



Escorts Kubota Limited

November 07, 2024

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400001

National Stock Exchange of India Limited

Exchange Plaza, Bandra Kurla Complex,
Bandra East, Mumbai – 400051

BSE – 500495

NSE - ESCORTS

Sub: Intimation of Earning Presentation

Dear Sir/ Ma'am,

Please find enclosed herewith the Earning Presentation on the Unaudited Financial Results (Standalone and Consolidated) for the quarter and half year ended September 30, 2024.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For **Escorts Kubota Limited**

Arvind Kumar

Company Secretary

Encl.: As above

Escorts Kubota Limited

Registered Office - 15/5, Mathura Road, Faridabad - 121003, Haryana, India

Tel.: +91-129-2250222 | E-mail: corp.secretarial@escortskubota.com | Website: www.escortskubota.com

Corporate Identification Number L74899HR1944PLC039088



Escorts Kubota Limited

Q2 FY25 | EARNING PRESENTATION

7th November 2024

BSE: 500495 | NSE: ESCORTS



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Please Note

The National Company Law Tribunal, Chandigarh Bench (NCLT) has approved the Scheme of Amalgamation of Escorts Kubota India Private Limited and Kubota Agricultural Machinery India Private Limited (Amalgamating Companies) with Escorts Kubota Limited (Amalgamated Company).

The certified copy of the approval was received by the company on August 29, 2024, and filed with the Registrar of Companies on **September 1, 2024**.

In order to reflect the Scheme's impact from the appointed date of April 1, 2023, the Company has restated previously reported numbers. Accordingly, numbers reported here for the current as well as previous period(s) include numbers of the amalgamating companies also.



Escorts Kubota Limited: Overview

(Formerly Escorts Limited)



Bringing World's best to India and offering India's best to the world



Spreading Prosperity, Impacting Lives.



Q2 Standalone Highlights - Q2FY25 YoY

| Particulars | Industry Growth | EKL Growth | Variance |
|--|-----------------|---------------|---------------|
| Domestic Tractor Volume | 0.7% | 0.3% | -0.4% |
| Export Tractor Volume | -5.2% | -20.9% | -15.7% |
| Total Tractor Volume | 0.0% | -0.9% | -1.0% |
| PNC Volume | -17.7% | -18.6% | -0.9% |
| BHL Volume | 2.3% | -12.1% | -14.3% |
| Mini Excavator | -1.6% | -12.1% | -10.5% |
| Compactor Volume | 0.3% | -40.0% | -40.3% |
| Served Construction Equipment Volume* | -2.0% | -18.4% | -16.4% |
| Railway Segment Revenue | | -9.9% | |




*Served Construction Equipment include- PNC Cranes, Backhoe loaders, Mini Excavators and Compactors

% rounded off to nearest single decimal


Q2 Standalone Highlights -EKL at a Glance


25,995
Tractors Volumes

 -0.9%
(Y-o-Y)


 -14.4%
(Q-o-Q)


1,394
Construction Equipment's Volume

 -18.4%
(Y-o-Y)


 0.9%
(Q-o-Q)


₹ 211.2 Crore
Revenue from Railway Equipment

 -9.9%
(Y-o-Y)


 -13.7%
(Q-o-Q)

₹ 2,476.2 Crore
Revenue from operations

 0.5%
(Y-o-Y)

 -11.6%
(Q-o-Q)


₹ 267.6 Crore
EBIDTA

 0.3%
(Y-o-Y)

 -27.6%
(Q-o-Q)

₹ 326.7 Crore
Profit After Tax

 53.2%
(Y-o-Y)

 7.6%
(Q-o-Q)

 Up  Down

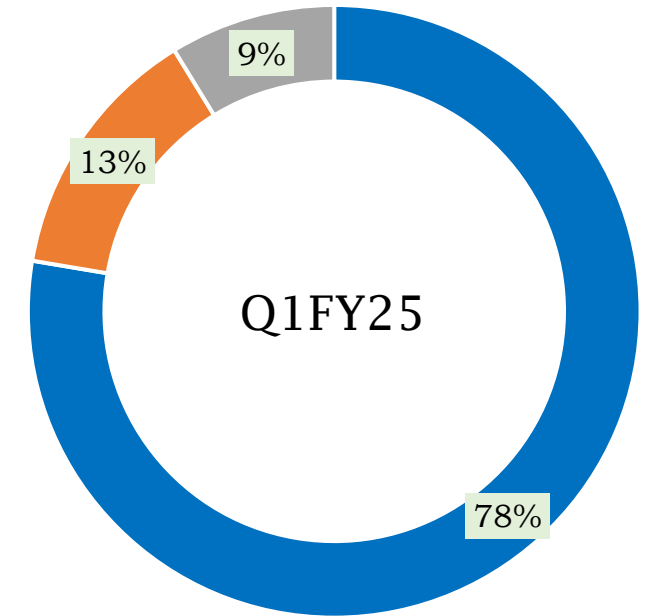
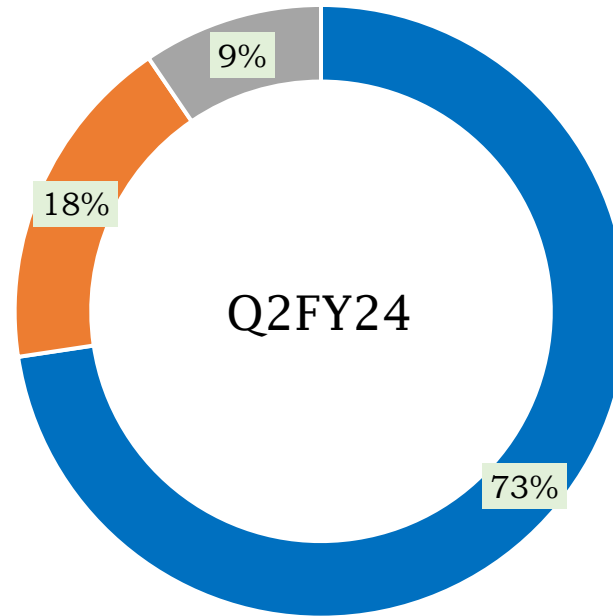
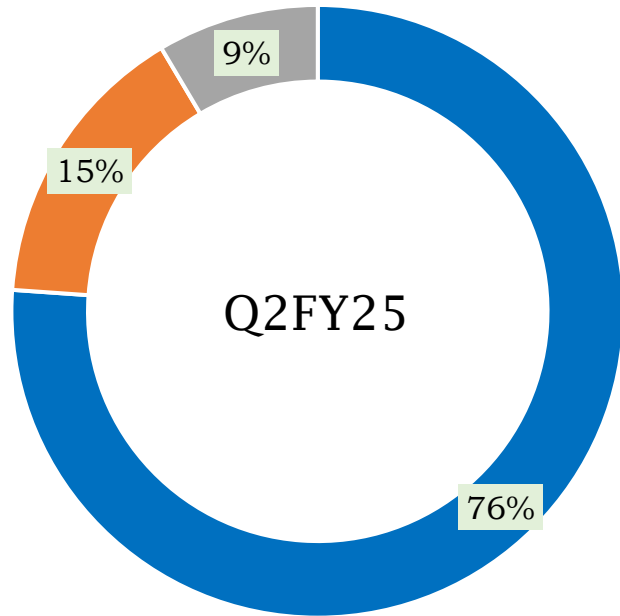


