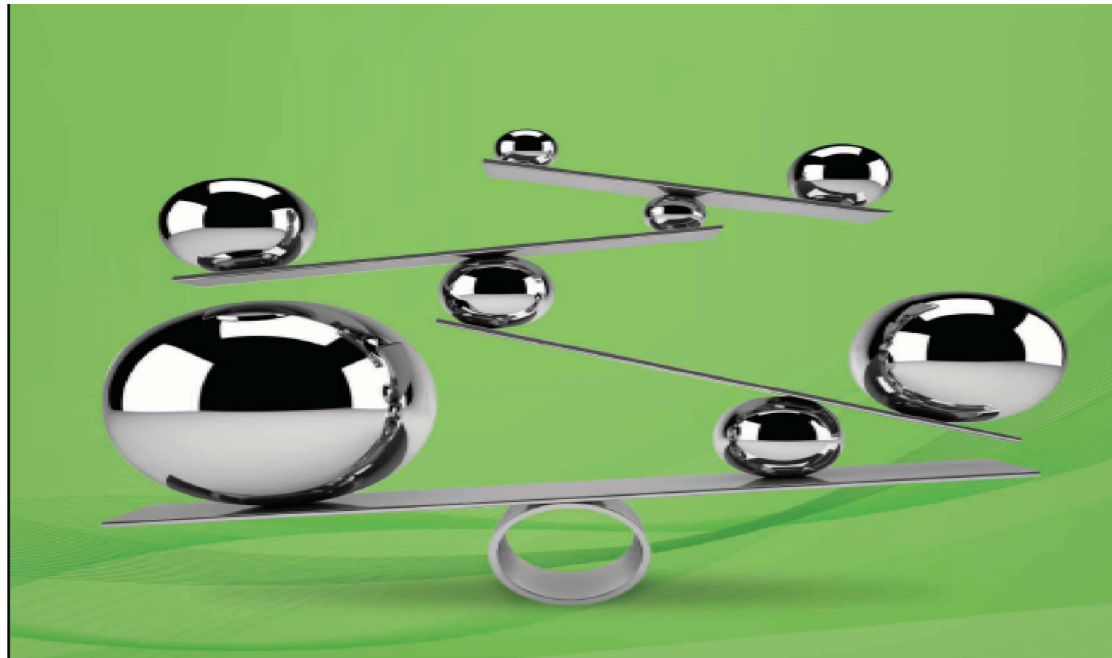


Subros



- Innovation
- Passion
- Harmony



Cooling the Planet

Financial Results- Quarter I, FY 2018-19

Investor Presentation



This presentation might contain forward looking statements which involve a number of risks, uncertainties and other factors that could cause the actual results to differ materially from those in the forward looking statements. The Company undertakes no obligation to update these to reflect the events or circumstances thereof. Secondly, these statements should be understood in conjunction with the risks the company faces.



Sr .No.	Topic	Slide No.
1	Results Q1, FY 2018-19	4
2	Result analysis – Q1 - FY 2018-19 v/s Q4 - FY 2017-18	5 ~ 7
3	Result analysis – Q1 - FY 2018-19 v/s Q1 - FY 2017-18	8 ~ 10
4	Way Forward	11



