

Result Presentation

Quarter ended March 31, 2019



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Market Overview

Market Overview

Textile

- Retail demand led by wedding season expected to drive growth
- Trade channels mainly impacted due to liquidity issues emerging in economy
- Weaker demand in US likely to impact exports
- Raw material cost continue to remain high

Apparel & Retail

- Growth likely to be driven by healthy SSSG due to wedding season and EOSS
- Rapid store network expansion and growth in new business expected to aid growth
- Margin may get impacted due to higher base, higher contribution from value category and increase in store expansion expenses

Auto

- Continued weak retail demand due to increased ownership cost, higher dealer inventory levels and new axle load norms likely to impact growth
- EBITDA margin expected to compress mainly due to lower volumes and realization (higher discounts)

FMCG

- Growth to be impacted as demand remained moderate due to softening rural growth, liquidity crisis and extended winter
- However, benign input price expected to improve gross margin



Initiatives and Awards

Initiatives



Innovative Concept Stores

Khadi



Opened **Khadi EBO** at prominent location in Mumbai

Ceremonial



Exclusive **Ceremonial wear** store opened in Mumbai

Initiatives



Mini TRS

The infographic on the left depicts a stylized mountain peak with a winding path of red location pins. The milestones are: 1ST STORE MARCH 2017, 100TH STORE MARCH 2018, 200TH STORE OCTOBER 2018, and 300TH STORE MARCH 2019. Below the path is the slogan 'HAR SHEHAR MEIN Raymond'. To the right is a photograph of a Raymond Mini TRS store interior, featuring a red header with the 'Raymond' logo and the Hindi slogan 'रेमण्ड काँप' (Raymond Kaam). The store displays suits on mannequins and shelves.

300 Mini TRS stores opened – across 190+ towns

Awards



Transforming India Retail Awards



‘Transformational contribution to Indian Apparel & Retail Industry’
at CMAI - Transforming India Retail Awards

Global Awards for Retail Excellence



Raymond Khadi won **‘Best Window Display Products & Collection’** at Global Awards for Retail Excellence

Great Place To Work Certification



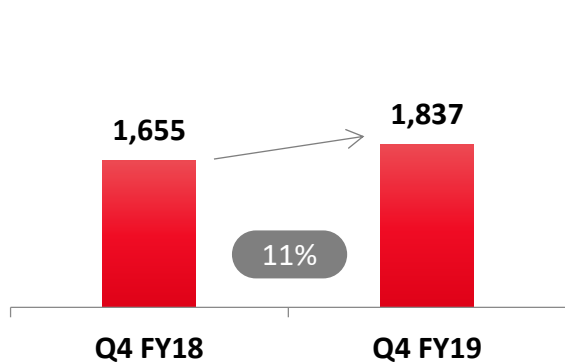
Raymond Ltd. & Raymond Luxury Cottons Ltd. certified for 4th consecutive year



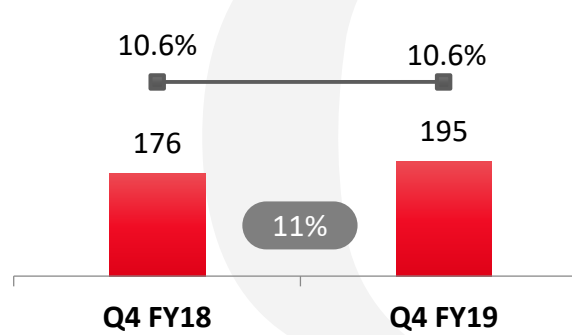
Financial Highlights

Financial Highlights – Q4FY19

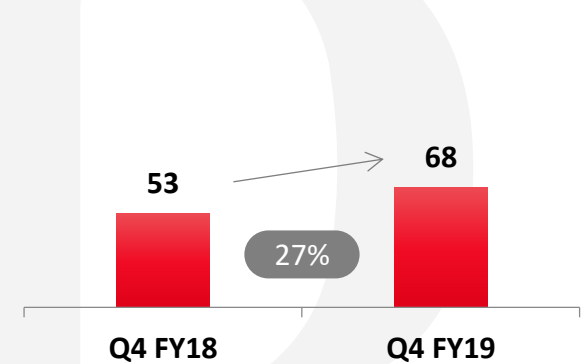
Revenue (₹ Cr)



