

The Choice of
Millions of Feet



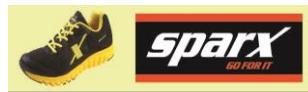
Relaxo Footwears Limited

Q1 FY16 Performance Presentation

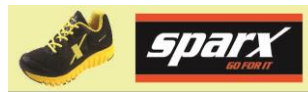
July 25, 2015

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- Market remains cautious; muted recovery despite positive sentiments
- Increased competitive activities at regional and national level
- Increased trend of online shopping; significant growth in new channels
- Unclear tax environment due to GST non-finalization
- Benign commodity prices, though with uncertainty looming ahead



Our Strategy

- Unending focus on consumer needs and product quality.
- Deliver Market leading, profitable and sustainable business growth, through focus on both volume growth as well as premiumization.
- Aggressive Expansion in under - penetrated geographies backed by strong national brands; Increased presence in emerging channels.
- Margin Improvement through robust cost control and efficiency improvement.
- Enable revenue growth through building strong backend capabilities (Manufacturing, SCM, IT) and people capabilities.



From Management's Desk

Commenting on the results and performance, **Mr. Ramesh Kumar Dua, Managing Director** said:

It is my pleasure to announce good beginning to the year with a healthy revenue growth of 21.33%, EBITDA growth of 43% and PAT growth of 55.51% in the first quarter. This performance is in line with our strategic plan for the year and once again reflects the strong fundamentals of our company.

We continue to strive to meet consumer needs through innovative and value added products. Our aim continues to be to provide market relevant portfolio to our trade and consumer at competitive price.

Our revenue growth, once again has been a healthy mix of value and volume growth. Our focus on increasing engagement with our channel partners through structured initiatives has ensured strong distribution strength across India. We see a significant potential in e-Commerce and Modern Trade and this channel continues to enable our growth story.

Our back end continues to get strengthened to enable our top line growth and brand building. We continue to work on developing manufacturing and supply chain excellence for effective cost control and improved service levels.

The process of Bonus issue announced in last quarter has been duly completed in July 2015.



Quarterly Performance

Financial Performance

Particulars	Q1 FY 16 (Rs. Lacs)	% of Revenue	Q1 FY 15 (Rs. Lacs)	% of Revenue	Growth %
Revenue	45359		37384		21.33
EBITDA	6899	15.21	4824	12.91	43.00
PAT	3597	7.93	2313	6.19	55.51

Highlights – Q1 FY 16

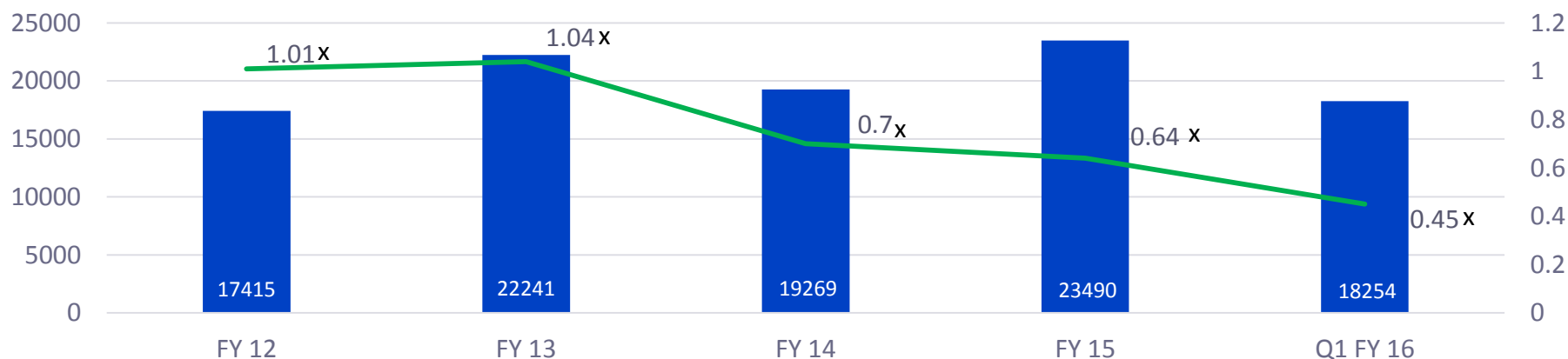
- ❑ Revenue increased by 21.33% to Rs. 45359 lacs
- ❑ EBITDA increased by 43% to Rs. 6899 lacs; Margins expanded by 230 bps to 15.21%
- ❑ Net profit increased by 55.51% to Rs. 3597 lacs at 7.93 % margin; Margins expanded by 174 bps
- ❑ 218 retail stores pan India as on 30.06.2015 with net addition of 11 stores during Q1 FY 16
- ❑ Phase I of the Leadership Development Program (LDP) successfully completed
- ❑ ICRA has revised the Long term rating of the Company from 'A+ with stable outlook' to 'A+ with positive outlook' and Short term rating of the Company has been revised from 'A1' to 'A1+'.



