

# Dixon

An ISO 9001 : 2000 Company

## Dixon Technologies (India) Limited

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

CIN: U32101UP1993PLC066581

(NEW CIN: L32101UP1993PLC066581)

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07.02.2018

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 Q3 Results

**Ref:** Regulation 30 and 46 of SEBI (LODR) Regulations, 2015

In furtherance to our intimation dated 06.02.2018 with respect to Conference Call with Investors on Q3- 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 Q3-FY 2018' along with the Press Release. The same is being 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)



Encl: as above

# Dixon

**R**                      **I**                      **S**                      **E**  
Research      Innovation      Scale      Excellence

**INVESTOR  
UPDATE**

**Q3 & 9 Months, FY 2017-2018**

# 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 (India) 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.

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# RECENT UPDATES

Commenced production of Lighting products mainly LED bulbs in new Noida facility with a monthly capacity of approx 2.5 million



Added Lloyd in Nov, 17 & Micromax in Jan,18 in Home Appliances segment

Commenced production of security systems including CCTV'S & Digital Video Recorders (DVR's) from Tirupati facility in Jan,18 under the trademark "CP Plus"



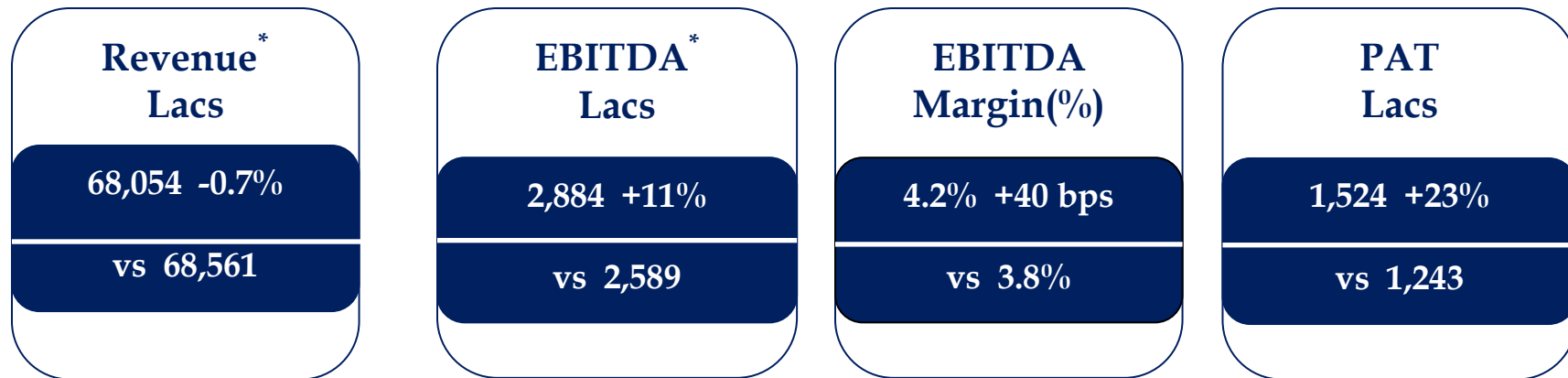
Commenced production of LED TV's for Skyworth, which is among the world's top 10 LED TV's brands in Q3



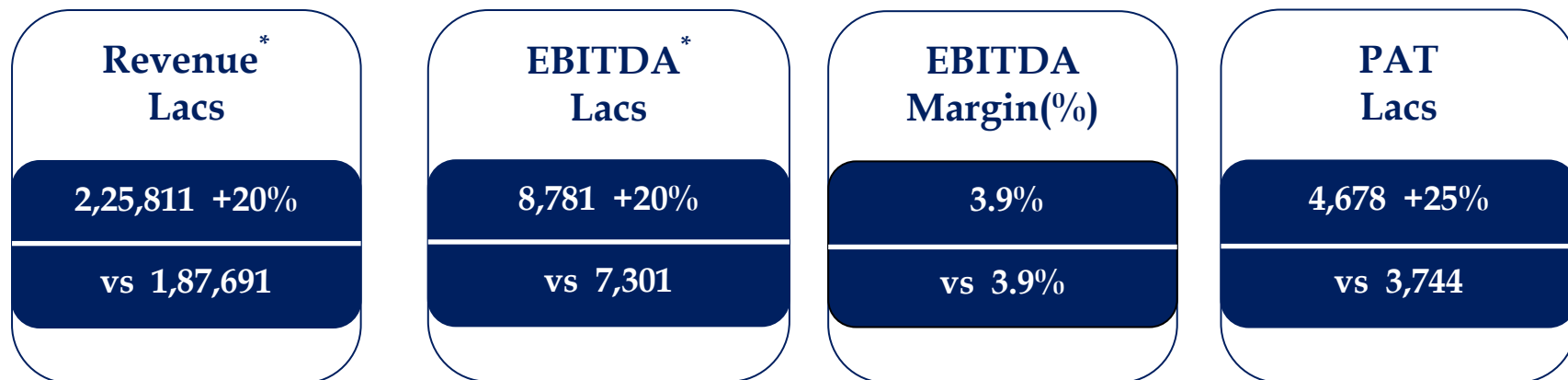
Added Blaupunkt- Feature phones from Feb,18 & slow down in Gionee operations during Q3 in mobile segment



