

Raymond



## RESULTS PRESENTATION

QUARTER AND YEAR ENDED MARCH 31, 2013

THE  
**Raymond**  
SHOP

**Raymond**  
Premium Apparel

**Raymond**  
Made-to-Measure

PARK AVENUE

ColorPlus

parx  
Live easy

MAKERS  
Fashion for us

**Super  
Drive**  
The easy way to drive

## DISCLAIMER

1. Certain Statements in this “Presentation” describe Company’s objectives, projections, estimates, expectations, predictions and may constitute “forward-looking statements” within the meaning of applicable securities laws and regulations. Actual results could materially differ from those expressed or implied. Important factors that could make a difference to the Company’s operations include but are not limited/restricted to Global and Indian demand-supply conditions, finished goods prices, input material availability and prices, cyclical demand and pricing in the Company’s principal markets, changes in Government regulations, tax regimes, economic developments within India and countries within which the Company conducts business and other factors such as litigations. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statement, on the basis of any subsequent development, information, event or otherwise
2. The Statutory Auditors of the Company have completed the Limited Review of the Unaudited Financial Results for the Quarter ended March 31, 2013 and the audit for the year ended March 31, 2013. Some numbers in this presentation have not been reviewed nor approved by the Audit Committee/ Board of Directors/ Auditors of the company, and these have been provided purely as a matter of additional information. The Company assumes no responsibility for the use of such information. Further, the Company reserves the right to amend any of these numbers based on any subsequent development, information, event or otherwise

## DISCLAIMER

3. SEBI has vide its circular CIR/CFD/DIL/4/2012 dated April 16, 2012 revised the format for publishing financial statements with effect from April 16, 2012.

Accordingly,

- Our published financial statements for the quarter ended March 31, 2013, have been prepared as per the revised format, as above
- The corresponding prior quarter figures in the published financial statements have also been reclassified to conform with this year's format

Raymond

THE FABRIC OF  
TOGETHERNESS



The Complete Man

Raymond

S I N C E 1 9 2 5



THE  
Raymond  
SHOP

Raymond  
Premium Apparel

Raymond  
Made-to-Measure

PARK AVENUE

ColorPlus

parx  
Live easy

MAKERS  
Fashion for us

Super  
Drive  
The energy difference for

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## CONSOLIDATED HIGHLIGHTS

- Net Sales grew by 13% during the quarter to Rs 1069 cr
- EBITDA for the quarter grew by 18% to Rs 110 cr and Margins improved by 40 bps
- PBT before exceptional items for the quarter more than quadrupled to Rs 13 cr
- Cash flow from operations grew by 42% to Rs 326 cr in FY13
- Net Debt of Rs 1342 cr as at Mar13 remained at similar levels as at Mar12

## CONSOLIDATED RESULTS

INR Crore	Q4 FY13	Q4 FY12	Change	FY13	FY12	Change
<b>Net Sales</b>	<b>1,069</b>	<b>949</b>	<b>13%</b>	<b>4,069</b>	<b>3,642</b>	<b>12%</b>
<b>EBITDA</b>	<b>110</b>	<b>93</b>	<b>18%</b>	<b>445</b>	<b>535</b>	<b>-17%</b>
<i>EBITDA margin</i>	<i>10.1%</i>	<i>9.7%</i>		<i>10.9%</i>	<i>14.6%</i>	
<b>EBIT</b>	<b>59</b>	<b>49</b>	<b>22%</b>	<b>256</b>	<b>369</b>	<b>-31%</b>
<i>EBIT margin</i>	<i>5.5%</i>	<i>5.1%</i>		<i>6.3%</i>	<i>10.1%</i>	
<b>Profit after tax</b>	<b>1</b>	<b>3</b>	<b>-81%</b>	<b>29</b>	<b>156</b>	<b>-82%</b>
<i>PAT margin</i>	<i>0.1%</i>	<i>0.3%</i>		<i>0.7%</i>	<i>4.3%</i>	

