



May 11, 2018

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1,
G-Block, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051

**Sub.: Outcome of the Board Meeting of Aditya Birla Fashion and Retail Limited
("Company") held on May 11, 2018**

- Ref.: 1. Regulations 30 (read with Schedule III - Part A), 33, 52, 63 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations");**
2. Scrip Codes: BSE - 535755; NSE - ABFRL

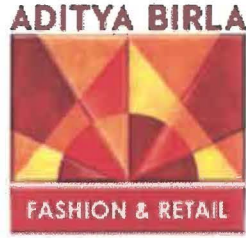
Dear Sir/Madam,

Kindly note that the Board of Directors of the Company ("Board") has, in its meeting held today i.e. on Friday, May 11, 2018 ("said Meeting"), *inter alia* considered and approved,

- a) the Audited Financial Results of the Company for the Financial Year ended March 31, 2018 ("Audited Financial Results");
- b) issuance and allotment of Non-Convertible Debentures on private placement basis, in one or more tranches, from time to time, subject to the approval of the Shareholders at the ensuing Annual General Meeting;
- c) raising of funds through issuance of Equity Shares and/or any other security/ financial instrument convertible into Equity Shares (including warrants or otherwise, in registered or bearer form) for an amount of upto ₹ 1,000 Crore (Rupees One Thousand Crore), either by way of one or more public/private issue, qualified institutional placement, preferential issue, rights issue or any other mode as may be permissible under applicable laws or a combination thereof and as may be considered appropriate, subject to such regulatory/ statutory approvals as may be required, including approval of the shareholders of the Company, if applicable and in accordance with the applicable provisions of the Companies Act, 2013, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable laws; and
- d) constitution of a Securities Committee *inter alia* to decide: (a) the amount, subject to abovementioned maximum limit; (b) Type and number of securities; (c) Mode of issuance; (d) terms and conditions of the issue; (e) Issue price; (f) Investors; (g) Record date; (h) any other related and allied matters w.r.t. issuance of Equity Shares and/or any other security/ financial instrument convertible into Equity Shares (including warrants or otherwise, in registered or bearer form).

The said Meeting commenced at 12:00 Noon and concluded at 2:30 p.m.





Further, in reference to Point No. (a) above and pursuant to the applicable provisions of SEBI Regulations, please find enclosed herewith:

- a) the Audited Financial Results;
- b) Auditors Report dated May 11, 2018, issued by the Statutory Auditors of the Company w.r.t. the Audited Financial Results and taken on record by the Board;
- c) Declaration on behalf of the Company w.r.t. issuance of an Audit Report by the Statutory Auditor of the Company with unmodified opinion on the Audited Financial Results; and
- d) Certificate issued by Axis Trustee Services Limited, Debenture Trustees to the Non-convertible Debentures issued by the Company.

A press release and an Investor Presentation issued in this regard is also enclosed herewith.

The above is for your information and record.