## KEY NUMBERS - Q3, FY 17-18 vs Q3, FY 16-17



## KEY NUMBERS - 9M, FY 17-18 vs 9M, FY 16-17



\*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 facility

# CONSOLIDATED RESULTS

Particulars (INR Lacs)	Q3, FY 17-18	Q3, FY 16-17	% Change	9M, FY 17-18	9M, FY 16-17	% Change
Income*	68,022	68,474	-0.7%	2,25,535	1,87,585	20.2%
Expenses	65,170	65,972	-1.2%	2,17,030	1,80,391	20.3%
<b>Operating Profit</b>	<b>2,852</b>	<b>2,503</b>	<b>14.0%</b>	<b>8,505</b>	<b>7,195</b>	<b>18.2%</b>
<b>Operating Profit Margin</b>	<b>4.2%</b>	<b>3.7%</b>	<b>+50 bps</b>	<b>3.8%</b>	<b>3.8%</b>	<b>-</b>
Other Income	32	86	-63.2%	276	106	160.2%
<b>EBITDA</b>	<b>2,884</b>	<b>2,589</b>	<b>11.4%</b>	<b>8,781</b>	<b>7,301</b>	<b>20.3%</b>
<b>EBITDA Margin</b>	<b>4.2%</b>	<b>3.8%</b>	<b>+40 bps</b>	<b>3.9%</b>	<b>3.9%</b>	<b>-</b>
Depreciation	397	250	58.8%	1,069	750	42.6%
<b>EBIT</b>	<b>2,487</b>	<b>2,339</b>	<b>6.3%</b>	<b>7,713</b>	<b>6,551</b>	<b>17.7%</b>
Finance Cost	255	468	-45.6%	916	1,322	-30.7%
<b>PBT</b>	<b>2,232</b>	<b>1,871</b>	<b>19.3%</b>	<b>6,796</b>	<b>5,230</b>	<b>30.0%</b>
Tax	707	628	12.7%	2,118	1,486	42.5%
<b>PAT</b>	<b>1,524</b>	<b>1,243</b>	<b>22.6%</b>	<b>4,678</b>	<b>3,744</b>	<b>25.0%</b>
<b>PAT Margin</b>	<b>2.2%</b>	<b>1.8%</b>	<b>+40 bps</b>	<b>2.1%</b>	<b>2.0%</b>	<b>+10 bps</b>
<b>EPS</b>	<b>13.7</b>	<b>12.3</b>	<b>11.3%</b>	<b>42.0</b>	<b>37.0</b>	<b>13.5%</b>

The Company adopted Indian Accounting Standards (Ind AS) from 1<sup>st</sup> April, 2017 and the figures for the quarter and nine months ended 31<sup>st</sup> December, 2016 are also Ind AS complied.

