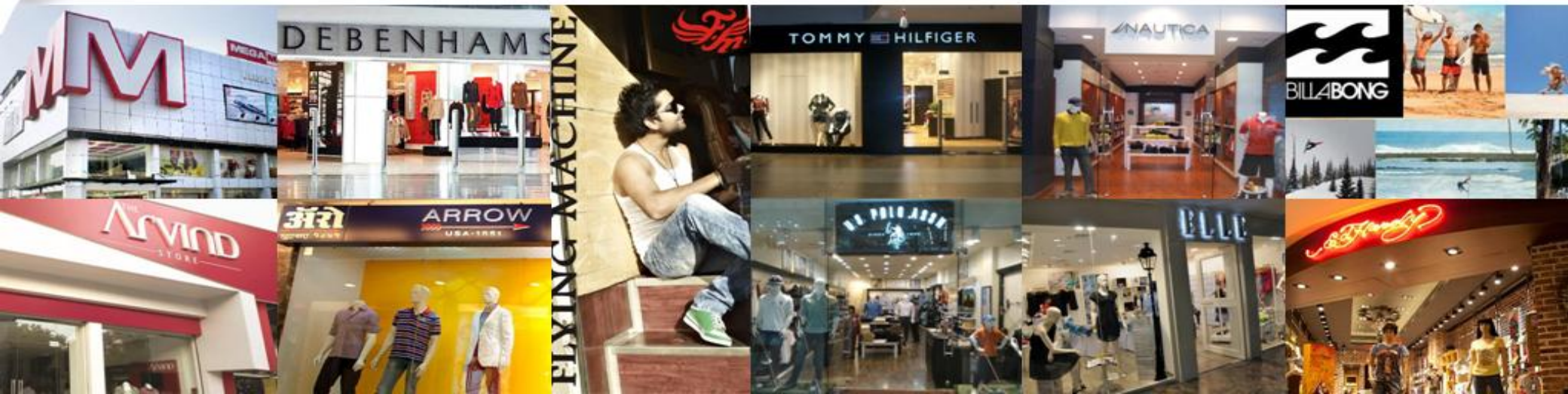


Arvind



Arvind Limited

Quarter I Results: 29th July 2013

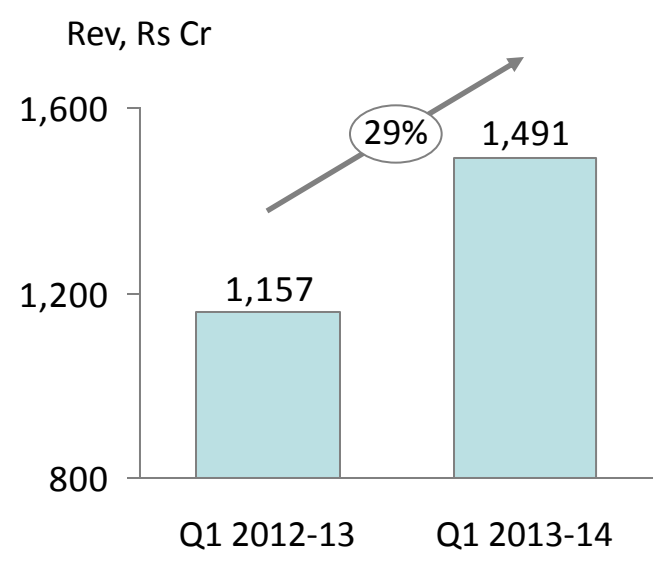


Index

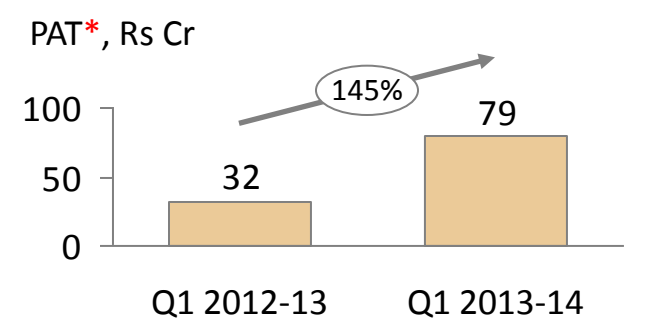
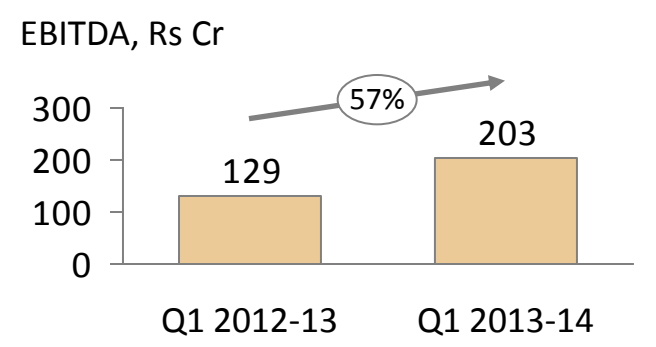
- Performance Review Q1 2013-14
- Business Analysis

Financial Highlights: Q1 2013-14

Strong revenue growth



Strong profitability improvement



* PAT before exceptional items

Adjusting for the negative impact of the strike period during Q1 FY2012-13, the Revenue, EBIDTA and PAT real growth by 19%, 25% and 21% respectively

Financial Performance: Q1 2013-14

	Q1 Rs Cr			After removing strike effect
	2013-14	2012-13	Change	
Revenue from Operations	1491	1157	29%	19%
Raw Materials	501	378		
Project Expenses	30	21		
