



CEAT LTD.
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Worli, Mumbai 400030, India
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CIN: L25100MH1958PLC011041
www.ceat.com

October 22, 2019

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex,
Bandra (East), Mumbai 400 051

Security Code: 500878

Symbol: CEATLTD

Dear Sir/Madam,

Sub: Intimation of Results Earnings Call for Unaudited Financial Results for the quarter and half year ended September 30, 2019

With reference to our letter dated October 14, 2019, please note below the dial-in details for the Q2/FY20 - Results Call, scheduled on Wednesday, October 23, 2019 at 9.00 a.m. IST, together with the investor presentation for the quarter and half year ended September 30, 2019:

Dial-in Details:

Primary Access	+91 22 6280 1222 / 7115 8123
India (Universal)	+91 70456 71221
Location	Toll-Free Number
USA	1 866 746 2133
UK	0 808 101 1573
Singapore	800 101 2045
Hong Kong	800 964 448

You are requested to kindly take the same on record and acknowledge receipt.

Thanking you,

Sincerely,

For **CEAT Limited**

Vallari Gupte

Company Secretary and Compliance Officer

Encl: As above



Disclaimer

This presentation may include statements which may constitute forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures, and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements.

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Table of Contents

Section 1: RPG Group Overview

5-6

Section 2: Business Overview

8-17

Section 3: Operational & Financial Overview

19-26

Section 1: RPG Group Overview

RPG Group: Powered by Passion, Driven by Ethics

**UNLEASHTALENT
TOUCHLIVES
OUTPERFORM
AND😊**

RPG Enterprises was founded in 1979. The group currently operates in various industries - Infrastructure, Technology, Life Sciences, Plantations and Tyre Manufacturing. The group has a history of business dating back to 1820 AD in banking, textiles, jute and tea. The Group grew in size and strength with several acquisitions in the 1980s and 1990s. CEAT became a part of the RPG Group in 1982, which is now one of India's fastest growing conglomerates with 20000+ employees, presence in 100+ countries and annual gross revenues of over \$3 Bn.



**KEC
International**

World leader in
Power
Transmission
EPC space



CEAT

One of India's
leading
manufacturer of
automobile tyres



**Zensar
Technologies**

Software
services provider
spread across 20
countries,
400+ customers.



**RPG Life
Sciences**

Pharma
company with
wide range
medicines in
global generics
and synthetic
APIs.



Raychem RPG

Engineering
products and
services
catering to
infrastructure
segment
of the economy.

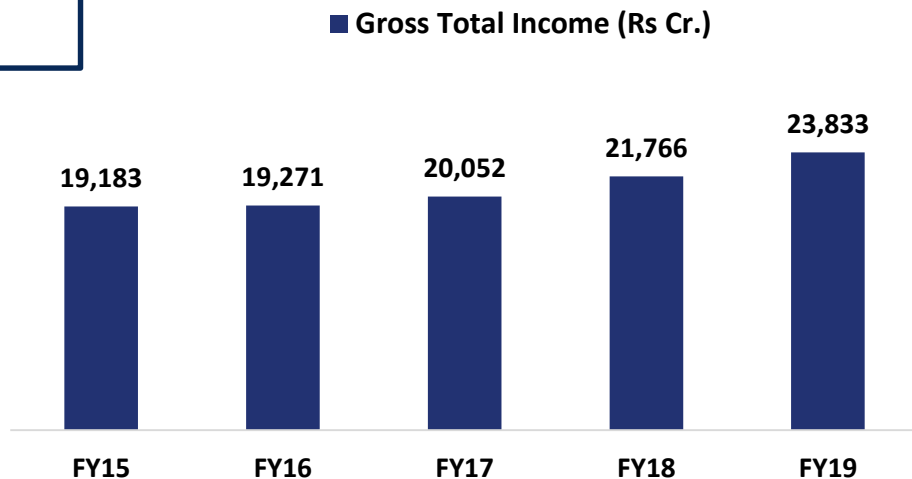


**Harrisons
Malayalam**

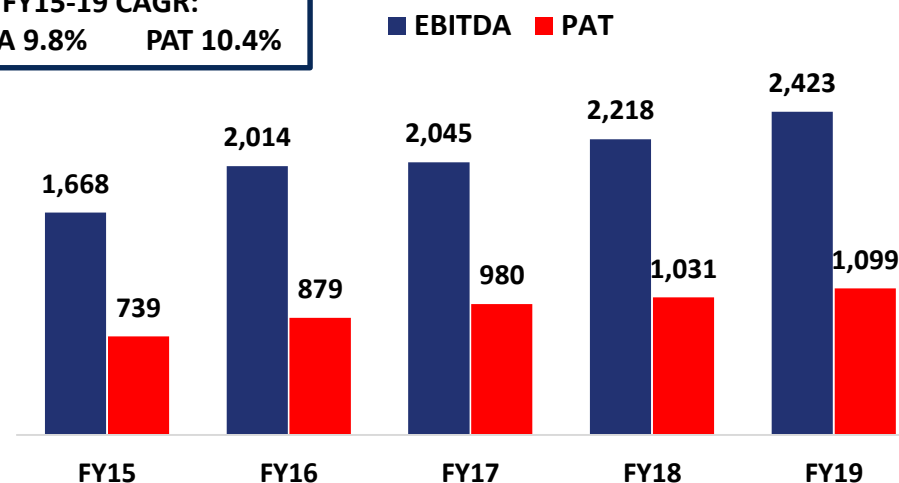
One of India's
largest plantation
companies with
tea, rubber and
other agro
products.

