



PPAP Automotive Limited

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11th February, 2019

The Listing Department
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400001

The Listing Department
The National Stock Exchange of India Limited
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400051

Sub: Sub: Media release on the Unaudited Financial Results of the Company for the quarter and nine months ended 31st December, 2018.

Dear Sir,

Please find attached herewith the media release on the Unaudited Financial Results of the Company for the quarter and nine months ended 31st December, 2018.

Kindly take the same on record.

Thanking you,

Yours truly,
For **PPAP Automotive Limited**


Sonia Bhandari
Company Secretary

Encl: As above



PPAP AUTOMOTIVE LIMITED

Registered Office: 54, Okhla Industrial Estate, Phase-III, New Delhi-110020

Financial Performance: 9MFY19

- Revenue from operations up 15.5% at Rs. 311.85 crore
- EBITDA margin at 19.2%
- PAT up 13% at Rs. 26.36 crore

Noida, February 11, 2019: PPAP Automotive Limited, a leading manufacturer of automotive sealings systems, interior and exterior automotive parts in India, has announced its financial results for the quarter and nine months ended December 31, 2018.

Particulars	Q3FY19	Q3 FY18	9MFY19	9M FY18
Revenue from operations	93.52	90.22	311.85	270.00
EBITDA	15.96	19.26	59.99	56.20
Margin (%)	17.1%	21.3%	19.2%	20.8%
PAT	5.94	8.18	26.36	23.32
Margin (%)	6.4%	9.1%	8.5%	8.6%
EPS	4.24	5.84	18.83	16.66

Revenue Explanation:

Revenue from operations for the quarter ended December 31, 2018 (Q3FY19) at Rs. 93.52 crore compared to Rs. 90.22 crore during the same period last year (Q3FY18) having registered a topline growth of 3.7%. The company recorded a growth in the topline inspite of a degrowth of 9.0% in the Passenger Vehicle market during the quarter under review.

The Company derived 98% of sales from the Passenger Vehicle segment of the Indian Automotive Industry. The company's automotive sealing products were used in 72% of total Passenger Vehicles (PV) produced at 8.87 lacs in India in Q3FY19. Maruti Suzuki including Suzuki Motors Gujarat continue to remain PPAP's top customer accounting for 49% of the Part Sales. The Company's second biggest customer, Honda has contributed 28% to the company's topline of this quarter.

The Company has started producing parts for the following new models launched during the quarter under review: -

Customer Name	Model
Maruti Suzuki India Ltd. (MSIL)	Wagon R
	Ertiga
Tata	Harrier

The revenue from operations for the current year till date (9MFY19) stood at Rs. 311.85 crore compared to Rs. 270 crore during the same period last year (9MFY18) registering an increase of 15.5%. In the mid-term, the Company continues to exhibit strong sales performance and continues to grow at a higher rate than that of the industry.

The Company continues to focus on developing strong relationships with its customers in the Indian Automotive Industry. The company is currently developing parts for 24 new models that are expected to start production within the next 2 years. The company continues to scout for value added opportunities in the Passenger Vehicles, Commercial Vehicles and the Two Wheeler segments. During the quarter, 25% of the part sales were derived from new vehicle launches.

Profitability Explanation:

The Company reported Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) of Rs. 15.96 crore in Q3FY19, as against Rs 19.26 crore in the corresponding quarter of last fiscal and PAT of Rs. 5.94 crore for Q3FY19, as compared to Rs. 8.18 crore in Q3FY18. The quarter under review saw an unprecedented drop of sales of PV which impacted the profitability of the Company in the short term. The adverse trend in commodity prices and delay in foreign exchange compensations also impacted the bottom line. However, the Company continues to find avenues to negate the adverse trends.

The Company reported EBITDA of Rs. 59.99 crore in 9MFY19, as against Rs 56.2 crore, registering an increase of 6.7%. In spite of the adverse trends, the company continues to exhibit a robust EBITDA margin of 19.2%. The Company's PAT increased by 13% to Rs. 26.36 crore for 9MFY19 as compared to Rs.23.32 crore for 9MFY18. The Company sustained the PAT margin at 8.5%.

Earnings per share (EPS) for Q3FY19 stood at Rs 4.24 and for 9MFY19 stood at Rs 18.83.

Commenting on the performance, **Mr. Ajay Kumar Jain, Chairman and Managing Director of PPAP** said, "The passenger car industry is facing short term challenges due to poor market sentiments due to natural calamities, vehicle financing issues and high oil prices. These challenges have impacted the financial performance of the Company in the short term. However, the Company continues to outperform the growth of the industry. We have accelerated the improvement of all performance parameters so as to ensure much better results, no sooner better sentiments return to the market."

About PPAP Automotive Limited (www.ppapco.in; BSE: 532934; NSE: PPAP)

PPAP Automotive Limited (PPAP) is a leading manufacturer of Automotive Sealing Systems, Interior and Exterior Automotive parts in India. The Company's state of the art manufacturing facilities are located in Northern, Western and Southern India viz. Noida (U.P.), Surajpur (U.P.), Pathredi (Rajasthan), Vallam Vadagal (Tamil Nadu), and Viramgam (Gujarat). The registered office of the Company is located at New Delhi. The Company has capability to extrude up to four materials in the same profile according to customer specifications. It has capability of processing engineering plastics like PVC, PP, ABS and TPO. All the facilities are equipped with the latest technology available today for Polymer Extrusion as well as Injection Molding, its areas of core competence.

Established in 1978 for the manufacture of custom-made extrusion products, the Company commenced the automotive parts business in 1985 with the start of production of Maruti (Maruti Suzuki) cars in the Indian market. Over the years, PPAP has been continuously adding more and more products for its ever-expanding customer base. Today, the Company manufactures over 500 different products for its customers and continuously targets to achieve zero ppm in Quality and Delivery performance for all its customers. The Company's customers include prestigious manufacturers like Maruti Suzuki India Limited, Honda Cars India Limited, Suzuki Motors Gujarat Limited, General Motors India Private Limited, Toyota Kirloskar Motor Private Limited, Renault Nissan Automotive India Private Limited, Tata Motors Limited, Ford India Private Limited, Volkswagen and Mahindra and Mahindra Limited along with other OEM's. The Company also caters the requirements of their respective Tier 1 suppliers.

For more information contact:

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