Note:

1. One off deferred tax asset reversal for standalone in Q4FY13 and FY13 is Rs 24 cr and Rs 7 cr on account of prudence accounting



## CONSOLIDATED CASH FLOW FROM OPERATIONS

INR Crore	FY13	FY12	Change
<b>EBITDA</b>	<b>445</b>	<b>535</b>	<b>-17%</b>
Non cash / Non operational items	(46)	(53)	13%
Working Capital changes	0	(210)	NA
Exceptional Items	(37)	0	NA
Taxes	(36)	(42)	14%
<b>Cash Flow from Operations</b>	<b>326</b>	<b>230</b>	<b>42%</b>

## QUARTER HIGHLIGHTS

### ■ TEXTILES

- Sales up by 9% YoY led by domestic fabric sales and sales of Makers brand
- Margins impacted due to full year losses of Rs 11 cr of demerged unit being accounted in this quarter consequent to court scheme

### ■ BRANDED APPAREL

- Growth in combined sales of Raymond Premium Apparel & Park Avenue
- EBITDA losses reduced y-o-y on account of lower discount rates



## QUARTER HIGHLIGHTS



- RETAIL
  - Opened 22 new stores and closed 14 stores across different formats
  - Secondary sales through retail network grew by 2%, although same store sales growth was negative
- GARMENTING
  - Sales growth of 32% led by higher exports
  - EBITDA grew by 8%

## QUARTER HIGHLIGHTS

- DENIM
  - Marginal drop of 2% in sales
  - Margin expanded on account of better realisations and low cost inventory
- HIGH VALUE COTTON SHIRTING FABRIC
  - Sales up 25% led by better realisations and growth in domestic market
  - Margins impacted mainly due to one time provisioning for receivables from JV partner in liquidation



## QUARTER HIGHLIGHTS



- TOOLS & HARDWARE
  - Sales up 8% YoY led by strong export sales in files
  - EBIT margins improved by 270 bps to 10%
- AUTO COMPONENTS
  - Challenging business environment led to weak performance
  - New acquisition i.e. Trinity achieved break even at PBT level
- REAL ESTATE
  - Team in place to evaluate options to unlock value in real estate

⇒ HIGHLIGHTS

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TEXTILES



## TEXTILE DIVISION [Raymond Ltd. Standalone Segment]

INR Crore	Q4 FY13	Q4 FY12	Change	FY13	FY12	Change
<b>Net Sales</b>	<b>555</b>	<b>510</b>	<b>9%</b>	<b>2,027</b>	<b>1,865</b>	<b>9%</b>
<b>EBITDA</b>	<b>100</b>	<b>102</b>	<b>-1%</b>	<b>350</b>	<b>404</b>	<b>-13%</b>
<i>EBITDA margin</i>	<i>18%</i>	<i>20%</i>		<i>17%</i>	<i>22%</i>	

Note: Textile division includes demerged Jalgaon unit of RWOL (demerged unit) with appointed date of 1<sup>st</sup> April 2012. EBITDA losses of demerged unit for the year of Rs 11 cr is accounted in Q4FY13 consequent to court approval

- Increase in sales led by growth in domestic sales and Makers brand
- Margins impacted mainly due to full year losses of demerged unit accounted in a single quarter



BRANDED  
APPAREL



## BRANDED APPAREL [Raymond Apparel and Colorplus]

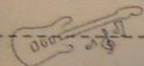
INR Crore	Q4 FY13	Q4 FY12	Change	FY13	FY12	Change
<b>Net Sales</b>	<b>179</b>	<b>165</b>	<b>9%</b>	<b>763</b>	<b>759</b>	<b>0%</b>
<b>EBITDA</b>	<b>(13)</b>	<b>(15)</b>	<b>12%</b>	<b>23</b>	<b>79</b>	<b>-71%</b>
<i>EBITDA margin</i>	<i>-7%</i>	<i>-9%</i>		<i>3%</i>	<i>10%</i>	

- Increase in sales led by growth in key brands
- Combined sales of Raymond Premium Apparel and Park Avenue grew 23% yoy
- EBITDA losses reduced y-o-y on account of lower discount sales
- Margin impacted due to inventory provisioning and retail expenses of new stores

# THE Raymond SHOP

Prepare  
Overview Report  
Presentation!

