

SL/BSE/NSE/19

May 21, 2019

The Manager, Listing Department, National Stock Exchange of India Ltd. , 'Exchange Plaza' C-1 , Block G, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051. <u>Security ID: SUBROS</u>	Dy. General Manager, Department of Corporate Services, BSE LIMITED , First Floor, P.J. Towers, Dalal Street, Fort, Mumbai – 400001. <u>Security ID: SUBROS</u>
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Dear Sir/Madam

Sub: Outcome of Board Meeting

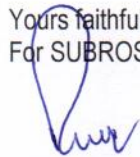
Pursuant to the applicable regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find the following:

- (a) The presentation to be shared with the analyst / institutional investors in respect of the Audited Financial results for the quarter and year ended 31st March, 2019, duly approved by the Board of Directors in the Meeting held on 21st May, 2019

We request you to kindly take the same on record.

Thanking you,

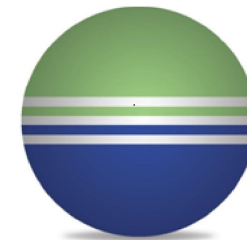
Yours faithfully,
For SUBROS LIMITED



Rakesh Arora
Company Secretary



Subros



Cooling the Planet

Financial Results – Quarter 4, FY 2018-19

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 - For FY 2018-19 v/s FY 2017-18

Results Analysis - Q4 FY 2018-19 v/s Q4 FY 2017-18

Results Analysis - Q4 FY 2018-19 v/s Q3 FY 2018-19

Way Forward



- *Steady growth in revenues in dynamic market situation*
- *Strong operational performance with 11% growth in sales and 10% growth in EBITDA*
- *PBT (before exceptional) grew by 39%*
- *Growth of 22% in post tax profitability*
- *Equity infusion of Rs.209.88 crs through Issuance of shares to Denso on preferential basis*
- *Decrease in Borrowings by Rs.128 crs*

Financial Highlights for FY 2018-19

Indicator	Amount (Rs. In crs)	Growth*
Revenues	2,124.48	11% ↑
EBIDTA	238.35	10% ↑
PBT (before exceptional)	117.31	39% ↑
PAT	74.10	22% ↑

* The comparison with the Financial Year 2017-18



PARTICULARS	Quarter Ended			Year Ended	
	31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
Net Sales	52463	50191	54851	212098	190751
Other Operating Income	-656	878	364	350	538
Net Income from Operation	51807	51069	55215	212448	191289
Other Income	193	-155	-41	1025	743
Net Revenue	52000	50914	55174	213473	192032
Raw Material Consumed	36236	35185	38155	148405	133495
Total Material cost % to Net Sales	69.07%	70.10%	69.56%	69.97%	69.98%
Staff Cost	4891	5136	5427	20646	18812
Staff cost % to Net Sales	9.32%	10.23%	9.89%	9.73%	9.86%
Other Exp.	5183	5065	5264	20587	17984
Other Exps. % to Net Sales	9.88%	10.09%	9.60%	9.71%	9.43%
EBIDTA	5690	5528	6328	23835	21741
% to Net Sales	10.84%	11.01%	11.54%	11.24%	11.40%
Depreciation and Amortisation exp	2064	1954	2419	7885	9200
Depreciation % to Net Sales	3.93%	3.89%	4.41%	3.72%	4.82%
Interest	682	801	1146	4219	4121
Interest cost % to Net Sales	1.30%	1.60%	2.09%	1.99%	2.16%
Net Profit/(Loss)	2944	2773	2763	11731	8420
% to Net Sales	5.61%	5.52%	5.04%	5.53%	4.41%
Exceptional Items	--	--	--	-334	-182
Profit from Ordinary Activities	2944	2773	2763	11397	8238
% to Net Sales	5.61%	5.52%	5.04%	5.37%	4.32%
(a) Current Tax	571	602	612	2408	1787
(b) Deferred Tax	753	452	292	1376	389
Net Profit after Tax/(Loss)	1620	1719	1859	7613	6062
% to Net Sales	3.09%	3.42%	3.39%	3.59%	3.18%
Other Comprehensive Income (net of tax)	-200	-1	10	-203	-5
Total Comprehensive Income	1420	1718	1869	7410	6057
% to Net Sales	2.71%	3.42%	3.41%	3.49%	3.18%
EPS	2.44	2.80	3.10	12.35	10.11

