ACE

Action Construction Equipment Ltd

RESULTS PRESENTATION - Q3 FY13

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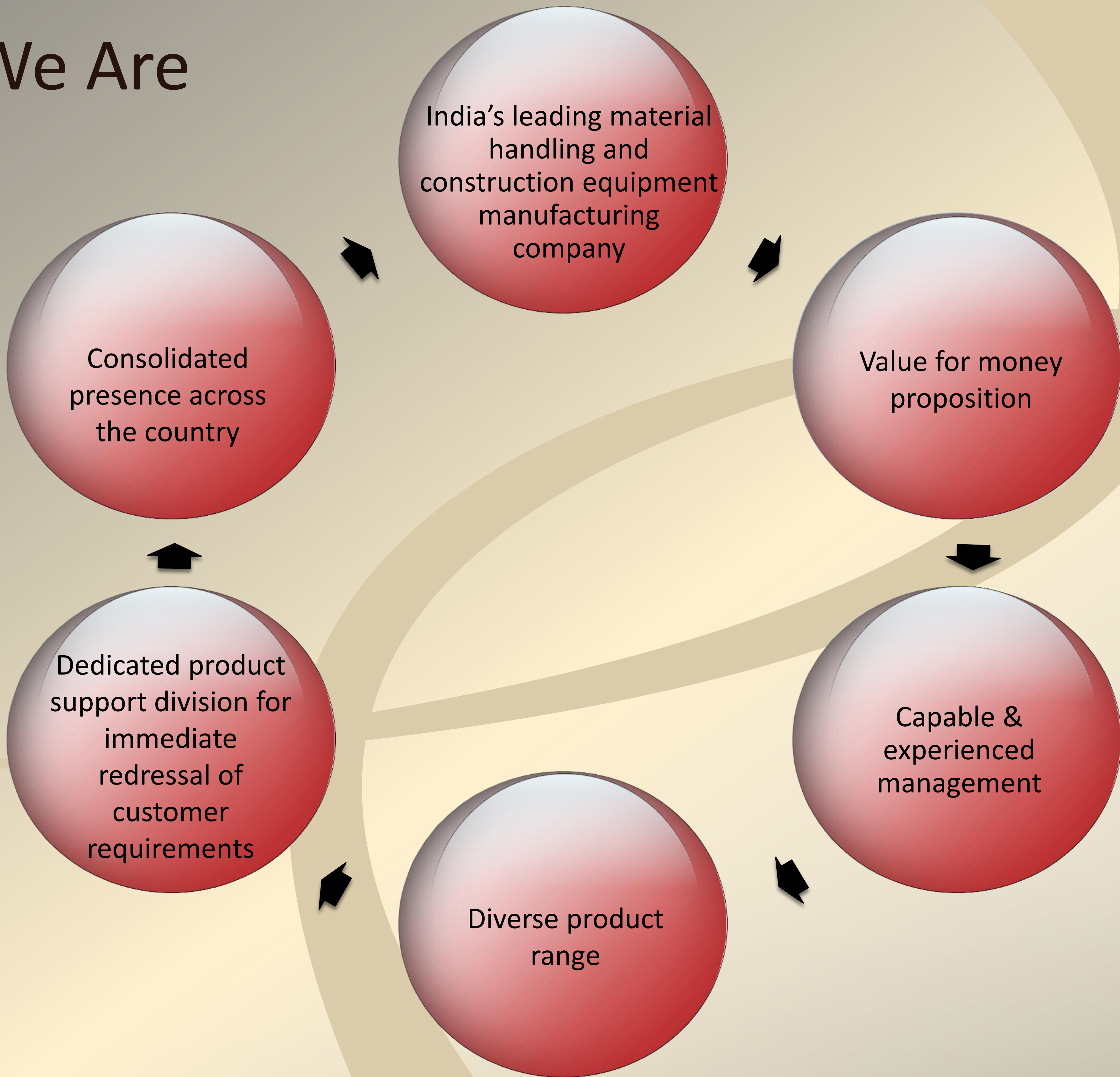
Who We Are