RPG Group: Key Financials

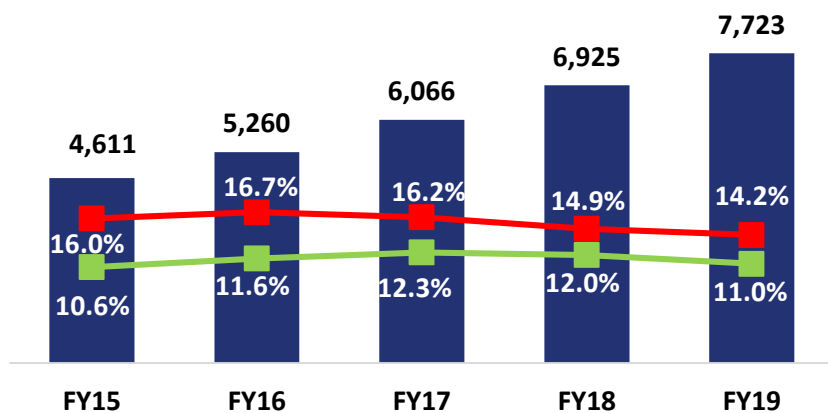
FY15-19
CAGR: 5.6%



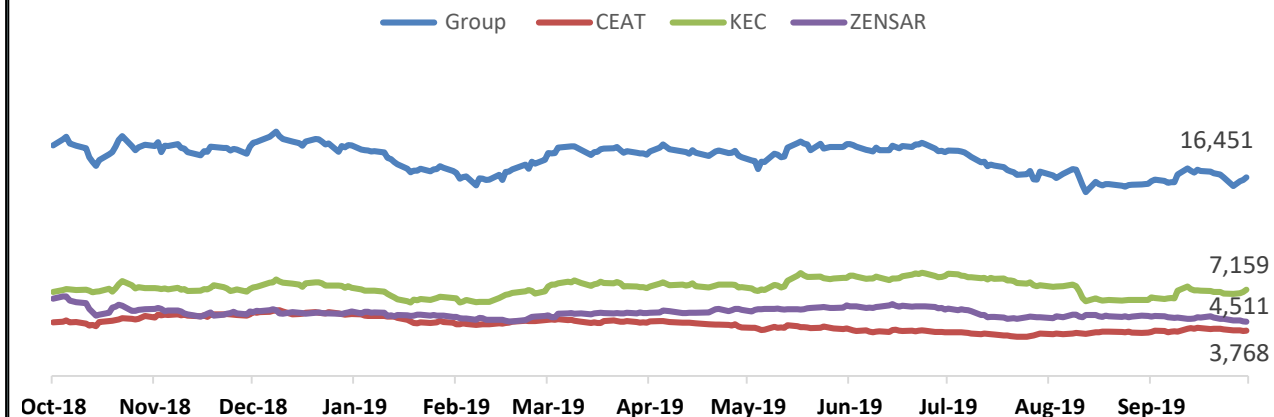
FY15-19 CAGR:
EBITDA 9.8% PAT 10.4%



Net Worth ROE ROCE



Market Cap



Note:

- 1) ROCE is calculated by taking EBIT*(1-ETR) divided by Capital Employed
- 2) ROE is calculated by taking PAT divided by Net-worth
- 3) Market Cap updated till 11th Oct 2019

Section 2: Business Overview

Board of Directors



Harsh Vardhan Goenka
Chairman, Non Executive Director



Anant Goenka
Managing Director



Arnab Banerjee
COO and Whole Time Director



Atul C. Choksey
Non Executive Independent Director



Pierre E. Cohade
Non Executive
Non Independent Director



Haigreve Khaitan
Non Executive
Independent Director



Mahesh S. Gupta
Non Executive
Independent Director



Paras K. Chowdhary
Non Executive
Independent Director



Punita Lal
Non Executive
Independent Director



Ranjit Pandit
Non Executive
Independent Director



Vinay Bansal
Non Executive
Independent Director

Leadership Team

Anant Goenka



Managing Director

Kumar Subbiah



Chief Financial Officer

Arnab Banerjee



Chief Operating Officer

Milind Apte



**Senior Vice President
– Human Resources**

Tom Thomas



**Executive Director – Projects &
Chief Mentor Technology**

Dilip Modak



**Senior Vice President
– Manufacturing**

Vijay Gambhire



**Managing Director – CEAT Specialty,
Senior Vice President – QBM**

Peter Becker



**Senior Vice President
– R&D and Technology**

India's leading tyre company with over **50** yrs of presence

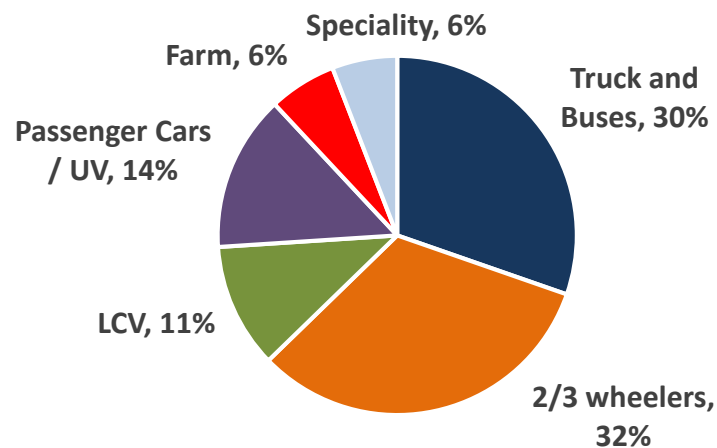
Distribution Network : **4,500+** dealers, **500+** exclusive CEAT franchisees