Employees' Emoluments	164	127		
Others	454	367		
Increase in Stock	-90	-46		
FX loss	3	10		
EBIDTA	203	129	57%	25%
Margin	13.6%	11.2%		
Other Income	19	22		
Interest & Finance Cost	82	74		
Cash Accruals	140	76	83%	
Depreciation	53	45		
Profit Before Taxes	87	32		
Profit After Tax	79	32	145%	21%
Less : Exceptional Item	12	0		
Net Profit	67	32	108%	

Key highlights

Revenue Growth achieved due to volume growth across business:

- Brands & Retail: 34%
- Wovens: 33% (26% after removing strike effect)
- Denim: 28% (6% after removing strike effect)

EBIDTA Margin

- Improvement seen across all textiles as well as brands & retail verticals

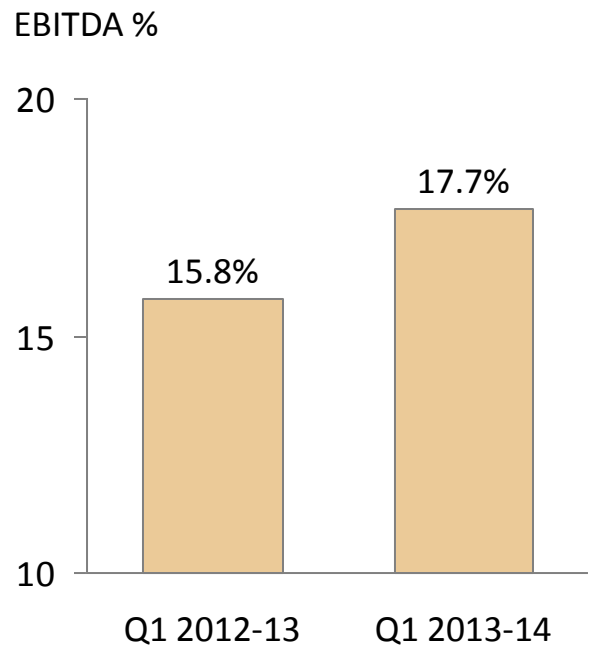
Exceptional Item – Retrenchment cost of Rs 11.75 Cr

