



February 6, 2020

BSE Limited  
Scrip Code: 535755

National Stock Exchange of India Limited  
Symbol: ABFRL

**Sub.: Outcome of the Meeting of the Board of Directors of Aditya Birla Fashion and Retail Limited**  
**(“the Company”) held on February 6, 2020**

- Ref.: 1. **Regulation 30** (read with Schedule III - Part A), **33 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015** (“SEBI Listing Regulations”)  
2. **ISIN: INE647O01011**

Dear Sir/ Madam,

In continuation to our letter dated December 26, 2019 and pursuant to the above referred, kindly note that the Board of Directors of the Company, in its meeting held today i.e. on Thursday, February 6, 2020 (“said meeting”), have *inter alia* considered and approved the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and nine months ended December 31, 2019 (“Unaudited Financial Results”).

The said meeting commenced at 12 noon and concluded at 2:15p.m.

Please find enclosed herewith a copy of the:

- Unaudited Standalone and Consolidated Financial Results alongwith the Limited Review Report thereon;  
*[Kindly note that pursuant to regulation 47 of the SEBI Listing Regulations extract of these results will be published in Business Standard and Navshakti newspapers on Friday, February 7, 2020.]*
- Press Release; and
- Investor Presentation for Q3 FY19-20.

The same is also available on the Company’s website i.e. [www.abfrl.com](http://www.abfrl.com).

Further, the Company had closed its Trading Window for dealing in its securities from Wednesday, January 1, 2020 to Monday, February 10, 2020 (both days inclusive). The same has been duly communicated to all the Designated Persons under the Code.

Thanking you,

Yours faithfully,  
For Aditya Birla Fashion and Retail Limited

  
Geetika Anand  
Vice President & Company Secretary

Encl.: a/a

**ADITYA BIRLA FASHION AND RETAIL LIMITED**

**Registered Office:**

Piramal Agastya Corporate Park, Building ‘A’,  
4<sup>th</sup> and 5<sup>th</sup> Floor, Unit No. 401, 403, 501, 502,  
L.B.S. Road, Kurla, Mumbai - 400 070

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ADITYA BIRLA



FASHION & RETAIL

# Performance Highlights **Q3 FY20**



# Distribution Network

Distribution Network

Market Update

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# India's widest distribution network

**2,656**

Brand Stores

**343**

Pantaloons Stores

**24,000**

Multi-brand Outlets

**6,261**

SIS across Dept.  
stores



**7.4**  
Q3 FY19

**Footprint**  
(million sq. ft.)

**8.1**  
Q3 FY20



# Market Update

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# Market Update

## Promotions drove Festive performance

Aggressive promotions and amplified marketing helped pick sales during festive in an otherwise tepid year



## Favorable Seasonality

Early, severe winters and a strong wedding season drove consumer spends



## Liquidity pressure affected wholesale channel

Traditional channels continue to face liquidity issues; poor consumer sentiments adding to woes



## Ecommerce continued to grow fast

Strong festive promotions and increasing reach of ecommerce players driving higher share of online





# Q3 Highlights

Distribution  
Network

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Performance  
of Key  
Portfolios

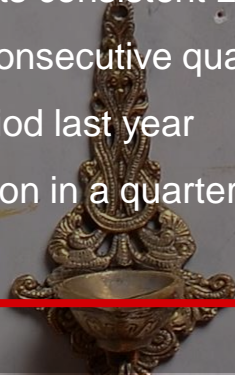
Way  
Forward

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# ABFRL | Q3 Highlights

## Strong Performance despite tough market conditions

- **Strong quarterly results on the back of an exceptional performance last year**
  - Revenue grew by 12% to Rs. 2562 Cr. over a 23% increase in same quarter last year
  - EBITDA of Rs. 227 Cr., EBITDA Margin of 8.9% vs 8.2% last year
  - First ever Quarterly PBT of more than Rs. 100 Cr. (PBT of Rs.111 Cr.)
- **Pantaloon reported EBITDA of Rs. 109 Cr. with EBITDA margin crossing 10% mark**
- **All round improvement in operating metrics**
  - Lifestyle continues with its consistent LTL trajectory, posts one of the highest ever LTLs of 15%
  - Pantaloon posts third consecutive quarter of strong LTL - records 4.9% LTL in Q3 over a base of 17% for the same period last year
  - Highest ever store addition in a quarter - ~150 new stores added across all formats





