



CEAT LTD.
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CIN: L25100MH1958PLC011041
www.ceat.com

October 25, 2018

National Stock Exchange of India Limited

Plot No. C/1, "G" Block, Exchange Plaza,
Bandra Kurla Complex, Bandra (East),
Mumbai 400 051

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai 400 001

Symbol: CEATLTD

Security Code: 500878

Dear Sir/Madam,

Sub: Intimation of earning conference call for Unaudited Financial Results for quarter and half year ended September 30, 2018.

In continuation to our letter dated October 16, 2018, please note following dial-in details for the earning conference call scheduled on October 26, 2018 at 4.00 p.m., together with investor presentation for the quarter and half year ended September 30, 2018:

Location	Number (Toll-free)
India (Universal)	+91 70456 71221
India (Mumbai)	+91 22 7115 8047 / +91 22 6280 1146
USA	18667462133
UK	08081011573
Singapore	8001012045
Hong Kong	800964448

We request you to kindly take the same on your record.

Thanking you,

Sincerely,
For **CEAT Limited**

Valarj Gupte
Company Secretary & Compliance Officer

✓ Encl: As above



Disclaimer

This presentation may include statements which may constitute forward-looking statements. All statements that address expectations or projections about the future, including, but not limited to, statements about the strategy for growth, business development, market position, expenditures, and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements, could thus differ materially from those projected in any such forward-looking statements.

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Section 1: RPG Group Overview

RPG Group: Powered by Passion, Driven by Ethics

**UNLEASHTALENT
TOUCHLIVES
OUTPERFORM
AND😊**

RPG Enterprises was founded in 1979. The group currently operates in various industries - Infrastructure, Technology, Life Sciences, Plantations and Tyre Manufacturing. The group has a history of business dating back to 1820 AD in banking, textiles, jute and tea. The Group grew in size and strength with several acquisitions in the 1980s and 1990s. CEAT became a part of the RPG Group in 1982, which is now one of India's fastest growing conglomerates with 20000+ employees, presence in 100+ countries and annual gross revenues of ~\$3 Bn.



KEC International

World leader in Power Transmission EPC space



CEAT

One of India's leading manufacturer of automobile tyres



Zensar Technologies

Software services provider spread across 20 countries, 400+ customers.



RPG Life Sciences

Pharma company with wide range medicines in global generics and synthetic APIs.



Raychem RPG

Engineering products and services catering to infrastructure segment of the economy.

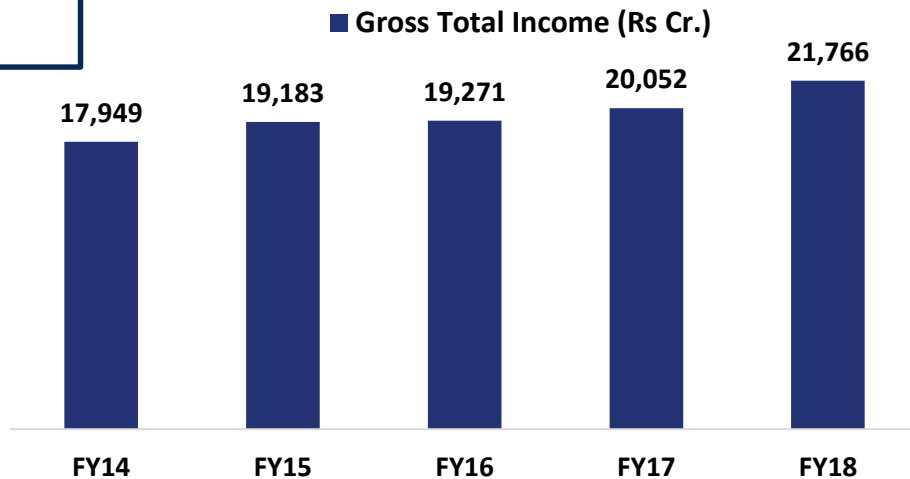


Harrisons Malayalam

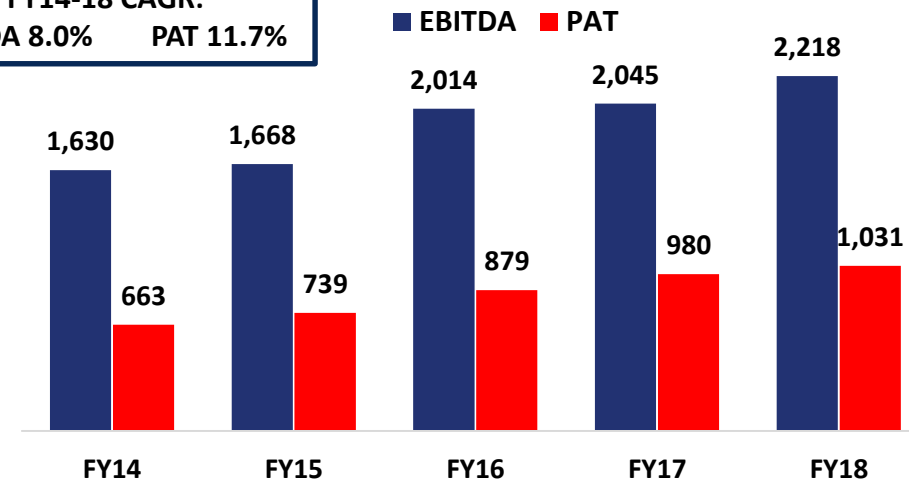
One of India's largest plantation companies with tea, rubber and other agro products.

