



November 12, 2019

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 November 12, 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: INE647001011

Dear Sir/ Madam,

In continuation to our letter dated September 30, 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, November 12, 2019 (“said meeting”), have *inter alia* considered and approved the Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2019 (“Unaudited Financial Results”).

The said meeting commenced at 12 noon and concluded at 3:10p.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 Wednesday, November 13, 2019.]
- Press Release; and
- Investor Presentation for Q2 FY19 - 20.

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

Further, the Company had closed its Trading Window from Tuesday, October 1, 2019 and the same will open on Friday, November 15, 2019.

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:

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Performance

Highlights Q2 FY20



Distribution Network

Distribution Network

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India's widest distribution network

2,544

Brand Stores

331

Pantaloon Stores

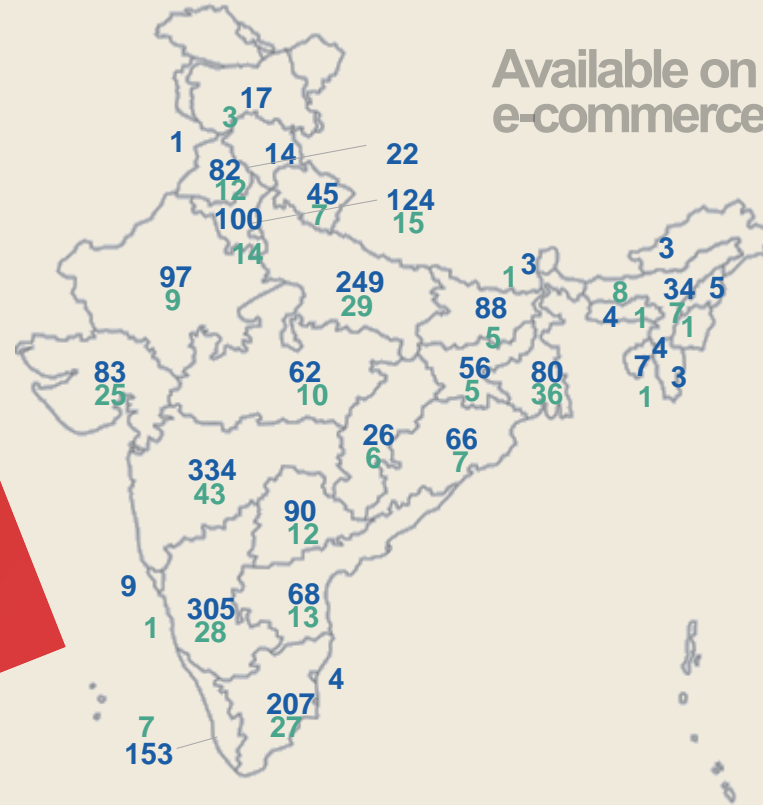
22,000

Multi-brand Outlets

5,403

SIS across
Departmental stores

Available on all major
e-commerce sites



7.9

Q2 FY20

7.2

Q2 FY19

Footprint

(million sq. ft.)

* Includes VH Innerwear outlets





Market Update

Distribution Network

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Market Update



Tough Market Conditions

Poor customer sentiments had an adverse impact on the overall consumer sector; albeit lower impact on apparel sector



Promotions' driven Festive sales

Due to poor market conditions, most brands ran heavy promotions. E-commerce players intensified promotions during festive, followed by offline players



New Categories driving growth

'Newer' categories like kids wear, innerwear, footwear and beauty segment gained traction with consumers



Network Expansion

Expansion of Organized Retail continued as retailers made inroads into untapped markets



Q2 – FY20 Highlights

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ABFRL Q2 Highlights



14%

Revenue
growth

10%

EBITDA
growth

Robust growth in tough market

Impressive overall growth with strong LTLs across businesses

Reaching newer markets

Aggressive expansion in untapped markets

New initiatives driving portfolio expansion

Strong growth across women's western, kids wear, non apparels and ethnic wear

Accelerated Digital Transformation

Digitization across supply chain, consumer analytics and marketing

ABFRL | Q2 Highlights

Standalone Financials <i>(In Rs. Cr.)</i>	Q2 FY19	Q2 FY20 (Comp.)	Growth	Q2 FY20 (Ind AS Adj.)
Revenue	2007	2297	14%	2297
EBITDA	162	177	10%	362
EBITDA Margin	8.0%	7.7%		15.8%
EBIT	92	111	20%	141
PBT	43	59	39%	36
PAT	43	30		7

