

Dixon

An ISO 9001 : 2008, 14001 : 2004 Company

Dixon Technologies (India) Ltd.

(Formerly Known as Dixon Technologies (India) Pvt. Ltd)

CIN : U32101UP1993PLC066581

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14.11.2017

To Secretary Listing Department BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	To Secretary Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Mumbai - 400 050
Scrip Code - 540699 ISIN: INE935N01012	Scrip Code- DIXON ISIN: INE935N01012

Dear Sir/Madam,

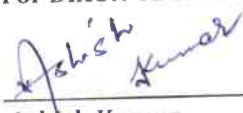
Sub: Investor Presentation on Financial Results for Q2 and H1 (FY 2017-18) Results
Ref: Regulation 30 and 46 of SEBI (LODR) Regulations, 2015

In furtherance to our intimation dated 13.11.2017 with respect to Conference Call with Investors on Q2 and H1 FY 2018 Results and in Compliance with the provisions of Regulation 30 and Regulation 46 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, please find enclosed herewith Financial Results update 'Investor Presentation Q2 and H1 FY 2018' along with the Press Release. The same is uploaded on the Company's website.

We request you to kindly take this on your record.

Thanking You,

For DIXON TECHNOLOGIES (INDIA) LIMITED


Ashish Kumar
Group Company Secretary & Compliance Officer





R

Research

I

Innovation

S

Scale

E

Excellence

INVESTOR
UPDATE

Q 2 & H 1 , F Y 2 0 1 7 - 2 0 1 8

DISCLAIMER

Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements.

Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, competition, inflationary pressures, litigation and labour relations.

Dixon Technologies will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

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KEY UPDATES FOR CURRENT FINANCIAL YEAR

Commenced production of LED TV's in Sept, 17 in Tirupati Facility



Started production of Washing machines for Samsung in July, 17



Signed agreement in Oct, 17 for design, manufacturing and supply with private label brand of Flipkart called "Marq" for a number of electrical appliances



First batch of production for LED TV's despatched for "Marq" in Oct, 17



Added Crompton Greaves (Oct 17) Wipro & Panasonic Anchor (Apr, 17) in Lighting segment in current financial year



KEY NUMBERS – Q2, FY 17-18 VS Q2, FY 16-17

Revenue [*] Lacs	EBITDA [*] Lacs	EBITDA Margin(%)	PAT Lacs
88,110 +17%	3,716 +31%	4.2% +40 bps	2,070 +33%
vs 75,150	vs 2,829	vs 3.8%	vs 1,556

KEY NUMBERS – H1, FY 17-18 VS H1, FY 16-17

Revenue [*] Lacs	EBITDA [*] Lacs	EBITDA Margin(%)	PAT Lacs
1,57,814 +32%	5,897 +25%	3.7% -30 bps	3,154 +26%
vs 1,19,207	vs 4,712	4.0%	vs 2,500

*Revenue and EBITDA include other income

*Figures for revenue are not comparable as excise duty was part of cost till June-17 in excise exempted units in Dehradun

CONSOLIDATED RESULTS

Particulars (INR Lacs)	Q2, FY 17-18	Q2, FY 16-17	% Change	H1, FY 17-18	H1, FY 16-17	% Change
Income	87,884	75,169	16.9%	1,57,513	1,19,111	32.2%
Expenses	84,393	72,322	16.7%	1,51,917	1,14,495	32.7%
Operating Profit	3,490	2,847	22.6%	5,595	4,616	21.2%
Operating Profit Margin	4.0%	3.8%	+20 bps	3.6%	3.9%	-30 bps
Other Income	226	(19)		302	96	213.7%
EBITDA	3,716	2,829	31.4%	5,897	4,712	25.2%
EBITDA Margin	4.2%	3.8%	+40 bps	3.7%	4.0%	-30 bps
Depreciation	386	250	54.1%	671	499	34.4%
EBIT	3,331	2,578	29.2%	5,226	4,213	24.1%
Finance Cost	349	501	-30.4%	662	854	-22.5%
PBT	2,982	2,077	43.6%	4,564	3,359	35.9%
Tax	911	521	74.9%	1,411	858	64.3%
PAT	2,070	1,556	33.1%	3,154	2,500	26.1%
PAT Margin	2.3%	2.1%	+20 bps	2.0%	2.1%	-10 bps
EPS	18.8	16.1	16.5%	28.6	25.9	10.5%

The Company adopted Indian Accounting Standards (Ind AS) from 1st April, 2017 and the figures for the quarter and six months ended 30th September, 2016 are also Ind AS complied.

