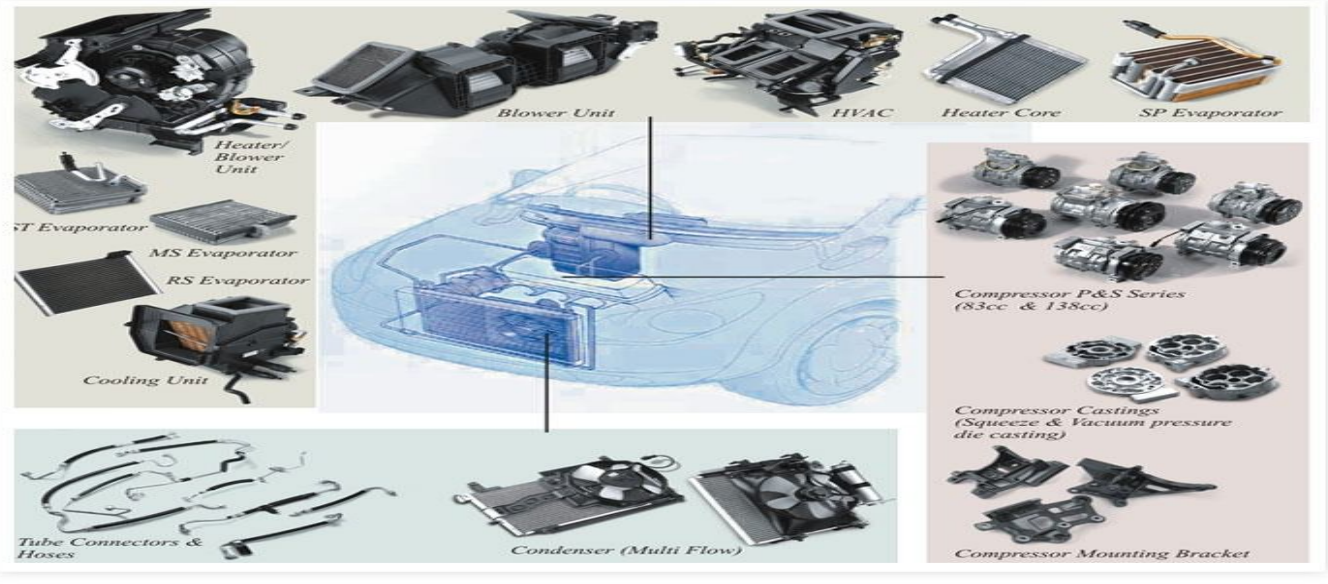


Subros



Financial Results- Quarter IV & Financial Year, 2017-18

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 FY 2017-18 click here	4-5
2	Result analysis - FY 2017-18 v/s FY 2016-17 click here	6-9
3	Result analysis - Q4 - FY 2017-18 v/s Q3 - FY 2017-18 click here	10-13
4	Result analysis - Q4 - FY 2017-18 v/s Q4 - FY 2016-17 click here	14-17
5	Way Forward click here	18