RPG Group: Key Financials

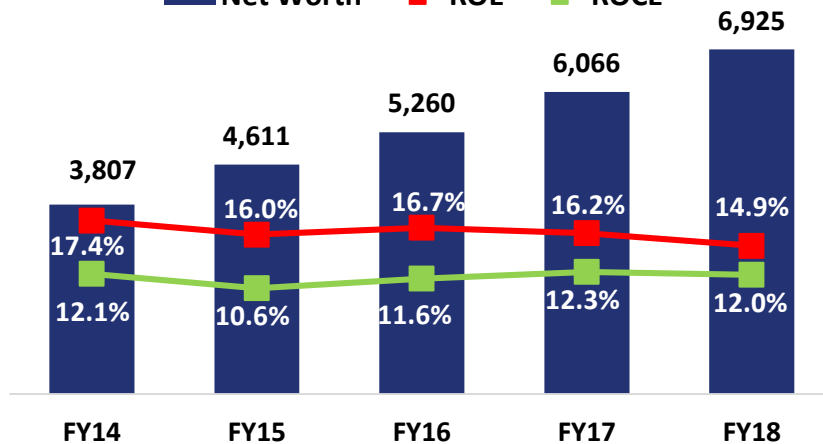
FY14-18
CAGR: 4.9%



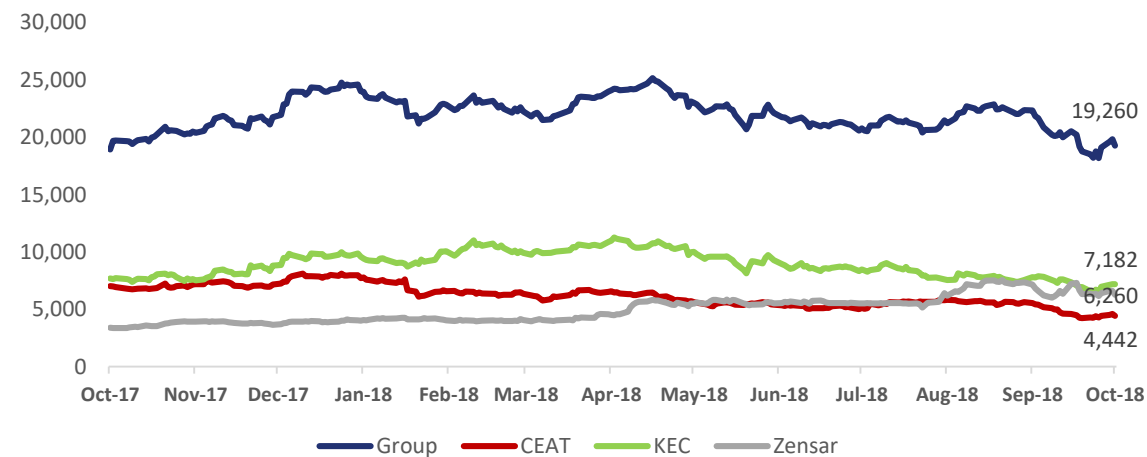
FY14-18 CAGR:
EBITDA 8.0% PAT 11.7%



Net Worth ROE ROCE



Market Cap



Note:

- 1) ROCE is calculated by taking EBIT*(1-ETR) divided by Capital Employed
- 2) ROE is calculated by taking PAT divided by Net-worth
- 3) Market Cap updated till 18th July 2018