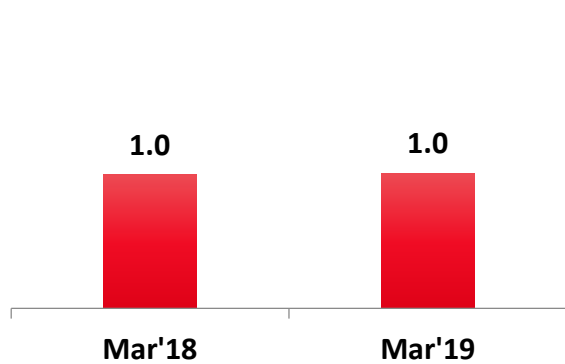
EBITDA (₹ Cr) & EBITDA margin %



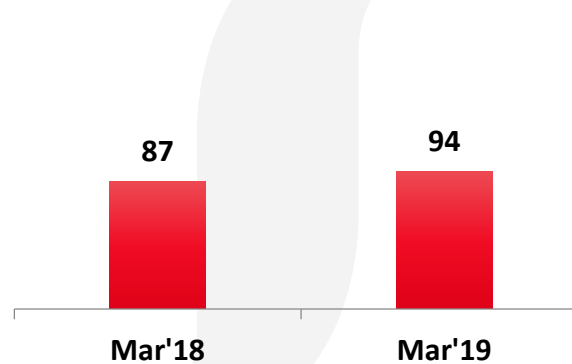
Net Profit (₹ Cr)



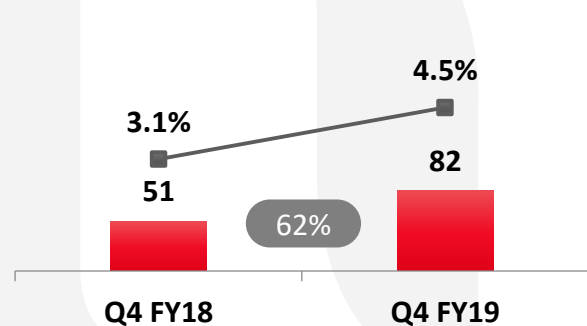
Net Debt to Equity Ratio



NWC days



A&SP & % to revenue



Consolidated Results



Particulars (INR Cr)	Q4 FY19	Q4 FY18	Y-o-Y%
Net Revenue	1,837	1,655	11%
Net Sales	1,809	1,630	11%
EBITDA	195	176	11%
<i>EBITDA margin</i>	<i>10.6%</i>	<i>10.6%</i>	
PBT before exceptions	94	76	24%
<i>PBT margin</i>	<i>5.1%</i>	<i>4.6%</i>	
Underlying Net Profit (before exceptions)	68	53	28%
Exceptional items (net of tax)	-1	0	
Net Profit	68	53	27%
<i>Profit margin</i>	<i>3.7%</i>	<i>3.2%</i>	

FY19	FY18	Y-o-Y%
6,708	6,025	11%*
6,582	5,906	11%
702	546	29%
<i>10.5%</i>	<i>9.1%</i>	
273	192	42%
<i>4.1%</i>	<i>3.2%</i>	
171	115	48%
-3	19	
168	135	25%
<i>2.5%</i>	<i>2.2%</i>	

* Lower revenue recognition by ~1%, due to revenue booking "net of excise" post GST as against gross earlier

