



SEC 87 / 2021-22

3rd February 2022

The General Manager, DCS – CRD
BSE Limited
Corporate Relationship Department
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort,
MUMBAI - 400 001
Scrip Code: **500114**

The General Manager, DCS – CRD
National Stock Exchange of India Ltd
Exchange Plaza,
Bandra-Kurla Complex,
Bandra (East),
MUMBAI - 400 051
Symbol: **TITAN**

Dear Sirs,

Sub: Third quarter earnings call for FY 2021-22 – Investors Presentation

Further to our communication dated 24th January 2022, attached is a copy of the investor presentation regarding third quarter earnings as required under Regulation 30 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

Kindly take the same on record and acknowledge receipt.

Yours truly,
For TITAN COMPANY LIMITED

Dinesh Shetty
General Counsel & Company Secretary

Encl. As stated

Titan Company Limited

*Earnings Presentation – Q3 FY'22 and 9M FY'22
(For quarter and nine months, ended on 31st December 2021)*

3rd February, 2022

Disclaimer

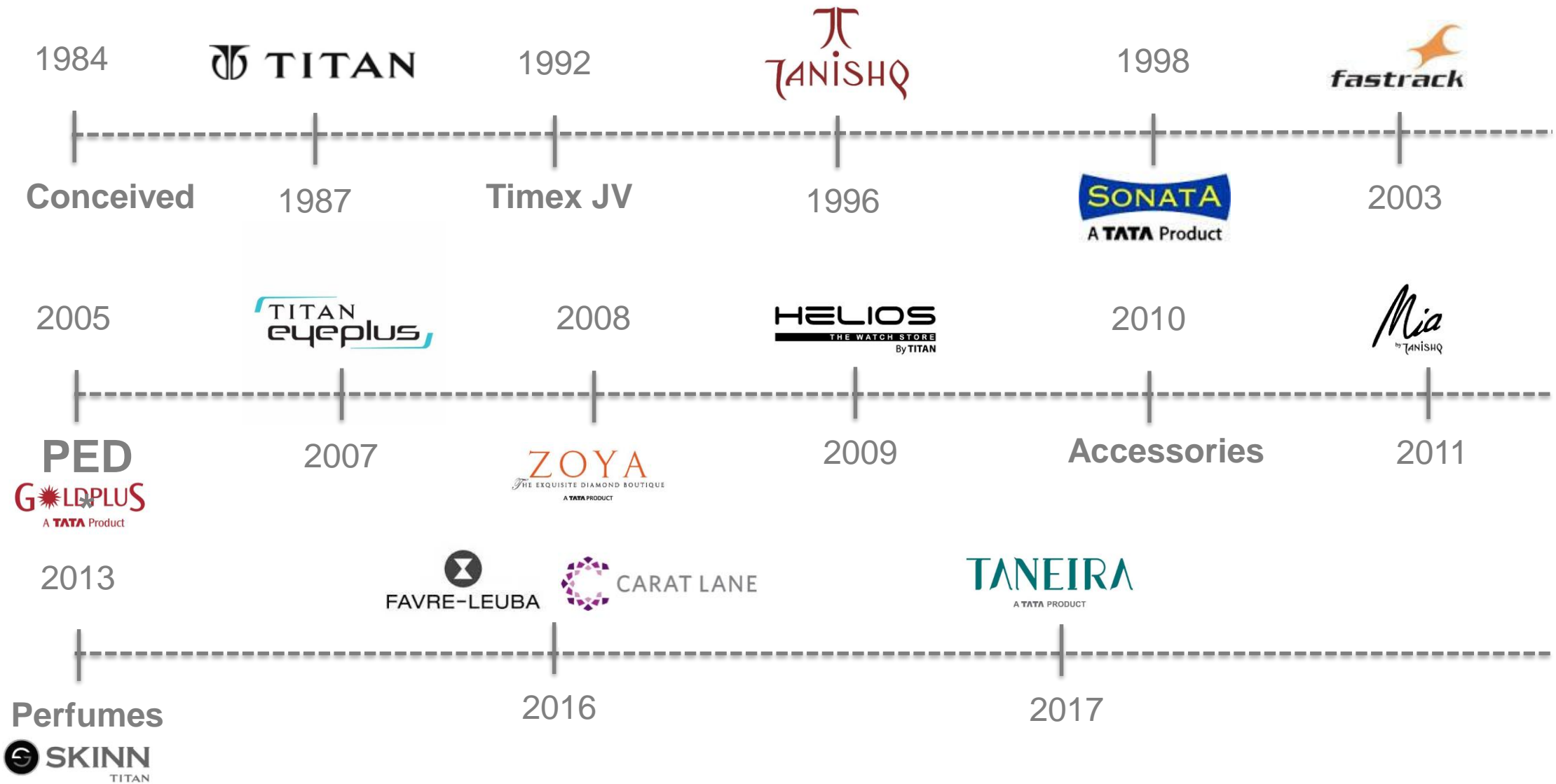
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Certain statements are included in this release containing words or phrases such as “will,” “aim,” “will likely result,” “believe,” “expect,” “will continue,” “anticipate,” “estimate,” “intend,” “plan,” “contemplate,” “seek to,” “future,” “objective,” “goal,” “project,” “should,” “will pursue” and similar expressions or variations of these expressions, that are “forward-looking statements”. Actual results may differ materially from those suggested by these forward-looking statements due to certain risks or uncertainties associated with our expectations with respect to, but not limited to, our ability to implement our strategy successfully, the market acceptance of and demand for our products, our growth and expansion, the adequacy of our allowance for credit to franchisees, dealers and distributors, technological changes, volatility in income, cash flow projections and our exposure to market and operational risks. By their nature, certain market risk disclosures are only estimates and could be materially different from what may actually occur in the future. As a result, actual future gains, losses or impact on net income could materially differ from those that have been estimated.

In addition, other factors that could cause actual results to differ materially estimates in the forward-looking statements include, but are not limited to, general economic and political conditions in India and the other countries that have an impact on our business activities; inflation, unanticipated variance in interest rates, foreign exchange rates, the prices of raw material including gold and diamonds, or other rates or prices, changes in Indian and foreign laws and regulations, Acts of God, acts of terrorism, acts of war and pandemics; tax and accounting regulations, and changes in competition and the pricing environment in India. The Company may, from time to time make additional written and oral forward-looking statements, including statements contained in the Company’s filings with SEBI and the Stock Exchanges and in our reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company, to reflect events or circumstances after the date thereof.

Company Overview

The Journey



* PED was demerged to wholly-owned subsidiary as TEAL

Titan at a glance

~\$3.7 bn

TTM Revenue ⁽¹⁾

~\$30 bn

Market Capitalization ⁽²⁾

2,064

Stores

~9.2K

Employees on rolls

2.7mn+
sq.ft. of Retail space

Notes:

1. TTM : Trailing Twelve Months (excluding bullion sales)

2. Market Capitalization as of 31st Dec '21

All numbers are on a consolidated basis

Our Business Segments



Watches & Wearables

6 major in-house brands & 6 international brands
 5 state of the art watch and component manufacturing/assembly plants
 Present across 7k+ dealers/ MBOs
 1,685 POS in 33 countries
 Largest network of exclusive service centers; 708 watch care centers in 277 towns



Jewellery

Largest jewellery retailer in the country
 3 manufacturing facilities
 4 state of the art karigar centers
 Studded jewellery manufactured mostly in-house
 Plain gold jewellery mostly outsourced



Eyewear

Titan Eyeplus: India's largest optical retail chain
 Integrated Lens & Frame manufacturing facility at Chikkaballapur
 Zero-error testing, Vision check online, Remote eye testing
 Tie-up with Sankara Nethralaya for training of staff and optometrists



Fragrances & Accessories, Indian Dress Wear

SKINN fragrances (*Crafted in France by celebrated perfumers, and distilled from the finest ingredients*) through World of Titan Channel, key departmental chains and E-commerce
 Fine French perfumes manufactured in India with attractive price points
 One of the highest selling perfumes in all departmental stores
 Taneira, Titan's youngest brand, anchored in special occasion wear Sarees from across India



