Q4 & FY25 ANALYST UPDATE

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Management Commentary: FY25 Performance

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BFL 3 Month Report: "in Q4 FY25, The company recorded Standalone Revenues of Rs 2,163 Crores and EBITDA of Rs 629 Crores (EBITDA margins of 29.1%) and PBT of Rs 494 crores. For the full year, revenues marginally dipped to Rs 8,844 Crores as against 8,969 Crores in FY24. EBITDA at Rs 2,524 Crores (EBITDA margins of 28.5%) and PBT at Rs 1,972 Crores saw a marginal improvement as compared to FY24. Balance sheet remained robust with cash on books of Rs 2,623 Crores. At a consolidated level, revenues remained flat at Rs 15,123 Crores as against Rs 15,682 Crores in FY24. EBITDA margins improved from 16.4% to 18.2%.

During the quarter the company secured new orders worth Rs 4,343 Crores including Rs 3,417 Crs towards the ATAGS order. As of March 2025, the defence order book stood at Rs 9,420 Crores. Bharat Forge group secured new orders worth Rs 6,959 Crore in FY25 with Defence accounting for 70% of those.

The ferrous castings business has had a strong year with revenues growing by 23%, EBITDA by 35% and doubling of profits as compared to FY24 with key return ratios exceeding 20%. As JSA continues to gain market share in the small casting segment, it is also embarking on a path to expand their product offerings and enhance their productivity to deliver strong operating leverage.

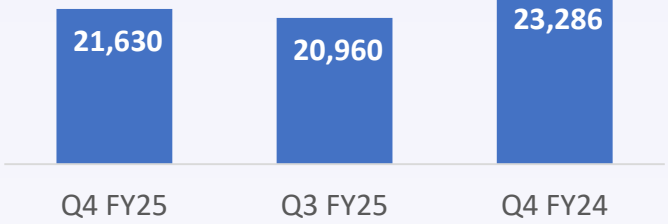
For FY26, as of now, we are refraining from providing any outlook for the export business (30% of consolidated revenues) due to volatility & lack of visibility caused by the tariff situation. Our focus will be on improving the consolidated profitability driven by the following internal actions; reducing losses in the E-Mobility vertical; evaluating options for the steel business in Europe; improving operational performance in the Aluminum business leading to meaningful reduction in losses; leveraging our manufacturing footprint in North America to garner new business; focus on new business wins in traditional forgings, Defence, Aerospace & castings business to ensure continuation of momentum. The integration of AAM India business will occur in FY26 and we will leverage that platform to further our product portfolio and presence in India."

B.N. Kalyani,
Chairman & Managing Director

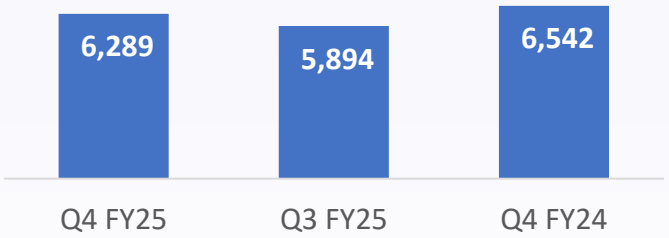
Standalone Financial Highlights Q4 & FY25