Thanking you,

Yours faithfully,
For Aditya Birla Fashion and Retail Limited


Geetika Anand

Asst. Vice President & Company Secretary



Encl.: a/a

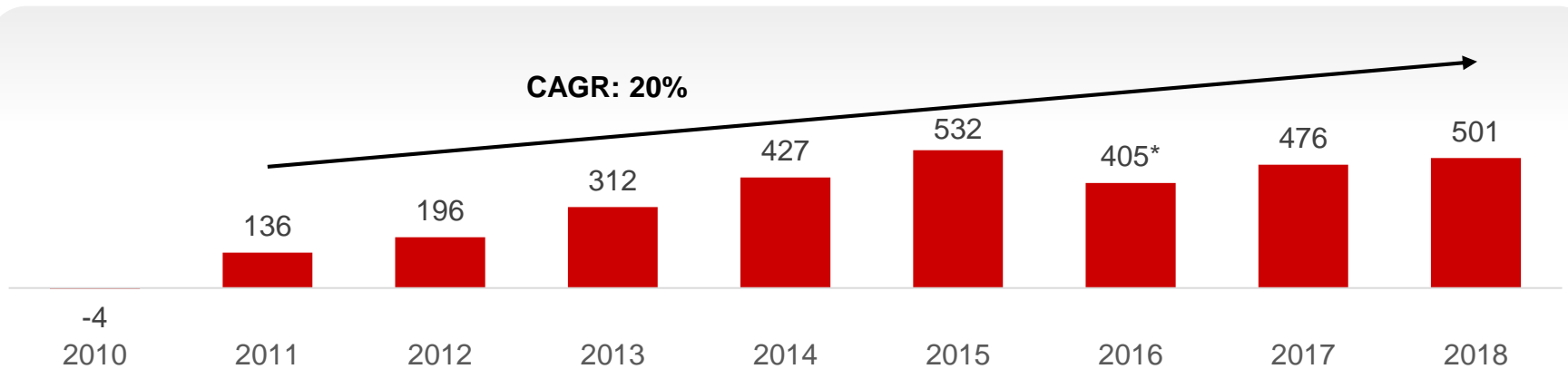
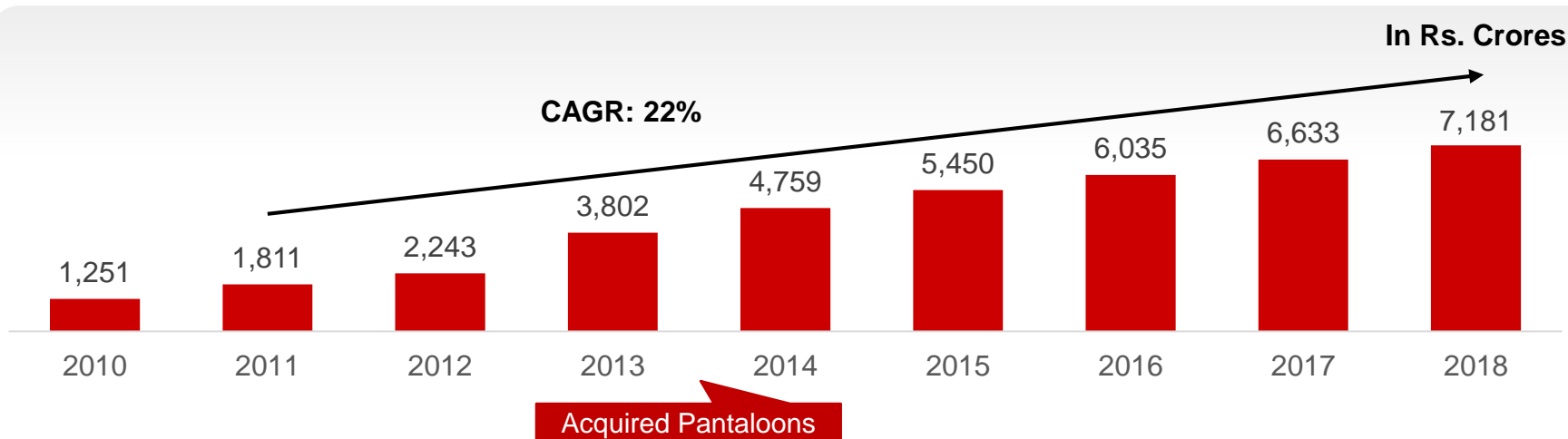
Central Depository Services (India) Ltd.
Marathon Futurex, A-Wing,
25th floor, NM Joshi Marg,
Lower Parel, Mumbai - 400013.
Fax - 022 2300 2043

National Securities Depository Ltd.
Tradeworld, 4th & 5th Floors,
Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai - 400 013.
Fax - 022 2497 6351



Aditya Birla Fashion and Retail Limited

Performance Highlights – Q4 FY17-18



*Note: EBITDA for FY16 includes one-time charge of Rs. 77 Cr. for merger costs, retrospective bonus and one-time gain in rent straight lining
 EBITDA for FY18 includes one time impact of Rs. 32 Cr. on account of GST and expenses related to shelved project



