



November 24, 2016

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001.
Fax # 022 - 2272 3121

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G-Block,
Bandra-Kurla Complex, Bandra (East),
Mumbai - 400 051
Fax # 022- 26598237/38 – 26598120

Sub.: Outcome of the Board Meeting of Aditya Birla Fashion and Retail Limited (formerly known as Pantaloons Fashion & Retail Limited) ("the Company") held on November 24, 2016
[Scrip Code: BSE – 535755; NSE – ABFRL]

Ref.: Regulation 33 and 52(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Regulations")

Dear Sir/Madam,

Kindly note that the Board of Directors of the Company has, in its meeting held today i.e. on Thursday, November 24, 2016 ("said Meeting"), *inter alia* considered and approved the Unaudited Financial Results for the quarter/ half-year ended on September 30, 2016. The said Meeting commenced at 12:30 p.m. and concluded at 1:45 p.m.

In terms of SEBI Regulations, please find enclosed herewith:

1. the Unaudited Financial Results of the Company for the quarter/ half year ended September 30, 2016 alongwith the Limited Review Report thereon issued by the Statutory Auditors of the Company and taken on record by the Board of Directors of the Company.
2. Certificate issued by Axis Trustee Services Limited, Debenture Trustees to the Non-convertible Debentures issued by the Company.

Copy of the Investor Presentation issued in this regard is also enclosed herewith.

The above is for your information and record.

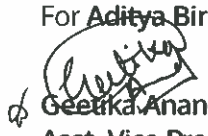
Please acknowledge receipt of the same.

Thanking you,

Yours faithfully,

For **Aditya Birla Fashion and Retail Limited**




Geetika Anand

Asst. Vice President & Company Secretary

Encl.: a/a

Central Depository Services (India) Ltd.

16th & 17th Floor,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai – 400 023
Fax # 022 2272 3199

National Securities Depository Ltd.

Tradeworld, 4th & 5th Floors,
Kamala Mills Compound,
Lower Parel, Mumbai – 400 013
Fax# 022 2497 2993 / 6351

Aditya Birla Fashion and Retail Limited (formerly known as Pantaloons Fashion & Retail Limited)

701-704, 7th Floor, Skyline Icon Business Park,
86-92, Off A. K. Road, Marol Village, Andheri East,
Mumbai, Maharashtra-400059, India

CIN L18101MH2007PLC233901
Tel. +91 86529 05000
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Website www.abfri.com
E-mail abfri@adityabirla.com



Aditya Birla Fashion and Retail Limited
(Formerly known as Pantaloon Fashion & Retail Limited)

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2016

₹ in Lakhs

Sr. No.	Particulars	Quarter Ended			Six Months Ended	
		September 30, 2016 (Unaudited)	June 30, 2016 (Unaudited)	September 30, 2015 (Unaudited) (Refer Notes 2 & 3)	September 30, 2016 (Unaudited)	September 30, 2015 (Unaudited) (Refer Notes 2 & 3)
1	Income from Operations					
	(a) Income from Operations	1,87,525	1,39,966	1,65,727	3,27,491	2,95,446
	(b) Other Operating Income	1,148	1,546	1,109	2,694	2,076
	Total Income from Operations	1,88,673	1,41,512	1,66,836	3,30,185	2,97,522
2	Expenses					
	(a) Cost of Materials Consumed	17,018	14,117	17,483	31,135	30,331
	(b) Purchase of Stock-In-Trade	76,049	41,232	73,272	1,17,281	1,09,217
	(c) Change in Inventories of Finished Goods, Work-in-Progress and Stock-In-Trade	(5,502)	6,633	(14,013)	1,131	(2,527)
	(d) Employees Benefits Expense	18,941	16,999	16,038	35,940	30,758
	(e) Depreciation and Amortisation Expense	5,992	5,162	5,944	11,154	12,121
	(f) Excise Duty	904	318	-	1,222	-
	(g) Rent Expense	26,443	25,253	23,037	51,696	45,032
	(h) Other Expenses	38,341	29,954	35,261	68,295	65,217
	Total Expenses	1,78,186	1,39,668	1,57,022	3,17,854	2,90,149
3	Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional Items (1 - 2)	10,487	1,844	9,814	12,331	7,373
4	Other Income	711	581	598	1,292	1,123
5	Profit / (Loss) from ordinary activities before Finance Costs and Exceptional Items	11,198	2,425	10,412	13,623	8,496
6	Finance Costs	4,709	4,507	4,346	9,216	9,218
7	Profit / (Loss) from ordinary activities after Finance Costs but Before Exceptional Items (5 - 6)	6,489	(2,082)	6,066	4,407	(722)
8	Exceptional Items	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before Tax (7 + 8)	6,489	(2,082)	6,066	4,407	(722)
10	Tax Expense	-	-	-	-	-
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	6,489	(2,082)	6,066	4,407	(722)
12	Other Comprehensive Income	(841)	(35)	(10)	(876)	(19)
13	Total Comprehensive Income (11 + 12)	5,648	(2,117)	6,056	3,531	(741)
14	Paid Up Equity Share Capital (Face Value of ₹ 10/- each)	76,909	76,884	9,279	76,909	9,279
15	Earnings per Share (of ₹ 10/- each) (not annualised) (including share suspense)					
	(a) Basic - ₹	0.84	(0.27)	0.79	0.57	(0.09)
	(b) Diluted - ₹	0.84	(0.27)	0.79	0.57	(0.09)

SIGNED FOR IDENTIFICATION
BY

S R B D & CO LLP
MUMBAI



UNAUDITED SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES FOR THE QUARTER AND SIX MONTHS ENDED SEPTEMBER 30, 2016

₹ in Lakhs

Sr. No.	Particulars	Quarter Ended			Six Months Ended	
		September 30, 2016 (Unaudited)	June 30, 2016 (Unaudited)	September 30, 2015 (Unaudited) (Refer Notes 2 & 3)	September 30, 2016 (Unaudited)	September 30, 2015 (Unaudited) (Refer Notes 2 & 3)
1	Segment Revenue					
	Madura Fashion & Lifestyle	1,17,132	84,206	1,11,786	2,01,338	1,98,824
	Pantaloons	72,671	57,435	59,727	1,30,106	1,03,618
	Total Segmental Revenue	1,89,803	1,41,641	1,71,513	3,31,444	3,02,442
	Less: Inter Segment Revenue	1,130	129	4,677	1,259	4,920
	Net Sales / Income from Operations	1,88,673	1,41,512	1,66,836	3,30,185	2,97,522
2	Segment Results (Profit before Finance Costs and Tax)					
	Madura Fashion & Lifestyle	8,952	2,840	11,775	11,792	16,342
	Pantaloons	1,751	(711)	(1,139)	1,040	(5,059)
	Total Segment Result	10,703	2,129	10,636	12,832	11,283
	Less: Inter-Segment Result	(585)	(475)	224	(1,060)	2,787
	Net Segment Result	11,288	2,604	10,412	13,892	8,496
	Less: i) Interest	4,709	4,507	4,346	9,216	9,218
	ii) Other Un-allocable Expenditure / (Income) - net	90	179	-	269	-
	Profit / (Loss) after Finance Costs but before Exceptional Items	6,489	(2,082)	6,066	4,407	(722)
	Exceptional Items	-	-	-	-	-
	Total Profit / (Loss) before Tax	6,489	(2,082)	6,066	4,407	(722)
3	Segment Assets	As on Sep. 30, 2016	As on Jun. 30, 2016	As on Sep. 30, 2015	As on Sep. 30, 2016	As on Sep. 30, 2015
	Madura Fashion & Lifestyle	2,98,526	2,59,679	2,62,650	2,98,526	2,62,650
	Pantaloons	2,19,763	2,15,433	2,08,422	2,19,763	2,08,422
	Total Segment Assets	5,18,289	4,75,112	4,71,072	5,18,289	4,71,072
	Inter-Segment Eliminations	(7,999)	(7,894)	(9,444)	(7,999)	(9,444)
	Unallocated Corporate Assets	1,600	1,373	1,407	1,600	1,407
	Total Assets	5,11,890	4,68,591	4,63,035	5,11,890	4,63,035
4	Segment Liabilities	As on Sep. 30, 2016	As on Jun. 30, 2016	As on Sep. 30, 2015	As on Sep. 30, 2016	As on Sep. 30, 2015
	Madura Fashion & Lifestyle	1,55,448	1,25,541	1,46,677	1,55,448	1,46,677
	Pantaloons	59,662	50,316	49,648	59,662	49,648
	Total Segment Liabilities	2,15,110	1,75,857	1,96,325	2,15,110	1,96,325
	Inter-Segment Eliminations	(6,432)	(5,742)	(6,657)	(6,432)	(6,657)
	Unallocated Corporate Liabilities	127	127	-	127	-
	Total Liabilities	2,08,805	1,70,242	1,89,668	2,08,805	1,89,668