Section 2: Business Overview

Board of Directors



Harsh Vardhan Goenka
Chairman, Non Executive Director



Anant Vardhan Goenka
Managing Director



Arnab Banerjee
Whole -Time Director



Atul C. Choksey
Non Executive
Independent Director



Pierre E. Cohade
Non Executive
Non Independent Director



Hari L. Mundra
Non Executive
Non Independent Director



Haigreve Khaitan
Non Executive
Independent Director



Mahesh S. Gupta
Non Executive
Independent Director



Paras K. Chowdhary
Non Executive
Independent Director



Punita Lal
Non Executive
Independent Director



Ranjit Pandit
Non Executive
Independent Director



S. Doreswamy
Non Executive
Independent Director



Vinay Bansal
Non Executive
Independent Director

Leadership Team

Anant Goenka



Managing Director

Kumar Subbiah



Chief Financial Officer

Arnab Banerjee



**Executive Director
- Operations**

Milind Apte



**Senior Vice President
- Human Resources**

Tom Thomas



**Executive Director - Projects &
Chief Mentor Technology**

Dilip Modak



**Senior Vice President
- Manufacturing**

Chandrashekhar Ajgaonkar



**Senior Vice President
- Quality Based Management**

Peter Becker



**Senior Vice President
- R&D and Technology**

India's leading tyre company with over **50** yrs of presence

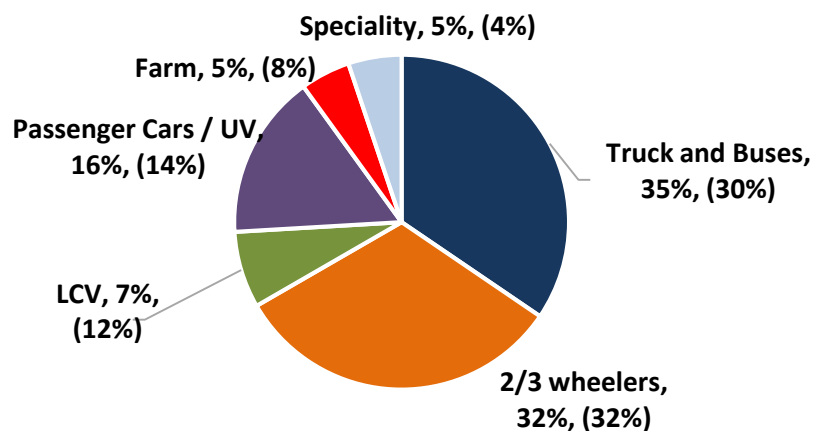
Distribution Network : **4,500+** dealers, **500+** exclusive CEAT franchisees

6 Manufacturing facilities - Bhandup, Nasik, Halol, Nagpur, Ambernath & Sri Lanka

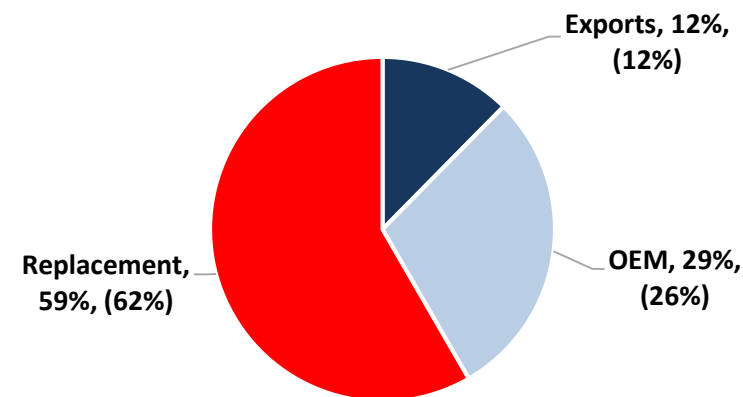
100+ countries where products are sold with strong brand recall

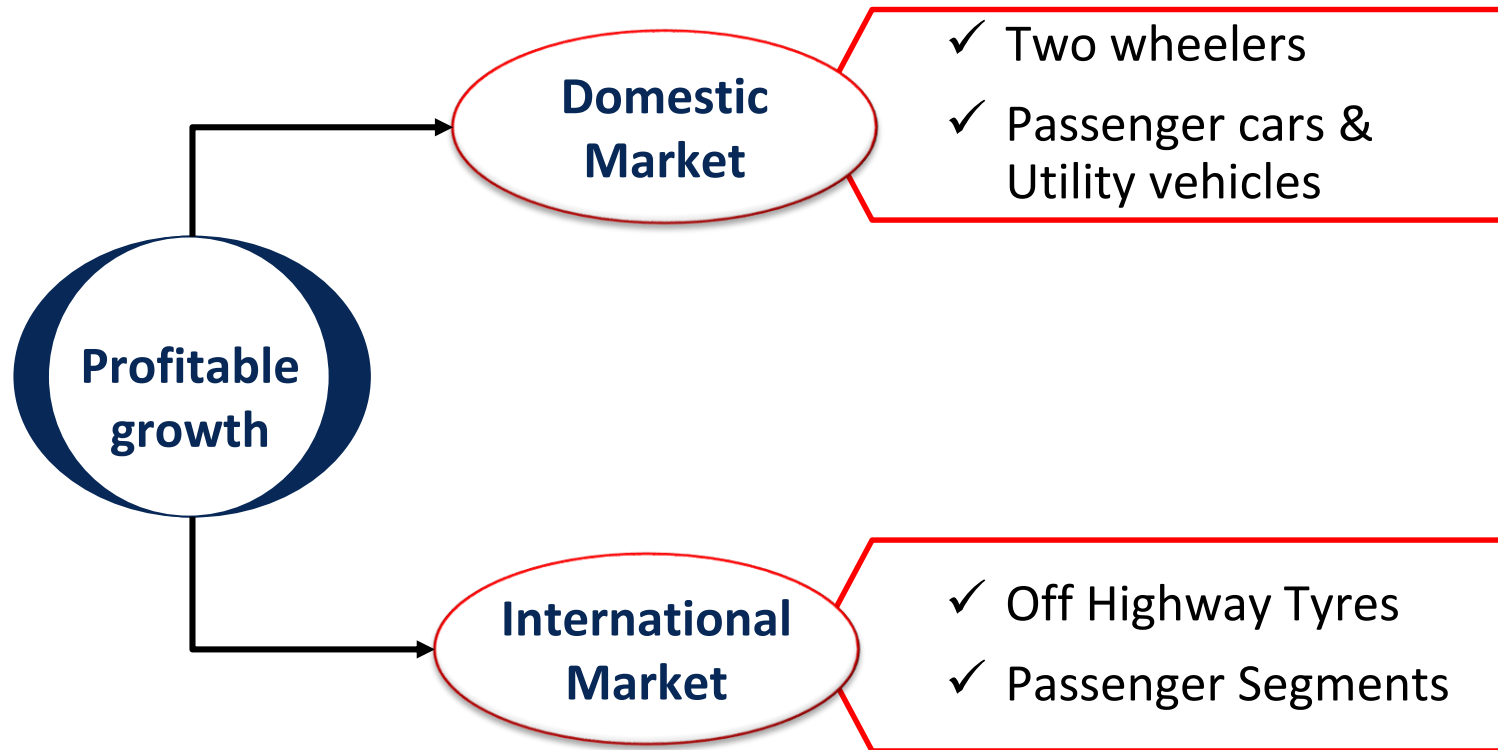
#No 1 player in Sri Lanka in terms of market share

