



RELAXO FOOTWEARS LIMITED

5th November, 2016

Bombay Stock Exchange Ltd. Corporate Relationship Department 1st Floor New Trading Rotunda Building, P J Towers Dalal Street Fort, Mumbai – 400001	National Stock Exchange of India Ltd Listing Department, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai- 400 051
Scrip Code – 530517	Scrip Code – RELAXO

Sub: Press Release on Un-Audited Financial Results for Q2-FY17.

Dear Sir,

Please find enclosed Press Release on Un-audited Financial Results for the Quarter and Half Year ended on 30.09.2016.

Thanking You,

For **RELAXO FOOTWEARS LIMITED**


Vikas Kumar Tak
Company Secretary

Relaxo Footwears Limited

Release: 5th November 2016, Delhi

Relaxo Footwears Limited, India's largest Footwear Manufacturing Company, has declared its Unaudited Results for the quarter and half year ended September 30, 2016.

Financials at a Glance:

Particulars (Rs. crs)	Q2 FY17	Q2 FY16	Y-o-Y	H1 FY17	H1 FY16	Y-o-Y	FY16
Net Revenue	418.1	386.3	8%	851.8	839.9	1%	1713.0
EBITDA	55.8	51.1	9%	126.3	120.0	5%	241.1
EBITDA Margin (%)	13.4%	13.2%		14.8%	14.3%		14.1%
Profit After Tax*	27.3	22.8	20%	63.6	58.8	8%	116.0
PAT Margin (%)	6.5%	5.9%		7.5%	7.0%		6.8%

*Profit after Tax is excluding exceptional gains

Revenue:

- Revenue grew by 8% Y-o-Y in Q2FY17 from Rs. 386 crore to Rs. 418 crore. Revenue for the half year grew at 1.4% Y-o-Y from Rs. 840 crore to Rs. 852 crore.
- The company saw a moderate pickup in the revenue growth in Q2FY17 due to marginal improvement in the economy.

EBITDA:

- EBITDA increased from Rs. 51 crore to Rs. 56 crore in this quarter. EBITDA Margins for the quarter stood at 13.4%.
- For the half year, EBITDA stood at Rs. 126.3 crore vis-à-vis Rs. 120 crore last year. Our EBITDA Margins improved from 14.3% to 14.8%.

PAT:

- PAT (excluding exceptional gains) increased 20% Y-o-Y from Rs. 23 crore to Rs. 27 crore in Q2FY17. The PAT Margins also improved from 5.9% to 6.5%.
- Finance Cost for the quarter reduced to Rs. 3.8 crore as our overall interest rates have come down due to utilization of better priced credit instruments like CPs, buyers credit etc and capitalization of some interest portion.
- For the half year, Profit after tax increased from Rs. 59 crore to Rs. 64 crore. PAT Margins increased from 7% to 7.5%.



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

"I am happy to announce that our company reported Topline of Rs. 418 crores with EBITDA and PAT Margins of 13.4% and 6.5% respectively for Q2FY17.

Improvement in performance for the quarter was on the back of improvement in sentiments due to good monsoon which led to increase in rural spending. Also, our constant endeavor to improve internal efficiencies and cost optimization has helped in achieving better performance.

The Indian Consumer is evolving with respect to habits, lifestyles, tastes and preferences. We continuously try and understand the consumer needs through market research and keep churning our portfolio as per the needs of the consumer.

We are confident of performing well as we remain focused on premiumization of our products, building a brand, looking to penetrate the unexplored markets, and developing new channels of distribution including e-commerce and modern trade.

We are confident that all measures undertaken by the Company will help build a solid foundation for sustainable growth in the future."



About Relaxo Footwears Limited

Relaxo Footwears Limited is the largest Footwear Manufacturing Company in India. It sold over 13.50 crores of Footwear pairs in FY2016. Products include Rubber/EVA/PU slippers, Canvas shoes, Sport shoes, Sandals, School shoes and other types of Footwear under a portfolio of 10 brands. Major Brands include Relaxo, Flite, Sparx, Bahamas and Schoolmate. It caters its customers through ~ 50,000 retailers/distributors, Company owned Retail outlets, Modern Trade, Export etc. It has 8 state of the art manufacturing facilities, six in Bahadurgarh (Haryana), and one each in Bhiwadi (Rajasthan) and Haridwar (Uttarakhand). The company's Business Process is managed through SAP & Microsoft Dynamics Navision.

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.