Rs million

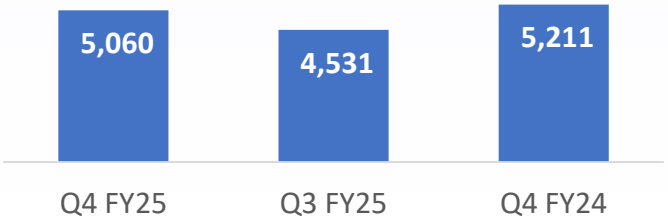
Revenue



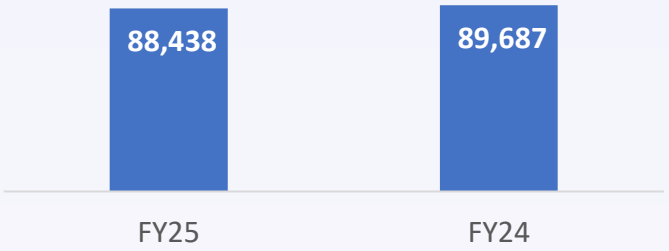
EBITDA



PBT before Ex. Gain/ Loss

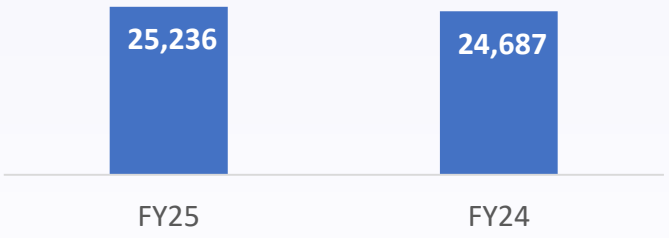


Revenue



FY25 Revenues at Rs 88,438 million is flat despite weakness in European CVs, mixed performance in Export PV business. Oil & Gas recouped from the lows of FY24 while Defence displayed steady growth.

EBITDA



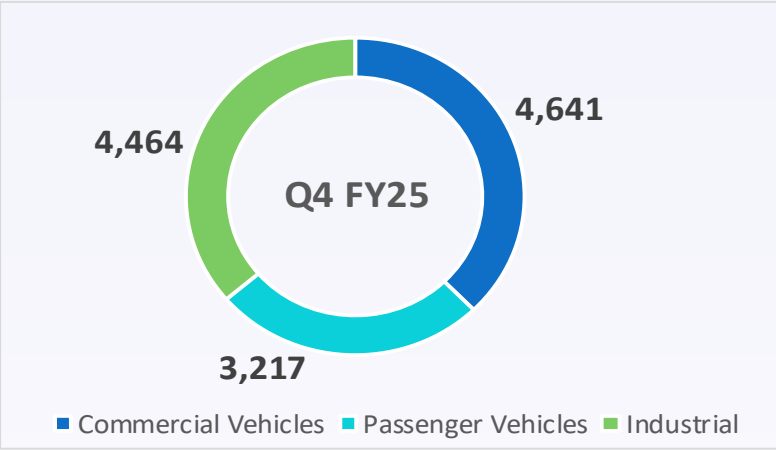
EBITDA margin at 28.5% in FY25 was up 100 bps YoY driven by better product mix.

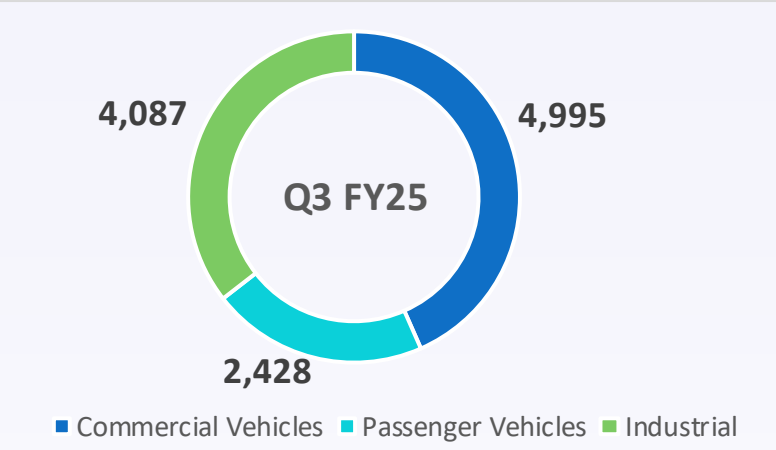
PPBT before Ex Gain/ (Loss)