H1 FY19 Revenue Breakup by Product



H1 FY19 Revenue Breakup by Market





1 Differentiated Products

2 Strong Brand

3 Extensive Distribution

4 Deep OEM Partnerships

5 World Class R&D

6 Expanding Global Reach

1 Differentiated Products

New Entries and Supplier to OEM's



Key developments

- Focus on OEM, recent entries in new models** – Ashok Leyland Dost, Mahindra E Alpha, Bajaj New Platina, Honda Cliq, Ashok Leyland Stag and Partner, Tork T6X, Hero Motocorp Achiever 150, Renault Kwid, Himalayan ABS (Royal Enfield), **The Ace Deluxe – Cleveland Cycleworks**
- Recent entries into OEM's existing models** – Bajaj Pulsar 150, Honda (Livo, Shine and Dream Yuga), Bajaj Pulsar 160, Tata Motors TBR, AL Partner LCV, Escort Tractors, Wagon R, Zylor, Daimler Truck Radials, Suzuki Gixxer, RE Classic, Yamaha FZ, Volvo etc.
- Platforms** like Fuelsmart, Gripp, Mileage X3, SecuraDrive etc.

2 Strong Brand

CEAT became the official tyre partner of Torino FC, an elite Serie A football club based in Italy



CEAT Launched its SecuraDrive platform of tyres targeting Superior Control at Higher Speed



3 Extensive Distribution

Shoppe



Shop in Shop (SIS)



Distribution Network

- 4,500+ dealers
- 500+ CEAT Franchisees (Shoppes + Hubs)
- 280+ two-wheeler distributors
- Developed Multi Brand Outlet / Shop in Shop model over last 2 years. Over 400 outlets so far
- Launched CEAT Bike Shoppes in Bangalore and Kolkata

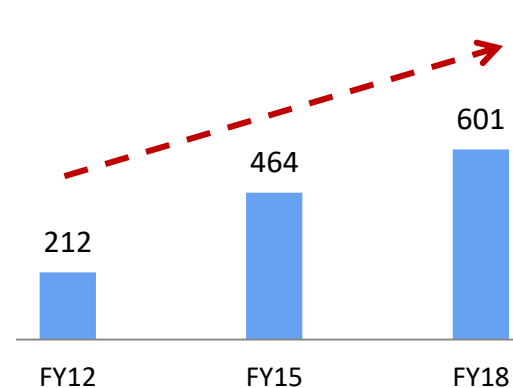
Multi Brand Outlet (MBO)