Note:

The business of the Company is divided into two business segments based on the "management approach" as defined under Ind AS 108 - Operating Segments.

The Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on the analysis of various performance indicators by business segments, accordingly information has been presented along these business segments.

The business of each segment comprises of:

- Madura Fashion & Lifestyle - refers to manufacturing and Trading / Retailing of apparel and accessories recognised as individual brands
- Pantaloons - refers to a branded store concept retailing of apparel and accessories



Notes:

1 Statement of Assets and Liabilities

		₹ in lakhs
Sr. No.	Particulars	As on September 30, 2016 (Unaudited)
A	ASSETS	
1	Non-current Assets	
	Property, Plant and Equipment	54,695
	Capital Work-in-progress	2,143
	Goodwill	1,85,960
	Other Intangible Assets	8,412
	Financial Assets	
	Loans	338
	Other financial assets	19,969
	Other Non-current Assets	9,386
	Sub Total - Non-current Assets	2,80,903
2	Current Assets	
	Inventories	1,42,946
	Financial Assets	
	Loans	423
	Trade Receivables	58,468
	Cash & Cash Equivalent	3,503
	Bank balance other than above	116
	Other financial assets	11,981
	Other Current Assets	13,550
	Sub Total - Current Assets	2,30,987
	TOTAL - ASSETS	5,11,890
B	EQUITY AND LIABILITIES	
1	Equity	
	Equity Share Capital	76,909
	Other Equity	17,489
	Total - Equity	94,398
2	Non-current Liabilities	
	Financial Liabilities	
	Borrowings	97,001
	Other Financial Liabilities	6,196
	Provisions	1,145
	Other non-current liabilities	5,105
	Sub Total - Non-current Liabilities	1,09,447
3	Current Liabilities	
	Financial Liabilities	
	Borrowings	95,936
	Trade Payables	1,68,158
	Other current financial liabilities #	28,391
	Provisions	9,075
	Other liabilities	6,485
	Sub Total - Current Liabilities	3,08,045
	Total Liabilities	4,17,492
	TOTAL - EQUITY AND LIABILITIES	5,11,890

Includes Current maturities of long term debt - ₹ 13,344

- 2 The Company has adopted Indian Accounting Standards ("Ind AS") from April 1, 2016 and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in the Ind AS 34 Interim Financial Reporting prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder. The date of transition is April 1, 2015. The impact of transition has been accounted for in opening reserves and the comparative period results has been restated accordingly.
- 3 The financial results and segment information for the quarter and six months ended September 30, 2015 have not been audited or reviewed by the auditor and are presented based on the information compiled by the management, after exercising necessary due diligence and making the necessary adjustments to give a true and fair view of the results in accordance with Ind AS.
- 4 The above Results have been reviewed and recommended by the Audit Committee and have been approved and taken on record by the Board of Directors at its meeting held on November 24, 2016.
- 5 Reconciliation of Net Profit / (Loss) on account of transition from previous GAAP to Ind AS for the quarter and six months ended September 30, 2015.

Particulars	₹ in Lakhs	
	Quarter Ended September 30, 2015 (Unaudited) (Refer Notes 2 & 3)	Six Months Ended September 30, 2015 (Unaudited) (Refer Notes 2 & 3)
Net Profit / (Loss) as per Indian GAAP (restated to give effect of scheme of demerger of Madura business)	6,129	(176)
Adjustments to restate to Ind AS:		
Unwinding of financial assets and liabilities	(14)	(22)
Interest on liability portion of compound financial instrument	-	(100)
Derecognition of revenue net of related expenses	(38)	(468)
Rent free period (Lease Incentive) considered for rent straightlining	(65)	(76)
Others	44	101
Actuarial gains / (losses) of retirement benefits being transferred to Other Comprehensive Income	10	19
Net Profit / (Loss) as per Ind AS	6,066	(722)



6 Previous periods / year figures have been regrouped / rearranged wherever necessary to conform to the current period's classification(s).

- 7 The Limited Review as required under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been completed by the Auditors of the Company and the related report is being submitted to the concerned stock exchanges.
- 8 Pursuant to the Composite Scheme of Arrangement amongst the Company, Aditya Birla Nuvo Limited ("ABNL"), Madura Garments Lifestyle Retail Company Limited ("MGLRCL") and their respective shareholders and creditors ("Composite Scheme"), Madura Undertaking of ABNL and MGL Retail Undertaking of MGLRCL ("demerged undertakings") were transferred to the Company on a going concern basis w.e.f. April 1, 2015 ("Appointed Date"). The effective date of the scheme is January 9, 2016. The demerged undertakings collectively form a division of the Company viz. Madura Fashion & Lifestyle and Pantaloons Format business forms a separate division of the Company. Accordingly, financial results of the Company have been restated w.e.f. April 1, 2015 to include the results of the demerged undertakings into the financial results of the Company and hence, the financial results of the Company for the quarter and six months ended as on September 30, 2015 as enumerated hereinabove, also include the results of the demerged undertakings.
- On effectiveness of the Composite Scheme, the Board of Directors of the Company ("Board"), approved issuance of 67,98,19,778 Equity Shares of the Company pursuant to the Composite Scheme, out of which 67,60,37,600 Equity Shares were allotted by the High Power Committee of the Board to the eligible shareholders of ABNL and MGLRCL on January 27, 2016 as per their respective share entitlements determined in the manner described in the Composite Scheme. In terms of Clause 21 of the Composite Scheme, the allotment of 37,82,178 Equity Shares of ₹ 10/- each ("said shares"), pertaining to the Non-Resident Shareholders of ABNL holding shares on repatriation basis ("NRE Shareholders") was kept pending until receipt of applicable regulatory approval(s).
- Company evaluated various options for settling the lawful entitlements of such NRE Shareholders in terms of the provisions of the applicable laws and it has been advised the entitlements of NRE Shareholders can be credited to the accounts held by them on Non-repatriation basis (NRO), in India, if any. Accordingly, out of the said shares, the Company has, till date, allotted 3,70,477 Equity Shares of ₹ 10/- each to 117 NRE Shareholders who have provided their valid consent for allotment of their respective entitlements to their accounts held on Non-repatriation basis (NRO) in India along with valid details thereof.
- As at September 30, 2016, Face value of the 35,33,079 equity shares has been accounted as "Share Suspense Account".
- 9 Pursuant to the approval of the Board, at its meeting held on May 25, 2016, the Company, executed a Business Transfer Agreement with Diana Retail Private Limited ("Diana Retail") and DLF Brands Limited (the promoter of Diana Retail) on July 5, 2016, for acquisition of the exclusive online and offline rights to the global brand - Forever 21, for the Indian market along with its existing store network in India on a going concern basis w.e.f. July 1, 2016, by means of a "slump sale" (as defined in Section 2 (42C) of the Income Tax Act, 1961) for a lump sum consideration. The Company has also executed a franchise agreement with Forever 21 Inc. in terms of which the Company has been appointed the exclusive franchisee for the brand "Forever 21" for the Indian market. The quarter results of the "Forever 21" brand have been included in the Madura Fashion & Lifestyle segment of the Company.
- 10 Additional disclosures as per Clause 52 (4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Particulars	As on September 30, 2016	As on September 30, 2015
Debt Equity Ratio (times)	2.19	1.69
Debt Service Coverage Ratio (times)	0.54	1.39
Interest Service Coverage Ratio (times)	2.69	2.24
Debt Redemption Reserve	-	-
Capital Redemption Reserve	-	-
Net Worth (₹ in lakhs)	94,398	1,00,774
Net Profit / (Loss) after Tax (₹ in lakhs)	4,407	(722)

