

February 6, 2013

# Apollo Tyres Q3 profit jumps 84% to reach Rs 181 crore

## Net sales for the 9-months of April to December reach Rs 9800 crore

The Board of Directors of Apollo Tyres Ltd today approved the company’s unaudited results for the 3<sup>rd</sup> quarter of the financial year 2012-13.

Apollo Tyres Ltd’s consolidated revenue for the 9 months of April to December grew **9%** to reach a net sales of **Rs 97.57 billion (Rs 9757 crore)**. In the same period, profitability increased by **86%**. Profitability for the 3<sup>rd</sup> quarter of 2012-13 saw a jump of **84%**.

### Quarter 3 Consolidated Performance Highlights

#### FY2012-13 (October - December) vs Quarter 3 FY2011-12

- Net sales closed at Rs 32.17 billion (Rs 3217 crore) from Rs 32.28 billion (Rs 3228 crore)
- Operating profit stood at Rs 4.1 billion (Rs 409 crore) from Rs 3.3 billion (Rs 330 crore)
- Net profit closed at Rs 1.8 billion (Rs 181 crore) from Rs 0.98 billion (Rs 98 crore) in the same period last year

### 9 months Consolidated Performance Highlights

#### FY2012-13 (April – December) vs FY 2011-12

- Net sales closed at Rs 97.57 billion (Rs 9757 crore) from Rs 89.22 billion (Rs 8922 crores)
- Operating profit stood at Rs 11.51 billion (Rs 1151 crore) from Rs 8.2 billion (Rs 821 crore)
- Net profit closed at Rs 4.71 billion (Rs 471 crore) from Rs 2.53 billion (Rs 253 crore) in the previous year

Commenting on the results, **Onkar S Kanwar, Chairman, Apollo Tyres Ltd** said, “The dynamics in our largest market – India, have not been easy. Europe and South Africa too are facing their own economic issues. In India, the commercial vehicle segment has been affected the most, while the other sectors have not remained unscathed. While we expect the passenger vehicle segment to recover in the next two quarters, commercial vehicle sales will take more time to normalise. Having said that, our continued focus on improving the product and customer mix across geographies, has helped us better our profitability. I believe that the worst is behind us, and we should see improvement in both automotive and tyre sales from the beginning of the new fiscal.”

### Cross Currency Reference Chart for Key Financials:

FY 2012-13	Rs Billion		US\$ Million		Euro Million	
	Q3	9 month (Apr–Dec)	Q3	9 month (Apr–Dec)	Q3	9 month (Apr–Dec)
Net Sales	32.17	97.57	593.68	1785.81	457.56	1398.07
Operating Profit	4.09	11.51	75.41	210.73	58.21	164.98
Net Profit	1.81	4.71	33.27	86.17	25.73	67.46

#### For further details contact:

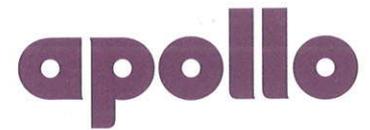
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#### About Apollo Tyres Ltd

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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UNAUDITED CONSOLIDATED FINANCIAL RESULTS  
FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2012