PARTICULARS	Quarter Ended			Year Ended	
	31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
Gross Sale	54851	44756	46826	196419	173673
Net Sales	54851	44756	41000	190751	153044
Other Operating Income	364	121	96	538	447
Net Income from Operation	55215	44877	41096	191289	153491
Other Income	(41)	436	(222)	743	727
Net Revenue	55,174	45,313	40,874	1,92,032	1,54,218
Raw Material Consumed	38,155	31,045	28,368	1,33,495	1,06,695
Total Material cost % to Net Sales	69.56%	69.37%	69.19%	69.98%	69.72%
Staff Cost	5,427	4,761	4,013	18,812	15,372
Staff cost % to Net Sales	9.89%	10.64%	9.79%	9.86%	10.04%
Other Exp.	5,264	4,306	3,530	17,984	14,648
Other Exps. % to Net Sales	9.60%	9.62%	8.61%	9.43%	9.57%
EBIDTA	6,328	5,201	4,963	21,741	17,503
% to Net Sales	11.54%	11.62%	12.11%	11.40%	11.44%
Depreciation and Amortisation exp	2,419	2,396	2,185	9,200	8,791
Depreciation % to Net Sales	4.41%	5.35%	5.33%	4.82%	5.74%
Interest	1,146	1,015	1,356	4,121	4,791
Interest cost % to Net Sales	2.09%	2.27%	3.31%	2.16%	3.13%
Net Profit/(Loss)	2,763	1,790	1,422	8,420	3,921
% to Net Sales	5.04%	4.00%	3.47%	4.41%	2.56%
Exceptional Items	-	-	(675)	(182)	(3103)
Profit from Ordinary Activities	2,763	1,790	747	8,238	818
% to Net Sales	5.04%	4.00%	1.82%	4.32%	0.53%
(a) Current Tax	612	384	(392)	1787	194
(b) Deferred Tax	292	(237)	233	389	(709)
Net Profit after Tax/(Loss)	1,859	1,643	906	6,062	1,333
% to Net Sales	3.39%	3.67%	2.21%	3.18%	0.87%
Other Comprehensive Income (net of tax)	10	(5)	(9)	(5)	(27)
Total Comprehensive Income	1,869	1,638	897	6,057	1,306
% to Net Sales	3.41%	3.66%	2.19%	3.18%	0.85%



(Amt In lacs)

Particulars	STANDALONE	
	Year Ended	Quarter ended
	31st March, 2017	31st March, 2017
A) Net Profit after tax as per previous GAAP	1,404	723
B) Effects of transition to IND AS on Statement of Profit and Loss		
i) Gain arising on recognition of financial asset at amortised cost	3	2
ii) Actuarial loss on defined benefit plans transferred to other comprehensive income	35	8
iii) Loss on discounting of provision for warranty	(1)	-
iv) Gain arising on recognition and measurement of financial liability at amortised cost	718	493
v) Loss on fair value accounting of derivatives	(855)	(358)
vi) Deferred tax credit of above adjustments	29	38
vii) Share of net profit of Joint Venture for using equity method	-	-
C) Net Profit after tax as per IND AS	1,333	906
D) Other Comprehensive Income (net of tax)	(27)	(9)
E) Total Comprehensive Income as per IND AS	1,306	897



FY 2017-18
VS
FY 2016-17



Recorded Net sales of Rs.1907.51 Crs during FY 2017-18
(with growth of over 25% over previous year)