Details of unsecured non-convertible debentures are as follows:

- The credit rating by CRISIL for the NCDs issued by the Company continues to be AA (Stable).
- The non-convertible debt securities of the Company are unsecured.
- The previous due date(s) for the payment of interest in case of non-convertible debt securities were:
Unsecured Redeemable Non-Convertible Debentures - Series 1 bearing interest at 9.25% p.a. - May 07, 2016.
Unsecured Redeemable Non-Convertible Debentures - Series 2 bearing interest at 9.20% p.a. - May 22, 2016.
The above interest has been paid.
- The previous due date(s) for the repayment of Principal in case of non-convertible debt securities were:
Unsecured Redeemable Non-Convertible Debentures - Series 1 bearing interest at 9.25% p.a. - May 07, 2016.
The above principal repayment has been done.
- The next due date(s) for the payment of interest in case of non-convertible debt securities are:
Unsecured Redeemable Non-Convertible Debentures - Series 2 bearing interest at 9.20% p.a. - May 22, 2017.
Unsecured Redeemable Non-Convertible Debentures - Series 1 (2016) Zero Coupon - April 12, 2019.
Unsecured Redeemable Non-Convertible Debentures - Series 2 (2016) Zero Coupon - May 31, 2019.
- The next due date(s) for the repayment of Principal in case of non-convertible debt securities are:
Unsecured Redeemable Non-Convertible Debentures - Series 2 bearing interest at 9.20% p.a. - May 22, 2018.
Unsecured Redeemable Non-Convertible Debentures - Series 1 (2016) Zero Coupon - April 12, 2019.
Unsecured Redeemable Non-Convertible Debentures - Series 2 (2016) Zero Coupon - May 31, 2019.
- Outstanding redeemable preference shares are as under:
500,000 8% Redeemable Cumulative Preference Shares of ₹ 10/- each amounting to ₹ 50 lakh.
500 6% Redeemable Cumulative Preference Shares of ₹ 100/- each amounting to ₹ 0.5 lakh.

Ratios have been computed as follows :-

Debt comprises Long-Term borrowings, Short-Term borrowings and Current maturities of Long-Term borrowings
Debt Service Coverage Ratio = Earnings before Depreciation and Amortization, Interest and Tax / (Finance Cost + Principal Repayments of Long-term borrowings)
Interest Service Coverage Ratio = Earnings before Depreciation and Amortization, Interest and Tax/Finance cost
Debt Equity Ratio = Debt / Net Worth ; (Net Worth : Equity Share Capital + Reserves and Surplus + Share Suspense Account)

Place : Mumbai
Date: November 24, 2016



Pranab Barua
Pranab Barua
Managing Director

Aditya Birla Fashion and Retail Limited

(formerly known as Pantaloons Fashion & Retail Limited)

Registered Office: 701-704, 7th Floor, Skyline Icon Business Park, 86-92, Off. A K Road, Marol Village, Andheri (E), Mumbai - 400059, India
CIN: L18101MH2007PLC233901 E-mail: abfr@adityabirla.com Website: www.abfrl.com



Limited Review Report**Review Report to
The Board of Directors
Aditya Birla Fashion and Retail Limited**

We have reviewed the accompanying statement of unaudited financial results of Aditya Birla Fashion and Retail Limited ('the Company') for the quarter ended September 30, 2016 and year to date from April 1, 2016 to September 30, 2016 (the "Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement is the responsibility of the Company's management and has been approved by the Board of Directors/ committee of Board of Directors. Our responsibility is to issue a report on the Statement based on our review.

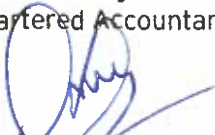
We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with recognition and measurement principles laid down in the applicable Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

We have not audited or reviewed the accompanying the financial results and other financial information for the three months ended September 30, 2015 and the year to date period ended September 30, 2015 which have been presented solely based on the information compiled by Management.

We did not review the financial results for the quarter ended April 16 to June 16 in respect of Madura division included in the accompanying unaudited financial results, whose financial results and information have been reviewed by the other auditors and whose reports have been furnished to us.

For S R B C & CO LLP
ICAI Firm registration number: 324982E/E300003
Chartered Accountants


per **Vijay Maniar**
Partner

Membership No.: 36738
Place: Mumbai

Date: 24 November, 2016



ATSL/CO/2016-17/ 3596
November 24, 2016

To,
Aditya Birla Fashion and Retail Limited (Erstwhile Pantaloons Fashion & Retail Limited)
701-704, 7th Floor, Skyline Icon Business Park,
86-92 Off A. K. Road, Marol Village, Andheri (East),
Mumbai - 400059

Kind Attn: Ms. Geetika Anand

Dear Madam,

Sub: Letter of Debenture Trustee pursuant to Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015

We write in our capacity as the Debenture Trustee for the Non-Convertible Debentures (NCDs) issued by Aditya Birla Fashion and Retail Limited ("Company") and listed on the BSE Limited ("Listed Debt Securities").

Pursuant to Regulation 52(4) read with Regulation 52 (5) of the SEBI (Listing Obligations and Disclosure Requirements) 2015, the Company is required to submit its half yearly/ Annual Financial Results to the Stock Exchange, with a letter of the Debenture Trustee, that the Debenture Trustee has noted the contents furnished by the Company in terms of Regulation 52(4).

In pursuance thereof, we, in the capacity of Debenture Trustee to the Listed Debt Securities of the Company, hereby confirm that we have received your letter dated November 24, 2016 to be submitted with the Stock Exchange (enclosed herewith) along with the relevant/necessary supporting(s) and that we have noted the contents furnished therein in terms of Regulation 52(4) in respect of the Listed Debt Securities issued by the Company.

Further please note that we have not independently verified the contents submitted vide your above letter and the aforesaid noting is subject to the following:

1. The Debenture Trustee is relying on the information/status as submitted by the company for the purpose of submission to the Stock Exchange; without reconfirming.
2. Any commitment pertaining to the interest /principal payable on the future due dates are sole commitment on the company's part and Trustee is not liable in any manner if company fails to fulfill / does not fulfill its commitments.