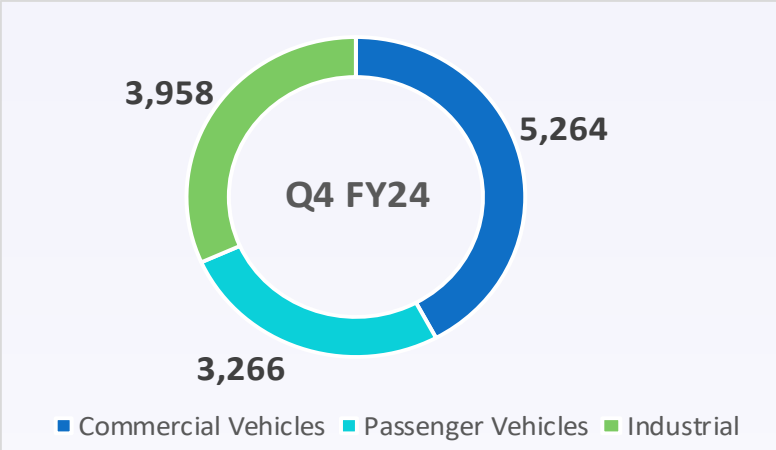
EBITDA performance drove PBT before Exchange gain/ (loss) to Rs 19,924 million in FY25