Q2 Standalone Highlights – P&L at a Glance

| Particulars | Unit | Q2FY25 | Q2FY24 | Q1FY25 | YoY (Change) | QoQ (Change) |
|-------------------------|-------|---------|---------|---------|-----------------|-----------------|
| Revenue from Operations | ₹ Cr. | 2,476.2 | 2,464.6 | 2,801.0 | 0.5% | -11.6% |
| Material Cost | % | 69.2 | 69.9 | 70.1 | -70 bps | -90 bps |
| Manpower Cost | % | 8.1 | 7.9 | 6.7 | 27 bps | 145 bps |
| EBIDTA | ₹ Cr. | 267.6 | 266.7 | 369.4 | 0.3% | -27.6% |
| EBIDTA Margin | % | 10.8 | 10.8 | 13.2 | 2 bps | -238 bps |
| Other Income | ₹ Cr. | 115.3 | 93.6 | 102.5 | 23.1% | 12.5% |
| PBT | ₹ Cr. | 310.0 | 293.5 | 400.3 | 5.6% | -22.6% |
| PAT | ₹ Cr. | 326.7 | 213.3 | 303.5 | 53.2% | 7.6% |
| EPS | ₹ | 29.71 | 19.44 | 27.63 | 52.8% | 7.5% |



Segmental Revenue Contribution



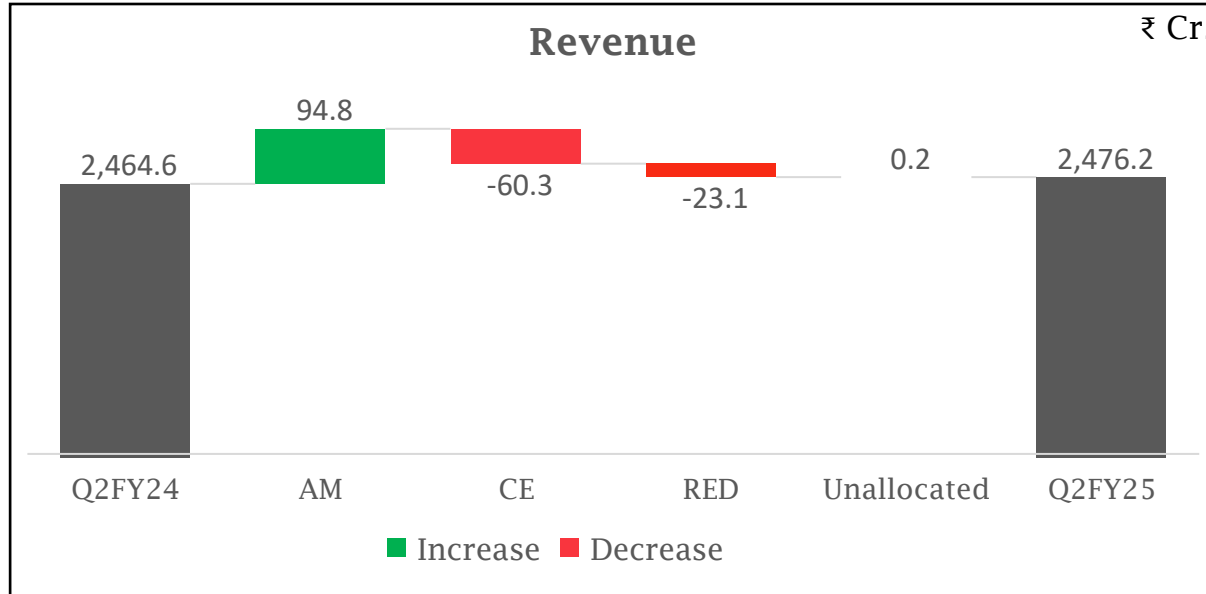