Thanking You,

Yours Faithfully
For **Axis Trustee Services Limited**

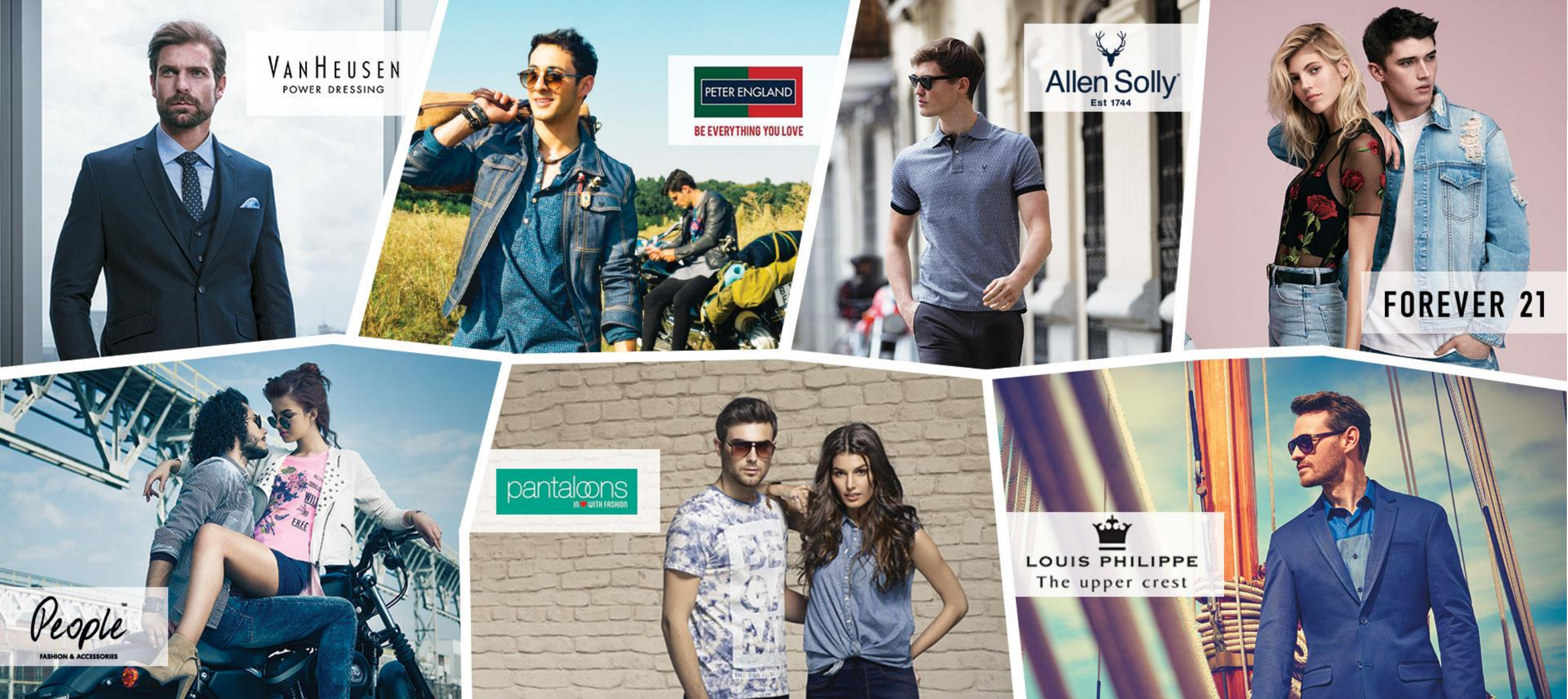


Authorised Signatory

AXIS TRUSTEE SERVICES LTD.
(A wholly owned subsidiary of Axis Bank)

Corporate Identity Number (CIN): U74999MH2008PLC182264

CORPORATE & REGISTERED OFFICE : Axis House, Ground Floor, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai - 400 025.
TEL : 022-6226 0054 / 6226 0050 Website: www.axistrustee.com



Aditya Birla Fashion and Retail Limited

Performance Highlights – Q2 FY16-17

Strong portfolio of India's iconic brands

- **Top 3 menswear brands in the country**; each of them have a **turnover ~Rs. 1,000 Cr**
 - Louis Philippe
 - Peter England
 - Van Heusen
- Pantaloons is one of the **largest value fashion retailer**
- Allen Solly is **among the top 3 premium casual brands**

Largest pan-India distribution network

- Presence in **375 cities and towns** with **~5.8 mn sq ft** of retail network space
- **7,000+ POS** and **2,100+ EBOs**

#1 player across men's and women's wear segments

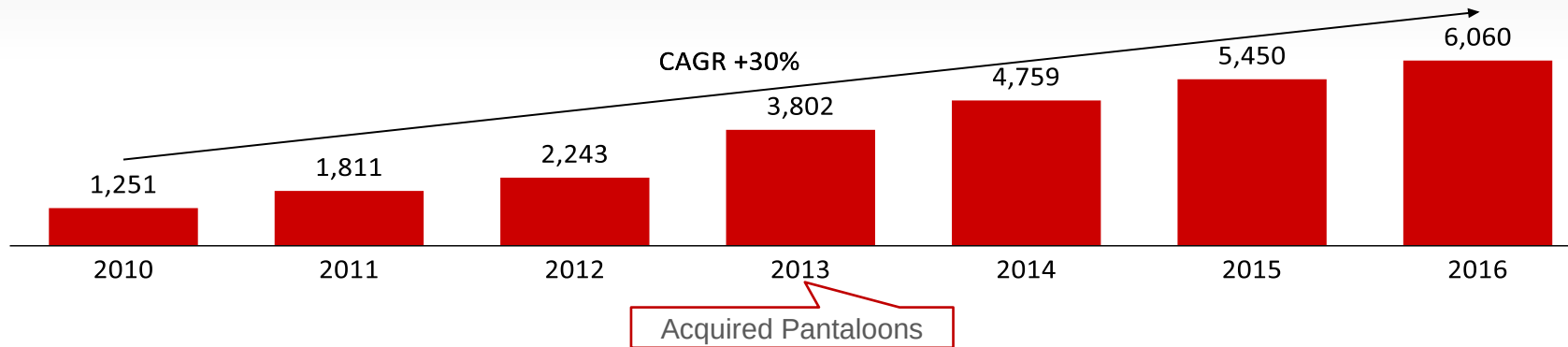
- Menswear portfolio ~ Rs. 4500 Cr
- Womenswear portfolio > Rs. 1200 Cr.
- **ABFRL the #1 player in the two largest apparel segments**