Review of Export Business – Q4 FY25

Rs million



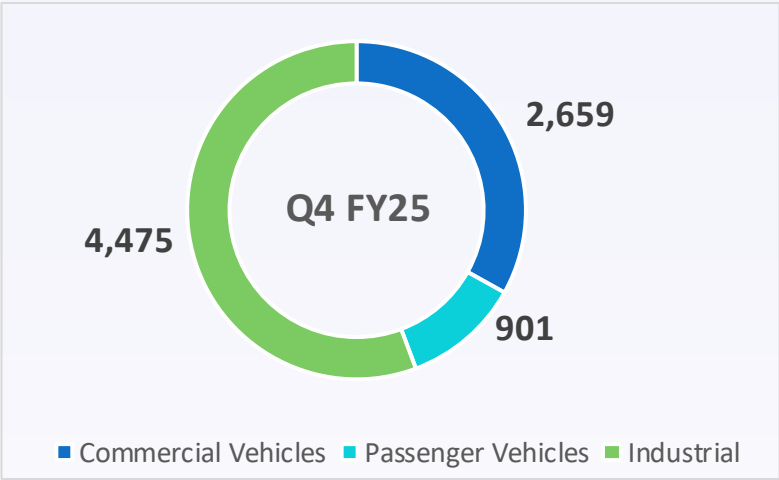


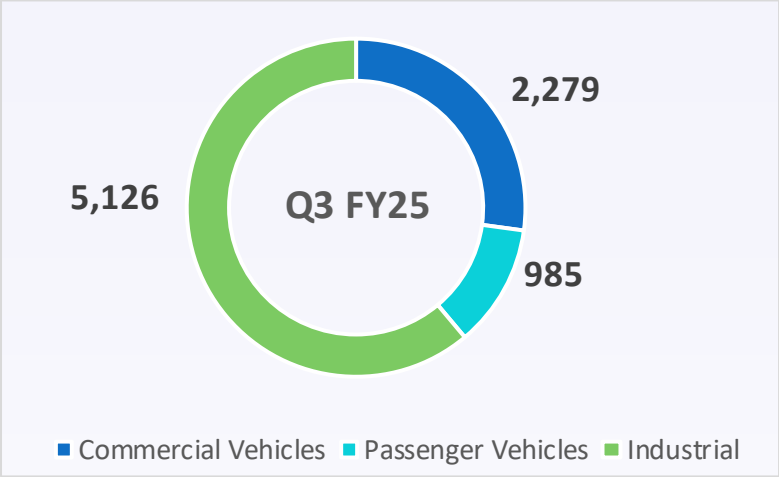


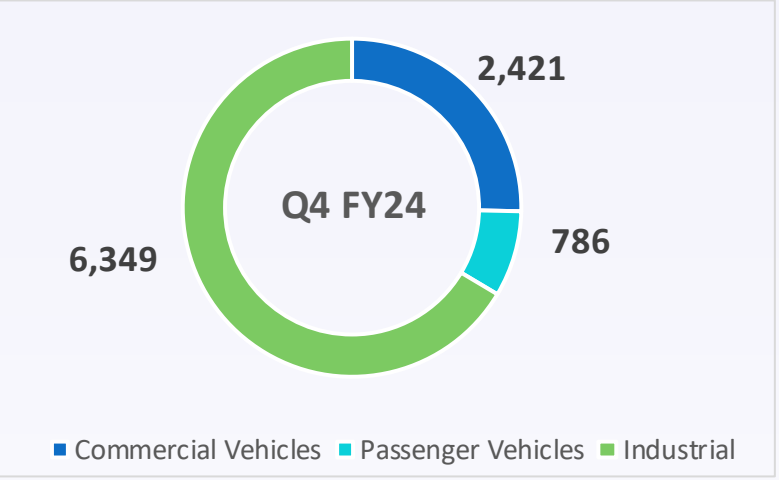
- CV exports to Europe saw some revival post the lows seen in Q3FY25. North America CV revenues have seen decline in line with the weakness in the NA class 8 markets.
- Passenger Car exports picked up sequentially as demand conditions in Europe improved slightly and some pockets of strength emerged in Latin America.
- Industrial saw strong performance driven by contributions from HHP Engines and Aerospace. Aerospace sector contribution to industrial exports stands at 24% in the Quarter and at 14% for FY25.

Review of Domestic Business – Q4 FY25

Rs million



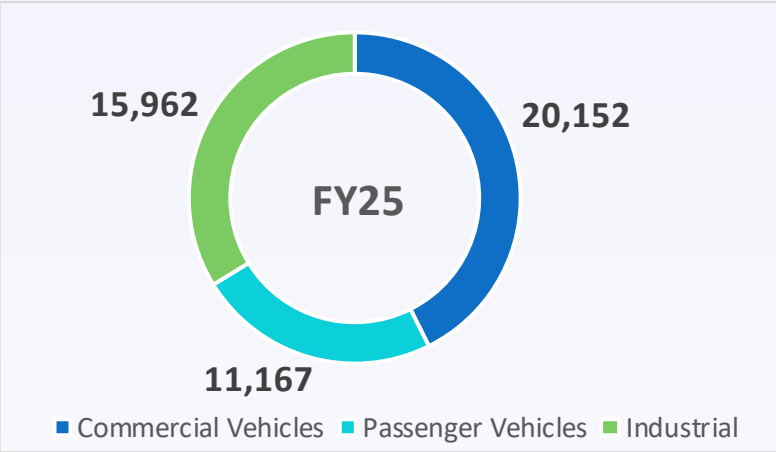


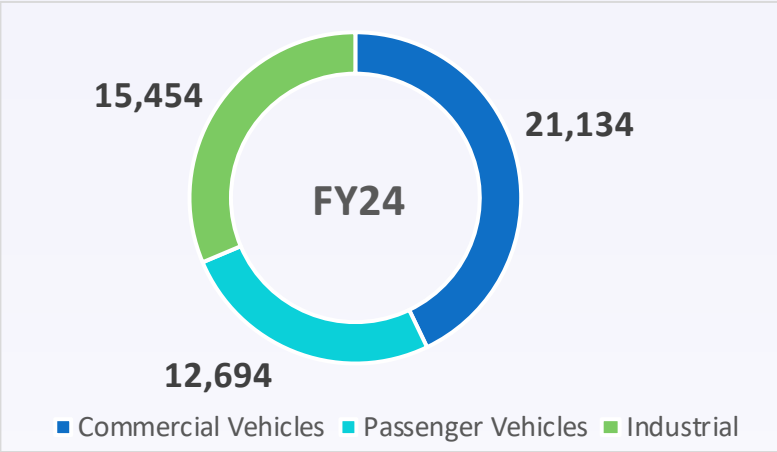


- CV business growth was attributed largely to the market buoyancy seen in Q4FY25.
- Passenger Car business saw stable QoQ performance. We expect steady performance to continue as vehicle demand is likely to be flat to moderately positive in the coming year
- Domestic Industrial's moderate performance was driven largely due to conclusion of some export orders at KSSL