SEGMENT WISE PERFORMANCE : Q2, FY 17-18 vs Q2, FY 16-17

Particulars (INR Lacs)	Q2, FY 17-18	Q2, FY 16-17	% change	Q2, FY 17-18	Q2, FY 16-17	% change
Revenues				% of Total Revenue		
Consumer Electronics*	46,609	26,608	75.2%	53.0%	35.4%	17.6%
Lighting Products*	18,813	11,596	62.2%	21.4%	15.4%	6.0%
Home Appliances *	5,814	5,985	-2.9%	6.6%	8.0%	-1.4%
Mobile Phones	14,169	28,034	-49.5%	16.1%	37.3%	-21.2%
Reverse Logistics	2,478	1,612	53.7%	2.8%	2.1%	0.7%
Total	87,884	73,835	19.0%			
Add: Excise Duty	-	1,334				
Total Revenue	87,884	75,169				
EBITDA				EBITDA Margin %		
Consumer Electronics*	1,122	841	33.4%	2.4%	3.2%	-0.8%
Lighting Products*	1,292	595	117.1%	6.9%	5.1%	1.8%
Home Appliances *	678	746	-9.2%	11.7%	12.5%	-0.8%
Mobile Phones	243	294	-17.3%	1.7%	1.0%	0.7%
Reverse Logistics	155	371	-58.3%	6.2%	23.0%	-16.8%
Operating Profit	3,490	2,847	22.6%	4.0%	3.8%	0.2%
Other Income	226	(19)				
EBIDTA	3,716	2,828	31.4%	4.2%	3.8%	0.4%

* Figures for revenue are not comparable as excise duty was part of cost till June-17 in excise exempted units in Dehradun

SEGMENT WISE PERFORMANCE : H1, FY 17-18 vs H1, FY 16-17

Particulars (INR Lacs)	H1, FY 17-18	H1, FY 16-17	% change	H1, FY 17-18	H1, FY 16-17	% change
Revenues				% of Total Revenue		
Consumer Electronics*	63,105	42,560	48.3%	40.1%	35.7%	4.4%
Lighting Products*	36,178	20,947	72.7%	23.0%	17.6%	5.4%
Home Appliances *	9,751	10,076	-3.2%	6.2%	8.5%	-2.3%
Mobile Phones	43,424	40,368	7.6%	27.6%	33.9%	-6.3%
Reverse Logistics	3,881	2,939	32.1%	2.5%	2.5%	0.0%
Total	156,339	116,891	33.7%			
Add: Excise Duty	1,174	2,220				
Total Revenue	1,57,513	1,19,111				
EBITDA				EBITDA Margin %		
Consumer Electronics*	1,569	1,256	24.9%	2.5%	3.0%	-0.5%
Lighting Products*	1,979	1,048	88.8%	5.5%	5.0%	0.5%
Home Appliances *	1,146	1,262	-9.2%	11.8%	12.5%	-0.7%
Mobile Phones	391	368	6.0%	0.9%	0.9%	0.0%
Reverse Logistics	510	680	-25.0%	13.1%	23.1%	-10.0%
Operating Profit	5,595	4,616	21.2%	3.6%	3.9%	-0.3%
Other Income	302	96	213.7%			
EBITDA	5,897	4,712	25.2%	3.7%	4.0%	-0.3%

* Figures for revenue are not comparable as excise duty was part of cost till June-17 in excise exempted units in Dehradun

SEGMENT WISE- ODM REVENUE SHARE (%)

Particulars (%)	Q2, FY 17-18	Q2, FY 16-17	% change	H1, FY 17-18	H1, FY 16-17	% change
Consumer Electronics	5.4%	13.5%	-8.1%	6.6%	12.7%	-6.1%
Lighting Products	36.2%	28.1%	8.1%	41.6%	29.8%	11.8%
Home Appliances	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%

SEGMENT WISE- ROCE (%)

Particulars (INR Lacs)	Capital Employed			ROCE (Annualized) *		
	H1, FY 17-18	H1, FY 16-17	% change	H1, FY 17-18	H1, FY 16-17	% change
Consumer Electronics	(1,833)	3,686		N.A.	64.9%	
Lighting Products	14,437	8,635	67.2%	22.9%	18.6%	4.3%
Home Appliances	9,640	5,203	85.3%	20.6%	44.8%	-24.2%
Mobile Phones	1,257	962	30.6%	56.9%	72.3%	-15.5%
Reverse Logistics	4,096	4,300	-4.7%	22.2%	28.0%	-5.8%
Total	27,596	22,786				

