



August 6, 2019

BSE Limited

Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001
Scrip Code: 535755

National Stock Exchange of India Limited

Exchange Plaza, 5th Floor,
Plot No. C-1, Block G, Bandra Kurla Complex,
Bandra (East), Mumbai - 400 051
Symbol: ABFRL

Sub.: Outcome of the Meeting of the Board of Directors of Aditya Birla Fashion and Retail Limited
(“the Company”) held on August 6, 2019

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 June 28, 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 Tuesday, August 6, 2019 (“said meeting”), have *inter alia* considered and approved the Unaudited Financial Results of the Company for the quarter ended June 30, 2019 (“Unaudited Financial Results”).

The said meeting commenced at 11.30 a.m. and concluded at 1 p.m. 

Please find enclosed herewith a copy of:

- the Unaudited 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 Wednesday, August 7, 2019.]
- Press Release; and
- the Investor Presentation for Q1 FY19 - 20.

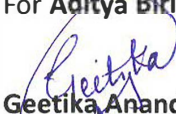
The same is also available on the Company’s website i.e. www.abfrl.com.

The Company had closed its Trading Window from Monday, July 1, 2019, pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015 and the Company’s Code of Conduct for insider trading, the same will open on Friday, August 9, 2019.

Thanking you.

Yours faithfully,

For **Aditya Birla Fashion and Retail Limited**


Geetika Anand

Vice President & Company Secretary



Encl.: As above

CC:

Central Depository Services (India) Limited

Marathon Futurex, A-Wing,
25th floor, NM Joshi Marg,
Lower Parel, Mumbai - 400 013

National Securities Depository Limited

Trade World, A wing, 4th Floor,
Kamala Mills Compound,
Lower Parel, Mumbai - 400 013

ADITYA BIRLA



FASHION & RETAIL

Performance Highlights Q1 FY20

Distribution Network

Distribution
Network

Market
Update

Q1
Highlights

Performance
of Key Portfolios

Way
Forward

Company
Financials

India's widest distribution network

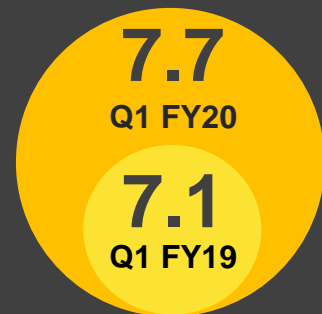
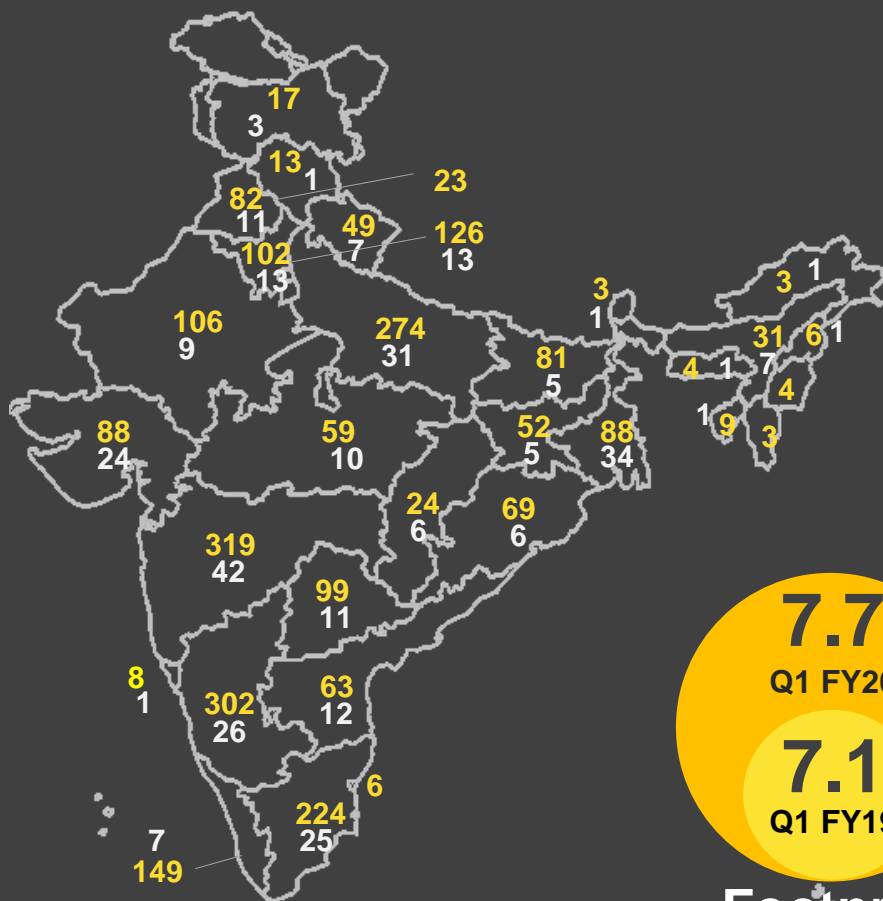
2,486 Brand Stores

314 Pantaloons Stores

~19,800 Multi-brand Outlets

5,214 SIS across Dept. stores

Available on all major e-commerce sites



Footprint
(million sq. ft.)

