

**Press Release  
For Immediate Dissemination**

## Raymond posts strong profitable growth in Q2 FY 18-19

**Revenue growth of 16% for the quarter, strong growth across segments**

**EBITDA grew by 35% with margin improvement by 164 bps**

**Underlying Profit for the quarter at Rs 63 Crs, up by 56% over previous year**

### Key highlights of the quarter

- Consolidated Revenue for quarter up by 16% y-o-y at Rs. 1,876 Crores
- Consolidated EBITDA for quarter up by 35% y-o-y to Rs. 214 Crores, margin improvement by 164 bps
- Net Profit up by 56% at Rs 63 Crores vs. Rs. 41 Crores (exc. exceptional items) last year
- Reported Net Profit up by 5% at Rs 63 Crores vs. Rs. 60 Crores last year

**Mumbai, October 25, 2018:** Raymond Limited today announced its unaudited financial results for the quarter ended September 30, 2018.

A snapshot of the financial results:

Consolidated Results Snapshot						
Rs in Crores	Q2 FY19	Q2 FY18	Y-o-Y %	1H FY19	1H FY18	Y-o-Y %
Net Revenue	1,876	1,616	16%	3,165	2,856	11%*
EBITDA	214	158	35%	322	240	34%
EBITDA %	11.4%	9.8%	+164 bps	10.2%	8.4%	+178 bps
PBT (before exceptions)	104	74	41%	112	74	52%
PBT %	5.5%	4.6%	+97 bps	3.5%	2.6%	+95 bps
Underlying Net Profit (before exceptions)	63	41	56%	65	33	94%
Exceptional Item (net of tax)	(0)	19		(2)	19	
Reported Net Profit	63	60	5%	63	53	19%

\*Lower revenue recognition by ~2%, due to revenue booking "net of excise" post GST as against gross earlier

Commenting on the results, Mr. Gautam Hari Singhania, Chairman & Managing Director, Raymond Limited said, "We are delighted to report our profitable growth momentum in a relatively subdued consumer demand environment. The impetus is on our sustainable business processes due to which we have been able to end the first half of the financial year with a strong performance. The initiatives that we have undertaken in recent past are yielding strong results and with seasonally strong quarters coming in, we are confident to continue on the growth trajectory, enhancing value for all our stake holders."



**Branded Textile** Segment sales at Rs. 884 Crores, higher by 15% over previous year led by 14% growth in the suiting business and 17% in the shirting business. Revenue driven by volume growth in domestic business mainly due to distribution expansion & growth in trade channels.

Like to Like EBITDA margins (excluding common cost allocation) (LTL EBITDA margins) at 15.9% as compared to 16.4% in the previous year impacted largely on account of increase in raw-material cost and higher A&SP spends.

**Branded Apparel** Segment sales at Rs. 484 Crores, up by 15% over previous year. The growth was driven by strong performance in MBO channel along with growth in Raymond (RPA) and Parx brands supported by new customer segments. Despite prolonged EOSS and higher A&SP spends, LTL EBITDA margin maintained at 3.2% due to operational efficiencies.

Retail Stores count as on Sep 30, 2018 stood at 1,282 across all formats covering about 2.2 million square feet of retail space. In-line with stated asset light network expansion strategy, we opened 38 mini TRS stores in Q2 taking total count of mini TRS to 139 stores.

**Garmenting** Segment sales at Rs. 219 Crores, higher by 19% over previous year led by exports growth in US. LTL EBITDA margins improved to 7.8% vs. 3.6% in previous year mainly due to operational efficiencies.

**Luxury Cotton Shirting Fabric** Segment sales at Rs. 176 Crores, grew by 17% on account of better offtake by the customers and yarn sales from Amravati plant. LTL EBITDA margins improved to 16.2% as compared to 11.4% in the previous year mainly due to better product mix and increased efficiency on account of stabilization of Amravati operations.

**Tools and Hardware** Segment sales at Rs. 104 Crores, up by 15% over previous year, mainly driven by better performance in domestic markets. The turnaround strategy of building operational efficiency and product rationalization helped in improving EBITDA margin to 14.4% as compared to 9.0% in the previous year.

**Auto Components** Segment sales at Rs. 64 Crores, higher by 21% over previous year, driven by strong demand from both domestic and international customers. EBITDA margins at 22.6%, impacted mainly due to higher raw material prices. Overall, the business is maintaining its profitable sales growth momentum.

**Real Estate** We are currently in the process of seeking requisite approvals from the authorities pertaining to commencement of the project.

### **About Raymond**

Raymond offers end-to-end solutions for fabrics and garmenting. It has some of the leading brands in its portfolio including Raymond, Park Avenue, Raymond Premium Apparel, Parx, and Color Plus amongst others. Raymond has one of the largest exclusive retail networks in the textile and fashion space in India. As a part of the diversified Group, it also has business interests in men's accessories, personal grooming & toiletries, prophylactics, files & tools and auto components.

Visit us today at [www.raymond.in](http://www.raymond.in) to witness how we cater to the needs of 'The Complete Man'.

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