



Enriching Lives

Kirloskar Oil Engines Limited

Earnings Update Apr - Jun 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	Q1 FY2012	Q1 FY2011	∂	FY2011
Net Sales	555	563	-1%	2363
Other Operating Income	11	7	52%	54
Total Operating Income	566	570	-1%	2417
Raw Material	324	341	-5%	1432
Employee Costs	48	44	10%	179
Other Expenses	109	98	10%	467
Other Income(Incl exceptional)	6	3	83%	15
EBITDA	92	91	2%	353
Depreciation	22	21	8%	85
Interest	6	7	-9%	25
PBT	64	64	1%	244
Tax	21	21	-2%	70
PAT	43	43	2%	174



Q1 FY2012 Segment Performance

	Q1 FY2012	Q1 FY2011	Δ
PowerGen - Private	198	204	-3%
PowerGen - Cellular	6	21	-73%
Agricultural/Off-Highway	164	182	-10%
Product Support	117	104	13%
Large Engines	42	26	63%
Bearings	34	30	11%
Inter-Unit Sales	-5	-4	
Total	555	563	-1%

- Lower demand in Power Gen – Cellular market due to consolidation of tower management business
- Lower sales in Agricultural segment due to lower off take of Varsha engines.
- Started selling Bharat III emission norm compliant engines for Construction Equipment Vehicles in Off Highway segment.



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Key Financial Metrics

	YTDFY2012	YTD FY2011
EBITDA %	16.6%	16.1%
Inventory (Days)	31	26
Receivables (Days)	53	51
Creditors (Days)	55	55
Fixed Asset Turns	4.0	4.2
RoCE	23.2%	26.8%
Debt	239	273
Cash & Equivalents	283	291
Net Debt	-44	-18

Highlights



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- DV series engines launched in Middle East and African markets
- The company has become a subsidiary of Kirloskar Brothers Investments Limited w.e.f. 24 May 2011
- Company has signed the BTA for slump sale of its Bearings division on a going concern basis for Rs.87 Crs with KSPG Automotive India Private Limited

Thank You!



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