



Subros



Cooling the Planet

Financial Results – Quarter 1, FY 2019-20

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.

Financial Results & Highlights

Results Analysis - Q1 FY 2019-20 v/s Q1 FY 2018-19

Results Analysis - Q1 FY 2019-20 v/s Q4 FY 2018-19

Way Forward



- Overall Revenue growth is 8% in Q1 FY 2019-20, however Automotive industry has de-grown in this quarter
- Home AC business generated Revenue of Rs. 62 crores in Q1 FY 2019-20
- Final Claim settlement from Insurance Company against Manesar fire incident received in Q1 FY 2019-20
- Finance cost in Q1 FY 2019-20 includes an amount of Rs. 708 lakhs being interest paid on enhanced compensation for industrial land acquired at IMT Manesar

Financial Highlights for Q1 FY 2019-20

Indicator	Amount (Rs. in Crs)	Growth*
Revenues	572.24	+8% ↑
EBIDTA	57.44	-6% ↓
PBT (before exceptional)	21.41	-24% ↓
PBT (after exceptional)	62.70	+151% ↑
PAT	41.76	+121% ↑

* The comparison is with the corresponding Quarter 1 FY 2018-19



PARTICULARS	Quarter Ended			Year Ended
	30.06.2019	31.03.2019	30.06.2018	31.03.2019
Net Sales	57179	52463	53108	212098
Other Operating Income	45	-656	61	350
Revenue from Operation	57224	51807	53169	212448
Other Income	231	193	411	1025
Total Income	57455	52000	53580	213473
Raw Material Consumed	40858	36236	37360	148405
Total Material cost % to Net Sales	71.45%	69.07%	70.35%	69.97%
Staff Cost	5554	4891	5260	20646
Staff cost % to Net Sales	9.71%	9.32%	9.90%	9.73%
Other Exp.	5299	5183	4850	20587
Other Exps. % to Net Sales	9.27%	9.88%	9.13%	9.71%
EBIDTA	5744	5690	6110	23835
% to Net Sales	10.05%	10.85%	11.50%	11.24%
Depreciation and Amortisation exp	2153	2064	1876	7885
Depreciation % to Net Sales	3.76%	3.93%	3.53%	3.72%
Interest	1450	682	1402	4219
Interest cost % to Net Sales	2.54%	1.30%	2.64%	1.99%
Net Profit/(Loss)	2141	2944	2832	11731
% to Net Sales	3.75%	5.61%	5.33%	5.53%
Exceptional Items	4129	0	-334	-334
Profit from Ordinary Activities	6270	2944	2498	11397
% to Net Sales	10.97%	5.61%	4.70%	5.37%
(a) Current Tax	1351	571	552	2408
(b) Deferred Tax	743	753	53	1376
Net Profit after Tax/(Loss)	4176	1620	1893	7613
% to Net Sales	7.30%	3.09%	3.56%	3.59%
Other Comprehensive Income (net of tax)	-25	-200	-1	-203
Total Comprehensive Income	4151	1420	1892	7410
% to Net Sales	7.26%	2.71%	3.56%	3.49%
EPS	6.40	2.44	3.15	12.35

Financial Results & Highlights

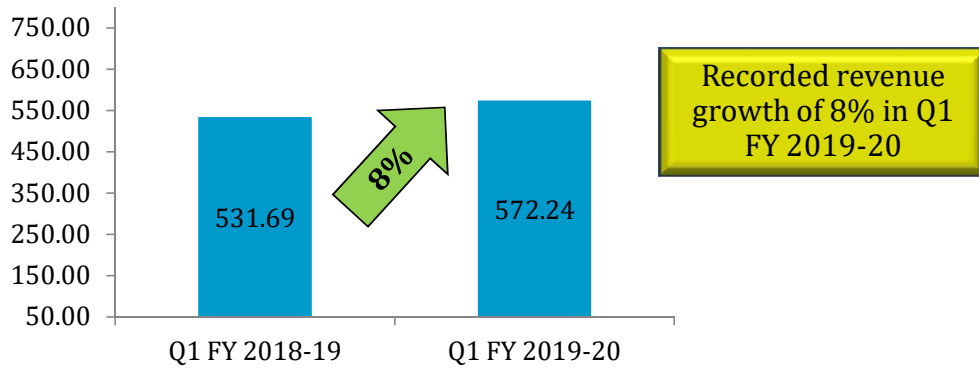
Results Analysis - Q1 FY 2019-20 v/s Q1 FY 2018-19

