

August 7, 2013

## Apollo Tyres net profit surges 19% in Q1

### Focus on better product and customer mix results in improved profitability

The Board of Directors of Apollo Tyres Ltd today approved the company's unaudited results for the 1<sup>st</sup> quarter of the financial year 2013-14. Earlier in the day, at the 40<sup>th</sup> Annual General Meeting, shareholders approved the annual dividend payout of 50% per share (0.50 per equity share), for the year ended March 31, 2013.

For the quarter ended June 30, 2013, Apollo Tyres Ltd, on a consolidated level, reported a profit of **Rs 166 crores** on the net sales of **Rs 3190 crores**. Despite the sluggishness in the automotive sector, the company has managed to hold on to its revenues. Apollo Tyres' European Operations, continuing its strong performance, registered an increase of 6% in revenues in Q1 FY14, as compared to the same period last year. The net sales for company's South African operations also grew 13% amidst concerns of growing imports of tyres from China.

Commenting on the results, **Onkar S Kanwar, Chairman, Apollo Tyres Ltd** said, "It is a challenging time for the automotive industry, with sales slowing for most vehicle makers. However, our leadership in the high-margin truck-bus radial segment in India, along with an increased focus on the replacement market across geographies, has helped us increase our profitability."

#### Quarter 1 Consolidated Performance Highlights

##### Q1 FY2013-14 (April - June) vs Q1 FY2012-13

- Net sales stood at **Rs 31.9 billion (Rs 3190 crore)** from Rs 31.6 billion (Rs 3165 crore)
- Operating profit was at **Rs 4.04 billion (Rs 404 crore) an increase of 12%**, from Rs 3.6 billion (Rs 361 crore)
- Net profit grew **19% to Rs 1.66 billion (Rs 166 crore)** from Rs 1.39 billion (Rs 139 crore)

**Mr Kanwar** further added, "During the last quarter, we also announced the acquisition of US-based Cooper Tire and Rubber Company. With a rich history of working in multiple locations around the world and with diverse cultures, which is based on our core values, we remain committed to closing this compelling transaction. Both companies are working towards securing all necessary approvals to close the deal, which is expected to happen by Q3 of this fiscal."

#### Cross Currency Reference Chart for Key Financials:

Q1 FY2013-14	Rs Billion	US\$ Million	Euro Million
Net Sales	31.90	571.7	437.7
Operating Profit	4.04	72.5	55.5
Net Profit	1.66	29.7	22.8

(ends)

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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, four in Southern Africa and one in the Netherlands. Apollo's subsidiary companies are Apollo Tyres South Africa Pty Ltd (previously known as Dunlop Tyres) 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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