\* Includes INR 242 Lacs of GST incentive

# SEGMENT WISE PERFORMANCE : Q3, FY 17-18 vs Q3, FY 16-17

Particulars (INR Lacs)	Q3, FY 17-18	Q3, FY 16-17	% change	Q3, FY 17-18	Q3, FY 16-17	% change
<b>Revenues</b>				<b>% of Total Revenue</b>		
Consumer Electronics	22,819	24,546	-7.0%	33.7%	36.3%	-2.6%
Lighting Products	19,921	15,312	30.1%	29.4%	22.7%	6.7%
Home Appliances	6,977	4,514	54.6%	10.3%	6.7%	3.6%
Mobile Phones	15,835	21,596	-26.7%	23.4%	32.0%	-8.6%
Reverse Logistics	2,228	1,587	40.4%	3.3%	2.3%	1.0%
<b>Total</b>	<b>67,780</b>	<b>67,554</b>	<b>0.3%</b>	<b>100%</b>	<b>100%</b>	
Add: Excise Duty	-	920				
Add: GST Incentive	242	-				
<b>Total Revenue</b>	<b>68,022</b>	<b>68,474</b>	<b>-0.7%</b>			
<b>EBITDA</b>				<b>EBITDA Margin %</b>		
Consumer Electronics	337	817	-58.8%	1.5%	3.3%	-1.8%
Lighting Products	1,397	251	456.0%	7.0%	1.6%	5.4%
Home Appliances	837	1,067	-21.5%	12.0%	23.6%	-11.6%
Mobile Phones	175	124	40.8%	1.1%	0.6%	0.5%
Reverse Logistics	107	244	-56.3%	4.8%	15.3%	-10.5%
<b>Operating Profit</b>	<b>2,852</b>	<b>2,503</b>	<b>14.0%</b>	<b>4.2%</b>	<b>3.7%</b>	<b>0.5%</b>
Other Income	32	86				
<b>EBIDTA</b>	<b>2,884</b>	<b>2,589</b>	<b>11.4%</b>	<b>4.2%</b>	<b>3.8%</b>	<b>0.4%</b>

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



# SEGMENT WISE PERFORMANCE : 9M, FY 17-18 vs 9M, FY 16-17

Particulars (INR Lacs)	9M, FY 17-18	9M, FY 16-17	% change	9M, FY 17-18	9M, FY 16-17	% change
<b>Revenues</b>				<b>% of Total Revenue</b>		
Consumer Electronics*	85,923	67,105	28.0%	38.3%	36.4%	1.9%
Lighting Products*	56,100	36,259	54.7%	25.0%	19.7%	5.3%
Home Appliances *	16,727	14,590	14.6%	7.5%	7.9%	-0.4%
Mobile Phones	59,259	61,964	-4.4%	26.4%	33.6%	-7.2%
Reverse Logistics	6,109	4,526	35.0%	2.7%	2.5%	0.2%
<b>Total</b>	<b>2,24,118</b>	<b>184,445</b>	<b>21.5%</b>			
Add: Excise Duty	1,174	3,140				
Add: GST Incentive	242	-				
<b>Total Revenue</b>	<b>2,25,535</b>	<b>1,87,585</b>	<b>20.2%</b>			
<b>EBITDA</b>				<b>EBITDA Margin %</b>		
Consumer Electronics*	1,963	2,074	-5.3%	2.3%	3.1%	-0.8%
Lighting Products*	3,376	1,376	145.4%	6.0%	3.8%	2.2%
Home Appliances *	1,983	2,329	-14.8%	11.9%	16.0%	-4.1%
Mobile Phones	565	492	14.8%	1.0%	0.8%	0.2%
Reverse Logistics	617	924	-33.2%	10.1%	20.4%	-10.3%
<b>Operating Profit</b>	<b>8,505</b>	<b>7,195</b>	<b>18.2%</b>	<b>3.8%</b>	<b>3.9%</b>	<b>-0.1%</b>
Other Income	276	106				
<b>EBITDA</b>	<b>8,781</b>	<b>7,301</b>	<b>20.3%</b>	<b>3.9%</b>	<b>3.9%</b>	<b>0.0%</b>

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

## SEGMENT WISE- ODM REVENUE SHARE (%)

Particulars (%)	Q3, FY 17-18	Q3, FY 16-17	% change	9M, FY 17-18	9M, FY 16-17	% change
Consumer Electronics	3.3%	11.0%	-7.7%	5.7%	12.1%	-6.4%
Lighting Products	39.5%	51.9%	-12.4%	40.9%	39.1%	1.8%
Home Appliances	100.0%	100.0%	0.0%	100.0%	100.0%	0.0%