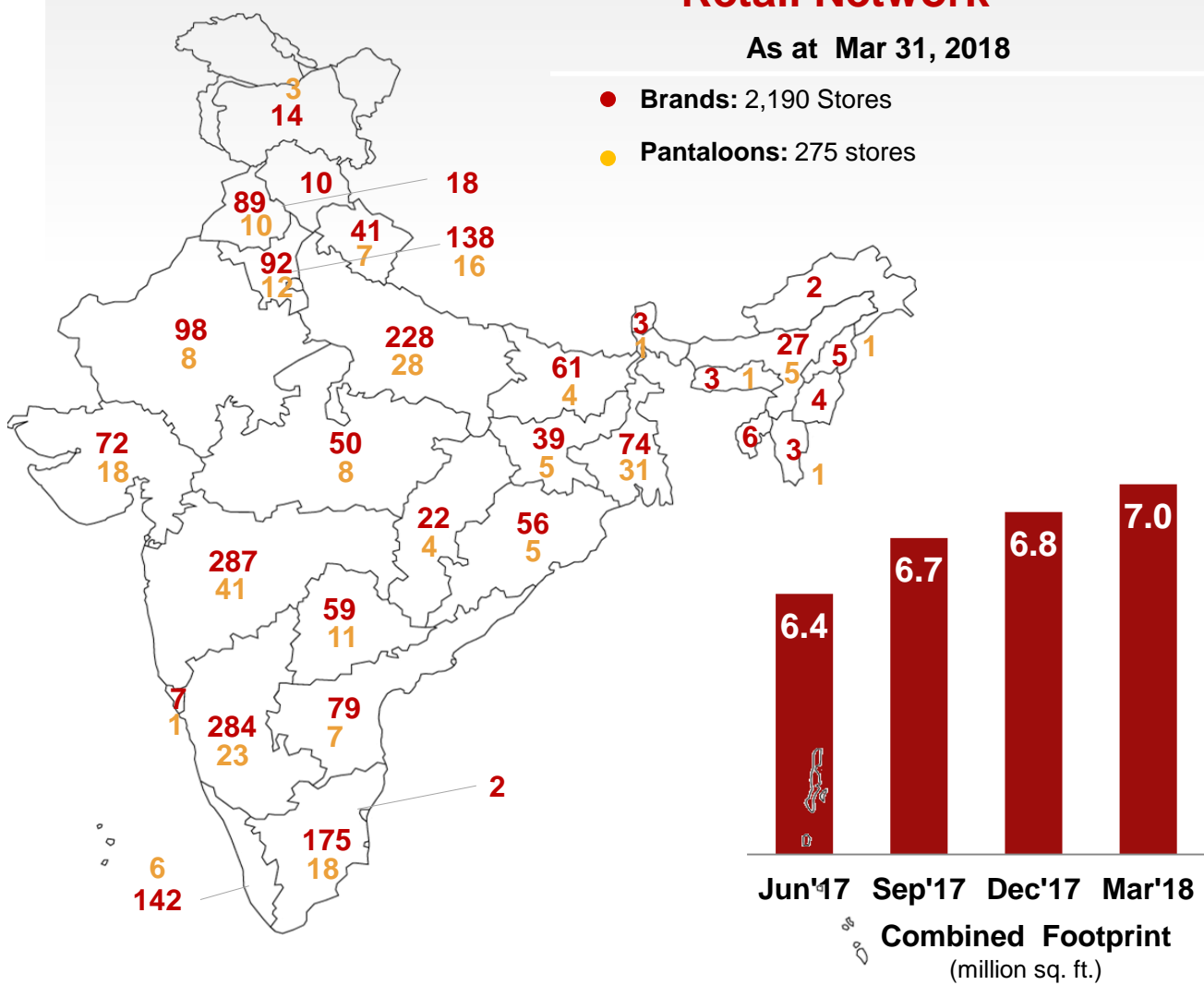
India's first billion dollar pure play fashion powerhouse

ABFRL | Widest distribution network in the fashion space

Retail Network

As at Mar 31, 2018

- Brands: 2,190 Stores
- Pantaloons: 275 stores



MBOs

~4,982 Multi Brand Outlets

~4,054 SIS covering all Department Stores

Large Format Stores



E-commerce



Available on all leading e-commerce websites in the country



Market Overview



ABFRL Q4 Highlights



ABFRL – Performance of Key Portfolios



Q4 Financials

Key market trends in FY18

- “GST Rollout”, biggest economic event of FY18 impacted Q2 business performance
 - Rates largely neutral for the industry; expected to create greater benefits to organized players in longer term
- Quarterly performance impacted by movement in seasonality
 - Market witnessed significant shifts in sales to Q1 and Q3 due to implementation of GST and early festive season
 - Strong wedding season towards end of Q3 & early Q4 bolstered sales
- Value fashion & mass brand players aggressively added stores and acquired scale rapidly
- Increasing influence of globalization fueling growth of foreign brands in the country
- E-commerce continues to grow fast - many established players adopted omni-channel strategy



Market Overview



ABFRL Q4 Highlights



ABFRL – Performance of Key Portfolios



Q4 Financials

ABFRL | Q4 Performance



	Q4 FY17	Q4 FY18		
Revenue	Rs. 1,625 Cr	Rs. 1,754 Cr		8%
EBITDA	Rs. 131 Cr	Rs. 174 Cr		33%
EBITDA Margin	8.1 %	9.9 %		
EBIT	Rs. 66 Cr	Rs. 87 Cr		
PAT	Rs. 22 Cr	Rs. 113* Cr		
Total Comprehensive Income	Rs. 16 Cr	Rs. 114* Cr		

* Includes deferred tax asset recognized - Rs. 69 Cr.



