



SEC 52 / 2018-19

4<sup>th</sup> January 2019

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: Quarterly Update – Q3 FY 2018-19**

This is to provide the quarterly update for Q3 of FY 2018-19 as furnished in the attached document.

Thank you.

Yours truly,  
For TITAN COMPANY LIMITED

Dinesh Shetty  
General Counsel & Company Secretary

Encl. As stated

Titan Company Limited

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Registered Office No. 3, SIPCOT Industrial Complex Hosur 635 126 TN India, Tel 91 4344 664 199, Fax 91 4344 276037, CIN: L74999TZ1984PLC001456  
www.titan.co.in

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4th Jan, 2019

**Quarterly Update: Q3 FY '19**

The Company continued the good growth momentum across all its businesses in the seasonally strong third quarter as well, demonstrating the inherent strength of virtually all the brands in its portfolio, and the strong connect with our consumers. The company remains focused to deliver good and broad based growth across all its brands and channels while enhancing the capabilities and capacity in the company for the long-term growth. The aggressive retail network roll out during the year has led to the retail network crossing the 2 million sq. ft. mark during the quarter.

**Jewellery**

The division continued to witness strong same stores growth, reflecting continuing market share gains. Expansion of the store network continued as planned to benefit from the rising aspirations of the consumers in middle India to shop from the leading brands. Customer demand was buoyant in the festive season of Diwali-Dussehra. We expect the full year growth in Jewellery business to be around 22%.

Utsav collection, based on Heritage and Antique gold jewellery, was launched in October 2018 and has been receiving good customer response. Inspired by the beauty of the peacock, Preen collection was launched in party diamonds category. In the men's segment, Aveer 2 collection was launched at the end of last quarter.

The division added 27 Tanishq stores and closed 3, for the year to date, with the net retail space addition being approximately 65,000 sq. ft.

**Watches**

The division continued to launch exciting products and refreshing collections across brands – Titan, Fastrack and Sonata. Growth in the third quarter continued to be healthy after a strong growth in H1. Modern retail formats and e-commerce continue to lead the growth amongst all the channels.

The division made good progress in strengthening the smart products portfolio with the launch of the world's slimmest gesture control band, Reflex Wav that can change music, click pictures, reject and mute calls on phone and control presentations by a twist of wrist, apart from having all the other features of activity tracking and scrolling notifications on the band screen. SF Rush smart band, was launched under Sonata brand at very affordable price points to bring the smart products to average consumers beyond the tech enthusiasts.

Titan launched Grandmaster for men and Raga 'I Am' for women during the quarter.

Fastrack launched 3 new collections – 'Road Trip' inspired by Road Tripping & Travel, 'Topical Waters' for girls and 'Bold Font' for boys.

The slew of new product launches was backed by strong multi-channel campaigns to build awareness in the market. With significantly higher spends on advertising, the EBIT margins in watches segment will be substantially subdued in Q3.

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The division added 23 WOT stores and closed 18, added 17 Fastrack stores while closing 8 and for Helios added 7 stores while closing 4 stores during the year so far.

### **Eye Wear**

The division continues to benefit from recrafting of the strategy of increasing the assortment at more affordable price point in-line with our core brand proposition of expertise & styles at great value. Frame distribution business is also making good progress after the commencement of Frame manufacturing in this fiscal year, which will enable us to offer market-relevant products and to reach much deeper into the markets.

The division added 49 stores during the year to date and also closed 24 stores ending up with a net increase of about 16,000 sq. feet of retail space.

In both Prescription Eye Wear and Sunglasses segments, multiple new products were launched under Fastrack, Titan and Dash brands for Autumn Winter Collection.

### **New Businesses**

Skinn remained the best seller in its category in departmental chain stores, despite the international brands being on discounts during the quarter. The brand is meaningfully engaging with the customers through ground events and digital media, apart from the mass media advertisements.

Taneira opened its 2<sup>nd</sup> store in Delhi at South-Ex, taking total store count to 4. The new store has been receiving good response. The division launched a collection of bridal lehengas and sarees, accompanied with a digital campaign. Sourcing of merchandise and identification of right locations for new stores is making good progress.

### **Other initiatives**

In December, Company successfully completed its ECHO ('Educate to carry her onwards') campaign which was in collaboration with the Tata Group and Titan's business associate and international skater, Rana Uppalapati. As part of campaign, he achieved his goal of skating 6,000kms, to cover the Indian Golden Quadrilateral, in 95 days. Through this journey, Rana attended over 100 events that were organized in schools and colleges, sharing his experiences. The program created awareness among close to 6 lakh children on child safety, especially on 'good touch and bad touch' and has also raised funds to educate 18,000+ underprivileged girl children.

**For Titan Company Limited,**

**(Subramaniam S)**

**Chief Financial Officer**

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