Strong track-record of organic and inorganic growth

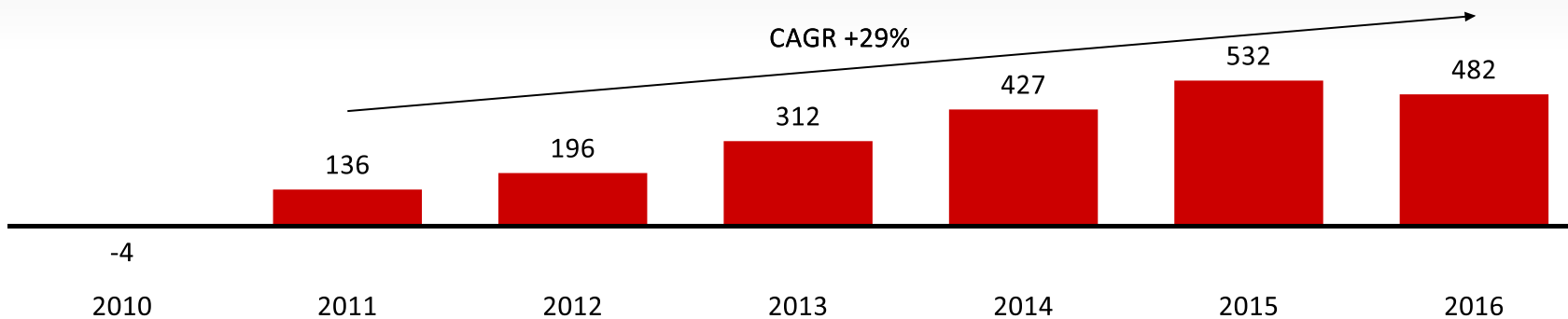
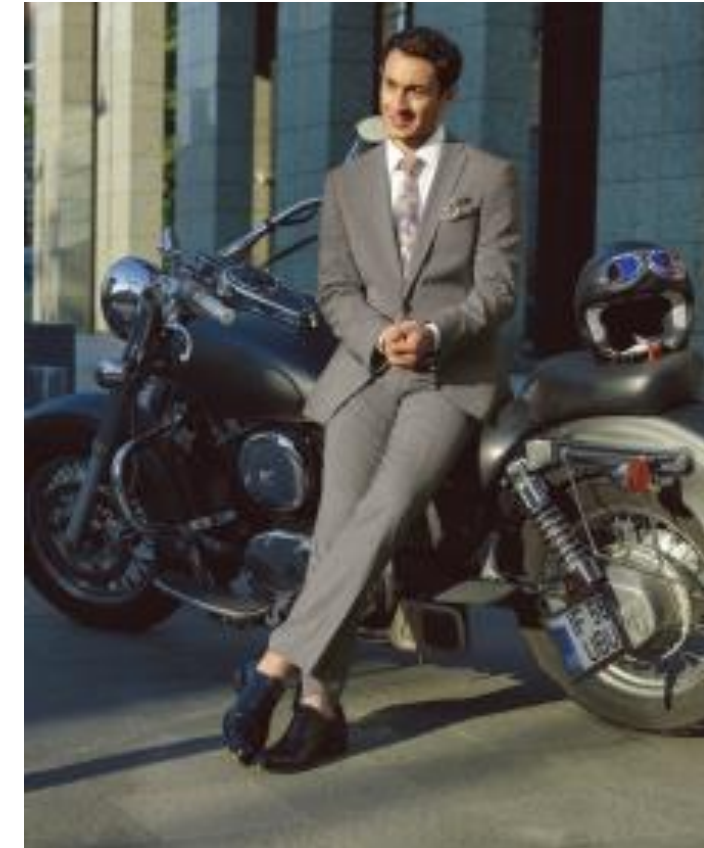
- Growth of brands through extensions and distribution
- Acquisition of Pantaloons in the year 2013
- Acquisition of Forever 21 – Indian rights in 2016

Poised to be the first billion dollar pure fashion player in India

Revenue growth of 30% to create the largest apparel company in the country



EBITDA Y-o-Y growth of 29%

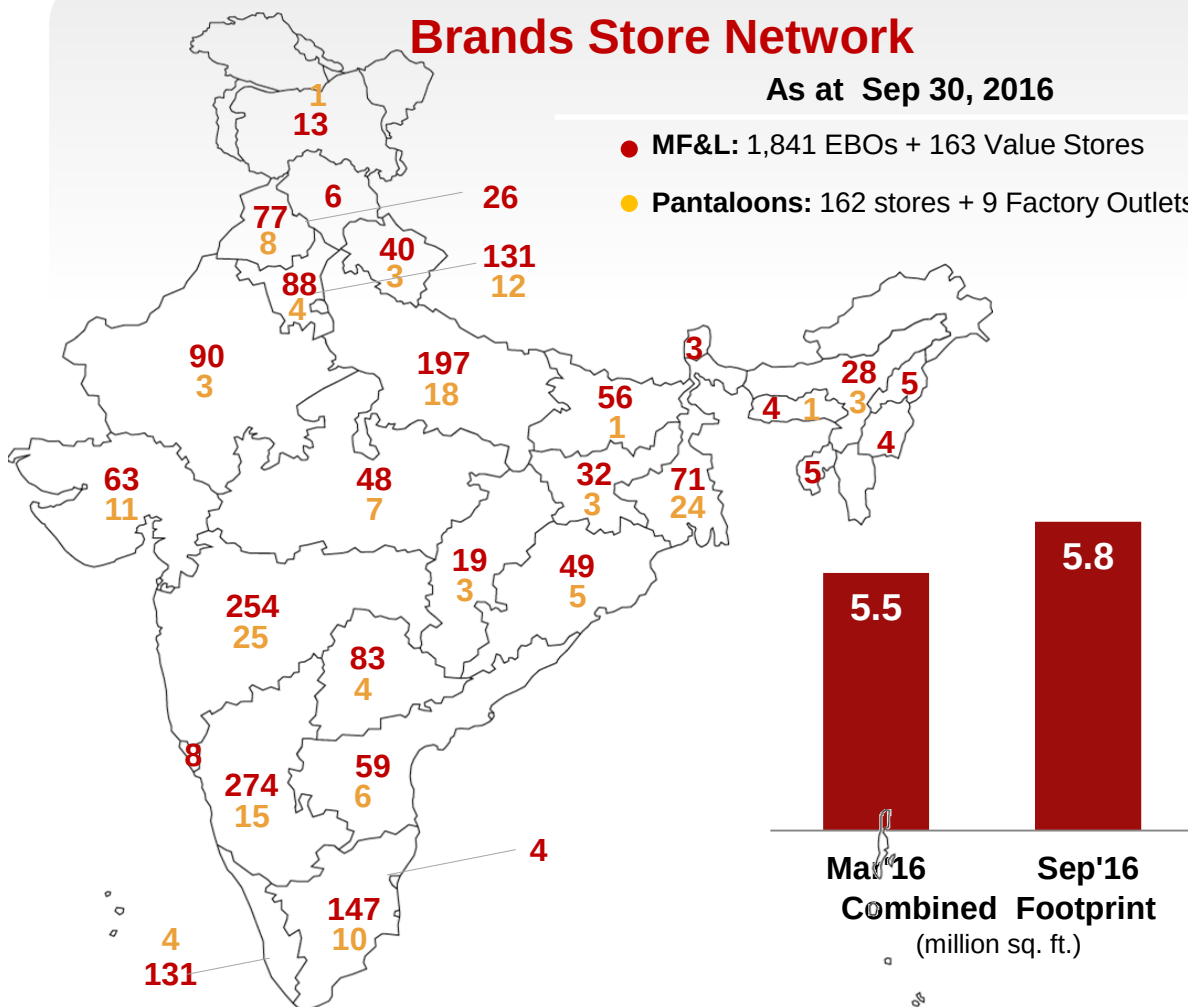


ABFRL | Widest distribution network in the fashion space

Brands Store Network

As at Sep 30, 2016

- MF&L: 1,841 EBOs + 163 Value Stores
- Pantaloons: 162 stores + 9 Factory Outlets



MBOs



- MF&L brands are present in ~4,500 Multi Brand Outlets

- MF&L brands present across all department stores through ~3,200 SISs

Large Format Stores



E-commerce



- MF&L and Pantaloons brands sold on all leading e-commerce websites in the country

FY17 – Q2 Performance



Update on strategic initiatives



Market Overview



ABFRL Highlights



ABFRL Segmental Performance



Q2 Financials *(P&L account and IndAS vs. GAAP)*

1 *Update on strategic initiatives*

- Acquired Forever 21 India operations w.e.f. July 1, 2016
- Signed up partnership with Ted Baker, London

2 *Operational highlights*

- Sales growth of 11% , EBITDA growth of 20% and EBIT growth of 60%
- Pantaloons posted industry leading growth rate of 22%, while MFL revenues grew by 5% during the quarter
- Moved from 2 to 4 design cycles / year increasing freshness through supply chain agility
- Accelerated Digital Transformation
 - Rolled out Omni-channel capabilities across 410 stores in H1
 - Launched individual brands e-commerce websites

3 *New Growth Initiatives*

- Launched Innerwear & Athleisure under VH brand in Chennai, Hyderabad and Bengaluru – available across 400 MBOs

Key market trends in FY17 – Q2

Overall Market Scenario

- Market witnessed prolonged EOSS with deep discounting across the industry
- Fast Fashion, womenswear & casualwear business continues to lead market growth, while premium menswear segment grew slower
- E-Commerce players continued with an aggressive sale strategy around peak festive periods