6 Manufacturing facilities - Bhandup, Nasik, Halol, Nagpur, Ambernath & Sri Lanka

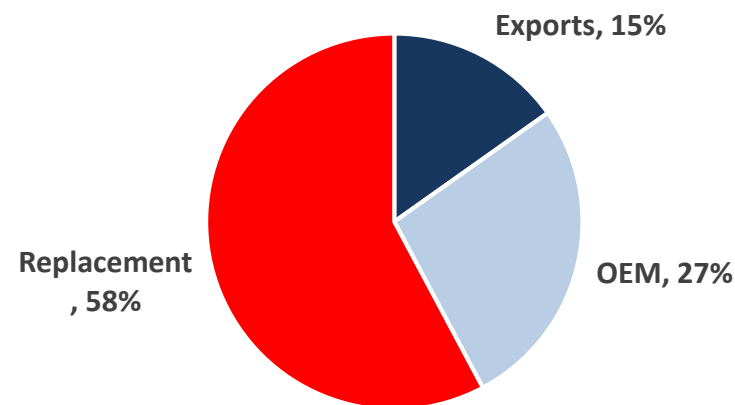
100+ countries where products are sold with strong brand recall

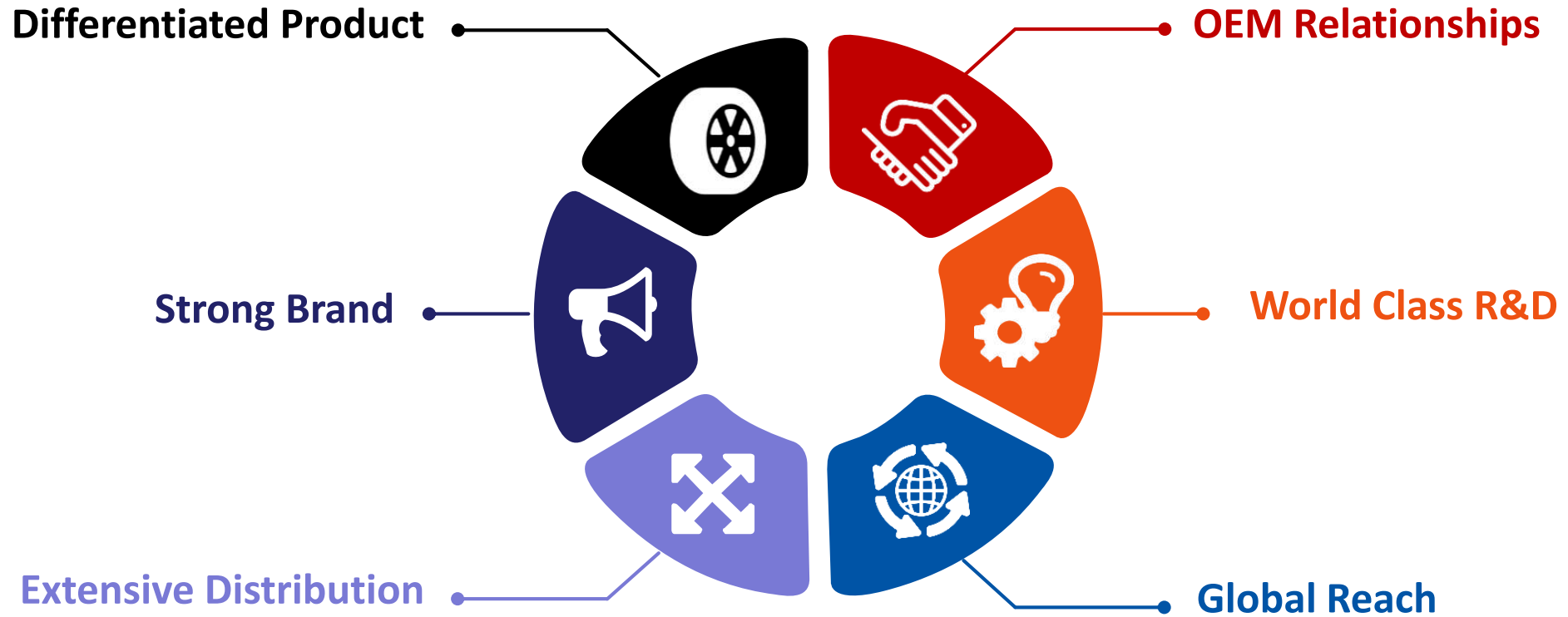
#No 1 player in Sri Lanka in terms of market share