■ Agri Machinery Products

■ Construction Equipments

■ Railway Equipments

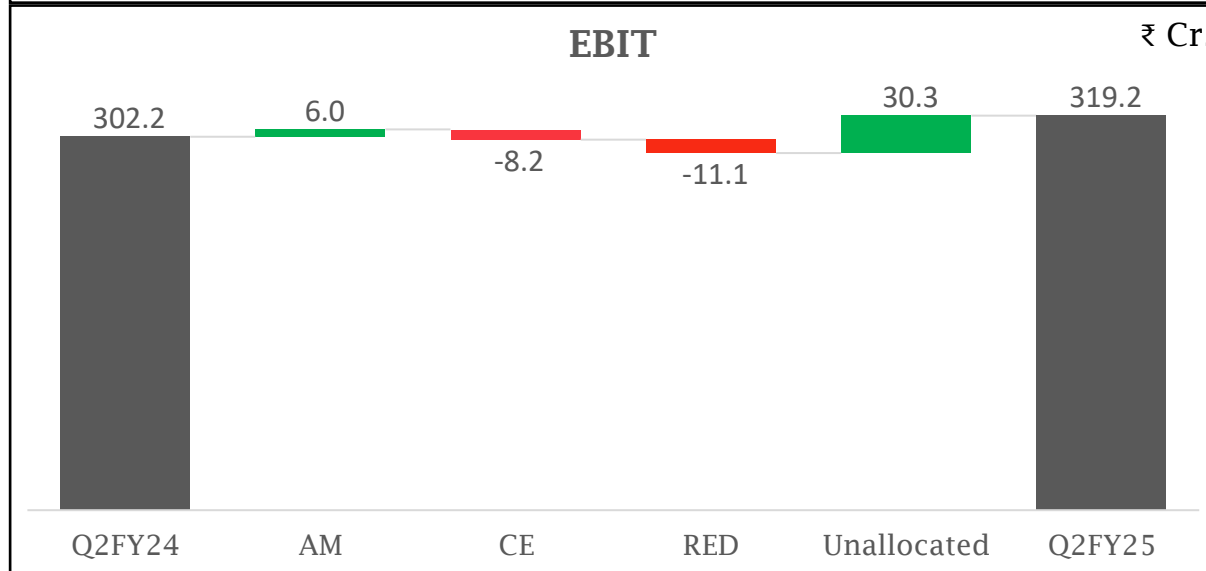


Q2 - YoY Revenue up by 0.5%; EBIT up by 5.6%



Revenue Key Highlights

- Tractor Sales down by 0.9% at 25,995 units
- Construction Equipment Sales down by 18.4% at 1,394 units
- Railway Equipment revenue down by 9.9% at ₹ 211.2 Crore.

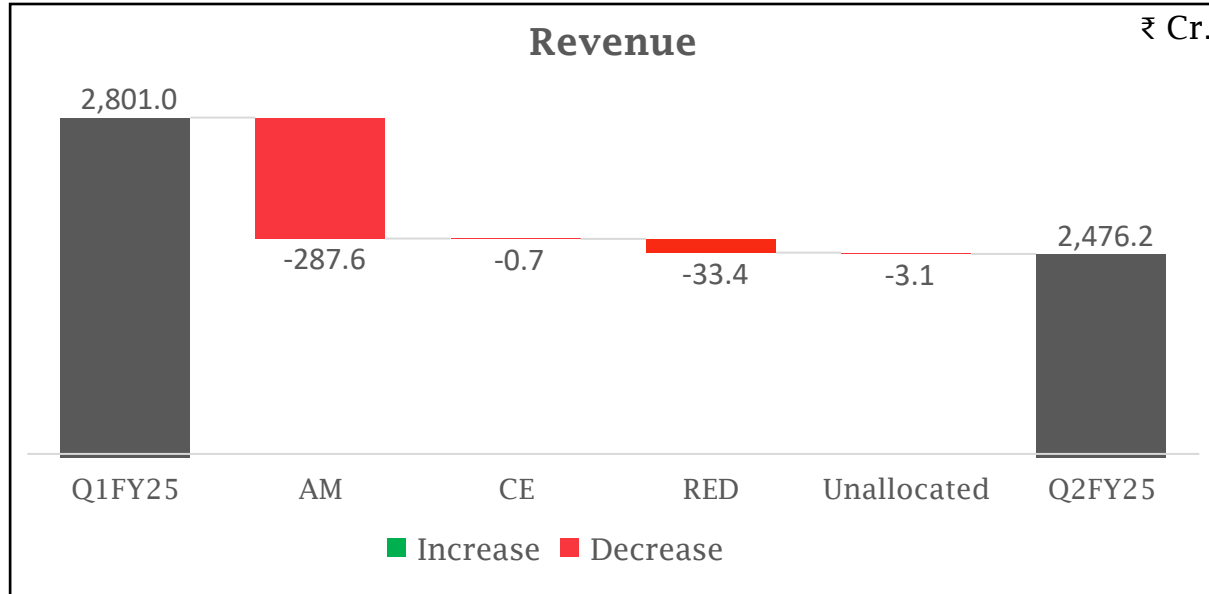


EBIT Key Highlights

- Better product mix and price realization.
- Softening in commodity prices
- Effective cost control measures.
- Higher non-operating income.

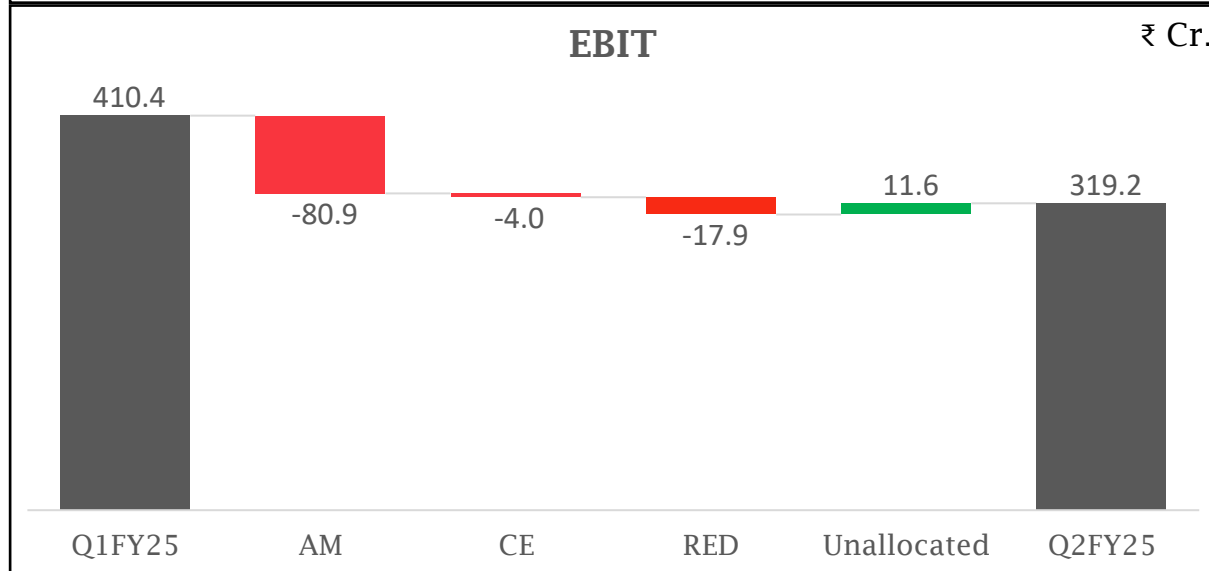


Q2 - QoQ Revenue down by 11.6%; EBIT down by 22.2%



Revenue Key Highlights

- Tractor Sales down by 14.4% at 25,995 units
- Construction Equipment Sales up by 0.9% at 1,394 units
- Railway Equipment revenue down by 13.7% at ₹ 211.2 Crore.