- Company reduced 317 workers' strength through VRS scheme

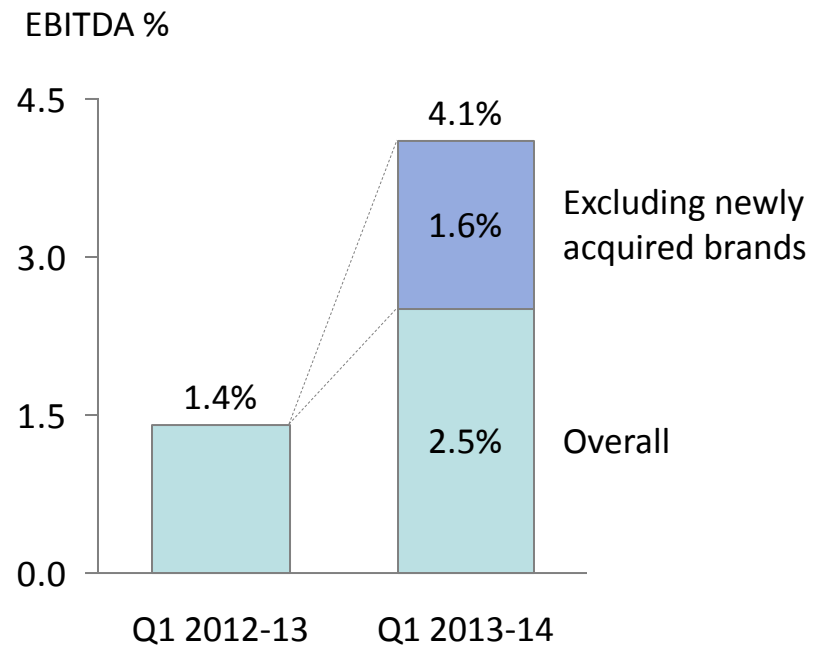


EBIDTA margins improved significantly in Textiles Business as well as in Brands & Retail Business

Textiles EBITDA %



Brands & Retail EBITDA %



Brands & Retail business EBITDA margin – excluding losses from the newly acquired businesses – saw a very sharp improvement

Key Financial Ratios

	2010-11	2011-12	2012-13	Q1 13-14
EPS	6.50	9.48	9.63	3.06
Debt / Equity	1.31	1.00	1.11	1.21
Debt / EBIDTA	3.7	2.8	3.2	3.3
ROCE	10.5%	13.1%	11.9%	13.4%
ROE	8.4%	12.0%	11.1%	13.9%
Revenue Growth	25%	20%	7%	29%