# ABFRL | Q3 Financials

<b>Standalone Financials</b> <i>(In Rs. Cr.)</i>	<b>Q3 FY19</b>	<b>Q3 FY20 (Comp.)</b>	<b>Growth</b>	<b>Q3 FY20 (Ind AS Adj.)</b>
Revenue	2282	2562	12%	2562
EBITDA	186	227	22%	424
EBITDA Margin	8.2%	8.9%		16.5%
EBIT	118	163	38%	203
PBT	70	111	58%	98
Deferred Tax	0	-25		-131
Normalised PAT	70	86		
Deferred Tax: One time	0	-106		
PAT	70	-21		-33

# ABFRL | Q3 – Segment Performance

Standalone Financials  (In Rs. Cr.)	NSV			EBITDA			EBITDA %	
	Q3 FY19	Q3 FY20	Growth	Q3 FY19	Q3 FY20 (Comp.)	Growth (Comp.)	Q3 FY19	Q3 FY20 (Comp.)
<b>Madura</b>								
Lifestyle Brands	1137	1295	14%	132	138	5%	11.6%	10.7%
Fast Fashion	102	89	-12%	-12	-4		-11.8%	-4.2%
Other Businesses *	106	148	39%	-19	-21		-18.2%	-13.9%
<b>Madura Segment</b>	<b>1345</b>	<b>1532</b>	<b>14%</b>	<b>101</b>	<b>114</b>	<b>14%</b>	<b>7.5%</b>	<b>7.5%</b>
<b>Pantaloons Segment</b>	<b>961</b>	<b>1083</b>	<b>13%</b>	<b>88</b>	<b>109</b>	<b>24%</b>	<b>9.2%</b>	<b>10.1%</b>
Elimination	-24	-52		-3	3			
<b>ABFRL</b>	<b>2282</b>	<b>2562</b>	<b>12%</b>	<b>186</b>	<b>227</b>	<b>22%</b>	<b>8.2%</b>	<b>8.9%</b>

\*Standalone financials does not include Jaypore and Shantanu & Nikhil Revenue: Rs. 20 Cr and EBITDA loss: Rs. 2 Cr.

# ABFRL | YTD Q3 Highlights

## Stellar Performance in a tough year

### Strong Financial Performance

- Sales growth of 12% with 19% growth in EBITDA
- EBIT grew 42% while PBT grew 88%
- ROCE at ABFRL level is 10% (with Goodwill), and 19% (without Goodwill)
  - Pantaloons ROCE 30%+\*
  - Lifestyle Business ROCE 60%+\*

### Robust Fundamentals

- Consistent LTL growth across businesses – Lifestyle @ 9%, Pantaloons @ 6.3%
- Added 300 stores this year across businesses; Aggressive store roll out underway

### Transformational Agenda on Track

- Adoption of comprehensive Digital Strategy across businesses
- Building agile Supply Chain models to deliver continuous fresh fashion

### Strategic Portfolio Expansion

- Growing presence in newer segments to leverage large untapped opportunity in domestic apparel space

\*without Goodwill

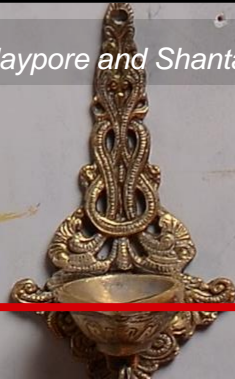
# ABFRL | YTD Q3 Financials

<i>Standalone Financials</i> (In Rs. Cr.)	YTD FY19	YTD FY20 (Comp.)	Growth	YTD FY20 (Ind AS Adj.)
Revenue	6202	6925	12%	6925
EBITDA	470	561	19%	1118
EBITDA Margin	7.6%	8.1%		16.1%
EBIT	261	371	42%	473
PBT	119	223	88%	169
Deferred Tax	0	-44		-174
Normalised PAT	119	179		
Deferred Tax: One time	0	-130		
PAT	119	49		-5

