

A green tractor with a large agricultural implement is shown in a field at sunset. The tractor is moving from left to right, leaving a trail of dust or spray behind it. The sun is low on the horizon, creating a warm, golden glow across the sky and field. The sky is filled with soft, orange and yellow clouds. The field is a mix of green and brown, suggesting a recently harvested or planted area. The overall scene is peaceful and evokes a sense of hard work and the beauty of rural life.

**BKT**

GROWING TOGETHER

# Investor Presentation July 2017

# Safe Harbor

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## Our Performance



# Our Focus Area

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## Market Reach

Expand reach within existing Sales Channels as well increase footprint within replacement segment and OEMs



## New Geographies

Develop New Geographies and increase presence of Brand BKT



## Utilization

Increase Production from Bhuj and other plants so as to attain higher Utilization levels and faster return on Investments



## Indian Markets

Strengthen our distribution channels within Indian Markets

# Performance Snapshot

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Q1FY18 Volume growth at 7% YoY to 46,327 MT



Volume

EBITDA margin for Q1FY18 was 25.5%



EBITDA Margin

Q1FY18 PAT at Rs. 153 Cr with a growth of 3% YoY



PAT

Board of Directors have declared an interim dividend of Rs. 2.5/- per equity share



Dividend

## Backward Integration

As part of a Backward integration plan to have a greater control on supply chain, Board of Directors have approved setting up of a Carbon Black project at its Bhuj Plant with an initial annual capacity of 60,000 MT at a capex of Rs.150cr

