

Media Release

Revenues from operations at Rs 90.1 Crore, QoQ decline of 8.8%

EBITDA at Rs. 10.8 Crore, QoQ growth of 12.1%

PAT at Rs. 4.6 Crore, YoY growth of 16.5%

Coimbatore, August 13, 2016: Salzer Electronics Limited (BSE: 517059, NSE: SALZERELEC), a leading player offering total and customised electrical solutions, announced its unaudited results for the quarter ended 30th June 2016.

Key Financials (Rs. In Crore) :

Particulars	Q1FY17	Q1FY16	YoY	Q4FY16	QoQ
Revenue from Operations	90.1	91.1	-1.1%	98.8	-8.8%
EBIDTA	10.8	12.0	-12.7%	9.6	12.1%
PAT	4.6	5.1	-9.5%	3.9	16.5%

Performance Highlights**For the quarter ended June 30, 2016:**

- **Revenue from operations was at Rs. 90.1 crore** in Q1FY17, as against Rs. 98.9 crore in the previous quarter, a **QoQ decline of 8.8%**
 - **Exports contributed to 17.6% of total revenues**
- Breakup of revenue as per business segments:
 - **Industrial Switchgear business - 46%** of total revenues, **QoQ decline of 2%**
 - **Buildings Products business - 3.8%** of total revenues, **QoQ decline of 21%**
 - **Copper business – 48.1%** of total revenues, **QoQ growth of 4%**
 - **Energy Management business – 2%** of total revenues, **QoQ decline of 80%**. This is a order book driven business. The Company won an order of Rs 106 crore, and as per the terms of the order, a major part of the revenue was booked in FY16 and the balance is spread equally in four years. In line with this, the Company booked Rs. 1.9 cr of revenue in Q1FY17 as against Rs 15.9 crore revenue in corresponding period last year.
- **EBITDA stood at Rs. 10.8 crore** in Q1FY17 as against Rs. 9.7 crore in the previous quarter, **QoQ growth of 12.1%**
- **Profit After Tax was at Rs.4.6 crore** in Q1FY17 as against Rs. 3.9 crore in Q4FY16, **QoQ growth of 16.5%**

Management Comments:

Commenting on the results, Mr. R. Doraiswamy, Managing Director, Salzer Electronics Ltd said:
“We have witnessed moderate growth in segments of Industrial Switchgear and very good growth in the Wires and Cables division in this quarter.

I am happy to inform that we have been able to achieve the expected margins on account of higher operational efficiencies. We intend to improve it further in the coming quarters.

I am pleased to share that we have successfully shipped our first consignment to IPD – Australia, with whom we had signed an agreement last year. We look at growing this association and expect revenue contribution from this new client to continue increasing.

Going forward, we will continue to focus on adding new, niche and high margin products, enter new geography and offer total and customised electrical solutions to our existing and new customers.”

Developments during Q1FY17

- The Company has successfully shipped its first order for IPD in Australia. The Company is confident of growing this business and increasing revenue contribution from this new client
- The project to manufacture Three Phase Dry Type transformers in Technical Tie-up with Trafomodern is coming up very well and the Company expects revenues from this project from Q3FY17

About Salzer Electronics

- Salzer is a Leading player offering Total and Customized Electrical Solutions in Switchgears, Wires & Cables and Energy Management business. It is the largest manufacturer of CAM Operated Rotary switches & Wire Ducts in India, with a market share of 25% & 20% respectively. The Company caters to a wide range of products with five In-house manufacturing facilities, located in Coimbatore and Himachal Pradesh
- The Company has a wide distribution network locally and globally, exporting to more than 40 countries. In India, Salzer markets its products through its own distributors and more than 350 local distributors of L&T. The Company has a strong R&D team that focuses on developing and commercializing the technologies of the products, and as a result, can offer total customized electrical solutions to its customers.

Earnings Conference Call – Q1 FY17

BOB Capital Markets is organising an Earnings Conference Call to discuss the Quarterly Financial performance of the Company. The conference call details are as under:

Date: **16th August 2016**

Time: 3.30pm

Dial-in Numbers:

Primary : +91 22 3960 0512

Secondary: +91 22 6746 4140

For further information, please contact:

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