

Schaeffler India Limited
(Formerly known as FAG Bearings India Limited)
P.O. Maneja, Vadodara – 390013, Gujarat, India

BSE Limited
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National Stock Exchange of India Limited
Exchange Plaza, C - 1, Block G,
Bandra-Kurla Complex, Bandra (E)
MUMBAI- 400 051

Company Code: 505790

Company Code: SCHAEFFLER

Your reference, your message from Our reference, our message from

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Date
06.05.2019

Sub.: Investor Presentation

Dear Sirs,

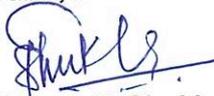
Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith Investor Presentation on Financial Results of the Company for the quarter ended March 31, 2019.

Kindly take the same on your records.

Thanking you,

Yours faithfully,

For **Schaeffler India Limited**
[Formerly known as FAG Bearings India Limited]



Chirag K. Shukla
Company Secretary



Encl.: As above.

SCHAEFFLER



Schaeffler India Limited Investor Presentation – Q1/2019

May 6, 2019

Agenda

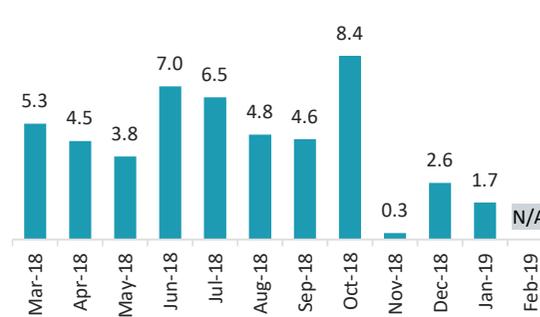
- 1 Economy & Market**
- 2 Q1 2019 Performance update
- 3 Summary

Economy grew 7.4% in 2018^{2]}, but fears of slowdown appear

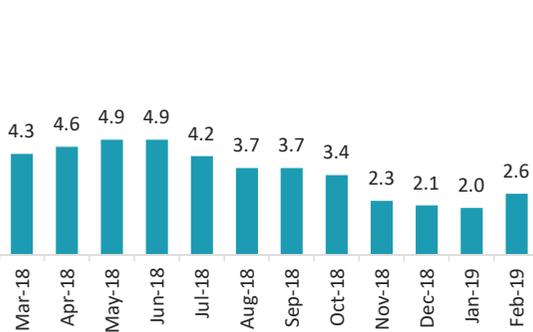
GDP Growth % ^{1]}



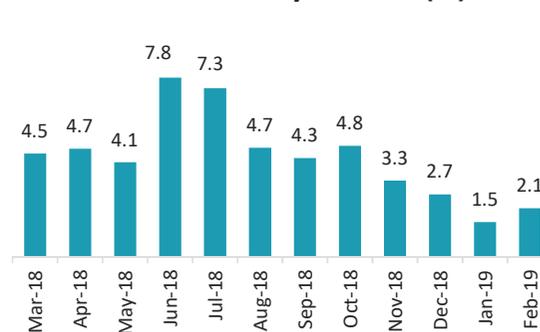
Index Industrial Production – Overall (%) ^{2]}



Consumer Price Index ^{2]}



Core Industry Growth (%) ^{3]}



Key Aspects

- India remained the fastest growing major economy. Slowdown in second half of 2018
- Central Bank cuts repo rate by 25 basis pts this month to sustain growth
- Inflation expands marginally but steadily under control as impact of rising exchange rates and oil prices subsided
- IIP and Core Industries growth hit by slowdown in the manufacturing sector and output of crude oil and refinery products
- Automotive sales soften due to cautious consumer sentiments – global concerns, oil/insurance/interest cost inflationary pressures, India general elections
- Heightened volatility expected in 2019

1]Source: Central Statistics Office (CSO). GDP growth is as per latest revisions at constant prices; 5 Apr 2019

2]Source: RBI 3] Source: Office of the Economic Adviser

Infrastructure and utility stable

Cement Production (Mio T)



Steel Production (Mio T)



Coal Production (Mio T)



Electricity Generation (Bn KWH)