# ABFRL | YTD Q3 – Segment Performance

Standalone Financials (In Rs. Cr.)	NSV			EBITDA			EBITDA %	
	YTD FY19	YTD FY20	Growth	YTD FY19	YTD FY20 (Comp.)	Growth (Comp.)	YTD FY19	YTD FY20 (Comp.)
<b>Madura</b>								
Lifestyle Brands	3172	3554	12%	350	390	11%	11.0%	11.0%
Fast Fashion	278	244	-12%	-27	-13		-9.8%	-5.2%
Other Businesses *	262	407	55%	-61	-63		-23.3%	-15.4%
<b>Madura Segment</b>	<b>3712</b>	<b>4205</b>	<b>13%</b>	<b>261</b>	<b>314</b>	<b>20%</b>	<b>7.0%</b>	<b>7.5%</b>
<b>Pantaloons Segment</b>	<b>2561</b>	<b>2888</b>	<b>13%</b>	<b>218</b>	<b>260</b>	<b>19%</b>	<b>8.5%</b>	<b>9.0%</b>
Elimination	-70	-167		-9	-14			
<b>ABFRL</b>	<b>6202</b>	<b>6925</b>	<b>12%</b>	<b>470</b>	<b>561</b>	<b>19%</b>	<b>7.6%</b>	<b>8.1%</b>

\*Standalone financials does not include Jaypore and Shantanu & Nikhil Revenue: Rs. 31 Cr and EBITDA loss: Rs. 10 Cr.





# Performance of Key Portfolios

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# Key portfolios | Highlights

## Lifestyle Brands

**Steady Growth** driven by robust same store growth, network expansion and excellent performance of new growth initiatives

## Pantaloons

**Profitable Growth** riding on product innovations and new brand imagery

## Fast fashion

**Sustained performance** through sharp focus on profitability improvement

## Other Businesses

**New products and distribution expansion** fuels growth

performance of key portfolios

# LIFESTYLE BRANDS



LOUIS PHILIPPE

VAN HEUSEN  
POWER DRESSING



Allen Solly

PETER ENGLAND

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# LIFESTYLE BRANDS

## Robust Growth

LOUIS PHILIPPE

VAN HEUSEN  
POWER DRESSING

Allen Solly

PETER ENGLAND

- Strong growth of 14% in a difficult market
- Retail network posted ~30% growth on account of remarkable LTL of 15% and new store openings
- Strategic shift from wholesale to retail
  - EBO expansion at an unprecedented scale – Opened ~160 stores in a quarter for the first time
  - Decline in wholesale channel affected profit growth
- E-Commerce continues to grow rapidly (+45% YOY)
- Aggressive growth in women's (35%) and kids wear (21%)

### Retail Network

Area (,000 sq.ft.)	2549	2739
	Q3 FY19	Q3 FY20
Stores	1959	2187

# Q3

Channel-wise Revenue (in Rs. Crore)

	Q3 FY19	Q3 FY20
Wholesale	411	394
Retail	495	642
Others	231	259

# YTD Q3

Channel-wise Revenue (in Rs. Crore)

	YTD Q3 FY19	YTD Q3 FY20
Wholesale	1288	1338
Retail	1254	1495
Others	630	721

## Loyalty Base (Lakh)

Q3 FY20		176
Q3 FY19		145



# 46%

of revenues from  
loyal customers



performance of key portfolios

# PANTALOONS

pantaløons

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# PANTALOONS

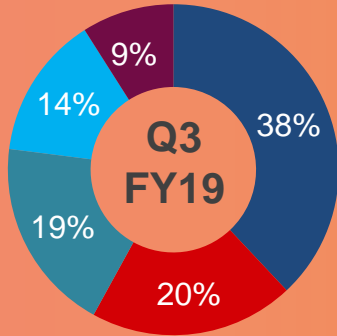
## Setting New Records

- Robust performance driven by strong festive
  - Revenue grew by 13% over 28% growth in same period last year
  - LTL of 4.9% over 17% LTL growth in same period last year
  - Highest ever EBITDA – Rs. 109 Cr, up 24% YOY
- Improved product aesthetics and better availability driving performance
- Rolled out new planning system across the country - delivering store specific automated merchandise allocation
- Continued brand investments, through impactful campaigns, driving salience

