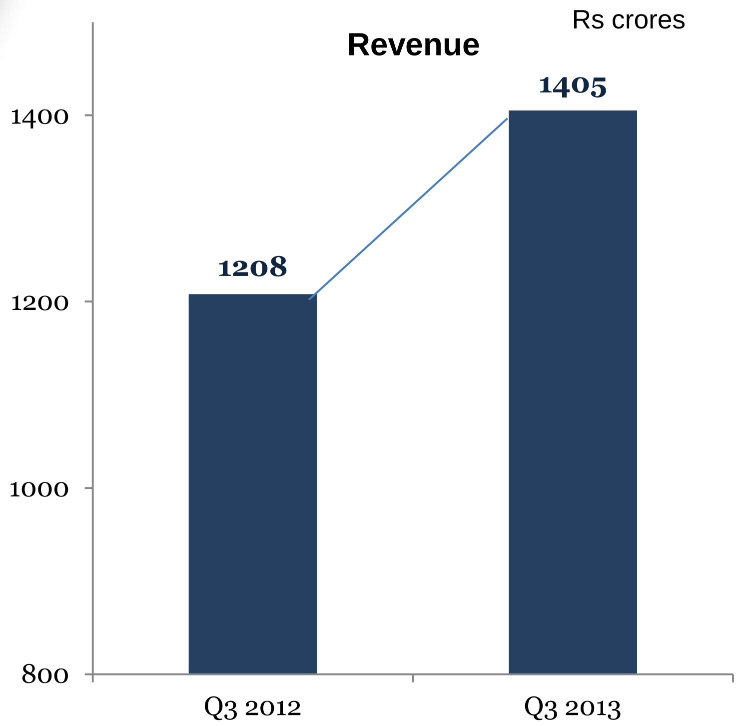
Review Note- Q3
30th Jan, 2013

Arvind Limited

Naroda Road,
Ahmedabad-380025 (India)
Tel: +91-79-30138000
Fax: +91-79-30130630
www.arvind.com

