



Expanding Horizons

RANE HOLDINGS LIMITED

Q2FY17 Earnings Release



Chennai, India, November 10, 2016 – Rane Holdings Limited (NSE: RANEHOLDIN; BSE Code: 505800), the holding Company of Rane group today announced financial performance for the second quarter (Q2FY17) and six months (H1FY17) ended September 30th 2016

Consolidated Q2 FY17 Performance*

- Total Operating Income was ₹738.8 Crore for Q2 FY17 as compared to ₹600.4 Crore in the Q2 FY16, an increase of 23%
- EBITDA stood at ₹86.4 Crore as compared to ₹62.7 Crore during Q2 FY16, an increase of 38%
- EBITDA Margin at 11.7% for Q2 FY17 as against 10.4% in Q2 FY16
- Net profit (PAT) stood at ₹57.5 Crore for Q2 FY17 as compared to ₹10.1 Crore in Q2 FY16, an increase of 470%

Consolidated H1 FY17 Performance*

- Total Operating Income was ₹1,428.9 Crore for H1 FY17 as compared to ₹1,151.4 Crore in the H1 FY16, an increase of 24%
- EBITDA stood at ₹159.2 Crore as compared to ₹121.3 Crore during H1 FY16, an increase of 31%
- EBITDA Margin at 11.1% for H1 FY17 as against 10.5% in H1 FY16
- Net profit (PAT) stood at ₹72.5 Crore for H1 FY17 as compared to ₹32.3 Crore in H1 FY16, an increase of 125%

Group's Key Business Highlights for Q2 FY17

- Revenues from Indian customers went up by 12% YoY
 - For the PV market, few group companies benefited by the supplies to successful new vehicle models launched by major OEMs.
 - Group sales to the CV market saw muted growth mainly due to slowdown in M&HCV segment
- Revenues from International customers grew 75% YoY which also factors the performance of our overseas acquisition by Rane (Madras) Limited
- Achieved volume ramp-up at new Die-casting plant of Rane (Madras) Limited to support increased demand from international customers
- Focused approach on cost reduction initiatives at the group level to offset inflationary trend in operational costs
- Exceptional income of ₹93.9 Crore due to sale of remaining portion of Alandur land of Rane Engine Valve Limited

MANAGEMENT COMMENT

"Our healthy performance in Q2 FY17 was driven by strong growth in passenger vehicle segment. On the balance, we faced muted growth in commercial vehicle segment. We remain optimistic about the market environment as we progress into the second half of this fiscal and in the long term, we stay committed towards delivering profitable growth" said **L. Ganesh, Vice Chairman, Rane Holdings Ltd.**

BUSINESS HIGHLIGHTS

CONSOLIDATED FINANCIAL PERFORMANCE*

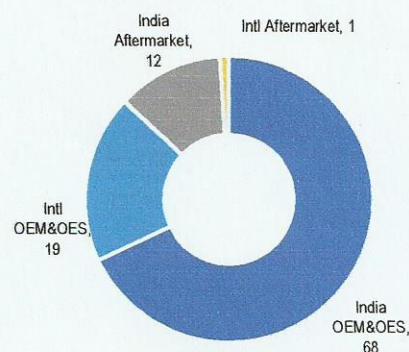
Particulars	Q2FY16	Q2FY17	YoY%
Total Operating Income	600.4	738.8	23%
EBITDA	62.7	86.4	38%
EBITDA Margins	10.4%	11.7%	125 bps
PAT	10.1	57.5	470%

Particulars	H1FY16	H1FY17	YoY%
Total Operating Income	1,151.4	1,428.9	24%
EBITDA	121.3	159.2	31%
EBITDA Margins	10.5%	11.1%	61 bps
PAT	32.3	72.5	125%