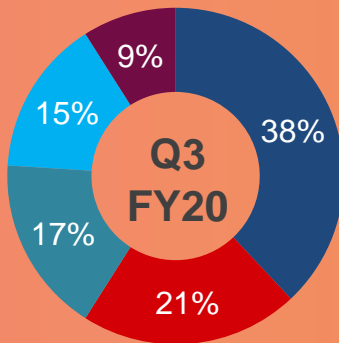
### Retail Network

Area (,000 sq.ft.)	3953	4363
	Q3 FY19	Q3 FY20
Stores	302	343

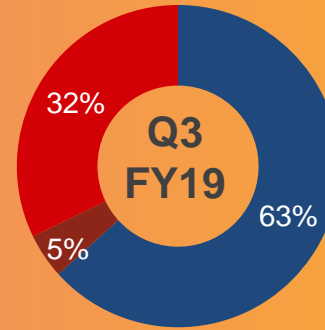
# Category Mix



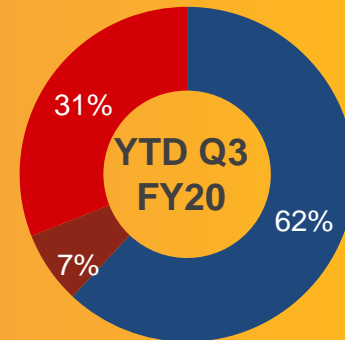
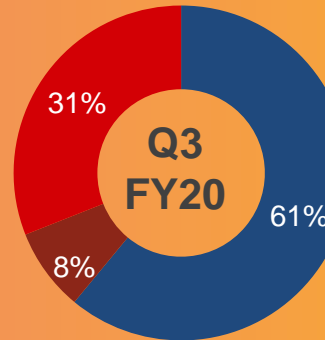
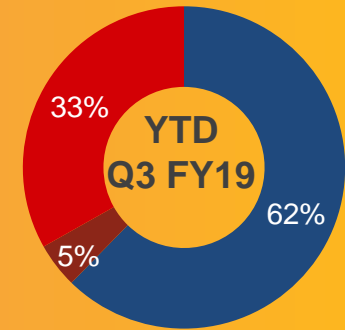
- Men
- Women's Western
- Women's Ethnic
- Kids
- Non Apps



