

Q3 FY13 – Investor Update

Business Highlights

The company's standalone business, posted a total income from operation of ₹362 crore and EBIDTA of ₹38 crore. The standalone business primarily includes its home and consumer durables retailing business. The financial numbers are not comparable with September 2012 quarter due to the demergers of its lifestyle fashion businesses that included Central, Brand Factory, Pantaloons, among others.

The company's largest subsidiary, Future Value Retail Limited (FVRL) operates Big Bazaar and Food Bazaar chains. FVRL's posted a total income of ₹1,954 crore for quarter ended September 2013, compared to ₹1,835 crore for quarter ended September 2012, marking a growth of 6.5%. The company posted an EBIDTA of ₹173 crore for quarter ended September 2013, compared to ₹145 crore, marking a growth of 19.1%.

The company's continued focus on improving efficiencies and productivity at stores and its merchandise mix helped gross margins improve from 25.1% to 25.7% year-on-year and EBIDTA margins improving from 7.9% to 8.9% year-on-year.

The company's core retail business that includes all its retail business posted a turnover of ₹2,317 crore and an EBIDTA of ₹211 crore. The company is in the process of merging its wholly-owned subsidiary FVRL with itself and regulatory approval is pending on this process.

Same Store Sales Growth

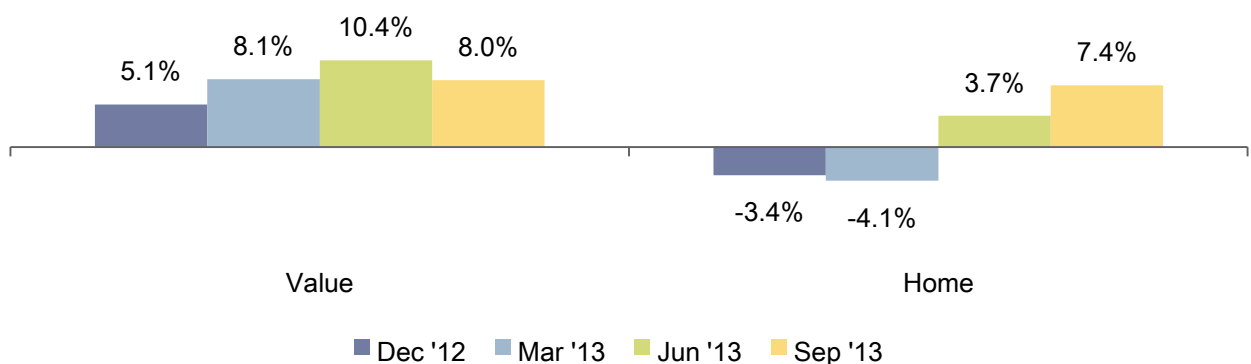
The Same Store Sales Growth for FVRL, which operates Big Bazaar is 8%, while that for its standalone business, which includes its home and consumer durables chains Home Town and eZone is 7.4%.

Store Additions

During the quarter, Big Bazaar added its 12th Kolkata store and 11th store Mumbai store; strengthening its position in these cities. It also established its presence in Agartala and Kochi by adding its first Big Bazaar store in each of these cities. During the quarter the company also opened eZone stores in Bengaluru, Ahmedabad, Mumbai and Mysore. The company also added HomeTown Express stores in Hyderabad and Lucknow.

The total gross addition during the quarter was 0.26 million sq feet space and total operational area increased from 10.27 million sq ft in the previous quarter to 10.34 million sq ft space.

Same Store Sales (%)



FRL Standalone – P&L Summary

Particulars (₹ cr.)	3 months ended			9 months ended	
	30-Sep-13	30-Jun-13	30-Sep-12	30-Sep-13	30-Sep-12
Net Sales	356	338	1,192	1,057	3,416
Other Operating Income	6	8	33	21	100
Total income from Operations	362	346	1,225	1,078	3,516
Purchase of stock-in-trade	272	291	850	773	2,316
Changes in inventories	(25)	(55)	(71)	(27)	(80)
Gross Profit	116	110	446	331	1,280
Gross Margin %	32.0%	31.8%	36.4%	30.7%	36.4%
Employee benefits expense	15	17	56	46	166
Rent including lease rentals	27	26	132	80	380
Other Expenditures	41	39	133	117	344
Total Operating Expense	83	82	322	243	889
Other Income	5	4	9	11	13
EBITDA	38	32	133	100	404
EBITDA Margin %	10.4%	9.4%	10.8%	9.2%	11.5%
Depreciation and amortisation	24	24	53	68	152
EBIT	14	9	80	31	251
Finance Costs	30	23	81	69	241
PBT before exceptional	(16)	(14)	(2)	(38)	10
Profit on sale of investment	-	-	13	(0)	272
PBT after exceptional	(16)	(14)	11	(38)	282
Tax Expenses	(6)	(5)	3	(13)	7
PAT	(10)	(9)	9	(24)	276