EBIT Key Highlights

- Impacted by sales across Business Segment
- Effective cost control measures.
- Higher non-operating income.



Q2FY25 Standalone Highlights -EKL at a Glance

₹ 29.71

Earning Per Share

12.8%

Return on Capital Employed
(Annualized)

13.1%

Return on Equity
(Annualized)

~73%

Capacity Utilization

Tractors

~68%

Capacity Utilization

Construction Equipment

More than **₹ 1,100 Crore**
Of Order Book*

Railway Equipment Division
(as of 30th September 2024)



* Include BMBS Orders for approx. ₹ 382 cr. supplies of which have temporarily been on hold by RDSO

H1 Standalone Highlights - H1FY25 YoY

| Particulars | Industry Growth | EKL Growth | Variance |
|--|-----------------|---------------|---------------|
| Domestic Tractor Volume | 0.6% | -2.5% | -3.1% |
| Export Tractor Volume | -1.8% | -24.7% | -22.9% |
| Total Tractor Volume | 0.3% | -3.6% | -4.0% |
| PNC Volume | -10.6% | -10.4% | 0.1% |
| BHL Volume | 1.7% | -8.6% | -10.3% |
| Mini Excavator | -7.8% | -23.1% | -15.3% |
| Compactor Volume | 8.2% | -38.6% | -46.8% |
| Served Construction Equipment Volume* | -0.6% | -12.6% | -11.9% |
| Railway Segment Revenue | | -14.3% | |



*Served Construction Equipment include- PNC Cranes, Backhoe loaders, Mini Excavators and Compactors

% rounded off to nearest single decimal

H1 Standalone Highlights - EKL at a Glance

56,365
Tractors Volumes

 -3.6%

2,776
Construction Equipment's Volume

 -12.6%

₹ 455.9 Crore
Revenue from Railway Equipment

 -14.3%

₹ 5,277.1 Crore
Revenue From Operations

 0.2%

₹ 637.0 Crore
EBIDTA

 1.5%

₹ 630.2 Crore
Profit After Tax

 23.9%

 Up YoY  Down YoY

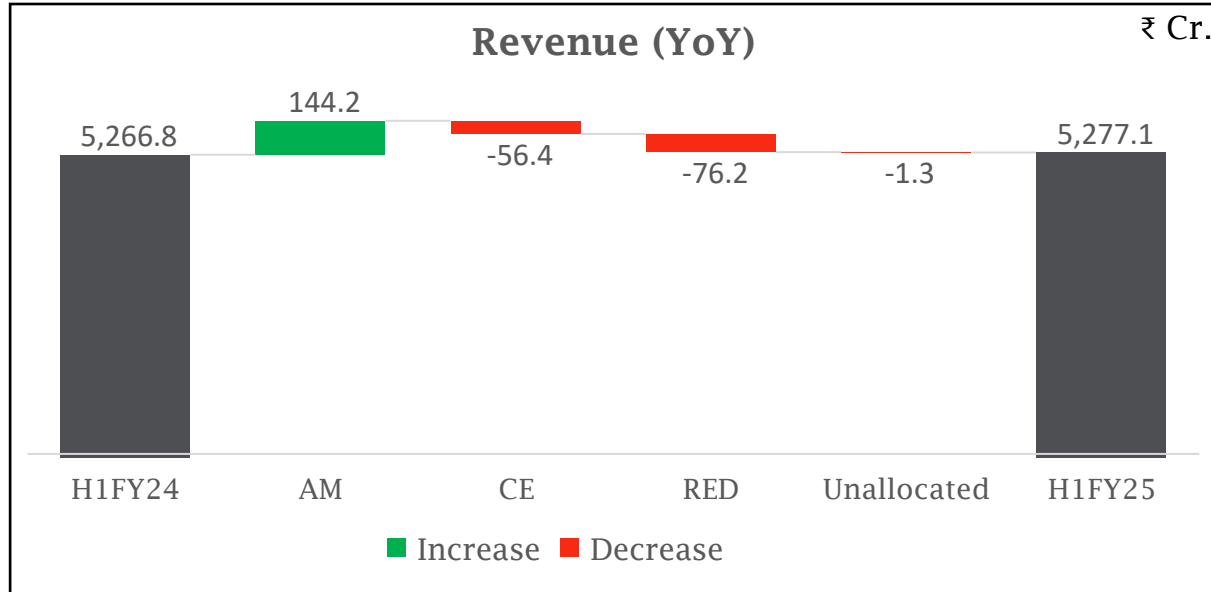


H1 Standalone Highlights – P&L at a Glance

| Particulars | Unit | H1FY25 | H1FY24 | Variance |
|-------------------------|-------|---------|---------|----------|
| Revenue from Operations | ₹ Cr. | 5,277.1 | 5,266.8 | 0.2% |
| Material Cost | % | 69.7 | 70.7 | -102 bps |
| Manpower Cost | % | 7.4 | 7.0 | 37 bps |
| EBIDTA | ₹ Cr. | 637.0 | 627.3 | 1.5% |
| EBIDTA Margin | % | 12.1 | 11.9 | 16 bps |
| Other Income | ₹ Cr. | 217.8 | 186.1 | 17.0% |
| PBT | ₹ Cr. | 710.3 | 683.7 | 3.9% |
| PAT | ₹ Cr. | 630.2 | 508.7 | 23.9% |
| EPS | ₹ | 57.33 | 43.66 | 31.3% |

