




**SKF**®





# Redefining tomorrow The Power of Knowledge Engineering

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23/05/2013

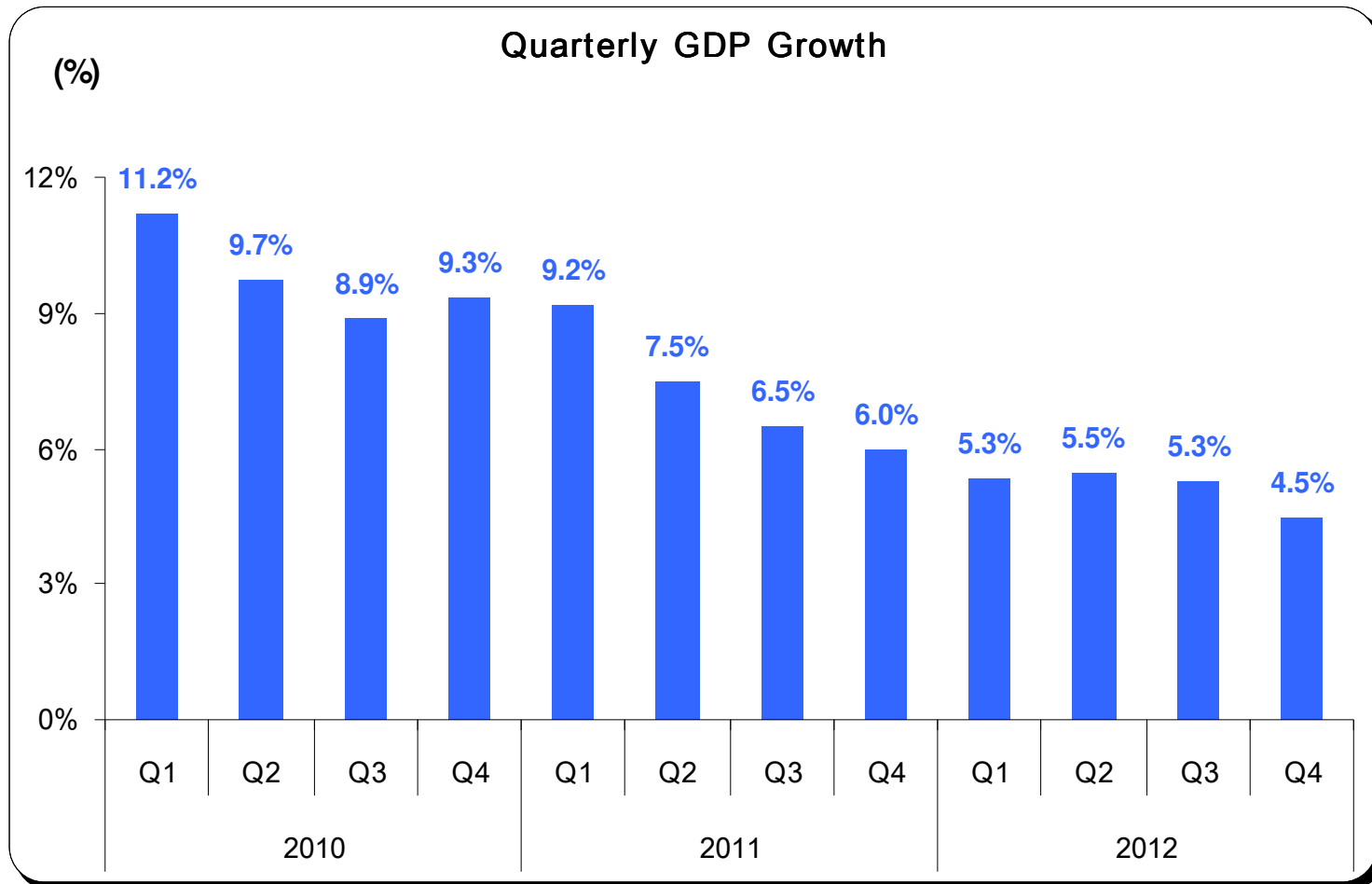
**SKF**®

Economy

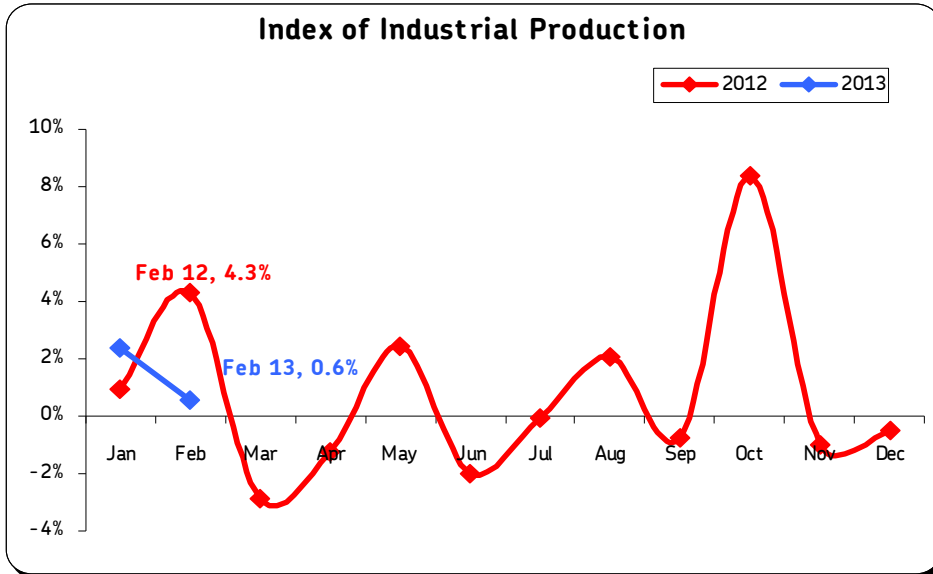
**SKF**<sup>®</sup>

# The glass is half empty

At 2004-05 Prices



# IIP and Interest rates

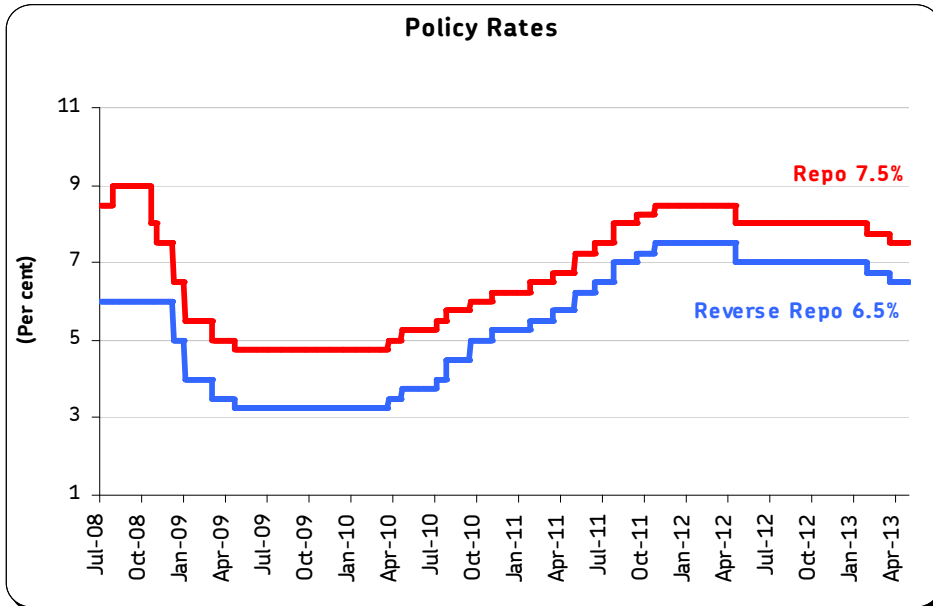


## IIP: Use-based Classification

IIP Use-based Classification	Feb		YTD (Jan-Feb)	
	2012	2013	2012	2013
IIP	4.3%	0.6%	2.6%	1.5%
Basic Goods	7.6%	-1.8%	4.7%	0.7%
Capital Goods	10.5%	9.5%	3.6%	3.9%
Intermediate Goods	1.0%	-0.7%	-0.8%	0.9%
Consumer Goods	-0.4%	0.5%	1.0%	1.7%
Consumer Durable	-6.2%	-2.7%	-6.9%	-1.8%
Consumer Non-durable	4.4%	2.9%	7.5%	4.1%