# Ownership Mix

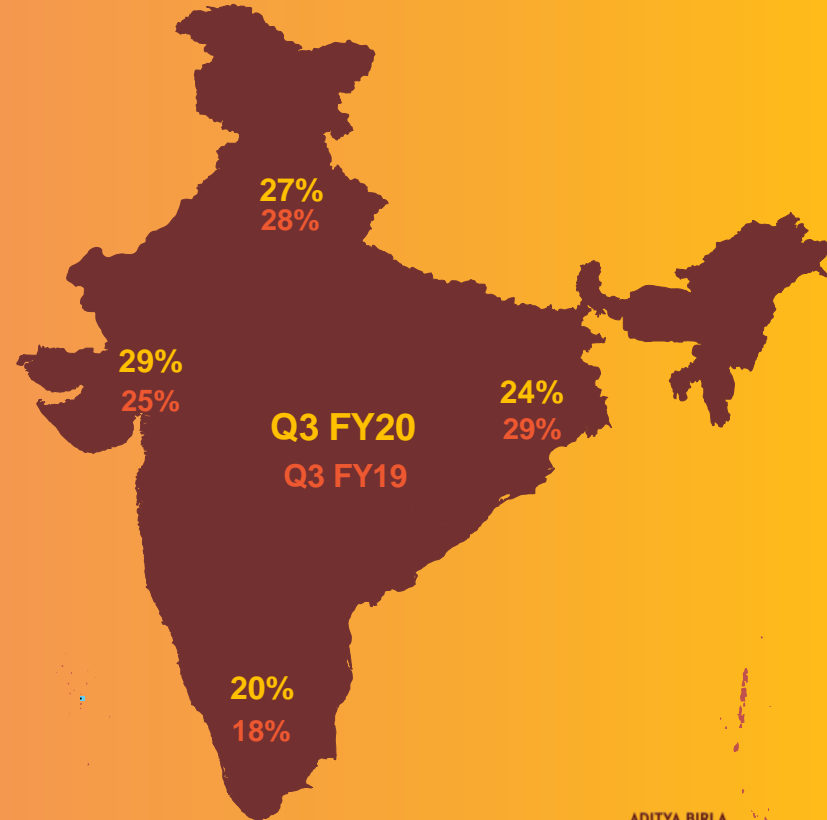


- Own Brands
- MFL
- Others



# Regional Mix

## Loyalty Base (Lakh)



\* Share of East is lower due to shift in Pujo from Q3 LY to Q2 CY

# Madhya Pradesh comprising of 3% of total sales reclassified from North to West in FY20

performance of key portfolios

# OTHER BUSINESSES

People

FASHION & ACCESSORIES

THE COLLECTIVE



AMERICAN EAGLE  
OUTFITTERS

TED BAKER  
LONDON

FOREVER 21



POLO  
RALPH LAUREN



HACKETT  
LONDON



VAN HEUSEN  
INNERWEAR | ATHLEISURE

ADITYA BIRLA



FASHION & RETAIL

# OTHER BUSINESSES

## New Growth Engines



### Global Brands

The Collective continues to post high LTLs (8% in Q3)

Other global brands (Ralph Lauren, Hackett, Ted Baker and American Eagle) gaining scale, First store of Fred Perry opened

### Innerwear

Continues to accelerate rapidly, Trade footprint reached 20000 outlets

Growth driven by Product portfolio expansion

Strong consumer traction for both men & women's products

### Fast Fashion

Calibrated operations - Local sourcing on track for F21

People transition into Pantaloons to be completed by Q4



JAYPORE

SHANTANU & NIKHIL

performance of key portfolios

# Ethnic

Steadily nurturing ethnic business with focus on product creation, brand building and retail expansion



# Way Forward

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# Way forward

## Lifestyle Brands

Continue to drive growth through product innovation, brand investments & aggressive retail expansion

## Pantaloons

Grow revenue & profitability through accelerated store expansion, continuous product enhancement & upgraded shopping experience

## Fast Fashion

Calibrated growth with a path to profitability

## Other Businesses

Scaling up the expanded portfolio



# Company Financials

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# Consolidated Financials

<i>In Rs. Cr.</i>	Q3 FY19	Q3 FY20 (Comp.)	Q3 FY20 (Reported)	YTD FY19	YTD FY20 (Comp.)	YTD FY20 (Reported)
<b>Revenue from Operations</b>	<b>2,282</b>	<b>2,583</b>	<b>2,583</b>	<b>6,202</b>	<b>6,956</b>	<b>6,956</b>
Other Income	13	11	15	41	39	49
<b>Total Income</b>	<b>2,295</b>	<b>2,594</b>	<b>2,597</b>	<b>6,243</b>	<b>6,995</b>	<b>7,005</b>
<b>EXPENSES</b>						
Cost of Materials Consumed	162	171	171	376	563	563
Purchases of Stock-in-Trade	753	921	921	2,698	2,994	2,994
Changes in Inventories	228	144	144	(49)	(225)	(225)
Employee Benefits Expense	236	284	284	678	797	797
Finance Costs	48	52	105	142	148	305
Depreciation & Amortisation	68	67	225	209	195	652
Rent Expense	301	351	157	831	930	381
Other Expenses	429	497	497	1,239	1,384	1,384
<b>Total Expenses</b>	<b>2,225</b>	<b>2,489</b>	<b>2,505</b>	<b>6,124</b>	<b>6,787</b>	<b>6,852</b>
<b>Profit before Tax</b>	<b>70</b>	<b>105</b>	<b>92</b>	<b>119</b>	<b>207</b>	<b>153</b>
Tax Expenses	-	25	131	-	41	171
<b>Normalised PAT</b>	<b>70</b>	<b>81</b>		<b>119</b>	<b>166</b>	
Tax Expenses (One Time)	-	106		-	130	
<b>Net Profit after Tax</b>	<b>70</b>	<b>(25)</b>	<b>(38)</b>	<b>119</b>	<b>36</b>	<b>(18)</b>
Other Comprehensive Income	(8)	0	0	(3)	7	7
<b>Total Comprehensive Income</b>	<b>63</b>	<b>(24)</b>	<b>(37)</b>	<b>116</b>	<b>43</b>	<b>(11)</b>
Non-Controlling Interest	-	0	0	-	(1)	(1)
<b>Total Comprehensive Income (Owners)</b>	<b>63</b>	<b>(24)</b>	<b>(37)</b>	<b>116</b>	<b>45</b>	<b>(10)</b>

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DOSTONWALI  
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