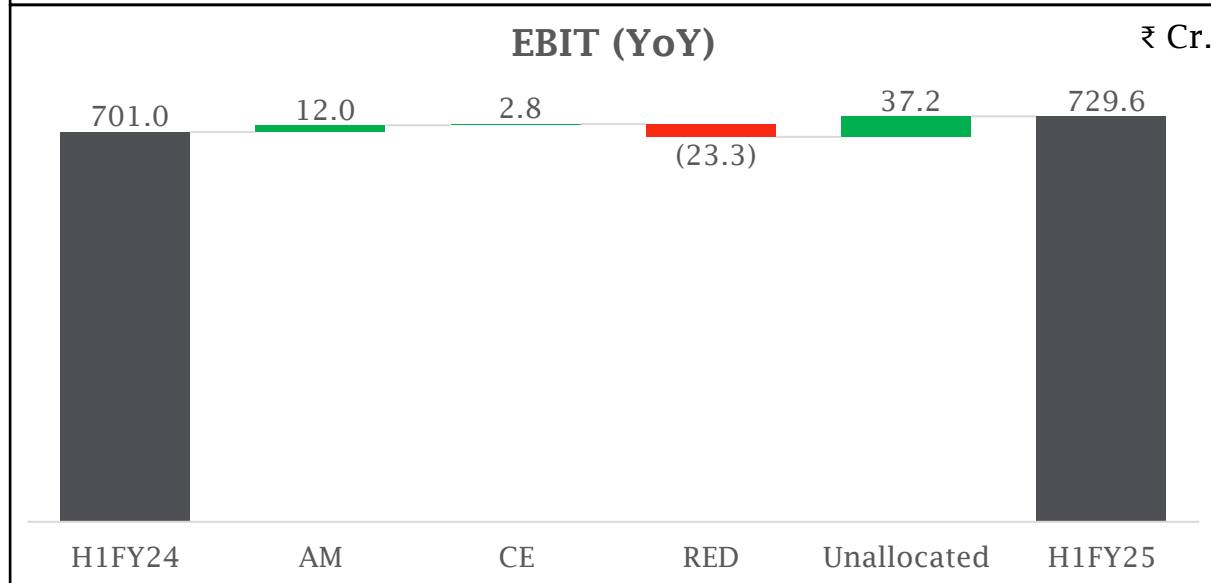


H1 - YoY Revenue up by 0.2%; EBIT up by 4.1%



Revenue Key Highlights

- Tractor Sales down by 3.6% to 56,365 units
- Construction Equipment Sales down by 12.6% to 2,776 units
- Railway Equipment revenue down by 14.3% at ₹ 455.9 Crore.



EBIT Key Highlights

- Higher non-operating income.
- Softening in commodity prices.
- Better price realization.



H1FY25 Standalone Highlights -EKL at a Glance

₹ 57.33
Earning Per Share

14.7%

Return on Capital Employed
(Annualized)

12.7%

Return on Equity
(Annualized)

~67%
Capacity Utilization

Tractors

~62%
Capacity Utilization

Construction Equipment

More than **₹ 1,100 Crore**
Of Order Book*

Railway Equipment Division
(as of 30th September 2024)



Segment Wise Performance



Agri Machinery Products

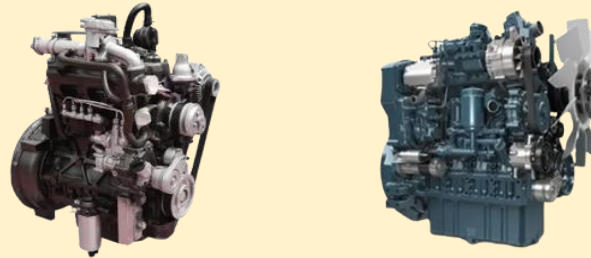
Tractor Business



Non-Tractor Business



Agri Solution



Engine





Spare Parts and Service

Global Sourcing

K3R
A Kubota Brand
Reliable Parts, Value for the Price.

Agri Machinery Products

| Business | Pre-Merger | | | Post-Merger | | | |
|------------------|--|--------------------------|-------------------------------------|---|--------------------------|------------------|-----------------------|
| Tractor Business |  <p>2 Brands</p> <p>(89%)</p> | | |  <p>3 Brands</p> <p>(83%)</p> | | | |
| | Non-Tractor Business | Agri Solutions (1 Brand) | Engine (1 Brand) | Spare Parts & Service | Agri Solutions (2 Brand) | Engine (2 Brand) | Spare Parts & Service |
| (11%) | | | (17%) Unlocking Growth Potential | | | | |



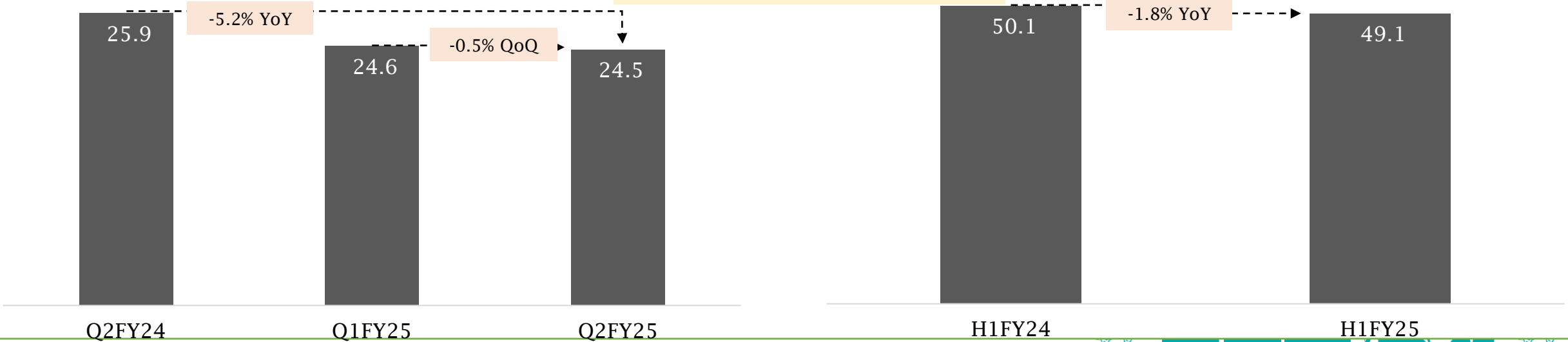
(xx%) = Approx. Business Revenue share to Agri Machinery Products Revenue in FY24