ABFRL | Q4 Performance of Key Portfolios

In Rs. Crores

Particulars	NSV			EBITDA			EBITDA %	
	Q4FY17	Q4FY18	Growth %	Q4FY17	Q4FY18	Growth %	Q4FY17	Q4FY18
Madura Segment								
<i>Lifestyle Brands</i>	909	1015	12%	142	166	17%	15.6%	16.3%
<i>Fast Fashion</i>	102	81	-20%	(19)	(5)		-19.1%	-5.8%
<i>Other Businesses</i>	34	65	90%	(6)	(12)		-18.9%	-18.2%
Total Madura Segment	1045	1161	11%	116	149	29%	11.1%	12.9%
Pantaloons Segment	586	641	9%	14	27	84%	2.5%	4.1%
Elimination	(6)	(49)		1	(2)			
Total	1625	1754	8%	131	174	33%	8.1%	9.9%

- Robust growth in lifestyle business on account of excellent wedding and festive season sales
- Value Fashion business continued to grow rapidly through store expansion
- Decline in fast fashion sales attributable to rationalization of unprofitable stores; also led to reduction in losses
- Exceptional growth in other businesses backed by rapid scale up of innerwear business

Note : NSV not comparable due to impact of change in tax rates

	FY17	FY18	
☐ Revenue	Rs. 6,633 Cr	Rs. 7,181 Cr	 8%
☐ EBITDA before one time impact	Rs. 476 Cr	Rs. 533 Cr	 12%
☐ PAT before one time Impact	Rs. 53 Cr	Rs. 150[^] Cr	
<u>After adjusting one-time impact*</u>			
☐ Revenue	Rs. 6,633 Cr	Rs. 7,181 Cr	
☐ Reported EBITDA	Rs. 476 Cr	Rs. 501 Cr	
☐ Reported PAT	Rs. 53 Cr	Rs. 118[^] Cr	

- One time impact includes one time GST impact of Rs. 26 Cr and expense of Rs. 6 Cr. pertaining to a shelved project
- [^] Includes deferred tax asset recognized - Rs. 69 Cr.

ABFRL | FY18 Performance of Key Portfolios

In Rs. Crores

Particulars	NSV			EBITDA	
	FY17	FY18	Growth	FY17	FY18
Madura Segment					
<i>Lifestyle Brands</i>	3651	3866	6%	423	476
<i>Fast Fashion</i>	345	398	15%	(49)	(53)
<i>Other Businesses</i>	119	205	73%	(31)	(47)
Total Madura Segment	4114	4469	9%	343	376
Pantaloon Segment	2552	2862	12%	126	171
Elimination	(34)	(149)		7	(14)
Total	6633	7181	8%	476	533
Less : One-time Impact					32
Reported	6633	7181	8%	476	501

- Robust performance of lifestyle business
- Strong growth in Pantaloon backed by aggressive store expansion
- Fast Fashion model calibrated
- Continued high growth in other businesses

Note: One time impact includes GST adjustment of Rs. 26 Cr and expense of Rs. 6 Cr related to shelved project
NSV not comparable due to impact of change in tax rates



Market Overview



ABFRL Q4 Highlights



ABFRL – Performance of key portfolios



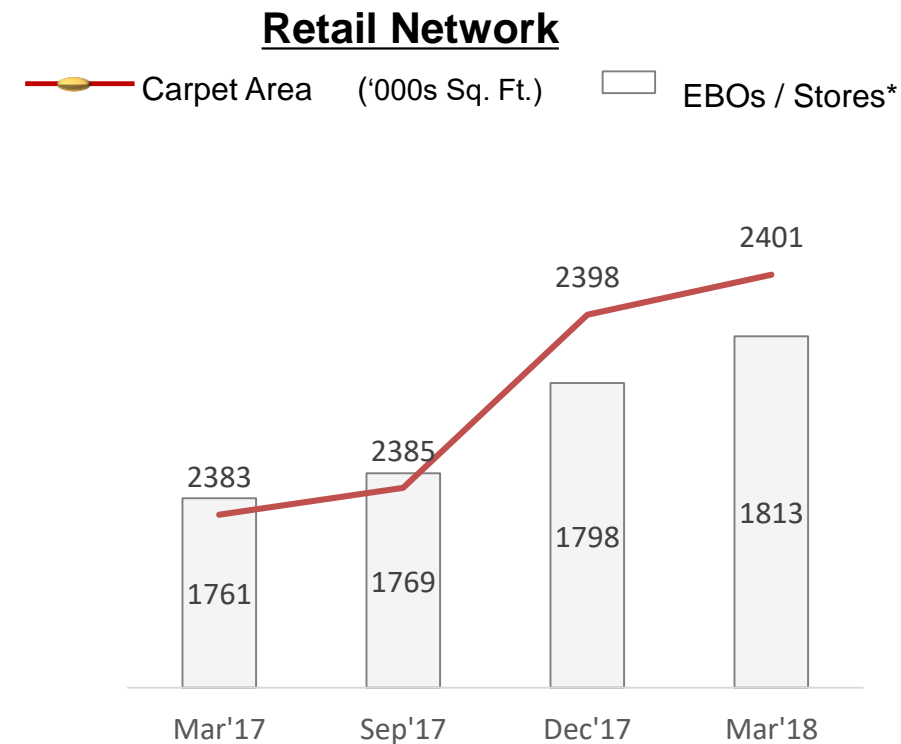
Q4 Financials



Lifestyle Brands | Q4 & FY Performance

- **Q4 FY18 – Impressive Q4 performance**
 - Revenues grew by 12% while EBITDA grew by 17%
 - Healthy retail LTL of 7.7%
 - Wholesale channel recovering slowly

