



ARVIND

Update on Sale of 40%
Shares held in
VF Arvind Brands Pvt
Limited

2nd Nov 2011

Arvind Limited

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Sale of Shares

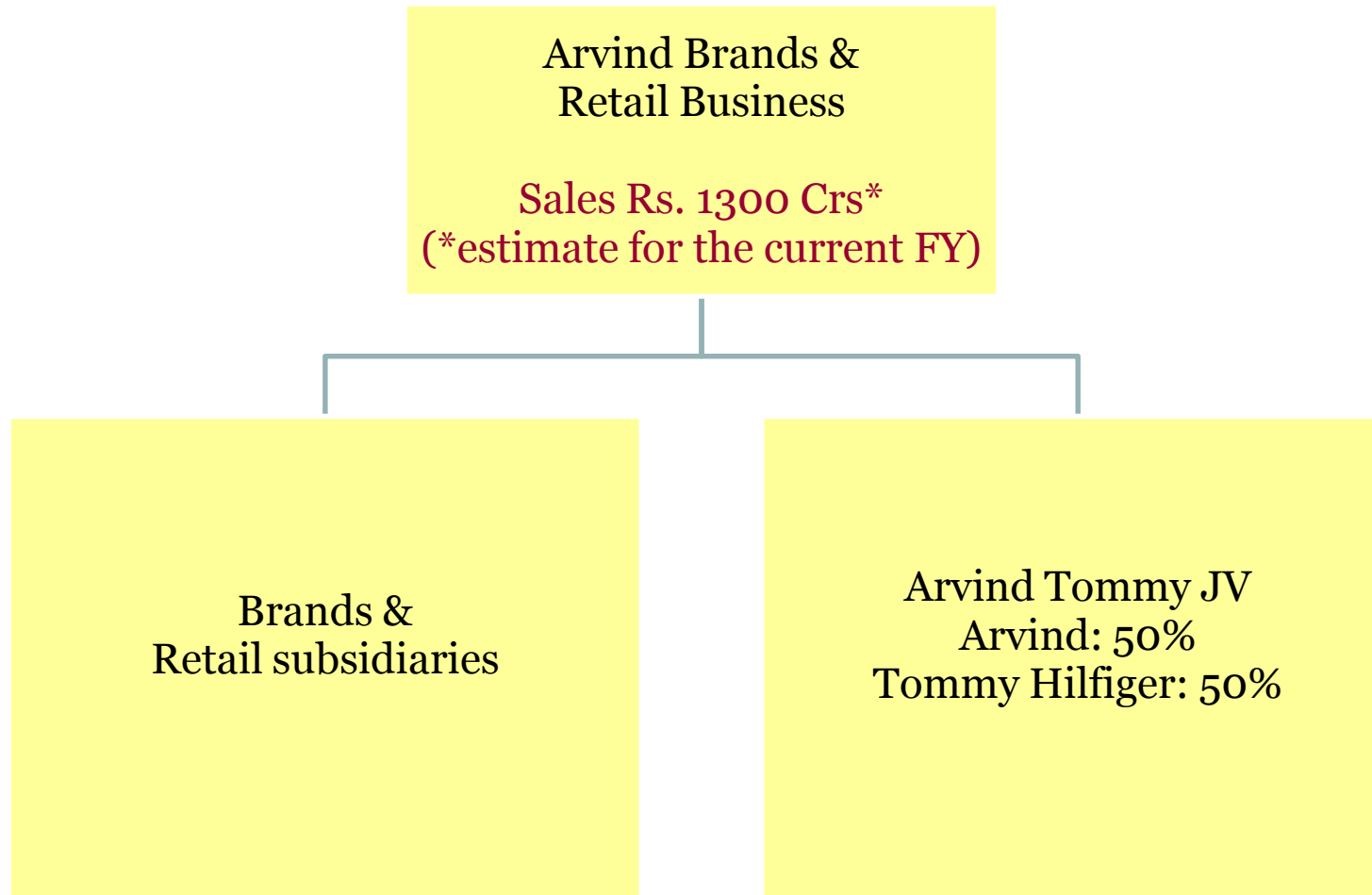
- Arvind Limited had invested Rs. 5.47 crores to acquire 40% of share capital of VF Arvind Brands Private Limited (VFABPL)
- Balance 60% is held by VF Mauritius a subsidiary of VF Corp. USA (VF)
- VFABPL which was being managed by VF is engaged in the business of marketing products under the brand names LEE and WRANGLER
- Under the shareholders agreement, VF had rights to acquire Arvind's investment at end of 5 years
- Since 5 years expired in September, VF decided to acquire Arvind's shares

Sale Consideration

- The consideration which has been received today
 - Is Rs. 257.26 crores for 40% shares
 - Translates to Rs. 297 crores of Enterprise Value realized by Arvind
 - Translates to valuation of approx 2 times the revenue and 17 times the EBIDTA of VFABPL
- Arvind plans to use the consideration to reduce its debt