Results Analysis - Q1 FY 2019-20 v/s Q4 FY 2018-19

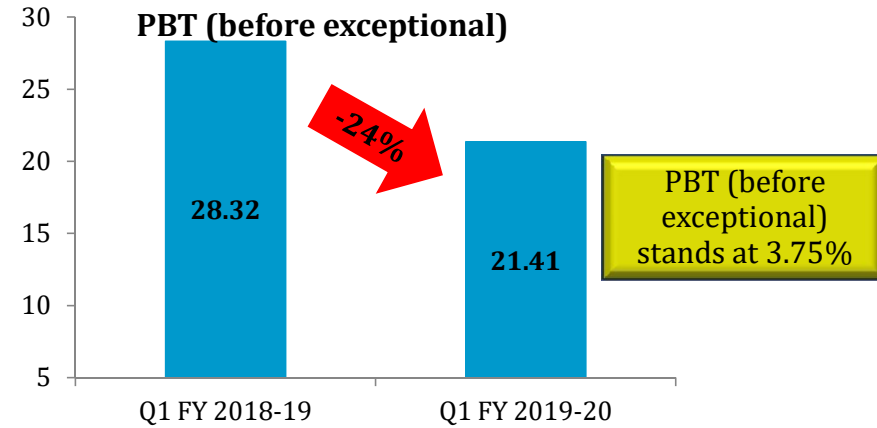
Way Forward



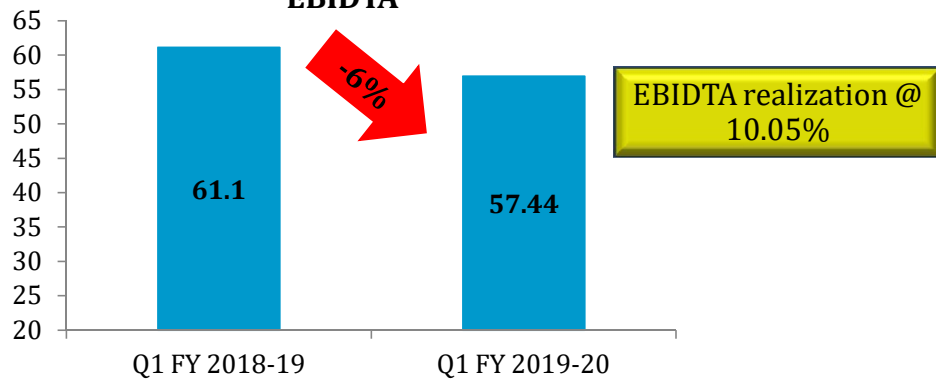
Revenues



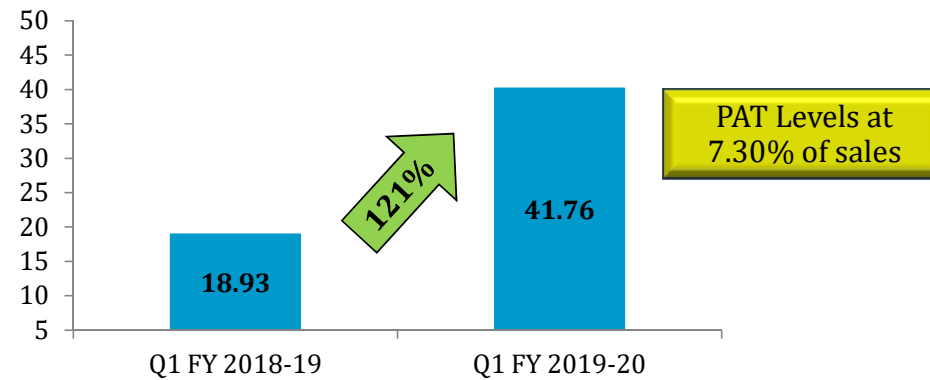
PBT (before exceptional)