H1 FY20 Revenue Breakup by Product



H1 FY20 Revenue Breakup by Market





1 Differentiated Products

New Entries and Supplier to OEM's



Key developments

- **Focus on OEM, recent entries in new models** – Royal Enfield Classic ABS, Royal Enfield Bullet Trails, Okinawa i-Praise, eSpa Scooter, Maruti Suzuki New Alto, Hyundai Venue, Hero XPulse 200, **New Pulsar 125, New Suzuki Access 125, Renault Triber, Hyundai i10 Nios, Maruti S Presso, Kwid Refresh**
- **Recent entries into OEM's existing models** – Suzuki Gixxer, RE Classic, Yamaha FZ, Volvo, Mahindra Bolero Pick Up, JBM CNG Bus, Mahindra Scorpio S3, Honda Bikes till 125 CC, Yamaha FZ 150 CC, Suzuki Gixxer 150 CC
- **Platforms** like Fuelsmart, Gripp, Mileage X3, SecuraDrive etc.

2 Strong Brand

CEAT welcomed **Shreyas Iyer** to the family



CEAT's innovative **Exchange Offer** on any old bike tyres



Opening pair of India's Test Cricket team donning **CEAT bats**



CEAT is associate sponsor of **KBC**

CEAT is associate sponsor of **Big Boss Tamil**



3 Extensive Distribution

CEAT Shoppe



Shop in Shop (SIS)