Financial Performance- Consolidated

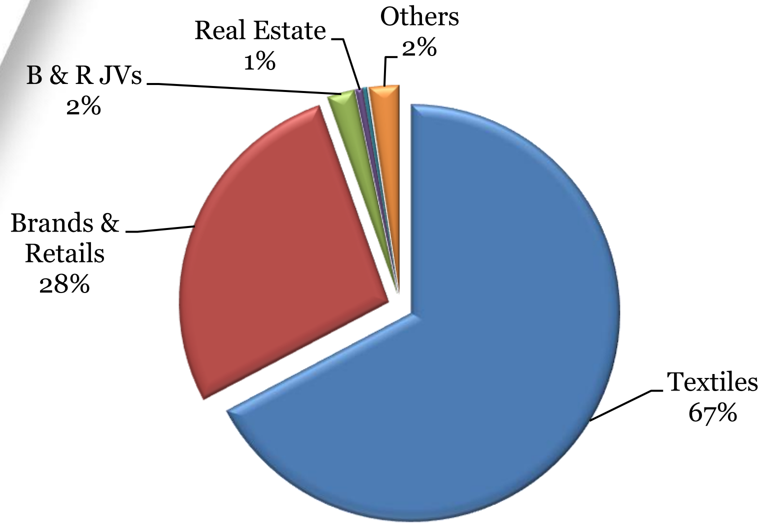
Revenue Growth of 16%



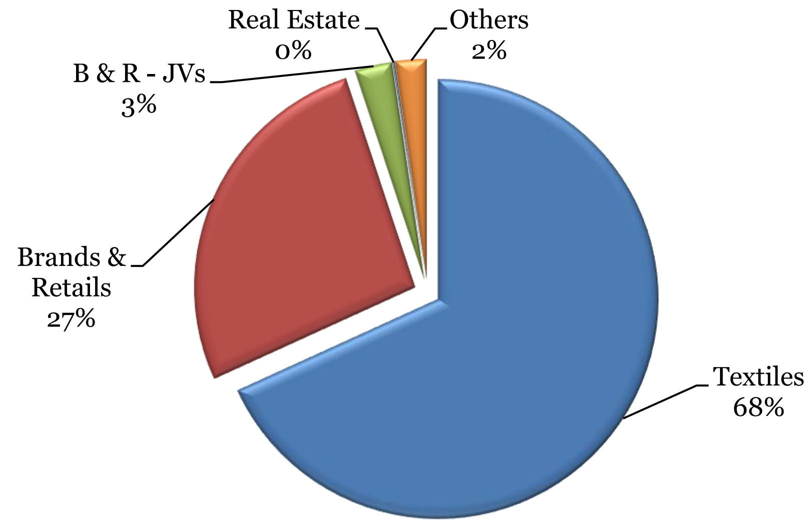
Revenue growth achieved due to

- Volume growth of 33% in shirting/khaki fabrics
- 19%increase in revenue of Brand & Retail business
- Drop in denim volume by 10% partially compensated by 7% increase in prices

Q3 2012-13- Revenue



Q3 2012-13



Q3 2011—12

Compared Q3 2011-12

Textile Business grew by 15%

Brands & Retail Business grew by 19%

Share of apparel & fabric retailing grew to 36% from 34%

Share of domestic revenue grew to 72% from 67%

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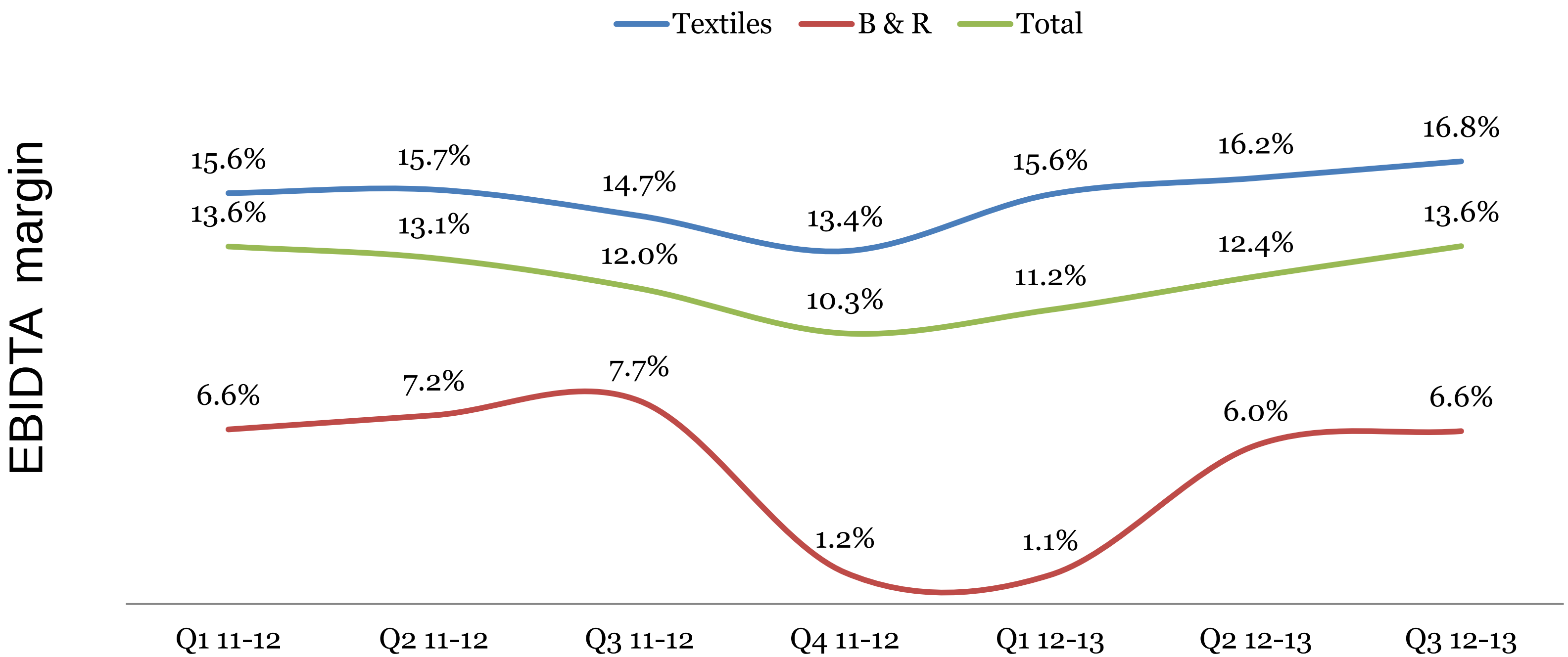
Financial Performance Q3 – 2012-13