ABFRL | H1 Highlights

<i>Standalone Financials</i> <i>(In Rs. Cr.)</i>	H1 FY19	H1 FY20 (Comp.)	Growth	H1 FY20 (Ind AS Adj.)
Revenue	3921	4363	11%	4363
EBITDA	284	334	18%	694
EBITDA Margin	7.2%	7.6%		15.9%
EBIT	142	208	46%	270
PBT	48	112	132%	71
PAT	48	70		28

Key segments | Q2 Highlights

Standalone Financials	NSV			EBITDA			EBITDA %	
	Q2 FY19	Q2 FY20	Growth	Q2 FY19	Q2 FY20 (Comp.)	Growth (Comp.)	Q2 FY19	Q2 FY20 (Comp.)
<i>(In Rs. Cr.)</i>								
Madura								
Lifestyle Brands	1090	1254	15%	140	158	12%	12.9%	12.6%
Fast Fashion	88	75	-15%	-10	0		-11.1%	-0.3%
Other Businesses *	84	134	59%	-17	-21		-19.7%	-15.6%
Madura Segment	1263	1463	16%	114	137	20%	9.0%	9.3%
Pantaloons Segment	787	915	16%	52	64	23%	6.6%	7.0%
Elimination	-43	-81		-4	-23			
ABFRL	2007	2297	14%	162	177	10%	8.0%	7.7%

*Standalone financials does not include Jaypore and Shantanu & Nikhil Revenue: Rs. 11 Cr and EBITDA loss: Rs. 8 Cr.

Key segments | H1 Highlights

Standalone Financials (In Rs. Cr.)	NSV			EBITDA			EBITDA %	
	H1 FY19	H1 FY20	Growth	H1 FY19	H1 FY20 (Comp.)	Growth (Comp.)	H1 FY19	H1 FY20 (Comp.)
Madura								
Lifestyle Brands	2035	2259	11%	218	252	16%	10.7%	11.1%
Fast Fashion	177	155	-12%	-15	-9		-8.7%	-5.8%
Other Businesses *	155	259	67%	-42	-42		-26.8%	-16.4%
Madura Segment	2367	2673	13%	161	200	25%	6.8%	7.5%
Pantaloon Segment	1600	1805	13%	130	151	16%	8.1%	8.4%
Elimination	-46	-115		-7	-18			
ABFRL	3921	4363	11%	284	334	18%	7.2%	7.6%

*Standalone financials does not include Jaypore and Shantanu & Nikhil Revenue: Rs. 11 Cr and EBITDA loss: Rs. 8 Cr.



Performance of Key Portfolios

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Lifestyle Brands

Strong growth in a tough market riding on network expansion and strong LTL

Robust performance backed by product enrichment and impactful marketing campaigns

Pantaloons



Fast Fashion

Profitability improvement measures driving turnaround

Rapid growth through portfolio expansion

Other Businesses



Performance of Key Portfolios

LOUIS PHILIPPE

VAN HEUSEN
POWER DRESSING

Allen Solly

PETER ENGLAND

Lifestyle Brands



Lifestyle Brands

Resilient growth story

LOUIS PHILIPPE

VAN HEUSEN
POWER DRESSING

Allen Solly

PETER ENGLAND

- 15% growth in sales in tough market; EBITDA grew by 12%
- Continued strong LTL trajectory; @ 7% this quarter
- Digital Trade Show (DTS) successfully launched
 - all geared up for 12 season cycle
- Newer growth engines firing
 - PE small town format continues to add new markets
 - Women and kids wear categories continue to outperform; growing 60% and 30% respectively
- E-commerce continues to be the fastest growing channel

Retail Network

Area (,000 sq. ft.)	2476	2666
	Q2 FY19	Q2 FY20
Stores	1897	2096

Q2

Channel-wise Revenue (in Rs. Cr.)

	Q2 FY19	Q2 FY20
Wholesale	518	595
Retail	354	404
Others	218	255

H1

Channel-wise Revenue (in Rs. Cr.)

