Raymond posts strong profitable growth in Q3 FY 18-19

Revenue growth of 13% for the quarter, growth across segments

EBITDA grew by 41% with margin improvement by 221 bps

Underlying Profit for the quarter at Rs 38 Crs, up by 33% over previous year

Key highlights of the quarter
- Consolidated Revenue for quarter up by 13% y-o-y at Rs. 1,706 Crores
- Consolidated EBITDA for quarter up by 41% y-o-y to Rs. 185 Crores, margin improvement by 221 bps
- Net Profit up by 33% at Rs 38 Crores (exc. exceptional items) vs. Rs. 29 Crores last year
- Reported Net Profit up by 30% at Rs 38 Crores vs. Rs. 29 Crores last year


A snapshot of the financial results:

<table>
<thead>
<tr>
<th>Rs in Crores</th>
<th>Consolidated Results Snapshot</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q3 FY19</td>
</tr>
<tr>
<td>Net Revenue</td>
<td>1,706</td>
</tr>
<tr>
<td>EBITDA</td>
<td>185</td>
</tr>
<tr>
<td>EBITDA %</td>
<td>10.9%</td>
</tr>
<tr>
<td>PBT (before exceptions)</td>
<td>67</td>
</tr>
<tr>
<td>PBT %</td>
<td>3.9%</td>
</tr>
<tr>
<td>Underlying Net Profit (before exceptions)</td>
<td>38</td>
</tr>
<tr>
<td>Exceptional Item (net of tax)</td>
<td>(0.8)</td>
</tr>
<tr>
<td>Reported Net Profit</td>
<td>38</td>
</tr>
</tbody>
</table>

*Lower revenue recognition by ~1% 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 the continued strong revenue growth across all our businesses backed by a robust profitability despite challenging global business environment. As we move into the last quarter of the current fiscal, we expect to end the year on a strong and a positive note with the extended wedding season. I am pleased to inform that we have received project registration from Maharashtra Real Estate Regulatory Authority (Maha RERA) for our real estate project. We will soon be announcing the execution details of this project. This is yet another initiative in Raymond Re-imagined journey that is committed to enhance stakeholder value"
Branded Textile Segment sales at Rs. 848 Crores, higher by 10% over previous year driven by volume growth in domestic business mainly in Trade channels. Like to Like EBITDA margins (excluding common cost allocation) (LTL EBITDA margins) higher at 15.6% as compared to 15.3% mainly due to higher sales and lower discretionary spends.

Branded Apparel Segment sales at Rs. 397 Crores, up by 20% over previous year. The growth was driven by strong performance in EBO and MBO channels along with growth in Park Avenue and Parx brands supported by new customer segments. LTL EBITDA Margins improved to 2.7% compared to 0.2%, mainly due to sales growth and better channel mix.

Retail Stores count as on Dec 31, 2018 stood at 1,363 across all formats covering about 2.3 million square feet of retail space. In-line with stated asset light network expansion strategy, we opened 70 mini TRS stores in Q3 taking total count of mini TRS to 209 stores.

Garmenting Segment sales at Rs. 185 Crores, higher by 14% over previous year led by exports growth in Europe & US. LTL EBITDA margins improved to 4.6% vs. 4.1% in previous year mainly due to operational efficiencies.

Luxury Cotton Shirting Fabric Segment sales at Rs. 159 Crores, grew by 7% led by yarn sales from Amravati plant. LTL EBITDA margins improved to 14.8% as compared to 10.7% 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. 100 Crores, up by 2% over previous year, mainly driven by better performance in exports markets. The turnaround strategy of building operational efficiency and product rationalization helped in improving EBITDA margin to 11.8% as compared to 10.1% in the previous year.

Auto Components Segment sales at Rs. 64 Crores, higher by 30% over previous year, driven by strong demand from both domestic and international customers. EBITDA margins at 21.8%, impacted mainly due to higher raw material prices. Overall, the business is maintaining its profitable sales growth momentum.

Real Estate We have obtained the project registration from Maharashtra Real Estate Regulatory Authority (MAHA RERA) pertaining to the phase 1 of the development of 20 acres of land for residential purposes. The project to be launched soon.

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 network 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 to witness how we cater to the needs of 'The Complete Man'.

For further information, please contact:
Rohit Khanna
Corporate Communications
Raymond Limited
Tel: 022 6152 7624