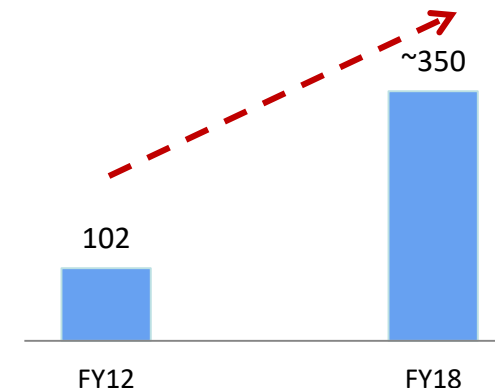
Bike Shoppe



District coverage



No. of CEAT Shoppes



4 Deep OEM Partnerships



5 World Class R&D

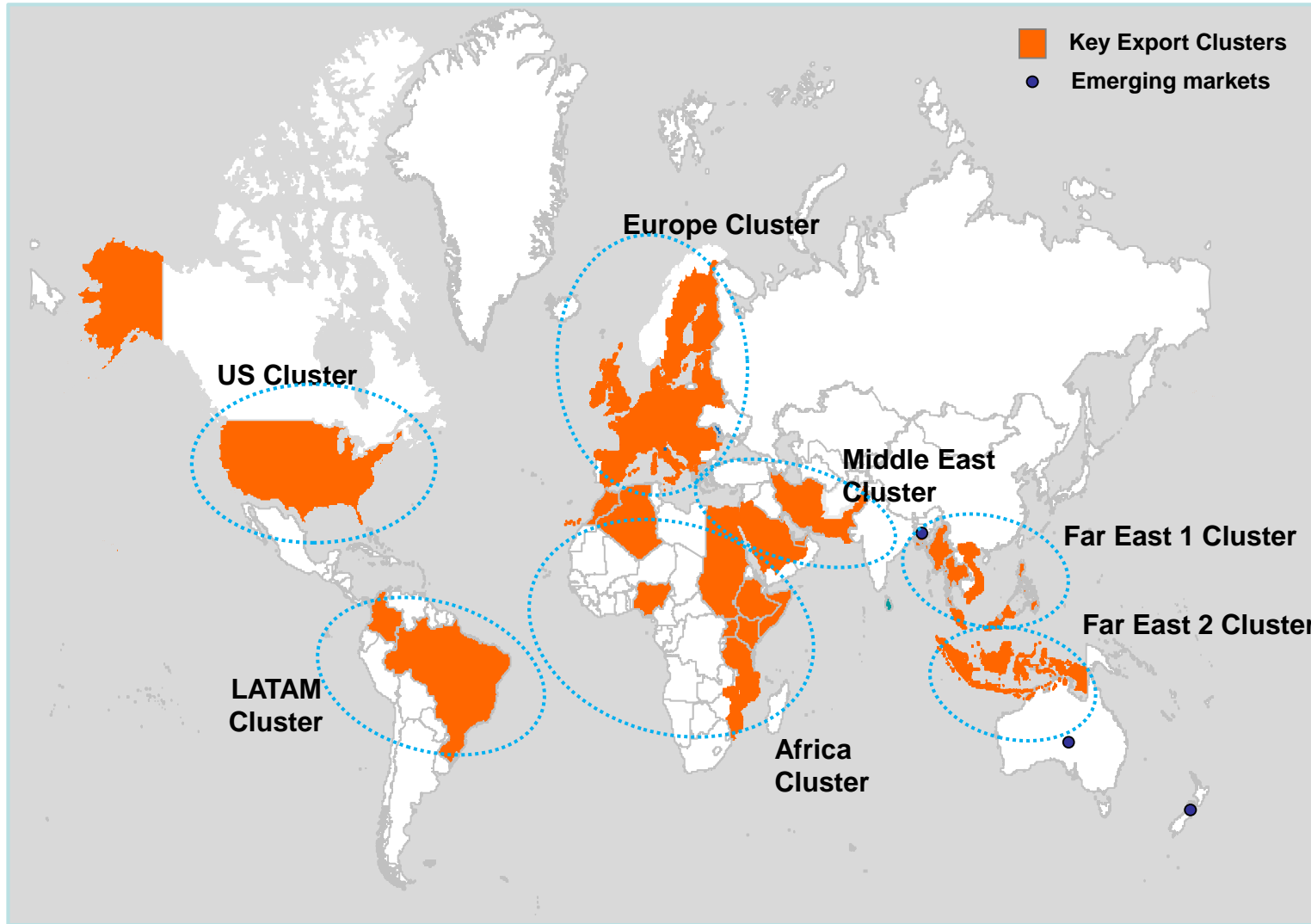


- State of the art R&D facility at Halol plant
- R&D focussed on development of breakthrough products, alternate materials, green tyres & smart tyres
- Partnerships with global institutes and technology partners

Breakthrough Products

- “Puncture Safe” tyres for Two Wheelers – India’s 1st Self Sealing tyre
- “FuelSmarrt Tyres” for Passenger Cars – Reduced rolling resistance, less fuel consumption and more savings
- “Milaze Tyres” for SUV segment– Higher mileage up to 1,00,000 kilometers

6 Expanding Global Reach



- Exports to 90+ Countries in 7 clusters
- Sri Lanka: Manufacturing facility and Leadership position in the market and with 50+% market share
- Focused product and distribution strategy for select clusters and countries

Section 3: Operational & Financial Overview

Q2 FY19 Operational Highlights

Manufacturing Excellence



CEAT's Nagpur plant awarded the British Safety Council's 'Sword of Honor'

OEM Model Entry



Ace Deluxe Cleveland Cycleworks

Consolidated: Q2 FY19 Financial Highlights

Q2 FY19 v/s Q1 FY19 (Q-o-Q)

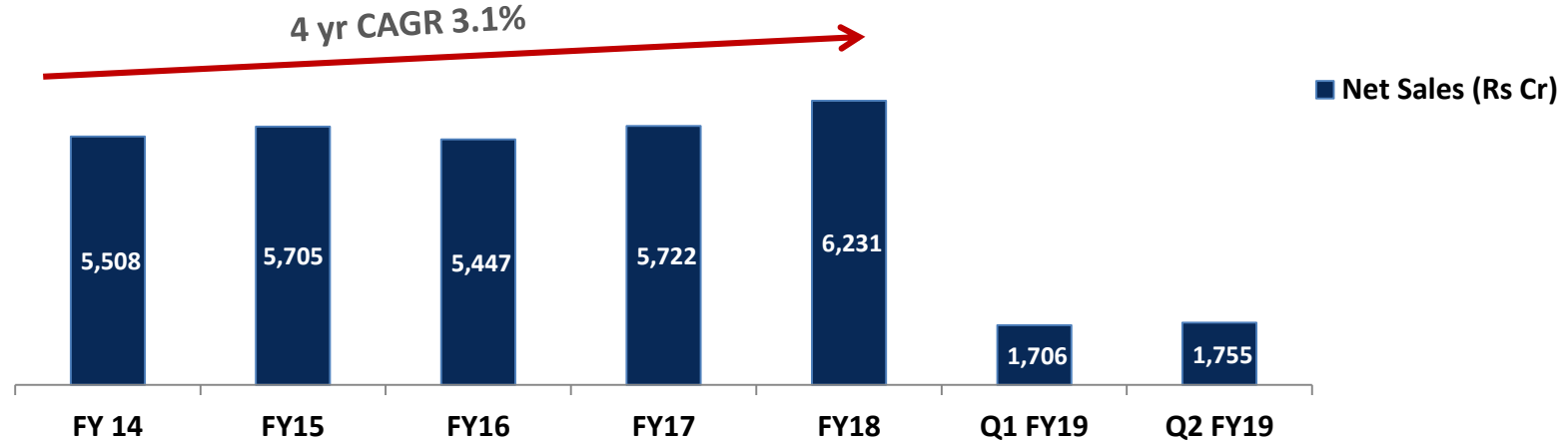
- Net revenue from operations increased by 2.8% at INR 1,755 Crs from INR 1,706 Crs
- Gross margins remained flattish at 39.3%
- EBITDA stood at INR 165 Crs compared to INR 181 Crs; margins at 9.4% from 10.6%
- PAT stood at INR 63 Crs compared to INR 71 Crs
- Debt / equity at 0.34x compared to 0.28x