Tractor Industry

Domestic Industry (in Lakhs)



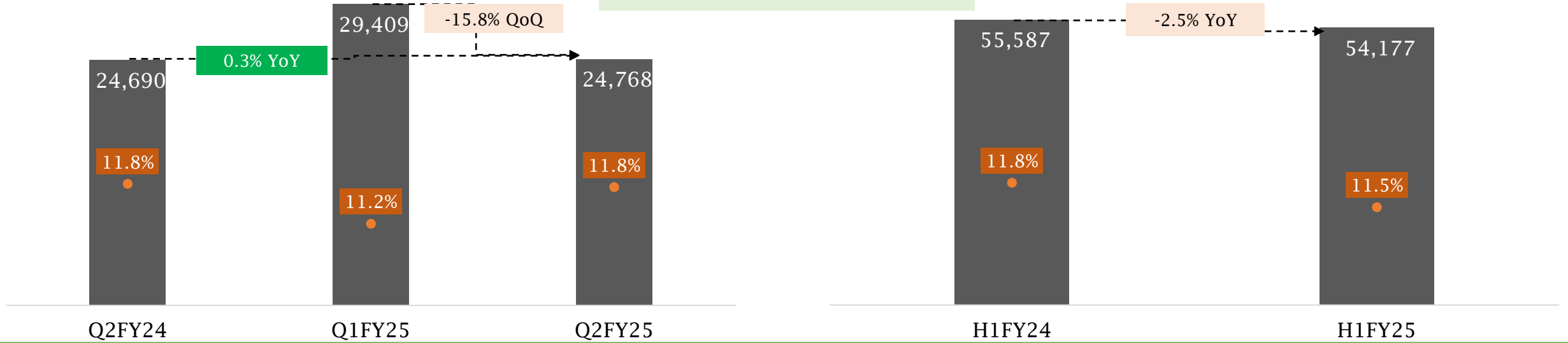
Export Industry (in '000s)



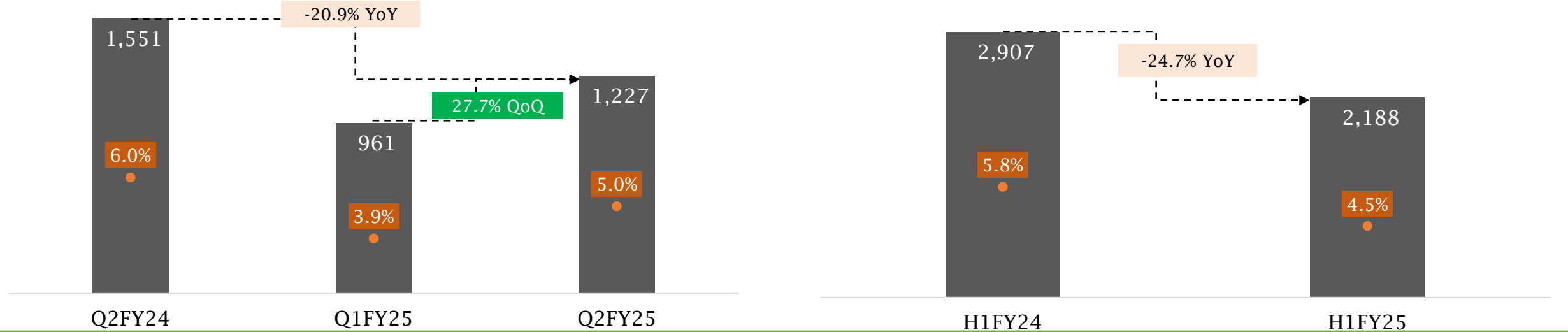
rounded off to nearest single decimal

EKL Tractor Business

Domestic



Export



rounded off to nearest single decimal

Agri Machinery Product Segment Performance

Q2/H1FY25 Highlights

| Particulars | Unit | Q2FY25 | YoY (Change) | QoQ (Change) | H1FY25 | YoY (Change) |
|-------------------------------|-------|---------|-----------------|-----------------|---------|-----------------|
| Revenue | ₹ Cr. | 1,884.2 | 5.3% | -13.2% | 4,055.9 | 3.7% |
| EBIT | % | 9.1% | -15 bps | -252 bps | 10.5% | -8 bps |
| Capacity Utilization Tractors | % | ~73 | ↑ | ↑ | ~67 | ↓ |
| ROCE (Annualized) | % | 21.7% | ↓ | ↓ | 26.6% | ↓ |

- Exclusive Dealers for EKL Brands of tractor in India at end of September 2024 ~ 1,550.
- Less than 40 HP : Greater than 40 HP Tractor Sales Ratio in Q2FY25 at 34:66 as against 41:59 YoY and 34:66 QoQ and in H1FY25 at 34:66 as that of 41:59 YoY.
- Recently established dedicated 58,000 Sq. ft + export hub for components exporting to Kubota Group.
- Export through Kubota channel of total Export volume ~20% in Q2FY25 and H1FY25.