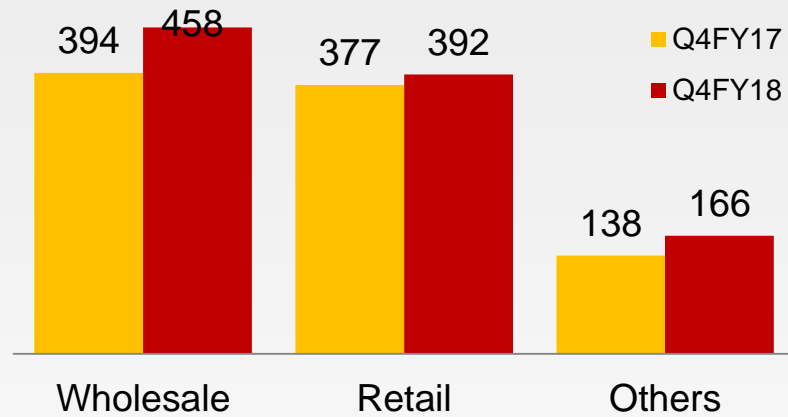
- **FY18 – Steady sales growth and profitability improvement**
 - GST impacted overall sales growth
 - 6% NSV growth vs 10% GST adjusted growth
 - Strong retail LTL of 9.2%
 - Improved profitability achieved through rationalisation of stores, calibrated discounting and controlling non-linear costs



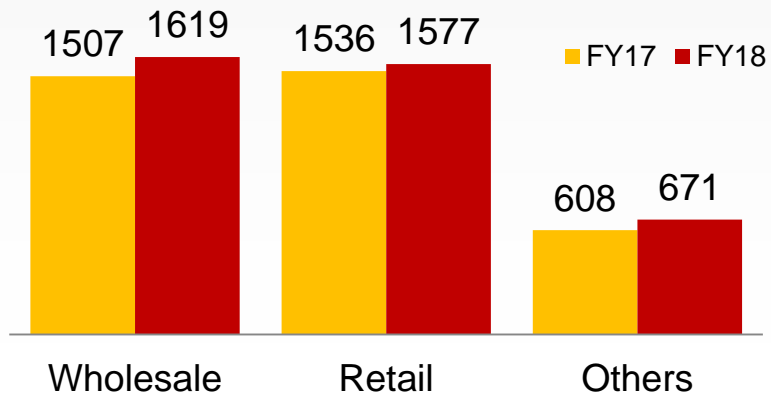
*Value stores not part of the above chart

Lifestyle Brands – Channel Performance

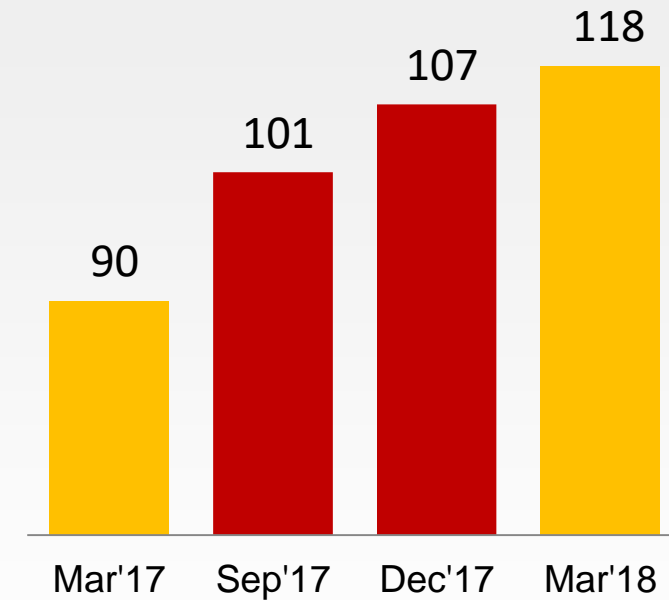
Channel-wise Q4 Revenue (Rs. in Crs)



Channel-wise FY18 Revenue (Rs. in Crs)



Loyalty base (in lacs)