* ROCE = EBIT/ Net Capital Employed as on 30th Sept.,17

SEGMENT WISE CAPACITY UTILIZATION : H1, FY 17-18

Particulars (Volume in Lacs)	Installed Capacity	Sales	Capacity Utilization
Consumer Electronics	6.0	6.1	101.7%
Lighting products	1,302.0	724.3	55.6%
Home Appliances	3.8	2.1	55.3%
Mobile Phones	50.4	15.4	30.6%
Reverse Logistics	18.3	4.4	24.0%

EXPENDITURE ANALYSIS : Q2, FY 17-18 vs Q2, FY 16-17

Particulars (As a % of total revenues)	Q2, FY 17-18	Q2, FY 16-17	% change
Cost of Material Consumed*	88.8%	89.1%	-0.3%
Employee benefit expenses	2.0%	2.1%	-0.1%
Other Expenses	4.9%	5.0%	-0.1%
Depreciation and Amortization Expense	0.4%	0.3%	0.1%
Finance Cost	0.4%	0.7%	-0.3%

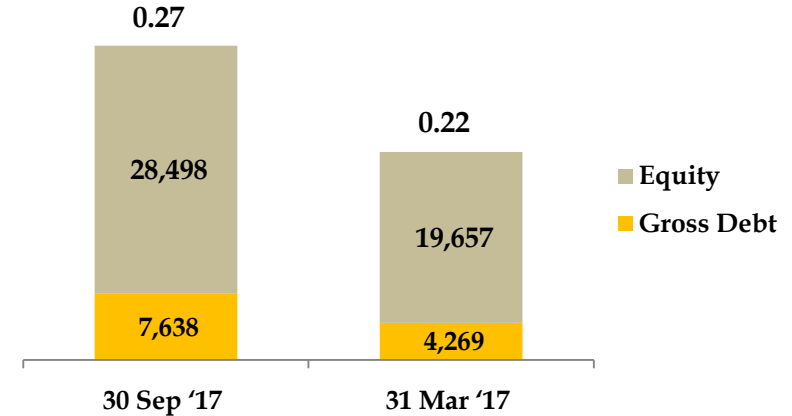
EXPENDITURE ANALYSIS : H1, FY 17-18 vs H1, FY 16-17

Particulars (As a % of total revenues)	H1, FY 17-18	H1, FY 16-17	% change
Cost of Material Consumed*	88.1%	88.0%	0.1%
Employee benefit expenses	2.1%	2.6%	-0.5%
Other Expenses	6.0%	5.5%	0.5%
Depreciation and Amortization Expense	0.4%	0.4%	0.0%
Finance Cost	0.4%	0.7%	-0.3%

* Cost of Material Consumed includes changes in inventories

CONSOLIDATED BALANCE SHEET

Particulars (INR Lacs)	30 Sep '17	31 Mar '17
Total Shareholder funds (A)	28,498	19,657
Equity share capital	1,133	1,099
Other equity	27,365	18,558
Total Debt (B)	7,638	4,269
Short Term Borrowings	6,659	3,306
Long Term Borrowings	979	963
Other Non Current Liabilities (C)	1,541	1,416
Total Liabilities (A+B+C)	37,677	25,342
Fixed Assets (A)	17,183	13,787
Other Non Current Assets (B)	3,232	2,292
Cash & Cash Equivalents (C)	8,644	1,533
Trade Receivables	49,531	27,961
Inventories	33,385	28,220
Other Current Assets	11,702	5,983
Total Current Assets	94,618	62,164
Less: Current Liabilities & Provisions	85,999	54,434
Net Current Assets (D)	8,619	7,730
Total Assets (A+B+C+D)	37,677	25,342



Particulars (INR Lacs)	30 Sep '17	31 Mar '17	Change
Total Gross Debt	7,638	4,269	3,369
Cash & Cash Equivalents	8,644*	1,533	7,111
Net Debt	(1,006)	2,736	(3,742)