Segment Results – Q4 FY19



Particulars (INR Cr)	Revenue (INR Cr)	Growth (YoY%)	EBITDA (INR Cr)	EBITDA Margin	EBITDA Margin % (LTL*)	Y-o-Y Change
Branded Textiles	832	4%	132	15.9%	16.7%	-277 bps
Branded Apparels	489	21%	32	6.5%	7.0%	328 bps
Garmenting	212	5%	8	3.6%	4.3%	-265 bps
High Value Cotton Shirting	156	7%	20	12.9%	13.8%	467 bps
Tools and Hardware	102	14%	8	8.2%	8.2%	-163 bps
Auto Components	68	10%	15	21.9%	22.3%	725 bps
Others #	-21	-	-20	-	-	-
Raymond Consolidated	1,837	11%	195	10.6%	10.6%	0 bps

* EBITDA Margin LTL: Like to Like EBITDA margin excluding common cost allocation for comparable basis

Company entered into contracts with group companies for allocation of common costs from Q1 FY19, resulting in allocation to its group companies / business segments. The impact on net profit of the group is insignificant

Others includes non scheduled airline operations, real estate development, unallocated expenses, elimination and other income

Segment Results – FY19



Particulars (INR Cr)	Revenue (INR Cr)	Growth (YoY%)	EBITDA (INR Cr)	EBITDA Margin	EBITDA Margin % (LTL*)	Y-o-Y Change
Branded Textiles	3,153	8%	435	13.8%	14.7%	-102 bps
Branded Apparels	1,647	16%	61	3.7%	4.2%	263 bps
Garmenting	779	13%	40	5.1%	5.9%	68 bps
High Value Cotton Shirting	648	13%	89	13.7%	14.5%	433 bps
Tools and Hardware	401	10%	43	10.7%	10.7%	177 bps
Auto Components	259	19%	58	22.6%	22.7%	188 bps
Others #	-180	-	-24	-	-	-
Raymond Consolidated	6,708	11%	702	10.5%	10.5%	140 bps

* EBITDA Margin LTL: Like to Like EBITDA margin excluding common cost allocation for comparable basis
 Company entered into contracts with group companies for allocation of common costs from Q1 FY19, resulting in allocation to its group companies / business segments. The impact on net profit of the group is insignificant

Others includes non scheduled airline operations, real estate development, unallocated expenses, elimination and other income

Balance Sheet & Cash Flow Performance Indicators

Particulars (INR Cr)	Q4 FY18	Q4 FY19
Net Worth	1,888	2,037
Net Debt	1,894	2,066
Cash Flow from Operations	229	316
Free Cash Flow	89	133

Key Ratios	Mar'18	Mar'19
Net Debt / Equity	1.0	1.0
Net Working Capital Days	87	94
Net Working Capital Days excl. Real Estate	89	90



Performance of Segments

A photograph of two men standing outdoors in a lush, green setting. The man on the left has long, dark, wavy hair and is wearing a bright blue double-breasted suit jacket over a white shirt and a patterned tie. The man on the right has dark, wavy hair and a beard, wearing a light blue single-breasted suit jacket over a light green shirt and a patterned tie. The background consists of large trees and dense foliage, creating a natural and serene atmosphere.

Raymond

FINE FABRICS

SINCE 1925

Branded Textiles

Branded Textile

Particulars (INR Cr)	Q4 FY19	Q4 FY18	% Chg
Net Sales	832	802	4%
EBITDA	132	156	-16%
<i>EBITDA margin</i>	<i>15.9%</i>	<i>19.5%</i>	
EBITDA LTL	139	156	-11%
<i>EBITDA margin LTL</i>	<i>16.7%</i>	<i>19.5%</i>	

	FY19	FY18	% Chg
Net Sales	3,153	2,915	8%
EBITDA	435	458	-5%
<i>EBITDA margin</i>	<i>13.8%</i>	<i>15.7%</i>	
EBITDA LTL	463	458	1%
<i>EBITDA margin LTL</i>	<i>14.7%</i>	<i>15.7%</i>	