Multi Brand Outlet



CEAT Bike Shoppe

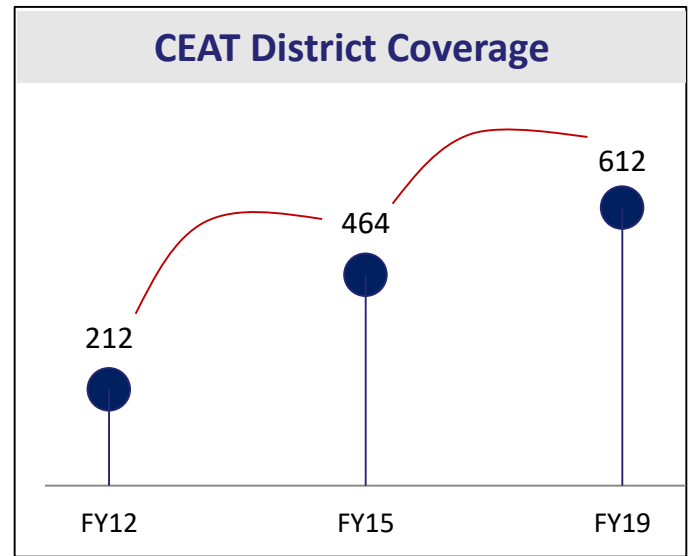


4500+
Dealers

280+
2W Distributors

500+
CEAT Franchisees

400+
MBO / SIS



4 Deep OEM Partnerships



TATA Motors

Ashok Leyland

VECV

Escorts

AMW

TAFE



Mahindra

Daimler

Eicher

SML Isuzu

JBM Group



Maruti Suzuki

TATA Motors

Mahindra

Renault

Hyundai

KIA



Force Motors

Datsun

Skoda

Peugeot

Volkswagen

Morris Garage



Honda

Royal Enfield

Bajaj

Yamaha

Suzuki

Hero

Hero Electric



Piaggio

LML

Tork

Tunwal

Okinawa Scooters

Kawasaki

5 World Class R&D



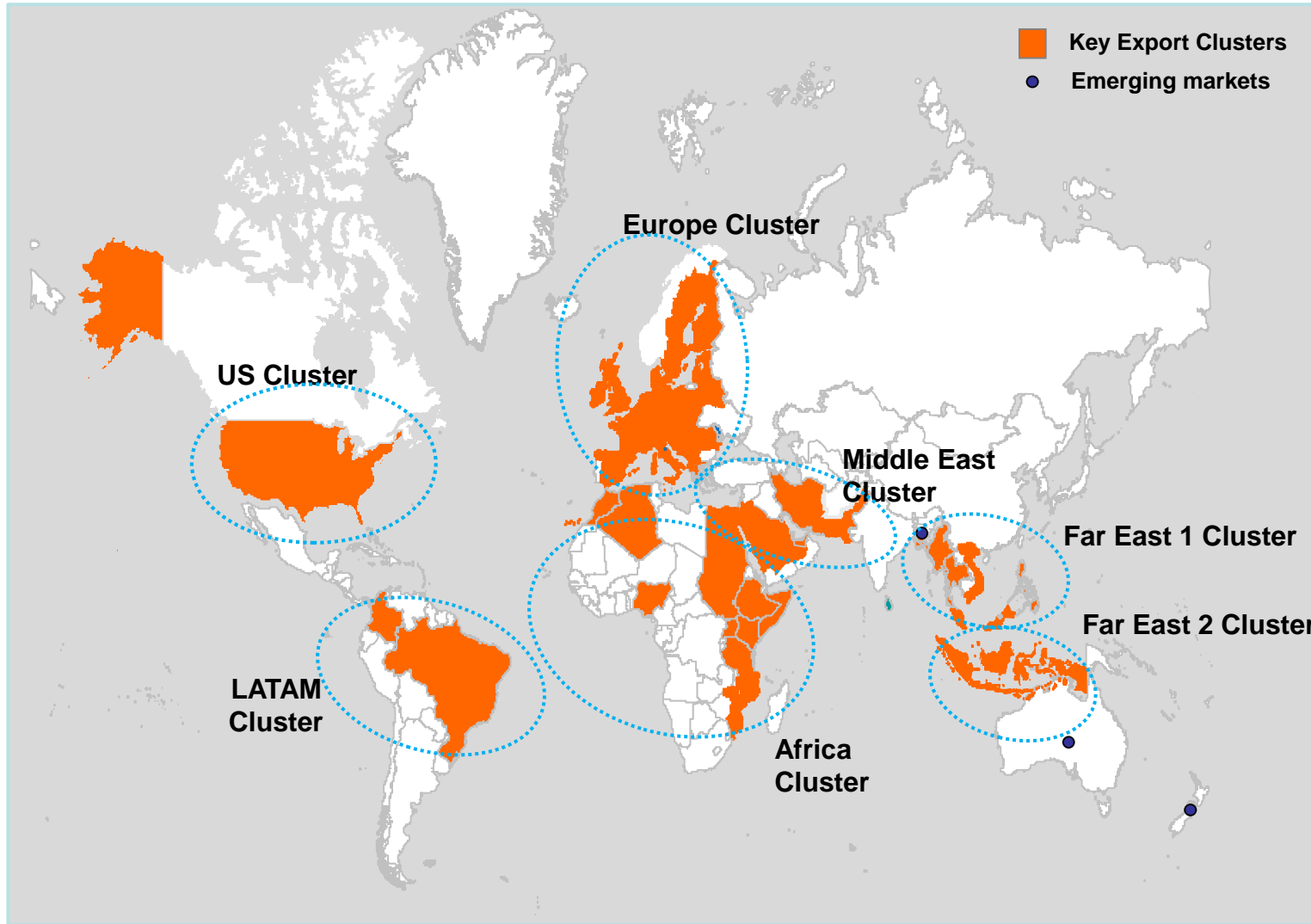
State-of-the-Art R&D Center, Halol



R&D Office, Germany

- Significant investment on tyre testing infrastructure like Anechoic Chamber, Flat Track Test Machine
- Focus on upcoming technologies like Electric Vehicle, Sustainability and Smart Tyres

6 Expanding Global Reach



- Exports to 90+ Countries in 7 clusters
- Sri Lanka: Manufacturing facility and Leadership position in the market and with 50+% market share
- Focused product and distribution strategy for select clusters and countries

Section 3: Operational & Financial Overview

Q2 FY20 Operational Highlights

Product Launch and Customer Day

CEAT launched **X3 Truck tyres** range across India



CEAT celebrated its pan India **Customer Day**



OEM Model Entry



New Pulsar 125



New Suzuki Access 125



Renault Triber



Hyundai Grand i10 Nios

Consolidated: Q2 FY20 Financial Highlights

Q2 FY20 v/s Q1 FY20 (Q-o-Q)

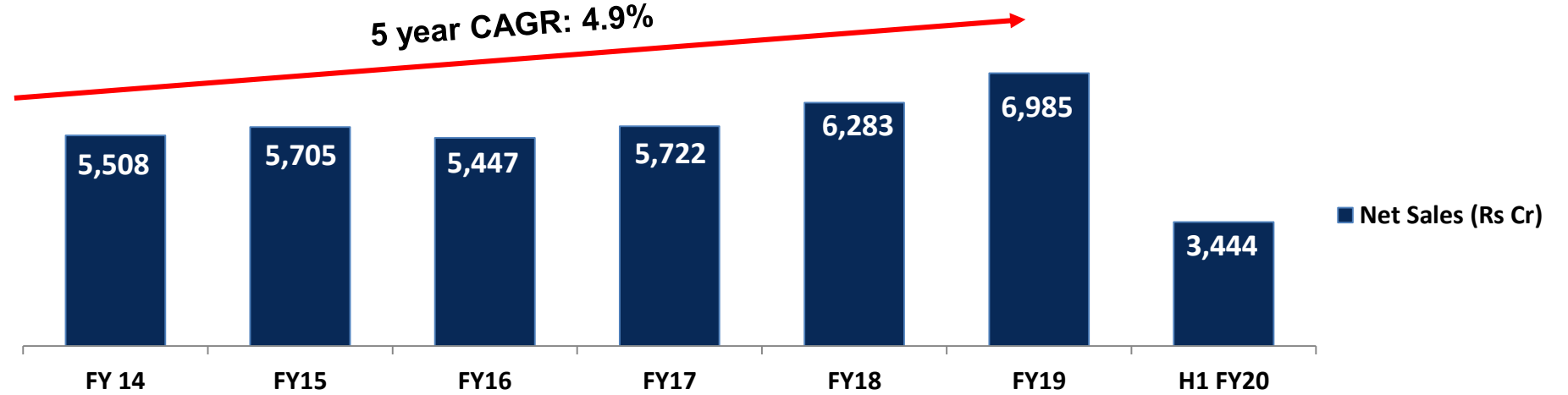
- Net revenue from operations declined by 3.5% at INR 1,692 Crs from INR 1,752 Crs
- Gross margin expanded to 41.1% from 39.5%
- EBITDA stood at INR 175 Crs compared to INR 172 Crs; margins at 10.4% from 9.8%
- PAT stood at INR 44 Crs compared to INR 82 Crs
- Debt / equity at 0.64x compared to 0.57x