EBIDTA



Profit After Tax





Indicators	Q1 FY 2018-19	Q1 FY 2019-20	Change	Status
Revenue	531.69	572.24	40.55	●
Other Income	4.11	2.31	-1.80	●
Material Cost	70.35%	71.45%	1.10	●
Employee Cost	9.90%	9.71%	-0.19	●
Other Expenses	9.13%	9.27%	0.14	●
Op. EBIDTA	11.50%	10.05%	-1.45	●
Finance Cost	2.64%	2.54%	-0.10	●
Depreciation	3.53%	3.76%	0.23	●
PBT (before exceptional)	5.33%	3.75%	-1.58	●
PBT (after exceptional gain)	4.70%	10.97%	6.27	●
PAT	3.56%	7.30%	3.74	●

●	Positive	●	Moderate - variation upto 5%	●	Negative - variation exceeding 5%
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Key Aspects:

- Added Home AC Business sales of Rs. 62 crores
- Increase in sales also driven by higher revenues in Renault Nissan, Railways and other business counter impacted with a decrease in business from other customers
- Material cost is higher due to change in product mix and product segment
- Finance cost includes Rs 708 lakhs being interest paid for enhanced compensation from HSIIDC for IMT Manesar land
- PAT is higher due to exceptional income of Rs. 41.29 crores accrued via settlement of Manesar fire claim on restatement basis

Financial Results & Highlights

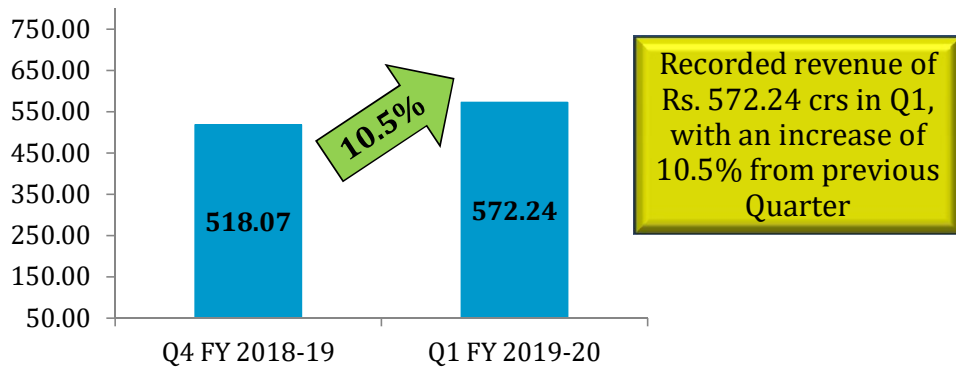
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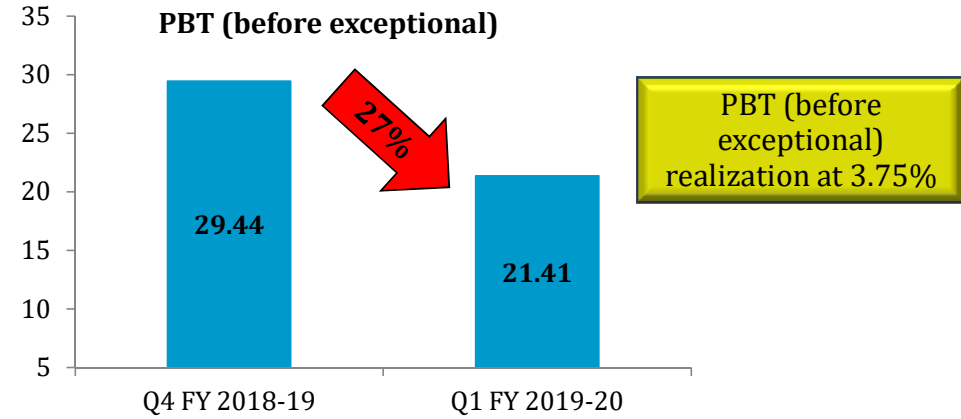
Way Forward



