

August 9, 2018

Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, C-1, Block G
Bandra Kurla Complex,
Bandra (E),
Mumbai- 400051
BSE Scrip Code : 532395

The Manager
Dptt. of Corporate Services
BSE Limited
Floor 25 Phiroze Jeejeebhoy Towers
Dalal Street, Fort,
Mumbai – 400 051
NSE Symbol: AXISCADES

Dear Sir,

Sub.: Q1 & FY 2019 Result Presentation

Please find attached the consolidated results presentation for Quarter ended June 30, 2018 of AXISCADES Engineering Technologies Limited (AXISCADES).

This presentation is the information for shareholders on the performance of the Company for quarter ended June 30, 2018.

Kindly upload presentation to the terminals.

Yours truly,
For **AXISCADES Engineering Technologies Limited**



Shweta Agrawal
Company Secretary

Q1 FY19 RESULTS

AXISCADES Engineering Technologies Limited

CIN NO : L72200KA1990PLC084435



AXISCADES

Inspired Solutions. By Design

Disclaimer



Certain statements in this communication may be considered as ‘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, litigation and labour relations.

AXISCADES Engineering Technologies Limited (ACETL) 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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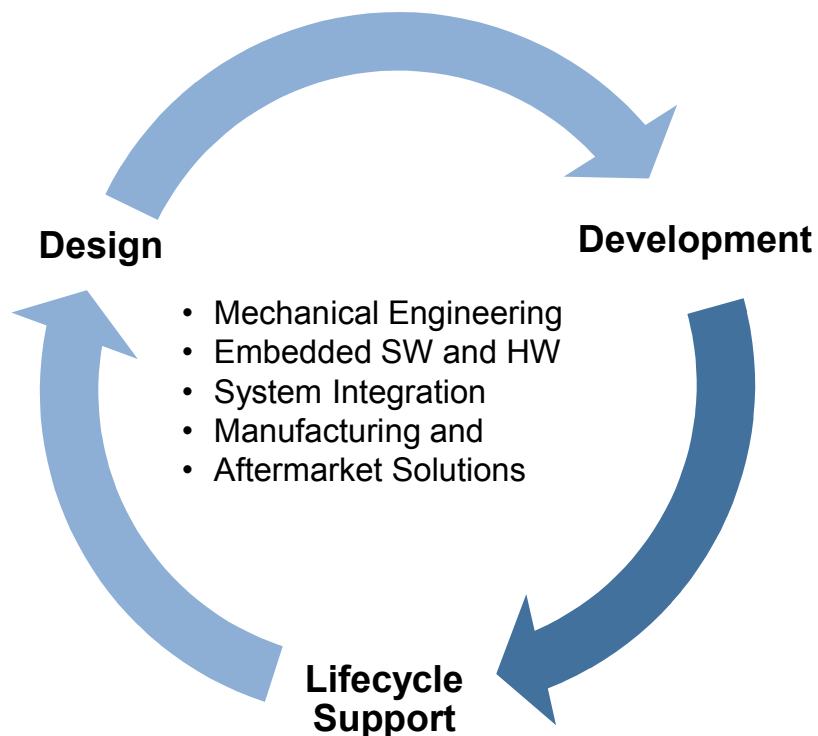
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AXISCADES Overview

AXISCADES is a leading Product Engineering Solutions company.

Product Engineering Solutions



Concept Design | Structures Engineering
Avionics | Manf Support



Defence
& Homeland Security

System Integration | Systems
Engineering | Electronic Warfare
Systems | SCM



Heavy Engg.

Design and Analysis | NPD
Telematics | HMI



Automotive

Vehicle Engineering | Telematics |
ADAS | AUTOSAR



Energy

Mechanical & Electrical Engineering |
Automation | IoT



Medical & Healthcare

Assistive Technology | Wearable
Electronics | Remediation | System
Engineering

Strategic partner to global OEMs for innovative, sustainable, safer & smarter products.

CEO's Message

Commenting on the Q1 FY19 performance, Mr. Mritunjay Singh, CEO & ED, AXISCADES Engineering Technologies Ltd.,

“We are encouraged by the early results that are flowing in from our various initiatives in a quarter wherein we have also continued to recalibrate, restructure and rebuild in line with our objective of creating an exciting digital engineering company.