~50% of sales came from loyal customers

pantaloon's

IN  WITH FASHION



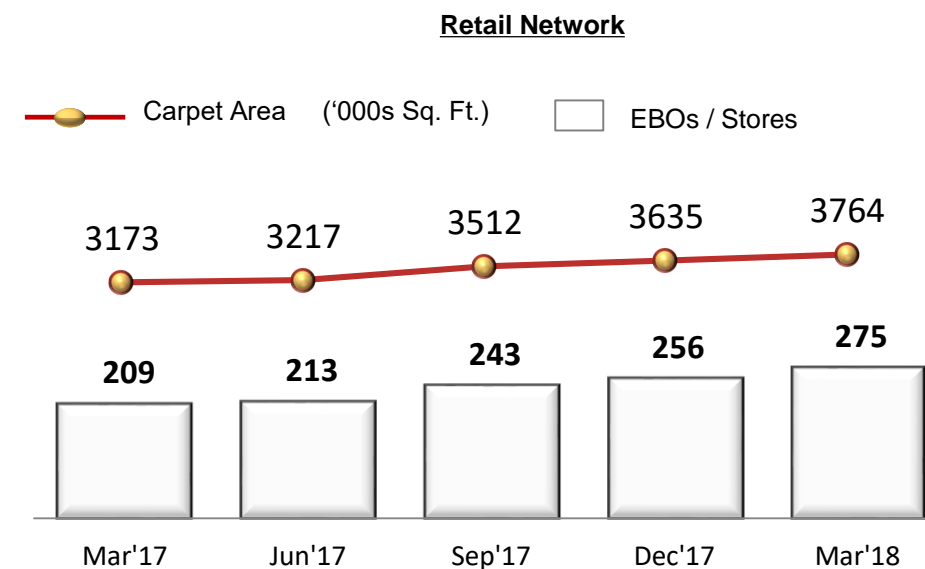
Pantaloons | Q4 & FY Performance

- **Q4 FY18 - Revenues grew by 9% vs Q4 FY17**
 - Added 19 stores to our network during the quarter
 - EBITDA grew 84% on account of better cost optimisation

- **FY 18 – Year of aggressive expansion with improved profitability**
 - Sales grew 12 % while EBITDA increased by 36%
 - EBIT turned positive
 - 66 stores added

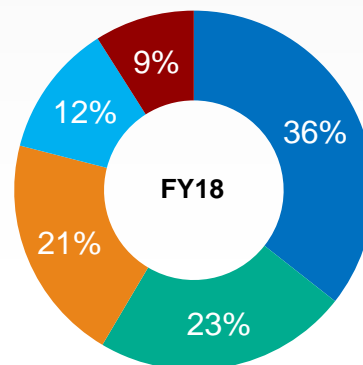
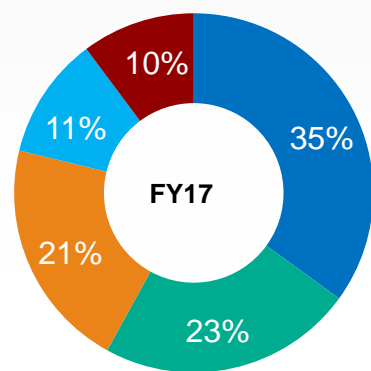
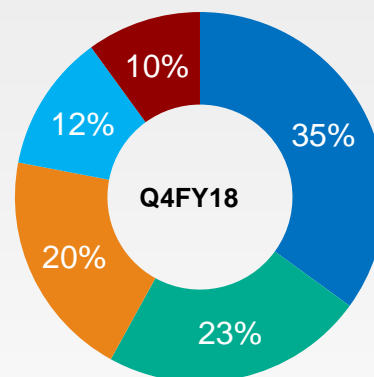
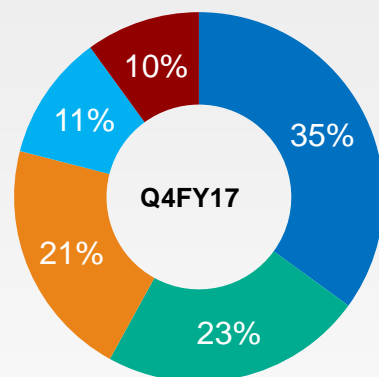
- **Expanded through franchisee route**
 - 48 franchisee stores in FY18 vs 28 in FY'17

- **Pantaloons Won accolades –**
 - Recognized as “Most Trusted Fashion Retailer” in the Brand Equity Survey of Economic Times, 2016-17