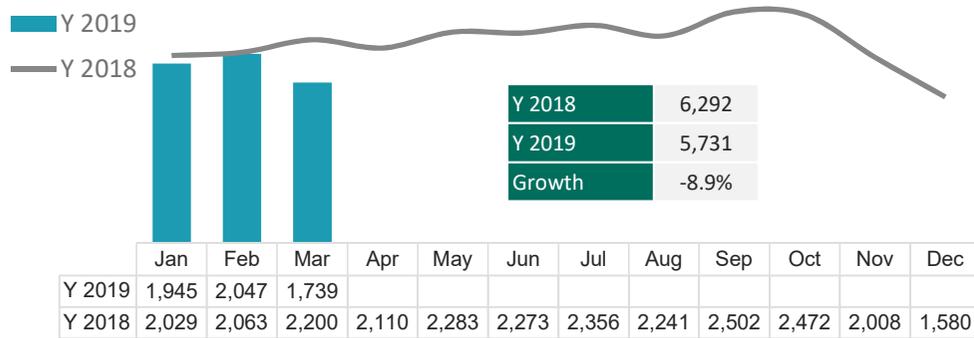


Source: Office of the Economic Adviser, all figures rounded off

Mobility impacted by softness in the market

in T Units

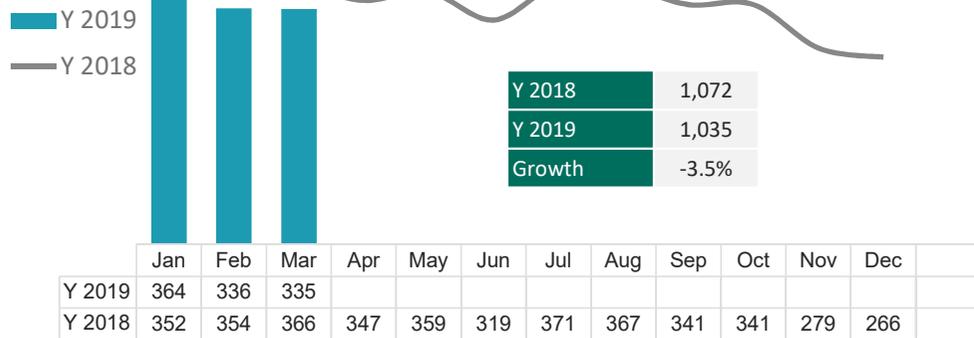
Two and Three Wheelers¹



Commercial Vehicles¹



Passenger Vehicles¹



Agriculture Tractors²



[1] Source: Society of Indian Automobile Manufacturers (SIAM)

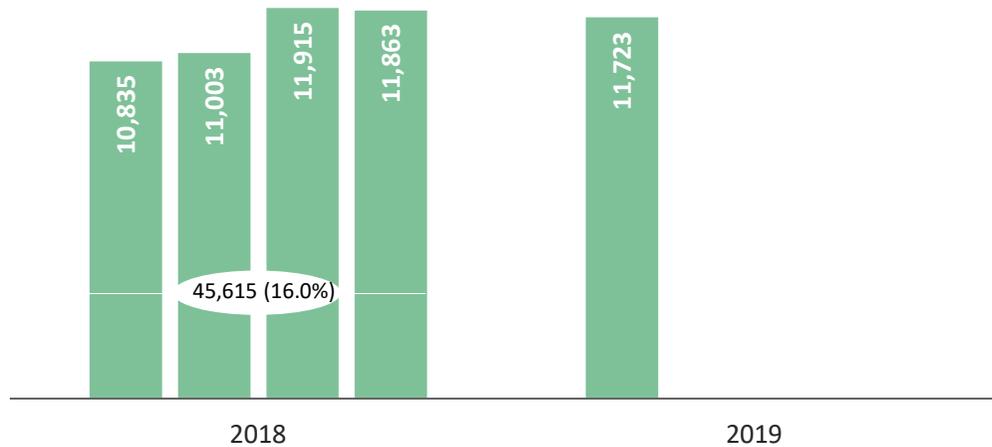
[2] Source: Tractor Manufacturer Association (TMA); *Mar is estimated production

Agenda

- 1 Economy & Market
- 2 **Q1 2019 Performance update**
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Revenue from Operations | Automotive impacted by market and diesel shift