Market Update

Distribution
Network

Market
Update

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Market Update



Poor Consumer Sentiments

Consumer spending low; impact across product categories



New trends emerging

Growing influence of Indian design on contemporary fashion

Categories like athleisure showing encouraging outlook



E-commerce players continue growth

E-commerce quickly adapted to the policy change and have started growing well



Tier 2 – 4 towns lead consumption story

Smaller towns continue to be promising markets for organized retail



Q1 Highlights

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8%

**Revenue
growth**

28%

**EBITDA
growth**

Q1 Highlights

Growth in tough market

Key segments reported steady growth and positive LTL

Rapid channel expansion

Aggressive retail expansion and E-commerce ramp up

Continued brand investment

Enhanced brand visibility

Product stewardship

Sustained improvement in product offerings & assortment

Foray into new growth areas

Acquired stakes in two ethnic ventures to establish strong presence in a large & growing space

ABFRL | Q1 Highlights

| <i>In Rs. Cr.</i> | Q1 FY19 | Q1 FY20 (Comp.) | Growth | Q1 FY20 (Ind AS Adj.) |
|-------------------|---------|--------------------|--------|-----------------------------|
| Revenue | 1914 | 2065 | 8% | 2065 |
| EBITDA | 122 | 156 | 28% | 332 |
| EBITDA Margin | 6.4% | 7.6% | | 16.1% |
| EBIT | 50 | 97 | 93% | 129 |
| PAT | 6 | 39 | | 22 |

Consistent improvement in EBITDA margins

Key segments | Q1 Highlights

| In Rs. Cr. | NSV | | | EBITDA | | | EBITDA % | |
|---------------------------|-------------|-------------|-------------|------------|-----------------|----------------|-------------|-----------------|
| | Q1 FY19 | Q1 FY20 | Growth | Q1 FY19 | Q1 FY20 (Comp.) | Growth (Comp.) | Q1 FY19 | Q1 FY20 (Comp.) |
| Madura | | | | | | | | |
| Lifestyle Brands | 945 | 1006 | 6% | 77 | 94 | 22% | 8.2% | 9.4% |
| Fast Fashion | 88 | 80 | -10% | (6) | (9) | | -6.3% | -11.3% |
| Other Businesses | 71 | 125 | 76% | (25) | (22) | | -35.2% | -17.5% |
| Madura Segment | 1104 | 1210 | 10% | 47 | 64 | 36% | 4.2% | 5.3% |
| Pantaloons Segment | 813 | 890 | 9.5% | 78 | 87 | 11% | 9.6% | 9.8% |
| Elimination | (3) | (34) | | (2) | 6 | | | |
| Total | 1914 | 2065 | 8% | 122 | 156 | 28% | 6.4% | 7.6% |

Profitability improvement across segments

Performance of Key Portfolios

Distribution
Network

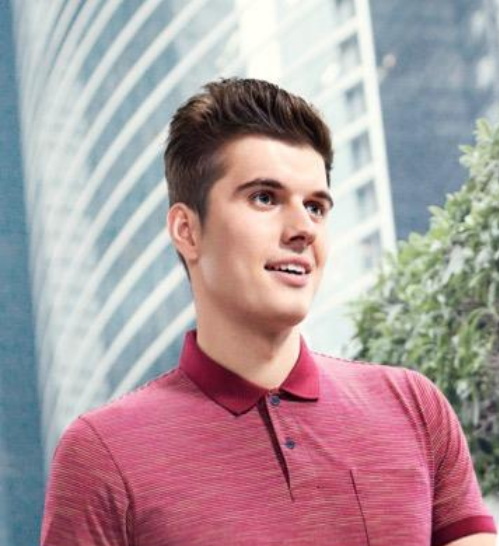
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Lifestyle Brands

Steady growth despite tough market conditions



Pantaloons

Improved merchandize driving higher sales & profitability



Fast Fashion

Running a calibrated business model



Other Businesses

Innerwear and Global brands driving rapid growth



Performance of Key Portfolios

LOUIS PHILIPPE

VAN HEUSEN
POWER DRESSING

PETER ENGLAND

Allen Solly™

Lifestyle



Lifestyle Brands Steady growth

LOUIS PHILIPPE

VAN HEUSEN
POWER DRESSING

PETER ENGLAND

Allen Solly

- Sales up 6%; EBITDA grew by 22%
- Retail LTL @ 3.2% in a tough market
- Ecommerce continues to post aggressive growth (42%)

Retail Network

Area
(,000 sq.ft.)