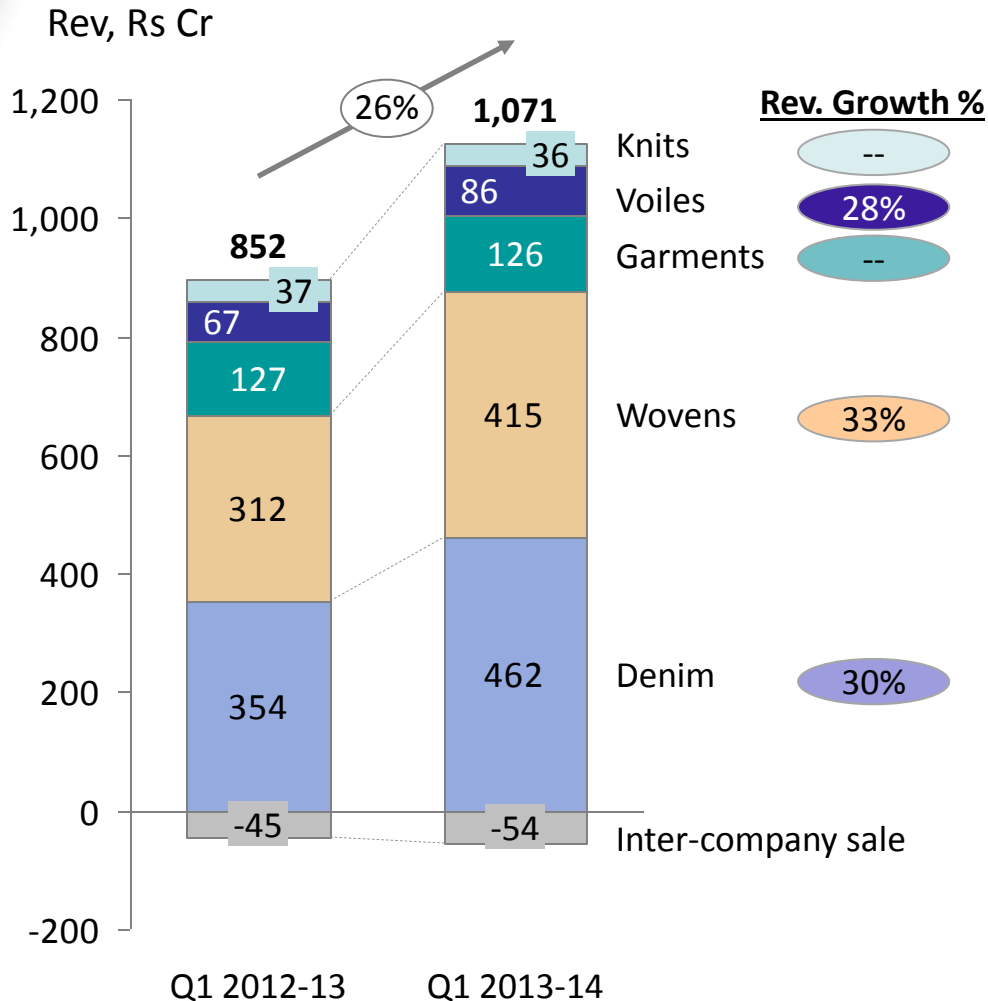
* PAT before exceptional item

Index

- Performance Review Q1 13-14
- **Business Analysis**

All numbers in this section are consolidated unless specified otherwise

Textiles Business: Revenue Mix in Q1 13-14



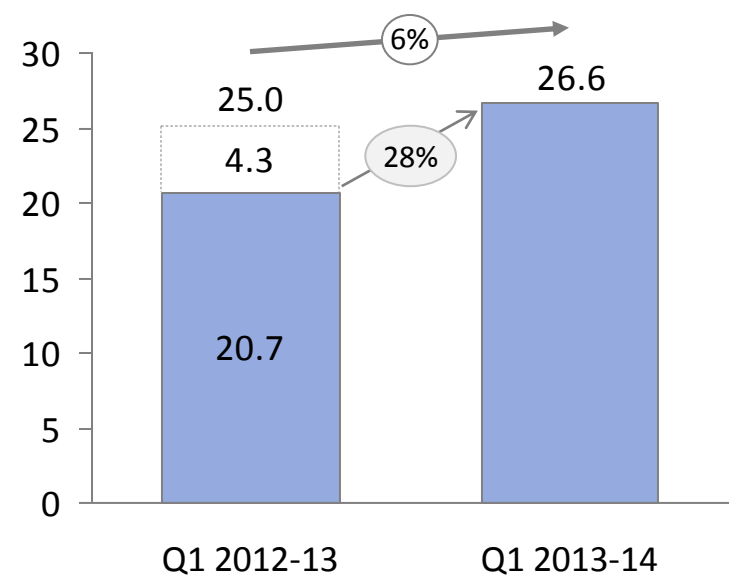
Volume & Price growth

- Every product category registered volume and price growth leading to strong revenue growth in the textiles segment

