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Press Release
For Immediate Dissemination

RAYMOND LIMITED - FINANCIAL RESULTS Q2FY2011

**Raymond reports strong profit growth for the quarter ended
September 30, 2010**

Highlights:

- **PAT for the quarter registered 427% increase to Rs 39 crore from Rs 7 crore in the corresponding period of the previous year**
- **For half year ended 30 September 2010, PAT at Rs 14 crore as against loss of Rs 24 crore for previous year**
- **Textiles segment sales grew by 14%**

Mumbai, October 26, 2010: Raymond Limited today announced its unaudited financial results for the quarter ended September 30, 2010.

The **Textile segment** sales for Q2FY11 registered an **increase of 14% to Rs 393 crore** on the back of higher volumes and improved realizations in a buoyant domestic market. The Textile segment reported Earnings Before Interest and Tax (EBIT) of Rs 90 crore which is up by 44% compared to the corresponding period of previous year. The consequent EBIT margin for textile segment has improved to 23% in Q2FY11 from 18% in the previous year.

The Files & Tools Division has been transferred to J K Files (India) Ltd, a wholly owned subsidiary with effect from October 1, 2009 and hence the standalone results are not comparable on a like-to-like basis.

The snapshot of the standalone results is given below:

Raymond Ltd			
Rs. in crs.			
	Q2FY11	Q2FY10	Y-o-Y
Income from operations	395	399	(1%)
EBITDA	99	73	35%

Note: Results are not comparable since Q2FY10 includes financials of Files & Tools division, which has since been transferred to a subsidiary

The net sales of the entire **Files & Tools business** was **up 16% to Rs 59 crore** for the quarter.

The **Branded Apparel** business witnessed a 6% increase in sales to Rs 174 crore and EBITDA of Rs 24 crore for the quarter. The closure costs of Zapp! brand have impacted margins.

Raymond continues to operate one of the largest specialty retail networks in India in the textile and apparel space with 665 retail stores covering over 1.4 million square feet of retail space. In addition, the Company also has 39 stores in Middle East and SAARC. **Like-to-like store sales growth for Company-operated stores for the quarter has been strong at 10%.**

The company has arrived at an amicable solution to the VRS settlement package issue involving 1885 workers of its Thane textile factory, which suspended operations in November 2009. The total package cost is approx. Rs 260 crore, which is to be paid in two parts – the first part of Rs. 150 crore would be disbursed to the workers immediately, while the balance Rs 110 crore would be disbursed in three years. As on October 25, 2010 over 93% workers have opted for VRS settlement.

Announcing the results, **Mr. Gautam Hari Singhania, Chairman & Managing Director, Raymond Limited** said, *“The 2010-11 financial year has thrown open numerous opportunities, predominant of which is the buoyant consumer sentiment. Raymond’s*

focused efforts over the years towards tapping this great Indian consumer potential has enabled the Company to capitalize on these opportunities significantly during this financial year. Our strong performance over the quarter and half-year ended September 30, 2010 is a reflection of this and the various structural initiatives we undertook, including restructuring our loss making denim business, closure of unviable operations, and rapid expansion of our retail footprint in smaller towns and cities. We remain bullish on the domestic consumption story and remain confident of our capabilities to focus on opportunities and grow rapidly."

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