## IIP: Sectoral Classification

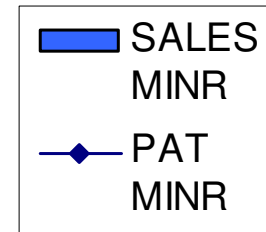
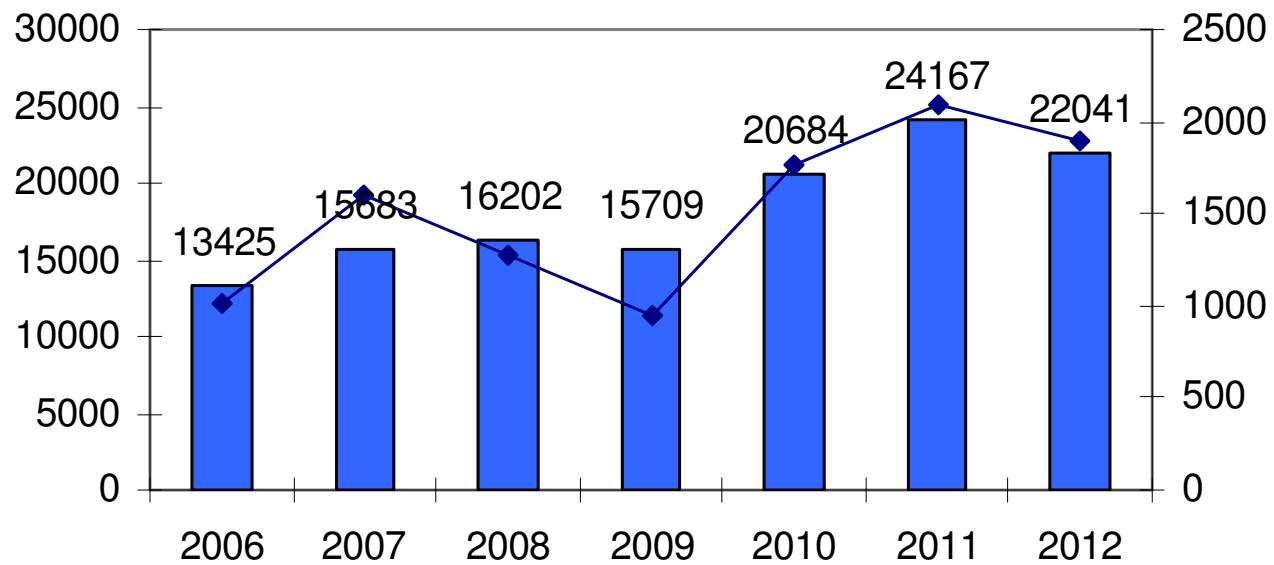
IIP Sector-wise growth rates	Feb		YTD (Jan-Feb)	
	2012	2013	2012	2013
IIP	4.3%	0.6%	2.6%	1.5%
Mining	2.3%	-8.1%	0.0%	-5.1%
Manufacturing	4.1%	2.2%	2.6%	2.4%
Electricity	8.0%	-3.2%	5.5%	1.7%