PART I							Rs. Million
PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED	
	31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012	
	(UNAUDITED)			(UNAUDITED)		(AUDITED)	
<b>1</b>	<b>Income from Operations</b>						
	(a) Net Sales/Income From Operations (Net of Excise Duty)	32,173.48	33,748.27	32,282.38	97,568.77	89,218.90	121,532.87
	(b) Other Operating Income	-	-	-	-	-	-
	<b>Total Income from Operations (Net)</b>	<b>32,173.48</b>	<b>33,748.27</b>	<b>32,282.38</b>	<b>97,568.77</b>	<b>89,218.90</b>	<b>121,532.87</b>
<b>2</b>	<b>Expenses</b>						
	(a) Cost of Materials Consumed	18,180.04	19,103.53	19,910.14	58,551.05	57,696.14	76,351.45
	(b) Purchase of Stock - in- Trade	1,680.90	1,851.55	1,377.77	5,326.03	4,559.57	6,576.07
	(c) Changes in Inventories of Finished Goods/Work-in-Progress and Stock-in-Trade	243.92	1,376.28	113.21	(1,872.89)	(2,985.69)	(2,557.51)
	(d) Employees Benefits Expense	3,555.40	3,527.93	3,508.67	10,965.32	10,327.29	13,350.11
	(e) Depreciation & Amortisation Expense	919.46	912.61	823.56	2,767.61	2,354.14	3,255.95
	(f) Other Expenses	4,690.98	4,219.54	4,048.18	13,591.68	11,573.92	16,151.79
	<b>Total Expenses</b>	<b>29,270.70</b>	<b>30,991.44</b>	<b>29,781.53</b>	<b>89,328.80</b>	<b>83,525.37</b>	<b>113,127.86</b>
<b>3</b>	<b>Profit/(Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1 - 2)</b>						
		2,902.78	2,756.83	2,500.85	8,239.97	5,693.53	8,405.01
<b>4</b>	<b>Other Income</b>						
		267.78	139.64	(24.08)	505.79	159.99	326.39
<b>5</b>	<b>Profit/(Loss) from Ordinary Activities before Finance Costs and Exceptional Items (3 + 4)</b>						
		3,170.56	2,896.47	2,476.77	8,745.76	5,853.52	8,731.40
<b>6</b>	<b>Finance Costs</b>						
		806.31	829.30	754.45	2,386.23	2,090.47	2,872.90
<b>7</b>	<b>Profit/(Loss) from Ordinary Activities after Finance Costs but before Exceptional Items (5 - 6)</b>						
		2,364.25	2,067.17	1,722.32	6,359.53	3,763.05	5,858.50
<b>8</b>	<b>Exceptional Items</b>						
		-	-	293.80	-	293.80	293.80
<b>9</b>	<b>Profit/(Loss) from Ordinary Activities before Tax (7-8)</b>						
		2,364.25	2,067.17	1,428.52	6,359.53	3,469.25	5,564.70
<b>10</b>	<b>Tax Expense (Net of MAT credit in the previous periods)</b>						
		558.32	534.54	444.29	1,632.05	928.59	1,443.50
<b>11</b>	<b>Net Profit/(Loss) from Ordinary Activities after Tax ( 9-10 )</b>						
		1,805.93	1,532.63	984.23	4,727.48	2,540.66	4,121.20
<b>12</b>	<b>Extraordinary Items (Net of Tax expenses)</b>						
		-	-	-	-	-	-
<b>13</b>	<b>Net Profit for the Period ( 11-12)</b>						
		1,805.93	1,532.63	984.23	4,727.48	2,540.66	4,121.20
<b>14</b>	<b>Share of profit / (loss) of associates</b>						
		-	(10.69)	(4.78)	(19.58)	(12.95)	(23.10)
<b>15</b>	<b>Minority Interest</b>						
		0.10	0.09	0.97	0.31	1.68	0.86
<b>16</b>	<b>Net Profit/(Loss) after taxes , minority interest &amp; share of profit / ( loss) of associates ( 13+14+15 )</b>						
		1,806.03	1,522.03	980.42	4,708.21	2,529.39	4,098.96
<b>17</b>	<b>Paid-up Equity Share Capital (Equity Shares of Re 1 each)</b>						
		504.09	504.09	504.09	504.09	504.09	504.09
<b>18</b>	<b>Reserves excluding Revaluation Reserves</b>						
		-	-	-	-	-	27,792.38
<b>19</b>	<b>EARNINGS PER SHARE (EPS)</b>						
	(a) Basic EPS before & after Extraordinary Items (Not Annualized) -Rs.	3.58	3.02	1.95	9.34	5.02	8.13
	(b) Diluted EPS before & after Extraordinary Items (Not Annualized)-Rs.	3.58	3.02	1.95	9.34	5.02	8.13

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PART II							
Select information for the Quarter and Nine Months ended December 31, 2012							
PARTICULARS	QUARTER ENDED			NINE MONTHS ENDED		YEAR ENDED	
	31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012	
<b>A</b>	<b>PARTICULARS OF SHAREHOLDING</b>						
<b>1</b>	<b>Public Shareholding</b>						
	- Number of Shares	285,442,028	285,442,028	270,220,475	285,442,028	270,220,475	267,453,529
	- Percentage of Shareholding	56.63%	56.63%	53.61%	56.63%	53.61%	53.06%
<b>2</b>	<b>Promoters and Promoter Group Shareholding</b>						
	<b>(a) Pledged / Encumbered</b>						
	- Number of Shares	33,108,600	35,109,050	87,450,000	33,108,600	87,450,000	36,700,400
	- Percentage of Shares (as a percentage of the total shareholding of promoter and promoter group)	15.15%	16.06%	37.40%	15.15%	37.40%	15.51%
	- Percentage of Shares (as a percentage of the total share capital of the company)	6.57%	6.97%	17.35%	6.57%	17.35%	7.28%
	<b>(b) Non - Encumbered</b>						
	- Number of Shares	185,474,142	183,473,692	146,354,295	185,474,142	146,354,295	199,870,841
	- Percentage of Shares (as a percentage of the total shareholding of promoter and promoter group)	84.85%	83.94%	62.60%	84.85%	62.60%	84.49%
	- Percentage of Shares (as a percentage of the total share capital of the company)	36.80%	36.40%	29.04%	36.80%	29.04%	39.66%

Particulars	Quarter ended 31.12.2012
<b>B</b>	<b>INVESTOR COMPLAINTS</b>
Pending at the beginning of the quarter	Nil
Received during the quarter	8
Disposed off during the quarter	8
Remaining unresolved at the end of the quarter	Nil

**Segment wise Revenue, Results & Capital Employed  
(under Clause 41 of the Listing Agreement)**

**I Geographical Segments:**

The Company has considered geographic segments as the primary segments for disclosure. The geographic segments are India, South Africa and Europe on the basis of Organisation Structure and Operating Locations. Indian segment includes manufacturing and sales operations through India, South African segment includes manufacturing and sales operations through South Africa along with its subsidiaries and European segment includes manufacturing and sales operations through the plant at Netherlands along with its subsidiaries.