Improvement in EBIDTA by 24% over previous year

Application of new Indian Accounting Standard (IND AS) w.e.f. April,17



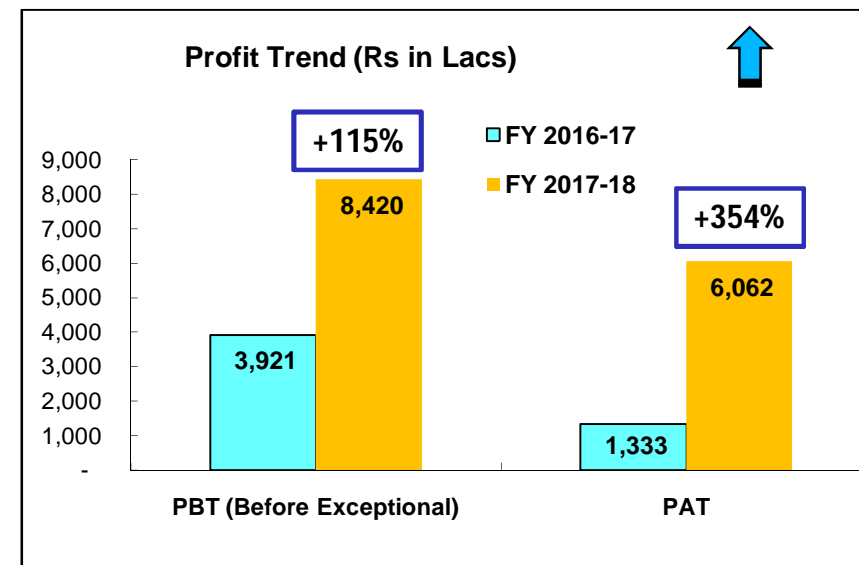
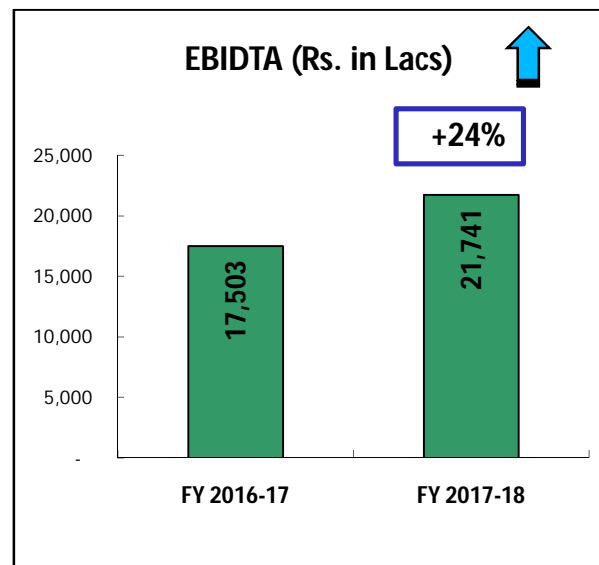
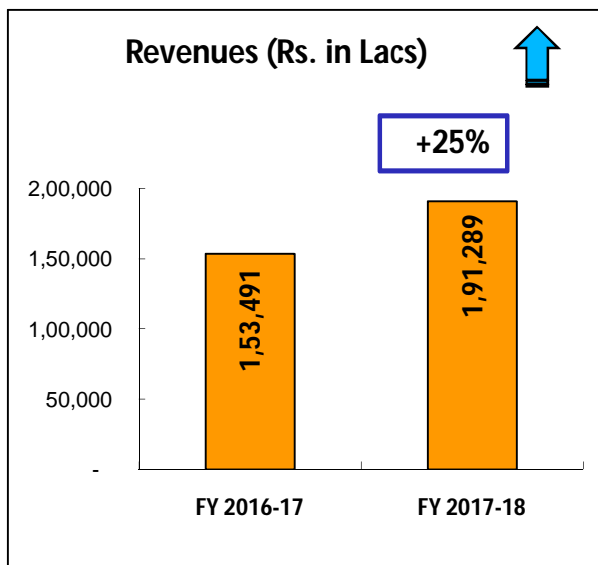
Effective GST implementation w.e.f. 01st July,2017

Improvement in PBT (before exceptional exp) by 115% over previous year



Minimal Exceptional Expenses of Rs.182 lacs incurred during the FY2017-18
PBT post exceptional stands at 4.32% as against 0.53%





Realisation of EBIDTA Level of 11.40% during FY 2017-18 against 11.44% in FY 2016-17

Supplies to Suzuki Motors, Gujurat from Sanand Plant is in full swing

Exceptional Expenses of Rs. 182 Lacs incurred during the year against Rs. 3103 Lacs in 2016-17

Production of ECM (Engine Cooling Module) Restarted in Q1,2017-18

New SOP of Truck Blower wef 1st Jan-18 with 70% Market Share

Tender from Indian Railways (Driver Cabin) awarded and executed



Indicators	FY 2017-18	FY 2016-17	Change	Status
Net Sales (Rs. in Lacs)	190,751	153,044	37,707	■
Material Cost	69.98%	69.72%	0.26	■
Employee Cost	9.86%	10.04%	(0.18)	■
Other Expenses	9.43%	9.57%	(0.14)	■
Op. EBIDTA	11.40%	11.44%	(0.04)	■
Finance Cost	2.16%	3.13%	(0.97)	■
Depreciation	4.82%	5.74%	(0.92)	■
PBT (before exceptional)	4.41%	2.56%	1.85	■
PAT	3.18%	0.87%	2.31	■

⑩ Material cost is increased due to change in product mix, increased commodity prices, sales of new models, GST impact in after market sales compensated with cost optimization initiatives

⑩ Figures for previous financial year are adjusted and reclassified as per requirement IND AS .