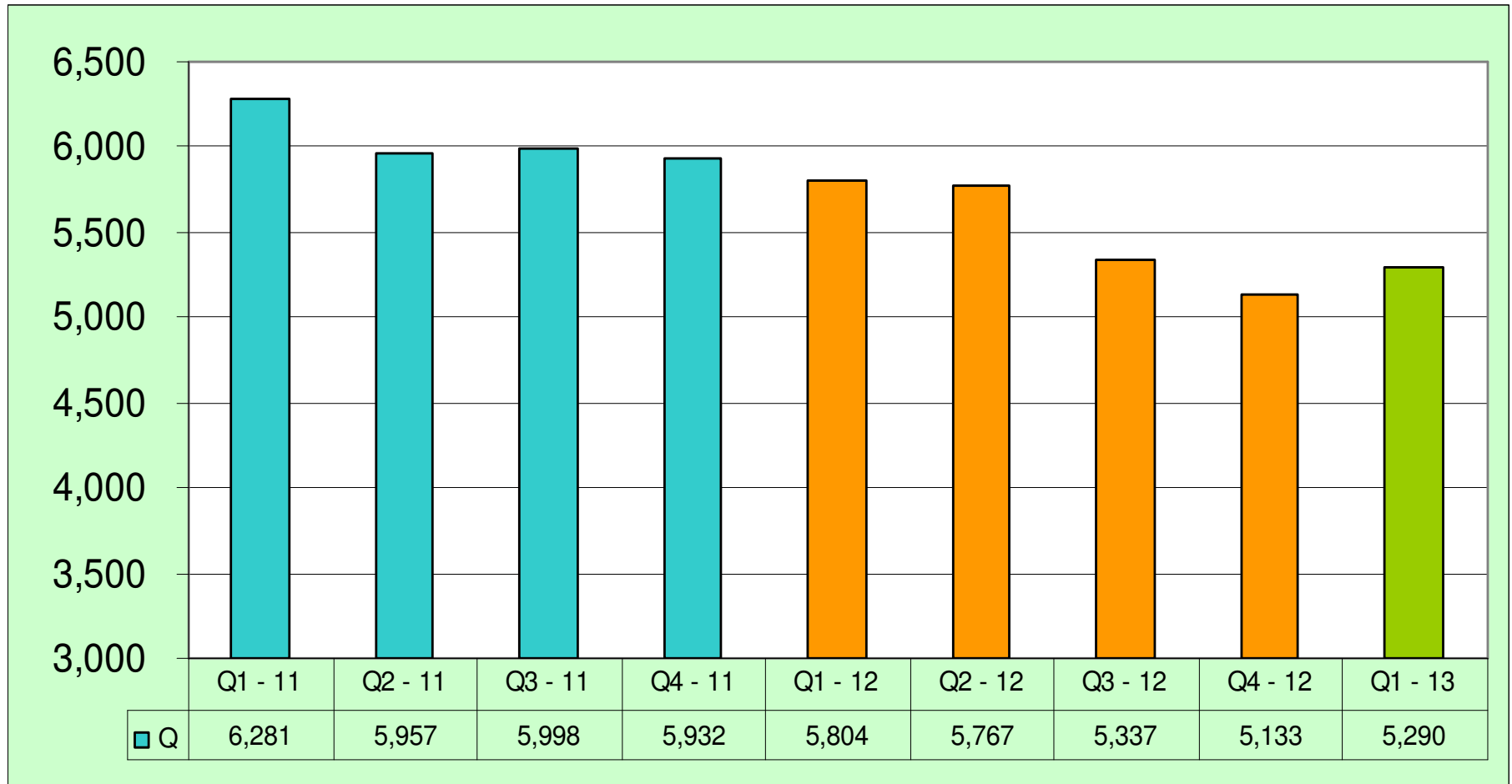
# Company performance

# SKF India Ltd Sales Development

## Sales and Profit Development



# Net Sales





## First Quarter 2013 – MINR

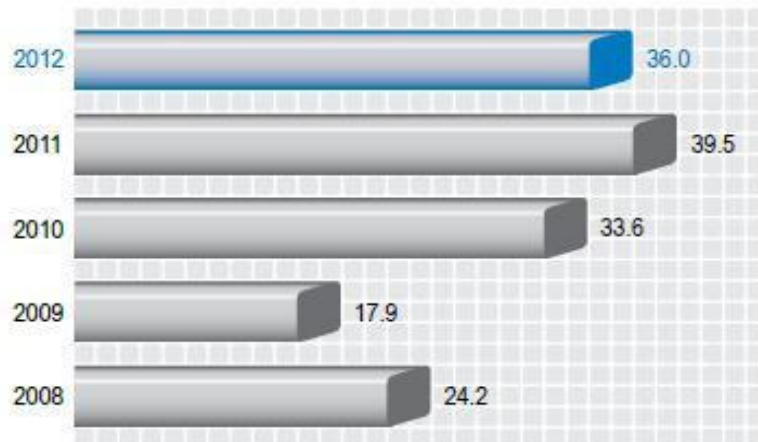
	Q1-2013	Q1-2012	Q1-13 vs Q1-12 %
Net Sales	5,289.6	5,803.5	-9%
Profit Before Financial Income and exceptional cost	511.9	887.9	-42%
Operating Margin	9.7%	15.3%	-5.6%
Exceptional cost	221.0		
Profit before Tax and after exceptional cost	402.8	993.9	-59%
Net Profit after exceptional cost	258.7	659.6	-61%
Earning Per Share	4.9	12.5	-61%

