



6th August 2015, Ludhiana – Monte Carlo Fashions (MCFL), the Ludhiana-based Branded (woollen and cotton) apparel manufacturer, announced its First Quarter FY16 Results today.

MCFL has reported Revenue de-growth of 5.9% YoY at INR 68.8 crore for the quarter ended June 30, 2015. Revenues have been impacted as it includes the adjustments for the stock correction and unsold Inventory returned primarily for the woollen segment from the Large format stores.

Also as a prudent accounting policy, the auditors have considered the value of Inventory returned till the cut-off date of the Partial Audit in the month of July or end of quarter whichever is higher. Last year it was considered as on end of quarter. Revenue has been impacted to the tune of Rs. 53.3 mn due to this policy. Therefore, we shall see positive impact in the following quarter. **Overall Growth Outlook is stable due to good visibility on the Order book.**

EBIDTA has been impacted due to increase in Advertising & Marketing expenses which is part of the company's strategy for Pan India brand visibility on the cotton side as well as penetration in the southern markets. This would help the company in the long run and also the Ad expenses are expected to rationalize over the course of the year.

In terms of its business operations, MCFL has added 6 exclusive retail outlets which are primarily in the southern part of the country. Total Number of EBOs as on 30st June 2015 is at 220. Company is on track to improve its presence and penetration in the South. MCFL has been receiving good response from the customers as the share of south has increased to almost 5.1% of the overall revenue during the quarter.

About Monte Carlo Fashions Ltd (MCFL) :

Monte Carlo Fashions Ltd is a leading manufacturer and retailer of woollen products, including sweaters and cardigans, and cotton knitted garments such as t-shirts and track suits. It also supplies accessories including belts, ties, inner wears, thermal wears and socks. MCFL's manufacturing facilities are primarily located in Ludhiana, Punjab, and are fully backed by capabilities in product development, design studio and an efficient sampling infrastructure. It follows an asset-light model for its cotton knitted garments and woven garments by primarily outsourcing the production of its knitted and woven products.

The strength of its brand 'MONTE CARLO' has significantly contributed to the success of the business. 'MONTE CARLO' has been recognized as a 'Superbrand' for woollen hosiery garments since Fiscal 2003 by International Society for Superbrands.

MONTE CARLO FASHIONS LIMITED

Press Release for the Quarter ended June 30, 2015

The Company is listed on the Bombay Stock Exchange (BSE) (BSE: 538836) and the National Stock Exchange (NSE) (NSE: MONTECARLO, ISIN: INE950M01013), with a market capitalisation of Rs 1,252~ crore as on 29th May 2015

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