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



Q4 FY 2017-18

VS

Q3 FY 2017-18



Recorded net sales of Rs.548.51 Crs in Q4 2017-18
(with 23% growth over Previous Quarter)



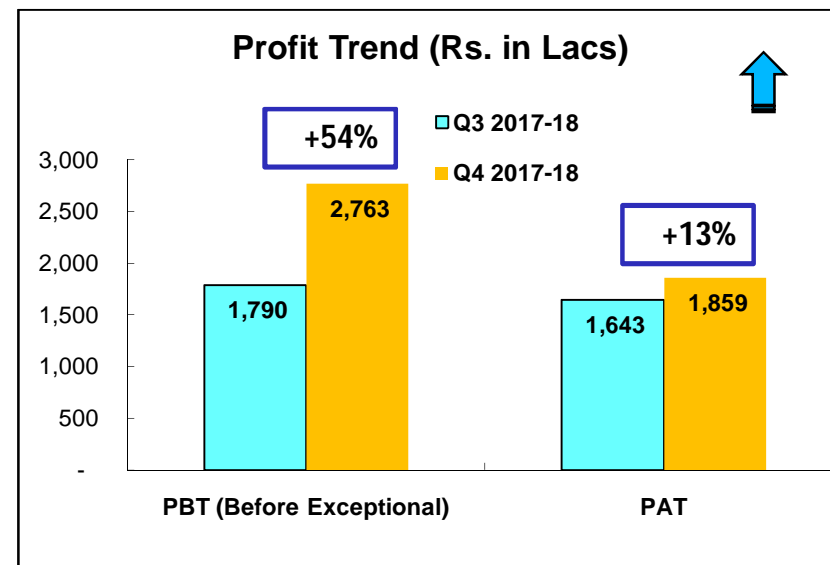
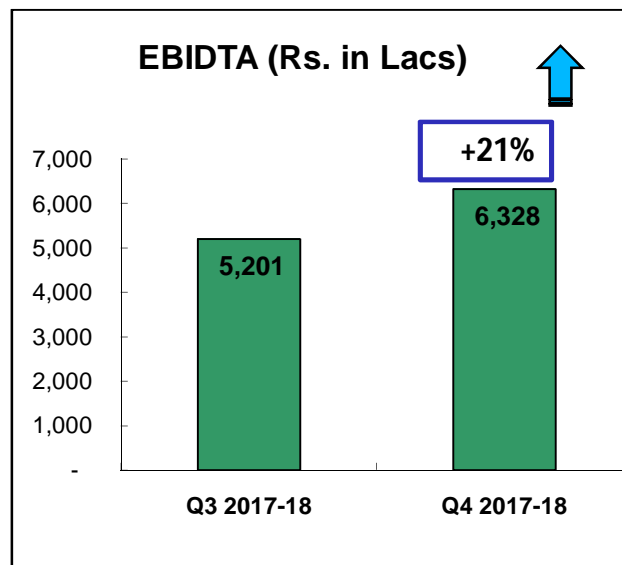
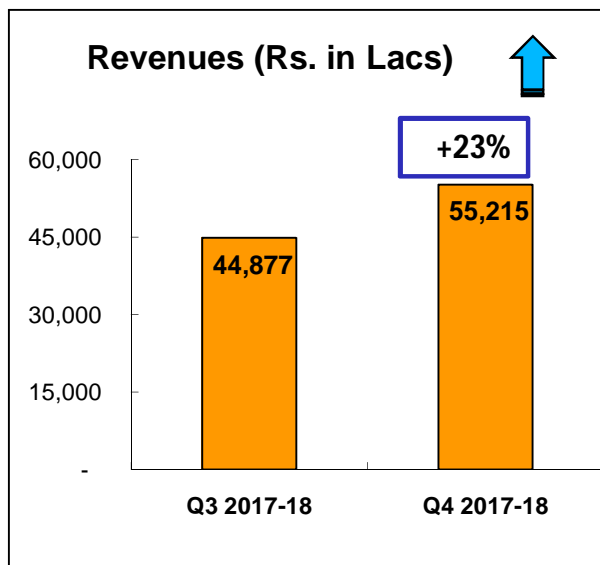
EBIDTA maintained at 11.54% (Q3 -11.62%)