Over the last three months we added nine new logos to our portfolio. These include a large customer in the recently incubated PLM vertical – a reflection of our strategy of Digital Engineering, integrating our offerings and building new capabilities. Revenue growth for the period under review was subdued due to late clearance of large product delivery in Product business which is lumpy and seasonal.

Our engagement with customers has translated into a robust deal pipeline which as on date stood at USD 100 plus million comprising both existing and new customers. We are optimistic about improving both revenue and profitability as we move forward.”

Key Highlights

Financial Highlights Q1 FY19

- ❑ **Consolidated Total Income at INR 1,248 Mn vs. INR 1,128 Mn in Q1 FY18, higher by 10.6% YoY**
 - In dollar terms, revenue from operations grew 6.1% YoY to US\$ 18.1 Mn
 - Revenue from operations stood at INR 1,226 Mn, higher by 11.3% YoY
 - *Both revenue ~ INR 210 Mn. and margins were impacted due to late clearance of large product delivery in Product business which is lumpy and seasonal*

- ❑ **Operating Income in Q1 FY19 impacted by notional forex losses to the tune of INR 31 Mn**

Business Highlights

- ❑ Engineering Services business grew 5.9% QoQ
- ❑ Product and Solutions vertical has seen a decline in Q1 FY19 by 65% on account of the cyclical nature of Indian defence business and delay in the recognition of revenues in Mistral which have been rolled over to Q2 FY19
- ❑ Robust outlook on the back of strong deal pipeline across verticals
- ❑ Expanded offerings with existing customers in Digitalization
- ❑ Acquired nine new logos, including one in PLM

Consolidated Financials

Consolidated Financial Performance – Q1 FY19



Financial Performance			
	Q1 FY19	Q4 FY18	Q1 FY18
Revenue from operations (\$ Million)	\$ 18.1	\$ 23.1	\$ 17.1
In Million Rs			
Revenue from operations	1,215	1,485	1,102
Other Income	33	84	26
Total Income	1,248	1,569	1,128
Employee Expenses	795	828	629
Direct Expenses	132	259	85
Project consultancy Charges	67	67	115
Other expenses	251	402	216
Total expenses	1,245	1,557	1,045
Operating Income	3	13	83
PBT	(104)	(93)	2
PAT (Before Minority Interest)	(79)	(125)	0
PAT (After Minority Interest)	(80)	(126)	(1)
Basic EPS	(2.13)	(3.33)	(0.01)
Operating Income %	0.2%	0.8%	7.4%
PBT %	-8.4%	-6.0%	0.1%
PAT % (After Minority Interest)	-6.4%	-8.0%	0.0%

Explanatory Notes
<ul style="list-style-type: none"> ❑ YoY Consolidated revenue from operations increased by 11.3% in INR terms in Q1 FY19 ❑ QoQ 17.4% decline primarily due to late clearance of large product delivery in Product business which is lumpy and seasonal ❑ Operating Income declined to 0.2% primarily due to <ul style="list-style-type: none"> ➤ Decrease in revenue in Product and Solutions ➤ Notional foreign exchange loss of INR 31 Mn on account of restatement of foreign currency loan as at period end 30-Jun-18 ❑ PBT was impacted by INR 38 Mn in Q1 FY19 due to non-cash accounting treatment pertaining to the Mistral acquisition.

Revenue Segmentation

Revenue By Vertical (%)	Q1 FY19	Q4 FY18	Q1 FY18
Engineering design services	85.9%	67.0%	83.0%
Strategic technology solutions	14.1%	33.0%	17.0%

Revenue By Industry (%)	Q1 FY19	Q4 FY18	Q1 FY18
Aerospace	32.2%	30.2%	37.0%
Heavy Engineering & Others *	48.2%	30.6%	33.6%
Automotive and Industrial Products	3.3%	2.7%	4.4%
Energy	2.5%	3.5%	8.0%
Product and Solutions	13.8%	33.1%	17.0%

