

August 9, 2016

# Apollo Tyres' net profit increases 11% in the first quarter of FY2016-17

## Net sales up 16% on a consolidated basis

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 2016-17. Earlier in the day, at the 43<sup>rd</sup> Annual General Meeting, shareholders approved the annual dividend payout of 200% per share (Rs 2.00 per equity share), for the year ended March 31, 2016.

For the quarter ended June 30, 2016, Apollo Tyres Ltd, on a consolidated level, reported a profit of **Rs 315 crores** on the net sales of **Rs 3285 crores**. While Indian Operations' clocked a revenue growth of 6% in the first quarter of the current fiscal, as compared to the same period last fiscal, European Operations' revenue grew 10%. Some of the new products introduced in the Indian market, including the newly launched two-wheeler tyres, have seen good demand, especially in the replacement market. Similarly, the European Operations reported increased sales of passenger vehicle tyres.

### Quarter 1 Consolidated Performance Highlights

#### Q1 FY2016-17 (April - June) vs Q1 FY2015-16

- Net sales increased **16%** to **Rs 32.85 billion (Rs 3285 crore)** from Rs 28.32 billion (Rs 2832 crore)
- Operating profit was at **Rs 5.66 billion (Rs 566 crore) an increase of 8%**, from Rs 5.23 billion (Rs 523 crore)
- Net profit grew **11%** to **Rs 3.15 billion (Rs 315 crore)** from Rs 2.84 billion (Rs 284 crore)

Commenting on the results, **Onkar S Kanwar, Chairman, Apollo Tyres Ltd** said, "Despite the challenges posed by the Chinese imports, we have seen increased demand for our products from both OEs and the replacement market across product categories in India. Our newly-launched two-wheeler tyres have also been very well accepted by the customers. With the increased truck-bus radial capacity kicking-in the next 2-3 months, we are well poised to a higher volume growth in the fiscal. With the SAP issues resolved successfully in the past quarter, the European Operations has also grown in the past quarter."

### Cross Currency Reference Chart for Key Financials:

Q1 FY2016-17	Rs Billion	US\$ Million	Euro Million
Net Sales	32.85	490.10	434.91
Operating Profit	5.66	84.42	74.91
Net Profit	3.15	46.95	41.67

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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 manufacturing units in India 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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