Financial Results & Highlights

Results Analysis - For FY 2018-19 v/s FY 2017-18

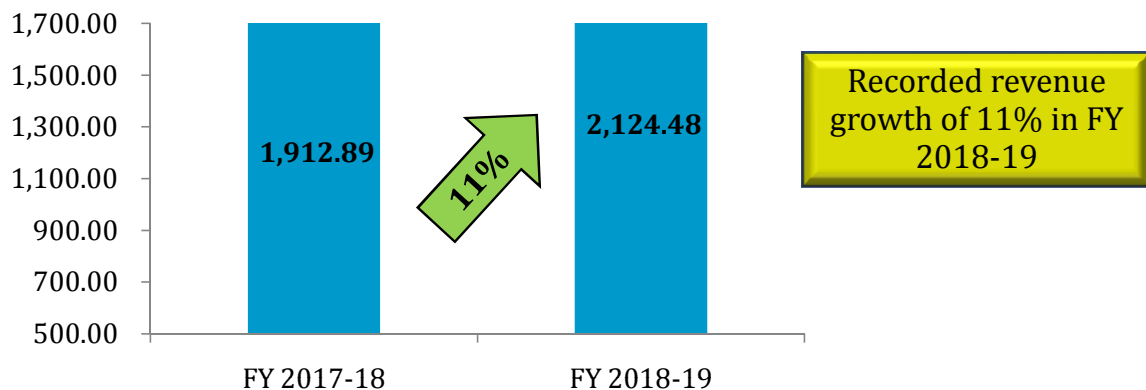
Results Analysis - Q4 FY 2018-19 v/s Q4 FY 2017-18