Our Brands



Luxury



ZOYA

Premium



TANISHQ

Mid Market



TANEIRA
A TATA PRODUCT

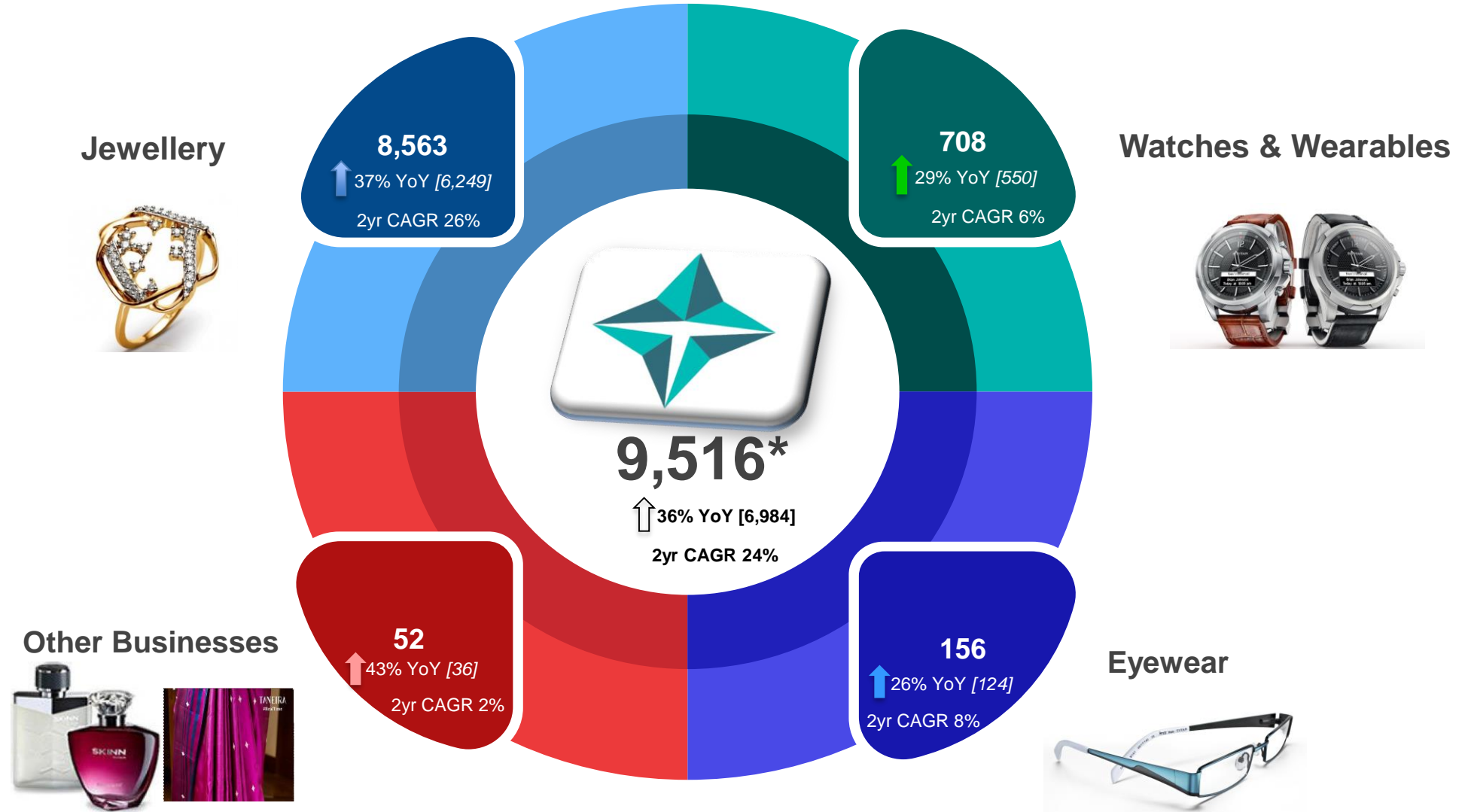


Mass Market



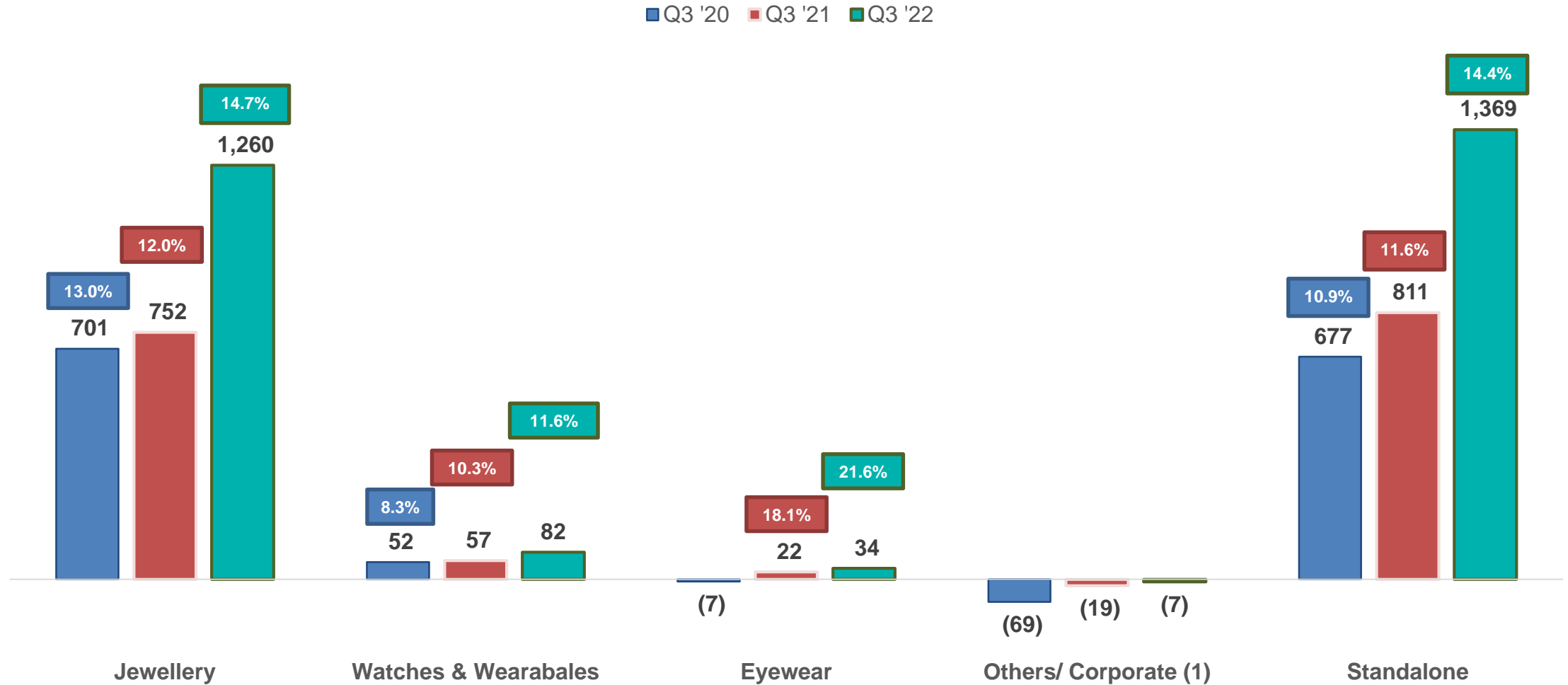
Q3 FY22 Performance

Q3 FY22 Revenue Highlights - Standalone



Figs in INR Crores; *Revenue includes Other Income; Figs in [] indicate revenue for Q3 FY21; Company & Jewellery figures exclude bullion sale

Q3 FY22 EBIT Highlights - Standalone



Figs in INR Crores except % that indicate EBIT margins before exceptional items; Others include Accessories, Fragrances and 'Indian Dress Wear' business

Q3 FY22 Performance – Key Segment Highlights

Jewellery

- Record quarterly sales driven by buoyant festive season demand in Oct & Nov 2021
- Both walk-ins and buyers exhibited 30%+ growth over Q3 FY21; Ticket sizes were stable YoY
- Tanishq’s regionalization strategy of winning in focus markets led to higher new buyer growth
- Wedding sales were 40% higher YoY along with higher contribution to total sales
- Both Plain & Studded categories grew ~35%+ YoY; Studded ratio at 26% in the overall mix saw marginal improvement over same period last year
- EBIT margins, the best in preceding 7 quarters, were driven by scale induced healthy operating leverage gains, better product mix and higher realization due to diamonds’ price appreciation
- GHS enrolments recorded high double digit growth rates driven by strong buyer uptick

Eyewear

- Division witnessed strong growth across brands, with good demand uptick seen in international brands
- In-house brands and international brands clocked growth rates of 22% and 45% YoY respectively
- Sales from Retail and Trade channels clocked growth rates of 25% and 51% YoY respectively
- The division accelerated its growth journey with opening of 53 stores (net) pan-India
- Titan EyeX – brand’s 3rd smart eyewear launch in Dec’21 saw encouraging early response; A unique youth oriented Fastrack store for prescription eyewear was launched in Bengaluru

Watches & Wearables

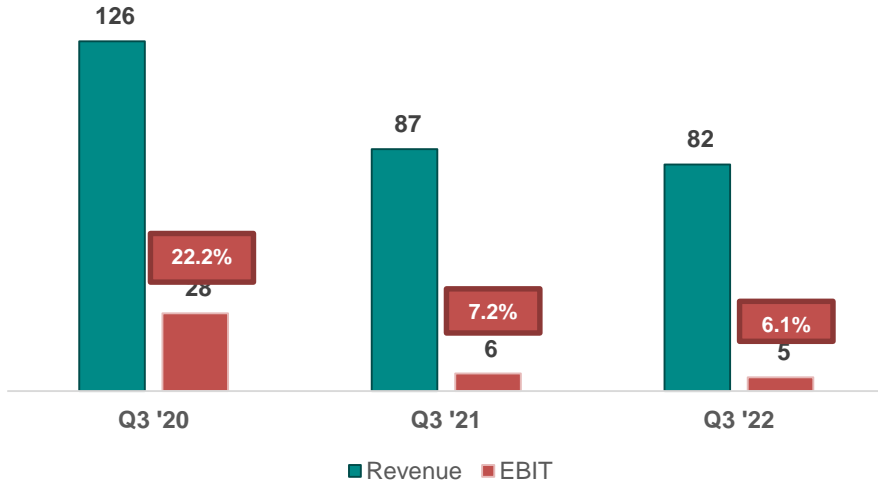
- Division witnessed good growth across all product brands; Multi brand channels, both online and offline, grew handsomely in the quarter
- The largest brand Titan grew by 26% YoY; Both Fastrack and International brands clocked higher growth rates of 35%+ YoY
- Sales from Retail channel grew by 25% YoY; Multibrand Retailers (Trade) and Large Format Stores (LFS) clocked growth rates of 37% and 81% YoY respectively on a lower base from last year due to adverse impact of Covid
- Growth in Tier-2 and Tier-3 towns was better than metros
- Titan Smart watch – an Alexa enabled device monitoring heart rate, sleep, stress, VO2 measurement, period tracker etc., was launched in Dec’ 21 and has met with huge success

Other businesses – Indian Ethnic Wear, Fragrances and Accessories

- The other segments of the Company comprising Indian Dress Wear (Taneira), Fragrances and Accessories witnessed good growth across all retail and departmental stores
- Both Accessories and Taneira clocked growth rates of 49% YoY, Fragrances grew by 33% YoY
- ‘Taneira’ opened 2 stores (Noida and Bangalore) taking the total store count for the business to sixteen covering seven cities

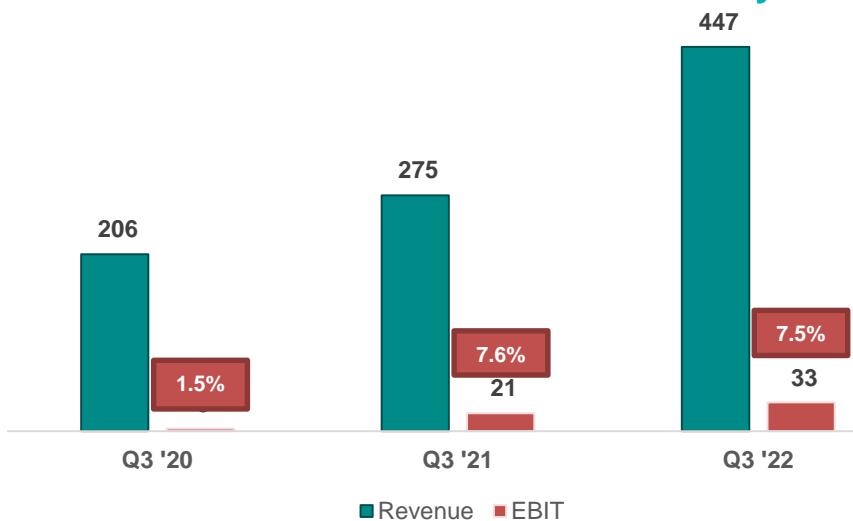
Q3 FY22 Performance – Key Subsidiaries Highlights