Increase in PBT(before exceptional) by 54% over Previous Quarter to Rs.2763 Lacs
from Rs.1790 Lacs

Increase in PAT by 13% over Previous Quarter to Rs 1859 Lacs





Realisation of EBIDTA Level of 11.54%

Exceptional Expenses of Rs. Nil incurred during the period

New SOP of Truck Blower wef 1st Jan-18 with 70% Market Share



Indicators	Q4 2017-18	Q3 2017-18	Change	Status
Net Sales (Rs. in Lacs)	54,851	44,756	10,095	■
Material Cost	69.56%	69.37%	0.19	■
Employee Cost	9.89%	10.64%	(0.75)	■
Other Expenses	9.60%	9.62%	(0.02)	■
Op. EBIDTA	11.54%	11.62%	(0.08)	■
Finance Cost	2.09%	2.27%	(0.18)	■
Depreciation	4.41%	5.35%	(0.94)	■
PBT (before exceptional)	5.04%	4.00%	1.04	■
PAT	3.39%	3.67%	(0.28)	■

①Material cost is increased due to change in product mix, increased commodity prices, sales of new models, GST impact in after market sales compensated with cost optimization initiatives

①Tax provisions are higher in Q4 resulting lower PAT


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



Q4 FY 2017-18

VS

Q4 FY 2016-17

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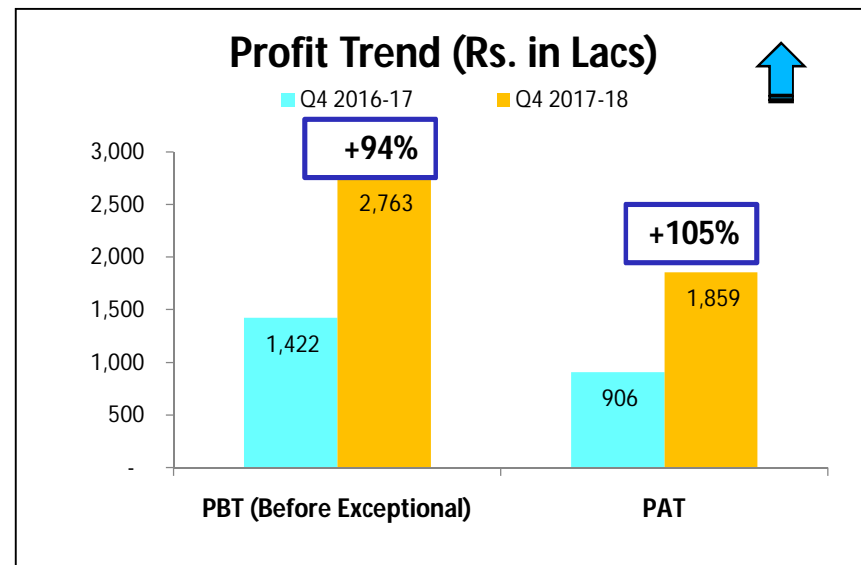
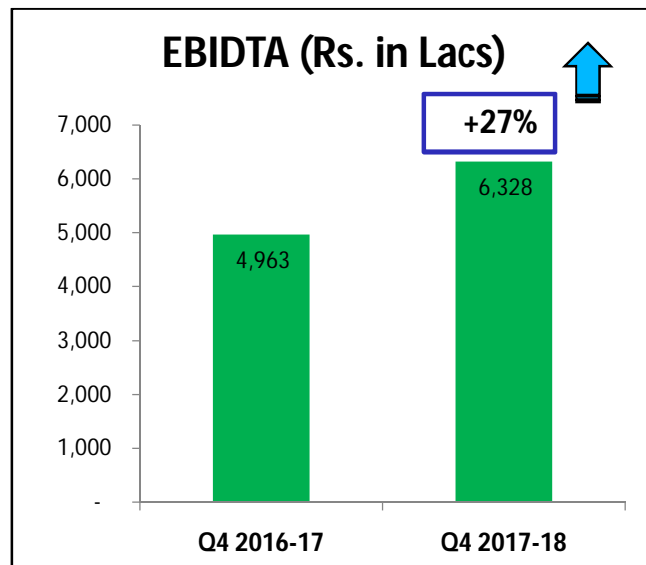
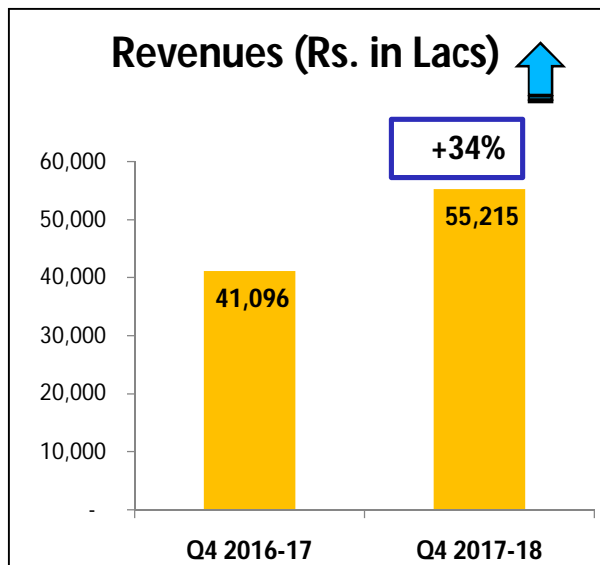
Net Sales recorded a growth of 34% in Q4 2017-18 over corresponding Quarter

