



## Liberty Presents Its Q1 Results

**New Delhi, July 23, 2014:** Liberty Shoes Ltd, India's leading footwear company, today announced its results of Q1 for F.Y. 2014-15. The Company, during the quarter, has recorded the Sales of Rs. 106.30 Crores with improved profitability.

### **Sh. Adesh Gupta, CEO & Executive Director of the Company says about Revenue of the Company:**

**Domestic Sales:** The Company, despite market sentiments not being favourable during this quarter, has been able to register growth in its branded footwear being sold through its showrooms & distributors which has been Rs. 94.83 Crores as against Rs. 93.94 Crores during corresponding quarter. The overall domestic sales of the Company have been down because of deferment of one of the major prestigious Institutional Orders worth Rs. 48.00 Crores approx. which the Company has bagged at the end of quarter, part of which were to be supplied in this quarter like corresponding previous year's quarter. The Company in its institutional segment, due to deferment of this Institutional supply, has seen decline in this quarter which has affected the sales targets of the Company during this quarter. This supply will be made in the next quarter the Company is expecting to achieve its Sales target of six months. Sh. Gupta further stated that Institutional business is important for the Company as a marketing strategy to enhance its brand visibility through educational institutions,, PSU & Institutions and Big Corporates.

While focusing on the quality and fashion consciousness Sh. Gupta has also highlighted that the Company, to fulfill the customers' aspirations, has launched various new designs developed by its own team in the quarter under consideration.

**Export Sales:** The Company has seen tremendous growth in its export which has increased substantially by 66% as against the corresponding previous year's Quarter. The improvement on the export front is mainly due to tie ups with new customers and renewal of the existing contracts on better terms.

### **Operating Margin:**

Despite small dip in overall sales of the Company, the Company has seen improvement in operating margin due to benefits accruing thru merger and also due to reduced raw material cost . The Company has low margin in some of its institutional supplies, deferment of which in the next quarter has led in the overall improvement in the margin as a whole due to sales mix having moderate margin. The Company's is hopeful to better it further, going forward, keeping in view the various corrective initiatives taken by the Company.

### **Outlook for Store Expansion**

The Company has already added 21 new showrooms of franchisees and Company Owned Company Operated (OOCO) during this quarter in its expansion programme as envisaged in the beginning of the year. The Company, as said earlier also, is aggressive in expansion and identifying the untapped market

to enhance its presence and has plans to add 70-80 more showrooms in the Franchisees or COCO format in this financial year to keep its expansion programme and growth as per business plan. The Company has planned to do this expansion with following TOC more aggressively and without material increase in its working Capital by improving the inventory & receivables cycle.

### **Growth Outlook**

Sh. Gupta further stated that Q1 of F.Y. 2014-15 was weak quarter in terms of growth because of overall market sentiment. However, The Company feels that the demand should pick up going forward and the focus area of the Company is to achieve growth thru enhancing same store sales and opening of new high street stores in various upcoming cities across India.

### **About Liberty Shoes Limited:**

Liberty Shoes is the only Indian company which is amongst the top 5 manufacturers of leather footwear in the World. The company is producing more than 60,000 pairs of footwear a day covering virtually every age group and income category. Products are marketed across the globe through 150 distributors, 550 exclusive showrooms and over 6000 multi-brand outlets, and sold in thousands every day in more than 25 countries including fashion-driven, quality-obsessed nations like France, Italy, and Germany. The manufacturing facilities at Liberty are called 'Humantech Centres', where technology works in perfect tandem with human creativity. The company is equipped with Humantech centres at five locations in Haryana and Uttarakhand. Liberty has developed a spectrum of 10 exclusive brands, each of which has been specially designed to cater to a specific target group. The company has something for every occasion, for every age group.