* Others includes Medical & Semiconductors. Mistral Solutions revenue has been segregated into Heavy Engineering and Strategic Tech Solutions

Consolidated performance for Q1 FY19 and Q4 FY18 includes the performance of Mistral Solutions Private Limited, hence Q1 FY18 ratios are not strictly comparable. Also Product and Solutions vertical revenue varies on account of cyclic pattern of Indian defence Industry

Segmentation has been realigned and regrouped as applicable

Operational Metrics

Revenue by Delivery Location	Q1 FY19	Q4 FY18	Q1 FY18
Onshore	45.7%	35.6%	51.4%
Offshore	54.3%	64.4%	48.6%

Revenue by Currency	Q1 FY19	Q4 FY18	Q1 FY18
USD	71.9%	58.8%	63.5%
INR	7.1%	23.5%	11.3%
EUR	10.2%	8.5%	16.3%
CAD	6.3%	5.6%	5.4%
GBP	4.1%	3.2%	3.5%
Others	0.4%	0.4%	0.0%

Consolidated performance for Q1 FY19 and Q4 FY18 includes the performance of Mistral Solutions Private Limited, hence Q1 FY18 ratios are not strictly comparable. Also Product and Solutions vertical revenue varies on account of cyclic pattern of Indian defence Industry

Segmentation has been realigned and regrouped as applicable

Operational Metrics (contd..)

Revenue by Geography	Q1 FY19	Q4 FY18	Q1 FY18
EUROPE	37.9%	34.8%	50.6%
USA	42.5%	31.7%	28.1%
APAC	13.3%	28.0%	15.9%
CANADA	6.3%	5.6%	5.4%

Revenue by Project type	Q1 FY19	Q4 FY18	Q1 FY18
Time and Material	56.6%	45.1%	49.7%
Fixed Price	43.4%	54.9%	50.3%

Consolidated performance for Q1 FY19 and Q4 FY18 includes the performance of Mistral Solutions Private Limited, hence Q1 FY18 ratios are not strictly comparable. Also Product and Solutions vertical revenue varies on account of cyclic pattern of Indian defence Industry

Segmentation has been realigned and regrouped as applicable.

Annexures

About AXISCADES Engineering Technologies Ltd.



AXISCADES is India's leading product engineering solutions company catering to the futuristic needs of aerospace, defence, heavy engineering, automotive, energy, medical & healthcare sectors. Its proven technology products and services, coupled with industry best practices, enable global OEMs to create innovative, sustainable, safer and smarter products.

The company has more than 2,300 engineers worldwide, offers solutions in mechanical engineering, embedded software and hardware, system integration, manufacturing and aftermarket solutions across domains addressing every stage of product lifecycle development. Headquartered in Bengaluru, AXISCADES has 14 engineering centers worldwide including North America, Europe and Asia.

For further information, please contact:

Kaushik Sarkar

AXISCADES Engineering Technologies Ltd.
Kirkoskar Business Park, Block 'C', 2nd Floor, Hebbal,
Bangalore – 560 024, India
Tel: +91 80 4193 9000
Email : investors.relations@axiscades.com

Gavin Desa / Varun Divadkar

CDR, India
Floor 2, Motlibai Wadia Bldg, Horniman Circle, Fort,
Mumbai 400 001
Tel: +91 22 6645 1237 / 9763702204
Email: gavin@cdr-india.com / varun@cdr-india.com

Abbreviation and Key Terms

Key Terms	Explanation
Operating Margin	Earning before Interest and taxes is calculated from Financial statement as per Regulation 33 of the Listing Regulations.
Total Income	Revenue is Total Income from operations as mentioned in Financial statement as per Regulation 33 of the Listing Regulations.
Gross Margin	Revenue less salary and staff welfare cost of direct engineers and any other project delivery expenses (includes travel, hardware and software).
G&A Expenses	General and Administrative expenses, not directly attributable to delivery and sales.
PBT	Profit before Tax
PAT, Net Profit	Profit after Taxes and Minority Interest
EPS	Earning Per share
Net Worth	Share holders Fund
Capital Employed	Share holders Fund plus long term loans

Thank You