Titan Engineering & Automation Limited (TEAL) – Wholly-owned Subsidiary



- The Automation Solutions Business is showing encouraging signs in the market with new orders coming in from different industry verticals with exports showing similar traction
- The Aerospace Business has shown improvement over the previous year
- TEAL received 'Tata Innovista' award instituted by the Tata Group amongst all group companies for implementing the Process Automation of Distribution Assembly

CaratLane – 72.3% owned Subsidiary



- CaratLane continued to leverage on its omni-channel offerings to customers to achieve robust growth in sales during the festive period that was driven by retail growing by 76% YoY and online clocking 40% growth for the same period
- Company's operations through the US subsidiary saw the launch of, (i) a new exclusive CL US website in Dec'21 for targeted offerings and (ii) a new warehouse that was operationalized locally to reduce delivery timelines to 3 days for US consumers
- Studded (including solitaires) saw strong growth momentum across all price points
- In December, Company opened its first ever airport store at Bengaluru

Retail Network

	Net Additions (in 9M'22)			As on 31 st Dec'21		
	Stores (#)	Sq. Ft.		Stores (#)	Towns (#)	Sq. Ft.
Tanishq	29	110K		382	231	1.47mn
Zoya	0	0		4	3	18K
CaratLane	6	8K		129	47	120K
Mia	2	2K		42	19	15K
WOT	9	3K		520	232	413K
Fastrack	(5)	(4K)		163	83	79K
Helios	23	16K		126	52	101K
Titan Eye+	83	40K		682	276	428K
Taneira	2	1K		16	7	52K
Total	149	176K		2,064	323	2.7mn

Retail Growth – Q3 FY22 & 9M FY22

	Q3'22		9M'22	
	Sales value growth (%)	Like-to-Like growth (%)	Sales value growth (%)	Like-to-Like growth (%)
Tanishq	37%	31%	58%	50%
CaratLane	84%	56%	122%	86%
World of Titan	24%	22%	47%	45%
Fastrack	9%	11%	30%	32%
Helios	43%	30%	55%	41%
LFS (for Watches)	35%	33%	66%	65%
Titan Eye+	19%	10%	44%	35%

Note : Retail growth captures secondary sales in Titan branded retail stores (including franchisees) and LFS only whereas reported revenue (net of discounts, payouts & GST) captures secondary sales to consumers in L1 and L2 stores and primary sales to L3 stores, distribution partners and institutional clients

P&L – Q3 FY22 & 9M FY22 Standalone

in INR Crores	Q3 '20	Q3 '21	Q3 '22	YoY	9M '20	9M '21	9M '22	YoY
Revenue from Operations								
- Sale of products/ services	6,106	6,912	9,381	36%	15,362	12,055	19,082	58%
- Other operating revenue	100	375	134		219	1,412	852	
Other Income	20	37	55		106	147	170	
Total Income	6,226	7,324	9,570	31%	15,687	13,614	20,104	48%
COGS	4,663	5,693	7,171	26%	11,414	10,158	15,155	49%
Gross Contribution	1,563	1,631	2,399	47%	4,273	3,456	4,949	43%
Employee benefits expense	285	226	276	22%	796	660	815	23%
Advertising	141	86	172	100%	401	153	318	108%
Ineffective Hedge	1	58	0		18	740	(19)	
Other expenses	381	366	497	36%	1,137	850	1,168	37%
Total Overheads	808	736	945	28%	2,352	2,403	2,282	-5%
EBITDA	755	896	1,454	62%	1,921	1,054	2,667	153%
Depreciation & Amortization	78	84	85	1%	220	249	259	4%
EBIT	678	811	1,369	69%	1,701	804	2,408	199%
Less: Finance expense	40	46	52	13%	112	136	141	4%
PBT	637	765	1,317	72%	1,589	668	2,267	239%
Less: Exceptional Items	-	137	-		-	137	-	
Less: Tax	167	209	330	58%	429	183	578	216%
PAT	470	419	987	135%	1,160	348	1,689	385%

Note : Other operating revenue includes bullion sale of INR 54 cr. and INR 340 cr. in Q3'22 and Q3'21 respectively.
For YTD FY22, it includes bullion sale of INR 670 cr. and INR 1,332 cr. in 9M'22 and 9M'21 respectively.

P&L – Q3 FY22 & 9M FY22 Consolidated

in INR Crores	Q3 '20	Q3 '21	Q3 '22	YoY	9M '20	9M '21	9M '22	YoY
Revenue from Operations								
- Sale of products/ services	6,454	7,243	9,903	37%	16,150	12,738	20,150	58%
- Other operating revenue	73	376	134		190	1,413	853	
Other Income	23	40	57		112	129	158	
Total Income	6,550	7,659	10,094	32%	16,452	14,280	21,161	48%
COGS	4,863	5,900	7,501	27%	11,877	10,577	15,815	50%
Gross Contribution	1,687	1,759	2,593	47%	4,574	3,703	5,346	44%
Employee benefits expense	327	267	324	21%	915	775	954	23%
Advertising	168	105	208	98%	463	187	392	110%
Ineffective Hedge	1	58	0		18	740	(19)	
Other expenses	411	441	562	28%	1,213	964	1,316	36%
Total Overheads	906	871	1,094	26%	2,609	2,666	2,642	-1%
EBITDA	780	888	1,499	69%	1,965	1,037	2,704	161%
Depreciation & Amortization	88	96	98	77%	246	283	297	221%
Add : Share of Associate/ JV	(0)	-	(0)		(4)	(5)	0	
EBIT	693	792	1,401	77%	1,715	749	2,408	221%
Less: Finance expense	45	51	57	10%	123	152	157	3%
PBT	648	741	1,344	81%	1,592	597	2,251	277%
Less: Tax	174	211	332	57%	442	191	580	203%
PAT	474	530	1,012	91%	1,150	406	1,671	312%

Note : Other operating revenue includes bullion sale of INR 54 cr. and INR 340 cr. in Q3'22 and Q3'21 respectively.
For YTD FY22, it includes bullion sale of INR 670 cr. and INR 1,332 cr. in 9M'22 and 9M'21 respectively.

Total Income – Q3 FY22 & 9M FY22

Total Income ⁽¹⁾ (in INR Crores)	Q3 '20	Q3 '21	Q3 '22	YoY	9M '20	9M '21	9M '22	YoY	Mix - 9M'22
Jewellery	5,409	6,249	8,563	37%	12,984	10,877	17,136	58%	88%
Watches	625	550	708	29%	2,059	1,025	1,687	65%	9%
Eyewear	133	124	156	26%	436	248	383	54%	2%
Others / Corporate ⁽²⁾	59	61	89	46%	208	132	228	73%	1%
Standalone (w/o bullion sale)	6,226	6,984	9,516	36%	15,687	12,282	19,434	58%	100%
Jewellery - Bullion sale	-	340	54		-	1,332	670		
Standalone	6,226	7,324	9,570	31%	15,687	13,614	20,104	48%	
Caratlane	206	275	447	63%	474	468	899	92%	
TEAL	126	87	82	-6%	325	254	203	-20%	
Others/ Consol. Adj. ⁽³⁾	(7)	(27)	(4)		(34)	(57)	(44)		
Consolidated	6,550	7,659	10,094	32%	16,452	14,280	21,161	48%	

Note:

1. Total Income also includes other income.

2. Others include Accessories, Fragrances and 'Indian Dress Wear' business

3. Others include Favre Leuba AG, Titan Holdings International FZCO and Titan Commodity Trading Limited.

EBIT – Q3 FY22 & 9M FY22

EBIT (in INR Crores)	Q3 '20	Q3 '21	Q3 '22	Growth %
Jewellery	701	752	1,260	68%
Watches	52	57	82	45%
Eyewear	(7)	22	34	50%
Others/ Corporate ⁽¹⁾	(69)	(19)	(7)	
Standalone	677	811	1,369	69%
Caratlane	3	21	33	60%
TEAL	28	6	5	-21%
Others/ Consol. Adj. ⁽²⁾	(15)	(47)	(6)	
Consolidated	693	792	1,401	77%

9M '20	9M '21	9M '22	Growth %
1,527	983	2,260	130%
293	(111)	118	N.M
(16)	0	58	N.M
(103)	(68)	(28)	
1,701	804	2,408	199%
(7)	8	43	467%
57	31	3	-89%
(36)	(94)	(47)	
1,715	749	2,408	221%

EBIT Margin ⁽³⁾	Q3 '20	Q3 '21	Q3 '22
Jewellery	13.0%	12.0%	14.7%
Watches	8.3%	10.3%	11.6%
Eyewear	N.M	18.1%	21.6%
Standalone	10.9%	11.6%	14.4%
Consolidated	10.6%	10.8%	14.0%

9M '20	9M '21	9M '22
11.8%	9.0%	13.2%
14.2%	N.M	7.0%
N.M	N.M	15.2%
10.8%	6.5%	12.4%
10.4%	5.8%	11.7%

Note: 1. Others include Accessories, Fragrances and 'Indian Dress Wear' business.
 2. Others include Favre Leuba AG, Titan Holdings International FZCO and Titan Commodity Trading Limited.
 3. EBIT Margin is calculated on Total Income excluding Bullion sale.
 N.M refers to Non-meaningful.

