



Trent Q4FY25 Standalone results were in line with our expectation with LFL growth @ mid-single digits in Fashion concept. Store additions were strong at 10 in case of Westside, 130 in case of Zudio. Overall fashion concept sqft increase QoQ stood at 18%

- **Revenue** recorded 29% growth on YoY basis to Rs 41,061mn aided by mid-single digit LFL in Fashion concept stores.
- **Per sqft Sales decline:** primarily due to the addition of several new stores in the last 10-15 days, which are yet to stabilize.
- **EBIDTA** margins stood at 16% as against 15% YoY. In absolute terms EBIDTA was up 37.5% YoY to Rs 6564 mn, on account of 270bps drop in gross margins.
- **EBIT margins (as mentioned in Press-Release):** stood at 9.3% Q4FY25 v/s 8.3% YoY.
- **Raw Materials to Revenue, rise, but inventory days fall:** RM to Revenue stood at 57.4% v/s 54.7% YoY and 55.3% QoQ, impacting gross margins however inventory days (on COGS) dropped to 80 days as against 87 days last year.
- **Employee Cost** on a QoQ basis witnessed a 2% growth to Rs 3072mn despite a significant no. of stores openings occurring towards the end of the quarter. Since these new stores were opened late in the period, their full impact on staffing costs is likely to reflect more prominently in the upcoming quarter.
- **PAT (adjusted)** rose 46% YoY to Rs 3,499mn. Last year Q4FY24 included a one-off gain of Rs 5,430mn from lease term reassessment under IND AS 116.
- **Full-year performance offers a more meaningful** view compared to Q4FY25 in isolation, with FY25 revenue rising 40% YoY to Rs 1,66,681mn, EBITDA increasing 42% to Rs 27,540mn, and PAT growing 54% to Rs15,848mn.

Financial Summary Standalone

Y/E Mar (Rs mn)	FY23	FY24	FY25	FY26e	FY27e
Net sales	77,152	119,266	166,681	216,147	273,309
% Growth	98.8	54.6	39.8	29.7	26.4
EBIDTA	11,193	19,269	27,540	36,806	47,949
Margins	15	16	17	17	18
PAT	5,546	10,292	15,848	21,277	28,343
growth (%)	113.5	85.6	54.0	34.3	33.2
EPS	15.6	29.0	44.6	59.9	79.7
P/E (x)	331.5	178.6	116.0	86.4	64.9
P/B (x)	59.7	41.3	31.1	23.4	17.5
EV/EBITDA (x)	164.6	95.5	66.8	49.6	37.6
ROCE (%)	18.3	26.1	29.4	31.6	32.4
RoE (%)	18.0	23.1	26.8	27.1	26.9

Source: Dalal and Broacha

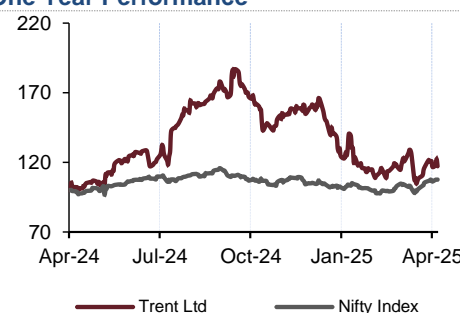
Rating	TP (Rs)	Up/Dn (%)
ACCUMULATE	6,109	18

Market data

Current price	Rs	5,171
Market Cap (Rs.Bn)	(Rs Bn)	1,838
Market Cap (US\$ Mn)	(US\$ Mn)	21,559
Face Value	Rs	1
52 Weeks High/Low	Rs	8345.85 / 4196
Average Daily Volume	('000)	1,474
BSE Code		500251
Bloomberg		TRENT.IN

Source: Bloomberg

One Year Performance



Source: Bloomberg

% Shareholding	Mar-25	Dec-24
Promoters	37.01	37.01
Public	62.99	62.99
Total	100	100

Source: Bloomberg

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Outlook

- Trent has the capability to grow at 25%+ CAGR over next few years.
- Outperformer in the entire retail apparel space where everyone is struggling.
- Selective refreshment of store footprint across concepts
- **Trent's longer-term focus** is to be a "*Portfolio of Brands*" which are originated and scalable, like Westside and Zudio that are now both profitable and sustainable business models.

Consolidated Results

- **Revenue** grew by 28% YoY to Rs 42169mn (-9% QoQ)
- **EBIDTA** margins stood at 15.5% v/s 14.2% YoY and 18.1% QoQ
- **PAT** adjusted owners shares stood at Rs 3181mn +18% YoY and was down by 36% QoQ
- Share of Profits from JV and Associates was a loss of 11mn as against Rs 419.3mn YoY.
- Our internal estimates indicate Star Bazaar has not broken even on Pat levels.