Growth
Ex-GST: 9%

- Increase in sales driven by TRS and MBO channel
 - ✓ Suiting grew by 3% driven by volumes
 - ✓ Shirting grew by 9% driven by better product mix
- EBITDA LTL margin lower mainly due to higher advertising and sales promotion expense and channel stock correction in shirting business
- Channel growth for the quarter -

Channel Growth	Wholesale: -14%	TRS: 23%	MBO: 12%	Others: 12%
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Branded Textile

EBITDA Margin lower for the quarter vs PY due to

Future Investment on Customization - #TailorYourStyle

- Advertisement spends of ~ Rs 12 crores

Overall Wholesale Channel impacted

- Stock Correction of ~Rs 5 Cr in B2C Shirting

Continued efforts to maintain the growth momentum

- 10% volume growth in domestic Suiting Business in Q4
- Price hike of 5%-6% taken in Jan'19 to benefit in FY20

#TailorYourStyle



CUSTOM TAILORING




PARK AVENUE

WRK


PARK AVENUE

CLBRATE

Branded Apparel


PARK AVENUE

PLAY

Branded Apparel

Particulars (INR Cr)	Q4 FY19	Q4 FY18	% Chg	FY19	FY18	% Chg
Net Sales	489	403	21%	1,647	1,424	16%
EBITDA	32	15	115%	61	23	169%
EBITDA margin	6.5%	3.7%		3.7%	1.6%	
EBITDA LTL	34	15	129%	70	23	206%
EBITDA margin LTL	7.0%	3.7%		4.2%	1.6%	

Growth
Ex-GST: 17%

- Branded Apparel growth driven by
 - ✓ Strong double-digit growth across all brands with 20%+ growth in RRTW and Parx supported by new customer segments
 - ✓ Strong performance in MBO channel and well supported by EBO and LFS channels
- EBITDA Margin LTL improved mainly due to better channel mix and operational efficiencies
- Brands and Channels growth for the quarter -

Brand Growth	PA: 19%	PX: 24%	CP: 13%	RRTW: 25%*
Channel Growth	MBO: 57%	EBO: 17%	LFS: 16%	TRS: -2%

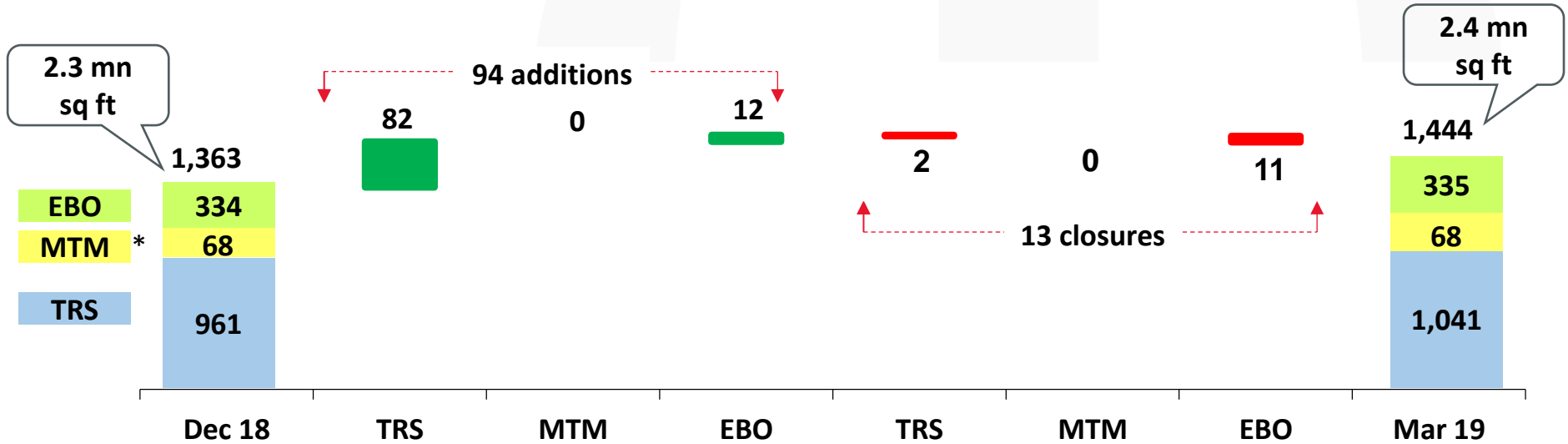
*excluding institutional sales, RRTW sales growth of 14%

