

Aksh Optifibre Reported its Q3'19 and Nine Months'19 financials.

Press Release

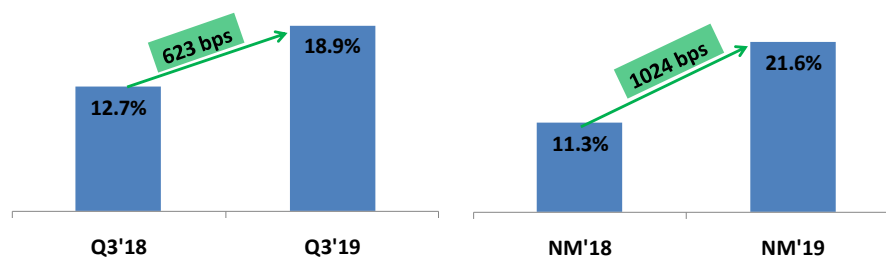
Aksh Optifibre Limited [BSE: 532351 | NSE: AKSHOPTFBR], the leading manufacturer of Optical Fibre, Optical Fibre Cables and Fibre Reinforced Plastic Rods and e-Governance & Turnkey service provider reported its Q3 and Nine Months FY19 financial results.

Aksh Optifibre reported its financial results for third quarter of FY2019. On Year To Date Basis Company achieved a Total Income of Rs 458 crore, as compared to Rs 423 Crore in the corresponding period previous year. Company maintained healthy EBITDA margins of 22% on YTD basis, as compared to 11% previous year. Higher PAT recorded with YoY 184% increase on YTD basis.

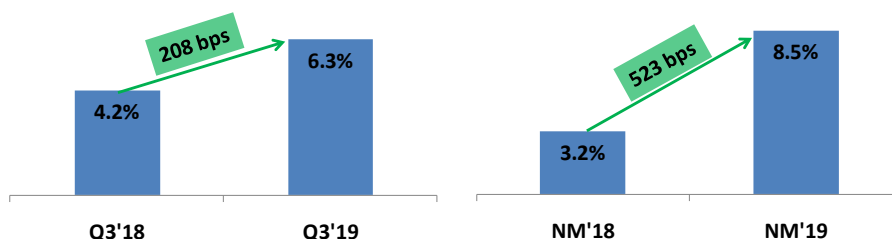
During the quarter gone by the Company achieved quarterly Total Income of Rs 140 Crore and EBITDA of Rs 26 Crore. EBITDA margins for the Company stood at 19%, as against 13% in the corresponding quarter of previous year. Profit after Tax at Rs 9 Crore reported an increase of 35% as against Rs 7 Crore in the corresponding quarter in the previous year.

Particulars	Standalone Financial Results					Rs Crore		
	Q3'19	Q2'19	Q3'18	QoQ	YoY	NM'19	NM'18	YoY
Total income	140	178	155	-21%	-10%	458	423	8%
EBITDA	26	40	20	-35%	34%	99	48	106%
EBITDA Margin	19%	23%	13%			22%	11%	
PAT	9	17	7	-48%	35%	39	14	183%
PAT Margin	6%	10%	4%			8%	3%	
EPS (Rs/Share)	0.54	1.04	0.40	-48%	34%	2.38	0.84	184%

EBITDA Margin



PAT Margin





The construction work at company's upcoming Dubai optical fibre drawing facility is going on seamlessly. Company expects Dubai Optical Fibre drawing plant of 4 Million FKM capacity to be commissioned by Q1 FY20, upon expansion the total Optical drawing capacity of the company will be 7 Million FKM, this expansion will enhance company's backward integration capabilities.

Mr. Satyendra Gupta, Managing Director of Aksh Optifibre Limited, commented, *"The quarter gone by has been pivotal in re-defining the roadmap for the organisation. As we march towards the future with sizable operational capacity in hand, and in light of this expanded capacity the company has taken substantial initiatives towards reengineering the business processes and logistic. We are focussing on improving the overall operational efficiencies and consequently improving the cash flow cycle with lower inventory level. However, due to postponement of deliveries of few orders in hand by few customers and temporary slowdown in the industry, there has been a momentary decline in the quarterly turnover. Aksh is also taking aggressive initiatives to build up considerable order book for the future this will further help in streamlining incremental cash flows going forward. Management is confident and hopeful that with the help of ongoing progressive measures being taken, Aksh will scale new highs both operationally and financially in the times to come".*

Industry Outlook

Pursuant to the Government's prestigious Digital India initiative under BharatNet programme, India's optical cable consumption increased significantly in CY2018. Major carriers, such as Reliance Jio also supported optical cable demand growth in the region which is estimated at 19% in CY2018. The amount of optical cable deployed worldwide in CY2018 stood at 510 Million FKM, this amounts to 4% higher than the 492 million FKM installed in CY2017.

Going forward demand for Optical fibre would get further boost from 5G implementation globally, this can be expected from CY2020 onwards. In the past few months couple of countries have issued 5G spectrum to carriers, this reflects that 5G trials continue to gather pace. The most important allocations were in China, whereby the Chinese central government has awarded the country's big three telcos 5G spectrum trial licenses during first week of December'18. Alongside, auctions in both Hong Kong and Australia have seen telcos splash out over USD\$1.36 billion on 5G spectrum, enabling to secure future access to radio spectrum in the ongoing race to build national high-speed 5G networks. Further 5G spectrum has also been allocated in Qatar to Vodafone and Ooredoo, both these operators are required to fully rollout commercialized 5G services to all densely populated areas of the country by the end of 2020.

As per Cisco's latest estimates, y-o-y growth in world IP traffic is estimated to range between a range of 25% to 30%. According to Cisco, the number of global Internet users will increase to 4.8 billion people in 2022, which will represent 60% of the world population, as against to 3.4 billion internet users in 2017. It is estimated that average speeds of broadband services, WiFi connections, and mobile connections may double between 2017 and 2022, therefore the potential advancement in Internet technology and demand for data augurs well for the optical fibre cable industry.



About AkshOptifibre Limited:

Incorporated in 1986, AkshOptifibre Limited is an over 34 year old organization which started with the manufacturing of Optical Fibre (OF) and Optical Fibre Cables (OFC) in 1994. In 1996-97 Aksh acquired Fibre Reinforced Plastic Rods (FRP) business which is a key raw material for Optical Fibre Cables. AKSH went Public in the year 2000 and is listed on National Stock Exchange and Bombay Stock Exchange. AKSH OPTIFIBRE LIMITED is one of the leading providers of transmission solutions for the telecom industries globally. Various products & services are embedded in our diversified portfolio. The Company also delivers to e-governance services through its flagship programme 1 STOP AKSH with Government of Rajasthan and Aadhaar enrolment with UIDAI.

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Gaurav Mehta

Chief - Corporate Affairs & Company Secretary

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