in Q1 FY18, an increase of 54.3%

### Consolidated Financials – Q1 FY19

- Total Net Revenue increased by 30.7% to ₹642.7 Crore in Q1 FY19 from ₹491.6 Cr in Q1 FY18
- EBITDA stood at ₹61.1 Crore as compared to ₹52.0 Crore during Q1 FY18, an increase of 17.4%
- EBITDA Margin at 9.5% for Q1 FY19 as against 10.6% in Q1 FY18
- PBT (before exceptional items) stood at ₹54.3 Crore for Q1 FY19 as compared to ₹36.3 Crore in Q1 FY18, an increase of 49.8%

### Group's Key Business Highlights

- Revenues from Indian OE customers went up by 35% YoY supported by increased offtake across vehicle segments and commencement of supplies to new passenger vehicle programs
- Revenues from international customers grew 16% YoY supported by volume ramp-up with key customers
- Indian aftermarket business registered a 57% growth albeit over a low base
- EBITDA margin declined 45 bps vs Q1 FY18
  - Adverse material cost and increased manpower cost impacted profitability. Better operational performance and stringent cost control initiatives helped to considerably mitigate the headwinds.

### MANAGEMENT COMMENT

*“The group companies experienced strong demand from the customers and delivered robust growth. We experienced headwinds on material and manpower cost. The management is working to mitigate the impact with better operational performance. In the coming quarters, we expect the favourable demand environment to continue.”*

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

### BUSINESS HIGHLIGHTS

#### GROUP AGGREGATE FINANCIAL PERFORMANCE

Particulars	Q1 FY 19	Q1 FY 18	YOY%
Total Net Revenue*	1,346.1	1,011.6	33.1%
EBITDA	143.7	112.5	27.7%
Margin (%)	10.7%	11.1%	-45 bps
PBT (before exceptional items)	81.7	53.0	54.3%

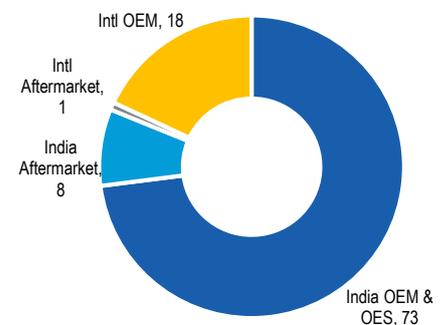
#### CONSOLIDATED FINANCIAL PERFORMANCE

Particulars	Q1 FY 19	Q1 FY 18	YOY%
Total Net Revenue*	642.7	491.6	30.7%
EBITDA	61.1	52.0	17.4%
Margin (%)	9.5%	10.6%	-108 bps
PBT (before exceptional items)	54.3	36.3	49.8%

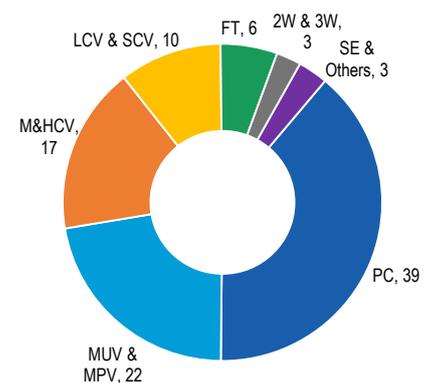
\*Revenue excludes excise duty wherever applicable  
(In ₹ Crore, unless otherwise mentioned)

### GROUP AGGREGATE SALES (Q1 FY19)

#### BY MARKET (%)



#### BY VEHICLE SEGMENT (%)



## CONSOLIDATED PROFIT AND LOSS ACCOUNT

	Q1 FY19	Q4 FY18	QoQ%	Q1 FY18	YoY%
Income from Operations	601.3	619.1	-2.9%	514.7	16.8%
Dividend Income	-	-	-	-	-
Other Operating Income	33.5	31.4	6.9%	21.4	56.5%
Other Income	7.8	11.4	-31.7%	2.4	218.5%
<b>Total Revenue</b>	<b>642.7</b>	<b>661.9</b>	<b>-2.9%</b>	<b>538.6</b>	<b>19.3%</b>
<b>Expenses</b>					
-Cost of Material Consumed	349.3	331.3	5.4%	263.6	32.5%
-Purchase of stock-in-trade	5.7	5.1	12.5%	2.2	165.9%
-Changes in inventories	-12.4	4.5	-374.0%	-15.8	21.5%
-Excise Duty	-	-	-	47.0	-
-Employee Benefit Expense	112.9	106.5	6.0%	95.1	18.7%
-Finance Cost	11.2	11.2	0.7%	11.1	1.5%
-Depreciation & Amortization	29.8	34.0	-12.4%	27.4	8.8%
-Professional Charges	5.6	7.0	-20.8%	4.4	26.6%
-Information Systems expenses	2.7	2.4	12.2%	1.9	41.0%
-Other Expenditure	117.8	138.2	-14.8%	88.2	33.6%
<b>Total Expenses</b>	<b>622.6</b>	<b>640.2</b>	<b>-2.8%</b>	<b>525.0</b>	<b>18.6%</b>
<b>PBT before share of profit / (loss) of JV &amp; associates</b>	<b>20.1</b>	<b>21.6</b>	<b>-7.2%</b>	<b>13.6</b>	<b>47.9%</b>
Share of Profit / (loss) of JV and Associate	34.2	35.5	-3.5%	22.7	50.9%
<b>PBT before Exceptional items</b>	<b>54.3</b>	<b>57.1</b>	<b>-4.9%</b>	<b>36.3</b>	<b>49.8%</b>
Exceptional Item	-	-1.6	-	15.7	-
<b>PBT</b>	<b>54.3</b>	<b>55.5</b>	<b>-2.1%</b>	<b>52.0</b>	<b>4.4%</b>
Tax Expense	21.6	24.9	-13.3%	16.0	35.2%
<b>PAT</b>	<b>32.7</b>	<b>30.5</b>	<b>7.0%</b>	<b>36.0</b>	<b>-9.2%</b>
Other Comprehensive Income (Net of Tax Expenses)	-0.0	-2.4	98.7%	-1.1	97.3%
<b>Total Comprehensive Income for the period</b>	<b>32.6</b>	<b>28.2</b>	<b>15.9%</b>	<b>34.9</b>	<b>-6.4%</b>

(In ₹ Crore, unless otherwise mentioned. The sum of sub-segment amounts may not equal the total amounts due to rounding off)

## 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 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](mailto:INVESTORSERVICES@RANEGROUP.COM) OR [DPINGLE@CHRISTENSENIR.COM](mailto: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.