Q1 FY20 v/s Q1 FY19 (Y-o-Y)

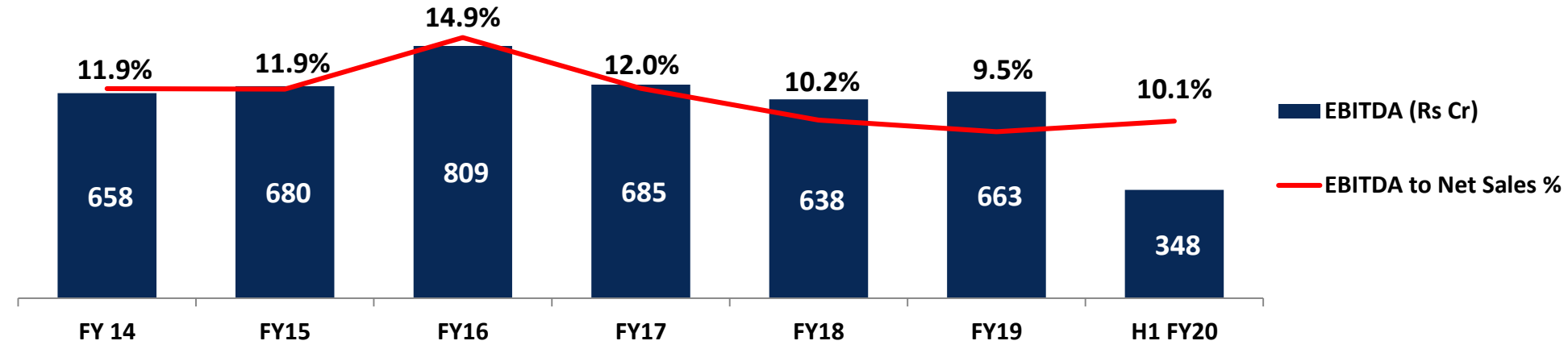
- Net revenue from operations declined by 4.6% at INR 1,692 Crs from INR 1,772 Crs
- Gross margin expanded to 41.1% from 39.9%
- EBITDA stood at INR 175 Crs compared to INR 165 Crs; margins at 10.4% from 9.3%
- PAT stood at INR 44 Crs compared to INR 63 Crs
- Debt / equity at 0.64x compared to 0.34x

Consolidated: Financial Trends

Revenue growth



Margin trends



Note

FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods

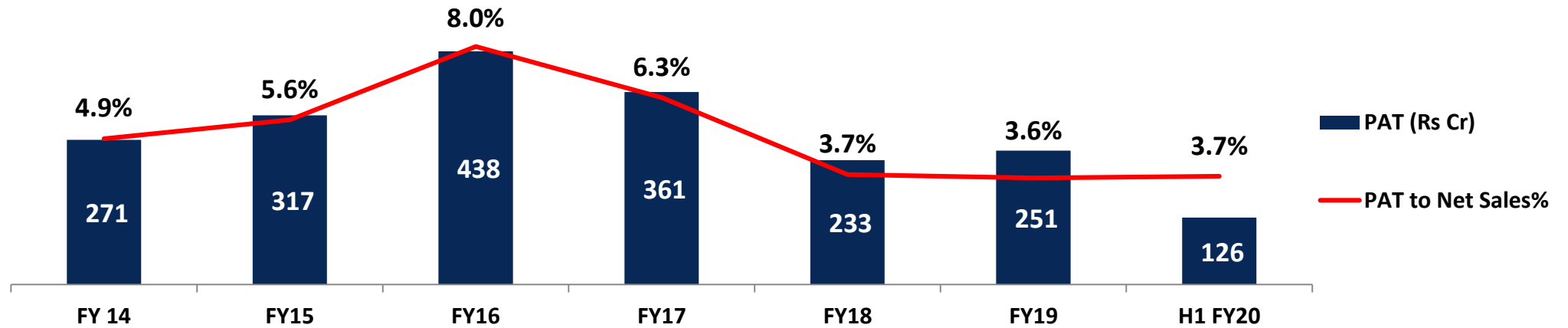
FY16 onwards the Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