India's leading material handling and construction equipment manufacturing company
Value for money proposition
Capable & experienced management
Diverse product range
Dedicated product support division for immediate redressal of customer requirements
Consolidated presence across the country

Business Segments

- ACE
  - Mobile Cranes
  - Agri Equipment
  - Material Handling / Construction Equipment

ACE in India

Expansive infrastructure in place

- Huge manufacturing facility in place for future expansion needs
- Diversified into new product categories on a continuing basis leveraging our infrastructure and strong R&D facilities to provide customers with solutions across product range

Strong Competitive Position

- Edge over competitors - products are very competitively priced and can compete with cheap imports
- Endeavour to provide the fastest after-sales product support through a countrywide network of dealers and offices

Strong emphasis on R&D

- Most ACE Products are CE Certified
- ISO 9001 Certified company's standards
- Skilled pool of research and development professionals continue to innovate and churn out high quality and technologically advanced products
- Only construction company in India whose R&D department recognised by DSIR – GOVT. of INDIA

Q3 FY13 Business Update

Mobile Cranes

- Revenues for the quarter stood at Rs. 96.9 crore
- PBIT stood at Rs. 6.0 crore
- Continue to hold leadership position

Material Handling / Construction Equipment

- Revenues for the quarter stood at Rs. 26.9 crore
- PBIT stood at Rs. (0.36) crore
- Greenshoots visible in the sector – to drive growth once demand picks up

Agri Equipment

- Revenues for the quarter stood at Rs. 45.5 crore
- PBIT stood at Rs. 2.9 crore
- Introduction of Harvester Combine
  - In line with the company's focus on agricultural equipment segment & to ride the wave of increased mechanisation the company has introduced "Harvester Combines"
  - The product has undergone testing phase and will be announced in the market shortly
  - The market size of this category is estimated at ~Rs 500 crore
  - Entry into this high margin and low competitive intensive category will help boost margins and profitability.

FINANCIAL RESULTS & OPERATING HIGHLIGHTS - Q3 FY2013

Financial Overview

Q3 FY13 Highlights

- Total Income stood at ₹170.9 crore
- EBIDTA (incl. other income) at ₹ 9.1 crore
- PBT at ₹ 2.7 crore
- PAT stood at ₹ 1.5 crore
- Diluted EPS at ₹ 0.15
- Loss due to forex at ₹ 5.8 crore

9M FY13 Highlights

- Total Income stood at ₹ 496.9 crore
- EBIDTA (incl. other income) at ₹ 23.9 crore
- Profit before tax at ₹ 6.2 crore
- Profit after tax stood at ₹ 4.1 crore
- Loss due to forex at ₹ 8.4 crore

MD’s Message

Commenting on the results, Mr.Vijay Agarwal, Managing Director, ACE said, “The macro environment continues to be challenging for the infrastructure and construction sector and our results are a reflection of these difficult times. We have, however, over the last two months seen some initiatives taken on the policy front which are resulting in a gradual change of sentiment.

We continue to focus strongly on execution and expanding our product portfolio and customer base. As the environment improves, I believe ACE is optimally positioned to derive value on the back of its established brand name, large customer base and an expansive product portfolio and dealer network”

Business Outlook

Environment

- Agriculture & infrastructure and construction sector are expected to be the key drivers of the economy
- The 12th Five year Plan envisages an investment of $1 trillion for the development of infrastructure sector
- Order inflows have started flowing, however in an intermittent fashion leading to better revenue visibility over the next year

ACE

- Leverage established brand name and presence to capitalize on opportunity and drive growth
- Expansive infrastructure & capacity provides us the ability to rapidly capture the increased demand
- Continued innovation to enhance and expand product portfolio
- Consolidated presence across the length and breadth of the country to help push sales of other products

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