

RELAXO

17th May, 2017

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 Audited Financial Results for the Quarter and Financial Year ended as on 31.03.17.

Dear Sir,

Please find enclosed Press Release on Audited Financial Results for the Quarter and Financial Year ended as on 31.03.2017.

Thanking You,

For **RELAXO FOOTWEARS LIMITED**


Vikas Kumar Tak
Company Secretary



RELAXO FOOTWEARS LIMITED

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CIN L74899DL1984PLC019097



RELAXO FOOTWEARS LIMITED

FY17 Audited Financial Results

Revenue - Rs. 1,740 Crores

EBITDA – Rs. 244 Crores; Margin 14%

Profit after Tax – Rs. 123 Crores; Margin 7%

DIVIDEND of Re. 1 per share (100% of FV)

Particulars (Rs. Crs)	Q4 FY17	Q4 FY16	Y-o-Y	Q3 FY17	Q-o-Q	FY17	FY16	Y-o-Y
Net Revenue	498	485	3%	390	28%	1,740	1,712	2%
EBITDA	66	66		52	29%	244	240	2%
EBITDA Margin (%)	13.3%	13.6%		13.2%		14.0%	14.0%	
Profit After Tax*	34	33	5%	25	37%	123	116	6%
PAT Margin (%)	6.9%	6.8%		6.4%		7.1%	6.8%	

*Profit after Tax is excluding exceptional gains

Press Release : 16th May 2017, Delhi

Relaxo Footwears Limited, India's largest Footwear Manufacturing Company, has declared its Audited Results for the Quarter and Full Year ended March 31, 2017 on 12th May, 2017

Highlights for FY17

- **Dividend** declared of Re. 1 per equity share of Face Value of Re. 1 each
- **Net Revenue up 2% to Rs. 1,740 crore** as compared to Rs. 1,712 crore in the previous year
- **EBITDA up 2% to Rs. 244 crore** as compared to Rs. 240 crore in the previous year
- **EBITDA Margins** were stable at 14%
- **Finance Cost has reduced to Rs. 15 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 interest.
- **Profit after Tax up 6% to Rs. 123 crore** as compared to Rs. 116 crore in the previous year
- **PAT Margins** improved by 30 bps to 7.1%



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Business Update: Merger of Marvel Polymers Private Limited (MPPL) & Relaxo Rubber Private Limited (RRPL) with Relaxo Footwears Limited (RFL)

- MPPL and RRPL own immovable properties, which have been leased out to RFL and disclosed as related party transaction in the financial statements of MPPL, RRPL and RFL.
- The amalgamation of MPPL and RRPL with and into RFL is expected to enable better realization of potential of the businesses and yield beneficial results and enhanced value creation for the companies, their respective shareholders, lenders and employees.
- The amalgamation will enable the consolidation of such immovable properties in a single entity, thereby enabling RFL to leverage on its larger net-worth base, besides eliminating related party transactions between MPPL, RRPL and RFL, and improving operating profits.
- Further, RFL plans to make additional investments in such immovable properties to develop state-of-the-art facilities, in line with its corporate philosophy, which will enhance the overall value of RFL.
- **Consideration is in the form of Shares only and the Exchange Ratio is as follows**
 - 20,158 Equity Shares of Re. 1 each fully paid up of RFL to be issued for every 100 Equity Shares of Rs. 100 each fully paid up of MPPL, held by the shareholder
 - 3,124 Equity Shares of Re. 1 each fully paid up of RFL to be issued for every 100 Equity Shares of Rs. 100 each fully paid up of RRPL, held by the shareholder



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

"It gives me immense pleasure to share with you the FY17 Result of Relaxo Footwears Limited. Our company has achieved a **Total Revenue of Rs. 1,740 crores, EBITDA of Rs. 244 crores and PAT of Rs. 123 crores**. We have been able to sustain our **EBITDA Margins at 14%** because of the continuous efforts made towards premiumization of product portfolio.

The Board of Directors have recommended Final Dividend of Re. 1 per equity share of Face Value Re. 1 for FY17.

In the year gone by, the company has focused on improvement in internal efficiencies and cost optimization which has helped in achieving better profitability.

We are continuously focusing 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.

The Board have approved a merger of Marvel Polymers Private Limited (MPPL) & Relaxo Rubber Private Limited (RRPL) with Relaxo Footwears Limited (RFL). It is an opportunity to leverage combined assets and build a stronger and sustainable business. The amalgamation will enable optimal utilization of existing resources and provide an opportunity to fully leverage capabilities, efficiencies and infrastructure of all the companies.

We have recently signed Shahid Kapoor and Shruti Haasan as brand ambassadors for our FLITE brand. The association with them is timed with the brand's next phase of PAN India growth with new products and aggressive retail expansion.

We are confident of sustainable growth of our Company on back of strong distribution reach created over the years, well balanced product portfolio addressing larger audience base and our focus on continuously improving manufacturing efficiencies.



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About Relaxo Footwears Limited

Relaxo Footwears Limited is the largest Footwear Manufacturing Company in India. Products include Rubber/EVA slippers, canvas shoes, sport shoes, sandals, school shoes and other types of Footwear. It has a portfolio of 10 brands including major brands like Relaxo, Flite, Sparx, Bahamas and Schoolmate. The company sells its products through ~50,000 retailers served through distributors, 270 COCO Outlets, Exports, E-commerce, Modern Trade 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 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.

For further information, please contact

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