

## PRESS RELEASE

**Aksh Optifibre Limited reports strong financial results for Q4 FY16 & FY 2015-16. YoY Revenue increased by 23% to Rs. 462 crores and EBIDTA at record high of Rs. 74 Crores up by 34%.**

**New Delhi, May 30, 2016:** Aksh Optifibre Limited [BSE: 532351 | NSE: AKSHOPTFBR], the leading manufacturer of Optical Fibre, Optical Fibre Cables, FRP Rods and largest e-governance (E-mitra) service provider in the state of Rajasthan announced its results for Q4 and FY 2015-16 in New Delhi. The Company has recorded remarkable growth:

- Quarterly revenue at Rs. 130 Crores, Up by 19% QoQ
- Annual revenue at Rs. 462 Crores, Up by 23% YoY
- Quarterly EBITDA of Rs. 21 Crores, Up by 32% QoQ
- Annual EBITDA of Rs. 74 Crores, Up by 34% YoY

The global optical fibre demand has reached 392 Million fibre-km from 334 Million fibre-km registering a growth of 17% YoY basis as on December 31<sup>st</sup> 2015. The OFC market is expected to grow to reach \$12 billion by 2020 from currently at \$7 billion. With rapidly changing communication requirements and paradigm shift to 4G/LTE and 5G enabled devices coupled with continuous need for high speed broadband connectivity not only in metros but also in rural and remote area of India, the demand for optical fibre cable is increasing. In India during the last year over 16 million fibre km of OFC has been consumed and ranked 3<sup>rd</sup> globally.

The vision of the present Indian Government is to place India high in digital platform of technology. With all large scale national connectivity plans like Bharat Net and Network For Spectrum (NFS) now in the final stages of commissioning, the demand for the next phase of last mile OFC connectivity is just around the horizon. With the vision of the Government to provide Good Governance, E-Governance is playing pivotal role in delivering services through a digital platform to increase their reach and provide citizens with effective governance. Presently, 42,110 gram panchayats have been connected by an OFC network.

In line with the expansion plan of the Company, with overall capex of Rs. 95 Cr, the Board took note of the developments in this regard and as part of the expansion programme announced capacity enhancement in Optical Fibre by 100 %, Optical Fibre cable by 50% and Fibre Reinforced Plastic by 200 %. The capacity expansion is being strategically planned to cater to market demands and is on track to become operational during FY 2016-17.

With improved performance in our existing business and with a view to mitigate business risk to ensure sustainable growth the Board of Directors have approved CAPEX of Rs. 85 Crores for the diversification of its product portfolio to manufacture 200,000 pair of ophthalmic lenses per day, in phased manner, to be funded by debt and internal accounts. The Company has initiated steps for shareholder's approval for amendment in objects clause of Memorandum of Association of the Company.

Aksh has been highly instrumental in transforming lives and contributing towards faster development of the states it partners, with its e-Governance arm 1 Stop Aksh. In its endeavour to help community to Live Smart and making government initiatives accessible to public, 1 Stop Aksh has become a leading Local Service Provider (LSP) in Rajasthan and delivers over 250 Government-to-Citizen (G2C) & Business-to-Citizen (B2C) services through its kiosks spread across the state. With 8600 (3800 in 2015) kiosks operational across the state, Aksh is on track to over achieve its target of opening 10,000 kiosks in the state by the end of 2016. Key services like Micro ATM services, Aadhar Card Enrolments and payment of Government bills and services remain the top revenue generators for the division. Aksh has also been a key partner in imparting digital literacy and promoting employable skill development in the state of Rajasthan by projects like IT Gyan Kendras (ITGK), “National Digital Literacy Mission (NDLM)” and “Telecom Sector Skill Council (TSSC)”. 1stop Aksh has also been partnering government of Rajasthan to connect all government offices at district headquarter level on Optic fibre network which is primary work for Bharat Net.

Mr. Satyendra Gupta, Deputy Managing Director of Aksh Optifibre Limited, commenting on the occasion said, “Team Aksh has executed extremely well to cater to customer expectations in terms of technology, solution development and delivery. We are happy with the continued strong growth in revenue from all business divisions even in the face of strong macro-economic head winds globally. I am a firm believer of Aksh’s ideology to provide superior technology based solutions for communication needs at affordable cost in the shape of diverse products and services. We are geared up for major expansion and diversification plans which would surely be a game changer for us and the geographies that we work in, to maintain our leadership and continuous increase in market share.

### Financial Summary FY 2015-16

Standalone Financials	Quarter Ended			Year Ended	
	Q4 FY 16	Q3 FY16	Q4FY15	FY16	FY15
Revenues (INR Cr)	130.00	109.58	109.75	461.69	373.92
Revenues (\$ Mn)	19.62	16.54	16.56	69.68	56.43
EBITDA (INR Cr)	20.73	18.56	15.79	73.65	55.03
EBITDA (\$ Mn)	3.13	2.80	2.38	11.11	8.31
Net Profit (INR Cr)	2.20	11.20	8.94	33.52	32.11
Net Profit (\$ Mn)	0.33	1.69	1.35	5.06	4.85

USD to INR conversion at Rs 66.26