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Press Release
For Immediate Dissemination

Raymond posts strong Q1 FY 17 -18 Growth

Revenue grew by 14% and EBITDA by 30% over the previous year

Key highlights

- Consolidated Revenue for quarter up by 14% y-o-y at Rs 1,240 Crores
- Consolidated EBITDA for quarter up by 30% y-o-y to Rs 81 Crores
- Commencement of Ethiopian garmenting plant in June,2017

Mumbai, July 25, 2017: Raymond Limited today announced its unaudited financial results for the quarter ended June 30, 2017.

A snapshot of the financial results:

Consolidated Results Snapshot			
Rs in Crores	Q1 FY18	Q1 FY17	Y-o-Y %
Net Revenue	1240	1089	14%
EBITDA	81	63	30%
EBITDA %	6.6%	5.7%	
PAT	-7	-17	56%

Branded Textile Segment sales at Rs 572 Crores up by 11% over previous year, which was primarily led by volume growth of 8% mainly on account of recovery in wholesale channels and TRS coupled with wedding season during the quarter. EBITDA was Rs. 57 Crores, up by 6% over previous year. The EBITDA performance improved in Q1 over previous year on back of higher sales growth.

Branded Apparel Segment sales performance is back to pre-demonetization growth levels. Sales at Rs 270 Crores were up 17% over previous year led by the wedding season and early onset of EOSS period due to pre GST clearance. Improvement in EBITDA margins by ~110 basis points versus previous year mainly due to operating leverage.

Retail Stores count as on June 30, 2017 stood at 1,100 across all formats, including 49 stores in the Middle East and SAARC region covering about 2.02 million square feet of retail space. Sales in Q1 across the exclusive network grew by 25% in over previous year and blended like to like growth across formats was 20%, due to early start of EOSS, deep discounts and

wedding season. In-line with stated asset light network expansion strategy, we opened about 45% of stores through franchise route.

Garmenting Segment sales was Rs 144 Crores, marginally higher by 2% and EBITDA at Rs 9 Crores lower by 32% over previous year mainly on account of lower realization in exports due to appreciation of rupee.

Luxury Cotton Shirting Fabric Segment sales grew by 14% over previous year to Rs 131 Crores on account of higher offtake by the customers. The EBITDA improved by 17% to Rs 13 Crores over previous year on account of sales growth and reduction in raw material prices.

Tools and Hardware Segment sales was Rs. 87 Crores, lower by 4% over previous year mainly on account of lower offtake in the domestic market due to GST. However, the exports business performed well in spite of Rupee appreciation, driven by volume led growth in LATAM and African markets. The turnaround strategy of building operational efficiency and optimization of manufacturing cost is on track hence improving EBITDA margins to 6.8% from 3.2% in the previous year.

Auto Components Segment sales at Rs 54 Crores significantly higher by 24% and EBITDA at Rs 10 Crores higher by 63% over previous year. The high growth is driven by increase in demand from commercial vehicle segment in the US market. The EBITDA margin improved on account of higher realization, despite rupee appreciation, from the export customers. Overall, the business is maintaining its profitable sales momentum.

Announcing the results, **Mr. Gautam Hari Singhania, Chairman & Managing Director, Raymond Limited** said, "In line with the expectations, we have started the financial year on a positive note by posting strong growth in the first quarter. The commissioning of our garment facility in Ethiopia is an impetus to become price competitive for export markets enabling us to grow exponentially. The launch of our Khadi label reinstates our commitment to Make In India initiative and is in line with our endeavor to position Khadi as a fashion fabric globally. With GST now being implemented, it will pave way for a unified and simplified tax regime across the country and will also lead to a wide scale inclusion of a largely unorganized textile and apparel sector into the formal economy. With macroeconomic indicators looking positive coupled with upbeat sentiments on the increasing demand and consumption, we at Raymond are confident to continue with growth momentum thus enhancing value for all our stakeholders."

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

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