**II Business Segments**

The Company has considered business segments as secondary segment for disclosure. The Company's operation comprises of one segment - Tyres, Tubes & Flaps and therefore there are no other business segments to be reported Under AS - 17 - "Segment Reporting".

**III Information about Primary Segments**

Particulars	Consolidated Results					
	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
	(Unaudited)			(Unaudited)		(Audited)
<b>1. Segment Revenue</b>						
India	20,360.88	22,828.67	20,932.21	64,713.21	58,988.73	81,578.75
South Africa	4,055.57	3,913.22	3,831.58	11,895.71	9,654.35	13,048.79
Europe	8,158.90	7,953.00	8,197.48	22,608.19	21,724.90	28,498.73
Others	529.73	492.08	352.85	1,518.38	762.63	1,048.74
Total Segment Revenue	33,105.08	35,186.97	33,314.12	100,735.49	91,130.61	124,175.01
Less : Inter Segment Revenue	931.60	1,438.70	1,031.74	3,166.72	1,911.71	2,642.14
<b>Net Sales</b>	<b>32,173.48</b>	<b>33,748.27</b>	<b>32,282.38</b>	<b>97,568.77</b>	<b>89,218.90</b>	<b>121,532.87</b>
<b>2. Segment Results</b>						
India	1,693.89	1,792.95	1,233.53	5,203.73	3,266.87	4,988.14
South Africa	47.88	(41.93)	(297.66)	59.38	(321.29)	(433.15)
Europe	1,406.15	1,132.33	1,292.46	3,469.00	2,876.30	3,863.70
Others	38.17	46.70	(21.25)	92.56	(39.81)	14.28
Total Segment Results	3,186.09	2,930.05	2,207.08	8,824.67	5,582.07	8,432.97
Less : Interest Expenses	806.31	829.30	754.45	2,386.23	2,090.47	2,872.90
Other Unallocable Corporate Expenses / Eliminations	15.53	33.58	24.11	78.91	22.35	(4.63)
<b>Profit Before Tax</b>	<b>2,364.25</b>	<b>2,067.17</b>	<b>1,428.52</b>	<b>6,359.53</b>	<b>3,469.25</b>	<b>5,564.70</b>
<b>3. Capital Employed (Segment Assets - Segment Liabilities)</b>						
India	26,246.22	25,493.05	22,988.50	26,246.22	22,988.50	23,714.44
South Africa	3,360.58	3,342.10	3,941.49	3,360.58	3,941.49	3,688.05
Europe	14,853.46	12,582.38	9,590.58	14,853.46	9,590.58	10,900.93
Others	475.65	415.55	349.45	475.65	349.45	321.80
	44,935.91	41,833.08	36,870.02	44,935.91	36,870.02	38,625.22
Add : Other Corporate Assets & Liabilities	1,793.37	1,754.11	2,961.12	1,793.37	2,961.12	1,727.78
Less : Eliminations	13,122.23	12,864.11	12,191.99	13,122.23	12,191.99	12,017.69
<b>Total Capital Employed</b>	<b>33,607.05</b>	<b>30,723.08</b>	<b>27,639.15</b>	<b>33,607.05</b>	<b>27,639.15</b>	<b>28,335.31</b>

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**NOTES:**

1 The key standalone financial information of the company is as under:

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31.12.2012	30.09.2012	31.12.2011	31.12.2012	31.12.2011	31.03.2012
	(Unaudited)			(Unaudited)		(Audited)
Net Sales	20,360.88	22,828.67	20,932.21	64,713.21	58,988.73	81,578.75
Net Profit Before Tax	1,025.46	1,098.29	597.69	3,222.76	1,519.95	2,575.13
Net Profit after Tax	738.23	751.94	425.74	2,242.94	1,090.78	1,813.33

- 2 The Company has opted to publish Consolidated financial results for the financial year 2012-13. Standalone financial results, for the quarter and nine months ended December 31, 2012 can be viewed on the website of the Company, National Stock Exchange of India Limited and Bombay Stock Exchange Limited at [www.apollotyres.com](http://www.apollotyres.com), [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively.
- 3 During the quarter, preferential allotment of Fifty lacs warrants convertible into equity shares was made to a promoter group company at a price of Rs. 86.20 per warrant as per SEBI (Issue of Capital and Disclosure Requirements) Regulation 2009. An amount representing 25% of the price of warrants was received by the company towards application money during the quarter.
- 4 Previous period's figures have been regrouped / reclassified wherever necessary to correspond with the current period's classification / disclosure.
- 5 During the quarter, production activity at the company's plant at Limda, Vadodara was affected due to disruption of work by a group of workers, which lasted for 19 days from October 22, 2012 to November 9, 2012.
- 6 The above results were reviewed by the Audit Committee on February 5, 2013 and approved by the Board of Directors at its meeting held on February 6, 2013. The stand-alone results of the Company have undergone limited review by the Statutory Auditors.

For and on behalf of the Board  
of Directors of Apollo Tyres Ltd.

*Onkar Kanwar*

ONKAR S. KANWAR  
CHAIRMAN & MANAGING DIRECTOR

Place: Gurgaon  
Date: February 06, 2013