Total revenue
in INR mn



QoQ %	6.0	1.6	8.3	-0.4
YoYQ %	15.1	13.9	18.7	16.1

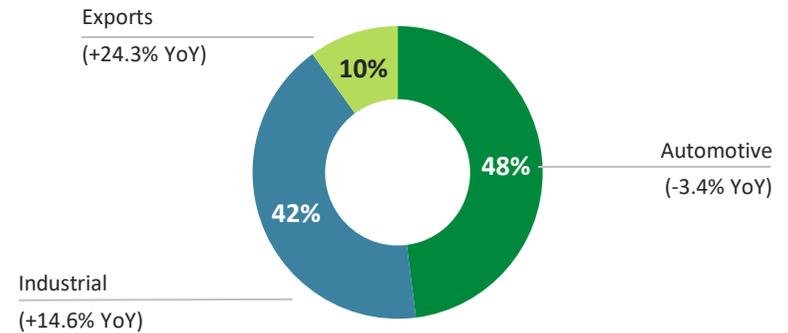
	-1.2			
	8.2			

Key aspects

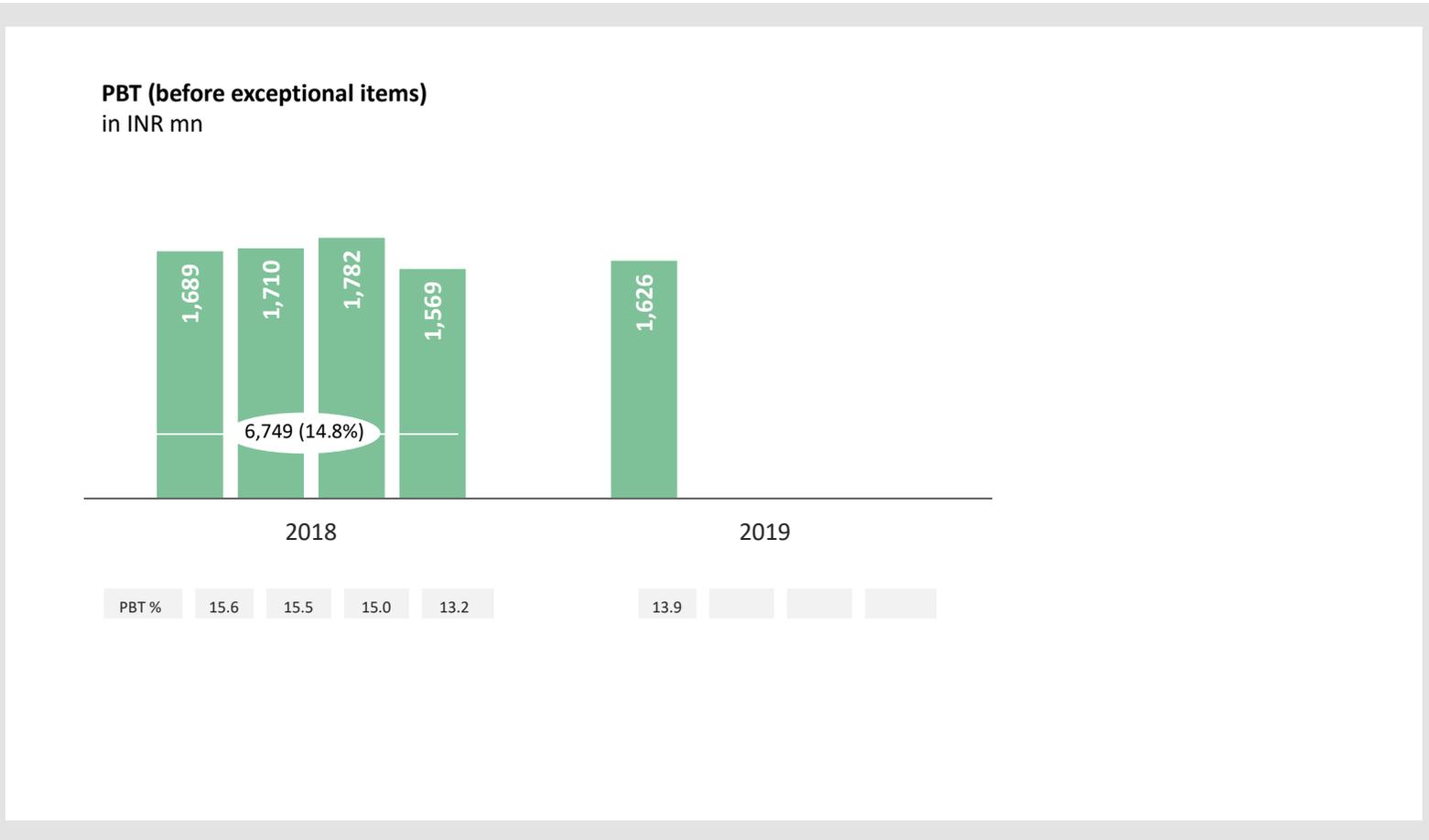
- ▶ Mobility segment : Automotive showed continued weakness for the quarter. But Railways grew strongly
- ▶ Others : Raw Materials, Power Transmissions and Distribution returned very positive results

Sales mix 2019
Q1-2019

Mobility 80.1%
Others 19.9%



Earning Quality | Impacted by softness in Automotive



Key comments

- ▶ Adverse sales mix
- ▶ Continued cost pressure
- ▶ Improved operational performance & overheads
- ▶ Inventory needs correction

Q1 Earning quality impacted by volume loss/adverse mix but better than Q4, 2018

Q1 2019 Performance Highlights

	Unit	Q1 2019	Q4 2018	Q1 2018	12M 2018
Revenue	INR mn	11,723	11,863	10,835	45,615
Growth QoQ/YoY	%	-1.2%	-0.4%	6.0%	16.0%
EBITDA Margin	%	16.0%	15.2%	17.6%	16.8%
EBIT Margin	%	12.8%	11.9%	14.3%	13.5%
PBT Margin	%	13.9%	13.2%	15.6%	14.8%
PAT Margin	%	9.1%	9.0%	10.2%	9.2%

Agenda

- 1 Economy & Market
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- 3 **Summary**

Key messages

- 1 Indian economy maintained strong momentum – though weakness seen from Q3, 2018
- 2 Automotive sales down 3.4% YoY - Impacted by industry slowdown and rapid shift from diesel to gasoline
- 3 PBT at 13.9% is better than last quarter at 13.2% - Efforts made to compensate margin loss from volume, adverse mix and cost pressure
- 4 Close monitoring and agility needed to keep inventories in check, while remaining aggressive in market
- 5 One Schaeffler India project – post merger integration - on track



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for your
attention