Rs crores

	Q3 Rs in Crs		
	2012-13	2011-12	Change
Revenue from Operations	1,405	1,208	16%
RawMaterials	660	552	
Employees' Emoluments	147	117	
Others	469	356	
(Increase) / Decrease in Stock	-54	15	
Foreign Exchange Loss /(Gain)	-7	26	
EBIDTA	191	143	34%
Margin	13.6%	11.8%	
Other Income	14	36	
Interest Cost	80	79	
Cash Accruals	124	99	25%
Depreciation	48	40	
Profit Before Taxes	76	59	
Profit After Tax	75	52	
Net Profit	75	52	46%
Extra Ordinary Item	0	191	
Net Profit	75	243	

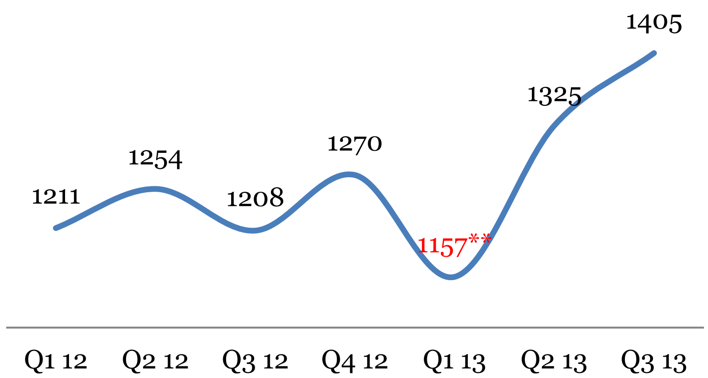
- EBIDTA margin improved from 11.8% to 13.6%
- Other Income includes profit from sale of land of Rs. 6.19 Crs. (Last year Rs. 11.10 Crs)
- In the Q3 last year, the company had sold shares held in VF Arvind Brands Pvt Limited and booked extra-ordinary income of Rs. 191 crores

Margin for both Textiles and Brands & Retail having bottomed out , has now gathered upward momentum