# Consolidated Financial Results

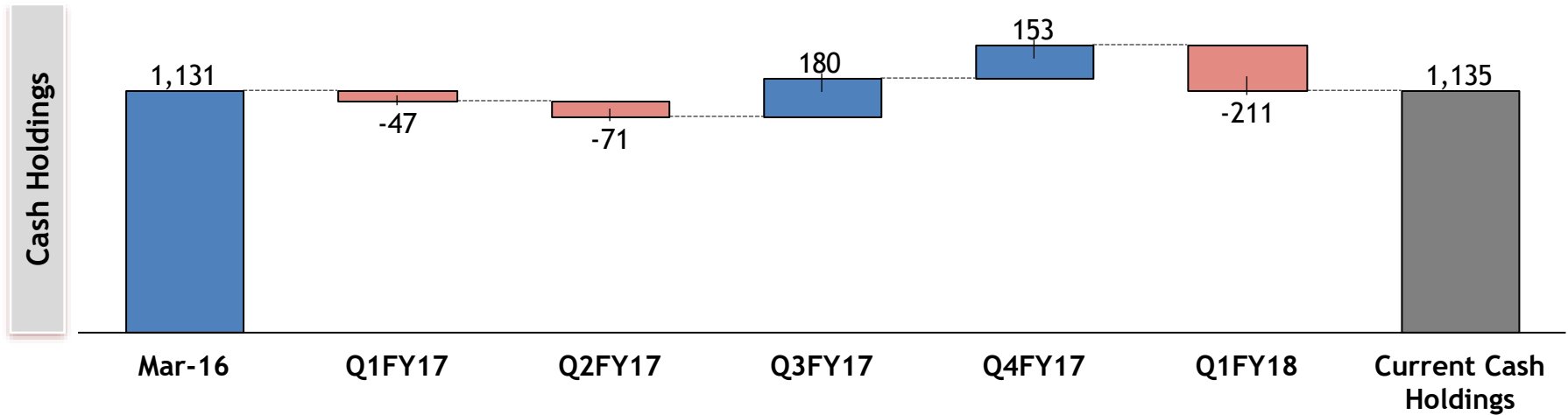
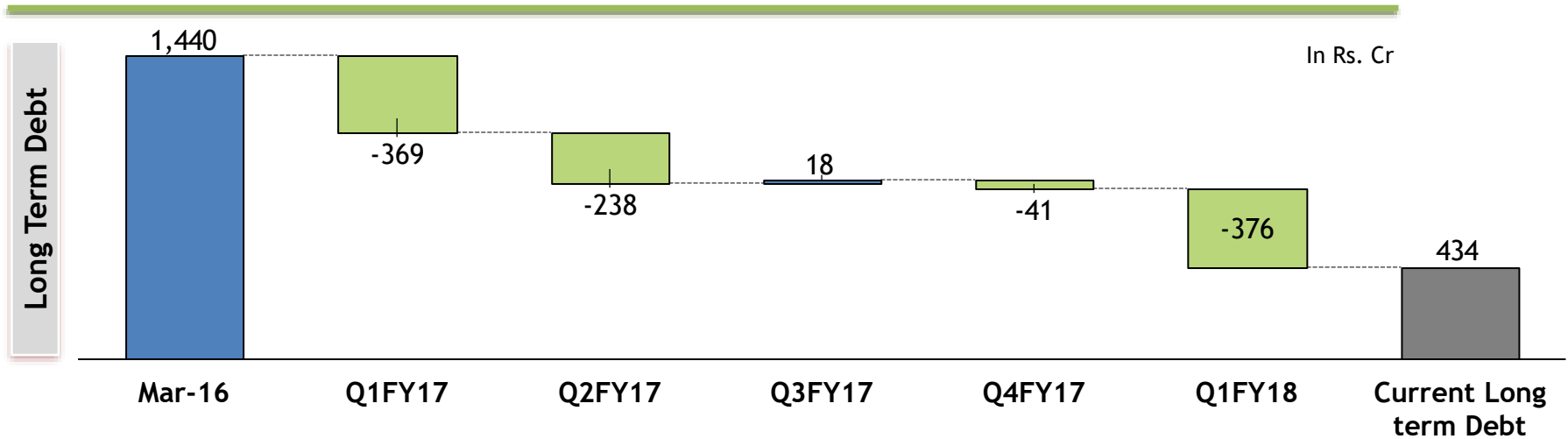
| Particulars (Rs.Crs)              | Standalone   |              |            | Consolidated |              |            |
|-----------------------------------|--------------|--------------|------------|--------------|--------------|------------|
|                                   | Q1FY18       | Q1FY17       | YoY %      | FY17         | FY16         | YoY %      |
| Sales (MT)                        | 46,327       | 43,306       | 7%         | 172,419      | 147,535      | 17%        |
| Revenue from Operations           | 1,013        | 942          |            | 3,784        | 3,289        |            |
| Realized Gain on Foreign Exchange | 63           | 32           |            | 122          | 285          |            |
| <b>Total Income</b>               | <b>1,076</b> | <b>974</b>   | <b>10%</b> | <b>3,906</b> | <b>3,575</b> | <b>9%</b>  |
| Raw Material                      | 553          | 373          |            | 1,585        | 1,396        |            |
| (Increase) / Decrease in Stock    | -30          | 12           |            | -5           | 23           |            |
| Employee Expenses                 | 59           | 55           |            | 257          | 235          |            |
| Other Expenses                    | 219          | 258          |            | 815          | 1,034        |            |
| <b>EBITDA</b>                     | <b>275</b>   | <b>277</b>   | <b>-1%</b> | <b>1,255</b> | <b>887</b>   | <b>41%</b> |
| <b>EBITDA Margin</b>              | <b>25.5%</b> | <b>28.5%</b> |            | <b>32.1%</b> | <b>24.8%</b> |            |
| Other Income                      | 34           | 34           |            | 130          | 109          |            |
| Interest & Finance Charges        | 5            | 7            |            | 22           | 39           |            |
| Depreciation                      | 75           | 77           |            | 304          | 282          |            |
| <b>Profit Before Tax</b>          | <b>228</b>   | <b>228</b>   | <b>0%</b>  | <b>1,059</b> | <b>674</b>   | <b>57%</b> |
| Tax                               | 75           | 79           |            | 342          | 229          |            |
| <b>PAT</b>                        | <b>153</b>   | <b>149</b>   | <b>3%</b>  | <b>717</b>   | <b>446</b>   | <b>61%</b> |
| <b>PAT Margin</b>                 | <b>14.2%</b> | <b>15.3%</b> |            | <b>18.4%</b> | <b>12.5%</b> |            |

## Other Income and Net Forex Gain/(Loss)

| Particulars (Rs. Crs)     | Standalone |           | Consolidated |            |
|---------------------------|------------|-----------|--------------|------------|
|                           | Q1FY18     | Q1FY17    | FY17         | FY16       |
| Exchange Difference Gain  | 58         | -14       | 124          | 65         |
| Others                    | 34         | 34        | 130          | 109        |
| <b>Total Other Income</b> | <b>92</b>  | <b>21</b> | <b>254</b>   | <b>174</b> |