Results Analysis - Q4 FY 2018-19 v/s Q3 FY 2018-19

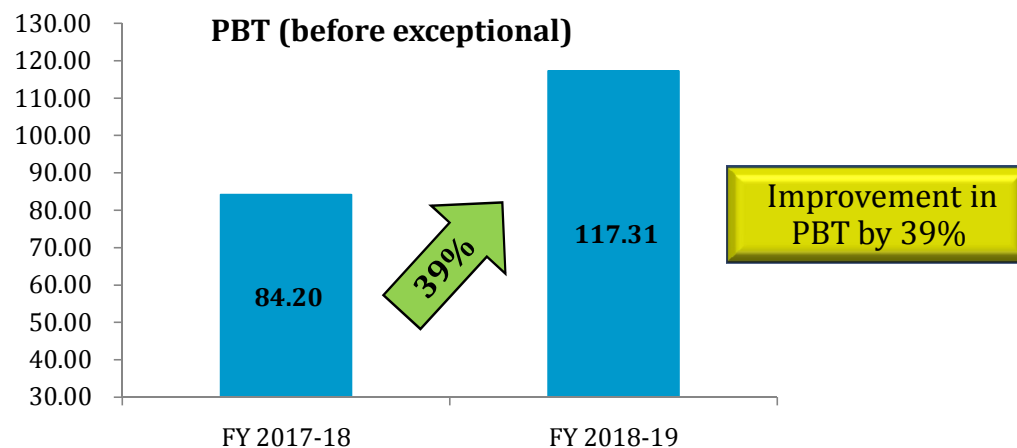
Way Forward



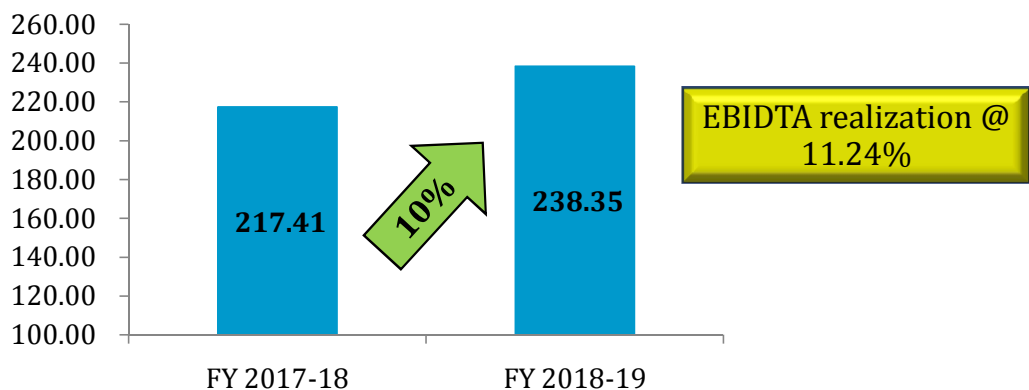
Revenues



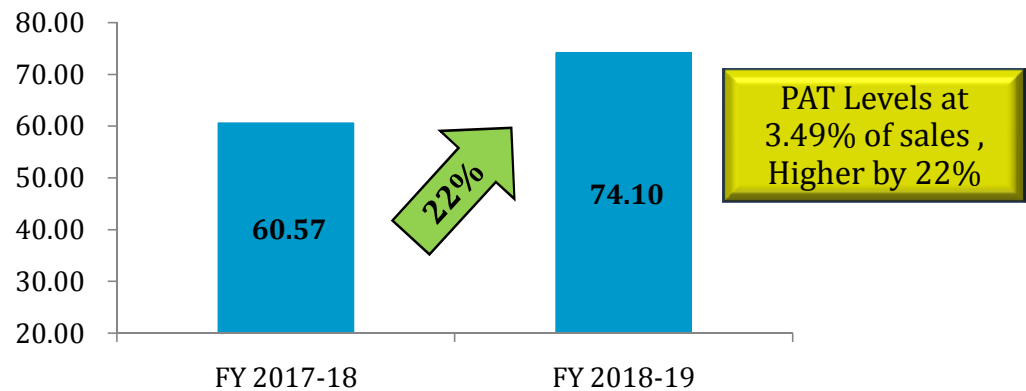
PBT (before exceptional)



EBIDTA



PAT





Indicators	FY 2017-18	FY 2018-19	Change	Status
Net Sales	1,907.51	2,120.98	213.47	●
Other Income	7.43	10.25	2.82	●
Material Cost	69.98%	69.97%	-0.01	●
Employee Cost	9.86%	9.73%	-0.13	●
Other Expenses	9.43%	9.71%	0.28	●
Op. EBIDTA	11.40%	11.24%	-0.16	●
Finance Cost	2.16%	1.99%	-0.17	●
Depreciation	4.82%	3.72%	-1.11	●
PBT (before exceptional)	4.41%	5.53%	1.12	●
PAT	3.18%	3.49%	0.31	●

Key Aspects:

- **Nett sales:** Increased sales of MSIL, Denso & Renault Nissan
- Added Blower & Truck A/c business
- Other expenses are higher due to increase in Freight, Packing material, legal expenses and write offs

●	Positive	●	Moderate - variation upto 5%	●	Negative - variation exceeding 5%
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Financial Results & Highlights

Results Analysis - For FY 2018-19 v/s FY 2017-18

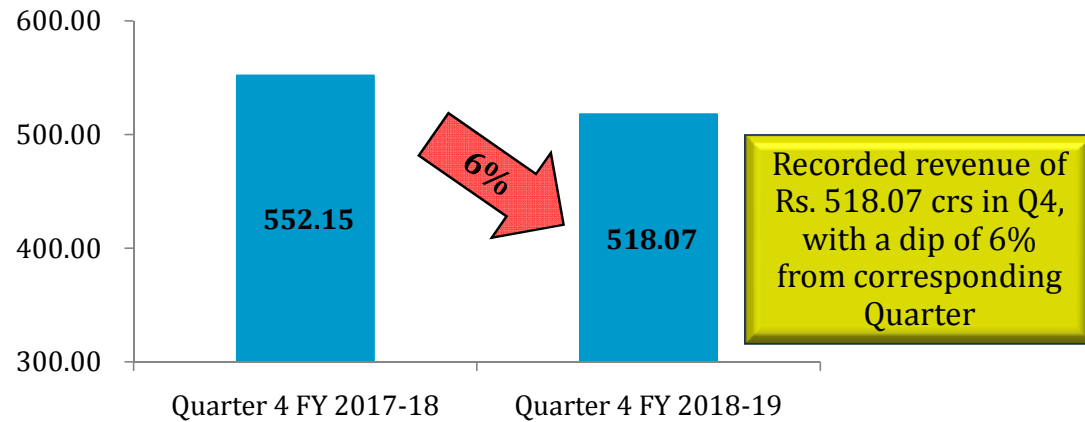
Results Analysis - Q4 FY 2018-19 v/s Q4 FY 2017-18