Capital Employed – Standalone

in INR Crores	Segment Assets		Segment Liabilities		Capital Employed	
	31-Mar-21	31-Dec-21	31-Mar-21	31-Dec-21	31-Mar-21	31-Dec-21
Watches	1,932	2,156	678	843	1,254	1,312
Jewellery	8,646	11,055	7,130	9,568	1,516	1,487
Eyewear	414	442	221	242	193	201
Others	170	166	90	80	80	86
Corporate	4,698	5,996	188	222	4,510	5,774
Total	15,860	19,815	8,307	10,955	7,553	8,860

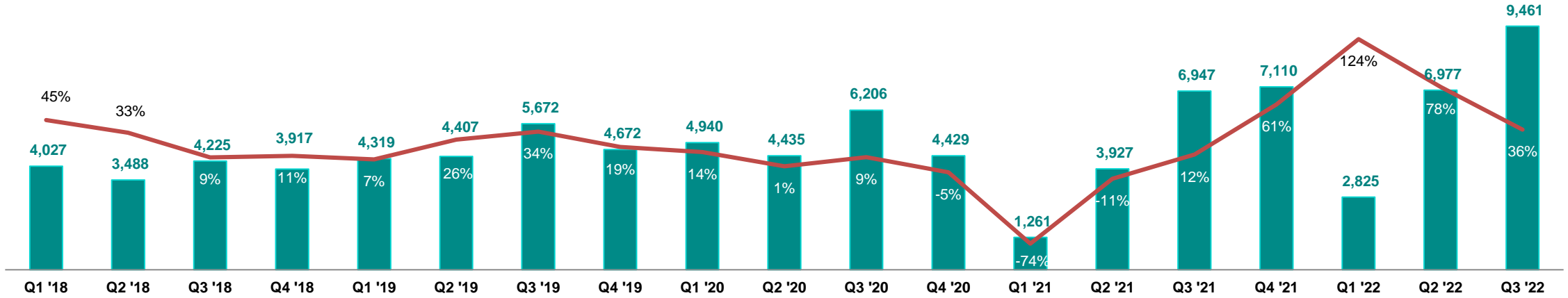
Note: Others include Accessories, Fragrances and 'Indian Dress Wear' business

Capital employed of Corporate includes increase in cash & cash equivalents (including short-term investments) from INR 3,200 cr+ in Mar-21 to INR 4,100 cr.+ in Dec-21

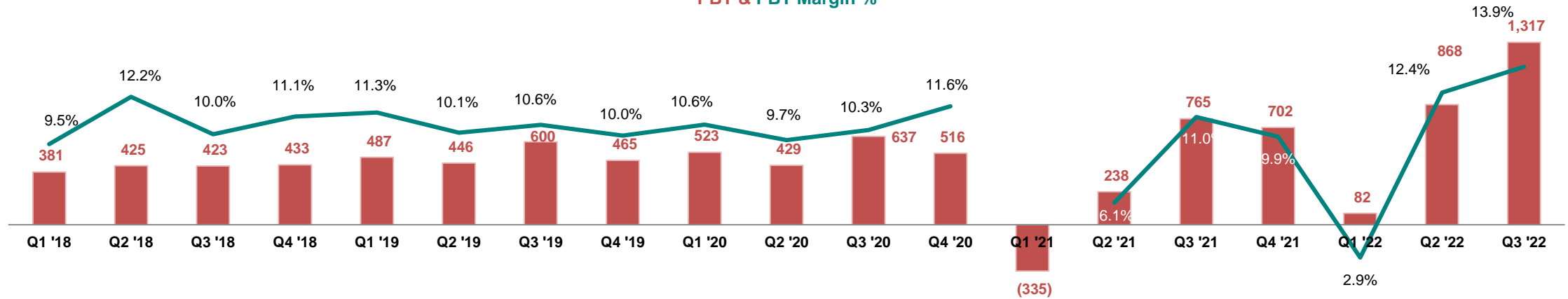
Performance Trends

Quarterly Performance Trends

Operating Revenue (Standalone) & Growth % YoY



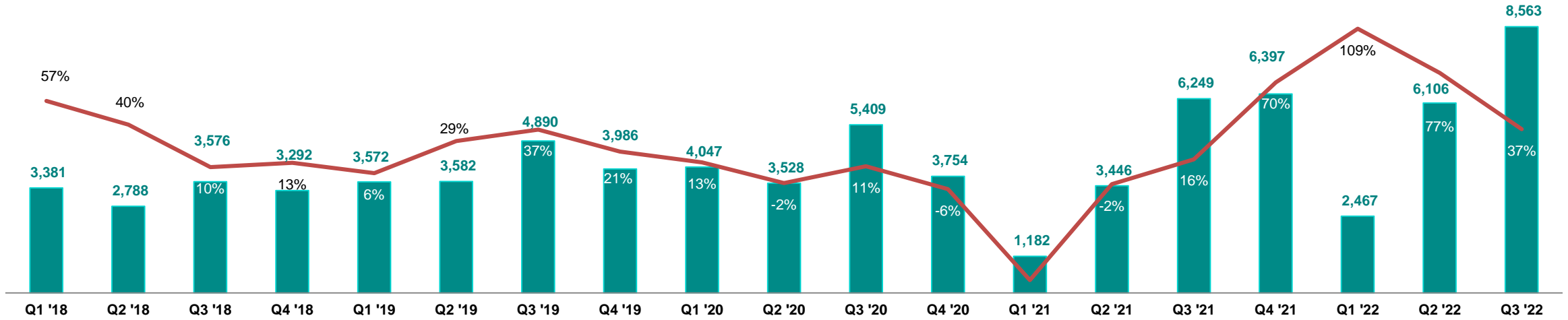
PBT & PBT Margin %



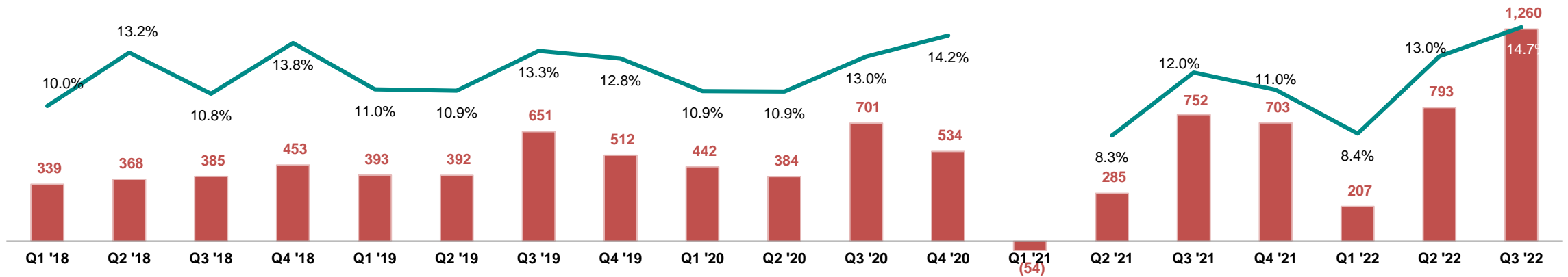
Note: 1. Figs in INR Crores
 2. Revenue excludes bullion sale
 3. PBT is before exceptional items

Quarterly Performance Trends

Jewellery Total Income & Growth % YoY



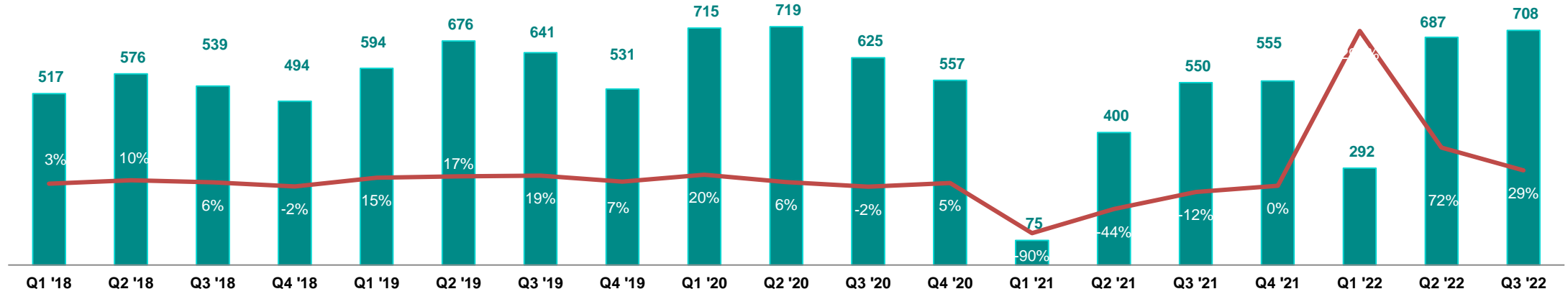
Jewellery EBIT & EBIT Margin %



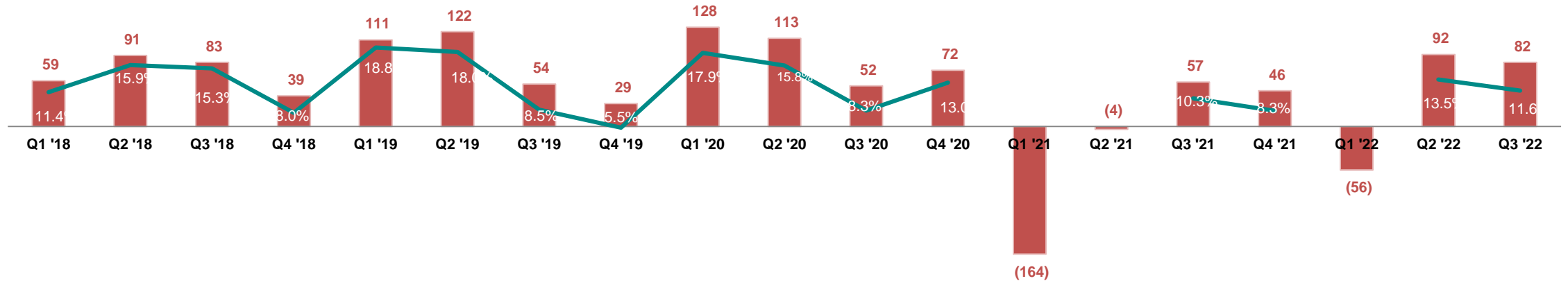
Note: Total Income excludes bullion sale