PA: Park Avenue, PX: Parx, CP: Color Plus, RRTW: Raymond Ready-To-Wear



Retail Network

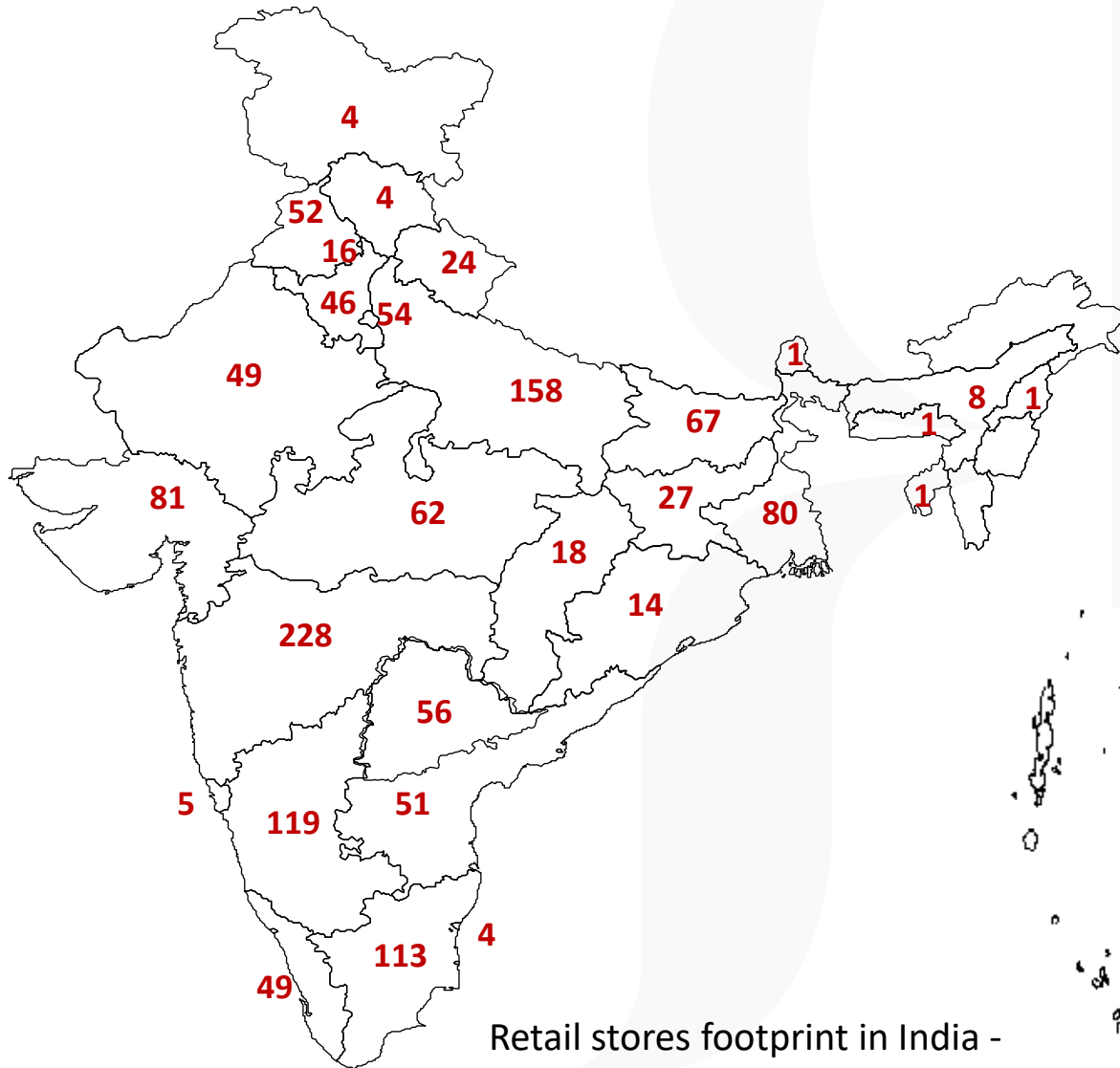
Exclusive Retail Network



- During the quarter
 - ✓ Added 94 new stores and closed 13 stores
 - ✓ 90 of 94 stores added on Franchisee basis in line with our strategy of asset light model
 - ✓ Currently 4 stores under renovation
- Blended sales growth across our retail formats was ~2.5%

*includes 46 converge stores (RTW+MTM) as on Dec'18 and 46 as on Mar'19

Strong Distribution Network



Retail stores footprint in India -
1,392 Domestic stores

Branded Textile

- 20,000+ points of sale across 600+ cities and towns
- 180+ Wholesalers
- 1,330+ MBOs
- Across Raymond Shop (TRS) - Tier I to VI towns

Branded Apparel

- Presence in over 500 cities and towns
- 335 EBOs
- 5,100+ MBOs
- 1,280+ LFS
- Across Raymond Shop (TRS) - Tier I to VI towns

300 mini TRS as on Mar'19 across 190+ Towns



Garmenting

Garmenting

Particulars (INR Cr)	Q4 FY19	Q4 FY18	% Chg
Net Sales	212	201	5%
EBITDA	8	14	-46%
<i>EBITDA margin</i>	<i>3.6%</i>	<i>6.9%</i>	
EBITDA LTL	9	14	-35%
<i>EBITDA margin LTL</i>	<i>4.3%</i>	<i>6.9%</i>	

FY19	FY18	% Chg
779	691	13%
40	36	11%
<i>5.1%</i>	<i>5.2%</i>	
46	36	27%
<i>5.9%</i>	<i>5.2%</i>	

Growth Ex-GST: 13%

- Growth led by exports to US markets
- EBITDA margin LTL lower at 4.3% mainly due to lower utilization of Ethiopia plant capacity and initial cost of B2B Made-to-Measure services in US