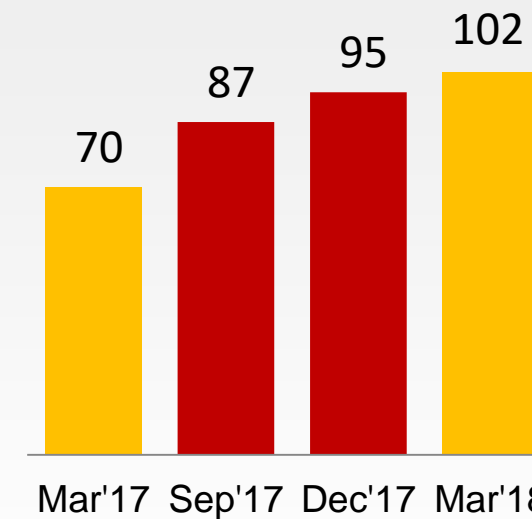
Pantaloons – Retail Performance

Category Mix



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

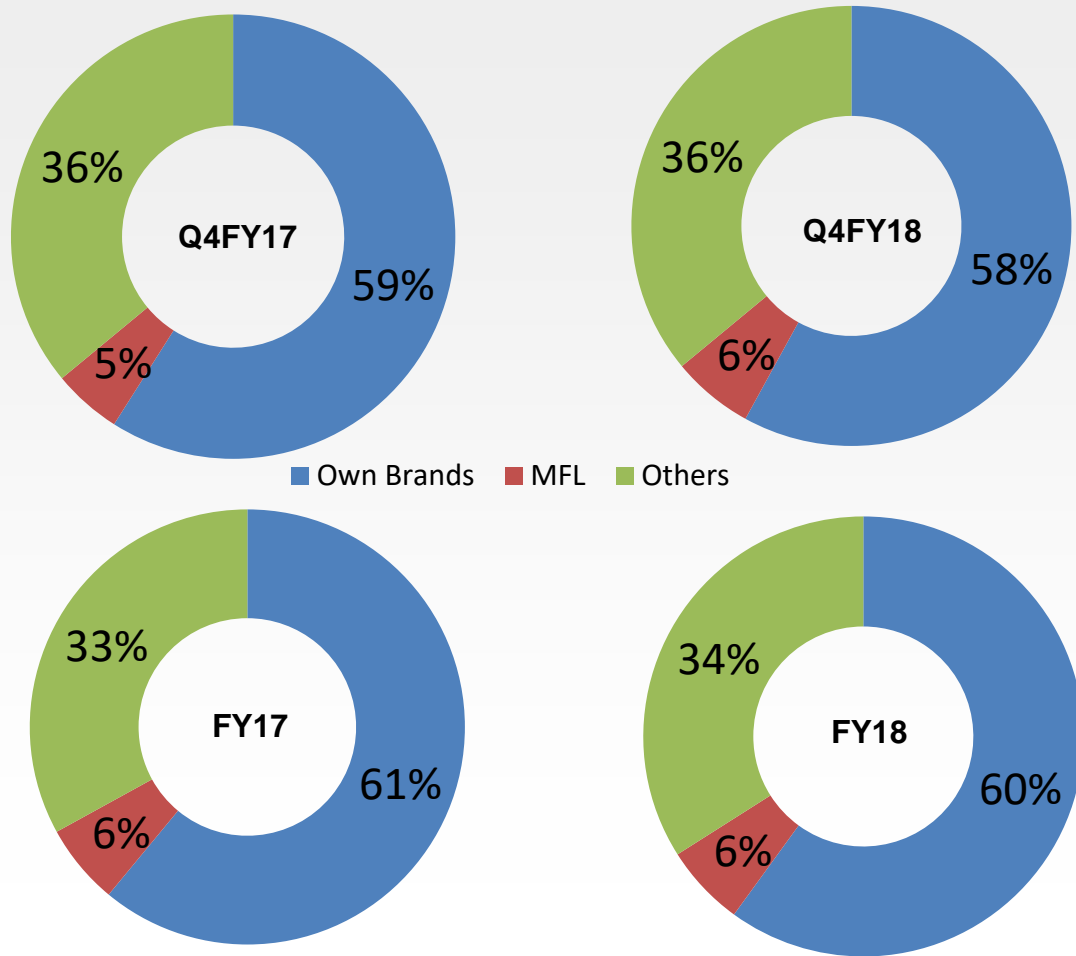
Loyalty base (in lacs)