| Particulars (Rs. Crs)                                | Standalone |            | Consolidated |             |
|--|------------|------------|--------------|-------------|
|  | Q1FY18     | Q1FY17     | FY17         | FY16        |
| Foreign Exchange Fluctuation on Sales                | 63         | 32         | 122          | 285         |
| Foreign Exchange Fluctuation on Others               | 5          | 2          | 15           | 6           |
| <b>Total Realised Gain/(Loss) – A</b>                | <b>68</b>  | <b>34</b>  | <b>137</b>   | <b>291</b>  |
| Foreign Exchange Fluctuation on Non Derivative Items | -2         | -17        | -2           | -35         |
| Foreign Exchange Fluctuation on Derivate Item        | -8         | -31        | -11          | -191        |
| <b>Total Unrealized Gain/(Loss) - B</b>              | <b>-10</b> | <b>-48</b> | <b>-13</b>   | <b>-226</b> |
| <b>Net Forex Gain/(Loss) = A + B</b>                 | <b>58</b>  | <b>-14</b> | <b>124</b>   | <b>65</b>   |

# Long Term Debt Profile



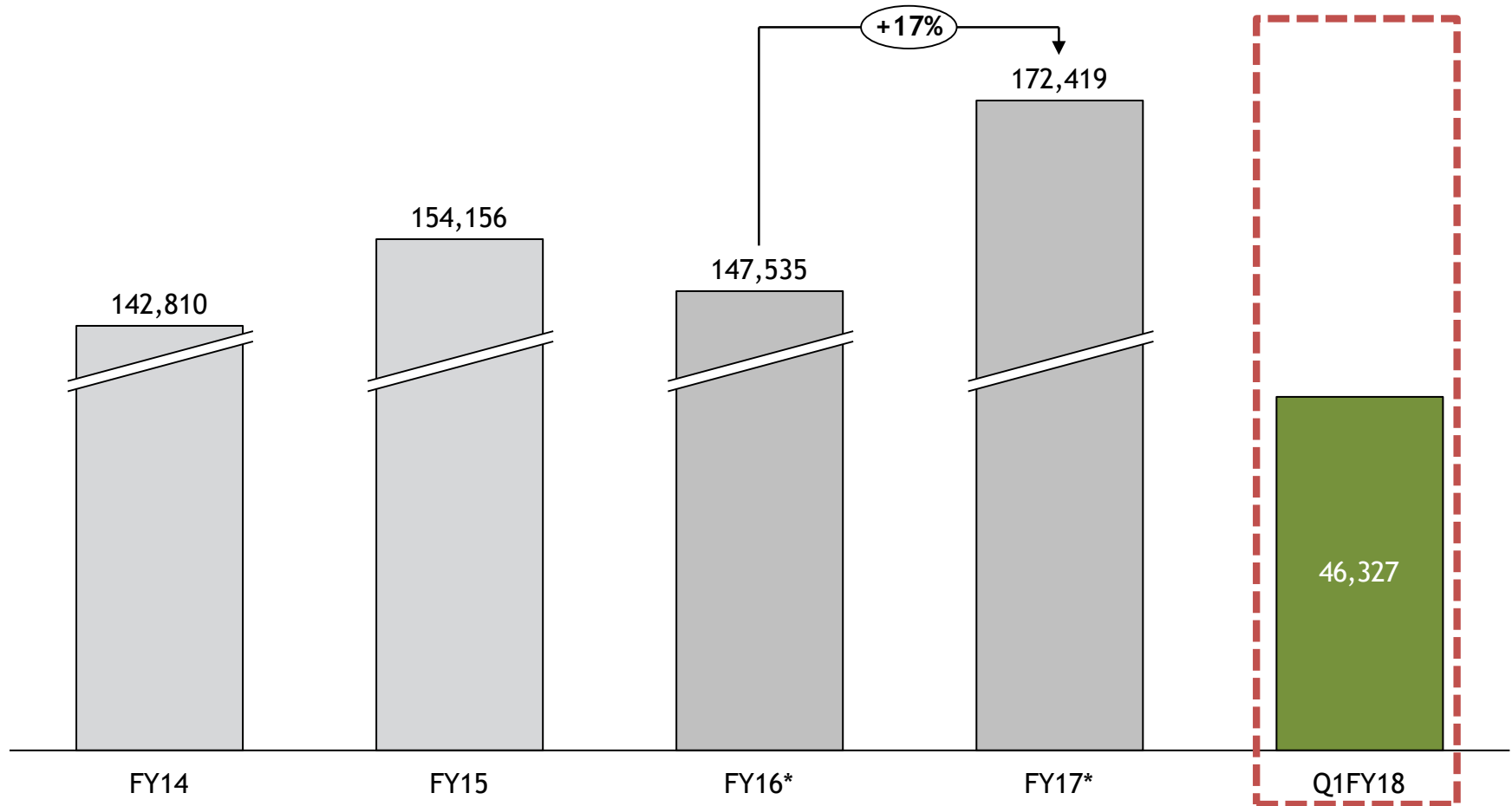
Outstanding Long Term Debt at ~USD 67mn; ~USD 33mn to be repaid in August 2017