	H1 FY19	H1 FY20
Wholesale	872	944
Retail	764	854
Others	399	462

Loyalty Base (lakh)



50%

of revenues from
loyal customers

Performance of Key Portfolios

pantaløons



pantaloons

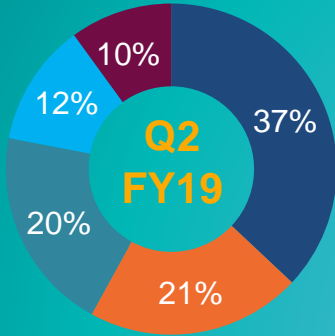
Defying slowdown

- Strong double digit sales growth (16%) with robust LTL of +10.4%
- Best ever season sell through riding on superior products and improved freshness – instils confidence in our merchandise strategy
- 23% growth in EBITDA despite 34% higher marketing spends
- External brand contribution to sales reduces by ~250 bps YoY
- Running targeted campaigns focused on contemporising brand 'Pantaloons'

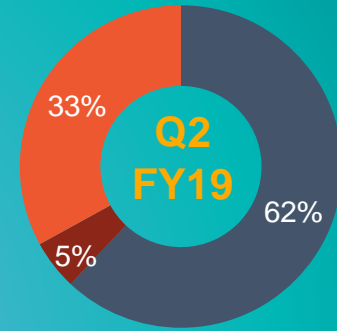
Retail Network

Area (,000 sq. ft.)	3854	4259
	Q2 FY19	Q2 FY20
Stores	288	331

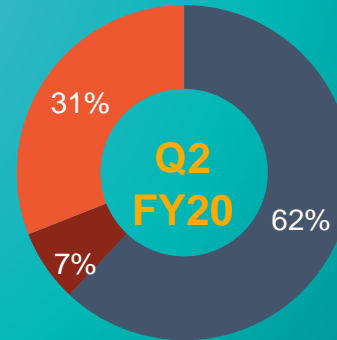
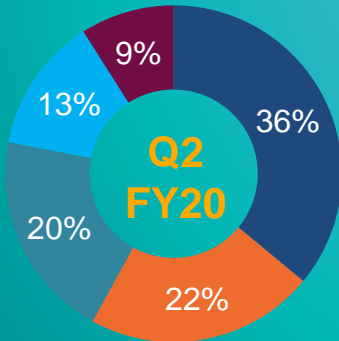
Category Mix Ownership Mix



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

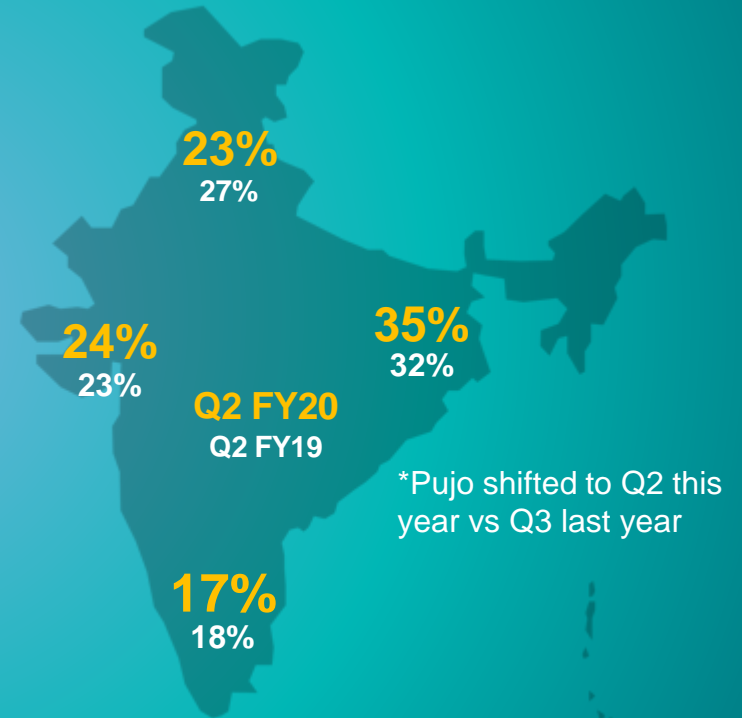


- Own Brands
- MFL
- External Brands



Regional Mix

Loyalty Base (lakh)



Madhya Pradesh (3% of sales) reclassified from North to West in FY20

Performance of Key Portfolios

People
FASHION & ACCESSORIES

TED BAKER
LONDON

FOREVER 21

THE COLLECTIVE

POLO
RALPH LAUREN

AMERICAN EAGLE
OUTFITTERS

HACKETT
LONDON

SHANTANU & NIRHIL

JAYPORE

Fast Fashion and Other Businesses

Fast Fashion

Turnaround efforts
bearing fruits

FOREVER 21

People
FASHION & ACCESSORIES

Operational Improvements

- F21 Indian operations unaffected by their US restructuring
- Local sourcing initiated
- People transition into Pantaloons on track

Other Businesses

Portfolio expansion

Innerwear

Continue to scale up rapidly - 67% growth in Q2 YoY

Aggressive expansion continues, reaches 18000 doors

High secondary offtake at department stores and key MBOs driven by superior product