## First Quarter (Sequential) MINR

	Q1-2013	Q4-2012	Q1-13 vs Q4-12 %
Net Sales	5,289.6	5,133.8	3%
Profit Before Financial Income and exceptional cost	511.9	360.2	42%
Operating Margin	9.7%	7.0%	2.7%
Exceptional cost	221.0		
Profit before Tax and after exceptional cost	402.8	475.2	-15%
Net Profit after exceptional cost	258.7	321.9	-20%
Earning Per Share	4.9	6.1	-20%

# EPS, ROCE, RONW, Dividend

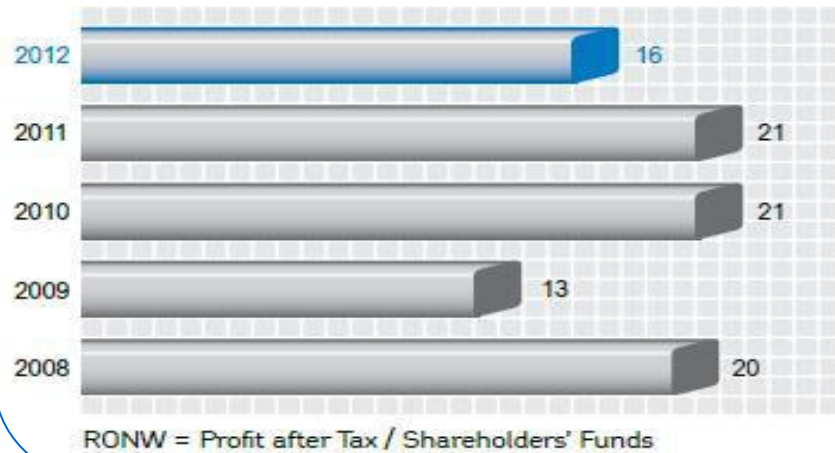
### Earning per share (₹)



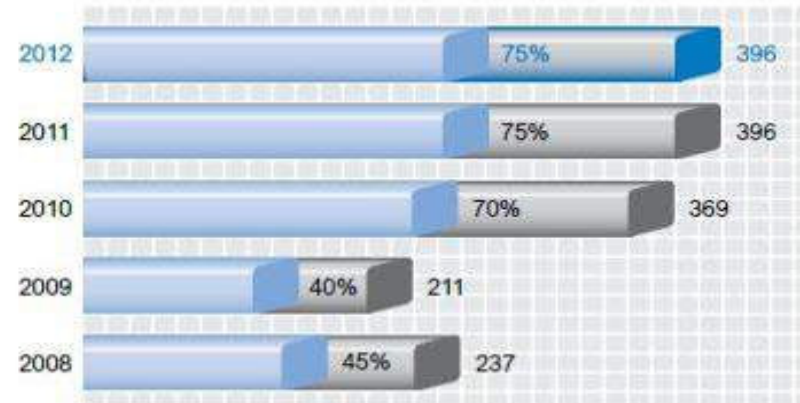
### ROCE (%)



### RONW (%)



### Dividend (₹ in million)



# Highlights

- Haridwar DGBB factory rated No 1 in the global SKF Automotive factories Benchmark Award
- Brown field expansions
  - New channel for manufacturing of mDGBB inaugurated at SKF Pune
  - 3 Channels at SKF Haridwar fully ramped up and operating at expected production levels and 4<sup>th</sup> Channel added recently.
- Launch of state of the art bearing housing facility at SKF Pune
- 3 new laboratories at GTCI Bengaluru
  - *Lubrication laboratory*
  - *Product investigation centre*
  - *Mechatronics lab*