FY16 onwards the EBITDA includes profit from Sri Lanka JV

EBITDA does not include Non- operating income

Consolidated: Financial Trends

PAT trends



Notes

FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods

Consolidated: Q2 FY20 Financials

All figures in INR Cr

Parameter	Q2 FY19	Q1 FY20	Q2 FY20	QoQ	YoY	H1 FY19	H1 FY20	YoY
Net Revenue from operations	1,772	1,752	1,692	-3.5%	-4.6%	3,494	3,444	-1.4%
Raw Material	1,065	1,060	996	-6.0%	-6.5%	2,100	2,055	-2.1%
Gross margin	707	693	696	0.5%	-1.6%	1,394	1,388	-0.4%
Gross margin %	39.9%	39.5%	41.1%	162 bps	122 bps	39.9%	40.3%	41 bps
Employee Cost	142	134	121	-9.7%	-14.3%	261	256	-1.9%
Other Expenses	407	391	404	3.4%	-0.6%	799	795	-0.4%
EBITDA	165	172	175	1.6%	6.1%	346	348	0.5%
EBITDA %	9.3%	9.8%	10.4%	52 bps	104 bps	9.9%	10.1%	20 bps
Finance Cost	19	35	37	7.2%	101.3%	39	72	85.6%
Depreciation	48	64	67	4.1%	40.7%	94	131	40.4%
Operating PBT	99	73	71	-3.2%	-28.5%	213	144	-32.5%
Exceptional expense	2	1	1	35.2%	-59.1%	4	1	-67.0%
Non-Operating income	3	12	4	-64.5%	30.0%	7	16	133.6%
PBT	100	84	74	-12.2%	-25.9%	216	159	-26.5%
PAT	63	82	44	-46.9%	-30.9%	135	126	-6.5%

Notes

Figures are as per IND AS

Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

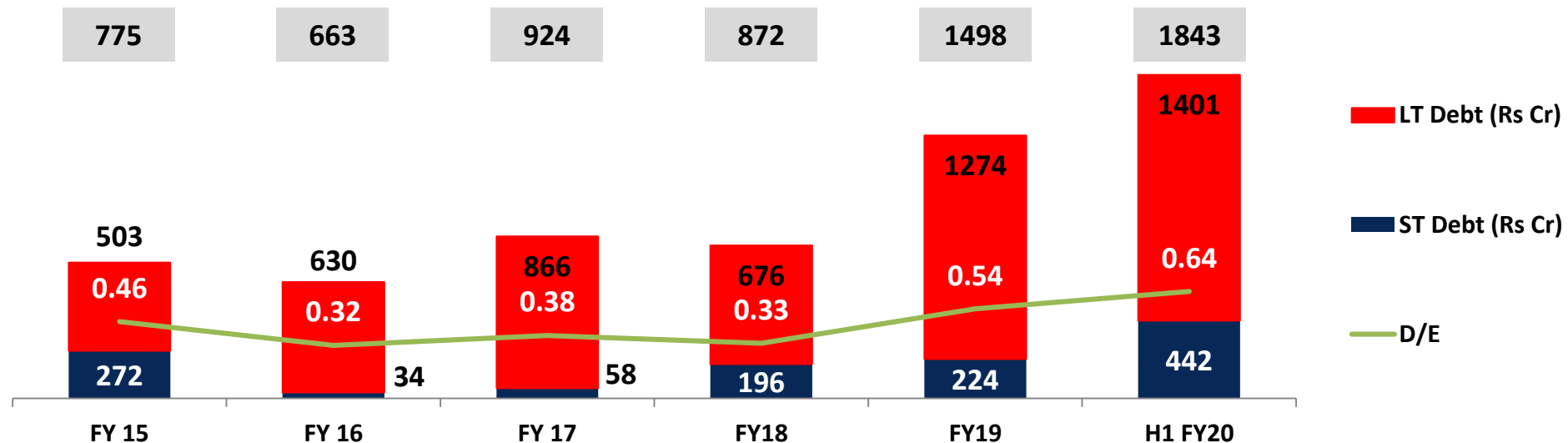
EBITDA includes profit from Sri Lanka JV

EBITDA does not include Non- operating income

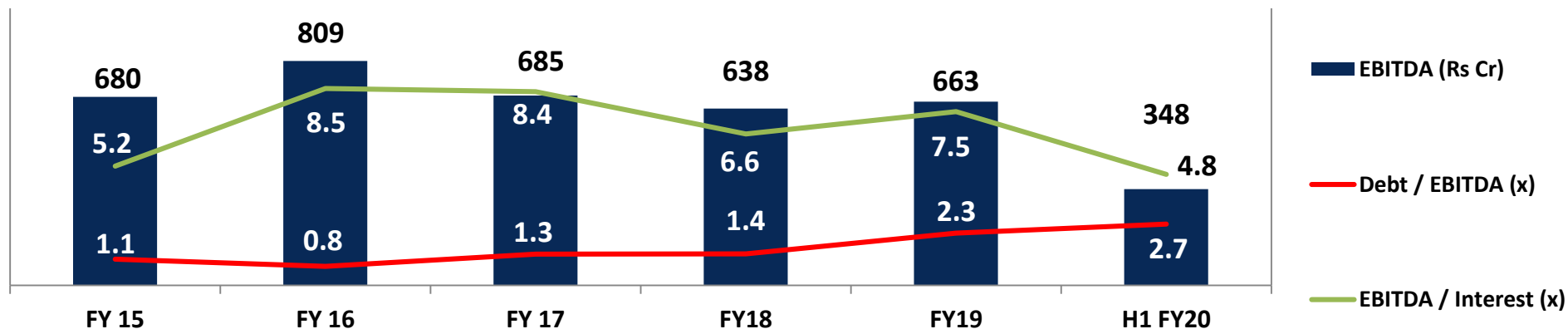
Consolidated: Leverage / coverage Profile

Total Debt (INR Cr)

