

May 12, 2015

Apollo Tyres reports a net profit of Rs 978 crores for FY15

Net sales impacted due to the South African Operations and Euro depreciation

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 2014-15. The Board recommended a **dividend payout of 200%**, to be approved by the shareholders at the forthcoming Annual General Meeting, later in the year.

Consolidated annual revenues, across operations closed at **Rs 127 billion** (or Rs 12726 crores). During the same period the company reported a net profit of Rs 9.8 billion (Rs 978 crores). Net sales of the company for the 4th quarter closed at 31 billion (Rs 3098 crores); net profit for Q4 grew 9% to reach Rs 3.1 billion (Rs 307 crores).

Consolidated Annual Performance Highlights

FY2014-15 (April-March) vs FY2013-14

- Net sales stood at Rs 127 billion
- Operating profit reached Rs 19.8 billion from Rs 19.7 billion
- Net profit stood at Rs 9.8 billion as against Rs 10 billion in the previous year

Commenting on the results, **Onkar S Kanwar, Chairman, Apollo Tyres Ltd**, said, "Despite a healthy volume growth in the passenger car tyre segment in Europe, and nearly 30% volume growth in the truck-bus radial segment in India, our topline has not grown, primarily due to the South African operations, and also because of the depreciation of Euro. Having said that, our effort towards faster market expansion outside India, has resulted in a strong growth of more than 20% in exports out of India."

Quarter 4 Consolidated Performance Highlights

Q4 FY2014-15 (January-March) vs Q4 FY2013-14

- Net sales closed at Rs 31 billion
- Operating profit grew 7% to Rs 5.1 billion from Rs 4.8 billion
- Net profit grew 9% to Rs 3.1 billion from Rs 2.8 billion in the same quarter the previous year

Added **Onkar S Kanwar, Chairman, Apollo Tyres Ltd**, "The recent increase in import duty of natural rubber from 20% to 25% in India, will be a challenge going forward. This change in duty is likely to result in further increase in import of cheap tyres into the country, which can be imported at 10% duty, and will hinder the growth of capacity investments by the domestic tyre industry, in addition to making us uncompetitive."

Cross Currency Reference Chart for Key Financials:

	Rs Billion		Rs Crores		US\$ Million		Euro Million	
	Q4	FY15	Q4	FY15	Q4	FY15	Q4	FY15
FY 2014-15								
Net Sales	30.98	127.26	3098.4	12725.7	496.8	2080.2	436.1	1640.3
Operating Profit	5.12	19.84	512	1984.4	82.2	324.4	71.6	255.8
Net Profit	3.07	9.78	307.4	977.6	49.6	159.8	42.2	126

ANNUAL CORPORATE HIGHLIGHTS

- On a consolidated level the **break-up of revenues** across geographies are: **India – 65%; Europe – 28%** and **Other Geographies – 7%**
- Apollo Tyres announced its **first greenfield facility outside India**, in Hungary, with an investment of Euro 475 millions
- The company has also started its recruitment drive in phases, for the Greenfield facility in Hungary
- The partnership with Manchester United was expanded to **69 countries** globally; and **Go The Distance pitch** inaugurated at Old Trafford, UK
- Apollo Alnac 4G -- **All Season and Winter** -- tyres were introduced for the European market at Reifen Essen
- The company introduced its passenger vehicle and commercial vehicle tyres into two new countries in the Middle East region -- **Oman and Lebanon**
- Special edition dual branded -- Apollo & Manchester United -- tyres introduced in **Thailand**
- Vredestein Sportrac 5 and Vredestein Ultrac Vorti received **high ratings** from Auto Bild, ADAC and OAMTC
- The company introduced **new cross ply technology** -- All Wheel Rib, Heavy Duty -- for the Indonesian market
- Apollo launched India's **largest loader** tyre
- Showcasing its commitment towards biodiversity, inaugurated two **butterfly gardens** and initiated pond management activities in Kerala
- Apollo Tyres opened its **25th Health Care Centre** in Nagpur for HIV-AIDS awareness and prevention
- The **Clean My Transport Nagar** initiative was expanded to Agra, in India

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About Apollo Tyres Ltd

Apollo Tyres Ltd is an international tyre manufacturer and the leading tyre brand in India. The company has a total of 7 manufacturing units in India, Southern Africa and The Netherlands. It is setting up a new manufacturing facility in Hungary, with a planned investment of €475 million. The company markets its products under its two global brands – Apollo and Vredestein, and its products are available in over 100 countries through a vast network of branded, exclusive and multi-product outlets.

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