Other KTA's

- **LFL** for fashion stores recorded double digit growth for FY25 and mid-single digit
- The comparative micro market growth in FY25 was strong
- Differentiated product offerings and aesthetically designed stores are driving stronger customer engagement.
- RFID-enabled merchandise tracking has enhanced supply chain efficiency, supporting over 40% YoY volume growth in FY25.
- **Emerging categories** Emerging categories including beauty and personal care, innerwear and footwear contribute 20% to standalone Revenue
- **Online Revenue** through Westside.com and other Tata group platforms and currently contribute over 6% of Westside revenues and grew by 43%
- **Sales Per Sqft:** which we believe is on account of Westside stores being added towards the end of the quarter.

Presentation KTA's

Westside	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Growth YoY	Growth QoQ
Stores NO.s	232	228	226	238	248	6.9%	4.2%
Sq FT Mns	4.5	4.6	4.7	5.1	5.4	20.0%	5.9%
Cities	91	86	81	82	86	-5.5%	4.9%
Stores Opened		6	7	14	13		
Stores Consolidated		10	9	2	3		
Zudio	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Growth YoY	Growth QoQ
Stores NO.s	545	559	577	635	765	40.4%	20.5%
Sq FT Mns	5	5.2	5.5	6.2	7.9	58.0%	27.4%
Cities	163	164	184	190	235	44.2%	23.7%
Stores Opened			34	62	132		
Stores Consolidated			16	4	2		
Revenue STANDALONE	31869.3	39917.4	40355.6	45347	41061	28.8%	-9.5%
Average Sq FT							
Westside	19397	20175	20796	21429	21774	12.3%	1.6%
Zudio	9174	9302	9532	9764	10327	12.6%	5.8%
Sales Per Sq Ft STANDALONE	3355	4073	3956	4013	3087	-8.0%	-23.1%
Total Sq FT	9.5	9.8	10.2	11.3	13.3	40.0%	17.7%

Star Bazaar	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Growth YoY	Growth QoQ
Revenue (Rs Mns)	7350	8150	8980	9470	8570	16.6%	-9.5%
Stores NO.s	66	72	74	74	78	18.2%	5.4%
Sq FT Mns	1	1.1	1.2	1.2	1.3	30.0%	8.3%
Cities	10	10	10	10	10		
Own Brands	69	72	73	74	72		
LFL	24	22	14	10	2		
Average Sq Ft	15152	15278	16216	16216	16667	10.0%	2.8%

Source: Company

Quarterly Financials

TRENT Particulars (Rs Mns)	Q4FY25	Q4FY24	YoY Growth	Q3FY25	QoQ Growth
Revenue	41,061.0	31,869.3	28.8%	45,347.1	-9.5%
Raw Material	23,556.6	17,436.8	35.1%	25,073.8	-6.1%
Employee Cost	3,072.8	2,978.1	3.2%	3,010.4	2.1%
Rent Exps	3,063.7	2,855.1	7.3%	3,894.0	-21.3%
Other Expenses	4,804.0	3,826.6	25.5%	4,992.9	-3.8%
EBIDTA	6,563.9	4,772.7	37.5%	8,376.0	-21.6%
Depreciation	2,630.9	2,026.5	29.8%	2,393.4	9.9%
Interest	370.9	321.6	15.3%	362.6	2.3%
PBT (before O.Inc & Exceptional)	3,562.1	2,424.6	46.9%	5,620.0	-36.6%
Other Income	970.4	732.6	32.5%	563.6	72.2%
Exceptional Items		5,433.5			
PBT Reported	4,532.5	8,590.7	-47.2%	6,183.6	-26.7%
PAT (reported)	3,499.2	6,542.8	-46.5%	4,693.3	-25.4%
Adjusted PAT	3,499.2	2,404.6	45.5%	4,693.3	-25.4%
Equity	355.49	355.49	0.0%	355.49	0.0%
EPS (on adj)	9.84	6.76	45.5%	13.20	-25.4%
Tax Rate	23%	24%		24%	
% to Revenue					
Raw Material	57.4%	54.7%		55.3%	
Employee Cost	7.5%	9.3%		6.6%	
Rent Exps	7.5%	9.0%		8.6%	
Other Expenses	11.7%	12.0%		11.0%	
EBIDTA Margins	16.0%	15.0%		18.5%	
Westside Store	248	232	7%	238	4.2%
Zudio Store	757	545	39%	635	19.2%
Other concepts	34	34	0%	34	0.0%
Total Stores	1039	811	28%	907	14.6%
CONDOLIDATED	Q4FY25	Q4FY24	YoY Growth	Q3FY25	QoQ Growth
Revenue	42169.40	32977.00	28%	46565.60	-9%
EBIDTA Margins	15.5%	14.2%		18.1%	
PAT (owners share)	3181.50	2702.28	18%	4972.50	-36%
Sh of Pft/ Loss of JV	-11.00	419.30	-103%	262.30	-104%