Quarterly Performance Trends

Watches & Wearables Total Income & Growth % YoY

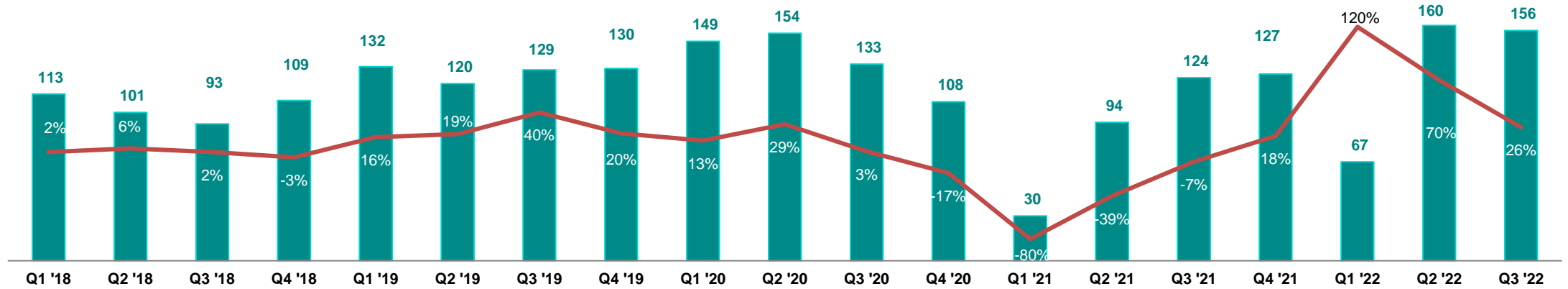


Watches & Wearables: EBIT & EBIT Margin %

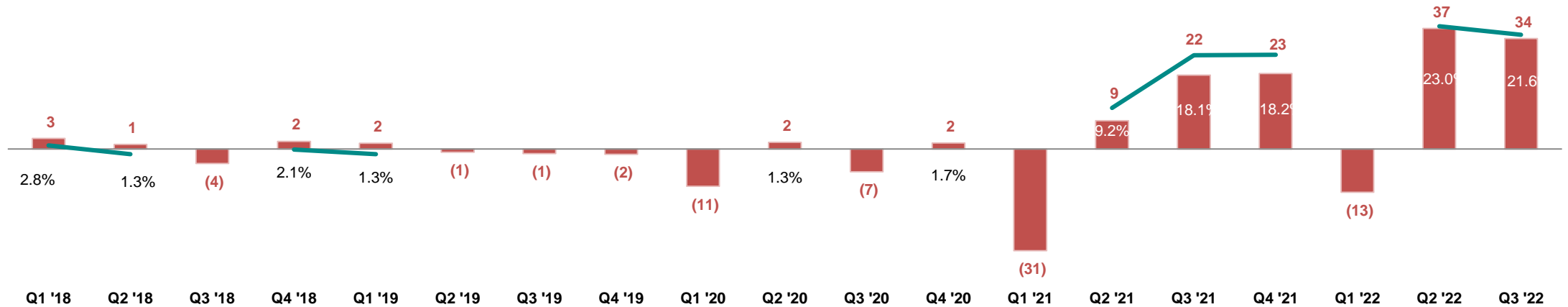


Quarterly Performance Trends

Eyewear Total Income & Growth % YoY

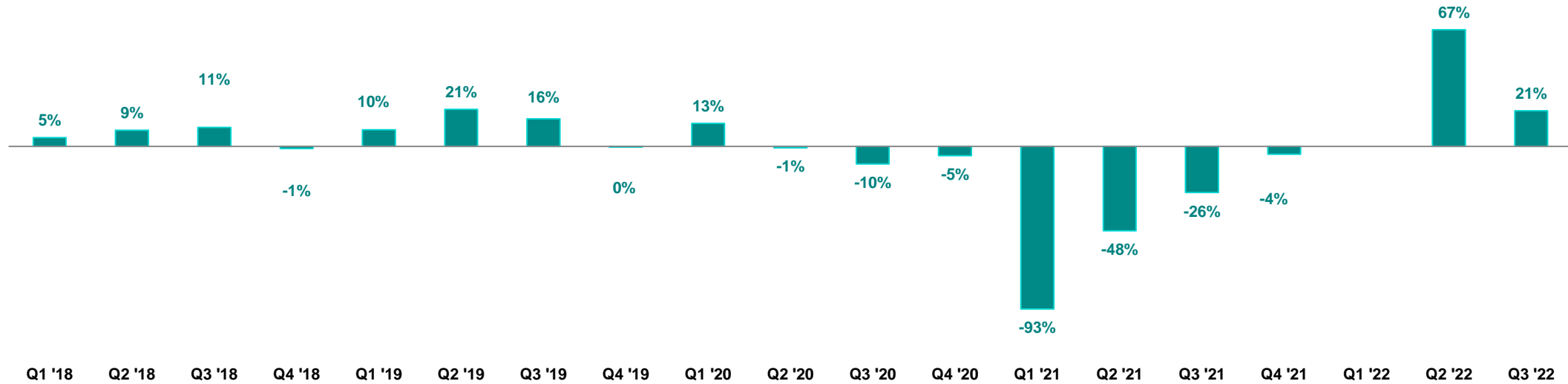


Eyewear EBIT & EBIT Margin %

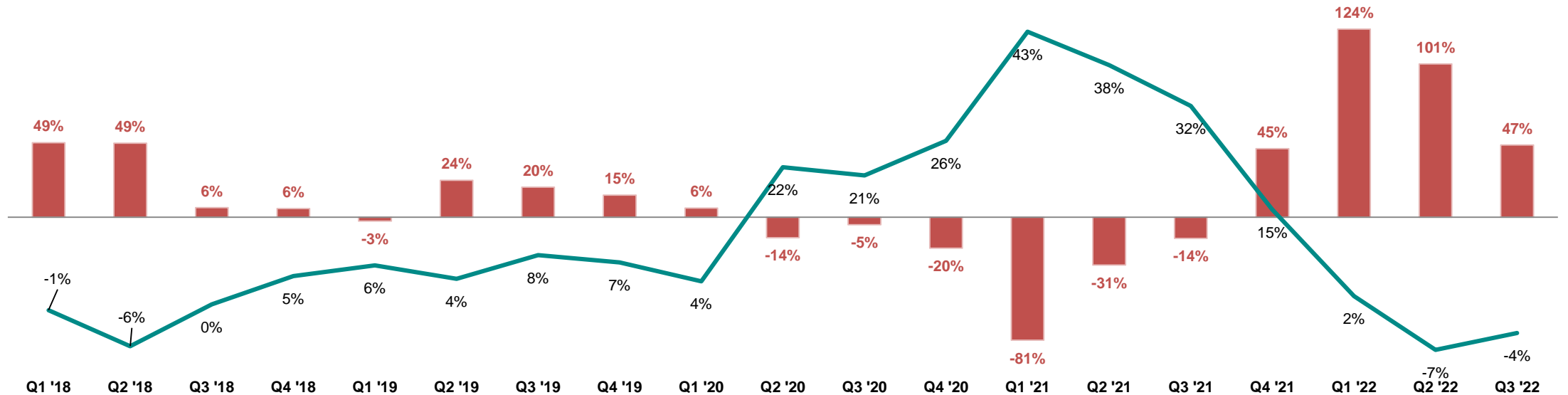


Quarterly Performance Trends

Watches & Wearables : Volume growth %



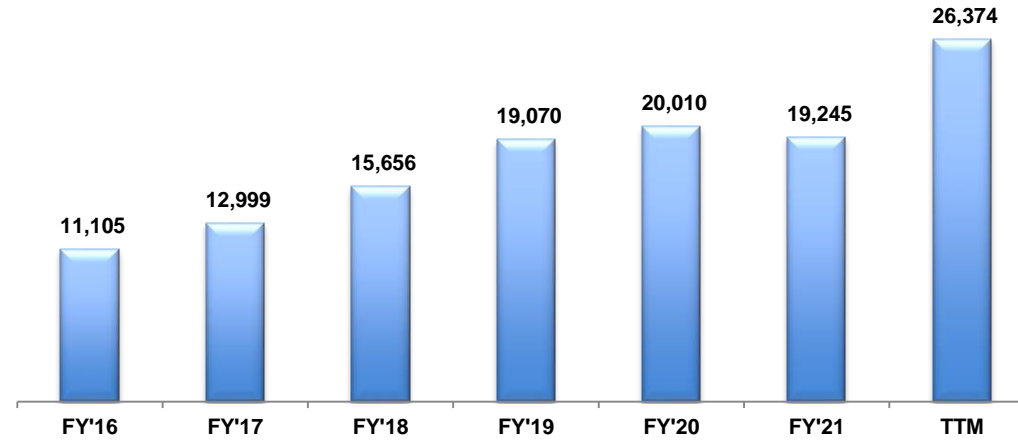
Jewellery: Gold price change (22 kt) % and Grammage growth %



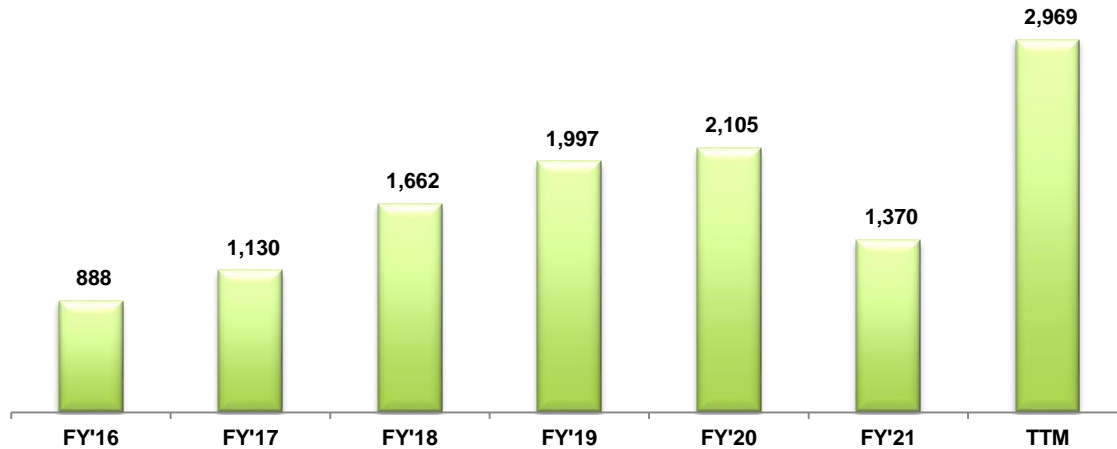
Note : Grammage Growth is for Plain Gold segment (excluding bullion)