High Value Cotton Shirting

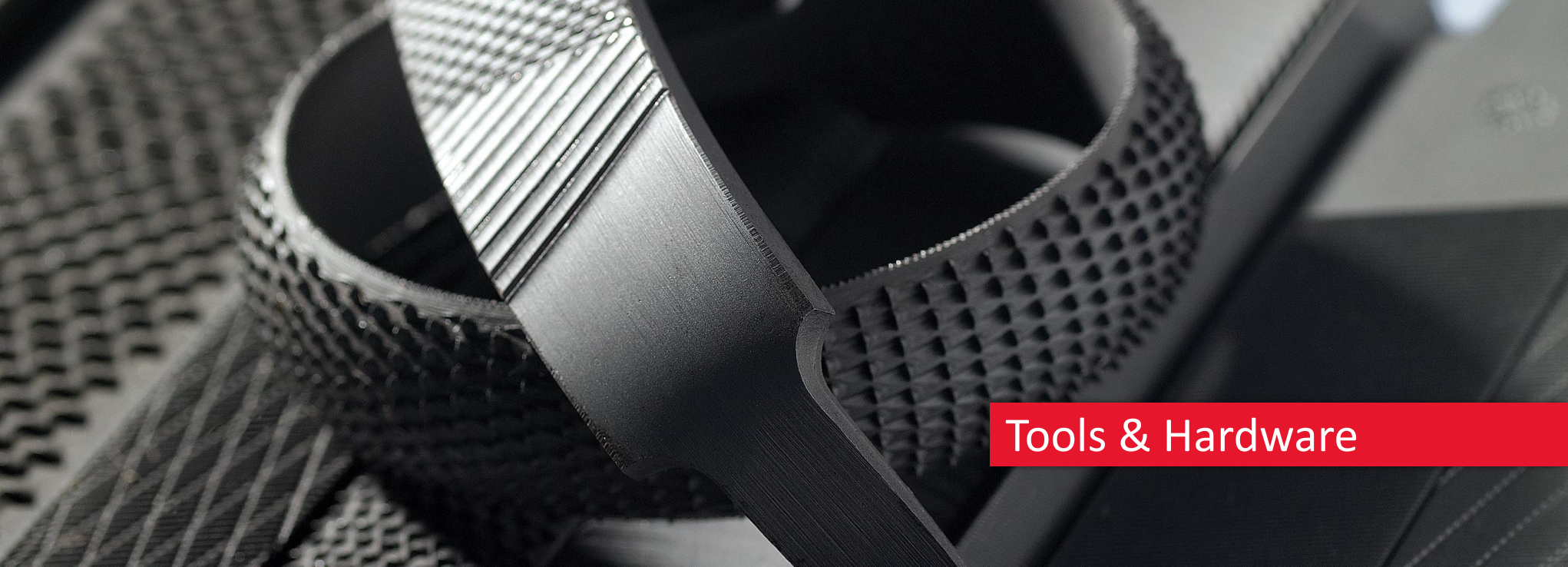
High Value Cotton Shirting

Particulars (INR Cr)	Q4 FY19	Q4 FY18	% Chg	FY19	FY18	% Chg
Net Sales	156	145	7%	648	575	13%
EBITDA	20	13	52%	89	59	51%
<i>EBITDA margin</i>	<i>12.9%</i>	<i>9.1%</i>		<i>13.7%</i>	<i>10.2%</i>	
EBITDA LTL	21	13	63%	94	59	60%
<i>EBITDA margin LTL</i>	<i>13.8%</i>	<i>9.1%</i>		<i>14.5%</i>	<i>10.2%</i>	