Denim & Shirting/Khaki Volumes – Q1 2013-14

Denim

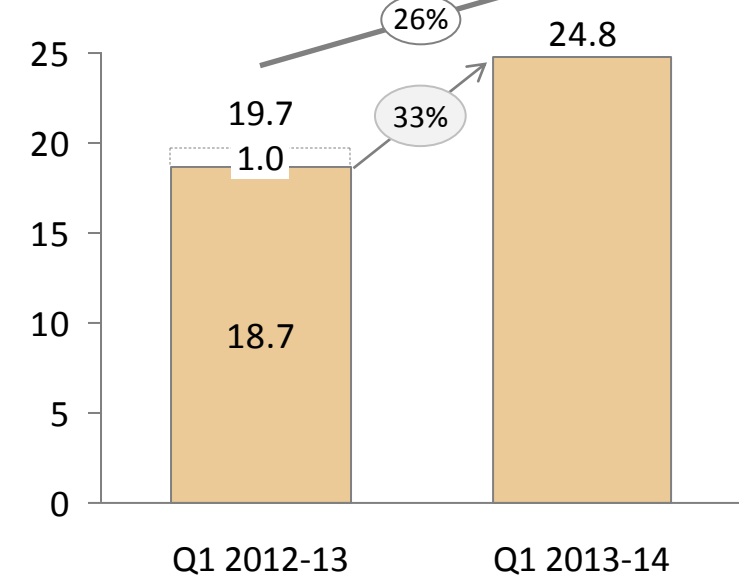
Volume, Mn Mtrs



 Strike Period
 Other Period

Shirting & Khaki

Volume, Mn Mtrs



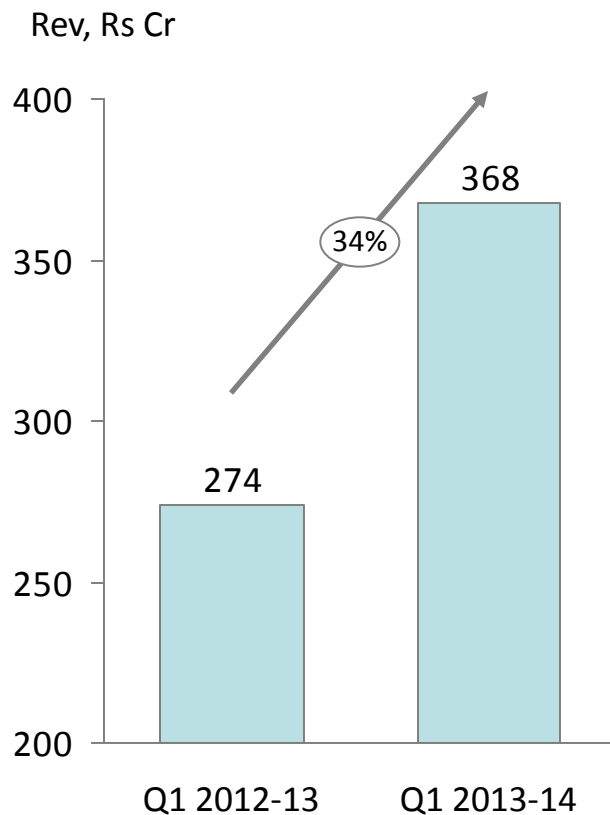
 Strike Period
 Other Period

Key Parameters: Q1-2013-14 – Textiles

	Denim		Shirting / Khakis	
	Q1 13-14	Q1 12-13	Q1 13-14	Q1 13-14
Exports (Mn Mtrs)	13	9	4	4
Domestic (Mn Mtrs)	13	12	21	15
Avg Price - (Rs/Mtr)	171	166	159	148
Major Components	Cotton		Gas	
Cost in Rs / Kg	104.0	95.1	19.2	19.1

Brands & Retail Business grew by 34% in Q1 2013-14

Strong revenue growth



Key highlights

- Revenue growth of 34% achieved due to
 - 40% revenue growth in Brands (26% growth excluding newly acquired brands)
 - 19% revenue growth in MegaMart Retail
- Like to Like growth
 - 9% LTL growth in Brands
 - 14% LTL growth in MegaMart Retail

Brands & Retail Business – Distribution

Particulars	2012-13		Q1 2013-14	
	Stores	Sq ft	Stores	Sq ft
Brands	641	630248	708	688943
Magamart	197	710133	184	682179
Total	838	1340381	892	1371122
No of KA Exclusive Counter	534		620	

- Sales Increase in Key Account Counters: Growth of 43%

Outlook for FY2013-14

- Revenue growth expected to be over 20% on account of volume growth in both Textiles and Brands & Retail
 - Textiles: 12-15%
 - Brands & Retail: 25%+
- International demand for textiles strong:
- Margin for the Textiles businesses may improve marginally
- Margins for the Brands & Retail businesses may be maintained despite higher investments in marketing and distribution for the newly acquired brands

Thank You

ARVIND