Review of Export Business – FY25

Rs million

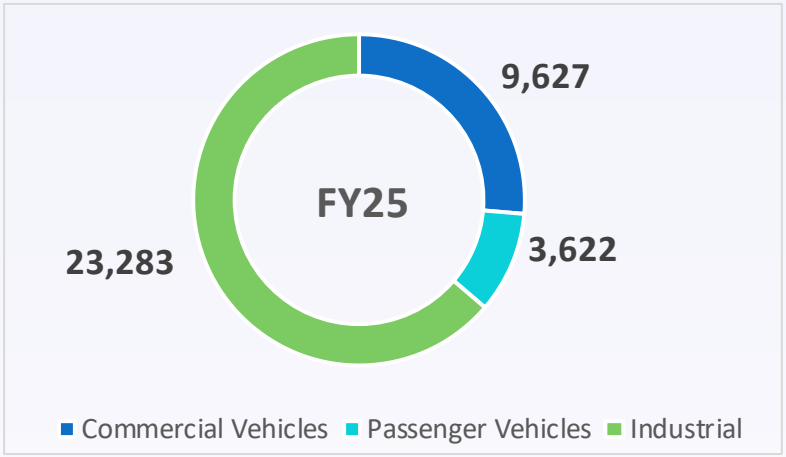


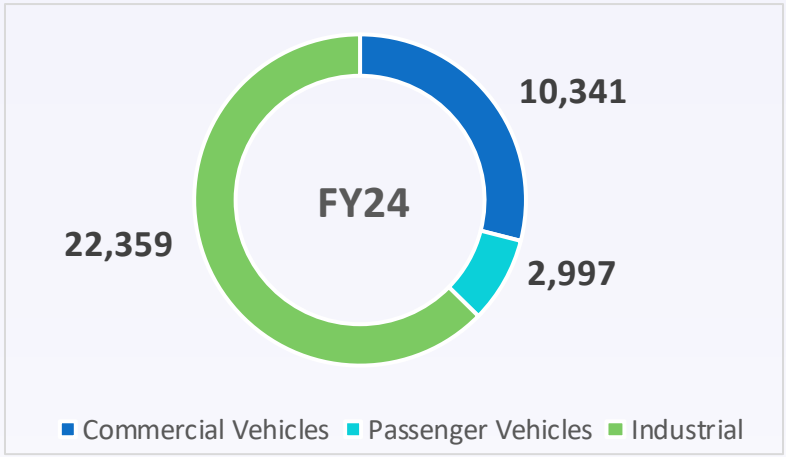


- FY25 was a flat year for the Commercial vehicles business in the context of flat industry volumes in US and the economic struggles in Europe. With the potential deferment of emission norms change in NA and continued weakness in EU, we expect the CV business to witness a decline in FY26.
- PV export business consolidated its gains post a stupendous performance in FY24. However, an unpredictable policy environment in the near future can lead to lower discretionary spends impacting overall volumes in North America.
- Industrial saw good performance led by Oil & Gas and Aerospace. We expect the momentum in Aerospace to continue over the next 2-3 years as our new ring mill and machining facilities for Aerospace come online in 2027.

Review of Domestic Business – FY25

Rs million





- CV business had a slow start to the year, however a good come-back in Q4 thanks to market growth resulted in a flattish Full year performance.
- PV business posted an impressive YoY performance driven by new business acquisitions across customers and products. Going ahead we expect to consolidate these gains and grow in line with overall industry average
- Industrial saw growth across verticals with Defence, Heavy Horse Power Engines registering robust performance. In medium term, scale up of the Defence business and opportunities for components supply to Small Nuclear Reactors would be key to growth.