# Key customers we cater



## Automotive



## Heavy Industry



## Energy



## Industrial Machinery



## Oil & Gas



## Food & Beverage

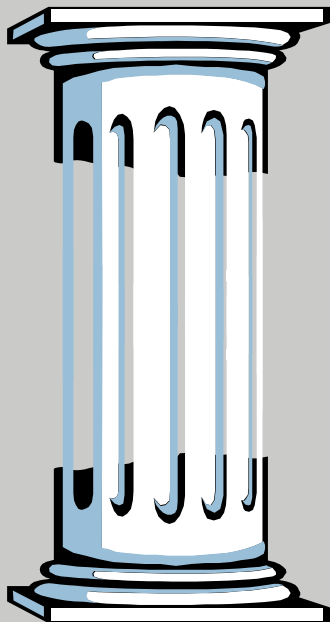


# Road ahead: Strategic Imperatives

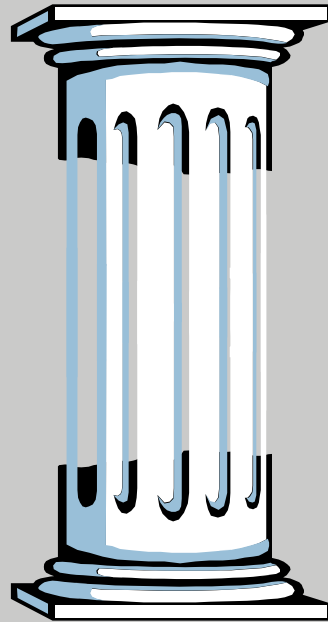


SKF Six Sigma

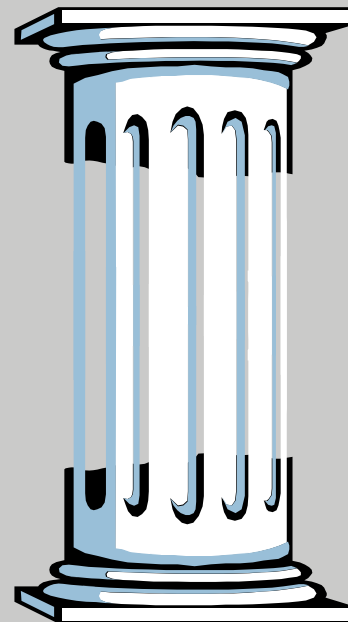
## Grow ahead of market growth



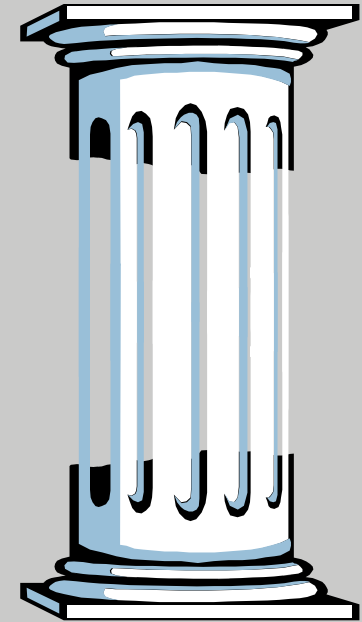
**Business  
Excellence**



**Innovation**



**Reach**



**People**

# Innovation driven Business

By utilizing capabilities from all or some of the platforms, SKF develops tailor-made offers for each industry, helping customers improve performance, reduce energy use and lower total costs.

## Bearings and units

- New market offer developed & introduced for wheel end application of HCV manufacturer
- Pinion unit for major Indian tractor manufacturer
- Winning partnerships formed with off highway and machine tool segment customers



# Innovation driven Business

By utilizing capabilities from all or some of the platforms, SKF develops tailor-made offers for each industry, helping customers improve performance, reduce energy use and lower total costs.

## Seals

- Axle seal offering for one of India's largest car manufacturer
- Sealing solution offered to Railway segment customer





# Innovation driven Business

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## Mechatronics

- Profile rail guides for one of the major Machine tool customers helping them to improve running performance and reduce maintenance cost



# Innovation driven Business

By utilizing capabilities from all or some of the platforms, SKF develops tailor-made offers for each industry, helping customers improve performance, reduce energy use and lower total costs.

## Lubrication systems

- Auto lub system for reduction in rail wear and noise offered to a major Railways customers in India



# Innovation driven Business

By utilizing capabilities from all or some of the platforms, SKF develops tailor-made offers for each industry, helping customers improve performance, reduce energy use and lower total costs.