Source: Company

Outlook and valuations

Trent SOTP Method					
Segment	Particulars	FY27	Metric	Multiple (X)	Value/ Per Share Contribution
West side + Zudio PAT	PAT Standalone (Rs Mns)	28343	P/E	70	1,984,016
Star Bazaar 50% JV	Sales (Rs Mns)	31615	P/Sales	4	126,460
Booker India 51%	Sales (Rs Mns)	3855	P/Sales	4	15,420
Less: Debt (Rs Mns)					4,992
Add: Cash + Invest (Rs Mns) less Inv in Subs					50,825
Total Value in Mns					2,171,729
NO. of Shares (In Mns)					355
Value Per Share Rs					6,109
CMP					5,171
Upside					18%

Source: Dalal & Broacha Research,

Trent Ltd has shown strong growth in its recent financial performance, the company achieved a **CAGR of over 51.8% in revenue** and **55% in profit before tax (PBT)** since Q4 FY21.

For the full fiscal year 2025, Trent reported a **CAGR of 39% in revenue** and **53% in PBT** compared to FY20.

Notably, emerging categories contributed **20% of standalone revenue** in Q3 FY25, which are expected to improve margins.

Growth drivers for the future include:

Star Business Progressing Well: The Star segment continues to perform strongly, with the share of own brands increasing from 69% in Q4 FY24 to 72% in Q4 FY25. Proven strategies from Westside and Zudio are being effectively leveraged in StarBazaar, positioning it for further operational gains. With 78 stores, including 12 additions during the year, the segment holds significant growth potential and is well-placed to emerge as the next engine of growth for Trent.

Conclusion:

Looking ahead, Trent is well-positioned to sustain its robust growth trajectory, with **a projected CAGR of over 25%** over the next few years, even on an elevated base. The strong pipeline of store additions, particularly in Zudio towards the latter part of FY25, is expected to meaningfully contribute to growth in FY26. Continued focus on expanding differentiated offerings, enhancing customer experience, and leveraging operational efficiencies should further strengthen the company's competitive edge. While recovery in same-store sales growth across fashion and Star formats remains a key near-term monitorable, underlying business fundamentals remain strong, supporting a positive long-term outlook.

We have revised our numbers post-Q4 FY25 and have set a target price of Rs 6,109 (on SOTP basis) for Trent, with a 12-month outlook. Our valuation now excludes any contribution from Zara. In conclusion, we recommend that investors to "Accumulate" shares of Trent Ltd at the current price of Rs 5,171. The company is expected to continue outperforming its competitors.

Financial (Standalone)

P&L (Rs mn)	FY23	FY24	FY25	FY26E	FY27E
Net Sales	77,151.9	119,265.6	166,681.1	216,147.1	273,308.8
Cost of sales	(65,959.4)	(99,996.3)	(139,141.1)	(179,341.2)	(225,360.0)
Operating Profit	11,192.5	19,269.3	27,540.0	36,805.9	47,948.8
Depreciation	(4,632.1)	(6,385.2)	(8,698.6)	(10,401.4)	(12,224.3)
PBIT	6,560.4	12,884.1	18,841.4	26,404.5	35,724.4
Other income	4,117.0	3,509.3	3,293.7	3,598.2	3,937.9
Interest	(3,572.3)	(3,093.7)	(1,368.9)	(1,569.0)	(1,785.7)
Profit before tax	7,105.1	13,299.7	20,766.2	28,433.7	37,876.6
Exceptional and Extra Ordinary	-	5,433.5	-	-	-
PBT (Post Extra Ordinary)	7,105.1	18,733.2	20,766.2	28,433.7	37,876.6
Provision for tax	(1,559.4)	(4,375.0)	(4,917.8)	(7,156.8)	(9,533.5)
Reported PAT	5,545.7	14,358.2	15,848.4	21,276.9	28,343.1
MI	-	-	-	-	-
Adjusted PAT	5,545.7	10,292.2	15,848.4	21,276.9	28,343.1
Balance Sheet	FY23	FY24	FY25	FY26E	FY27E
Equity capital	355.5	355.5	355.5	355.5	355.5
Reserves	30,443.9	44,116.4	58,788.5	78,288.1	104,853.8
Net worth	30,799.4	44,471.9	59,144.0	78,643.6	105,209.3
Non Current Liabilities	41,965.7	15,081.5	17,997.3	20,210.6	22,609.8
Current Liabilities	10,446.1	15,027.4	19,847.4	23,116.5	26,796.3
CAPITAL EMPLOYED	83,211.2	74,580.8	96,988.7	121,970.7	154,615.4
Non Current Assets	57,546.6	39,002.2	54,444.2	54,983.4	54,374.1
Fixed Assets	44,074.2	25,616.1	37,786.0	38,323.1	37,711.2
Non Current Investments	11,917.9	12,820.0	16,189.7	16,189.7	16,189.7
Deferred Tax Asset	1,540.3	553.4	457.8	457.8	457.8
Long Term Loans and Advances	14.2	12.7	10.7	12.8	15.4
Current Assets	25,664.6	35,578.6	42,544.5	66,987.3	100,241.2
Current investments	4,564.8	6,201.8	5,166.4	6,166.4	7,166.4
Inventories	13,368.8	15,648.1	20,283.8	26,329.8	33,316.8
Trade Receivables	314.3	786.0	596.2	773.9	979.3
Cash and Bank Balances	788.7	2,861.9	3,228.9	17,794.2	39,671.1
Short Term Loans and Advance	167.9	168.5	177.6	213.1	255.7
Other Current Assets	6,460.1	9,912.3	13,091.6	15,709.9	18,851.9
CAPITAL DEPLOYED	83,211.2	74,580.8	96,988.7	121,970.7	154,615.4

