



Expanding Horizons

RANE HOLDINGS LIMITED

Q3FY20 Earnings Release



Chennai, India, February 6, 2020 – Rane Holdings Limited (NSE: RANEHOLDIN; BSE Code: 505800), the holding Company of Rane group today announced financial performance for the third quarter (Q3 FY20) and nine months (9M FY20) ended December 31st, 2019.

Group Aggregate Performance – Q3 FY20

- Total Net Revenue decreased by 17.0% to ₹1,088.1 Crore in Q3 FY20 from ₹1,311.4 Crore in Q3 FY19
- EBITDA stood at ₹89.4 Crore as compared to ₹130.0 Crore during Q3 FY19, a decrease of 31.2%
- EBITDA Margin at 8.2% for Q3 FY20 as against 9.9% in Q3 FY19
- PBT stood at ₹20.5 Crore for Q3 FY20 as compared to ₹63.8 Crore in Q3 FY19, a decrease of 67.9%

Consolidated Financials – Q3 FY20

- Total Net Revenue decreased by 14.5% to ₹546.0 Crore in Q3 FY20 from ₹638.8 Cr in Q3 FY19
- EBITDA stood at ₹44.4 Crore as compared to ₹63.3 Crore during Q3 FY19, a decrease of 29.9%
- EBITDA Margin at 8.1% for Q3 FY20 as against 9.9% in Q3 FY19
- PBT stood at ₹12.6 Crore for Q3 FY20 as compared to ₹45.4 Crore in Q3 FY19, a decrease of 72.2%

Corporate Action

- An interim dividend of ₹4/- per equity share has been declared by the Board of Directors on the paid-up capital of 1,42,77,809 equity shares of ₹10/- each. The record date for payment of interim dividend is February 18, 2020.

Group's Key Business Highlights for Q3 FY20

- Revenue from Indian OE customers declined by 19%. Volume dropped across vehicle segments.
- Revenues from International customers declined by 21% due to delay in commencement of new business for steering products and lower schedules for valve train components and occupant safety products.
- Revenue from Indian aftermarket segment grew by 8% (comparable basis)
- EBITDA margin declined by 170 bps on account of higher employee cost and lower fixed cost absorption
- There was an exceptional expense of Rs. 36.3 Cr made by Rane NSK for incremental provision towards product warranty claim

MANAGEMENT COMMENT

"The Group's aggregate sales was impacted on account of slowdown in Indian automotive segment and drop in volume from select international customers. The group companies continued to focus on cost savings and operational improvement initiatives to navigate the challenging market environment."

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

BUSINESS HIGHLIGHTS

GROUP AGGREGATE FINANCIAL PERFORMANCE

Particulars	Q3 FY 20	Q3 FY 19	YOY%
Total Net Revenue	1,088.1	1,311.4	-17.0%
EBITDA	89.4	130.0	-31.2%
Margin (%)	8.2%	9.9%	-170 bps
PBT (Before exceptional items)	20.5	63.8	-67.9%

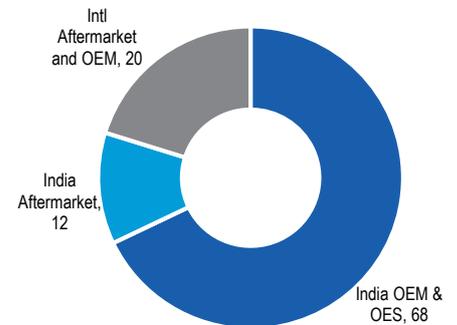
CONSOLIDATED FINANCIAL PERFORMANCE

Particulars	Q3 FY 20	Q3 FY 19	YOY%
Total Net Revenue	546.0	638.8	-14.5%
EBITDA	44.4	63.3	-29.9%
Margin (%)	8.1%	9.9%	-179 bps
PBT (Before exceptional items)	12.6	45.4	-72.2%

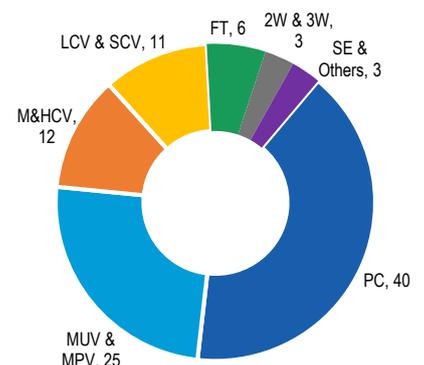
(In ₹ Crore, unless otherwise mentioned)

GROUP AGGREGATE SALES (Q3 FY20)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



CONSOLIDATED PROFIT AND LOSS ACCOUNT

Particulars	Q3FY20	Q2FY20	QoQ%	Q3FY19	YoY%	9MFY20	9MFY19	YoY%
Income from Operations	510.2	506.1	0.8%	607.5	-16.0%	1,568.2	1,826.7	-14.2%
Dividend Income	-	-	-	-	-	-	-	-
Other Operating Income	26.4	39.7	-33.6%	27.0	-2.4%	92.7	87.5	5.9%
Other Income	9.4	5.9	59.8%	4.2	124.3%	20.3	15.1	34.5%
Total Revenue	546.0	551.7	-1.0%	638.8	-14.5%	1,681.2	1,929.3	-12.9%
Expenses								
-Cost of Material Consumed	266.1	280.6	-5.2%	345.4	-22.9%	842.6	1,039.1	-18.9%
-Purchase of stock-in-trade	1.4	2.3	-40.1%	3.3	-57.8%	6.6	15.3	-56.8%
-Changes in inventories	9.7	5.1	88.9%	-11.5	184.0%	21.7	-27.1	180.1%
-Employee Benefit Expense	109.2	112.8	-3.2%	112.9	-3.3%	339.3	336.2	0.9%
-Finance Cost	12.8	13.4	-4.4%	12.6	2.2%	38.8	35.5	9.5%
-Depreciation & Amortization	31.3	31.2	0.2%	31.5	-0.9%	93.6	92.5	1.2%
-Professional Charges	7.2	7.5	-4.2%	5.2	37.4%	21.5	18.0	19.5%
-Information Systems expenses	2.1	2.4	-9.8%	3.3	-35.8%	6.4	8.4	-23.5%
-Other Expenditure	105.9	99.5	6.5%	117.0	-9.4%	313.4	353.2	-11.3%
Total Expenses	545.7	554.8	-1.6%	619.6	-11.9%	1,683.9	1,871.0	-10.0%
PBT before share of profit / (loss) of JV & associates	0.3	-3.0	108.8%	19.2	-98.6%	-2.7	58.4	-104.6%
Share of Profit / (loss) of JV and Associate	12.3	11.5	7.5%	26.1	-52.8%	39.5	96.6	-59.1%
PBT before Exceptional items	12.6	8.5	49.3%	45.4	-72.2%	36.9	155.0	-76.2%
Exceptional Item	-17.8	-23.9	-	-10.0	-	-43.1	-11.4	-
PBT	-5.2	-15.5	66.7%	35.3	-114.6%	-6.3	143.6	-104.4%
Tax Expense	-2.1	-4.6	53.9%	15.4	-113.6%	0.3	57.1	-99.5%
PAT	-3.1	-10.9	72.0%	19.9	-115.3%	-6.5	86.5	-107.6%

(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 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.