



Kirloskar Oil Engines Limited

Earnings Update Apr-Dec 2011

Disclaimer



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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



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All numbers in Rs. Crs	Q3 FY 2012	Q3 FY 2011	Δ	9M FY 2012	9M FY 2011	Δ	FY 2011
Net Sales	586	576	2%	1702	1767	-4%	2364
Other Operating Income	9	13	-28%	37	34	9%	53
Total Operating Income	595	589	1%	1739	1801	-3%	2417
Raw Material	373	352	6%	1033	1069	-3%	1426
Employee Costs	41	45	-8%	136	133	3%	179
Other Expenses	110	116	-5%	341	344	-1%	474
Other Income	10	4	152%	23	11	103%	18
EBITDA	81	80	1%	252	267	-5%	357
Depreciation	24	23	8%	71	64	11%	85
Interest	6	6	4%	19	20	-5%	25
Profit before Exceptional Items	51	52	-2%	163	183	-11%	248
Exceptional Items - (Expenses) / Income	-	3		44	-6		-4
PBT	51	55	-7%	207	178	17%	244
Tax	16	15	3%	72	51	40%	70
PAT	35	39	-11%	135	126	7%	174

YTD FY 2012 Segment wise Sales



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Rs in Crs

BU	Q3 FY 2012	Q3 FY 2011	<i>a</i>	9M FY 2012	9M FY 2011	<i>a</i>	FY 2011
Power Generation	219	197	11%	612	666	-8%	874
Private	203	170	20%	572	580	-1%	761
Defence	3	6	-57%	9	14	-34%	18
Cellular	13	21	-39%	30	72	-59%	95
Agriculture	90	79	14%	201	207	-3%	282
Agri - Varsha	12	13	-5%	22	31	-28%	43
Agri - Others	78	67	17%	178	176	1%	238
Industrial	124	146	-15%	366	383	-4%	522
OEM	74	94	-21%	221	257	-14%	356
Others	26	29	-9%	70	67	4%	87
Tractor	23	23	2%	75	58	29%	79
Customer Support	112	97	15%	344	307	12%	419
Spares	96	85	13%	290	267	9%	357
Servicing	16	12	28%	53	40	32%	63
Large Engines	40	25	63%	115	114	1%	142
Marine	0	1	-91%	0	32	-99%	36
SPP	13	-		19	-	-	5
Spares & Servicing	27	24	13%	96	81	18%	101
Bearings *	-	34		70	101		138
S. Total	586	580	1%	1,710	1,780	-4%	2,380
(Inter Unit Sales)	-	(4)		(8)	(12)		(16)
Total - External	586	576	2%	1,702	1,768	-4%	2,364

* Bearings Business hived off w.e.f 30th Sep 2011



YTD FY 2012 Export Sales

Rs in Crs

BU	Q3 FY 2012	Q3 FY 2011	∂	9M FY 2012	9M FY 2011	∂	FY 2011
Power Generation	21	19	9%	51	43	18%	56
Agriculture	10	6	47%	22	19	18%	28
Industrial	9	15	-37%	24	26	-11%	31
Customer Support	5	5	-11%	11	12	-3%	16
Large Engines	1	-		6	-		-
Bearings	-	5		7	11		18
Total	45	50	-10%	121	111	9%	149
Exports as a % to total Sales	8%	8%		7%	6%		6%



Sales Market Segment wise

Rs. in Crs

Sr. No	Market Segment	YTD FY 2012		FY 2011	
		Rs.	%	Rs.	%
1	Power Generation	579	34.1%	818	34.6%
2	Agriculture	179	10.5%	254	10.8%
3	Industrial	268	15.8%	411	17.4%
4	Tractor	75	4.4%	79	3.3%
5	Marine	0	0.0%	36	1.5%
6	Automotive (Bearings)	55	3.2%	105	4.4%
7	Exports	121	7.1%	149	6.3%
8	Spares & Servicing	423	24.9%	510	21.6%
	Total Sales	1,699	100.0%	2,363	100.0%



Key Financial Metrics

	YTD FY 2012	YTD FY 2011	FY 2011
EBITDA %	14.8%	15.1%	15.1%
PBT %	12.2%	10.0%	10.3%
Inventory (Days)	21	25	20
Receivables (Days)	43	60	51
Creditors (Days)	49	58	56
Fixed Asset Turns	4.0	4.3	4.2
ROCE	22.1%	22.4%	22.9%
Debt	258	255	249
Cash & Equivalents	494	189	321
Net Debt	-236	66	-72

Highlights



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- 1000th DV engine rolled out from Pune plant in Dec 11
- Entry in Marine segment ,order for 20 engines for Indian navy war ship valuing Rs.20 Crs
- Break through in Defence segment, order for 16 Nos energy system for Rs. 35 Crs and 119 Nos 19 kVA system for Radar project valuing Rs 9 Crs
- Order of 400 Nos DG sets from SBI for ATMs
- New markets developed in Middle East Region and New Zealand

Highlights

- Star Performer' award from EEPC for FY08-09 for Export business
- Secured orders for Hyundai 20 Ton excavator & ACE Pick n Carry crane in Industrial Segment
- Orders from IFFCO & EIL worth Rs. 17 Crs in SPP segment of Large Engines
- Pursuant to Scheme of Amalgamation between PCPL and KBIL duly approved by Hon'ble High Court, Bombay, the company has now become a subsidiary of KBIL w.e.f.30th Dec 2011

Thank You!



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