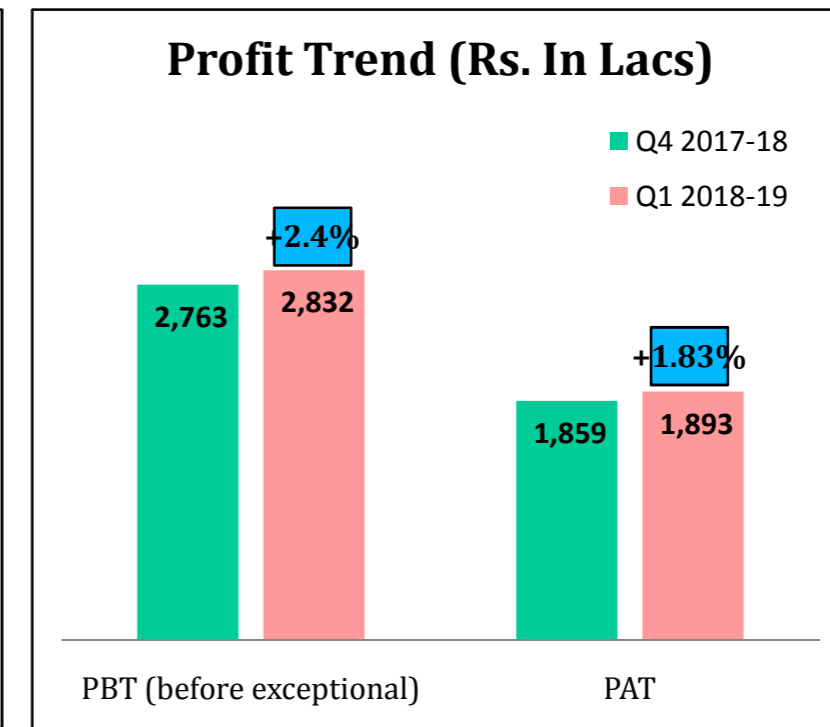
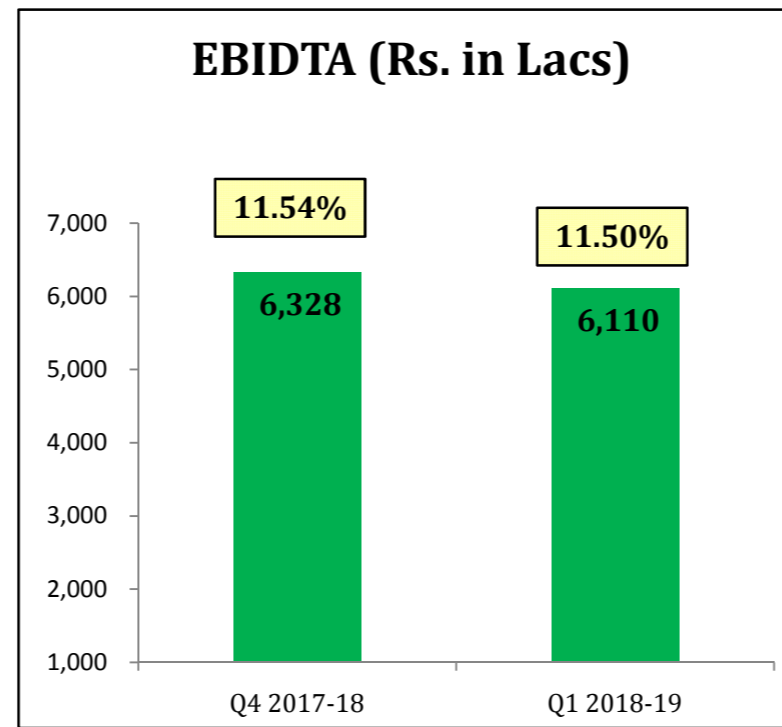
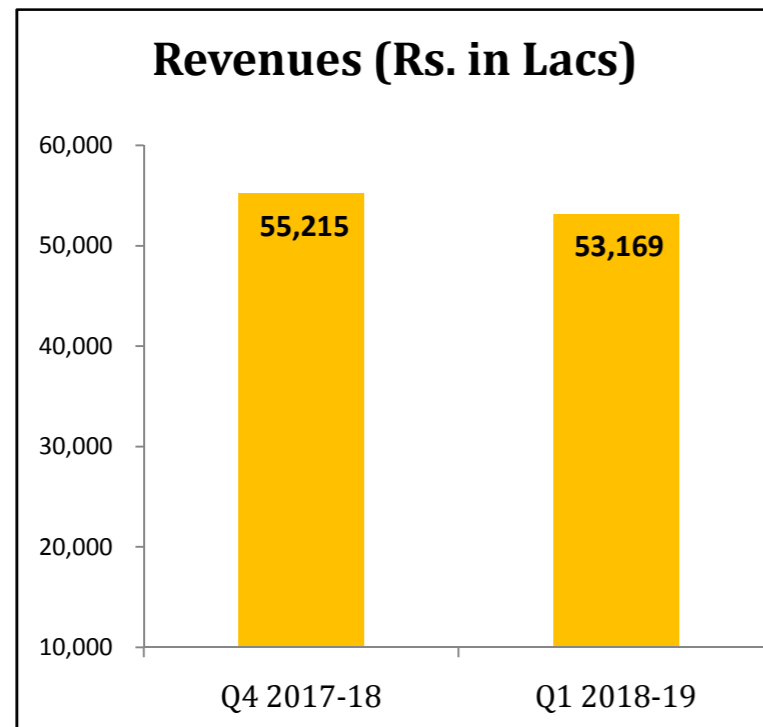
PARTICULARS	Quarter Ended			Year Ended
	30.06.2018	31.03.2018	30.06.2017	31.03.2018
Gross Sale	53108	54851	47117	196419
Net Sales	53108	54851	41450	190751
Other Operating Income	61	364	32	538
Net Income from Operation	53169	55215	41482	191289
Other Income	411	-41	56	743
Net Revenue	53580	55174	41538	192032
Raw Material Consumed	37360	38155	28773	133495
Total Material cost % to Net Sales	70.35%	69.56%	69.42%	69.98%
Staff Cost	5260	5427	4136	18812
Staff cost % to Net Sales	9.90%	9.89%	9.98%	9.86%
Other Exp.	4850	5264	4146	17984
Other Exps. % to Net Sales	9.13%	9.60%	10.00%	9.43%
EBIDTA	6110	6328	4483	21741
% to Net Sales	11.50%	11.54%	10.82%	11.40%
Depreciation and Amortisation exp	1876	2419	2104	9200
Depreciation % to Net Sales	3.53%	4.41%	5.08%	4.82%
Interest	1402	1146	940	4121
Interest cost % to Net Sales	2.64%	2.09%	2.27%	2.16%
Net Profit/(Loss)	2831	2763	1439	8420
% to Net Sales	5.33%	5.04%	3.47%	4.41%
Exceptional Items	-334	-	-90	-182
Profit from Ordinary Activities	2497	2763	1349	8238
% to Net Sales	4.70%	5.04%	3.25%	4.32%
(a) Current Tax	552	612	0	1787
(b) Deferred Tax	53	292	297	389
Net Profit after Tax/(Loss)	1892	1859	1052	6062
% to Net Sales	3.56%	3.39%	2.54%	3.18%
Other Comprehensive Income (net of tax)	-1	10	-5	-5
Total Comprehensive Income	1891	1869	1047	6057
% to Net Sales	3.56%	3.41%	2.53%	3.18%
EPS	3.15	3.10	1.75	10.11