2414

2628

Q1 FY19

Q1 FY20

Stores

1838

2057

- 48% growth in women's wear
- Added more than 100 stores in Q1
- PE format for small town crossed 100th store milestone in less than a year

Q1

Channel-wise Revenue (in Rs. Cr.)

| | Q1 FY19 | Q1 FY20 |
|-----------|---------|---------|
| Wholesale | 356 | 349 |
| Retail | 410 | 450 |
| Others | 179 | 207 |

Loyalty Base (Lakh)



52%

of revenues from
loyal customers

Performance of Key Portfolios

pantaløns

A photograph of two young women laughing joyfully outdoors. The woman on the left is wearing a light pink, short-sleeved, wrap-style top with a delicate floral pattern and a matching tie at the waist. Her dark hair is blowing in the wind. The woman on the right is wearing a vibrant red dress with a white floral pattern and a black belt with large silver buckles. She has her hand on the first woman's shoulder. They are standing in front of a building with green ivy.

pantaløns

Strong Performance

Retail Network

| | | |
|-----------------------|------|------|
| Area (,000 sq.ft.) | 3801 | 4066 |
|-----------------------|------|------|

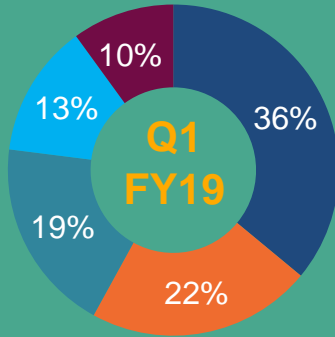
| | | |
|--|---------|---------|
| | Q1 FY19 | Q1 FY20 |
|--|---------|---------|

| | | |
|--------|-----|-----|
| Stores | 282 | 314 |
|--------|-----|-----|

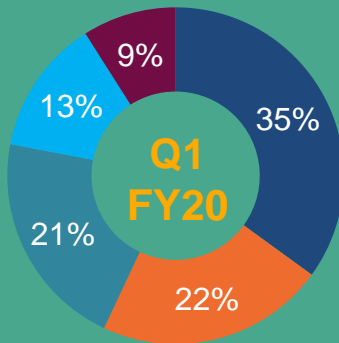
- Sales growth of 9.5%, LTL of +4.1%
- Continued focus on product improvement yielding higher full price sales
- Strong brand investments towards building a young and contemporary imagery
- Share of private label brands grew from 62% to 64%
- 9.8% EBITDA margin despite 34% higher marketing investments YoY



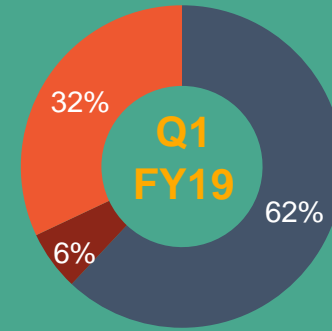
Category Mix



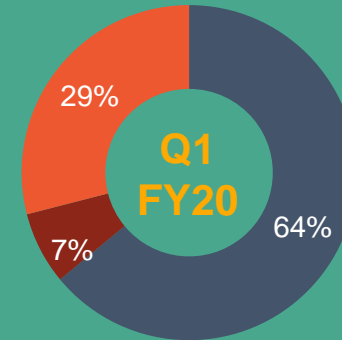
- Men
- Women's Western
- Women's Ethnic
- Kids
- Non Apps