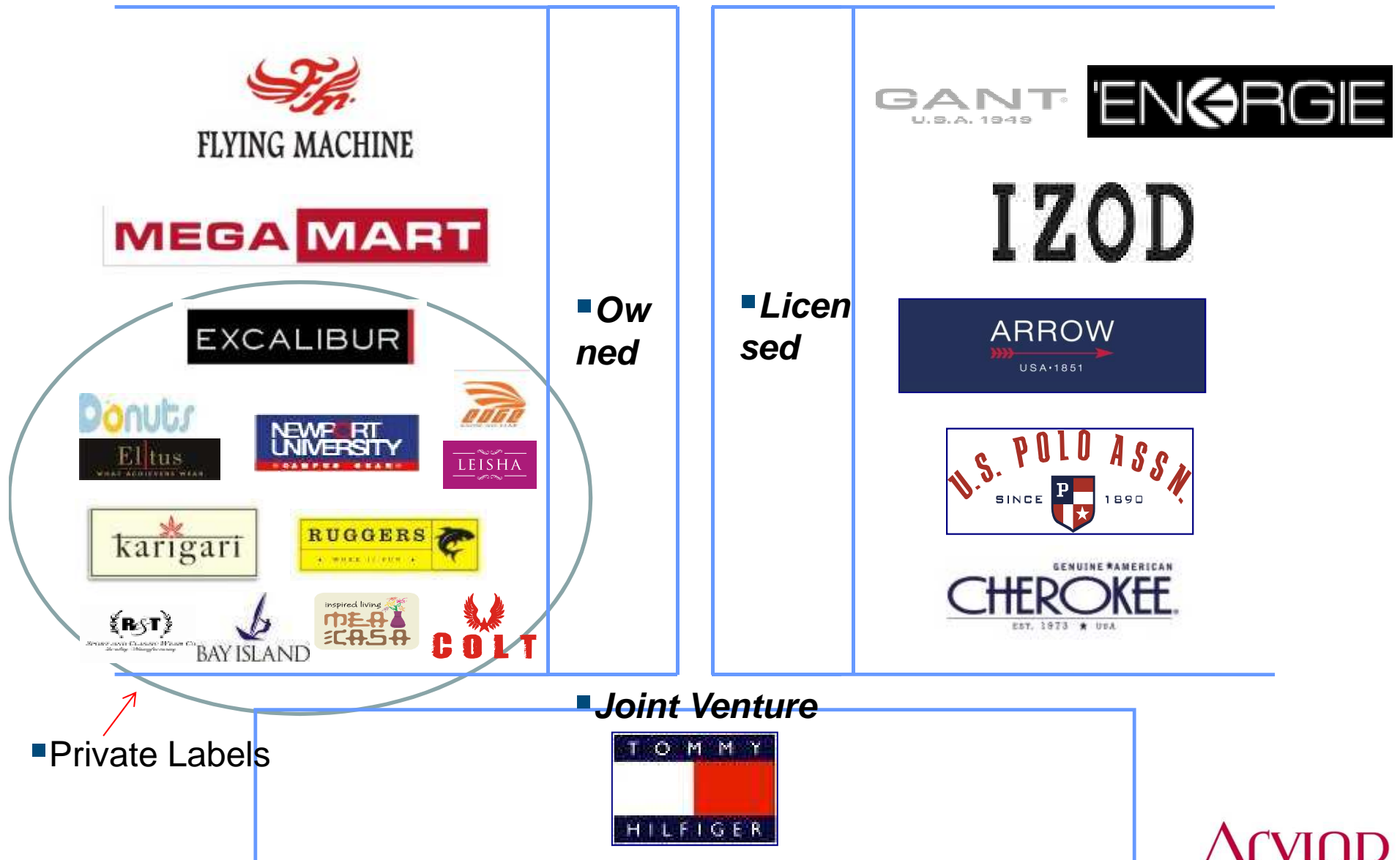
Arvind's Brands & Retail Business

Post stake sale in VF



Arvind's Brand Portfolio is unmatched in India

Expected to grow at 30%-35% p.a. for next 3 years



Last 12 months' data* for Arvind & VFABPL

Rs crores

	Arvind Consolidated	VFABPL	% share
Revenue	4660	143	3.1%
EBIDTA	704	18	2.5%
PAT	228	6	2.8%
EPS	9.0	0.2	2.8%
Market Cap **	2698	257	9.5%
Debt (sept 11)	2500	40	
Enterprise Value	5198	297	5.7%
EV / EBIDTA	7	17	
P/E Ratio	11.8		

• *From October 2010 to September 2011*

** *Arvind Market Cap calculated at Rs. 106 per share*

VFABPL Market Cap represents the sale consideration



Thank You

ARVIND