Debt breakup



Leverage ratios



Note

FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods

Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

EBITDA includes profit from Sri Lanka JV; EBITDA does not include Non- operating income

For debt break-up, we have reclassified Current Maturities of Long Term Debt under Long Term debt

For H1 FY20 Debt/EBITDA calculation, EBITDA has been annualized

Standalone: Q2 FY20 Financials

All figures in INR Cr

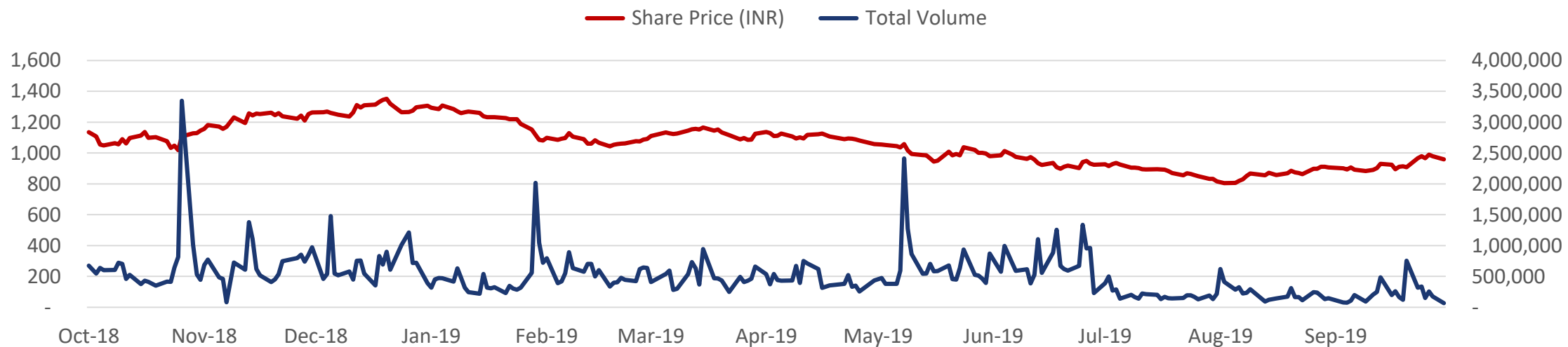
Parameter	Q2 FY19	Q1 FY20	Q2 FY20	QoQ	YoY	H1 FY19	H2 FY20	YoY
Net Revenue from operations	1,736	1,704	1,645	-3%	-5%	3,425	3,349	-2%
Raw Material	1,058	1,047	976	-7%	-8%	2,086	2,023	-3%
Gross margin	678	656	670	2%	-1%	1,339	1,326	-1%
Gross margin %	39.1%	38.5%	40.7%	220 bps	164 bps	39.1%	39.6%	50 bps
Employee Cost	132	124	112	-10%	-15%	242	236	-2%
Other Expenses	390	371	387	4%	-1%	766	758	-1%
EBITDA	157	161	171	6%	9%	331	332	0%
EBITDA %	9.0%	9.4%	10.4%	95 bps	135 bps	9.7%	9.9%	24 bps
Finance Cost	13	30	30	0%	132%	28	59	113%
Depreciation	44	59	62	4%	42%	85	121	43%
Operating PBT	101	72	79	11%	-21%	218	151	-31%
Exceptional expense	2	1	1	35%	-59%	4	1	-67%
Non-Operating income	12	15	17	15%	40%	18	32	79%
PBT	111	86	96	11%	-14%	232	182	-22%
PAT	75	87	66	-24%	-13%	153	153	0%

Notes

Financials are as per IND AS

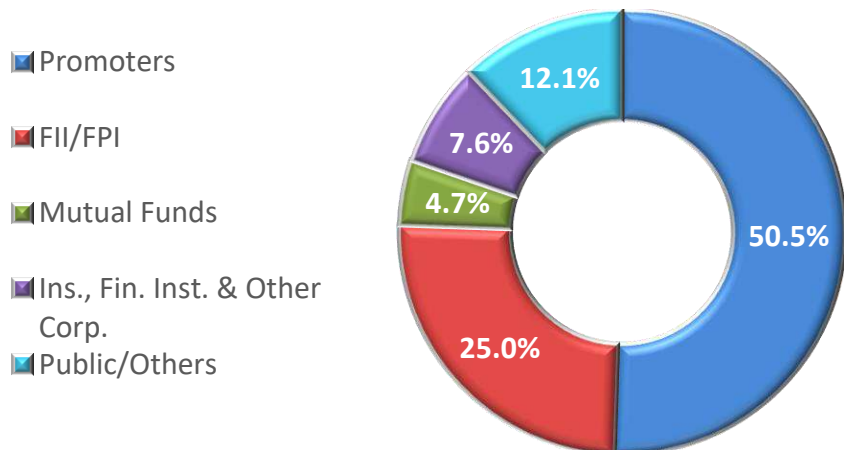
EBITDA does not include Non- operating income

Equity Shareholding & Price trends



Source : Capitaline. The above data is updated till 30th September 2019

Shareholding Pattern as on Sep 30, 2019



Market Information

- Market Price (Oct 11th, 2019): INR 931.4/share
- Face Value : INR 10/share
- Market Cap (Oct 11th, 2019): INR 3,768 Cr

THANK YOU