Q2 FY19 v/s Q2 FY18 (Y-o-Y)

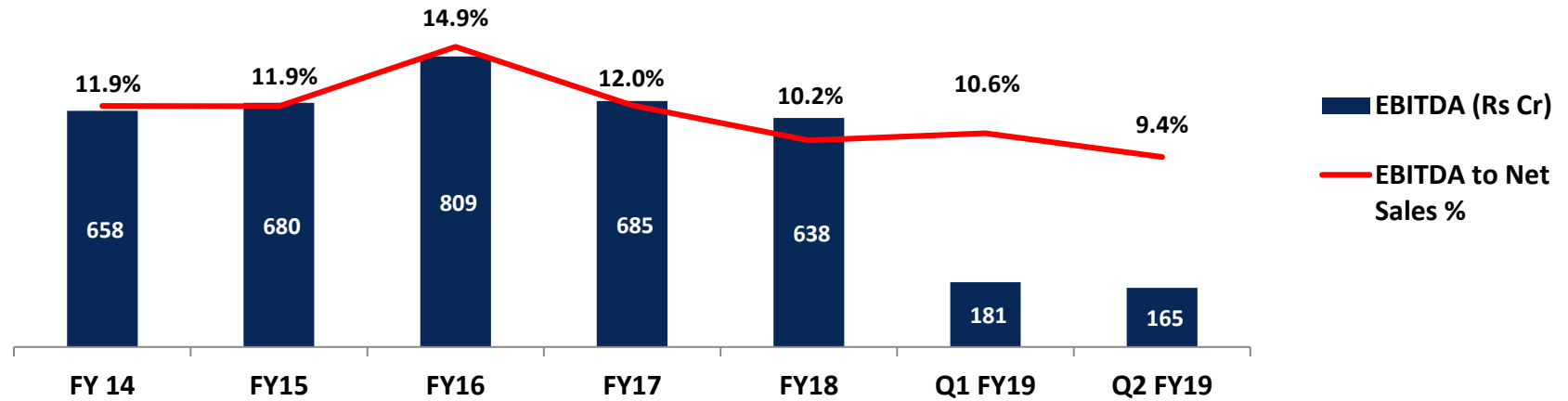
- Net revenue from operations increased by 15.2% at INR 1,755 Crs from INR 1,523 Crs
- Gross margins contracted marginally to 39.3% from 39.4%
- EBITDA stood at INR 165 Crs compared to INR 181 Crs; margins at 9.4% from 11.9%
- PAT stood at INR 63 Crs compared to INR 73 Crs
- Debt / equity at 0.34x compared to 0.41x

Consolidated: Financial Trends

Revenue growth



Margin trends



Note

FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods

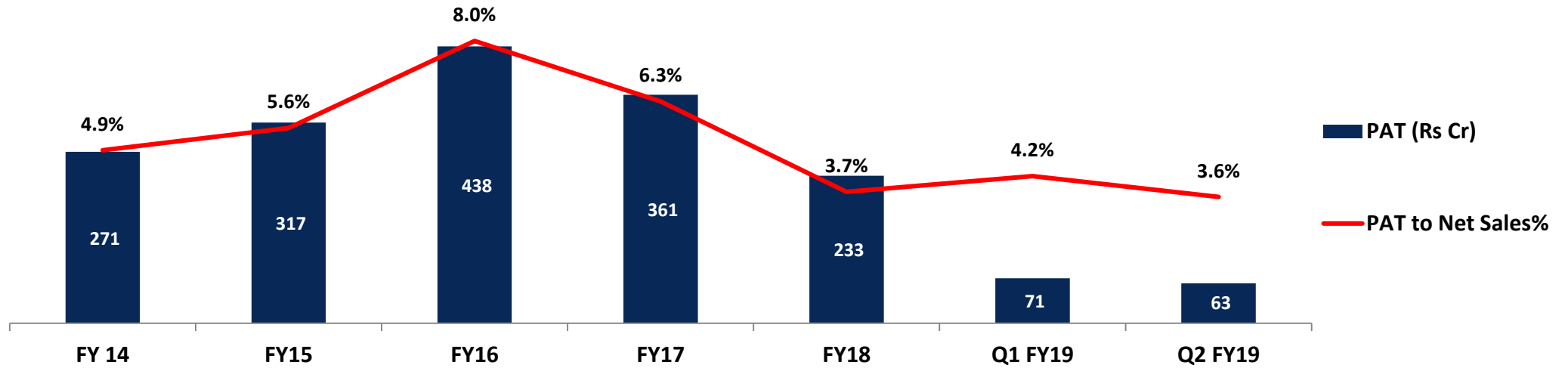
FY16 onwards the Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