Kartik's Wedding



Clean the  
cupboard

Coffee with Priya

6:30pm  
Music  
Concert

7:30pm  
Business  
Lunch

10:00am  
Board  
meeting!

08 Tuesday

09 Wednesday

10 Thursday

11 Friday

12 Saturday

13 Sunday

14 Monday

15 Tuesday

16 Wednesday

17 Thursday

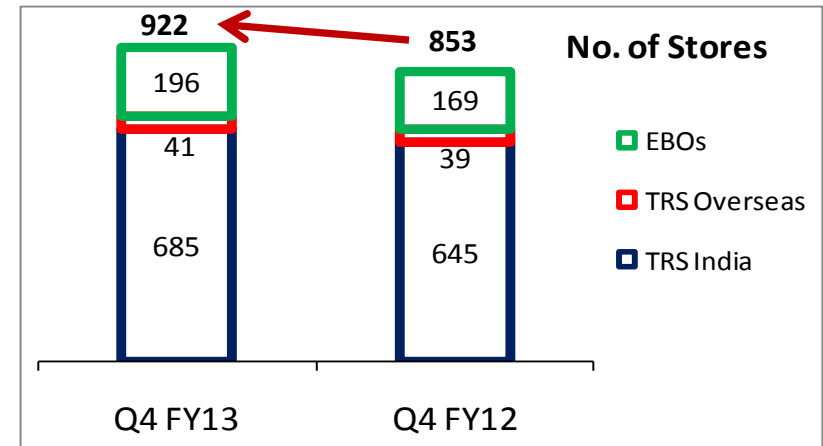
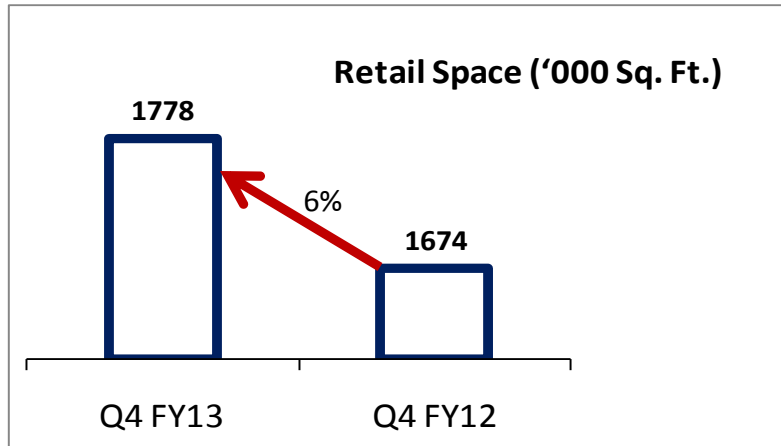
golf lessons!

Review meeting

aditya's birthday

RETAIL

## EXCLUSIVE RETAIL NETWORK



\*TRS includes Made to Measure (MTM) stores

- During the quarter, we added 22 new stores with 44,227 square feet of retail space. Simultaneously we closed 14 unviable stores
- Secondary sales for all stores grew by 2% although same store sales growth was negative during the quarter





Handwritten text in a cursive script, including phrases like "mande magi no", "de Tangu", and "a ver".