Leverage Profile

Particulars	30.06.15 (Rs. Lacs)	31.03.15 (Rs. Lacs)	Agency	Instruments	Ratings	Comments
Short Term Borrowings*	5,183	9,489	ICRA	Short-Term Funds	A1+	Indicates very strong degree of safety for short term debt instruments. Instruments rated in this category carry the lowest credit risk.
Long Term Borrowings	13,910	14,450				
Total Debt	19,093	23,939				
Less: Cash & Bank Balances	(839)	(449)	ICRA	Long Term Funds	A+ with positive outlook	Indicates adequate degree of safety for long term debt instruments. Instruments rated in this category carry low credit risk
Net Debt	18,254	23,490				
Net Worth	40,379	36,782				

Net Debt (Rs. Lacs) and Net Debt / Net Worth (x)

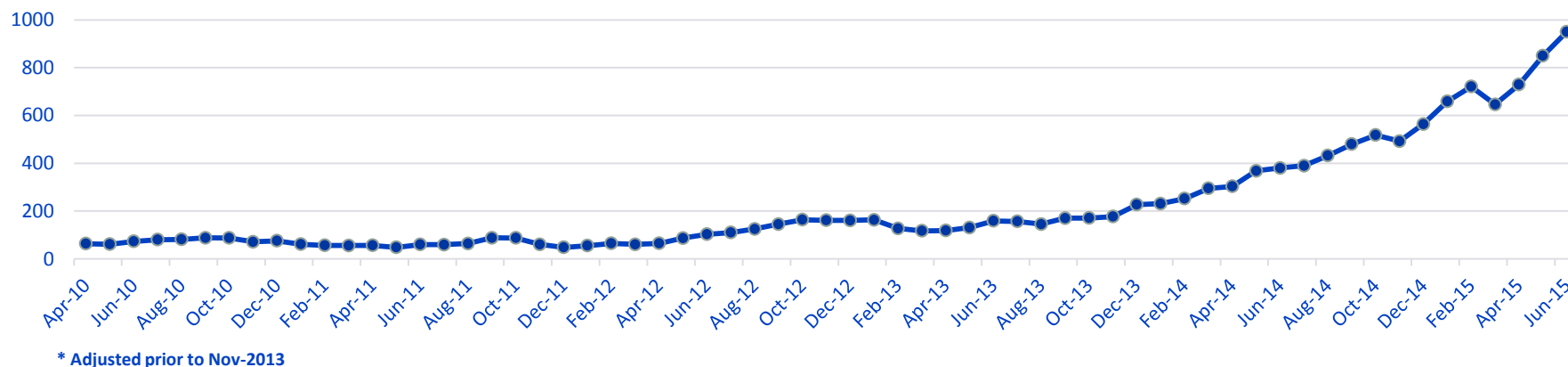


* Short term borrowings includes terms loans repayable within 1 year

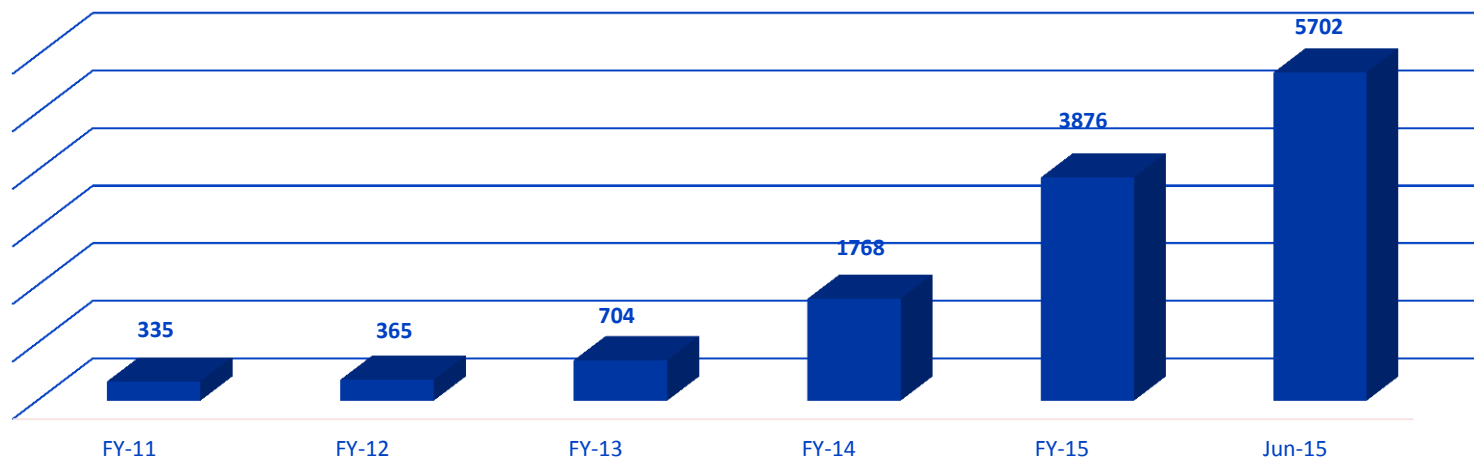


Market Performance

Share Price Performance



Market Cap (Rs. Crs)

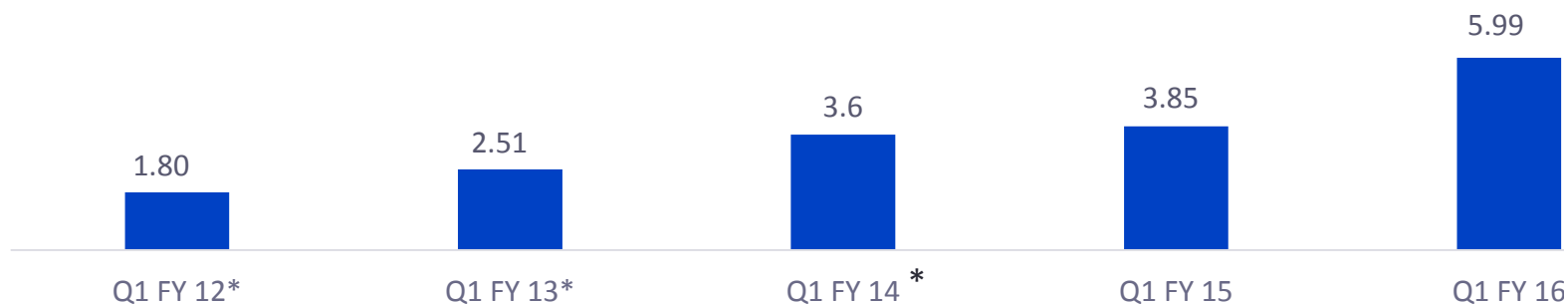


Market: EPS (In Rs)

Annual EPS (in Rs.)



Quarterly EPS (in Rs.)