* Includes Rs.33 crores of balance IPO Proceeds

KEY RATIOS

Particulars (INR Lacs)	30 Sep '17	31 Mar '17
Receivables days Outstanding (A)	57.4	40.9
Inventory Days Outstanding (B)	38.7	41.2
Payables days outstanding (C)	99.4	80.2
Cash Conversion Cycle / Working Capital Days (A+B-C)	(3.4)	1.9
ROCE (%)*	33.7%	35.1%
ROE (%) **	26.2%	30.2%

*ROCE = EBIT/ Average Net Capital Employed . Balance IPO proceeds of 33 crores has been excluded for calculation of ROCE

**ROE = PAT/ Average Shareholder Funds. Decrease in ROE is due to infusion of IPO proceeds of Rs. 60 crores

TIRUPATI FACILITY

- ❑ Tirupati Facility set up to penetrate the markets in South India and to provide easier access to the exports market (*Just 140 kms from the Chennai Port*)
- ❑ 12 acre facility with 2 lac sq ft construction leased by Govt for 30 years
- ❑ 100% SGST benefit from Andhra Pradesh Govt
- ❑ Commenced production of LED TV's in Sept 17
- ❑ CCTV's and DVR's expected to commence production in 3rd week on Nov 17



THANK YOU

Dixon Technologies announces results for the Quarter & Half Yearly ended 30th Sept, 2017

Noida, Nov 14, 2017: Dixon Technologies today announced its unaudited standalone and consolidated financial results for the quarter ended 30th Sept, 2017

The consolidated revenues for quarter ended Sept 30, 2017 was Rs 881 crores as compared to Rs. 751 crores during the corresponding period of last year, up by 17%. Consolidated EBITDA for the quarter was Rs. 37 crores as against Rs 28 crores in the same period last year, up by 31%. Consolidated PAT for the quarter was Rs 21 crores as against Rs 16 crores in same period last year, up by 33%

The consolidated revenues for half year ended Sept 30, 2017 was Rs 1,578 crores as compared to Rs. 1,192 crores during the corresponding period of last year, up by 32%. Consolidated EBITDA for half year ended was Rs 59 crores as compared to Rs 47 crores in same period last year, up by 25%. Consolidated PAT for the period was Rs 31.5 crores as against Rs 25 crores, up by 26%.

The company has delivered a stellar financial performance in the first six months of the current financial year considering that Q1, FY 18 was impacted by channel de-stocking ahead of the GST implementation. Lack of clarity on GST transitional provisions led to a great reluctance on the part of companies to pick up fresh inventory & companies resorted to heavily discounted pre-GST sales in a bid to minimise their own stock levels at the time of transition.

The company delivered a stellar performance in the “Lighting products” segment which saw a growth of 73% in revenues in half year ended 30th Sept, 17 as against same period last year. A 48% revenue growth in “Consumer Electronics” vertical in the same period reflected strong continuing positive performance year on year.

Company commenced production of LED TV's in the Tirupati facility which has been set up primarily to penetrate the markets in South India and to provide easier access to the exports market. CCTV's and DVR's are expected to commence production at Tirupati by 3rd week of Nov 17.

Commenting on the results and performance, **Mr. Sunil Vachani, Chairman, Dixon Technologies** said “Despite a challenging short term disruption caused by GST the company has managed to post a strong in revenues & profitability. We are optimistic regarding the performance in the forthcoming quarters on back of new customer additions in the last few months, new business of CCTV's and DVR's at Tirupati facility & the investments in projects with backward integration.

Our scale & leading market position in key verticals, flexible & cost effective manufacturing capabilities, own design capabilities, focus on backward integration & strong management team are key differentiators which allow us to capitalize on opportunities with new and existing customers & will help us generate positive operating results over the long-term. We remain confident in our strategy and our ability to drive continuous improvements in the current fiscal year.

About Dixon Technologies (India) Limited

Dixon Technologies (India) Limited is the largest* home grown design-focused and solutions company engaged in manufacturing products in the consumer durables, lighting and mobile phones markets in India. Their diversified product portfolio includes (i) consumer electronics like LED TVs; (ii) home appliances like washing machines; (iii) lighting products like LED bulbs and tubelights, downlighters and CFL bulbs; and (iv) mobile phones. Dixon also provides solutions in reverse logistics i.e. repair and refurbishment services of set top boxes, mobile phones and LED TV panels.

***Source: Project Rise: Indian Consumer Electronics & Appliances Market Study, issued by Frost & Sullivan India Private Limited**