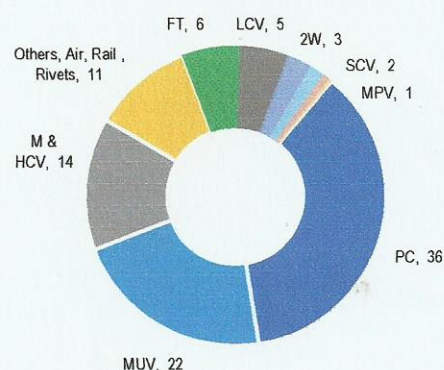
(In ₹ Crore, unless otherwise mentioned)

GROUP AGGREGATE SALES (Q2 FY17)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



*Financials for Q2 FY17 and H1 FY17 include 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	Q2 FY17	Q1 FY17	QoQ%	Q2 FY16	YoY%	H1 FY17	H1 FY16	YoY %
Income from Operations	720.6	681.7	6%	591.5	22%	1,402.3	1,135.3	24%
Other Operating Income	18.2	8.4	117%	8.9	104%	26.6	16.1	65%
Total Operating Income	738.8	690.1	7%	600.4	23%	1,428.9	1,151.4	24%
Expenses								
-Cost of materials consumed	407.6	382.4	7%	339.9	20%	790.0	657.5	20%
-Purchase of stock-in-trade	5.3	4.6	16%	6.8	-23%	9.9	10.3	-4%
-Changes in inventories	3.7	-11.2	133%	-0.5	813%	-7.5	-13.6	45%
-Employee benefits expense	110.0	105.4	4%	82.7	33%	215.3	162.1	33%
-Depreciation and amortisation expense	34.8	34.1	2%	28.0	24%	68.8	54.4	27%
-Professional charges	6.2	5.5	13%	5.8	8%	11.8	11.0	7%
-Information Systems expenses	1.9	2.0	-3%	1.6	17%	3.9	3.3	19%
-Other expenses	133.9	133.6	0%	107.7	24%	267.5	211.6	26%
Total Expenses	703.4	656.4	7%	572.0	23%	1,359.7	1,096.4	24%
EBIT Before Other Income	35.4	33.7	5%	28.4	24%	69.1	55.0	26%
Other Income	16.3	5.0	224%	6.3	160%	21.3	12.0	77%
Finance Costs	12.9	13.2	-2%	11.2	15%	26.0	21.7	20%
Exceptional Items	93.8	-	-	-7.7	-	93.8	16.8	-
PBT	132.6	25.6	418%	15.8	740%	158.2	62.1	155%
Tax Expense	36.3	7.6	-	7.7	-	43.9	20.3	-
Share of Associates	0.9	0.4	-	0.2	-	1.3	-0.7	-
Minority Interest	-39.7	-3.4	-	1.8	-	-43.1	-8.8	-
Consolidated PAT	57.5	15.0	283%	10.1	470%	72.5	32.3	125%

(In ₹ Crore, unless otherwise mentioned, *Financials for Q2 FY17 and H1 FY17 include financial performance of our U.S. Subsidiary - Rane Precision Die Casting Inc. Corresponding Growth (YoY%) is not strictly comparable)

KEY BALANCE SHEET ITEMS

Particulars	H1 FY17	FY16	Change
Shareholders Fund	663.1	590.8	72.3
Minority Interest	233.9	190.9	43.0
Non-current liabilities	239.9	273.0	-33.1
-Long-term borrowings	210.8	248.3	-37.5
Current liabilities	868.5	841.6	26.9
-Short-term borrowings	263.9	265.0	-1.1
-Trade payables	370.8	372.8	-2.0
Total Liabilities	2,005.4	1,896.3	109.1
Non-current assets	1,083.6	1,097.2	-13.6
-Fixed assets	903.8	911.7	-7.9
-Non-current investments	0.9	19.5	-18.6
Current assets	921.8	799.1	122.7
-Inventories	299.0	262.3	36.7
-Trade receivables	430.3	428.5	1.8
-Cash and cash equivalents	33.4	15.1	18.3
Total Assets	2,005.4	1,896.3	109.1

(In ₹ Crore)

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 DPINGLE@CHRISTENSENIR.COM