Results Analysis - Q4 FY 2018-19 v/s Q3 FY 2018-19

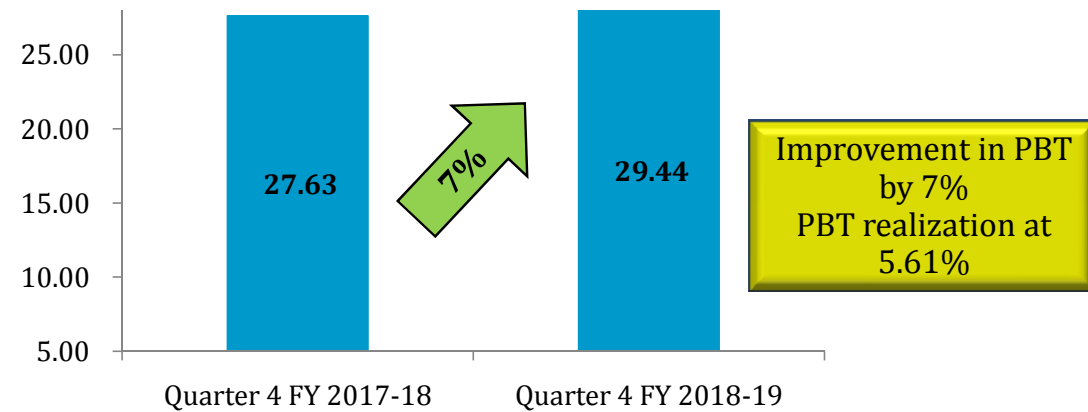
Way Forward



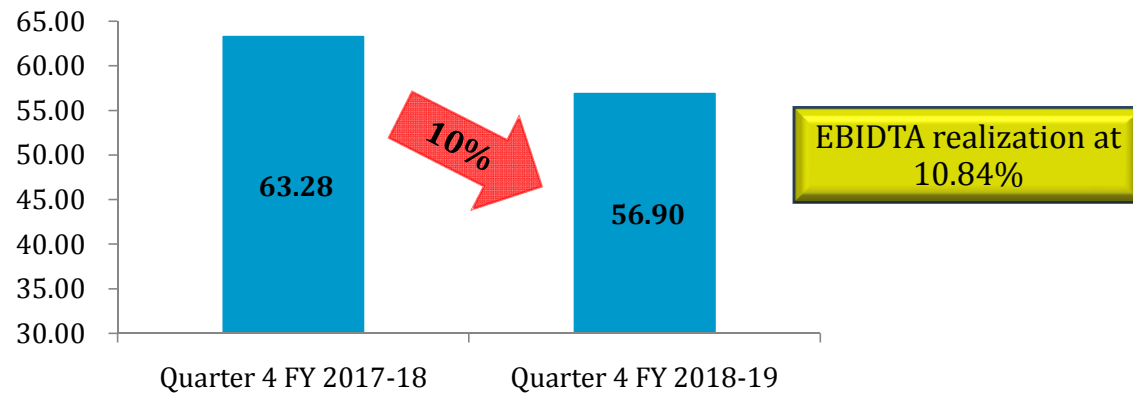
Revenues



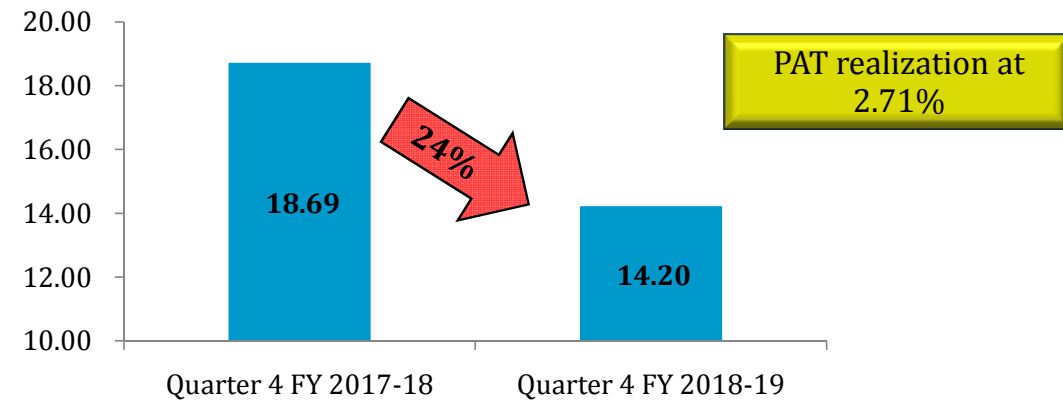
PBT (before exceptional)