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FVRL – P&L Summary

Particulars (₹ cr.)	3 months ended			9 months ended	
	30-Sep-13	30-Jun-13	30-Sep-12	30-Sep-13	30-Sep-12
Net Sales	1,906	1,878	1,796	5,707	5,433
Other Operating Income	48	32	39	124	100
Total income from Operations	1,954	1,910	1,835	5,831	5,533
Purchase of stock-in-trade	1,470	1,456	1,491	4,393	4,347
Changes in inventories	(18)	(35)	(116)	(23)	(186)
Gross Profit	502	489	461	1,461	1,373
Gross Margin %	25.7%	25.6%	25.1%	25.1%	24.8%
Employee benefits expense	68	69	67	204	205
Rent including lease rentals	104	100	99	303	297
Other Expenditures	158	158	153	471	455
Total Operating Expense	331	328	320	978	956
Other Income	1	2	4	4	4
EBITDA	173	163	145	487	421
EBITDA Margin %	8.9%	8.5%	7.9%	8.4%	7.6%
Depreciation and amortisation	56	55	44	164	127
EBIT	117	108	101	323	294
Finance Costs	114	106	95	319	276
Excetional Items	0	0	77	0	77
PBT	3	2	83	4	95
Tax expense	1	1	26	1	30
Net profit	2	2	57	3	65

Core Retail – P&L Summary

Particulars (₹ cr.)	3 months ended			9 months ended	
	30-Sep-13	30-Jun-13	30-Sep-12	30-Sep-13	30-Sep-12
Net Sales	2,263	2,217	3,021	6,764	8,882
Other Operating Income	54	39	39	145	168
Total income from Operations	2,317	2,256	3,060	6,909	9,049
Purchase of stock-in-trade	1,742	1,746	2,341	5,166	6,663
Changes in inventories	(44)	(90)	(187)	(50)	(266)
Gross Profit	618	599	907	1,793	2,652
Gross Margin %	26.7%	26.6%	29.6%	25.9%	29.3%
Employee benefits expense	83	86	124	250	370
Rent including lease rentals	131	126	232	382	677
Other Expenditures	200	197	287	588	799
Total Operating Expense	414	409	642	1,221	1,846
Other Income	6	6	13	15	18
EBITDA	211	196	278	587	824
EBITDA Margin %	9.1%	8.7%	9.1%	8.5%	9.1%
Depreciation and amortisation	80	79	97	232	279
EBIT	131	117	180	355	545
Finance Costs	144	128	176	388	517
PBT (excl. exceptional items)	(13)	(12)	4	(33)	28
Excetional Items	0	0	90	0	349
PBT (incl. exceptional items)	(13)	(12)	94	(33)	377
Tax expense	(5)	(4)	28	(12)	36
Net profit	(8)	(8)	66	(22)	341

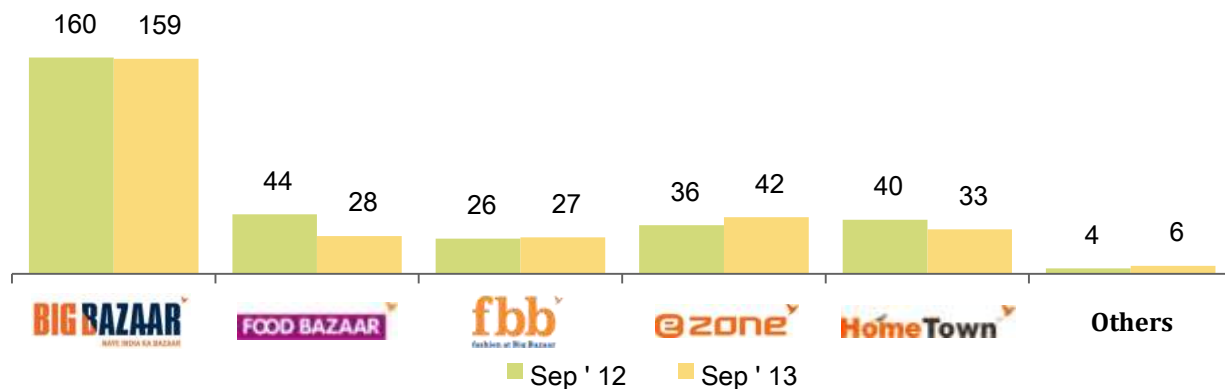
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Q3 FY13 – New Store Additions

Total Store Count and Retail Space

Selling Space (mn. sq. ft.)

Sep' 12:	7.94	0.49	0.33	0.37	1.58	0.10
Sep' 13:	7.80	0.34	0.33	0.37	1.37	0.12



Note: HomeTown includes HomeTown Express stores

Stores opened quarter ended September ' 13

Format	Date of opening	Sq. Ft.	Location
BIG BAZAAR	10-Jul-13	39,444	Agartala
	30-Jul-13	31,341	Empress Mall, Dombivali, Thane
	14-Aug-13	50,028	Rashbehari Avenue, Kolkata
	20-Sep-13	43,118	Centre Square Mall, Kochi
FOOD BAZAAR	9-Aug-13	9,514	Orchid City Center, Mumbai
fbb	17-Sep-13	8,465	Orchid City Center, Mumbai
ezone	14-Jul-13	804	Ambavadi, Ahmedabad
	21-Jul-13	5,024	One MG Mall, Bengaluru
	1-Aug-13	10,797	Vivaan City Mall, Thane
	15-Aug-13	4,000	Chamarajpuram, Mysore
HomeTown	9-Aug-13	28,552	Inorbit Mall, Hyderabad
	9-Aug-13	15,259	United Mall, Lucknow

Registered Office: Knowledge House, ShyamNagar, Off Jogeshwari-Vikhroli Link Road, Jogeshwari(E), Mumbai 400 060. India. P +91 22 6644 2200 F +91 22 6644 2201 <http://www.futureretail.co.in/>

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IR Contact: ✉ investorrelations@futuregroup.in