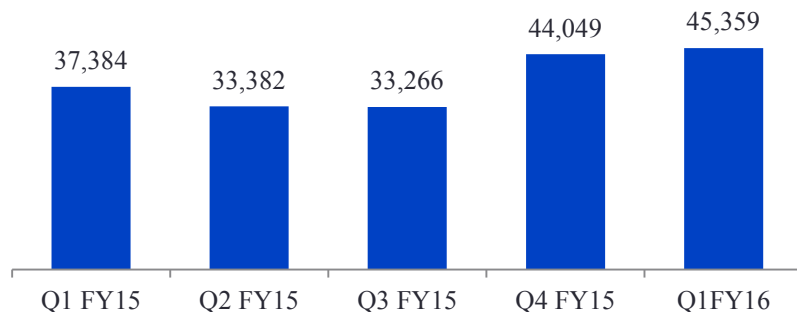


* Adjusted

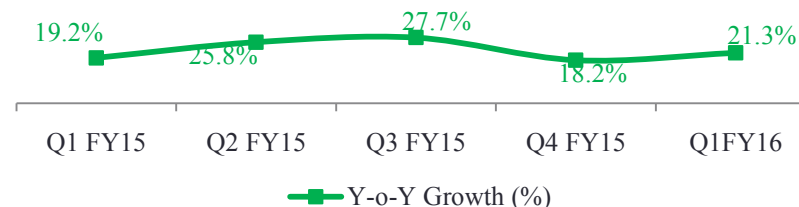


Financial Performance : Quarterly

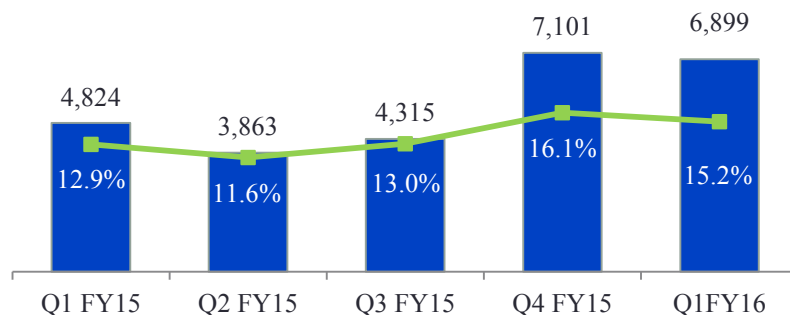
Revenue (Rs. Lacs)



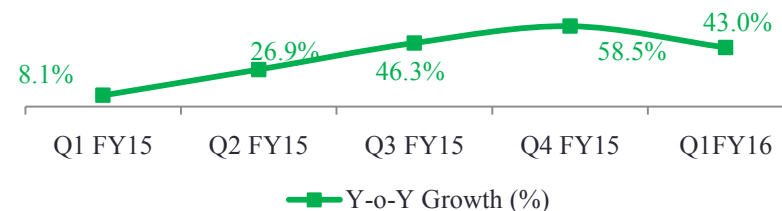
Revenue Growth (%)



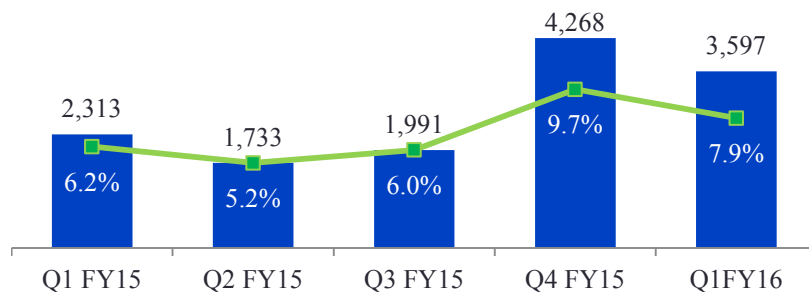
EBITDA (Rs. Lacs) & %



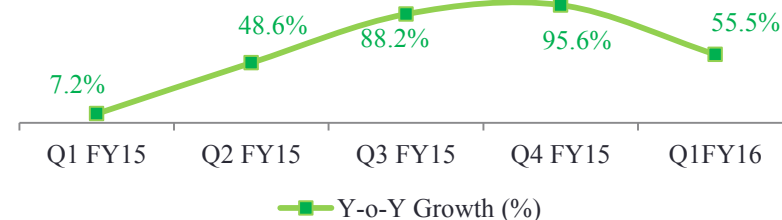
EBITDA Growth (%)



PAT (Rs. Lacs) & %



PAT Growth (%)

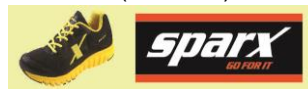


Unaudited Financial Results For Q1 FY16

(All amounts are in Lacs of Indian Rupees, unless otherwise stated)



