



APL/SECT/DLH/SE: 2018-19



25th May 2018

Electronic Filing

National Stock Exchange of India Limited
"Exchange Plaza" Bandra-Kurla Complex,
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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 "Q4 FY 2018".

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

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APL Apollo Tubes Limited

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Q4 FY2018

Sales volume improves by 28% Y-o-Y to 3.01 lakh tons

Net Revenues increases by 40% to Rs. 1,519 crore

PBT higher by 19% to Rs. 67 crore

New Delhi, May 25, 2018: APL Apollo Tubes Limited (APL Apollo), India's leading branded steel tubes manufacturer, announced its financial results for the quarter and year ended March 31, 2018.

Financial Performance Highlights

Performance Review for FY18 vs. FY17

- Sales Volume* improves by 21% to 11.30 lakh tons from 9.32 lakh tons
- Net Revenues increases by 36% to Rs. 5,334.8 crore compared to Rs. 3,923.9 crore
- EBITDA¹ higher by 11% Y-o-Y to Rs. 371.1 crore compared to Rs. 333.0 crore
- PBT higher by 13% Y-o-Y to Rs. 244.4 crore as compared to Rs. 216.1 crore
- Net Profit after Tax increases by 5% to Rs. 160.0 crore compared to Rs. 152.1 crore

Performance Review for Q4 FY18 vs. Q4 FY17

- Sales Volume* improves by 28% to 3.01 lakh tons from 2.34 lakh tons
- Net Revenues increases by 40% to Rs. 1,519.4 crore compared to Rs. 1,082.2 crore
- EBITDA¹ higher by 20% Y-o-Y to Rs. 102.6 crore compared to Rs. 85.7 crore
- PBT higher by 19% Y-o-Y to Rs. 67.0 crore as compared to Rs. 56.3 crore
- Net Profit after Tax at Rs. 44.6 crore compared to Rs. 49.9 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 Q4 & FY2018, Mr. Sanjay Gupta, Chairman, APL Apollo, said,

"We have ended the fiscal on a healthy note despite challenging macro conditions. In FY2018, our sales volume grew by 21%, while in Q4 FY18, it marked a significant growth of 28%, led by a strong uptick in demand. The growth was also driven by increasing contribution from Hollow sections led by commissioning of new DFT lines during the year.

We have made significant progress towards most of our strategic and operating objectives. We commissioned 6 DFT lines this year across existing facilities of Raipur, Hosur, and Murbad. These technologically-advanced and highly-customizable products continue to enjoy a strong response across multiple target sectors such as Building Material, Construction & Infrastructure, Solar, Automobile, Telecom to name a few. We believe, this along with the new brand launches in focused markets will help us expand our presence and product offerings across our value-added business segments.

Whilst the macro environment remains broadly stable, we have made a promising start to the new fiscal by registering robust volumes in the months of April & May. We remain focused towards further increasing this momentum and are confident of delivering targeted volume growth in FY19. Following our branding, cost optimization and other strategic efforts, we believe, we are well positioned to benefit from the recovery in macros and look forward to healthy progress, both in the near and longer term."



Key Developments

- **Commissioned 6 Direct Forming Technology (DFT) lines in FY18**
 - The Company operationalized 6 DFT lines across its facilities of Raipur, Hosur and Murbad during the year
 - DFT products are witnessing a successful run across market segments, especially in the OEMs and Exports markets
 - The Company will be commissioning another 2 lines across existing facilities of Sikandarabad and Hosur in the first half of FY19
 - With the operationalization of all 8 DFT lines, the Company is aiming at a total installed capacity of 2 million MTPA
- **Enhanced brand development activities to expand visibility and enable a stronger brand recall for 'APL Apollo'**
 - Outlined a two pronged approach to improve the visibility and strength of 'APL Apollo' brand, which includes,
 - Increase Top-of-Mind-Awareness across B2B/B2C Customers via different formats such as Print, Electronic, Social, Outdoor, etc
 - Strong focus towards arranging and hosting dealer & distributor engagement activities like Architect Meets, Exhibitions, Fabricators meets, Van activities, Chai pe Charcha to continue
- **Deploying cost rationalization strategy across business model**
 - APL Apollo is the lowest cost producer in the country, with an aim to become one of the lowest cost producer across the globe
 - The Company has taken several business initiatives to optimize the cost structure
 - Close-to-demand distribution-dealer-retail network reduces transportation costs
 - Increased usage of renewable (solar + wind) energy to help reduce electricity and maintenance costs
 - Strong focus towards cost-effective product profile



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 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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DISCLAIMER:

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.