FY16 onwards the EBITDA includes profit from Sri Lanka JV

EBITDA does not include Non-operating income

Consolidated: Financial Trends

PAT trends



Notes

FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods

Consolidated: Q2 FY19 Financials

Parameter	Q2 FY18	Q1 FY19	Q2 FY19	QoQ	YoY
Net Revenue from operations	1,523	1,706	1,755	3%	15%
Raw Material	923	1,035	1,065	3%	15%
Gross margin	600	671	690	3%	15%
Gross margin %	39.4%	39.3%	39.3%	Flattish	-8 bps
Employee Cost	111	119	142	19%	28%
Other Expenses	314	377	389	3%	24%
EBITDA	181	181	165	-9%	-9%
EBITDA %	11.9%	10.6%	9.4%	-118 bps	-249 bps
Finance Cost	24	20	19	-9%	-22%
Depreciation	41	46	48	4%	17%
Operating PBT	117	114	99	-14%	-15%
Exceptional expense	8	2	2	-13%	-75%
Non-Operating income	6	4	3	-11%	-49%
PBT	115	116	100	-13%	-13%
PAT	73	71	63	-12%	-14%

Notes

Figures are as per IND AS

Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

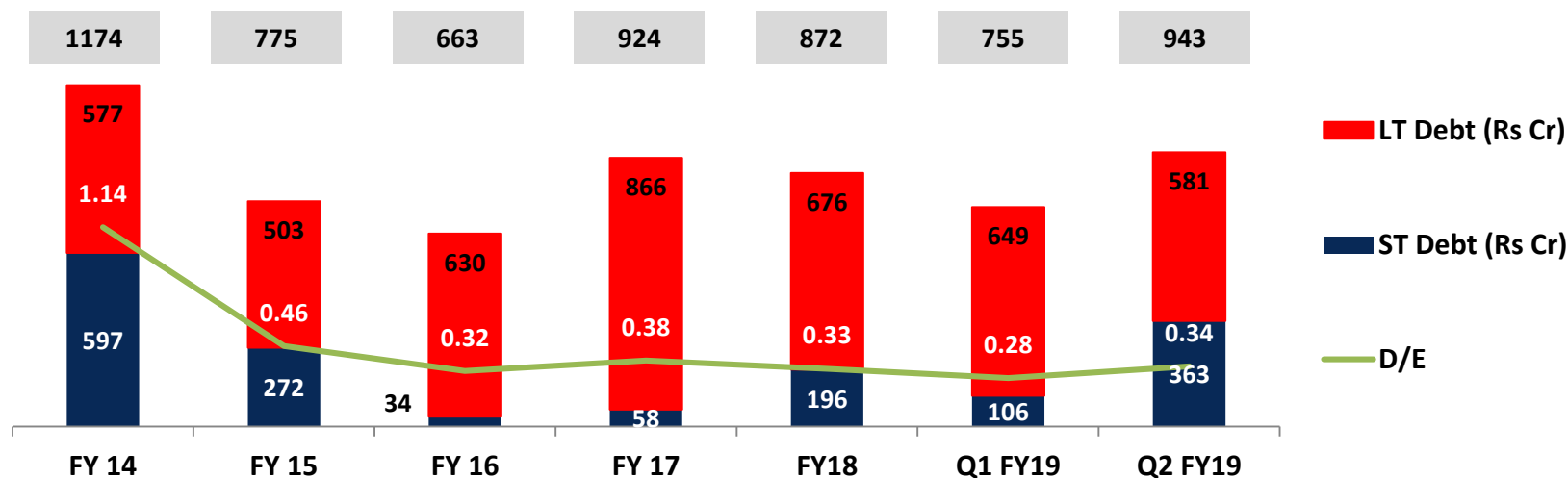
EBITDA includes profit from Sri Lanka JV

EBITDA does not include Non- operating income

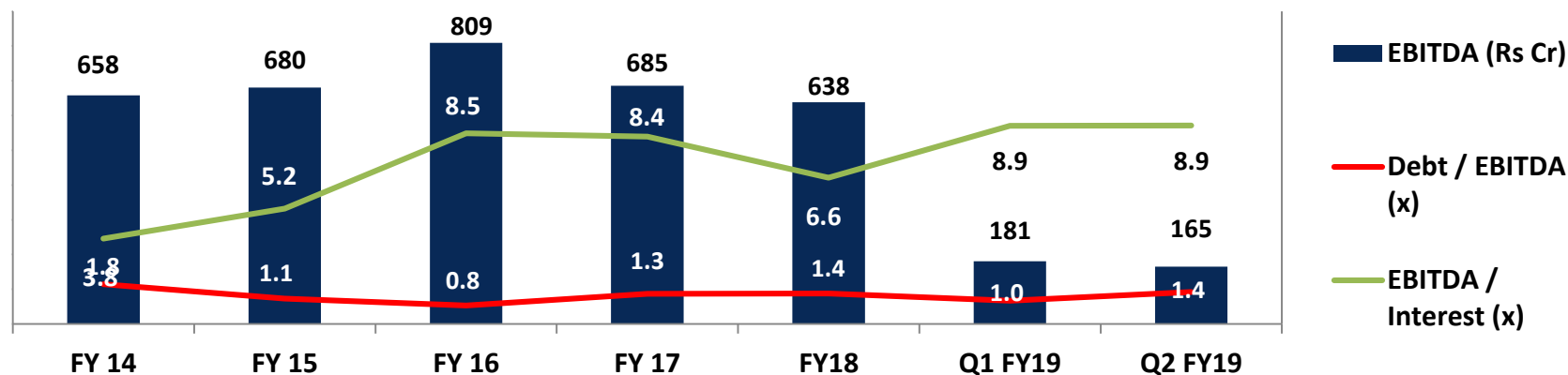
Consolidated: Leverage / coverage Profile