## SEGMENT WISE- ROCE (%)

Particulars (INR Lacs)	Capital Employed			ROCE (Annualized) *		
	9M, FY 17-18	9M, FY 16-17	% change	9M, FY 17-18	9M, FY 16-17	% change
Consumer Electronics	489	1,912	-74.4%	497.6%	132.3%	365.3%
Lighting Products	17,116	8,464	102.2%	22.2%	17.5%	4.7%
Home Appliances	10,739	4,888	119.7%	21.1%	59.6%	-38.5%
Mobile Phones	1,333	430	210.3%	51.6%	138.6%	-87.0%
Reverse Logistics	3,393	4,482	-24.3%	21.3%	24.2%	-2.9%
<b>Total</b>	<b>33,070</b>	<b>20,176</b>				

\* ROCE = EBIT/ Net Capital Employed as on 31<sup>th</sup> Dec.,17

## SEGMENT WISE CAPACITY UTILIZATION : 9M, FY 17-18

Particulars (Volume in Lacs)	Installed Capacity	Sales	Capacity Utilization
Consumer Electronics	9.0	8.1	90.3%
Lighting products	1,735.3	1,176.2	67.7%
Home Appliances	5.7	3.6	63.9%
Mobile Phones	75.6	23.1	30.6%
Reverse Logistics	27.5	5.9	21.7%

## EXPENDITURE ANALYSIS : Q3, FY 17-18 vs Q3, FY 16-17

Particulars (As a % of total revenues)	Q3, FY 17-18	Q3, FY 16-17	% change
Cost of Material Consumed*	89.8%	89.0%	0.8%
Employee benefit expenses	3.0%	2.6%	0.4%
Other Expenses	6.2%	7.3%	-0.9%
Depreciation and Amortization Expense	0.6%	0.4%	0.2%
Finance Cost	0.4%	0.7%	-0.3%

## EXPENDITURE ANALYSIS : 9M, FY 17-18 vs 9M, FY 16-17

Particulars (As a % of total revenues)	9M, FY 17-18	9M, FY 16-17	% change
Cost of Material Consumed*	90.5%	90.0%	0.5%
Employee benefit expenses	2.4%	2.6%	-0.2%
Other Expenses	6.2%	6.3%	-0.1%
Depreciation and Amortization Expense	0.5%	0.4%	0.1%
Finance Cost	0.4%	0.7%	-0.3%

\* Cost of Material Consumed includes changes in inventories

# KEY RATIOS

Particulars	31 Dec '17	31 Mar '17
Receivables days Outstanding (A)	38.1	40.9
Inventory Days Outstanding (B)	44.9	41.2
Payables days outstanding (C)	85.1	80.2
<b>Cash Conversion Cycle / Working Capital Days (A+B-C)</b>	<b>(2.1)</b>	<b>1.9</b>
<b>ROCE (%)*</b>	<b>34.8%</b>	<b>35.1%</b>
<b>ROE (%) **</b>	<b>25.1%</b>	<b>30.2%</b>

\*ROCE = EBIT/ Average Net Capital Employed . Balance IPO proceeds of Rs. 25 crores as on 31<sup>st</sup> Dec,17 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

**THANK YOU**

## *Dixon Technologies announces results for the Quarter ended 31<sup>st</sup> December, 2017*

**Noida, Feb 7, 2018:** Dixon Technologies today announced its unaudited standalone and consolidated financial results for the quarter ended 31st Dec, 2017

- Consolidated revenues for quarter ended Dec 31, 2017 was Rs 681 crores
- Consolidated EBITDA for the quarter was Rs. 29 crores as against Rs 26 crores in the same period last year, up by 11%
- Consolidated PAT for the quarter was Rs 15 crores as against Rs 12 crores in same period last year, up by 23%

The company delivered a stellar performance in the “Lighting products” segment which saw a 30% growth of in revenues in Q3, FY 17-18 as against same period last year on account of higher volumes, procurement savings and other cost productivity.

Commenting on the results and performance, **Mr. Atul Lall, Managing Director, Dixon Technologies** said “We are extremely pleased with the growth in revenues & significant improvement in the margins in the Lighting business. We are optimistic regarding the performance across all segments in the forthcoming quarters on back of new customer additions in the last few months combined with a strong order book in Home Appliances & Lighting business, new business of CCTV’s and DVR’s & 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 upcoming quarters”

### **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**