Cash Flow St. (Rs. mn)	FY23	FY24	FY25	FY26E	FY27E
Net Profit	5,545.7	14,358.2	15,848.4	21,276.9	28,343.1
Add: Dep. & Amort.	4,632.1	6,385.2	8,698.6	10,401.4	12,224.3
Cash profits	10,177.8	20,743.4	24,547.0	31,678.3	40,567.4
(Inc)/Dec in					
Sundry debtors	(151.0)	(471.7)	189.8	(177.7)	(205.4)
Inventories	(5,144.3)	(2,279.3)	(4,635.7)	(6,046.0)	(6,987.0)
Loans/advances	(1,648.1)	(3,451.3)	(3,186.4)	(2,656.0)	(3,187.2)
Current Liab and Provision	5,213.6	5,576.3	4,864.3	3,429.2	3,855.8
Change in working capital	(1,729.8)	(626.0)	(2,768.0)	(5,450.5)	(6,523.7)
CF from Oper. activities	8,448.0	20,117.4	21,779.0	26,227.8	34,043.7
CF from Inv. activities	(2,418.5)	9,533.8	(23,202.8)	(11,938.4)	(12,612.5)
CF from Fin. activities	(5,984.6)	(27,578.0)	1,790.8	275.9	445.7
Cash generated/(utilise	44.9	2,073.2	367.0	14,565.3	21,876.9
Cash at start of the year	743.8	788.7	2,861.9	3,228.9	17,794.2
Cash at end of the year	788.7	2,861.9	3,228.9	17,794.2	39,671.1
Ratios	FY23	FY24	FY25	FY26E	FY27E
OPM	14.5	16.2	16.5	17.0	17.5
NPM	6.8	8.4	9.3	9.7	10.2
Tax rate	(21.9)	(32.9)	(23.7)	(25.2)	(25.2)
Growth Ratios (%)					
Net Sales	98.8	54.6	39.8	29.7	26.4
Operating Profit	60.3	72.2	42.9	33.6	30.3
PBIT	58.0	96.4	46.2	40.1	35.3
PAT	113.5	85.6	54.0	34.3	33.2
Per Share (Rs.)					
Net Earnings (EPS)	15.6	29.0	44.6	59.9	79.7
Cash Earnings (CPS)	28.6	46.9	69.1	89.1	114.1
Dividend	2.2	3.2	5.0	5.0	5.0
Book Value	86.6	125.1	166.4	221.2	296.0
Free Cash Flow	17.0	83.4	(4.0)	40.2	60.3
Valuation Ratios					
P/E(x)	331.5	178.6	116.0	86.4	64.9
P/B(x)	59.7	41.3	31.1	23.4	17.5
EV/EBIDTA(x)	164.6	95.5	66.8	49.6	37.6
Div. Yield(%)	0.0	0.1	0.1	0.1	0.1
FCF Yield(%)	0.3	1.6	(0.1)	0.8	1.2
Return Ratios (%)					
ROE	18.0	23.1	26.8	27.1	26.9
ROCE	18.3	26.1	29.4	31.6	32.4

Source: Dalal & Broacha Research, Company

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