

Raymond



RESULTS PRESENTATION

QUARTER ENDED SEPTEMBER 30, 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

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Raymond



The Complete Man

Raymond

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THE
Raymond
SHOP

Raymond
Premium Apparel

Raymond
Made-to-Measure

PARK AVENUE

ColorPlus

parx
Live easy

MAKERS
Fashion for us

Super
Drive
The luxury lifestyle for

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 HIGHLIGHTS

 BUSINESS WISE DETAILS

 WAY FORWARD

CONSOLIDATED HIGHLIGHTS

- Net Sales grew by 10% during the quarter to Rs 1224 cr
- EBITDA (excluding forex loss of Rs 5 cr) for the quarter grew by 24% to Rs 210 cr
- EBITDA for the quarter grew by 21% to Rs 205 cr and Margins improved by 154 bps
- PAT for the quarter grew by 84% from Rs 50 cr to Rs 92 cr y-o-y

CONSOLIDATED RESULTS

INR Crore	Q2 FY14	Q2 FY13	Change	H1 FY14	H1 FY13	Change
Net Sales	1,224	1,114	10%	2,097	1,951	7%
EBITDA before forex losses	210	170	24%	262	214	22%
EBITDA	205	169	21%	247	214	15%
<i>EBITDA margin</i>	<i>17%</i>	<i>15%</i>		<i>12%</i>	<i>11%</i>	
EBIT	156	124	26%	151	125	21%
<i>EBIT margin</i>	<i>13%</i>	<i>11%</i>		<i>7%</i>	<i>6%</i>	
Net Profit	92	50	84%	43	15	179%
<i>Profit margin</i>	<i>8%</i>	<i>5%</i>		<i>2%</i>	<i>1%</i>	

CONSOLIDATED KEY RATIOS

RATIOS	H1 FY14	H1 FY13
EPS	6.9	2.5
Net Debt/ Equity	1.08	1.03
Return on average capital employed (annualised)	9.1%	7.8%
Net working capital days (annualised)	117	107

CREDIT RATINGS

- Long term rating is AA-
- Short term rating is A1+

QUARTER HIGHLIGHTS

- **BRANDED TEXTILES**
 - Sales up by 7% y-o-y
 - EBITDA margins improved by 192 bps y-o-y
- **BRANDED APPAREL**
 - Sales grew by 9% y-o-y
 - EBITDA up 23% y-o-y



QUARTER HIGHLIGHTS



- RETAIL
 - Retail presence stands at 946 stores across all formats
 - Same store sales growth was 3%

- GARMENTING
 - Sales growth of 17% y-o-y led by higher exports
 - Margins impacted due to forex losses

QUARTER HIGHLIGHTS

- DENIM
 - 11% growth in sales
 - EBITDA declined 20% y-o-y due to higher input costs

- COTTON SHIRTING FABRIC
 - 12% growth in sales
 - Margin impacted due to higher input prices and lower exports



QUARTER HIGHLIGHTS



- TOOLS & HARDWARE
 - Sales grew by 22% y-o-y
 - EBITDA increased by 34% y-o-y
- AUTO COMPONENTS
 - Sales de grew by 5% y-o-y
 - EBITDA up 16% y-o-y



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BRANDED TEXTILES



BRANDED TEXTILES

INR Crore	Q2 FY14	Q2 FY13	Change	H1 FY14	H1 FY13	Change
Net Sales	559	520	7%	941	859	10%
EBITDA	149	129	16%	183	145	26%
<i>EBITDA margin</i>	<i>27%</i>	<i>25%</i>		<i>19%</i>	<i>17%</i>	

- Increase in sales led by growth in exports, combo packs and Makers
- Improvement in EBITDA margins led by higher realisations

UPDATE ON RELOCATION OF THANE FACTORY & VRS

- Factory with around 7m mtr capacity was set up in Vapi - Valsad in 2006
- Due to growing demand, Vapi plant capacity was increased to 14m mtr in 2009
- VRS settlement was reached with Thane workers for Rs. 260 cr and Thane factory was closed in 2010
- First tranche VRS payment of Rs. 150 cr was paid in October 2010 to the workers

UPDATE ON RELOCATION OF THANE FACTORY & VRS (...contd)

- Present value of Rs. 260 cr of VRS cost was accounted in the financial statement for FY 2010-11
- Management Staff residing at Thane were relocated
- Thane factory's plant & machinery & other equipments were relocated to Jalgaon/ Vapi in 2012
- Cheques for the balance tranche of the VRS payment of Rs. 110 cr falling due on 22nd October 2013 have been issued