## Services

- LTA signed with one of the largest paper manufacturers for Integrated Maintenance Services
- Roll shop management for one of the largest steel manufacturers
- Spindle repair services for Automotive customers



# Industrial Distribution reach



-  Authorized industrial distributors  

-  Certified maintenance partners  

-  Platform specialists  

-  Industrial Parts Supplier  


Over 300 dedicated partners to offer solutions  
'closer to customers'

# Automotive Distribution reach



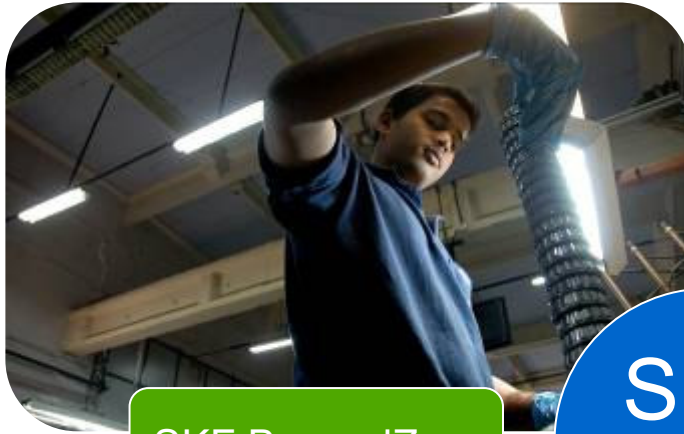
Automotive distributors

One of the largest density of distributors for end consumers



# SKF Care

Business Care



SKF BeyondZero

Employee Care



SKF  
Care



Environmental Care

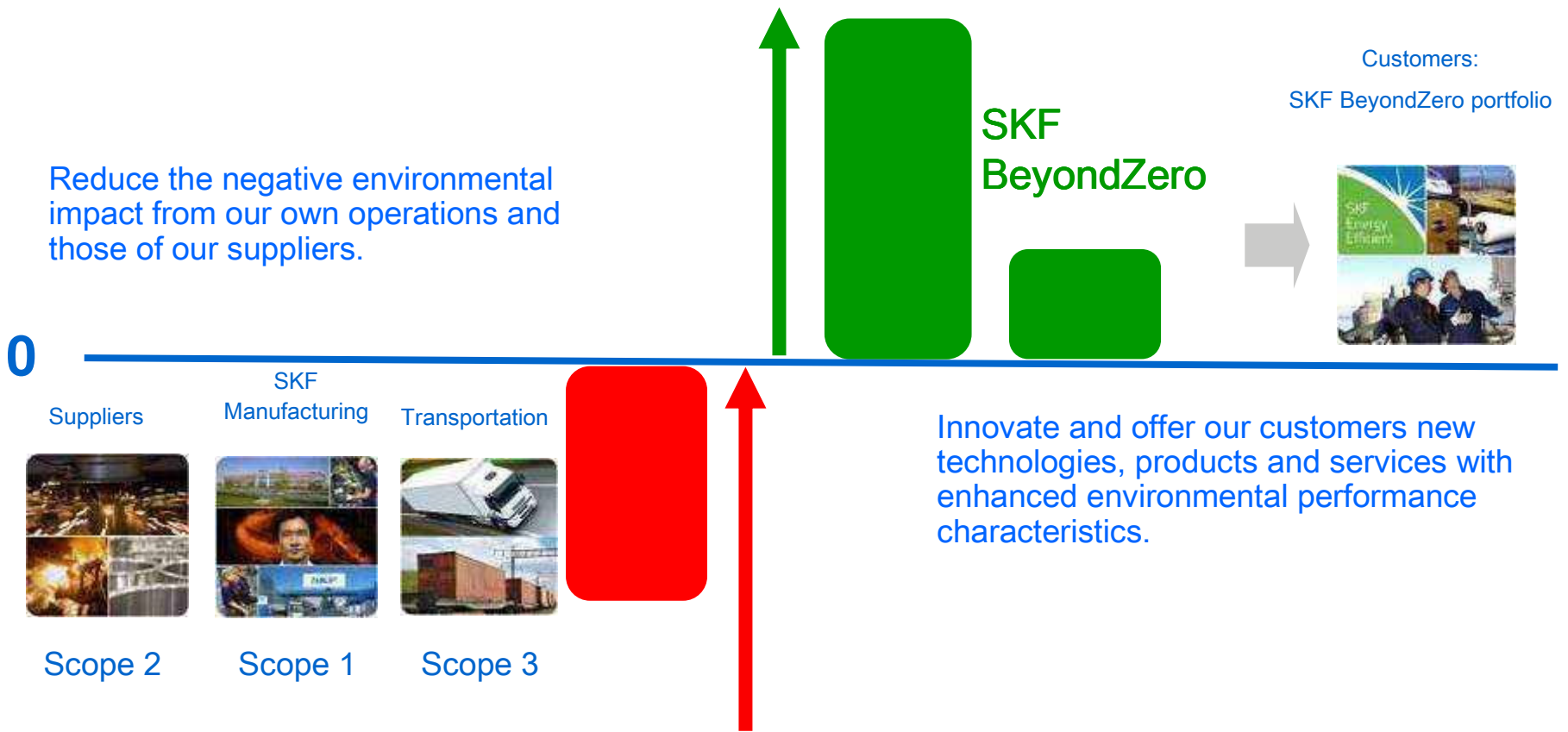


Community Care



SKF BeyondZero

# SKF BeyondZero concept



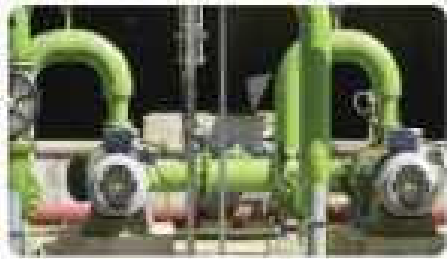


# SKF's environmental approach



*From manufacturing-oriented ...*

# SKF BeyondZero portfolio – Industrial



SKF Energy Monitoring Service for pump systems helped reduce CO<sub>2</sub> emissions by 1,700 tonnes per year.



SKF ConRo reduced CO<sub>2</sub> emissions by 1.5 tonnes per unit and year.



SKF Solar Linear Actuator contributes to increasing the energy production from one solar panel, which contributes to a reduction of CO<sub>2</sub> by 4.4 tonnes per year.



# SKF BeyondZero portfolio – Industrial



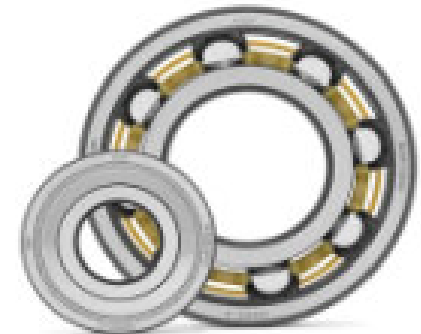
