

**MONTE CARLO FASHIONS LIMITED**

**Press Release for the Quarter ended September 30, 2015**



**Q2 FY16 Revenue increased by 8.7% YoY at INR 136.6 crore**

**Q2 FY16 EBIDTA increased by 45.1% YoY at INR 26.6 crore**

**Q2 FY16 PAT increased by 75.1% YoY at INR 13.6 crore**

**9<sup>th</sup> November 2015, Ludhiana – Monte Carlo Fashions (MCFL), the Ludhiana-based Branded (woollen and cotton) apparel manufacturer, announced its Second Quarter and First Half FY16 Results today.**

MCFL has reported Revenues growth of 8.7 % to Rs. 1366.2 mn. Revenues have increased mainly due to overall growth across all segments. Gross Margins improved by 452 bps to 52.7%. Overall Growth Outlook is stable and positive due to good visibility on the Order book.

EBIDTA w/o Other income for the quarter increased by 45.1 % YoY to Rs. 266.3 mn. EBIDTA Margin increased by 489 bps YoY to 19.5% from 14.6% in Q2 FY15 due to robust Growth in Volumes and Better Product Mix.

Further, Marketing & Advertising expenses decreased by 27.9% to Rs. 25.1 mn as compared to Rs. 34.8 mn in Q2 FY15. There has been rationalization of Marketing & Advertising expenses as larger share of advertising expenses were incurred in Q1 FY16.

With No Major capex planned for next 2 years, Positive Operating leverage being witnessed as the production gains scale during the course of the year.

PAT for the quarter increased by 75.1 % YoY to Rs. 136.3 mn. PAT Margin increased by 377 bps YoY to 10.0 % from 6.2% in Q2 FY15.

Commenting on the Balance sheet, Inventory figures of September are not comparable to March as the Company manufactures woollen apparels for the upcoming winter season, therefore Inventory peaks in the month of September and receivables peak in the December quarter.

In terms of its business operations, MCFL has added 4 exclusive retail outlets. Total Number of EBOs as on 30<sup>st</sup> September 2015 is at 218. Company is on track to improve its presence and penetration on a Pan India Basis.

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### **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.

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 952.5~ crore as on 6th November 2015

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