Particulars		Quarter Ended			Year Ended
		30.06.2015	31.03.2015	30.06.2014	31.03.2015
Part I- Statement of Financial Results		Unaudited	Audited	Unaudited	Audited
1	Income from operations				
	Net sales / income from operations (Net of Excise Duty)	45173.94	43811.58	37210.69	147277.78
	Other operating income	185.02	237.70	173.15	803.64
	Total income from operations (Net)	45358.96	44049.28	37383.84	148081.42
2	Expenses				
	Cost of materials consumed	15330.65	16264.16	15856.24	61390.72
	Purchases of stock-in-trade	3333.07	3410.70	1728.16	10446.00
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	(220.26)	(871.59)	(495.17)	(7292.88)
	Employee benefits expense	4078.16	3817.18	3301.09	13450.44
	Depreciation and amortisation expense	1023.32	977.26	1039.80	3989.61
	Other expenses	15945.69	14310.39	12178.27	50023.41
	Total expenses	39490.63	37908.10	33608.39	132007.30
3	Profit from operations before other income, finance costs and exceptional items (1- 2)	5868.33	6141.18	3775.45	16074.12
4	Other income	7.13	(18.11)	9.17	39.17
5	Profit from ordinary activities before finance costs and exceptional items (3+4)	5875.46	6123.07	3784.62	16113.29
6	Finance costs	531.34	507.84	490.15	1848.36
7	Profit from ordinary activities after finance costs but before exceptional items (5-6)	5344.12	5615.23	3294.47	14264.93
8	Exceptional items	-	-	-	-
9	Profit from ordinary activities before tax (7-8)	5344.12	5615.23	3294.47	14264.93
10	Tax expense	1746.84	1347.13	981.26	3959.94
11	Net Profit from ordinary activities after tax (9-10)	3597.28	4268.10	2313.21	10304.99
12	Extraordinary items	-	-	-	-
13	Net Profit for the period (11-12)	3597.28	4268.10	2313.21	10304.99
14	Paid up equity share capital (Face value of Re.1/- share each)	600.06	600.06	600.06	600.06
15	Reserves excluding revaluation reserve				36181.71
16	Earnings per share (EPS) in Rs.				
	Basic	5.99	7.11	3.85	17.17
	Diluted	5.98	7.09	3.85	17.15
17	Earnings before interest, taxes, depreciation and amortisation (EBITDA)	6898.78	7100.33	4824.42	20102.90



Unaudited Financial Results For Q1 FY16



Part II-Select Information for the Quarter Ended 30th June, 2015

A Particulars of Shareholding				
1	Public Shareholding			
	Number of shares	15001500	15001500	15001500
	Percentage of shareholding	25.00	25.00	25.00
2	Promoters and Promoter group shareholding			
	a) Pledged/ Encumbered			
	Number of shares	-	-	-
	Percentage of shares (as a % of the total shareholding of promoters)	-	-	-
	Percentage of shares (as a % of the total share capital of the company)	-	-	-
	b) Non Encumbered			
	Number of shares	45004500	45004500	45004500
	Percentage of shares (as a % of the total shareholding of promoters)	100.00	100.00	100.00
	Percentage of shares (as a % of the total share capital of the company)	75.00	75.00	75.00
B Particulars		Quarter Ended 30.06.2015		
	Investor Complaints/ Requests			
	Pending at the beginning of the quarter		0	
	Received during the quarter		11	
	Disposed of during the quarter		11	
	Remaining unresolved at the end of the quarter		0	

Notes

1. The above results were reviewed by the Audit Committee and have been approved by the Board of Directors at their meeting held on 25th July, 2015. The same have been subjected to Limited Review by Statutory Auditors.
2. Board of Directors in their meeting held on 3rd July, 2015 has allotted Bonus shares in the ratio of 1:1 (i.e one Bonus Share of Re 1.00 to every shareholder holding equity share of Re 1.00).
3. The Company's business activity falls within a single significant primary business segment, viz. "Footwear and Related Products", therefore no separate segment information is disclosed under Accounting Standard (AS) - 17, "Segment Reporting" issued by The Institute of Chartered Accountants of India (ICAI).
4. ICRA has revised the Long term rating of the Company from 'A+ with stable outlook' to 'A+ with positive outlook' and Short term rating of the Company has been revised from 'A1' to 'A1+'.
5. Previous period figures have been regrouped / rearranged wherever considered necessary.





Quality Par Excellence

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