Product portfolio expansion - Adding new styles and categories

Global Brands

Collective consistently posts very strong LTL (15% in Q2)

Premium services (personalized selling, customized tailoring - M2M) giving promising results

Mono brands more than doubles sales

Denims drive American Eagle's popularity amongst youth; grew 17% LTL

Ethnic Business

Foray into new segment

New Growth Platform set up for accelerating play in branded ethnic wear space

JAYPORE

SHANTANU & NIKHIL



Way Forward

Distribution Network

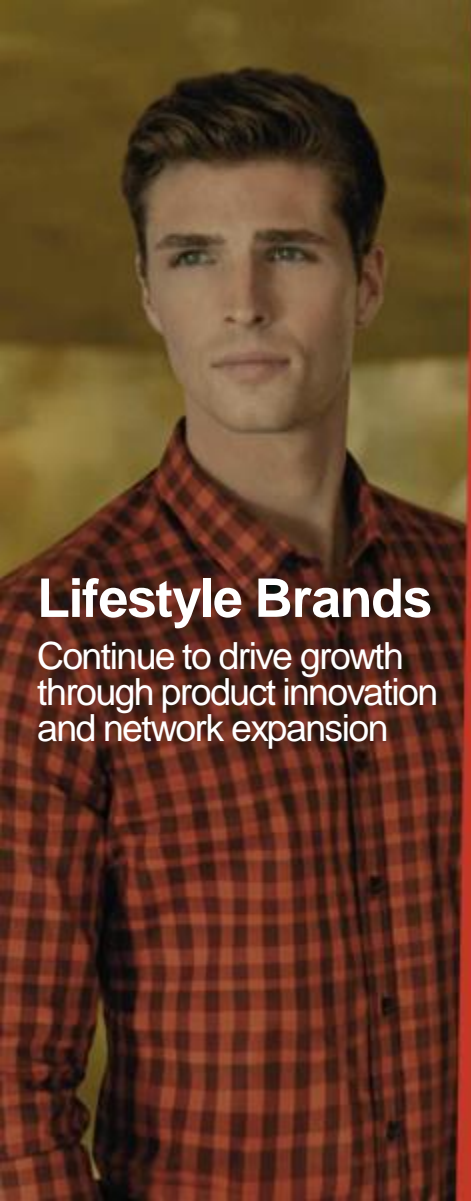
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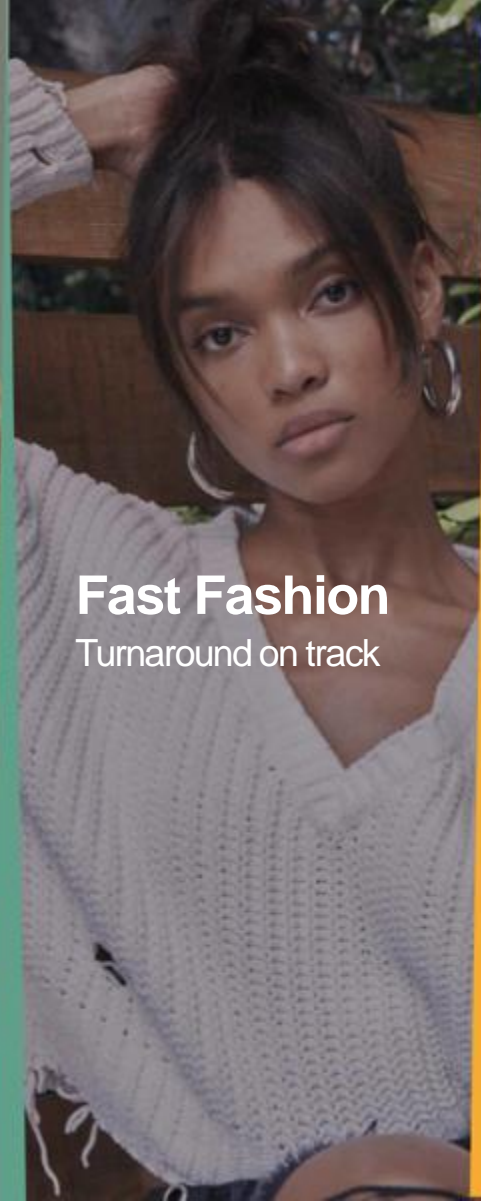
Lifestyle Brands