Q1 FY 2018-19

VS

Q4 FY 2017-18



Realisation of EBIDTA Level of 11.50%

Exceptional Expenses of Rs.334 lacs incurred in Q1 2018-19 on account of Voluntary Separation Scheme introduced at Pune plant

PAT levels at 3.56%



Indicators	Q1 2018-19	Q4 2017-18	Change	Status
Net Sales (Rs. in Lacs)	53,108	54,851	-1,743	■
Other Income (Rs. in Lacs)	411	-41	452	■
Material Cost	70.35%	69.56%	0.79	■
Employee Cost	9.90%	9.89%	0.00	■
Other Expenses	9.13%	9.60%	(0.46)	■
Op. EBIDTA	11.50%	11.54%	(0.03)	■
Finance Cost	2.64%	2.09%	0.55	■
Depreciation	3.53%	4.41%	(0.96)	■
PBT (before exceptional)	5.33%	5.04%	0.38	■
PAT	3.56%	3.39%	0.25	■

- Material cost is increased due to change in product mix and adverse movement in foreign currency
- Finance cost is high because of MTM loss on foreign currency liabilities as a result of currency depreciation.
- Other income are higher due to realized currency gain on Hedging & MTM on derivative contracts.

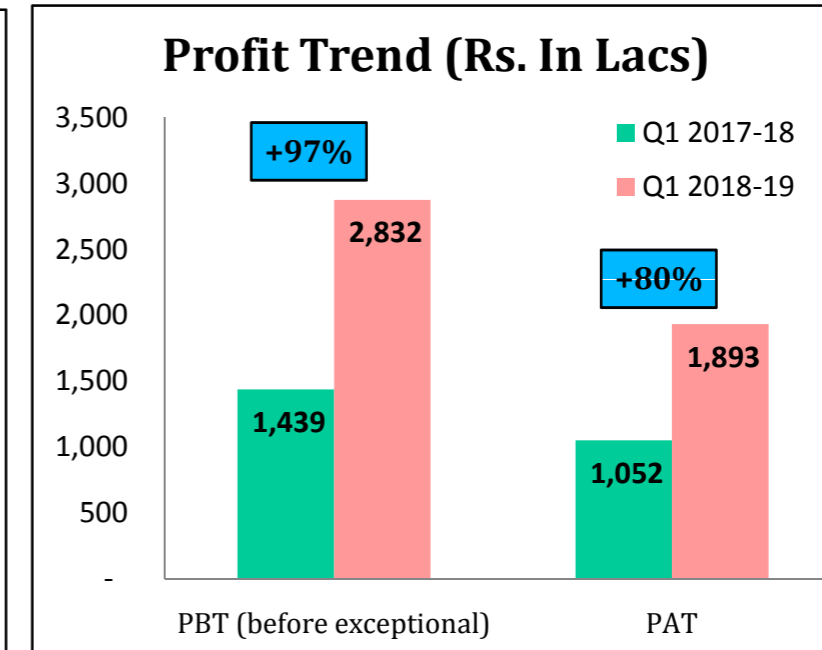
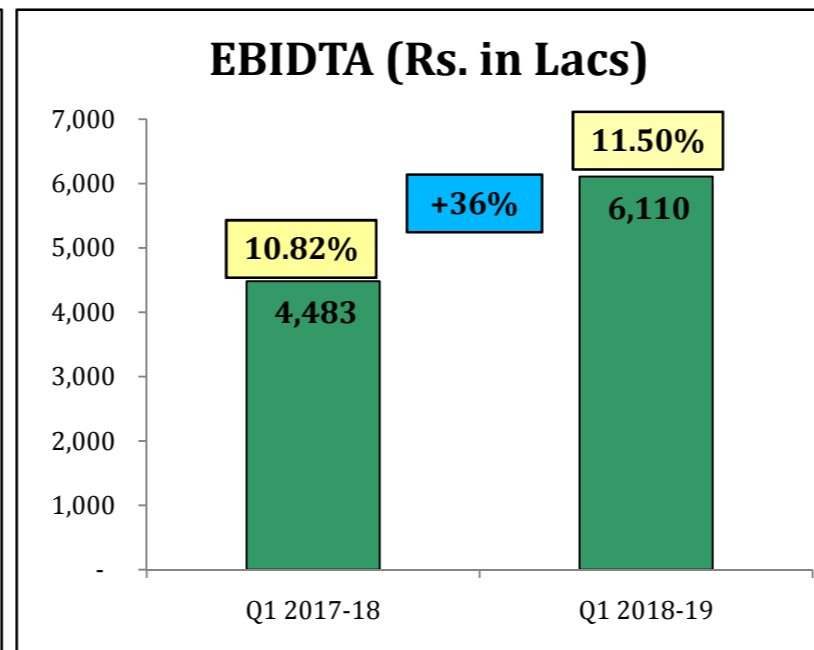
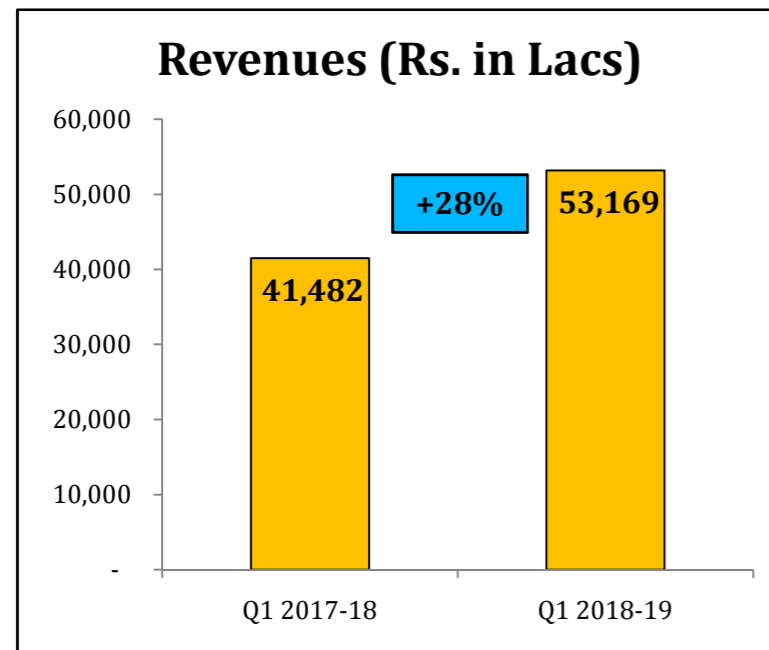
**Green Indicator is Positive, Yellow is moderate and Red indicator is negative.*