ABFRL | H1 Performance



	H1 FY16	H1 FY17	
☐ Revenue	Rs. 2,975 Cr	Rs. 3,302 Cr	 11%
☐ EBITDA	Rs. 206 Cr	Rs. 248 Cr	 20%
☐ EBITDA Margin	6.9 %	7.5 %	
☐ EBIT	Rs. 85 Cr	Rs. 136 Cr	 60%
☐ Net Profit/ (Loss)	Rs. (7) Cr	Rs. 35 Cr	

Note: Results for H1FY17 incorporate the financials of F21 acquired in Q2FY17 and the newly launched Innerwear business

ABFRL | Q2 Performance



	Q2 FY16	Q2 FY17	
☐ Revenue	Rs. 1,668 Cr	Rs. 1,887 Cr	 13%
☐ EBITDA	Rs. 164 Cr	Rs. 172 Cr	 5%
☐ EBITDA Margin	9.8 %	9.1 %	
☐ EBIT	Rs. 104 Cr	Rs. 112 Cr	 8%
☐ Net Profit/ (Loss)	Rs. 61 Cr	Rs. 56 Cr	

Note: Results incorporate the financials of F21 acquired in Q2FY17 and the newly launched Innerwear business

ABFRL | H1 Segmental Performance

In Rs. Crores

Segment	NSV			EBITDA	
	H1 FY16	H1 FY17	Growth	H1 FY16	H1 FY17
Madura Fashion & Lifestyle	1988	2013	1%	200	162
Pantaloons	1036	1301	26%	34	78
Elimination/Others	-49	-13		-28	8
Total	2,975	3,302	11%	206	248

Note



Note: Results for H1FY17 incorporate the financials of F21 acquired in Q2FY17 and the newly launched Innerwear business

ABFRL | Q2 Segmental Performance

In Rs. Crores

Segment	NSV			EBITDA		
	Q2 FY16	Q2 FY17	Growth	Q2 FY16	Q2 FY17	
Madura Fashion & Lifestyle	1118	1171	5%	136	115	Note
Pantaloons	597	727	22%	29	52	↑
Elimination/Others	-47	-11		-2	5	↑
Total	1,668	1,887	13%	164	172	↑

Note: Results incorporate the financials of F21 acquired in Q2FY17 and the newly launched Innerwear business

ABFRL | Profit & Loss Statement

P&L Statement (Rs. In Cr.)	Q2- FY16	Q2- FY17	Change	H1- FY16	H1- FY17	Change
Net Sales / Income from Operations	1,657	1,875		2,954	3,275	
Other Operating Income	11	11		21	27	
Revenue from operations	1,668	1,887	13%	2,975	3,302	11%
<u>Expenses</u>						
Cost of Materials consumed	175	170		303	311	
Purchase of Stock- in Trade	735	769		1092	1173	
Changes in inventories of finished	-142	-63		-25	11	
Employee benefits expenses	165	194		308	359	
Depreciation and amortisation	59	60		121	112	
Rent expenses	230	264		450	517	
Other expenses	348	387		652	695	
Total Expenses	1,570	1,782	13%	2,901	3,179	10%
Profit / (Loss) from Operations	98	105	7%	74	123	67%
Other Income	6	7		11	13	
Profit / (Loss) before Finance	104	112	8%	85	136	60%
Finance Cost	43	47		92	92	
Net Profit / (Loss) before tax	61	65		-7	44	
Tax Expenses	-	-		-	-	
Net Profit / (Loss) after tax	61	65		-7	44	
Other Comprehensive Income	0	-8		0	-9	
Total Comprehensive Income	61	56		-7	35	

IGAAP AND INDAS RECONCILIATION

Particulars	Rs. In Crores					
	Q2 FY16			H1 FY16		
	Revenue	EBIDTA	PBT	Revenue	EBIDTA	PBT
As per IGAAP	1,669.7	164.2	61.3	2,990.6	210.6	(1.8)
As per INDAS	1,668.4	163.6	60.7	2,975.2	206.2	(7.2)
Difference	(1.3)	(0.6)	(0.6)	(15.4)	(4.5)	(5.5)
<u>Reclassification</u>						
Cash Discount earlier shown as other expenses	(2.1)	-	-	(3.3)	-	-
CRM earlier shown as other expenses	(1.3)	-	-	(0.0)	-	-
Shrinkage earlier shown as other expenses	(1.0)	-	-	(1.7)	-	-
Total Reclassification	(4.4)	-	-	(5.0)	-	-
<u>Remeasurement</u>						
Security Deposits to Landlords - fair valuation	-	(0.2)	(0.2)	-	(0.3)	(0.3)
Franchisee Deposits - fair valuation	-	(0.0)	(0.0)	-	0.1	0.1
Interest on Convertible Debentures	-	-	-	-	-	(1.0)
Government Grants - EPCG Export Benefit	-	0.0	0.0	-	0.0	0.0
Gratuity - actuarial valuation	-	0.1	0.1	-	0.2	0.2
Lease Incentive - straight lining over rent free period	-	(0.6)	(0.6)	-	(0.8)	(0.8)
SOR sale - where there was a right to return inventory, now derecognised	3.1	(0.3)	(0.3)	(10.4)	(4.7)	(4.7)
Stock Option Scheme - fair valuation	-	0.4	0.4	-	1.0	1.0
Total Remeasurement	3.1	(0.6)	(0.6)	(10.4)	(4.5)	(5.5)
Total Reclassification and Remeasurement	(1.3)	(0.6)	(0.6)	(15.4)	(4.5)	(5.5)



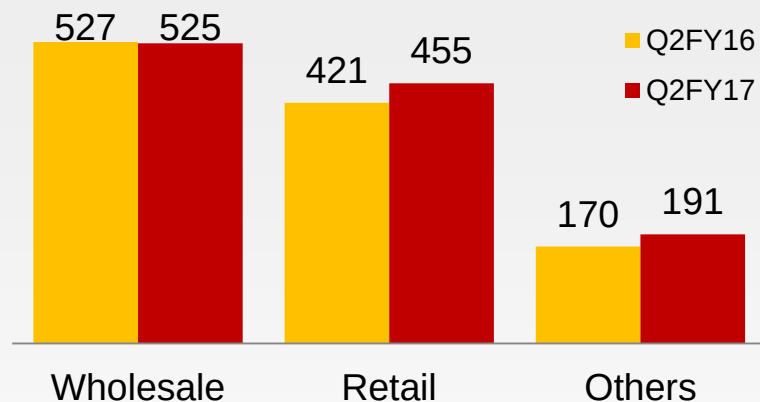
MADURA FASHION & LIFESTYLE

Madura Fashion & Lifestyle – Performance Summary Q2 FY17

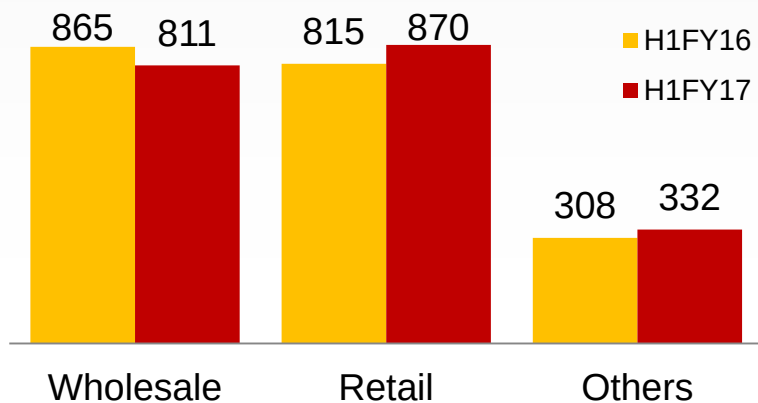
- **This quarter experienced prolonged EOSS combined with deep discounting.**
- **MFL continued to pursue its strategy of calibrated discounting and inventory correction**
 - Resultantly, revenues grew marginally by 5% to Rs 1171 cr
 - Gross Margins have improved marginally due to controlled discounting
 - EBITDA for the quarter was Rs. 115 cr as against Rs. 136 Cr LY after absorbing the expenses of new businesses - innerwear and Forever21
 - We have rolled out Omni channel features across 400+ stores currently.