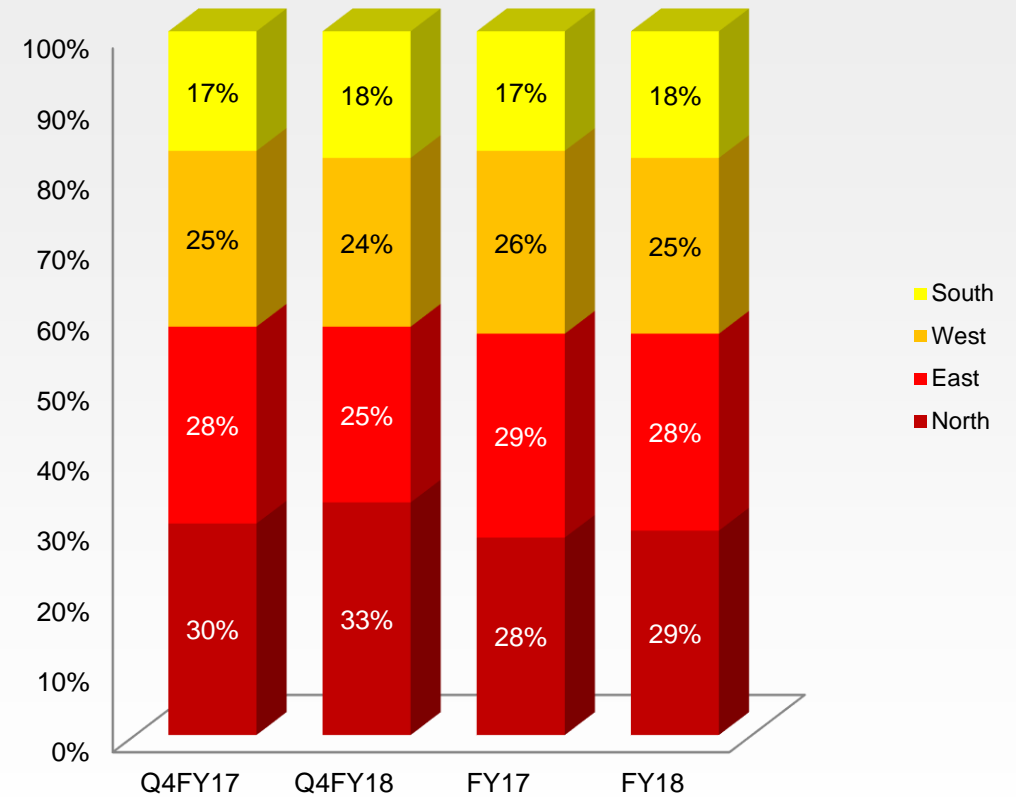
~92% of sale came from loyal customers

Pantaloons Revenue Mix

Pantaloons Ownership Mix



Pantaloons Regional Mix





Fast Fashion and Other Businesses

Fast Fashion

- **Forever 21 – Operational transformation**
 - Rationalisation of acquired stores led to lower sales & EBITDA
 - Cautiously building up business with sharp focus on profitability
- **People – Scale up through proven model**
 - Continued rationalisation of small format stores
 - Future expansion through large format stores

Other Businesses

- **Innerwear – aggressive expansion**
 - Distribution reach of ~ 6700 outlets across 75 cities
 - Product differentiation driving consumer traction
- **International Brands – Steady growth of portfolio**
 - The Collective businesses achieved robust performance
 - Mono brand portfolio being expanded
 - First Ted Baker store launched in Delhi



Market Overview



ABFRL Q4 Highlights



ABFRL – Performance of Key Portfolios



Q4 Financials

Profit & Loss Statement

In Rs. Crores

Particulars (In Rs. Cr.)	Q4- FY17	Q4- FY18	Change	FY17	FY18	Change
Revenue from Operations	1,625	1,754		6,633	7,181	
Other Income	17	11		38	33	
Total Income	1,642	1,764	7%	6,671	7,214	8%
Expenses						
(a) Cost of Materials Consumed	142	156		607	662	
(b) Purchase of Stock-In-Trade	663	795		2,399	2,971	
(c) Change in Inventories of	(73)	(126)		3	(243)	
Total COGS	732	826		3,009	3,390	
(d) Employees Benefits Expense	162	173		706	772	
(e) Finance Costs	44	43		180	172	
(f) Depreciation and Amortisation	66	87		242	281	
(g) Excise Duty	10	-		30	9	
(h) Rent Expense	258	254		1,017	1,043	
(i) Other Expenses	349	338		1,434	1,499	
Total Expenses	1,621	1,720	6%	6,618	7,165	8%
Profit / (Loss) from Operations	22	44		53	49	
Tax Expenses	-	(69)		-	(69)	
Net Profit / (Loss) after tax	22	113		53	118	
Other Comprehensive Income	(6)	1		(9)	4	
Total Comprehensive Income	16	114		45	122	

- **Lifestyle brands** – Accelerate growth by way of product innovations, brand investments and distribution expansion
- **Pantaloons** – Continue to expand with improved profitability through better store performance
- **Other Businesses** – Consolidate and grow portfolio of fast fashion, innerwear and international brands

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