

RELAXO FOOTWEARS LIMITED

Q1 FY20 Financial Performance

Q1 FY20 Revenue grew a strong 15% YoY to Rs.648 crore

EBITDA at Rs. 106 crore; up 28% YoY; EBITDA margin 16.4%

Profit after Tax at Rs. 50 crore, up 8% YoY

Particulars (Rs. Crs)	Q1 FY20	Q1 FY19	Y-o-Y
Revenue	648	562	15%
EBITDA	106	83	28%
EBITDA Margins (%)	16.4%	14.7%	167 bps
Profit After Tax	50	46	8%
PAT Margins (%)	7.7%	8.2%	(50 bps)

3rd Aug 2019, New Delhi : Relaxo Footwears Limited, India's largest Footwear Manufacturing Company, declared its Unaudited Financial Results for the first Quarter of FY 20.

Highlights for Q1 FY20

- **Revenue up by 15% to Rs. 648 crore** as compared to Rs. 562 crore in the corresponding period of the previous year. **Growth has been mainly driven by favourable product mix and an increase in volumes.**
- **EBITDA at Rs. 106 crore** as compared to Rs. 83 crore in the corresponding period of the previous year. **EBITDA margin increased by 1.7% on account of rent adjustment due to adoption of IND AS 116.**
- Due to adoption of new Accounting Standard, rent expense for the current quarter is reduced by Rs. 10.74 crore whereas depreciation and finance cost for the current quarter is up by Rs. 9.65 crore and Rs. 3.10 crore respectively resulting into lower profit before tax of Rs. 2.01 crore.
- **Profit after Tax at Rs. 50 crore** as compared to Rs. 46 crore in the corresponding period of the previous year. **PAT Margin at 7.7%.**

Commenting on the results and performance, Mr. Ramesh Kumar Dua, Managing Director said:

“We are happy to start FY20 with strong execution leading to healthy revenue growth mainly supported by product mix and healthy volume. Advantage of softening in raw material prices in this quarter got offset by increase in minimum wage rates. The growth in operating profits could not be mirrored in profit before tax due to change in accounting standard which led to increase in non cash expenses.

We are continuously focusing on increasing our presence in untapped markets by improving supply chain and strengthening our presence in our strong markets, domestic & international by assessing customer preferences and price positioning.

We remain committed to give the best experience and “value for money” to our customers. Creating long term value for our shareholders is a committed goal.”

Safe Harbor Statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.

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