



Enriching Lives

# Kirloskar Oil Engines Limited

## Earnings Update Mar 2012

# Disclaimer



Enriching Lives

Statements in this presentation, particularly those which relate to management's views and analysis, describing the Company's objectives, projections, estimates and expectations may constitute "forward looking statements" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied.

# Financials



Enriching Lives

| All numbers in Rs. Crs | Q4<br>FY2012 | Q4<br>FY2011 | ∂          | FY 2012    | FY 2011    | ∂          |
|------------------------|--------------|--------------|------------|------------|------------|------------|
| Net Sales              | 586          | 619          | -5%        | 2326       | 2423       | -4%        |
| Raw Material           | 358          | 357          | 0%         | 1391       | 1426       | -2%        |
| Employee Costs         | 39           | 46           | -15%       | 175        | 179        | -2%        |
| Other Expenses         | 108          | 130          | -17%       | 455        | 479        | -5%        |
| EBITDA                 | 80           | 86           | -6%        | 304        | 340        | -10%       |
| Non-Op. Income         | 18           | 6            | 180%       | 84         | 9          | 871%       |
| Depreciation           | 20           | 21           | -4%        | 91         | 85         | 8%         |
| Interest               | 4            | 5            | -22%       | 16         | 20         | -20%       |
| <b>PBT</b>             | <b>74</b>    | <b>66</b>    | <b>12%</b> | <b>281</b> | <b>244</b> | <b>15%</b> |
| Tax                    | 18           | 19           | -6%        | 89         | 70         | 27%        |
| PAT                    | 57           | 48           | 19%        | 192        | 174        | 10%        |



Enriching Lives

# Q4 FY2012 Segment Performance

| All numbers in Rs. Crs | Q4 FY2012 | Q4 FY2011 | Δ    |
|------------------------|-----------|-----------|------|
| PowerGen - Private     | 236       | 188       | 26%  |
| PowerGen - Cellular    | 7         | 20        | -65% |
| Agricultural           | 84        | 90        | -7%  |
| Industrial             | 116       | 137       | -15% |
| Customer Support       | 103       | 98        | 5%   |
| Large Engines          | 26        | 29        | -11% |
| Bearings               | -         | 38        |      |
| Inter-Unit Sales       | -         | -4        |      |
| Total                  | 571       | 595       | -4%  |



# FY2012 Segment Performance

| All numbers in Rs. Crs | FY2012 | FY2011 | ð    |
|------------------------|--------|--------|------|
| PowerGen - Private     | 818    | 782    | 5%   |
| PowerGen - Cellular    | 37     | 92     | -60% |
| Agricultural           | 343    | 352    | -3%  |
| Industrial             | 483    | 520    | -7%  |
| Customer Support       | 388    | 350    | 11%  |
| Large Engines          | 141    | 142    | -1%  |
| Bearings               | 70     | 138    | -49% |
| Inter-Unit Sales       | -8     | -16    | -48% |
| Total                  | 2271   | 2360   | -4%  |



# Key Financial Metrics

|                    | FY 2012 | FY 2011 |
|--------------------|---------|---------|
| EBITDA %           | 13.1%   | 14.0%   |
| Inventory (Days)   | 21      | 21      |
| Receivables (Days) | 41      | 51      |
| Creditors (Days)   | 53      | 56      |
| Fixed Asset Turns  | 4.1     | 4.2     |
| RoCE               | 24.7%   | 22.9%   |
| Debt               | 169     | 249     |
| Cash & Equivalents | 555     | 321     |
| Net Debt           | -386    | -72     |

# Highlights



Enriching Lives

- Flagship DV series continues to do well and reached momentum of 100 nos p.m. in Q4
- K1080 series is also doing well. We launched 4 cylinder version in 100 kVA segment which has enhanced our competitiveness in market
- Bagged prestigious specialised Gensets order worth Rs.15 Crs for “Akash” missile project
- 6 Nos of 600 kVA “Kirloskar Green” Gensets powered MCA-Subrata Roy Sahara Stadium , Pune. This was first of its kind order for the Company
- Elections in northern states affected the Government decision making leading to lower off take

# Highlights



Enriching Lives

- Overall liquidity crunch affected our business in the Industrial Engine Segment
- Large Engines , Nasik unit received State level award for Excellence in Energy Conservation and Management for FY08-09
- The Board of Directors has approved a buyback of fully paid up equity shares by way of open market through stock exchange route at a maximum price of Rs.170/- per share and for buyback amount not exceeding Rs.73.63 Crs
- Company has received Rs.73 Crs towards Industrial Promotion Subsidy (IPS) for Kagal



# Thank You!



Enriching Lives

---