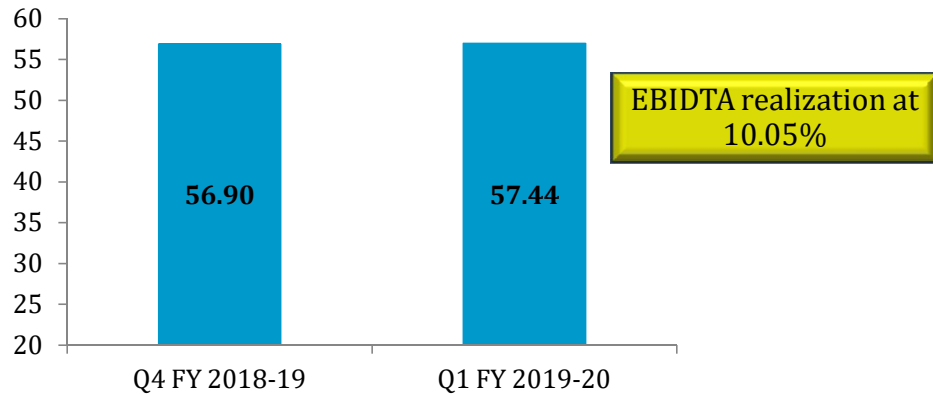
Revenues



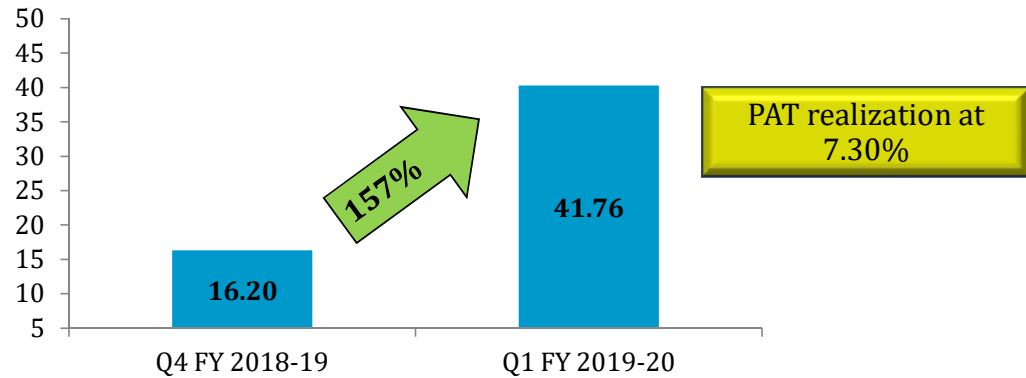
PBT (before exceptional)



EBIDTA



Profit After Tax





Indicators	Q4 FY 2018-19	Q1 FY 2019-20	Change	Status
Revenue	518.07	572.24	54.17	●
Other Income	1.93	2.31	0.38	●
Material Cost	69.07%	71.45%	2.38	●
Employee Cost	9.32%	9.71%	0.39	●
Other Expenses	9.88%	9.27%	-0.61	●
Op. EBIDTA	10.85%	10.05%	-0.80	●
Finance Cost	1.30%	2.54%	1.24	●
Depreciation	3.93%	3.76%	-0.17	●
PBT (before exceptional)	5.61%	3.75%	-1.86	●
PBT (after exceptional)	5.61%	10.97%	5.36	●
PAT	3.09%	7.30%	4.21	●

●	Positive	●	Moderate - variation upto 5%	●	Negative - variation exceeding 5%
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Key Aspects:

- Sales growth driven by Home AC sale of Rs. 62 crores, higher revenues in Renault Nissan and other business
- Material cost is higher due to change in product mix and product segment
- Finance cost includes Rs 708 lakhs being interest paid for enhanced compensation from HSIIDC for IMT Manesar land
- PAT is higher due to exceptional income of Rs. 41.29 crores accrued via settlement of Manesar fire claim on restatement basis

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Way Forward



Market and Revenue Potential

Growth in Line with Indian Car , CV Segment and Home AC Segment ●

**Business Expansion in Bus, Railways, Truck AC and Refrigeration Trucks
(Growth >10% over last year)** ●

Preparation to meet all regulatory changes including BSVI, CAFÉ and EV ●

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 ●



Thank You
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