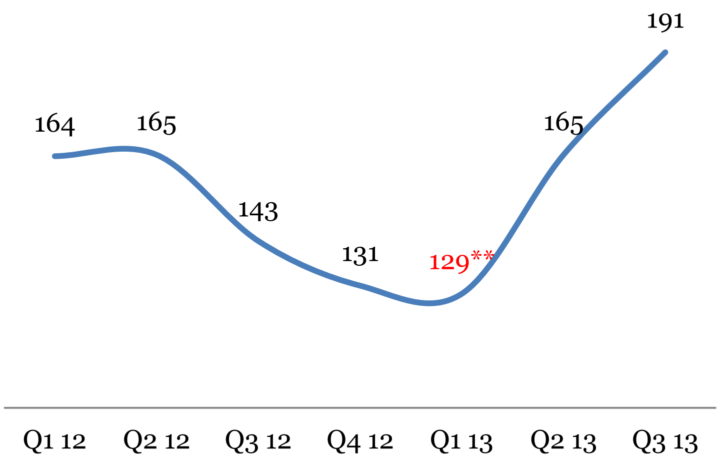


Revenue, EBIDTA & PAT are all time high

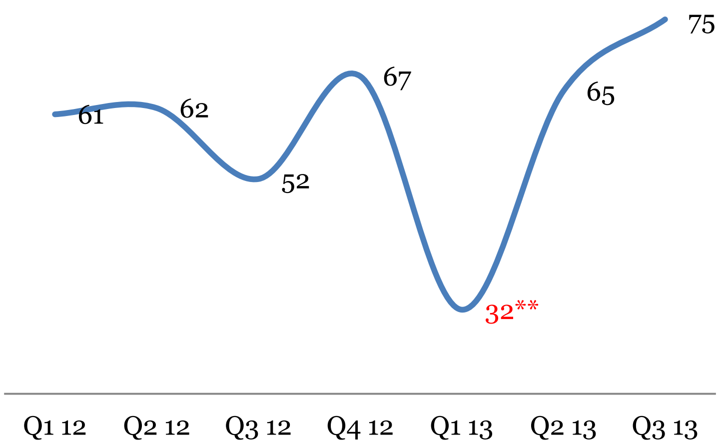
Revenue – Rs Crs



EBIDTA – Rs Crs



PAT– Rs Crs



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Ratios

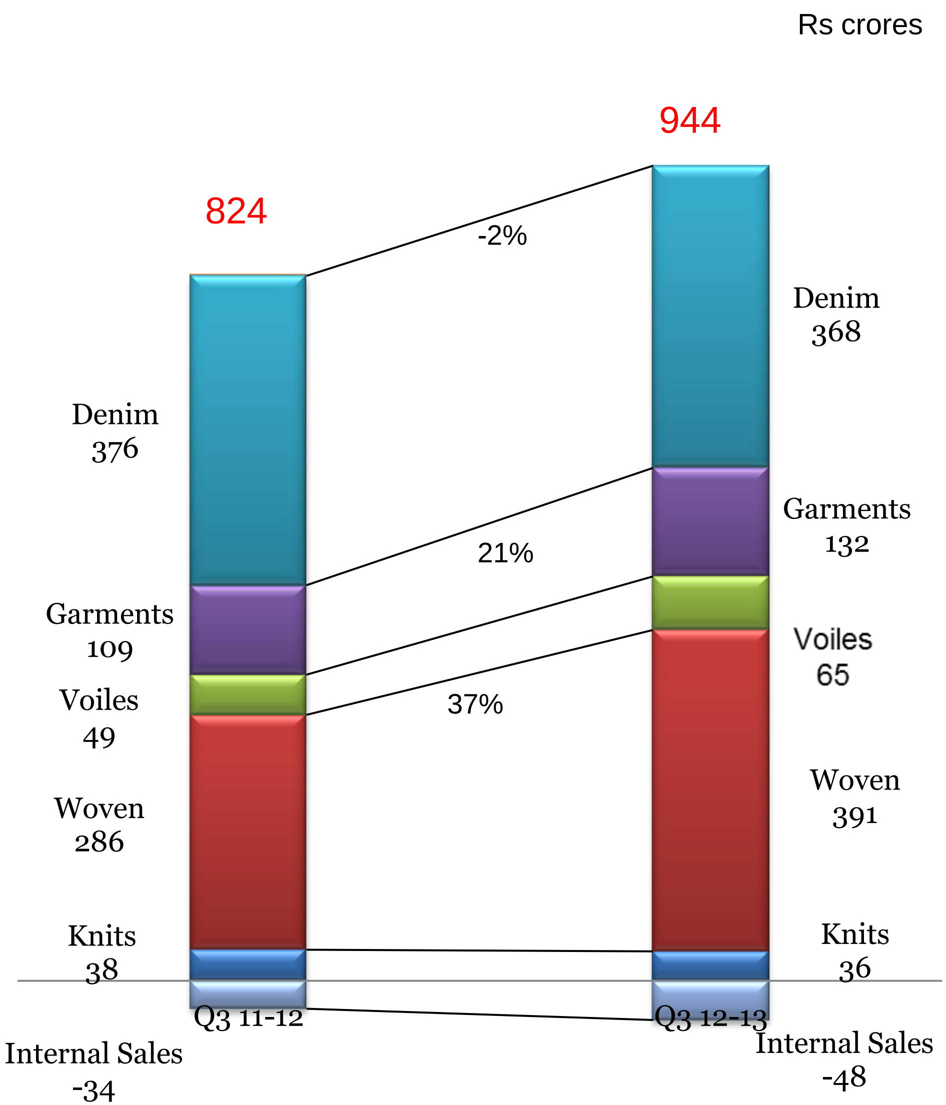
	2010-11	2011-12	Q1 12-13	Q2 12-13	Q3 12-13
	Actual	Actual	Actual	Actual	Actual
EPS	6.5	9.5	1.3	2.5	2.9
Debt / Equity	1.3	1.0	1.0	1.1	1.0
Debt / EBIDTA	3.7	2.9	3.2	3.0	2.8
ROCE	10.6%	13.2%	10.3%	12.2%	13.2%
ROE	8%	12.1%	6.6%	12.0%	13.5%
Revenue Growth	25%	21%	-4%	6%	16%

