

May 15, 2014

Apollo Tyres crosses Rs 1000 crore annual net profit

Net sales for the company increases to Rs 13300 crore

The Board of Directors of Apollo Tyres Ltd today approved the company's audited financial results for the 4th quarter (January to March) and the financial year 2013-14. The Board recommended a **dividend payout of 75%**, to be approved by the shareholders at the forthcoming Annual General Meeting, later in the year.

Consolidated annual revenues, across operations in Asia, Africa and Europe, **increased 4% to reach Rs 133 billion** (or Rs 13310 crores). During the same period the net profit for the company surged 64% to reach Rs 10 billion (Rs 1000 crores). Net sales of the company for the 4th quarter grew 6% to close at 32.1 billion (Rs 3212 crores).

Consolidated Annual Performance Highlights

FY2013-14 (April-March) vs FY2012-13

- Net sales grew 4% to Rs 133 billion from Rs 127.9 billion
- Operating profit increased 27% to reach Rs 19.7 billion from Rs 15.5 billion
- Net profit surged 64% to Rs 10 billion from Rs 6.1 billion in the previous year

Commenting on the results, **Onkar S Kanwar, Chairman, Apollo Tyres Ltd**, said, "Last year, we saw the consolidation of our two brands -- Apollo and Vredestein, and their entry into newer markets. All this, along with better product and customer mix across geographies has helped us report incremental revenues. Recovery in the commercial vehicle segment in India in the new fiscal, after witnessing negative growth in the past year, will have a positive impact going forward. Car sales in Europe have also risen continuously for the last 3 quarters, which is again a positive for us."

Quarter 4 Consolidated Performance Highlights

Q4 FY2013-14 (January-March) vs Q4 FY2012-13

- Net sales grew 6% to close at Rs 32.1 billion from Rs 30.4 billion
- Operating profit grew 20% to Rs 4.8 billion from Rs 4 billion
- Net profit stood at Rs 2.8 billion from Rs 1.4 billion in the same quarter the previous year

Added **Onkar S Kanwar, Chairman, Apollo Tyres Ltd**, "We are aggressively pursuing organic growth opportunities. Considering the increased demand for our tyres in Europe, along with capacity constraints in our existing facility in Enschede, the Netherlands, has made us prioritise our investment into a Greenfield facility in the region. The Board has given us approval to initiate plant building activities in Eastern Europe, at a project cost of Euro 500 million over the next 4 years, funded with accruals and debt at our European subsidiary."

Cross Currency Reference Chart for Key Financials:

	Rs Billion		Rs Crores		US\$ Million		Euro Million	
	Q4	FY14	Q4	FY14	Q4	FY14	Q4	FY14
Net Sales	32.12	133.1	3211.8	13310.3	519.64	2202.73	378.08	1642.14
Operating Profit	4.8	19.73	479.8	1973.3	77.64	326.57	56.5	243.46
Net Profit	2.82	10.05	281.6	1005.05	45.75	166.33	33.44	124.0



ANNUAL CORPORATE HIGHLIGHTS

- On a consolidated level the **break-up of revenues** across the operating entities are: **Asia Pacific, Middle East & North Africa (APMENA) – 62%**; and, **Europe, Sub Saharan Africa and Americas (ESSAA) – 38%**
- Apollo Tyres entered into a high profile 3-year partnership with **Manchester United Football Club** for India and the UK
- Apollo made Thailand its **hub for the ASEAN region**
- Apollo announced its entry into new countries like **Malaysia, Qatar and Jordan**
- Apollo Tyres's Chennai Unit was conferred with **FICCI Quality Systems** award
- Apollo Vredestein won **Gold** at the **4th Cannes Corporate Media & TV Awards**, for Ultrac Vorti movie in Marketing Communications category
- Germany's leading automotive publication, Auto Bild gave high rating to **Apollo's Alnac Winter**, for braking on wet and snow surfaces; the jury report said **"good performance in all conditions, short braking distance on snow, and a low noise production"**
- **Apollo Apterra H/P**, a high performance tyre for SUVs, introduced at the Geneva Motor Show
- Apollo Tyres introduced the **Vredestein** brand of designer and high quality tyres into India
- In a move aimed at consolidating on two global brands -- Apollo & Vredestein, Apollo Tyres sold the Dunlop brand rights, that it had for 32 countries in Africa, to **Sumitomo Rubber Industries (SRI)**; this deal included the sale of Ladysmith passenger car tyre plant to SRI
- In the last fiscal, leveraging its association with Manchester United Football Club, Apollo Tyres launched a high decibel communication campaign -- **'There are no shortcuts'**

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About Apollo Tyres Ltd

Apollo Tyres Ltd is a high-performance tyre manufacturer headquartered in India. It is built around the core principles of creating stakeholder value through reliability in its products and dependability in its relationships. The company has four manufacturing units in India, three in Southern Africa and one in the Netherlands. Apollo's subsidiary companies are Apollo Durban Pty Ltd in South Africa and Apollo Vredestein BV in the Netherlands. India, South Africa and Europe are the company's three domestic markets from where products are exported to over 100 countries. In each of the domestic markets the company operates through a vast network of branded, exclusive and multi-product outlets.

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