Ownership Mix

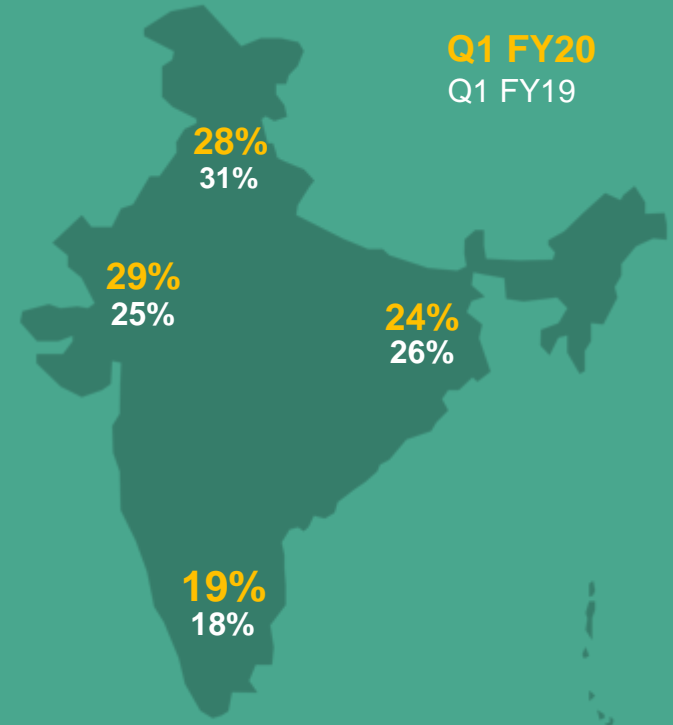


- Own Brands
- MFL
- Others



Regional Mix

Loyalty Base (Lakh)



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

performance
of key
portfolios



Fast Fashion

& Others

People
FASHION & ACCESSORIES

TED BAKER
LONDON

FOREVER 21

POLO
RALPH LAUREN

THE COLLECTIVE

HACKETT
LONDON

AMERICAN EAGLE
OUTFITTERS

Fast Fashion Calibration continues

FOREVER 21

People
FASHION & ACCESSORIES

Operational Improvements

- Downsizing of PEOPLE network underway
- Forever 21
 - Business transformation on track
 - E-Commerce performance noteworthy



Other Businesses

Aggressive Growth

Innerwear

Fastest growing premium innerwear brand – grew 67% YoY

Strong consumer acceptance in recently launched women's innerwear

Global Brands

Global brands recorded robust growth supported by all round performance across The Collective and mono brands

Way Forward

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Financials



Lifestyle Brands

Continued brand investment

500 stores to be added
this year



Pantaloons

Product value & freshness
enhancement &
contemporizing brand
imagery



Fast Fashion

Consistently refine
business model



Other Businesses

Driving rapid scale-up

Build future growth platform
through portfolio expansion



Way Forward

Strategic Update

SHANTANU & NIKHIL

JAYPORE

Ethnic Business

Ethnic wear forms ~25% of the overall apparel market of which women's ethnic wear is more than 80%

Organized ethnic wear is one of the fastest growing segments





Acquisition of JAYPORE

Indian craft based apparel and lifestyle brand

- Foray into women's ethnic
- Plan to
 - Leverage strong online equity
 - Rapidly build offline distribution
 - Drive expansion across categories to build scale

Collaboration with SHANTANU & NIKHIL

Couture and Pret brands

- Acquired 51% stake in the business
- Plan to
 - grow the couture brand “Shantanu & Nikhil”
 - launch new brand – Pret line for wider expansion



Financials

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Financials

| <i>In Rs. Cr.</i> | Q1 FY19 | Q1 FY20 |
|-----------------------------------|--------------|--------------|
| Revenue from Operations | 1,914 | 2,065 |
| Other Income | 8 | 18 |
| Total Income | 1,922 | 2,083 |
| EXPENSES | | |
| Cost of Materials Consumed | 144 | 183 |
| Purchases of Stock-in-Trade | 880 | 707 |
| Changes in Inventories | (103) | 59 |
| Employee Benefits Expense | 218 | 260 |
| Finance Costs | 44 | 94 |
| Depreciation & Amortisation | 72 | 202 |
| Rent Expense | 265 | 122 |
| Other Expenses | 396 | 421 |
| Total Expenses | 1,916 | 2,048 |
| Profit before Tax | 6 | 35 |
| Tax Expenses | - | 14 |
| Net Profit after Tax | 6 | 22 |
| Other Comprehensive Income | 3 | (5) |
| Total Comprehensive Income | 9 | 16 |

Disclaimer

Certain statements made in this presentation may not be based on historical information or facts and may be “forward looking statements” including, but not limited to, those relating to general business plans & strategy of Aditya Birla Fashion and Retail Limited (“ABFRL”), its future outlook & growth prospects, future developments in its businesses, its competitive & regulatory environment and management's current views & assumptions which may not remain constant due to risks and uncertainties. Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in ABFRL's business, its competitive environment, its ability to implement its strategies and initiatives and respond to technological changes and political, economic, regulatory and social conditions in the countries in which ABFRL conducts business. Important factors that could make a difference to ABFRL's operations include global and Indian demand supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in ABFRL's principal markets, changes in Government regulations, tax regimes, competitors actions, economic developments within India and the countries within which ABFRL conducts business and other factors such as litigation and labour negotiations.

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