Business Analysis

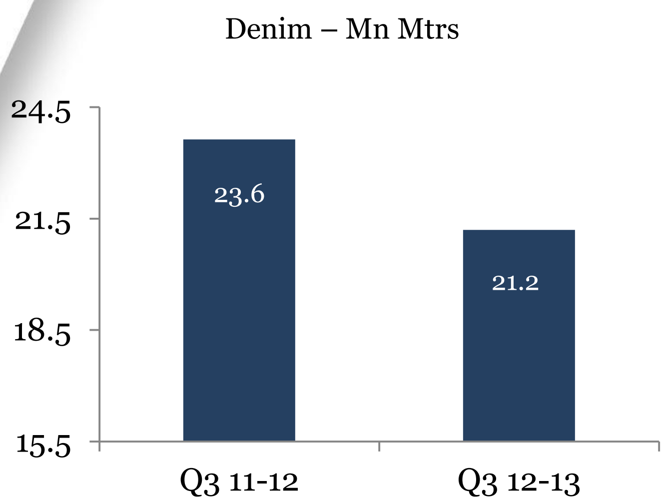
All numbers in this section are consolidated unless specified otherwise

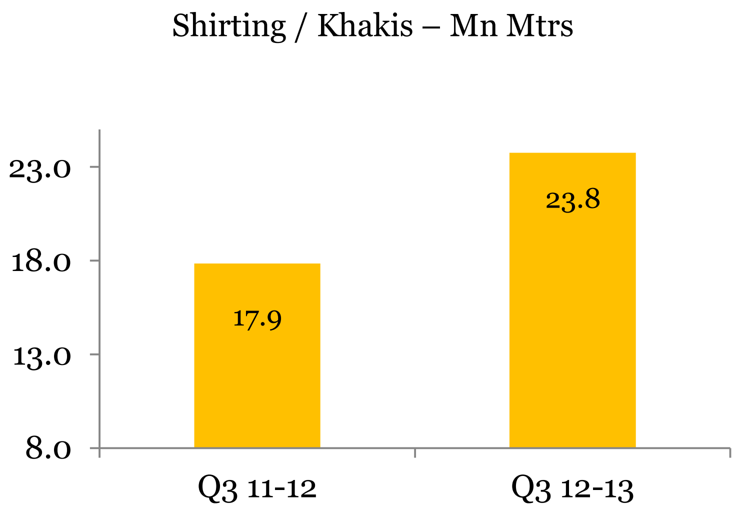
Textiles Business- Revenue Mix

- Shirting/Khaki (wovens) business revenue rose by 37% due to capacity addition.
- Denim volume lower by 10%, mostly compensated by 7% increase in price