Annual Performance Trends – Standalone

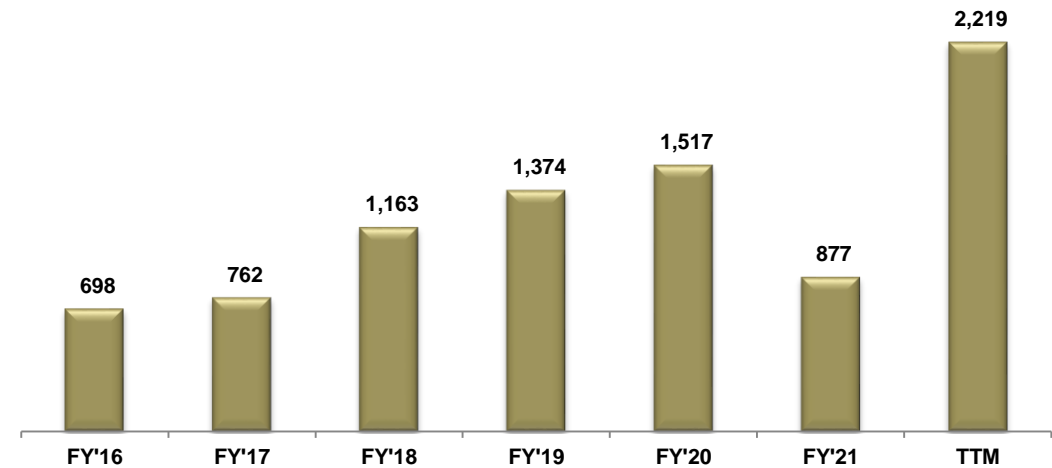
Company: Revenue



Company: PBT

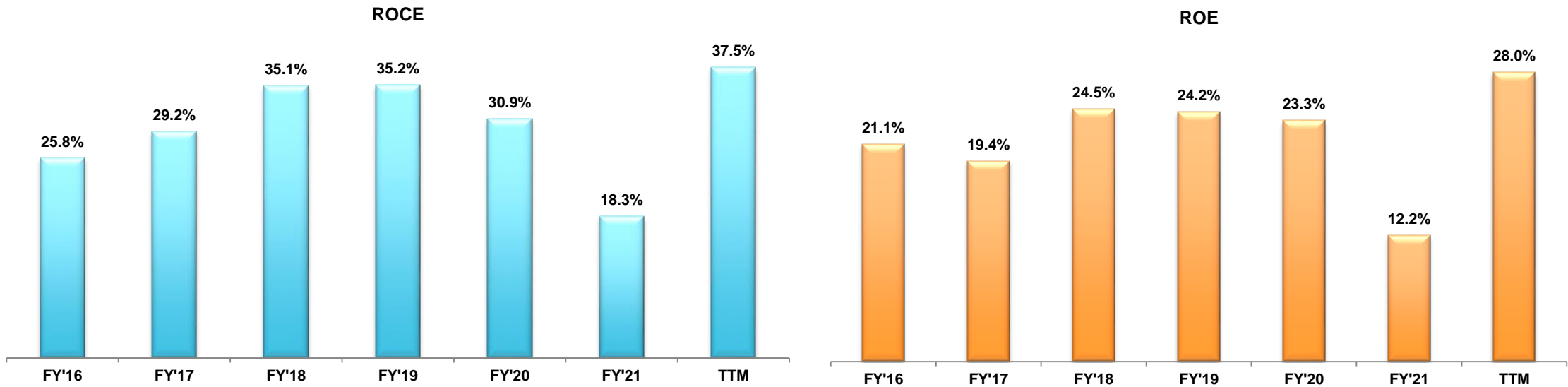
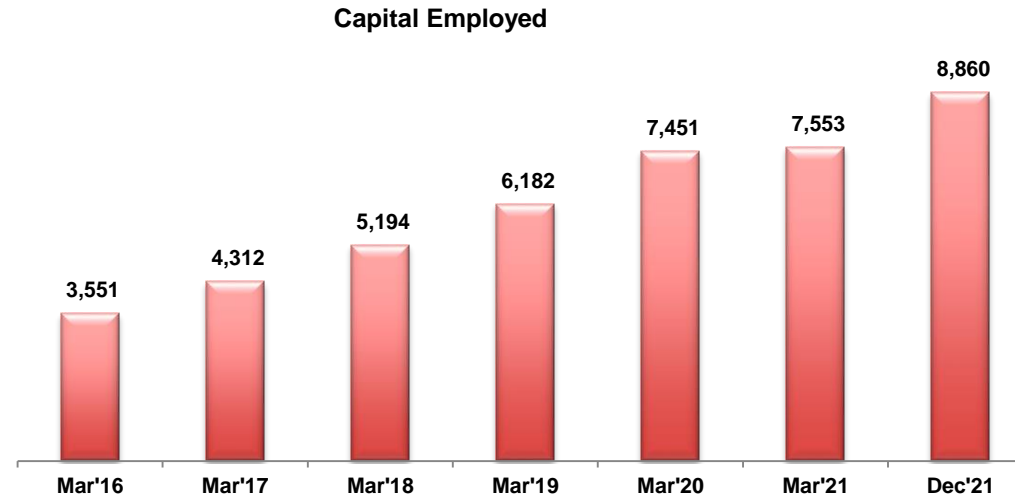


Company: PAT



Notes: 1. Figs in INR Crores; TTM: Trailing Twelve Months
 2. Company & Jewellery revenue excludes bullion sale of INR 1,357 cr. in FY'21 and INR 695 cr. in TTM

Annual Performance Trends – Standalone



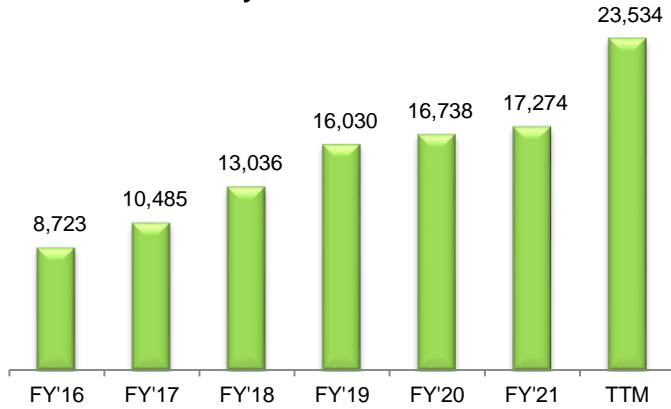
Note: 1. Capital Employed is after netting off Gold on Lease. PBT excludes exceptional items for ROCE calculations

2. Capital Employed include Cash & Cash Equivalents

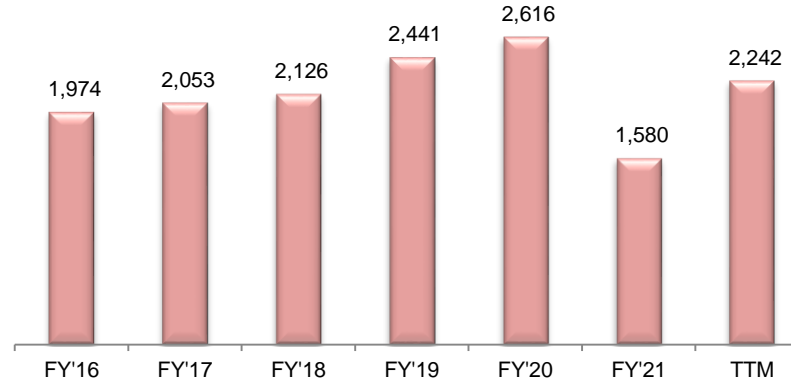
3. In ROE calculations, PAT excludes exceptional items of INR 137 cr., INR 70 cr., INR 92 cr and INR 96 cr. for FY'21, FY'19, FY'18 and FY'17 respectively.