Q1 FY 2018-19

VS

Q1 FY 2017-18



- Realisation of EBIDTA Level of 11.50%
- Net Sales recorded a growth of 28% in Q1 2018-19 over corresponding Quarter
- Improvement in EBIDTA margins, Q1 FY 2018-19 -11.50% v/s Q1 FY 2017-18 -10.82%
- Improvement in PBT (before exceptional exp.) by 97% over corresponding Quarter.
- Improvement in PAT (after exceptional exps) by 80% over corresponding Quarter.
- Exceptional Expenses of Rs. 334 lacs incurred in Q1 2018-19 on account of Voluntary Separation Scheme introduced at Pune Plant



Indicators	Q1 2018-19	Q1 2017-18	Change	Status
Net Sales (Rs. in Lacs)	53,108	41,450	11,658	■
Other Income (Rs. in Lacs)	411	56	355	■
Material Cost	70.35%	69.42%	0.92	■
Employee Cost	9.90%	9.98%	(0.08)	■
Other Expenses	9.13%	10.00%	(0.87)	■
Op. EBIDTA	11.50%	10.82%	0.69	■
Finance Cost	2.64%	2.27%	0.37	■
Depreciation	3.53%	5.08%	(1.63)	■
PBT (before exceptional)	5.33%	3.47%	1.94	■
PAT	3.56%	2.54%	1.10	■

- Material cost is increased due to change in product mix, increased commodity prices and negative currency movement
- Finance cost is high because of MTM loss on foreign currency liabilities as a result of currency depreciation.
- Other income are higher due to realized currency gain on Hedging & MTM on derivative contracts.

**Green Indicator is Positive, Yellow is moderate and Red indicator is negative.*



Market and Revenue Potential

**Growth in Line with Indian Car and CV Segment
(Double Digit Growth in 2018-19)**



**Business Expansion in Bus, Railways, Truck AC, Home AC Segment
(Growth >10% over last year)**



Potential of Truck AC likely to change in 2020 from Blower



Operational Aspects

**Mitigating Impact of Foreign Exchange Fluctuations
(Consistent Hedging Policy)**



**Material Cost Down thru VA/VE, Alternate sourcing
(Focus on Localisation for De-risking FE Impact)**



Improvement in EBIDTA and ROCE



Settlement of Insurance Claim





Thank You
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