Denim & Shirting/Khaki Volumes





*Figures are exclusive of semi-finished fabric Sales

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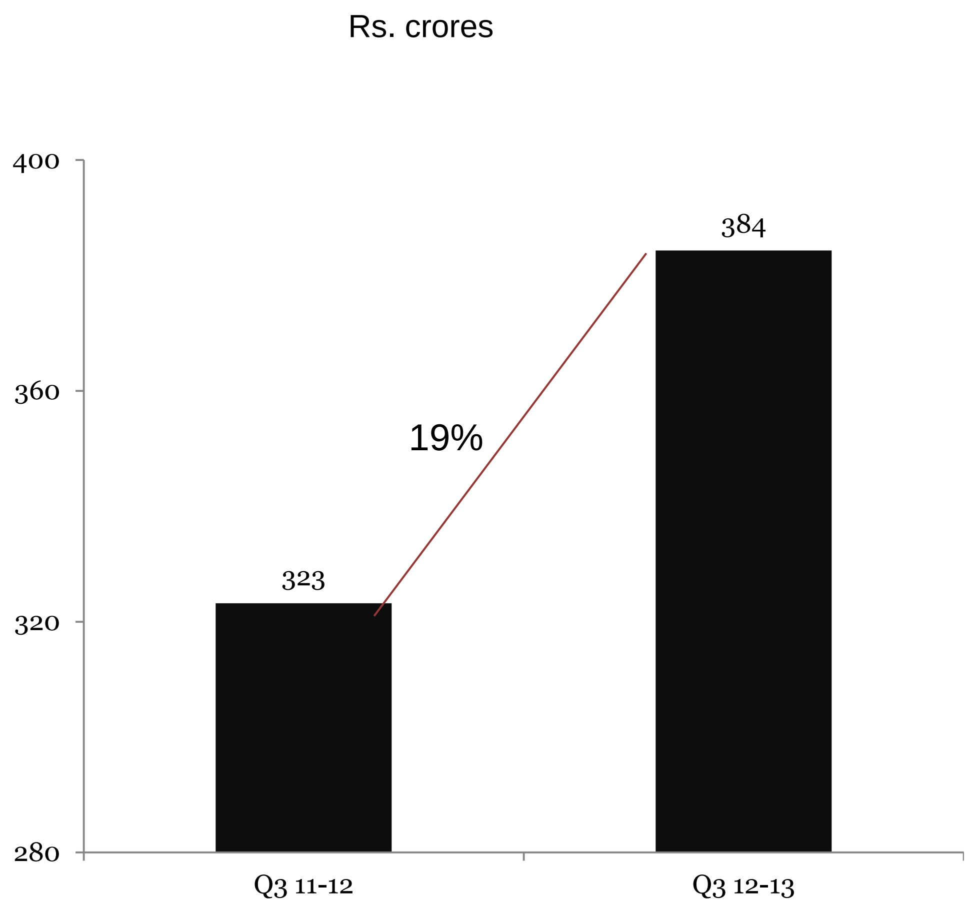
Key Parameters- Q3 2012-13-Textiles

	Denim		Wovens	
	Q3 12-13	Q3 11-12	Q3 12-13	Q3 11-12
Exports (Mn Mtrs)	7	9	7	6
Domestic (Mn Mtrs)	14	15	17	12
Avg Rate (Rs/Mtr)	170	159	156	153
	Cotton		Gas	
Cost in Rs/Kg	99	120	17	19

Brands & Retail Business

Brands & Retail Business Revenue growth at 19%



Revenue grew during the current quarter due to volume growth

A combination of 5% volume growth and improved product mix helped to achieve 19% growth in revenue.

Revenue Q3-12

	Revenue Rs Crs	% Growth
ALBL	211	35%
ARL	174	4%
Total	**384**	**19%**

Both Brands & Mega-Mart registered LTL growth after registering negative growth for two quarters

Like to Like Growth

	% LTL
ALBL	5.9%
ARL	4.4%

ALBL- Brands
ARL- MegaMart Retail

Brands & Retail Business- Distribution

	Q2 12-13		Q3 12-13	
	Stores	Sq Ft	Stores	Sq Ft
Brands	419	388101	455	471151
Retail	208	704391	206	731618
Total	627	1092492	661	1202769
KA Counters	371		374	

- Sales Increase in Key Account Counters: grew by 45% in Q3

Outlook

Revenue

- Revenue growth likely to be 8-9%% for the year
- Demand from domestic and International market for textile continues to be strong

Margin

- Company expects the margin for Q4 to be similar to Q3

Thank You

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