Total Debt
(INR Cr)

Debt breakup



Leverage ratios



Note

FY16 onwards the figures are per IND AS; Other financial figures are as per IGAAP as published in previous periods

Company's investment in Sri Lanka JV is accounted using Equity method under IND AS which was earlier consolidated using proportionate consolidation method

EBITDA includes profit from Sri Lanka JV; EBITDA does not include Non- operating income

For Debt / EBTIDA, quarterly EBITDA has been annualised

For debt break-up, we have reclassified Current Maturities of Long Term Debt under Long Term debt

Standalone: Q2 FY19 Financials

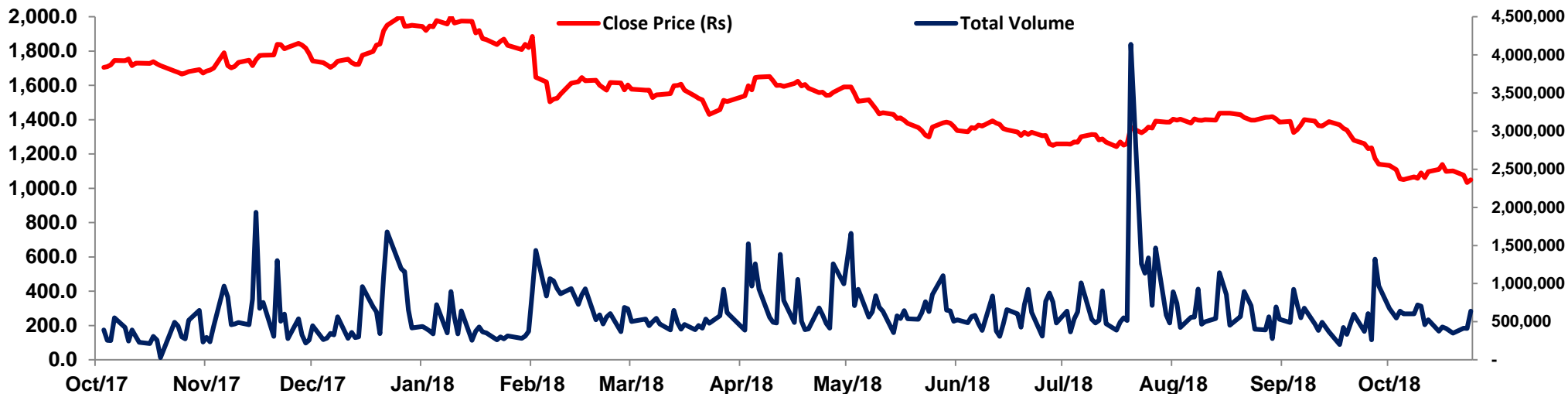
Parameter	Q2 FY18	Q1 FY19	Q2 FY19	QoQ	YoY
Net Revenue from operations	1,512	1,674	1,718	3%	14%
Raw Material	920	1,028	1,058	3%	15%
Gross margin	592	646	660	2%	12%
Gross margin %	39.2%	38.6%	38.4%	-15 bps	-72 bps
Employee	105	110	132	19%	25%
Other Expenses	306	362	372	3%	22%
EBITDA	182	174	157	-10%	-14%
EBITDA %	12.1%	10.4%	9.1%	-127 bps	-293 bps
Finance Cost	23	15	13	-16%	-45%
Depreciation	41	41	44	5%	7%
Operating PBT	118	118	100	-15%	-15%
Exceptional expense	1	2	2	-13%	256%
Non-Operating income	8	6	12	118%	46%
PBT	125	121	111	-8%	-12%
PAT	83	78	75	-3%	-10%

Notes

Financials are as per IND AS

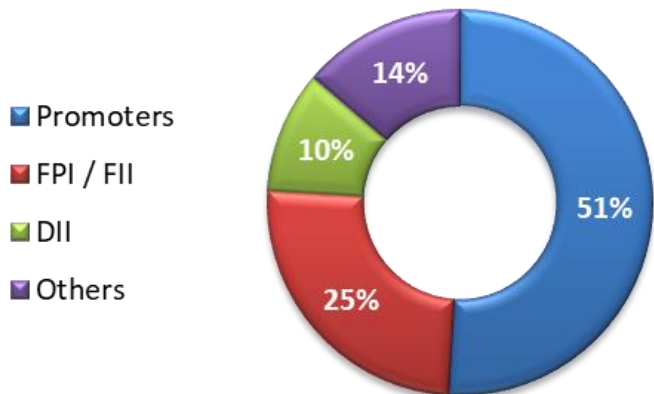
EBITDA does not include Non- operating income

Equity Shareholding & Price trends



Source : Capitaline. The above data is updated till 24th October, 2018

Shareholding Pattern as on Sep 30, 2018



Market Information

- Market Price (October 25): INR 1,049/share
- Face Value : INR 10/share
- Market Cap (October 25): INR 4,244 Cr

T H A N K Y O U