Construction Equipments

PREFERRED PARTNER IN

NATION BUILDING

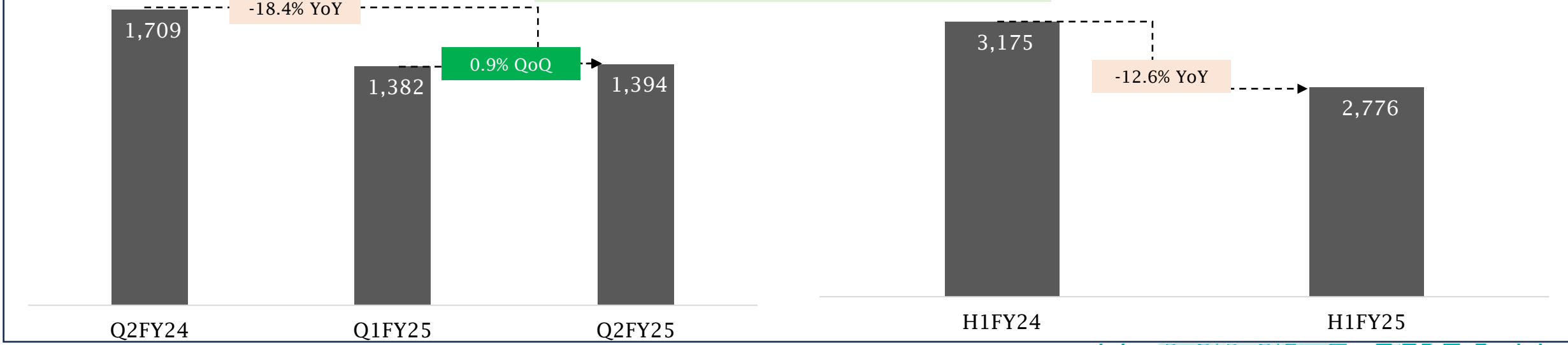


Construction Equipment Business Performance

Served Industry Performance (000's)



EKL Construction Equipment Volumes



rounded off to nearest single decimal

Growth

De-Growth

Construction Equipments Performance – Q2/H1FY25 Highlights

| Particulars (EKL) | Unit | Q2FY25 | YoY (Change) | QoQ (Change) | H1FY25 | YoY (Change) |
|-----------------------|-------|--------|--------------|--------------|--------|--------------|
| PNC SOM | % | 39.9% | -45 bps | 45 bps | 39.7% | 5 bps% |
| Mini Excavator SOM | % | 17.0% | -204 bps | 453 bps | 15.2% | -303 bps |
| Compactor SOM | % | 3.6% | -244 bps | -55 bps | 3.9% | -13 bps |
| BHL SOM | % | 1.0% | -17 bps | -24 bps | 1.1% | -303 bps |
| Capacity Utilization* | % | ~68 | ↑ | ↑ | ~62 | ↑ |
| Revenue | ₹ Cr. | 379.9 | -13.7% | -0.2% | 760.6 | -6.9% |
| EBIT | % | 9.3% | ↓ | ↓ | 9.8% | ↑ |
| ROCE (Annualized) | % | 180.1% | ↓ | ↓ | 282.3% | ↓ |

↑ Up ↓ Down



Railway Equipments






Mobility Solutions
Of the future

ENSURING SAFETY AND COMFORT IN RAIL TRANSPORT

Railway Equipments Performance - Q2/H1FY25 Highlights

| Particulars (EKL) | Unit | Q2FY25 | YoY (Change) | QoQ (Change) | H1FY25 | YoY (Change) |
|-------------------|-------|--------|--------------|--------------|--------|--------------|
| Revenue | ₹ Cr. | 211.2 | -9.9% | -13.7% | 455.9 | -14.3% |
| EBIT | % | 15.2% | -323 bps | -524 bps | 18.0% | -180 bps |
| Order Book | ₹ Cr. | ~1,100 | ↑ | ↑ | ~1,100 | ↑ |
| ROCE (Annualized) | % | 38.6% | ↓ | ↓ | 48.9% | ↑ |

On 23rd October 2024 EKL has entered into the Business Transfer Agreement with Sona BLW Precision Forgings Limited (Sona Comstar) for transferring the existing Railway Equipment Business Division (RED) as going concern, on slump sale basis, for a lumpsum cash consideration of INR 1,600 Crore (Indian Rupees One Thousand and Six Hundred Crores Only), subject to the terms of the Agreement. This divestment of RED is subject to customary closing conditions, including the receipt of necessary approvals and permissions.

 Up
  Down
  At Par



Shareholding Pattern

| Shareholding Trend in % | Sept'2023 | Dec'2023 | Mar'2024 | June'2024 | Sept'2024 |
|-------------------------|---------------|---------------|---------------|---------------|---------------|
| Promoters | 67.64 | 67.64 | 67.64 | 67.64 | 68.04 |
| Institutions# | 16.03 | 15.55 | 15.61 | 16.81 | 16.54 |
| Public | 14.41 | 14.91 | 14.89 | 13.82 | 13.73 |
| Non-Promoter Non-Public | 1.92 | 1.90 | 1.86 | 1.73 | 1.70 |
| Total | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |

In September 2024 quarter 13,79,493 equity shares allotted under the Scheme of Amalgamation as approved by National Company Law Tribunal, Chandigarh Bench.