Madura Fashion & Lifestyle – Channel Performance

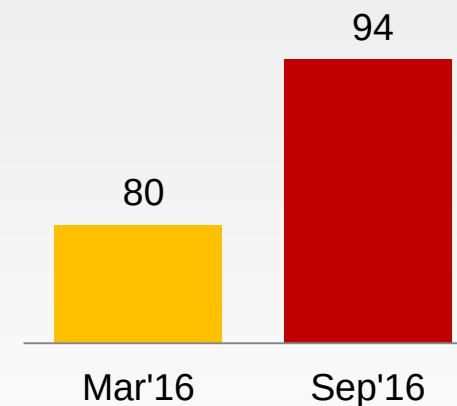
Channel-wise Q2 Revenue (Rs. in Crs)



Channel-wise H1 Revenue (Rs. in Crs)



Loyalty base (in lacs)



~51% of sales comes from loyal customers

Expanded portfolio with launch of VH Innerwear



Impactful launch across 3 cities – Chennai, Bengaluru and Hyderabad

Available across leading MBOs and EBOs of Van Heusen

Tie up with Ted Baker for Indian territory



- UK's most successful fashion brand spanning across apparels & accessories for men & women
- Known for the perfect mix of distinctive design, beautiful quality and unconventional approach to fashion, combined with Ted's irreverent sense of humour and a firm ***commitment to good old-fashioned values***

PANTALOONS



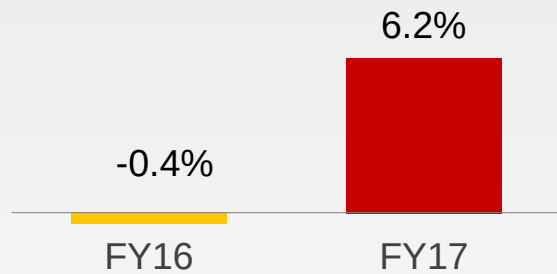
Pantaloons – Performance Summary – Q2 FY17

Pantaloons

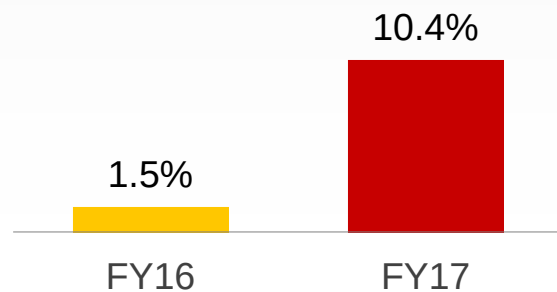
- Successful execution of the Value Fashion strategy led to:
 - Like-to-like revenue growth @ 6.2%
 - Increase in Own brands Mix to 62%
- Added 16 new stores to our network
 - Expanded franchisee network - currently 9 franchisee stores
- Leveraging brand 'Pantaloons'
 - Currently have 7 Woman and 2 Kids stores operational

Pantaloons – Strong Retail Performance

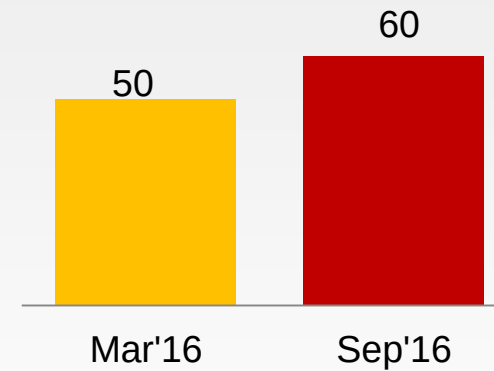
Q2 L2L Growth %



H1 L2L Growth %



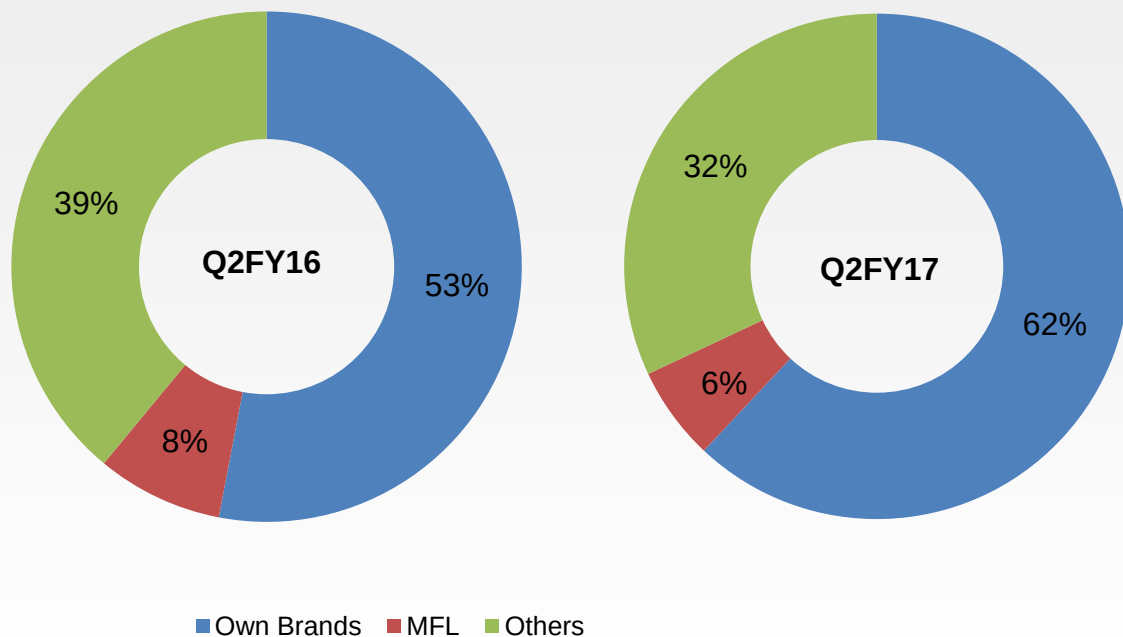
Loyalty base (in lacs)



