

PRESS RELEASE

Salzer Electronics FY15 PAT increases by 42%

Coimbatore, May 13th 2015: Salzer Electronics Ltd., a leading manufacturer of rotary switches and wiring ducts in India, announced its financial results for the fourth quarter and full year ended March 31st, 2015. Board recommends dividend at 15% i.e. Rs 1.50 per share.

Q4FY15 Highlights

- **Total Revenue at Rs.79.6 crore** for the Quarter ended 31 March 2015 as against Rs 69.7 crore for the previous period, **an increase of 14%**
- **Total Revenue split:** Industrial Switch gear segment contributed to 53%, Building segment 5%, Copper business 40% and Energy Management 2%
- **EBITDA at Rs.8.6 crore** for the quarter ended 31 March 2015 as against 7.8 crore for the corresponding previous period, **an increase of 9%.**
- The **EBIDTA margin was at 10.8%** for the quarter ended 31 March 2015 as against 11.3%. The decline was on account of one time provisioning of Rs. 1.52 crore for product testing charges & CSR expenses
- **PAT at Rs. 2.5 crore** for the quarter ended 31 March 2015 as against 2.2 crore for the corresponding previous period, **an increase of 12%**

FY15 Highlights

- **Total revenue at Rs 284.3 crore** for the year ended March 31, 2015, as against Rs245.4 crore for the corresponding previous period, **an increase of 16%**
- **Total Revenue split:** Industrial Switch gear segment contributed to 52%, Building segment 5%, Copper business 41% and Energy Management 2%
- **EBIDTA at Rs. 35.5 crore** for the year ended March 31, 2015, as against Rs. 30.2 crore for the corresponding previous period, **an increase of 17%**
- **The EBIDTA margin was at 12.5%** for the year ended 31 March 2015 as against 12.4%

- **PAT at Rs. 12.0 crore** for the year ended March 31, 2015, as against Rs.8.4 crore for the corresponding previous period, **an increase of 42%**
- **EPS** for the Quarter ended March 31, 2015 was **Rs. 11.65** , for a face value of Rs 10 per share, **an increase of 3.44% (Considering the entire ESOP the EPS will be 10.79 on fully diluted basis)**

Management Comments:

Commenting on the results, Mr. D. Rajesh Kumar, Joint Managing Director and CFO, Salzer Electronics said, “The results have been in line with our expectations. Owing to strong exports, the company has witnessed an increase in topline growth of 16%.”

He further added, “In the upcoming quarters, we would focus more on entering the eastern geographies and also expand our product offerings. The Company has posted a strong set of numbers this quarter and we expect to grow at 25% in the coming year.”

The company also has received the “Best Emerging Supplier” Award from GE – Energy. GE has chosen Salzer as a Preferred Vendor for Electro Mechanical Devices. Similarly Schneider has also chosen Salzer as a Preferred vendor for the magnetic products.

There was also a One time expenses of about Rs 1.52 cr in the 4th Quarter owing to the new Product testing, Approval cost and CSR Expenses.

New Developments/ Achievements during the Year:

- ▶ Salzer has been given ‘Preferred Supplier’ status at GE and Schneider for their international operations
- ▶ Salzer was awarded ‘Best Emerging Supplier’ Award by GE Energy
- ▶ The Company entered into a strategic alliance with C3Controls, a leading electrical switch gear player in the US, to manufacture contactors. The developed product is currently under validation with UL, an international certification agency. Salzer has started to manufacture these contactors and is targeting US and Asia as key markets for this product
- ▶ Received International ‘UL’ certification for MPCB and DC LB Products
- ▶ The Company innovated and designed two new products for their customer – Indian Railways. These two products are ‘Fuse Change over System’ for the railway signalling division and ‘Track Feed Battery System’ for changing over the battery chargers in the railway track feeding system

Stock Market Highlights – General Information and Share holding Pattern as on 31st March 2015

PARTICULARS	
Scrip Code	517059
No of Shares Outstanding	1,02,83,737
Closing Market Price (Rs) as on 12May 2015	229.0
Market Capitalization (Rs. crore)	240.5

PARTICULARS	No of Shares	% Holding
Promoters	30,01,078	29.18%
Foreign Institutional Investors / Foreign Holding	4,13,403	4.01%
Domestic	33,24,682	32.32%
Indian Public	35,44,574	34.46%
TOTAL (13,500 Shareholders)	1,02,83,737	100%

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, with a market share of 25%. 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 50 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.

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. 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