Annual Performance Trends – Standalone

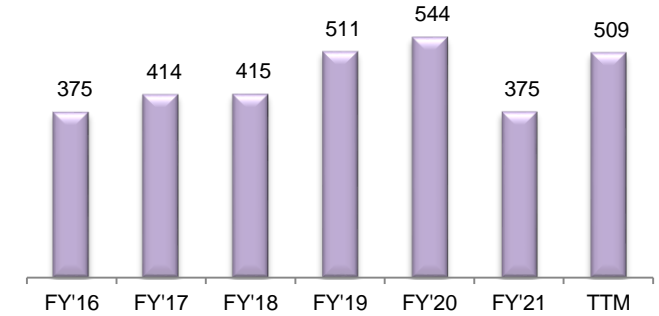
Jewellery: Total Income



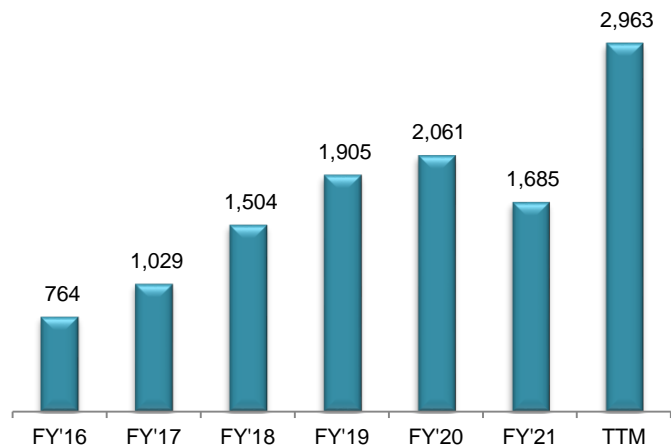
Watches: Total Income



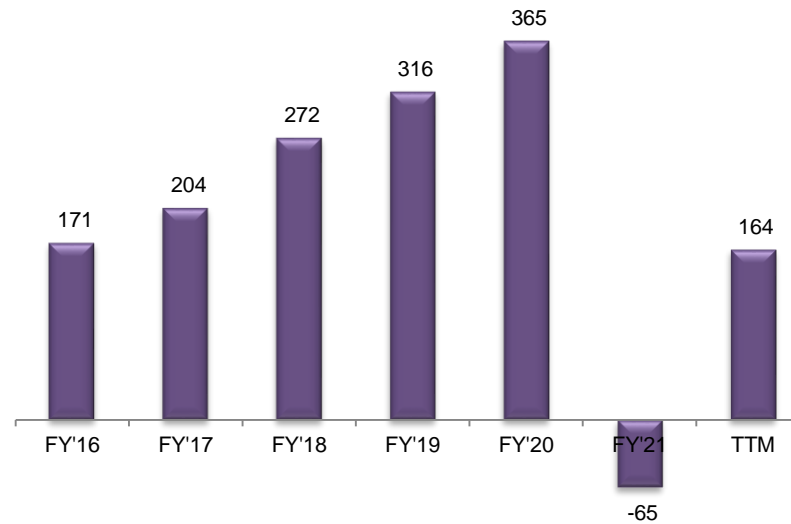
Eyewear: Total Income



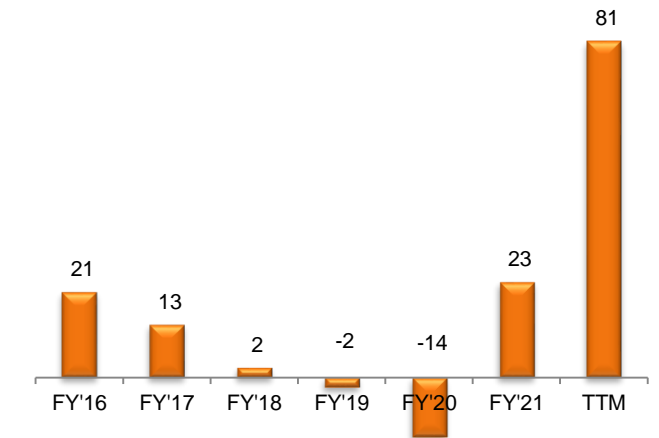
Jewellery: EBIT



Watches: EBIT

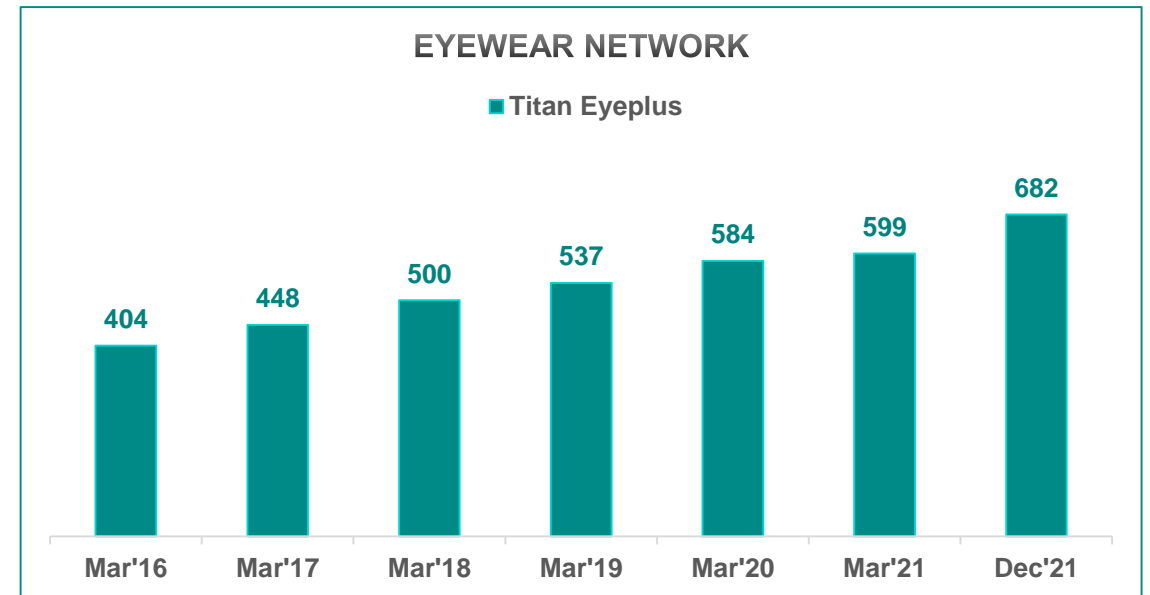
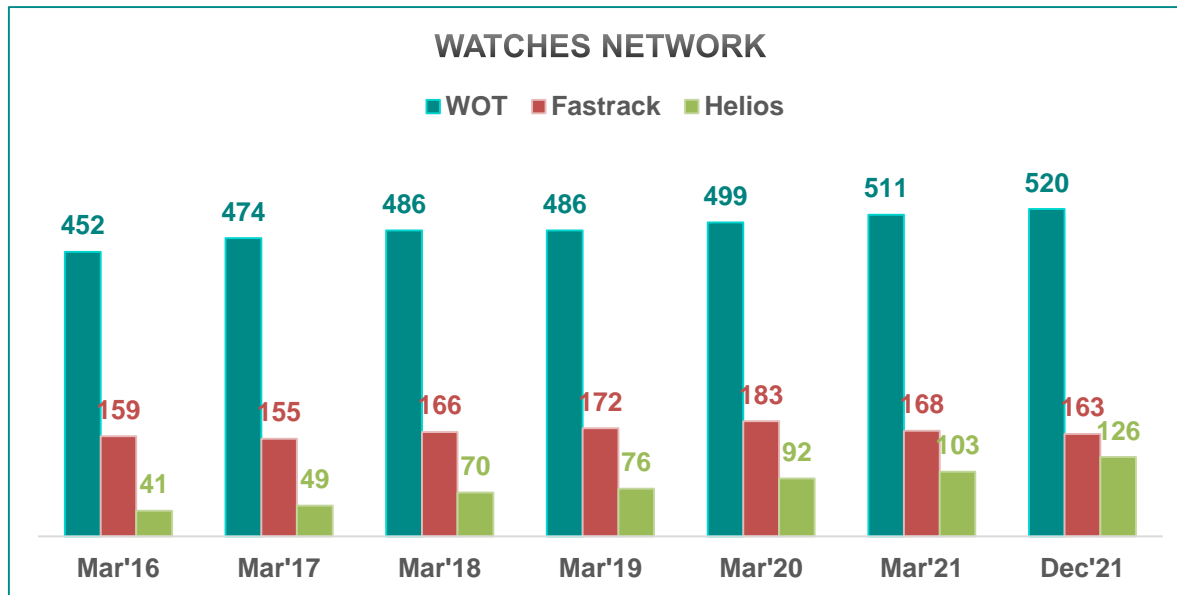
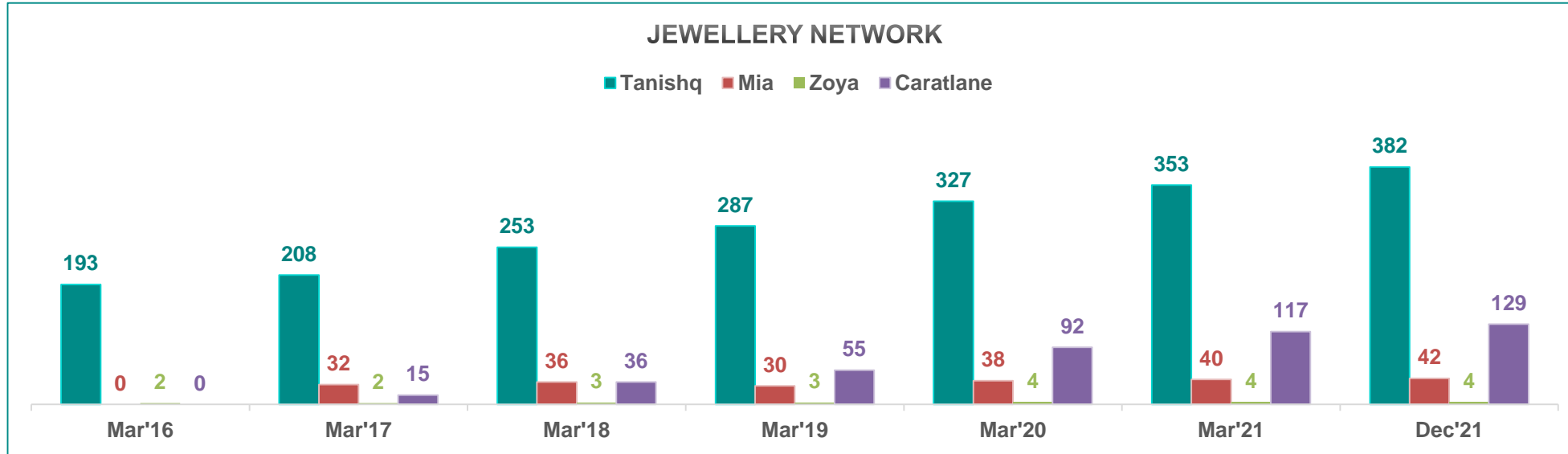


Eyewear: EBIT

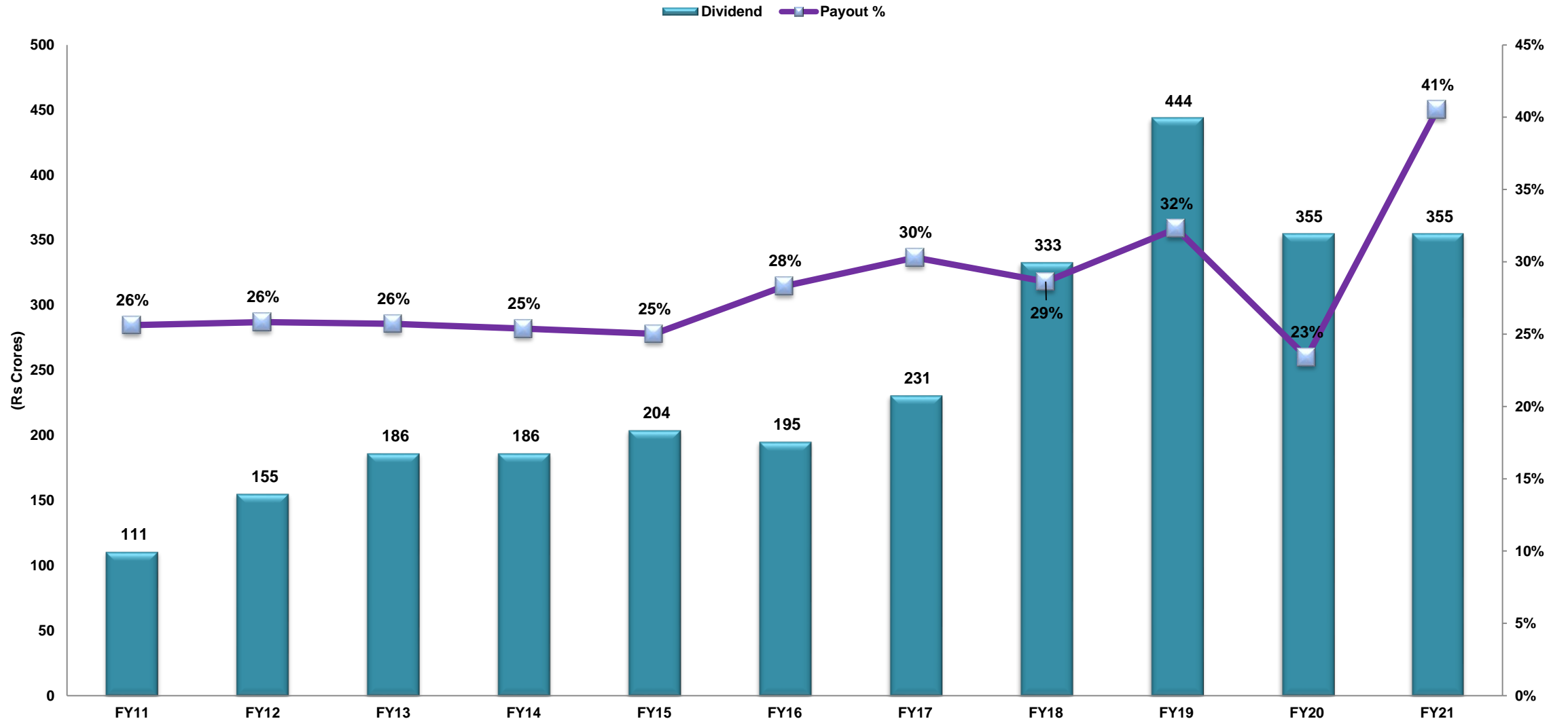


Notes: 1. Jewellery revenue excludes bullion sale of INR 1,357 cr. in FY'21 and INR 695 cr. in TTM