Q2 Consolidated Highlights – P&L at a Glance

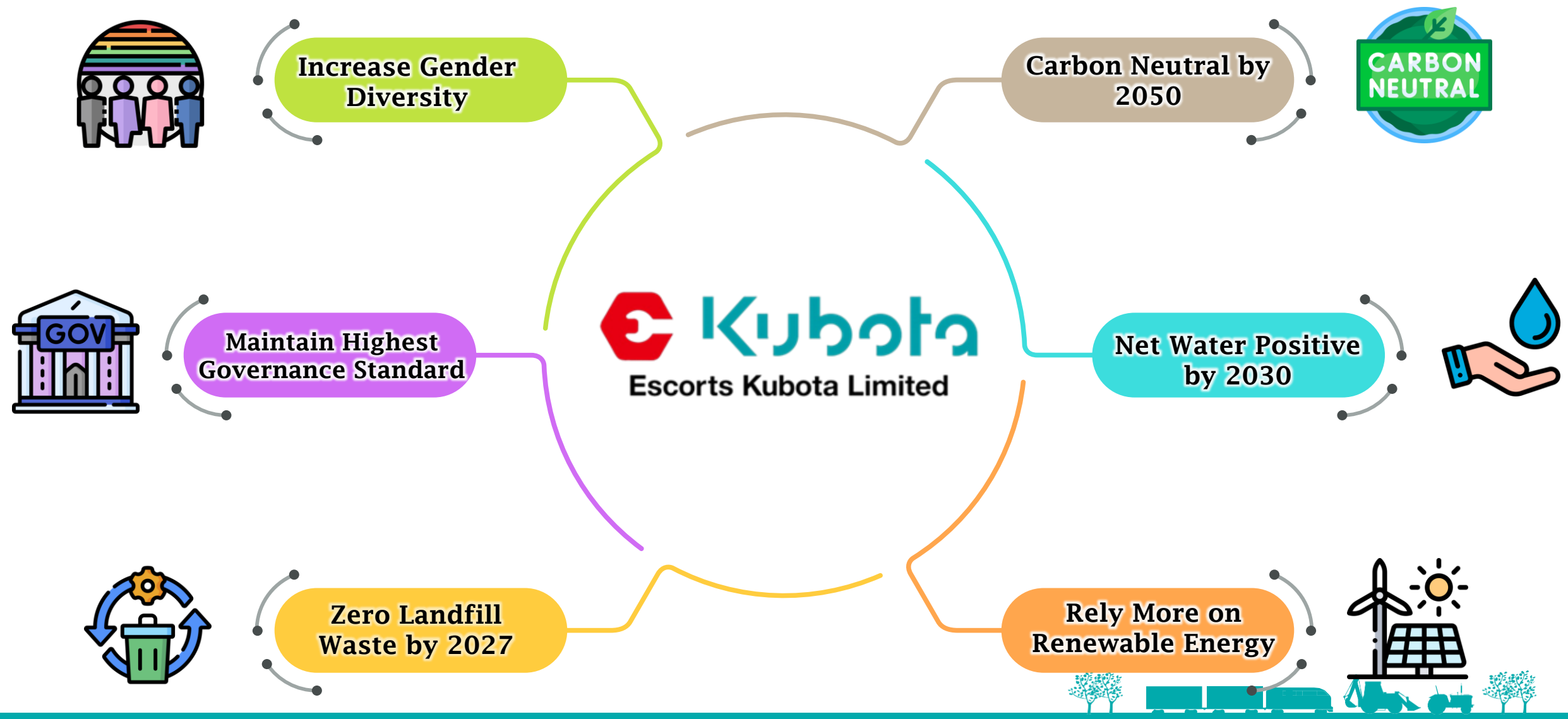
| Particulars | Unit | Q2FY25 | Q2FY24 | Q1FY25 | YoY (Change) | QoQ (Change) |
|-------------------------|-------|---------|---------|---------|-----------------|-----------------|
| Revenue from Operations | ₹ Cr. | 2,488.5 | 2,477.7 | 2,818.4 | 0.4% | -11.7% |
| Material Cost | % | 69.2% | 70.0% | 70.1% | -77 bps | -92 bps |
| Manpower Cost | % | 8.3% | 7.9% | 6.8% | 33 bps | 148 bps |
| EBIDTA | ₹ Cr. | 264.7 | 264.2 | 367.7 | 0.2% | -28.0% |
| EBIDTA Margin | % | 10.6% | 10.7% | 13.0% | -3 bps | -241 bps |
| Other Income | ₹ Cr. | 116.1 | 93.7 | 103.0 | 23.9% | 12.7% |
| PBT | ₹ Cr. | 307.1 | 290.2 | 398.1 | 5.8% | -22.8% |
| PAT | ₹ Cr. | 324.2 | 210.5 | 301.7 | 54.0% | 7.5% |
| EPS | ₹ | 29.48 | 19.18 | 27.46 | 53.7% | 7.4% |



H1 Consolidated Highlights – P&L at a Glance

| Particulars | Unit | H1FY25 | H1FY24 | YoY (Change) |
|-------------------------|-------|---------|---------|-----------------|
| Revenue from Operations | ₹ Cr. | 5,306.9 | 5,307.4 | 0.0% |
| Material Cost | % | 69.7% | 70.7% | -104 bps |
| Manpower Cost | % | 7.5% | 7.0% | 43 bps |
| EBIDTA | ₹ Cr. | 632.4 | 628.9 | 0.6% |
| EBIDTA Margin | % | 11.9% | 11.8% | 7 bps |
| Other Income | ₹ Cr. | 219.1 | 186.0 | 17.8% |
| PBT | ₹ Cr. | 705.2 | 683.2 | 3.2% |
| PAT | ₹ Cr. | 625.9 | 508.1 | 23.2% |
| EPS | ₹ | 56.94 | 46.31 | 23.0% |





Narrations

- **EKL** - Escorts Kubota Limited
- **FY** - Fiscal Year represents the 12 months period from 1st April to 31st March.
- **Q2FY24** - Represents the 3 months period from 1st July 2023 to 30th September 2023.
- **Q1FY25** - Represents the 3 months period from 1st April 2024 to 30th June 2024.
- **Q2FY25** - Represents the 3 months period from 1st July 2024 to 31st September 2024.
- **H1FY24** - Represents the 6 months period from 1st April 2023 to 31st September 2023.
- **H1FY25** - Represents the 6 months period from 1st April 2024 to 31st September 2024
- **QoQ** - Represents Quarter on Quarter
- **YoY** - Represents Year on Year
- **LY** - Represents Last Year
- **CY** - Represents Current Year
- **FT** - Farmtrac **PT** - Powertrac

- **AG** - Agri Machinery Products
- **CE** - Construction Equipment
- **RED** - Railway Equipment
- **BHL** - Backhoe Loader
- **SOM** - Share of Market
- **NPD** - New Product Developed
- **PnC** - Pick & Carry Crane
- **NSE** - National Stock Exchange of India
- **BSE** - Bombay Stock Exchange
- **EBIDTA** - Earnings Before Interest, Depreciation & Taxes
- **EBIT** - Earnings Before Interest & Taxes
- **PBT** - Profit Before Tax
- **PAT** - Profit After Tax
- **ROE** - Return on Equity, Calculated as PAT divided by Average capital employed.
- **ROCE** - Return on Capital Employed, calculated as EBIT divided by Average capital Employed for the quarter.



Safe Harbor

Certain statements in this document may include forward-looking comments and information concerning the company's plans and projections for the future, including estimates and assumptions with respect to economic, political, technological, weather, market acceptance and other factors that impact our businesses and customers. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Escorts Kubota Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

Accounting standard: Financials in presentation are as per IndAS.
All numbers are rounded off to nearest decimal



THANK
YOU



Contact Details

Investor Relations

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(CIN: L74899HR1944PLC039088)

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