~75% of sales comes from loyal customers

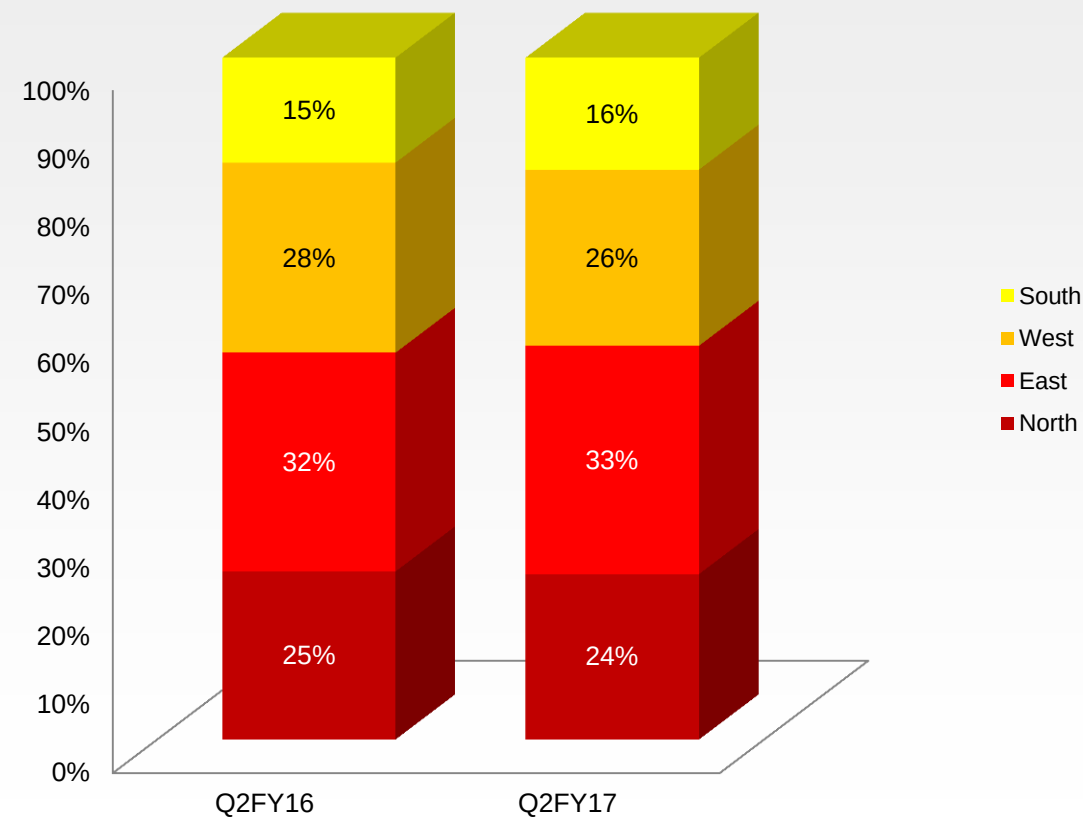
Pantaloons Revenue Mix – Q2

Pantaloons Ownership Mix



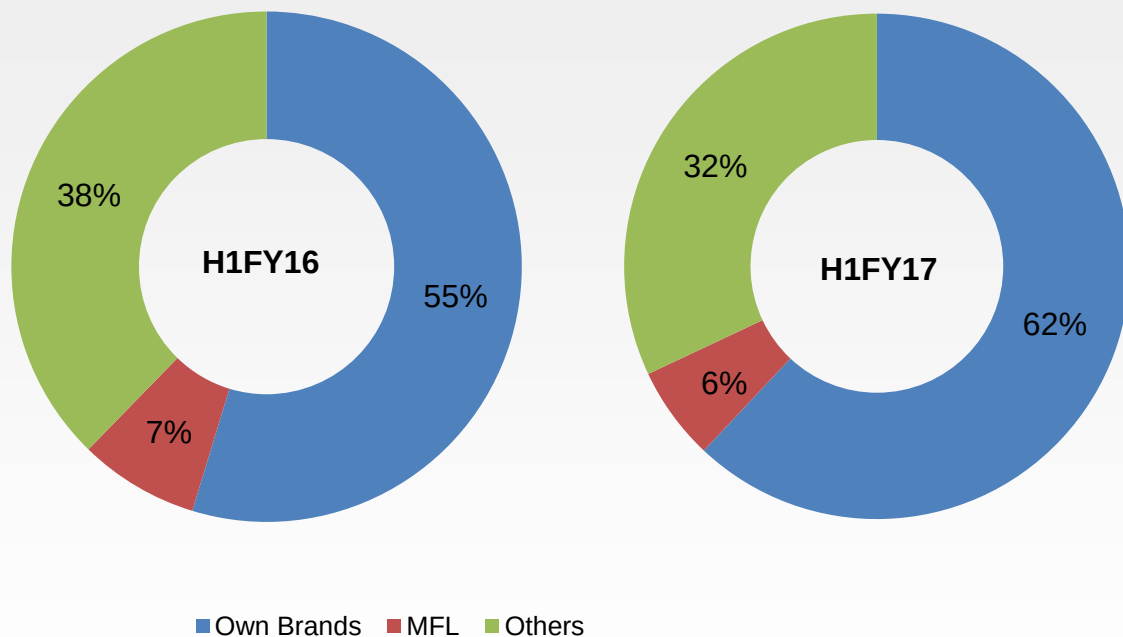
Own brands contribute to 62% of the revenue

Pantaloons Regional Mix



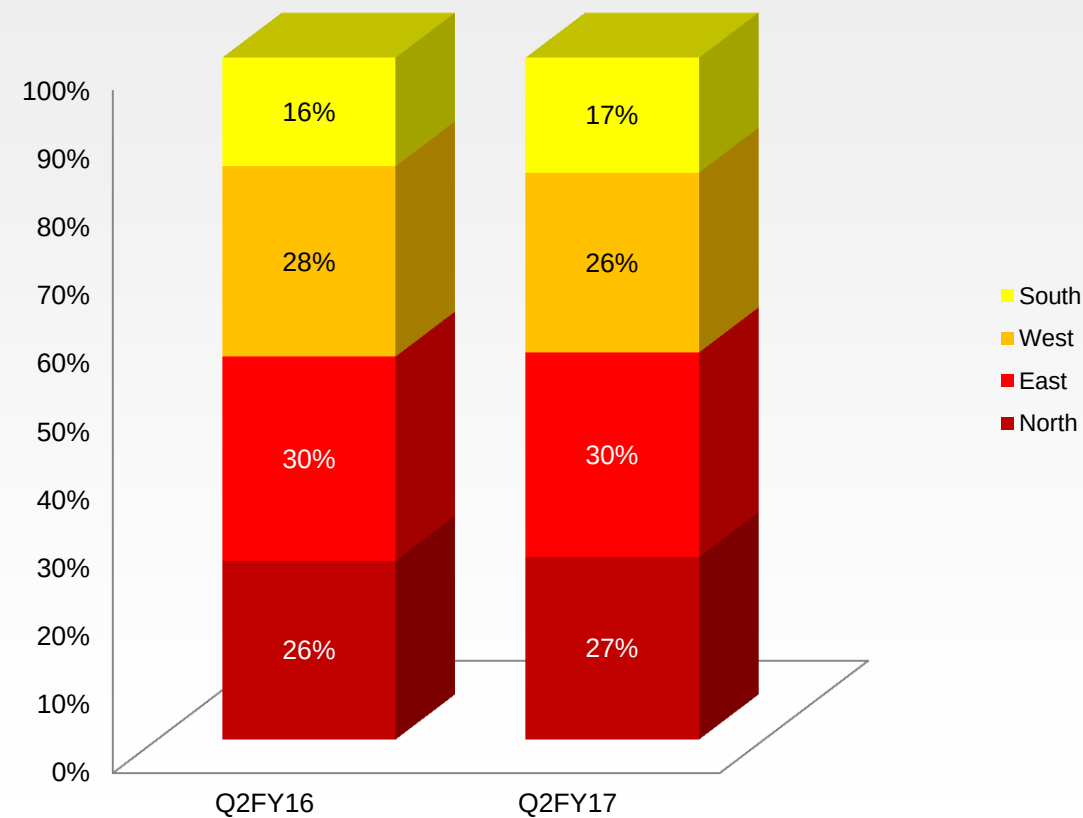
Pantaloons Revenue Mix– H1

Pantaloons Ownership Mix



Own brands contribute to 62% of the revenue

Pantaloons Regional Mix



- **ABFRL will continue to build on its leadership through investments in key strategic themes**
 - **Brand development** through investment in brand building, merchandise and refreshed store experience
 - **Building agile design & supply chain** by shifting from 2 to 4 season cycle
 - **Enhancing capital productivity** & focus on **cost optimization**
 - **Digital Transformation** through own & partnered E Commerce through strategic partnerships and execution of Omni channel program across Pantaloons and MFL stores
 - **Enriching the portfolio** to build leadership presence across all critical product & consumer segments
- **Recent demonetization has affected the business across the industry.**
 - We have experienced a sharp dip in cash sales & slowdown in overall consumption.
 - Impact likely to persist for at least one quarter.

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