Retail Network Trend (#Stores)



Dividend

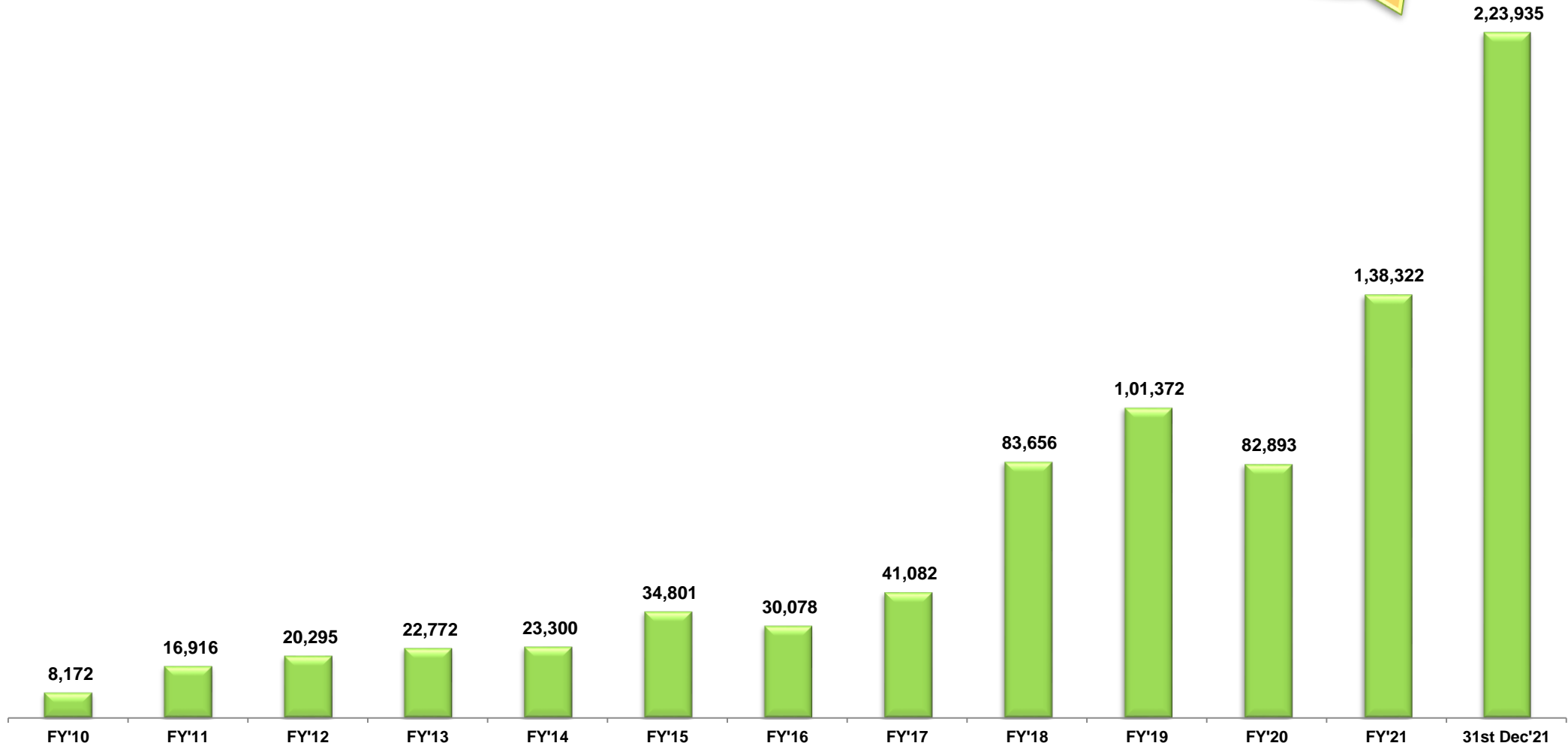


Note : Dividend payout ratios exclude Dividend Distribution Tax

Market Capitalization

(Rs Crores)

10 year
CAGR: 31%



Note: Based on Titan's closing prices on National Stock Exchange (NSE) at the end of respective periods

Key Awards – Product Designs

Eyewear



reddot winner 2021

FLEXX

Sustainable. Flexible. Lightweight

- First Red Dot award
- Titan's FLEXX eyewear has been crafted from sustainable natural wood & titanium
- This new collection won the award for its aesthetics, functional, smart & innovation design

Jewellery



reddot award
best of the best 2019

Product - Innovative Laser-Cut Tube Jewellery



- Designer's visualisation of contemporary forms using the unique technique combination of laser cutting with tubing resulted in extremely differentiated and never seen before 18K Fine Jewellery.

Watches & Wearables



reddot design award
winner 2013

EDGE
by TITAN



Sustainability @ Titan



CSR focus at Titan continues to be driven by broad themes of upliftment of the underprivileged girl child, skill development for the under privileged and support for Indian Arts, Crafts and Heritage. Titan actively continues to support local causes in the neighborhood as part of its responsible citizenship initiative.

Area	Key Initiatives
Girl Child / Education	<ul style="list-style-type: none"> Despite the challenges posed by the pandemic, girl child education and tribal children education continue to make progress through use of technology to reach out to the children. The number of Kanyas supported in the year stands at 17,300. Our science education programs in schools and teacher education program continues in right earnest.
Skill development for underprivileged	<ul style="list-style-type: none"> Both through online and in class means, skill development programs have progressed well in all our interventions – LEAP centre at Chennai, Govt., ITI's in TN, 13 colleges of AU and also the differently abled youth in Bangalore through APD. We have skilled 5,648 so far in the year including a healthy placement of these candidates.
Support to Indian Arts Crafts & heritage	<ul style="list-style-type: none"> Design interventions and support for market interventions continue in both the programs (Benares and Charaka in Shimoga). Onboarding of new craftsmen in the Project Tarasha – Creation of a platform for craftsmen continues.
Design Impact program	<ul style="list-style-type: none"> We continue to get encouraging responses for the registrations from the youths. We are conducting workshops for the youth as part of their learning engagement. Most of the grantees of the Design Impact Award program will be completing their engagement over the next three months.
Employee volunteering	<ul style="list-style-type: none"> The company has logged in about 4,500 man-hours of volunteering as part of its Footprints – Volunteering initiatives. Our Happy Eyes program has screened and reached out to over 22,000 individuals so far.
Others	<ul style="list-style-type: none"> 2.91 lakhs smiles we have brought back on the faces of people thus far – as part of our impact / reach.

Sustainability @ Titan



Area	Key Initiatives
Covid Support	<ul style="list-style-type: none"> We continue our community vaccination support. Till date we have covered 14,787 individuals. Need based support is also being extended in wave 3 of Covid spread. Grants to franchisees and vendors totaling to INR 7.7 cr during 9M FY22 were provided to enable them to pay salaries during the period of disruption. Additionally soft loan support was also provided at low interest rates. 95% of the loan is expected to be repaid by Mar'22 and balance in the next fiscal.
Environment	<ul style="list-style-type: none"> 2MW solar plant commissioned by Jewellery ISCM.
Other notable initiatives	<ul style="list-style-type: none"> Waste management – 62 tons of organic manure from Sewage treatment plant over past 3 months in W&W division. Reuse of STP recycled water for wash room application. Installation of emission control device in DG set – reduced by 80%. Multiple initiatives towards water conservation in urinals and also energy conservation projects in Eyewear plant. Established Oxygen Parks Oxygen Park at Terrace of Jewellery ISCM – 9 tons Carbon footprint reduction.
Recognitions	<ul style="list-style-type: none"> Titan Company Limited - Eye care Division 2021 AWARDS for its programs on energy efficiencies, from Bureau of energy efficiency, Ministry of Power.

Sustainability @ Titan – Some Glimpses



Titan Kanya – Diamond Harbour, West Bengal



Titan LeAP – Skilling



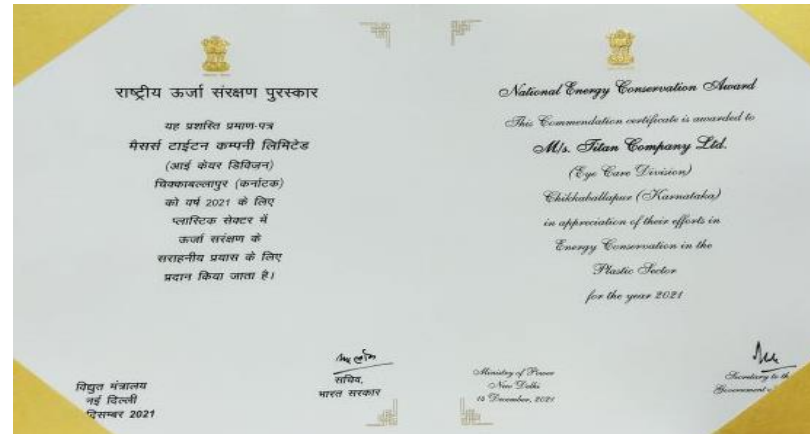
Community Vaccination 14,787 individuals covered



Project Happy Eyes



Solar Plant – Jew ISCM



**National Energy Conservation Award
Eye Care Division**



Roof Top Oxygen Park - Jew ISCM

Thank You

For any queries, please email to investor-relations@titan.co.in