DENIM

## DENIM [Raymond UCO Denim – JV]

INR Crore	Q4 FY13	Q4 FY12	Change	FY13	FY12	Change
<b>Net Sales</b>	<b>183</b>	<b>186</b>	<b>-2%</b>	<b>772</b>	<b>740</b>	<b>4%</b>
<b>EBITDA</b>	<b>24</b>	<b>21</b>	<b>14%</b>	<b>99</b>	<b>80</b>	<b>24%</b>
<i>EBITDA margin</i>	<i>13%</i>	<i>11%</i>		<i>13%</i>	<i>11%</i>	

*The results shown above are of the Indian operations of the Joint Venture. Raymond's share is 50% thereof.*

- Decline in sales by 2% mainly in domestic market
- Margin improved on account of better realisations and low cost inventory
- Romanian operations operated at EBITDA breakeven



## COTTON SHIRTING FABRIC [Raymond Zambaiti – JV]

INR Crore	Q4 FY13	Q4 FY12	Change	FY13	FY12	Change
<b>Net Sales</b>	<b>70</b>	<b>56</b>	<b>25%</b>	<b>297</b>	<b>229</b>	<b>30%</b>
<b>EBITDA</b>	<b>(3)</b>	<b>8</b>	<b>-142%</b>	<b>31</b>	<b>30</b>	<b>3%</b>
<i>EBITDA margin</i>	<i>-5%</i>	<i>14%</i>		<i>10%</i>	<i>13%</i>	

*The results shown above are for the entire Joint Venture. Raymond's share is 50% thereof.*

- Sales up 25% led by better realisations and growth in domestic market
- Margin impacted mainly by provision of Rs 11 cr towards receivables from JV partner in liquidation

## GARMENTING [Silver Spark and Celebrations]

INR Crore	Q4 FY13	Q4 FY12	Change	FY13	FY12	Change
<b>Net Sales</b>	<b>68</b>	<b>52</b>	<b>32%</b>	<b>247</b>	<b>173</b>	<b>43%</b>
<b>EBITDA</b>	<b>9</b>	<b>8</b>	<b>8%</b>	<b>36</b>	<b>24</b>	<b>50%</b>
<i>EBITDA margin</i>	<i>13%</i>	<i>16%</i>		<i>15%</i>	<i>14%</i>	

- Increase in sales led by export market
- Margin impacted on account of low margin orders

## TOOLS & HARDWARE [Consolidated Segment]

INR Crore	Q4 FY13	Q4 FY12	Change	FY13	FY12	Change
<b>Net Sales</b>	<b>107</b>	<b>99</b>	<b>8%</b>	<b>391</b>	<b>330</b>	<b>18%</b>
<b>EBIT</b>	<b>11</b>	<b>8</b>	<b>46%</b>	<b>36</b>	<b>31</b>	<b>15%</b>
<i>EBIT margin</i>	<i>10%</i>	<i>8%</i>		<i>9%</i>	<i>10%</i>	

- Growth in sales led by exports
- Margins improved by 270 bps to 10%

## AUTO COMPONENTS [Ring Plus Aqua]

INR Crore	Q4 FY13	Q4 FY12	Change	FY13	FY12	Change
<b>Net Sales</b>	<b>35</b>	<b>39</b>	<b>-10%</b>	<b>132</b>	<b>149</b>	<b>-11%</b>
<b>EBITDA</b>	<b>4</b>	<b>7</b>	<b>-40%</b>	<b>18</b>	<b>26</b>	<b>-31%</b>
<i>EBITDA margin</i>	<i>11%</i>	<i>17%</i>		<i>13%</i>	<i>17%</i>	

- Challenging business environment led to weak performance
- Recent acquisition i.e. Trinity is profitable at EBITDA level

⇒ HIGHLIGHTS

⇒ BUSINESS WISE DETAILS

⇒ WAY FORWARD

## WAY FORWARD

- Focus on strong profitability pullback with operational efficiencies including cost rationalization
- Continue to invest in brand building and retail expansion
- Smooth channel transition of key apparel brands
- Acquire JV partner's stake in Cotton shirting business at a discounted price to fair value
- Real Estate – Evaluate options to unlock value
- Concerns – Consumer sentiment showing signs of revival albeit at a slow pace







[www.raymond.in](http://www.raymond.in)



PARK AVENUE

