



GREAVES

SINCE 1859

GREAVES COTTON LIMITED

**Earnings Update
December 2012**



Disclaimer

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Financials : Q3 & 9 Months December'12

<i>Rs Cr</i>	Q3			9 M			12 M
	FY 2012	FY 2013	Growth	FY 2012	FY 2013	Growth	FY 2012
Revenue	465	516	11%	1308	1378	5%	1753
Raw Material Cost	334	362	9%	928	964	4%	1233
Employee Cost	34	38	10%	93	110	18%	128
Other Expenses	39	44	12%	110	125	14%	157
EBITDA	58	72	24%	177	179	1%	237
Depreciation	8	10	21%	23	28	22%	32
EBIT	50	62	25%	154	151	-2%	205
Finance Cost	1	0	-82%	2	1	-67%	3
Other Income	0	7	1625%	3	12	372%	6
PBT	49	69	40%	154	162	5%	207
Less : Exceptional Items	0	-14		0	-18		43
PBT after Exceptional Items	49	54	11%	154	144	-6%	251
Tax	15	20	36%	47	45	-4%	65
PAT	34	34	1%	108	100	-8%	185

Segment Results: Q3 & 9 Months December'12



<i>Rs Cr</i>	Q3			9 M			12 M
	FY 2012	FY 2013	Growth	FY 2012	FY 2013	Growth	FY 2012
Revenue							
Engines	410	458	12%	1135	1228	8%	1530
Infrastructure Equipment	36	43	18%	119	110	-7%	157
Others	20	16	-17%	55	42	-25%	68
Total	466	517	11%	1309	1380	5%	1755
Less : Inter Segment Revenue	1	1	54%	1	3	142%	1
Net Sales	465	516	11%	1308	1377	5%	1753
EBIT							
Engines	67	78	16%	188	203	8%	261
Infrastructure Equipment	-3	-1	-60%	-4	-6	44%	-8
Others	1	3	402%	8	7	-18%	8
Total	65	80	23%	192	203	6%	261

Key Financial Metrics



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	Q3		9 M		12 M
	FY 2012	FY 2013	FY 2012	FY 2013	FY 2012
Raw Material Cost %	71.8%	70.3%	71.0%	70.0%	70.3%
EBITDA %	12.4%	13.9%	13.5%	13.0%	13.5%
PBT % (before exceptional item)	10.5%	13.3%	11.8%	11.8%	11.8%
PAT %	7.4%	6.7%	8.2%	7.2%	10.6%
Net Working Capital (Days)			54	52	47
Fixed Assets Turns			5.7	5.1	5.7
ROCE			34%	30%	34%
ROE			25%	20%	32%

Highlights

- Revenue for Q3 FY 13 increased by 11% from Rs. 465 Crs in Q3 FY12 to Rs. 516 Crs in Q3 FY 13.
- EBIDTA for Q3 FY 13 increased by 24% from Rs. 58 Crs in Q3 FY12 to Rs. 72 Crs in Q3 FY 13.
- EBITDA margin increased by 1.5% from 12.4% in Q3FY12 to 13.9% in Q3 FY13.
- Raw Material cost as % to sales decreased by 1.5% from 71.8% in Q3FY12 to 70.3% in Q3FY13.
- Q3FY13 PAT at Rs 34 Crs is after exceptional item of Rs. 14 Crs towards provision of diminution in the value of investment in a subsidiary.

Highlights

Engines Segment :

- Revenue grew by 12% in Q3FY13.
- Auto Engine Business had a healthy growth in volumes backed by 4 Wheel SCV (< 1 Ton) volume which grew by 65%. The volume of 3 Wheeler segment remained flat.
- Farm Equipment Business was affected due to delayed monsoon and slow release of government subsidies, however GCL has retained its market share.
- Auxiliary Power Business saw some demand contraction during the quarter but GCL improved its volume and improved its market share.

Infrastructure Equipment Segment :

- Revenue grew by 18% in Q3 FY13.
- Demand for Infrastructure equipment business has shown sign of improvements. Road Making Equipment showed good increase in volumes, Concreting Equipment volumes showed marginal growth.

Others Segment :

- Revenue reduced by 17% in Q3 FY 13 due to decrease in international trading & power tillers business.