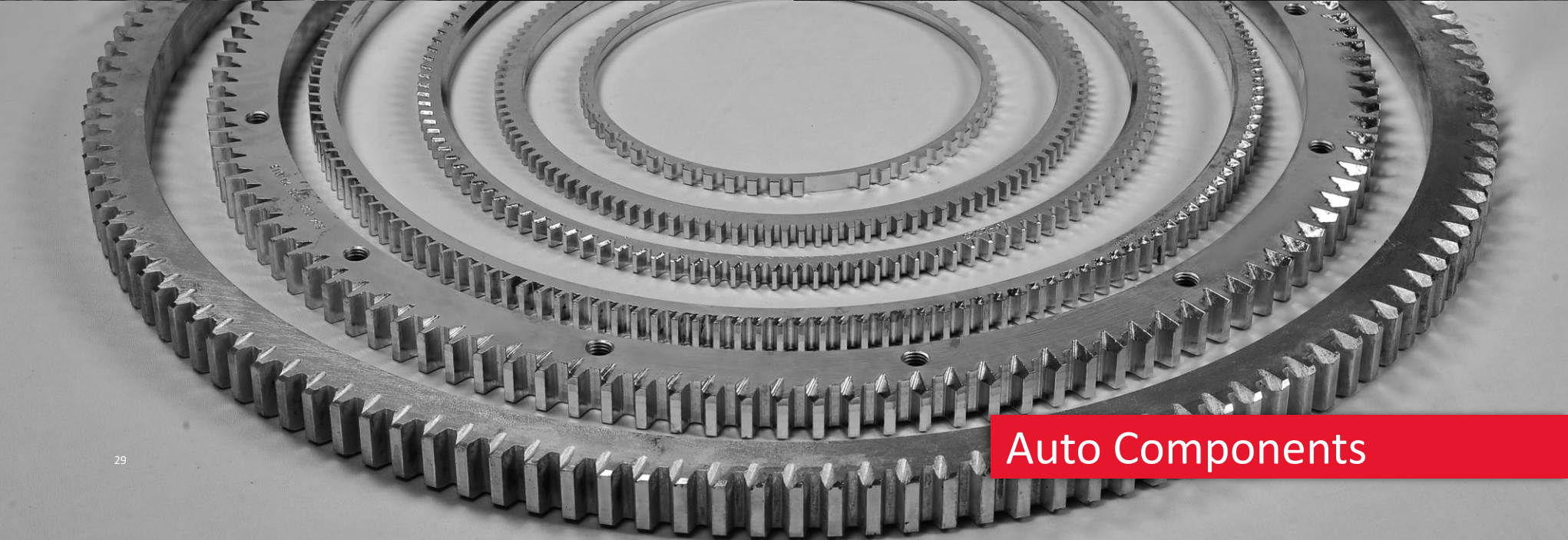
Growth
Ex-GST: 13%

The results shown above are for 100% operations and include minority interest

- Sales growth led by yarn sales from Amravati plant
- EBITDA margin LTL improved to 13.8% mainly led by improved product mix and increased efficiency on account of stabilization of Amravati operations



Tools & Hardware



Auto Components

Tools and Hardware

Particulars (INR Cr)	Q4 FY19	Q4 FY18	% Chg	FY19	FY18	% Chg
Net Sales	102	90	14%	401	365	10%
EBITDA	8	9	-5%	43	33	32%
<i>EBITDA margin</i>	8.2%	9.8%		10.7%	9.0%	

Growth Ex-GST: 12%

The results shown above are for 100% operations and include minority interest

- Growth driven by better performance in exports markets
- EBITDA margin was lower mainly due to -
 - ✓ Increase in raw material cost
 - ✓ Lower sales from high margin domestic business
- The overall turnaround strategy of building operational efficiency and product rationalization has resulted in improved performance for the year

Auto Component

Particulars (INR Cr)	Q4 FY19	Q4 FY18	% Chg	FY19	FY18	% Chg
Net Sales	68	62	10%	259	218	19%
EBITDA	15	9	60%	58	45	29%
<i>EBITDA margin</i>	<i>21.9%</i>	<i>15.1%</i>		<i>22.6%</i>	<i>20.8%</i>	
EBITDA LTL	15	9	63%	59	45	30%
<i>EBITDA margin LTL</i>	<i>22.3%</i>	<i>15.1%</i>		<i>22.7%</i>	<i>20.8%</i>	

*Growth
Ex-GST: 20%*

The results shown above are for 100% operations and include minority interest

- Growth driven by ramp up of volume from existing customers and supported by new customers & products
- EBITDA margin LTL higher mainly due to exchange rate gains and favourable product mix



raymond | REALTY
Go Beyond

Raymond Realty – Go Beyond



Raymond's maiden venture into Infrastructure Development Sphere of Quality Housing

Project

Overall 20 acres of residential development
Phase 1: ~14 acre of development

Phase 1 Project Details

- Total 10 towers with ~2.8 mn sq.ft of saleable area
- Total 2BHK units available for sale: 2,800

Current Status

- RERA registration received for 3 towers in Phase 1
- Total Bookings: 400+ (To-date) in first 3 towers

Public launch planned in May



Way Forward

Way Forward

- Moderate consumer demand due to seasonality however higher number of wedding days to support revenue growth
- For 1QFY20, we are expecting high single digit revenue growth and stable EBITDA margin over previous year mainly due to higher input prices*
- During FY19, we successfully executed initiatives and achieved profitable growth. We remain confident of achieving our stated FY 20 guidance
- Continue with the asset light network expansion strategy mainly through franchisee based stores rollout

* Excluding Real Estate

Thank You

www.raymond.in