# Sales Profile

In MT

**FY18 Volume Guidance at  
185,000MT - 190,000 MT**



\* AS per IND-AS

## BKT - A Strong Indian Brand



# Balkrishna Industries - A snapshot



## Leading ‘Off-Highway Tire’ Exporter

BKT is India’s Leading player in the Global ‘Off Highway Tire (OHT)’ Market

## Wide and comprehensive product portfolio

Deep understanding of OHT market has led to capabilities to manufacture over 2,400 SKU

## Capacities

Achievable capacities of ~300,000 M.T.P.A

## Global Reach

Sales to over 130 countries through Distribution network in Americas, Europe, India and Rest of the World

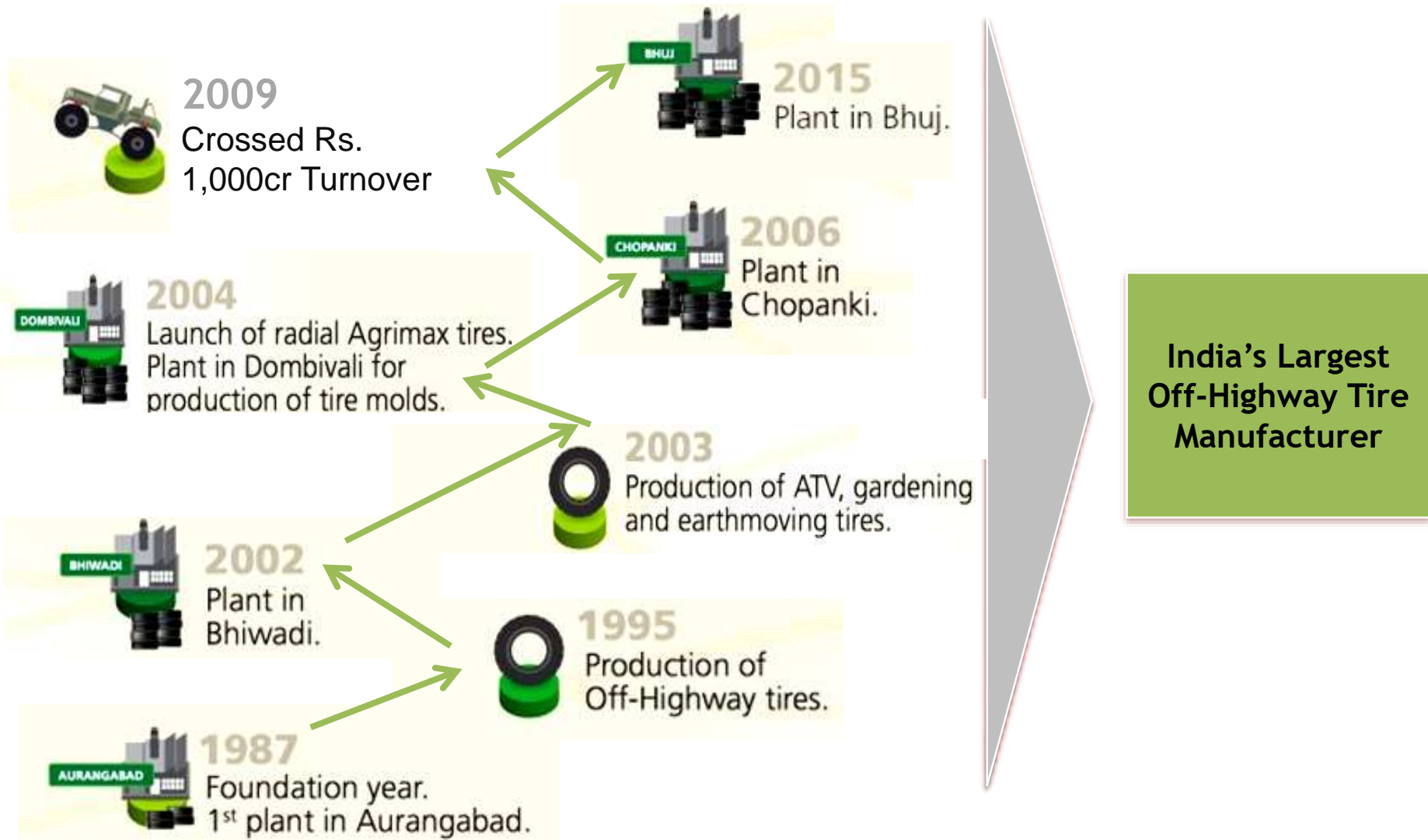
## Experienced Management Team

Experienced Management Teams across business divisions and verticals

## Strong OEM Presence

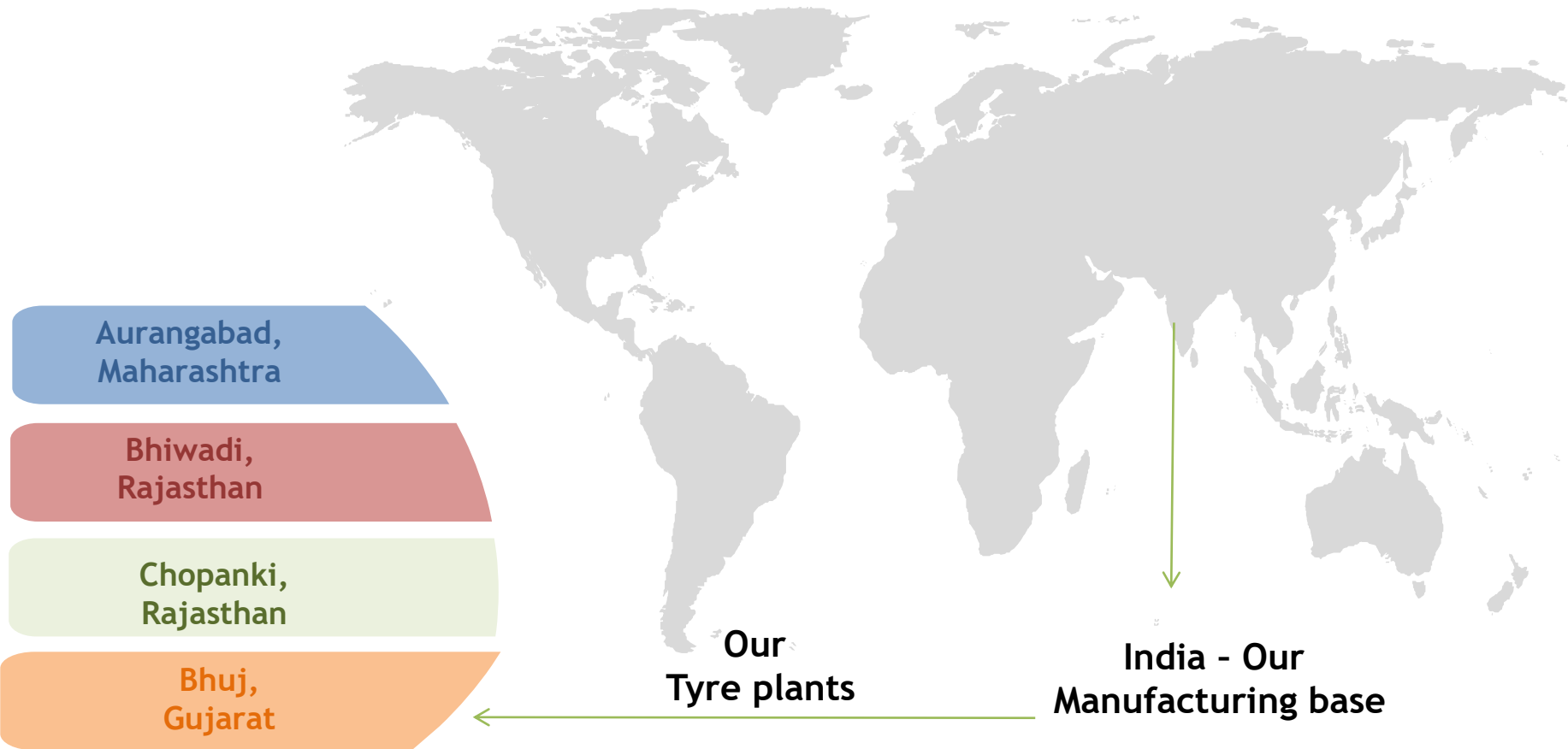
Strong Partnerships with Global OEM’s a testimony of our Brand Acceptance & Performance