Export Break up by Geography

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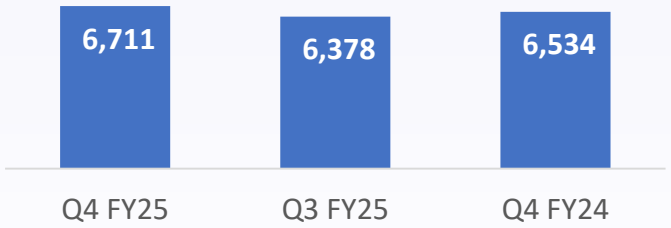
In Rs million	Q4 FY25	Q3 FY25	Q4 FY24	FY25	FY24
Americas	8,161	8,540	7,883	33,168	31,755
Europe	3,204	2,333	3,734	11,363	13,286
Asia Pacific	956	637	871	2,750	4,242
Total	**12,321**	**11,510**	**12,488**	**47,281**	**49,283**

Consolidated Financial Highlights – Q4 & FY25

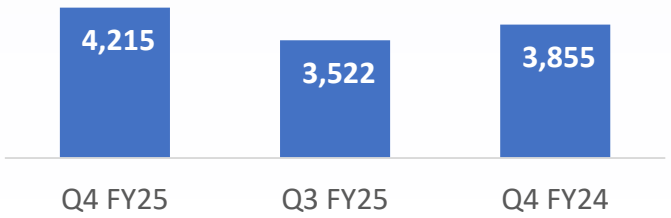
Rs million

Revenue

EBITDA

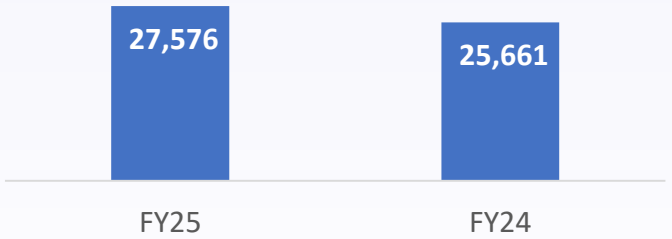


PBT before Ex. Gain/ Loss



Revenue

EBITDA



PPBT before Ex Gain/ (Loss)

In Rs million	FY25	FY24
Long term Debt	19,839	24,605
WC Loans & Bill Discounting	43,044	50,616
Equity	92,206	71,653
Cash	30,952	31,799
RoCE (Net)	15.4%	16.3%
Debt/ Equity (Net)	0.35	0.61

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Financials Annexures

Standalone P&L Highlights – Q4 & FY25

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In Rs million	Q4 FY25	Q3 FY25	QoQ (%)	Q4 FY24	YoY (%)	FY25	FY24	YoY (%)
Sale Tonnage	67,309	61,507	9.4%	65,962	2.0%	2,60,415	2,71,291	-4.0%
Domestic	9,309	9,450	-1.5%	10,798	-13.8%	41,157	40,404	1.9%
Export	12,321	11,510	7.0%	12,488	-1.3%	47,281	49,283	-4.1%
Revenue from Operations	21,630	20,960	3.2%	23,286	-7.1%	88,438	89,687	-1.4%
EBITDA	6,289	5,894		6,542		25,236	24,687	
EBITDA (%)	**29.1%**	**28.1%**		**28.1%**		**28.5%**	**27.5%**	
PBT before Exceptional Items	4,937	4,736	4.2%	5,262	-6.2%	19,722	19,107	3.2%
Exceptional Items	(203)	(9)		(134)		(1,534)	(155)	
PBT	4,734	4,727		5,128		18,188	18,952	
Tax	1,279	1,266		1,231		4,966	4,703	
PAT	3,455	3,461		3,897		13,222	14,249	

Standalone B/S Highlights – FY25

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In Rs million	FY25	FY24
Long term Debt	12,865	17,107
WC Loans & Bill Discounting	26,770	26,892
Equity	1,09,643	85,688
Cash	26,228	25,250
RoCE (Net)	18.1%	20.0%
Debt/ Equity (Net)	0.17	0.22