Continue to drive growth through product innovation and network expansion



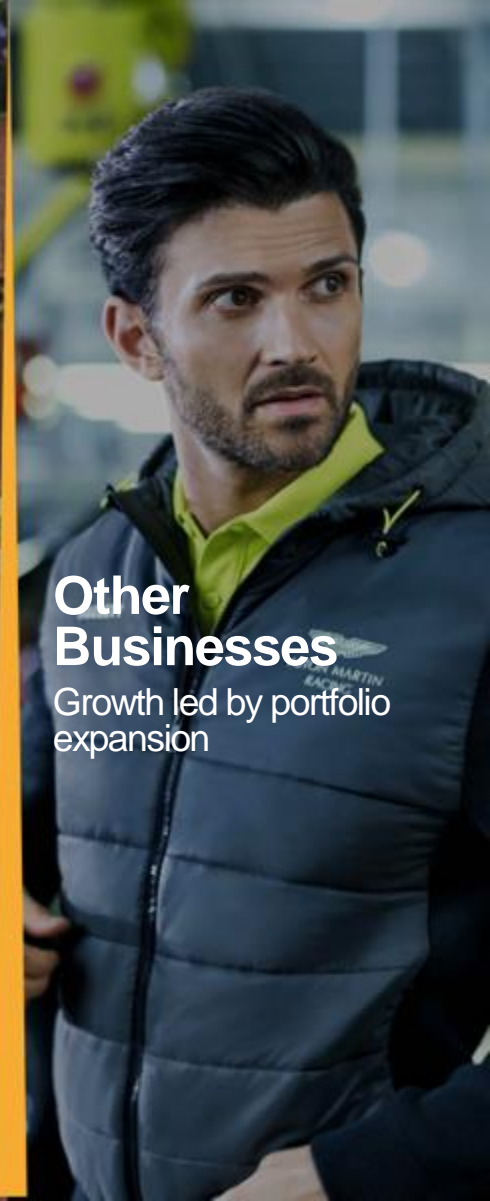
Pantaloons

Modernized brand imagery
Accelerated network expansion
Drive margin improvement through enriched products



Fast Fashion

Turnaround on track



Other Businesses

Growth led by portfolio expansion



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Financials

In Rs. Cr.	Q2 FY19	Q2 FY20	H1 FY19	H1 FY20
Revenue from Operations	2,007	2,308	3,921	4,373
Other Income	19	17	27	34
Total Income	2,026	2,324	3,948	4,407
EXPENSES				
Cost of Materials Consumed	71	209	215	392
Purchases of Stock-in-Trade	1,064	1,366	1,945	2,073
Changes in Inventories	(174)	(427)	(277)	(369)
Employee Benefits Expense	224	253	442	513
Finance Costs	50	106	94	200
Depreciation & Amortisation	69	225	141	427
Excise Duty	-	-	-	-
Rent Expense	265	102	530	224
Other Expenses	414	466	810	887
Total Expenses	1,983	2,299	3,900	4,347
Profit before Tax	43	25	48	60
Tax Expenses	-	28	-	41
Net Profit after Tax	43	(2)	48	19
Other Comprehensive Income	1	12	5	7
Total Comprehensive Income	44	10	53	26
Non-Controlling Interest	-	(1)	-	(1)
Total Comprehensive Income (Owners)	44	11	53	27

In Rs. Cr.	FY19	H1 FY20
Networth	1,429	1,358
Debt	1,703	2,324
Lease Liability	-	2,297
Capital Employed	3,132	5,979
Net Block (incl CWIP)	718	860
Goodwill	1,860	1,954
Right to Use Assets	-	2,031
Investments	4	7
Cash and Liquid Investments	57	165
Deferred Tax Assets	263	299
Net Working Capital	229	663
Capital Employed	3,132	5,979

Intimation of Schedule of Conference Call

This is to inform that a conference call i.e. “Q2 FY 19-20 Earnings Call” with the Analysts/ Institutional Investors is scheduled to be held on Wednesday, November 13, 2019 at 15:30 HRS (IST)

Date	Wednesday, November 13, 2019	
Time	15:30 HRS (IST)	
LOCATION		ACCESS NUMBERS
Universal Dial-in		Primary Number (Toll Number): + 91 22 6280 1324, +91 22 7115 8225
Local Dial-in Available all over India		Toll Number: +91-7045671221 <i>Ahmedabad, Bengaluru, Chandigarh, Chennai, Gurgaon (NCR), Hyderabad, Kochi/Cochin, Kolkata, Lucknow, Mumbai, Pune</i>
International Toll Free	Singapore	+ 800 101 2045
	Hong Kong	+ 800 964 448
	UK	+ 0 808 101 1573
	USA	+ 1 866 746 2133

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