EBIDTA



PAT





Indicators	Quarter 4 FY 2017-18	Quarter 4 FY 2018-19	Change	Status
Net Sales	548.51	524.63	-23.88	●
Other Income	-0.41	1.93	2.34	●
Material Cost	69.56%	69.07%	-0.49	●
Employee Cost	9.89%	9.32%	-0.57	●
Other Expenses	9.60%	9.88%	0.28	●
Op. EBIDTA	11.54%	10.84%	-0.70	●
Finance Cost	2.09%	1.30%	-0.79	●
Depreciation	4.41%	3.93%	-0.48	●
PBT (before exceptional)	5.04%	5.61%	0.57	●
PAT	3.41%	2.71%	-0.70	●

Key Aspects:

- Sales are lower due to negative growth in industry in Q4 for passenger car.
- Material cost is slightly lower due to change in product mix, currency appreciation.
- Other expenses are higher due to increase in Freight, Packing material, legal expenses, write offs, and lower sales and accordingly decrease in EBIDTA
- Finance cost is lower due to repayment of loans during the quarter
- PAT is lower due to absorption of carry forward unabsorbed depreciation

● <i>Positive</i>	● <i>Moderate - variation upto 5%</i>	● <i>Negative - variation exceeding 5%</i>
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Financial Results & Highlights

Results Analysis - For FY 2018-19 v/s FY 2017-18

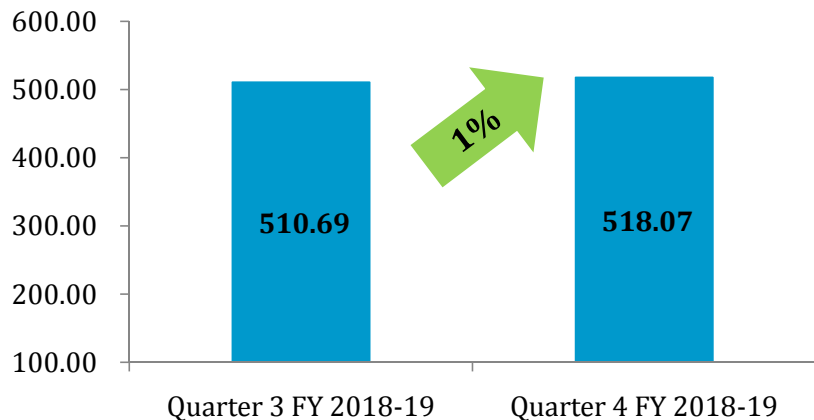
Results Analysis - Q4 FY 2018-19 v/s Q4 FY 2017-18