Decline in EBIDTA margin owing to increased material cost
(Q4 FY 2017-18 -11.54% & Q4 FY 2016-17 -12.11%)

Improvement in PBT (before exceptional exp.) by 94 % over corresponding Quarter.

No exceptional Expenses during the quarter .

Improvement in PBT (after exceptional exps) by 270 % over corresponding Quarter.



Realisation of EBIDTA Level of 11.54%

Exceptional Expenses of Rs. Nil incurred during the period

New SOP of Truck Blower wef 1st Jan-18 with 70% Market Share



Indicators	Q4 2017-18	Q4 2016-17	Change	Status
Net Sales (Rs. in Lacs)	54,851	41,000	13,851	■
Material Cost	69.56%	69.19%	0.37	■
Employee Cost	9.89%	9.79%	0.10	■
Other Expenses	9.60%	8.61%	0.99	■
Op. EBIDTA	11.54%	12.11%	(0.57)	■
Finance Cost	2.09%	3.31%	(1.22)	■
Depreciation	4.41%	5.33%	(0.92)	■
PBT (before exceptional)	5.04%	3.47%	1.57	■
PAT	3.39%	2.21%	1.18	■

- Material cost is increased due to change in product mix, increased commodity prices, sales of new models compensated with cost optimization initiatives
- Employee expenses have increased with increase in direct manpower cost and salary revision
- Other Expenses are higher due to IND AS adjustment carried out for FY 2016-17 and Q4 2016-17 with resultant impact on EBIDTA

**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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