

**Q1FY18 Media Release****16% YoY growth in revenues from operations****Growth driven by all key business segments of Wires & Cables, Building****Products and Energy Management Business**

**Coimbatore, September 09<sup>th</sup>, 2017:** Salzer Electronics Limited (BSE: 517059, NSE: SALZERELEC), a leading player offering total and customised electrical solutions, announced its unaudited results for the quarter ended 30<sup>th</sup> June 2017.

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

Particulars	Q1FY18	Q1FY17	YoY	FY17
Revenue from Operations	115.1	99.4	<b>15.8%</b>	384.1
EBIDTA	10.5	11.3	<b>(6.7%)</b>	42.9
PAT	4.1	4.3	<b>(6.0%)</b>	17.1

**Performance Highlights****For the quarter ended June 30<sup>th</sup>, 2017:**

- ✓ **Good growth in Revenue from operations of 15.8%** in Q1FY18, **Rs. 115.1 crore** as against Rs. 99.4 crore in the corresponding previous quarter
  - ✓ **Exports** contributed to **14.5 % of total revenues**
- Breakup of revenue for the Electrical Installation Products:
  - ✓ **Switchgears – 37.9 % of total revenues, YoY marginal decline of 5.4 % on account of impact of GST across the switchgear industry that lead to lower demand and sales**
  - ✓ **Buildings Products – 4.5% of total revenues, YoY growth of 39.0 %**
  - ✓ **Wires & Cables – 54.9 % of total revenues, YoY growth of 31.3% on account of increased demand for agri-cables**
  - ✓ **Energy Management – 2.7 % of total revenues, YoY growth of 47.8 % on account of revenues being booked from the new EESL contract and Operation & Maintenance revenue from the earlier contract**
- **EBITDA stood at Rs. 10.5 crore** in Q1FY18 as against Rs. 11.3 crore in the corresponding previous quarter, **YoY decline of 6.7 %**. This was mainly on account of increased contribution from the lower margin segment of Wires & cables

- **Profit After Tax was at Rs. 4.1 crore** in Q1FY18 as against Rs. 4.3 crore in the corresponding previous quarter, **YoY decline of 6.0%** because of provisions made for taxation.

**Management Comments:**

**Commenting on the results, Mr. D Rajesh Kumar, Joint Managing Director, Salzer Electronics Ltd said:**

*“We have been able to showcase a healthy growth of over 16% this quarter despite the numerous macro-economic headwinds. Although we witnessed some teething problems with implementation of the very ambitious GST regime, we are confident that it will have very positive impact in the long term. Other than a slight decline in our Industrial Switchgear segment, all other business segments of Wires & Cables, Building Segment and Energy Management have shown robust growth.*

*The market conditions in India as well as USA and Europe continue being very challenging, despite this we have been able to sustain and achieve this growth because of our long term association with large OEM’s. Looking ahead, we expect to see a pickup in demand especially because of our association with large and reputed companies like GE, Schneider, Honeywell, ABB & Siemens. We are confident that with our products of international standards, consistency in quality, timely delivery and some revival in the industry we will be able to achieve much healthier growth. We believe streamlining of GST will also prove to be advantageous to organised players like Salzer.*

*In our Energy Management Business revenues have been able to book revenues from the recently implemented EESL project apart from the Operations & Maintenance of the earlier project. This business has a higher margin as compared to other business segments and will continue to give us Operations & Maintenance revenues in the coming quarters.*

*Going forward, we will 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:**

<b>Mr. Baskarasubramaniam</b> Salzer Electronics Ltd Email: <a href="mailto:baskarasubramanian@salzergroup.com">baskarasubramanian@salzergroup.com</a>  <a href="http://www.salzergroup.net">www.salzergroup.net</a>	<b>Mr. Rahul Menon</b> Bridge Investor Relations Pvt. Ltd. Phone: +91 9769045504 Email: <a href="mailto:rahul@bridge-ir.com">rahul@bridge-ir.com</a>  <a href="http://www.bridge-ir.com">www.bridge-ir.com</a>
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*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. Salzer Electronics 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.*