BRANDED APPAREL



BRANDED APPAREL

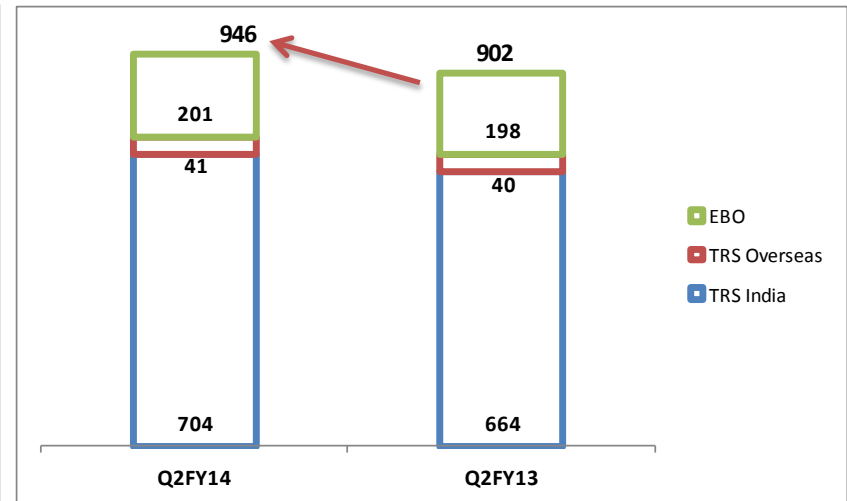
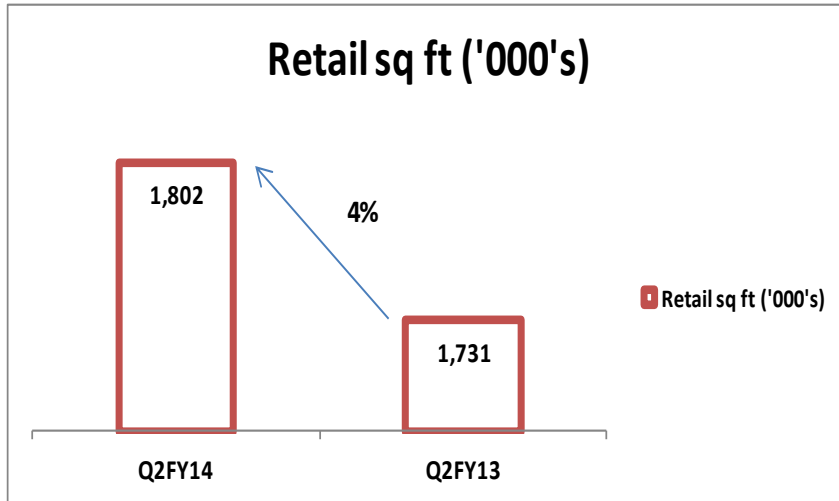
INR Crore	Q2 FY14	Q2 FY13	Change	H1 FY14	H1 FY13	Change
Net Sales	254	234	9%	412	418	-1%
EBITDA	20	16	23%	9	21	-55%
<i>EBITDA margin</i>	<i>8%</i>	<i>7%</i>		<i>2%</i>	<i>5%</i>	

- Increase in sales led by growth in key brands
- Sales through LFS & EBOs grew 18% y-o-y on blended basis
- EBITDA margins expanded by 88 bps to 8%

RETAIL



EXCLUSIVE RETAIL NETWORK



TRS includes Made to Measure (MTM) stores

- During the quarter, we added 15 new stores. Simultaneously we closed 15 non performing stores , many of which were accessories stores
- Same store sales growth was 3% y-o-y
- Secondary sales growth across the exclusive network was 8% y-o-y



DENIM

DENIM [Joint Venture]

INR Crore	Q2 FY14	Q2 FY13	Change	H1 FY14	H1 FY13	Change
Net Sales	236	213	11%	468	435	8%
EBITDA	23	28	-20%	51	55	-7%
<i>EBITDA margin</i>	<i>10%</i>	<i>13%</i>		<i>11%</i>	<i>13%</i>	

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

- Sales growth led by higher realisation in both domestic and export markets
- EBITDA margins impacted by higher input costs
- Romania operations were profitable

COTTON SHIRTING



COTTON SHIRTING FABRIC [Raymond Zambaiti]

INR Crore	Q2 FY14	Q2 FY13	Change	H1 FY14	H1 FY13	Change
Net Sales	88	79	12%	159	147	8%
EBITDA	10	12	-21%	18	22	-19%
<i>EBITDA margin</i>	<i>11%</i>	<i>15%</i>		<i>11%</i>	<i>15%</i>	

The results shown above are for 100% operations. Please refer note below for further details

- Sales up 12% led by better realisations and growth in domestic market
- Margin impacted by higher input costs and lower exports

Note

1. During the quarter, Raymond Limited made an investment of Rs 5 cr in Raymond Zambaiti Limited, a jointly controlled entity, by subscription to the rights issue (including unsubscribed portion) on 18th September 2013 and increased its stake in Raymond Zambaiti Limited from 50% to 52.87%. Accordingly, it has become a subsidiary of Raymond Limited.

GARMENTING



GARMENTING

INR Crore	Q2 FY14	Q2 FY13	Change	H1 FY14	H1 FY13	Change
Net Sales	118	101	17%	200	153	31%
EBITDA	15	19	-22%	22	26	-15%
<i>EBITDA margin</i>	<i>13%</i>	<i>19%</i>		<i>11%</i>	<i>17%</i>	

- Increase in sales led by higher realisations
- Margin impacted on account of forex loss
- Strong order book position



TOOLS & HARDWARE

INR Crore	Q2 FY14	Q2 FY13	Change	H1 FY14	H1 FY13	Change
Net Sales	114	93	22%	208	183	14%
EBITDA	15	11	34%	23	23	1%
<i>EBITDA margin</i>	<i>13%</i>	<i>12%</i>		<i>11%</i>	<i>12%</i>	

- Growth in sales led by growth in both domestic as well as export markets
- EBITDA margins increased by 110 bps to 13%

AUTO COMPONENTS

INR Crore	Q2 FY14	Q2 FY13	Change	H1 FY14	H1 FY13	Change
Net Sales	51	53	-5%	116	117	-1%
EBITDA	7	6	16%	14	17	-15%
<i>EBITDA margin</i>	<i>13%</i>	<i>11%</i>		<i>12%</i>	<i>14%</i>	

- Challenges in auto sector continues to impact the business
- EBITDA increased by 16% y-o-y

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WAY FORWARD

- Focus on profit improvement through operational efficiencies
- Strengthen and further leverage the Apparel brand portfolio
- Continue with our Retail store expansion
- Focus on ROCE improvement
- Evaluate options to unlock value of Thane land
- Concerns – High interest rates, inflation



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