



APL/SECT/DLH/SE: 2018-19

5th November 2018

Electronic Filing

National Stock Exchange of India Limited
"Exchange Plaza" Bandra-Kurla Complex,
Bandra (E),
Mumbai-400051

Department of Corporate Services/Listing
BSE Limited
Phiroze Jeejeebhoy Tower,
Dalal Street, Fort,
Mumbai-400001

NSE Symbol : APLAPOLLO

Scrip Code : 533758

Dear Sir/Madam,

Re: Press Release

Enclosed herewith please find copy of Press Release being made by the Company today titled "H1 FY19".

We request you to kindly take the above information on your record.

Thanking you

Yours faithfully
For APL Apollo Tubes Limited

Adhish Swaroop
Company Secretary

Encl: a/a

APL Apollo Tubes Limited (CIN-L74899 DL 1986PLC023443)

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Unit-III : Plot No. M-1, Additional M.I.D.C. Area, Kudavali, Murbad, Maharashtra, Thane-421401, India Unit-IV : Village Bendri, Near Urla Indl. Area Raipur, Chhattisgarh-493661, India

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APL Apollo Tubes Limited

37, Hargobind Enclave, Vikas Marg, New Delhi – 110 092

H1 FY2019

Sales volume improves by 11% Y-o-Y to 6.06 lakh tons*

Net Revenues increases by 35% to Rs. 3,367 crore

EBITDA higher by 8% to Rs. 195 crore

New Delhi, November 5, 2018: APL Apollo Tubes Limited (APL Apollo), India's leading branded steel tubes manufacturer, announced its financial results for the quarter and half year ended September 30, 2018.

Financial Performance Highlights

Performance Review for Q2 FY19 vs. Q2 FY18

- Sales Volume* improves by 7% to 3.04 lakh tons from 2.83 lakh tons
- Net Revenues increases by 26% to Rs. 1,690.5 crore compared to Rs. 1,345.4 crore
- EBITDA¹ at Rs. 86.2 crore compared to Rs. 101.3 crore
- PBT at Rs. 41.0 crore as compared to Rs. 62.6 crore
- Net Profit after Tax at Rs. 26.7 crore compared to Rs. 40.7 crore

Performance Review for H1 FY19 vs. H1 FY18

- Sales Volume* improves by 11% to 6.06 lakh tons from 5.48 lakh tons
- Net Revenues increases by 35% to Rs. 3,367.0 crore compared to Rs. 2,501.0 crore
- EBITDA¹ higher by 8% Y-o-Y to Rs. 194.9 crore compared to Rs. 180.0 crore
- PBT at Rs. 111.9 crore as compared to Rs. 121.0 crore
- Net Profit after Tax at Rs. 73.7 crore compared to Rs. 79.6 crore

Note:

Net Revenues includes other operating income, which is a part of regular business income

*Excluding Trading & Scrap

(1) EBITDA without other income

Commenting on the Company's performance for Q2 & H1 FY2019, Mr. Sanjay Gupta, Chairman, APL Apollo, said,

"We delivered a steady performance during the quarter, registering a volume growth of 7% despite external challenges such as the transporters' strike, floods in Kerala and slowdown in construction activities due to healthy monsoon in the months of July and August. This, overall impacted demand during the period under review. However, we are already witnessing revival in volumes in Q3 and are confident of increasing the momentum in H2 FY19.

On the business front, we are happy to share that our wholly-owned subsidiary Shri Lakshmi Metal Udyog has acquired stake in Apollo Tricoat. Apollo Tricoat recently established a facility to manufacture Tricoat tubes with the global Galvant technology. These products are eco-friendly and are used as a substitute of PVC electrical Conduit Pipes. The acquisition will allow APL Apollo to penetrate the high margin coated tubes segment and further enhance its product portfolio, while also positioning the Company as a technology-led global steel tubes company.

Given our leadership position in the sector, we are well poised to leverage on host of opportunities across various sectors of the Indian economy, which should enable us to deliver healthy growth on a high base, going forward."

Key Developments

- **Acquires equity stake in Apollo Tricoat Tubes Limited – to augment high-margin coated tube product portfolio**
 - APL Apollo, through its wholly owned subsidiary Shri Lakshmi Metal Udyog Limited (SLMUL), would be buying 8 million shares and 4.3 million share warrants of Apollo Tricoat Tubes Ltd (Apollo Tricoat), subject to fulfillment of listing conditions. This constitutes about 40.4% of the shareholding of Apollo Tricoat. The shares would be acquired at a price of Rs. 120 (Rupees One Hundred and Twenty) per share only. SLMUL will also make an open offer for acquiring more than 26% of the shareholding of Apollo Tricoat, in terms of the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. If fully subscribed, the total shareholding of SLMUL would become 66.4% of the share capital of Apollo Tricoat on a fully diluted basis
 - Headquartered in New Delhi, Apollo Tricoat recently established a 50,000 TPA facility to manufacture Tricoat tubes. The products span three variants - SureCoat, DuraCoat and SuperCoat and are made through the latest Galvant technology. The products are eco-friendly and are used as a substitute of PVC electrical Conduit Pipes. The acquisition will enable the Company to expand its product portfolio in the high-margin coated pipe segment. There would be synergies between the business of SLMUL and Apollo Tricoat
- **Promoter group to infuse up to Rs. 172 crore in APL Apollo through preferential and warrants issue**
 - Equity Infusion of Rs. 72 crore through preferential issue of 400,000 Equity shares at Rs. 1,800 per equity share
 - Equity infusion of Rs. 100 crore through issue of 500,000 Options attached to warrants of the Company at Rs. 2,000 per equity share
 - This equity infusion reiterates the promoter group's commitment towards the business and confidence in its growth outlook

About APL Apollo Tubes Limited

APL Apollo Tubes Limited (APL Apollo) [BSE: 533758, NSE: APLAPOLLO] is one of India's leading branded steel products manufacturers. Headquartered at Delhi NCR, the Company operates six manufacturing facilities with a total capacity of 1.8 Million MTPA. It has a PAN-Indian presence with units strategically located in Sikandarabad (3 units), Bangalore, Hosur, Raipur and Murbad. APL Apollo's multi-product offerings include over 500 varieties of MS Black pipes, Galvanized Tubes, Pre-Galvanized Tubes, Structural ERW Steel tubes and Hollow Sections.

With state-of-the-art-manufacturing facilities, APL Apollo serves as a 'one-stop shop' for a wide spectrum of steel products, catering to an array of industry applications such as urban infrastructures, housing, irrigation, solar plants, greenhouses and engineering. The Company's vast 3-tier distribution network of over 600 dealers is spread all across India, with warehouses cum- branch offices in over 20 cities.

For more information about us, please visit www.aplapollo.com or contact:

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Certain statements in this document that are not historical facts are forward looking statements. Such forward-looking statements are subject to certain risks and uncertainties like government actions, local, political or economic developments, technological risks, and many other factors that could cause actual results to differ materially from those contemplated by the relevant forward-looking statements. APL Apollo Tubes Limited 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.