Results Analysis - Q4 FY 2018-19 v/s Q3 FY 2018-19

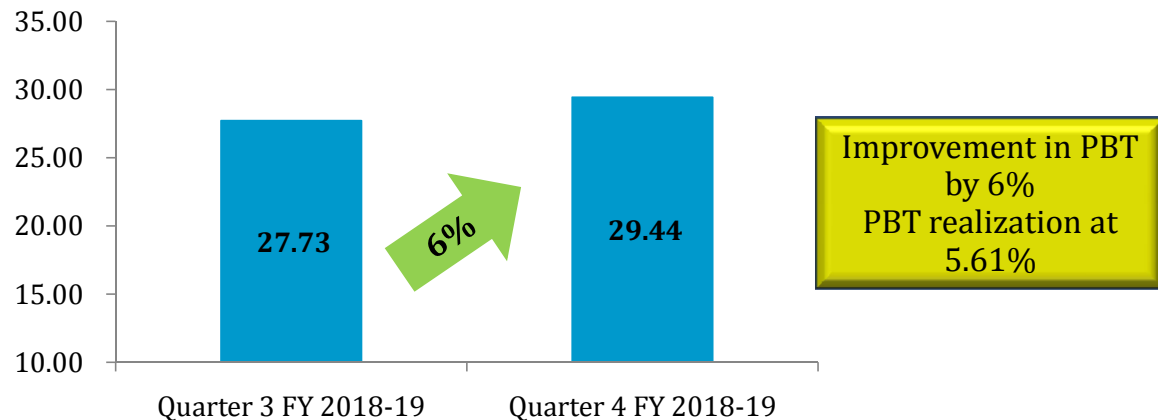
Way Forward



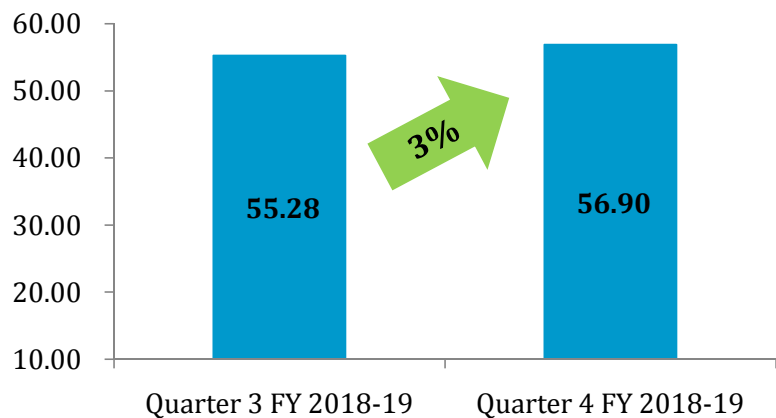
Revenues



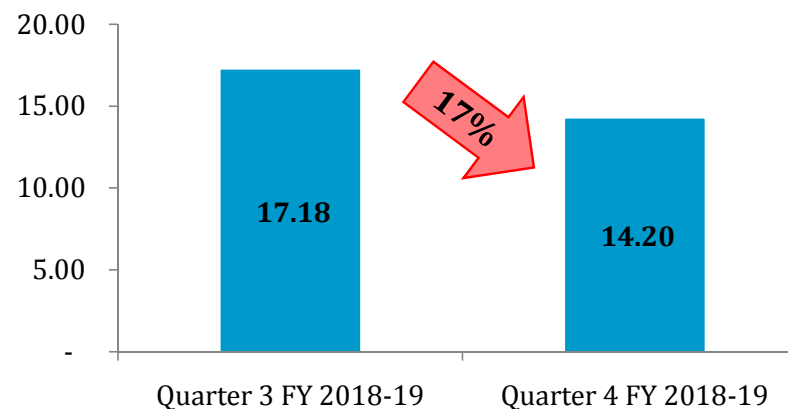
PBT (before exceptional)



EBIDTA



PAT





Indicators	Quarter 3 FY 2018-19	Quarter 4 FY 2018-19	Change	Status
Net Sales	501.91	524.63	22.72	●
Other Income	-1.55	1.93	3.48	●
Material Cost	70.10%	69.07%	-1.03	●
Employee Cost	10.23%	9.32%	-0.91	●
Other Expenses	10.09%	9.88%	-0.21	●
Op. EBIDTA	11.01%	10.84%	-0.17	●
Finance Cost	1.60%	1.30%	-0.30	●
Depreciation	3.89%	3.93%	0.04	●
PBT (before exceptional)	5.52%	5.61%	0.09	●
PAT	3.42%	2.71%	-0.71	●

Key Aspects:

- Finance cost is lower due to repayment of loans during the quarter
- PAT is lower due to absorption of carry forward unabsorbed depreciation

●	<i>Positive</i>	●	<i>Moderate - variation upto 5%</i>	●	<i>Negative - variation exceeding 5%</i>
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Financial Results & Highlights

Results Analysis - For FY 2018-19 v/s FY 2017-18

Results Analysis - Q4 FY 2018-19 v/s Q4 FY 2017-18

Results Analysis - Q4 FY 2018-19 v/s Q3 FY 2018-19

Way Forward



Market and Revenue Potential

Growth in Line with Indian Car and CV Segment



**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





Thank You

www.subros.com