Replacement of hydraulic lifts with two SKF CASM electric cylinders produced a CO<sub>2</sub> savings of 4.9 tonnes per year for one machine.



SKF products and solutions for renewable energy help display CO<sub>2</sub>.



If SKF were to equip all new motors ranging from sizes 1–50 HP with its current SKF E2 bearing range, a yearly **290,000 tonnes** of CO<sub>2</sub> emissions would be avoided.



## SKF BeyondZero portfolio – Automotive



SKF Bus Door Actuator saves 1900 kg CO<sub>2</sub>/year compared to using pressurized air for operating the doors.



SKF Rotor Positioning Bearing reduces fuel consumption and CO<sub>2</sub> emissions by up to 15%.



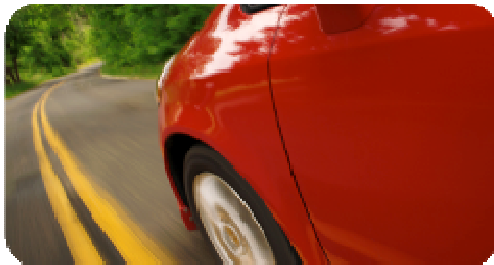
SKF StopGo for two-wheelers reduces CO<sub>2</sub> emissions by 5 g per kilometre.



# SKF BeyondZero portfolio – Automotive



SKF Low Friction Seal reduces friction by up to 55%, providing a CO<sub>2</sub> savings of over 1 g per kilometre.



A light commercial vehicle with four SKF Low Weight Hub Bearing Units reduces CO<sub>2</sub> by 5.0 kg per year.



SKF products & solutions for electric vehicles.



# Recognition

- Fortune-India 's Most Admired Company in the Engineering and Capital Goods segment
- Dun & Bradstreet Award : Top Indian Company Bearings Sector
- EEPC : Star performer award
- Maruti Suzuki India Ltd. : 'Preferred supplier towards local R&D capability'
- Bajaj Auto : Quality - Gold Award





**SKF**



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