# Our Strong Evolution



# India Production with Global Sales - An Indian MNC

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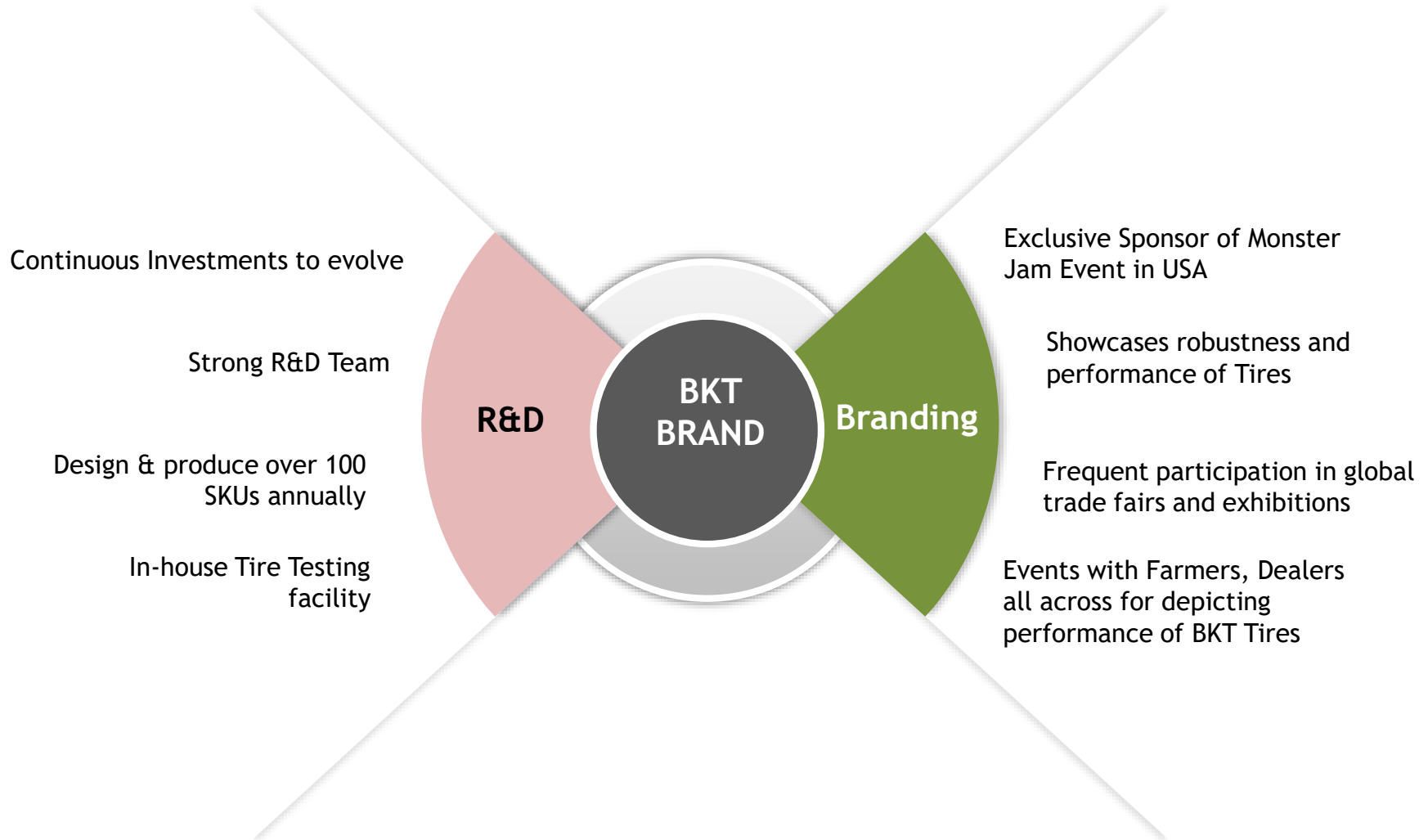


# Serving Global OEMs



# R&D and Branding strengthening BKT Brand

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# Application of our Tires

## Agriculture Tires



Cotton Pick Harvester



Tractor



Vineyard Tractor



Pivot Irrigator

## Industrial Tires



Loader



Telehandler



Mobile Crane

## OTR Tires



Load Haul Dump



Underground Mining



Container Handler



# BKT Brand Ambassador

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To help strengthen Brand BKT in India Markets



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