



Chennai, India, January 22, 2020 – Rane Engine Valve Limited (NSE: RANEENGINE; BSE Code:532988), a leading manufacturer of Engine Valves, Guides and Tappets today announced financial performance for the third quarter (Q3 FY20) and nine months (9M FY20) ended December 31st, 2019.

Q3 FY20 Performance

- Total Net Revenue was ₹82.9 Crore for Q3 FY20 as compared to ₹107.5 Crore in Q3 FY19, a decrease of 22.9%
- EBITDA stood at ₹1.8 Crore as compared to ₹5.2 Crore during Q3 FY19, a decrease of 64.4%
- EBITDA Margin at 2.2% for Q3 FY20 as against 4.8% in Q3 FY19, a decrease of 259 basis point (bps)
- Net Loss of ₹5.0 Crore for Q3 FY20 as compared to a loss of ₹3.4 Crore in Q3 FY19

9M FY20 Performance

- Total Net Revenue was ₹281.6 Crore for 9M FY20 as compared to ₹318.4 Crore in 9M FY19, a decrease of 11.6%
- EBITDA stood at ₹9.6 Crore as compared to ₹11.9 Crore during 9M FY19, a decline of 19.3%
- EBITDA Margin at 3.4% for 9M FY20 as against 3.7% in 9M FY19, a decline of 33 basis point (bps)
- Net Loss of ₹12.9 Crore for 9M FY20 as compared to a loss of ₹11.9 Crore in 9M FY19

Operating Highlights for Q3 FY20

- Sales to Indian OE customers declined 19%. Volume drop across major segments.
- Sales to International customers declined 29%.
- EBITDA margin declined by 259 bps
 - Steep drop in volume resulted in drop in EBITDA which was partially mitigated by favourable raw material price and operational performance improvement

MANAGEMENT COMMENT

"The volume drop in domestic market and lower schedules from international customers posed significant challenge to the turnaround plan. The management continued to work on various operational improvement and cost reduction projects which helped to partially mitigate the impact of steep volume drop. We continue to see traction on new business pursuits which will help on turnaround plan once demand environment improves."

L. Ganesh, Chairman, Rane Group

BUSINESS HIGHLIGHTS

Financial Performance

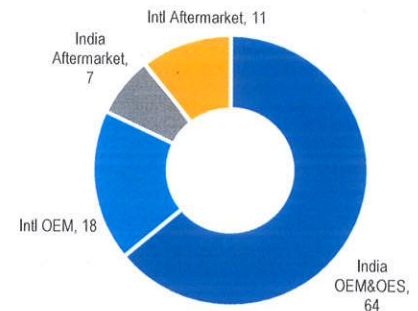
Particulars	Q3 FY 20	Q3 FY 19	YOY%
Total Net Revenue	82.9	107.5	-22.9%
EBITDA	1.8	5.2	-64.4%
Margin (%)	2.2%	4.8%	-259 bps
PAT	-5.0	-3.4	-46.0%

Particulars	9M FY 20	9M FY 19	YOY%
Total Net Revenue	281.6	318.4	-11.6%
EBITDA	9.6	11.9	-19.3%
Margin (%)	3.4%	3.7%	-33 bps
PAT	-12.9	-11.9	-8.8%

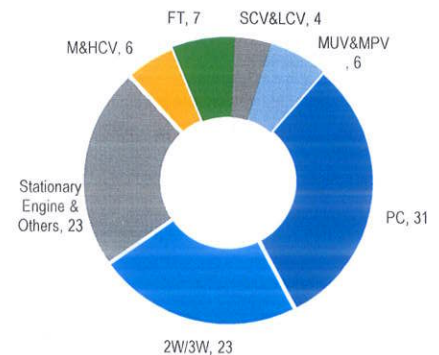
(In ₹ Crore, unless otherwise mentioned)

BUSINESS SPLIT (Q3 FY20)

BY MARKET (%)



BY VEHICLE SEGMENT (%)



PROFIT AND LOSS ACCOUNT

Particulars	Q3FY20	Q2FY20	QoQ%	Q3FY19	YoY%	9MFY20	9MFY19	YoY%
Income from Operations	80.8	90.3	-11%	104.1	-22%	271.9	310.0	-12%
Other Operating Income	1.2	2.3	-47%	2.3	-48%	5.7	6.6	-13%
Other Income	0.9	2.0	-54%	1.1	-16%	3.9	1.8	115%
Total Revenue	82.9	94.6	-12%	107.5	-23%	281.6	318.4	-12%
Expenses								
-Cost of Material Consumed	32.7	36.2	-10%	48.4	-33%	108.8	139.5	-22%
-Purchase of stock-in-trade	0.8	1.3	-39%	2.4	-68%	4.1	8.3	-50%
-Changes in inventories	-2.4	0.3	-998%	-7.6	69%	1.4	-13.8	110%
-Employee Benefit Expense	25.0	26.9	-7%	28.3	-12%	80.7	84.9	-5%
-Finance Cost	2.6	3.0	-13%	2.7	-3%	8.1	7.2	13%
-Depreciation & Amortization	6.8	7.1	-4%	7.6	-10%	21.2	22.9	-7%
-Other Expenditure	24.9	25.5	-2%	30.8	-19%	76.8	87.6	-12%
Total Expenses	90.5	100.3	-10%	112.6	-20%	301.3	336.5	-10%
PBT before Exceptional Items	-7.6	-5.7	-34%	-5.1	-48%	-19.8	-18.1	-9%
Exceptional Item	-	-	-	-	-	-	-	-
PBT	-7.6	-5.7	-34%	-5.1	-48%	-19.8	-18.1	-9%
Tax Expense	-2.6	-2.0	-30%	-1.7	-52%	-6.8	-6.2	-10%
PAT	-5.0	-3.7	-36%	-3.4	-46%	-12.9	-11.9	-9%

(In ₹ Crore, unless otherwise mentioned. The sum of sub-segment amounts may not equal the total amounts due to rounding off)

ABOUT RANE ENGINE VALVE LIMITED

Established in 1959, Rane Engine Valve Limited (REVL) is part of the Rane Group of Companies, a leading auto component group based out of Chennai. REVL manufactures engine valves, valve guides and tappets for various IC engine applications. REVL is market leader in Indian OEM and replacement markets. REVL caters to all segments of automobile industries such as PV, CV, Tractors, 2W, 3W, stationary engines, railways and marine engines.

ABOUT RANE GROUP

Headquartered in Chennai, India, Rane Group is engaged primarily in manufacturing auto components for well over five decades. Rane Group is a preferred supplier to major OEMs in India and abroad. Through its group companies, it provides Steering and Suspension systems, Friction materials, Valve train components, Occupant safety systems, Die-casting products and Telematics solutions. Its products serve a variety of industry segments including Passenger Vehicles, Commercial Vehicles, Farm Tractors, Two-wheelers, Three-wheelers, Railways and stationery Engines.

IF YOU HAVE ANY QUESTIONS OR REQUIRE FURTHER INFORMATION,
PLEASE FEEL FREE TO CONTACT: INVESTORSERVICES@RANEGROUP.COM OR DPINGLE@CHRISTENSENIR.COM

Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic conditions, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. The Company will not be in any way responsible for any action taken based on these statements and the Company has no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