Consolidated Financials Reconciliation

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Rs million

FY25	Indian Operations	Overseas Operations	E-Mobility	Consolidated
Revenue from Operations	1,03,262	47,869	97	1,51,228
EBITDA	27,755	486	-665	27,576
EBITDA (%)	**26.9%**	**1.0%**	**-**	**18.2%**
PBT (incl Other Income)	22,027	-4,638	-933	16,456
Exchange Gain / (Loss)	-242	-47	-1	-290
Exceptional Items	-53	-	-1,518	-1,571
PBT after Exceptional Items	21,732	-4,685	-2,452	14,595

FY24	Indian Operations	Overseas Operations	E-Mobility	Consolidated
Revenue from Operations	1,04,270	52,160	391	1,56,821
EBITDA	26,579	457	-1,375	25,661
EBITDA (%)	**25.5%**	**0.9%**	**-**	**16.4%**
PBT (incl Other Income)	20,780	-4,480	-1,759	14,541
Exchange Gain / (Loss)	14	-105	10	-81
Exceptional Items	-123	-	-	-123
PBT after Exceptional Items	20,671	-4,585	-1,749	14,337

Overseas Financial Highlights – Q4 & FY25

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Rs million

European Mfg Operations	Q4 FY25	Q3 FY25	Q4 FY24	FY25	FY24
Revenue from Operations	9,075	8,889	11,377	38,102	43,596
EBITDA	111	100	332	957	1,410
EBITDA (%)	**1.2%**	**1.1%**	**2.9%**	**2.5%**	**3.2%**
PBT before Exchange Gain/ (Loss)	-711	-917	-539	-2,684	-2,065

US Mfg Operations	Q4 FY25	Q3 FY25	Q4 FY24	FY25	FY24
Revenue from Operations	3,168	2,090	2,295	9,767	8,564
EBITDA	42	-62	-341	-471	-953
EBITDA (%)	**1.3%**	**-3.0%**	**-**	**-**	**-**
PBT before Exchange Gain/ (Loss)	-278	-427	-756	-1,954	-2,415

Overseas Mfg Operations	Q4 FY25	Q3 FY25	Q4 FY24	FY25	FY24
Steel Forgings	7,195 (59%)	6,301 (57%)	8,341 (61%)	27,038 (56%)	32,422 (62%)
Al Forgings	5,048 (41%)	4,678 (43%)	5,331 (39%)	20,831 (44%)	19,738 (38%)
Total	**12,243**	**10,979**	**13,672**	**47,869**	**52,160**

Indian Subsidiary Financials – Q4 & FY25

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Rs million

KSSL	Q4 FY25	Q3 FY25	Q4 FY24	FY25	FY24
Revenue from Operations	2,757	3,195	4,654	15,670	14,220
EBITDA	140	184	113	987	662
EBITDA (%)	**5.1%**	**5.8%**	**2.4%**	**6.3%**	**4.7%**
PBT before Exchange Gain/ (Loss)	187	241	256	1,192	1,186

KPTL	Q4 FY25	Q3 FY25	Q4 FY24	FY25	FY24
Revenue from Operations	32	6	10	97	391
EBITDA	-224	-120	-383	-665	-1,375
EBITDA (%)	**-**	**-**	**-**	**-**	**-**
PBT before Exchange Gain/ (Loss)	-273	-164	-488	-933	-1,759

BFISL	Q4 FY25	Q3 FY25	Q4 FY24	FY25	FY24
Revenue from Operations	2,367	1,915	2,119	8,058	6,794
EBITDA	400	250	319	1,108	896
EBITDA (%)	**16.9%**	**13.0%**	**15.0%**	**13.8%**	**13.2%**
PBT before Exchange Gain/ (Loss)	275	122	160	599	390

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Thank You

Rajhagopalan S
Tel: +91 9860144866
Email: Srajhagopalan@bharatforge.com

Chinmay Chhatre
Tel: +91 9930512932
Email: chinmay.chhatre@bharatforge.com

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