

## Media Release

**Growth in revenues mainly driven by Industrial Switch Gear business**

**Revenue at Rs. 110.7 Crore - YoY growth of 21.9%**

**EBIDTA at Rs 13.5 crore – YoY growth of 39.4%**

**PAT at Rs 5.3 crore – YoY growth of 57.4%**

**Coimbatore, February 9<sup>th</sup>, 2018:** Salzer Electronics Limited (BSE: 517059, NSE: SALZERELEC), a leading player offering total and customised electrical solutions, announced its unaudited results for the quarter and nine months ended 31<sup>th</sup> December 2017. These financials are as per the IND AS accounting guidelines.

### Key Financials (Rs. In Crore):

Particulars	Q3 FY18	Q3 FY17	YoY	9M FY18	9M FY17	YoY
Revenue (net of excise duty)	110.7	90.8	<b>21.9%</b>	316.0	273.3	15.6%
EBIDTA	13.5	9.7	<b>39.4%</b>	36.9	32.9	12.1%
PAT	5.3	3.4	<b>57.4%</b>	15.2	13.1	16.1%

### Performance Highlights

#### For the quarter ended December 31<sup>st</sup>, 2017:

- **Revenue from operations (net off excise duty)** in Q3FY18, Rs. **110.7 crore** as against Rs. 90.8 crore in the corresponding previous quarter, **YoY growth of 21.9%**
  - ✓ **Exports** contributed to **18% of total revenues**
- Breakup of revenue for the Electrical Installation Products:
  - ✓ **Industrial Switchgear – 48.9% of total revenues, YoY growth of 24%** on account of good demand pickup in the Industrial Switchgear segment and good pick up in Three Phase Dry Type Transformers (new product added in current financial year)
  - ✓ **Buildings Products – 5.1% of total revenues, YoY growth of 12%**
  - ✓ **Wires & Cables – 45.2% of total revenues, YoY growth of 22%** on account of increased demand for agri market cables
  - ✓ **Energy Management- 1% of total revenues, YoY growth of 25%** on account of revenues being booked from previous quarters
- **EBITDA stood at Rs. 13.5 crore** in Q3 FY18 as against Rs. 9.7 crore in the corresponding

previous quarter, **YoY growth of 39.4%**

- **Profit After Tax was at Rs. 5.3 crore** in Q3 FY18 as against Rs. 3.4 crore in the corresponding previous quarter, **YoY growth of 57.4%**

#### For Nine Months ended December 31<sup>st</sup>, 2017:

- **Revenue from operations (net off excise duty)** at Rs. **316.0 crore** as against Rs. 273.3 crore in 9M FY17, **YoY growth of 15.6%**
  - ✓ **Direct Exports** contributed to **18% of total revenues**
  - ✓ **EOU and SEZ Sales** contributed to **4%**
- Breakup of revenue for the Electrical Installation Products:
  - ✓ **Industrial Switchgear** – **45.5% of total revenues**
  - ✓ **Buildings Products** – **4.8% of total revenues**
  - ✓ **Wires & Cables** – **48.5% of total revenues**
  - ✓ **Energy Management** – **1.2% of total revenues**
- **EBITDA stood at Rs. 36.9 crore** in 9M FY18 as against Rs. 32.9 crore in 9M FY17, **YoY growth of 12.1%**
- **Profit After Tax was at Rs. 15.2 crore** in 9M FY18 as against Rs. 13.1 crore in 9M FY17, **YoY growth of 16.1%**

#### Management Comment:

**Commenting on the results, Mr. R. Doraiswamy, Joint Managing Director, Salzer Electronics Ltd said:**

*"I am happy to share that this quarter once again, we have demonstrated good growth in our revenues. This growth was mainly driven by demand in our switchgear business segment as well as due to good demand from Agri Market Cables. The increase in exports to USA has also been another significant factor contributing to the increased revenues.*

*Our EBIDTA has also grown and we have shown improvement in margins of more than 150 basis points year on year. I believe this is an indication of our efforts over the past three quarters, on increasing our margins and improving our operating efficiencies.*

*We expect this margin to sustain and our endeavour continues to remain on profitable growth and margin improvement.*

*We continue to focus on adding new, niche and high margin products, enter new geographies and offer total and customised electrical solutions to our existing and new customers. To aid to this we are constantly on the lookout for any new opportunities for technical associations to strengthen*

*the base for our product offerings.”*

## 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.

### For further information, please contact:

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### Caution Concerning Forward- Looking Statements:

*This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. The Company is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.*