



Disclaimer

“Future Retail Limited (the “Company”) is proposing, subject to market conditions and other considerations, a rights issue of its equity shares and equity shares of Class B (Series – 1) and has filed a Draft Letter of Offer with SEBI and the Stock Exchanges. The Draft Letter of Offer is available on the website of SEBI at www.sebi.gov.in and the website of the Lead Managers at www.axiscapital.co.in, www.jmfl.com and www.edelweissfin.com. Investors should note that investment in equity shares and equity shares of Class B (Series – 1) involves a high degree of risk and are requested to refer to the section titled “Risk Factors” of the Draft Letter of Offer for details of the same.”

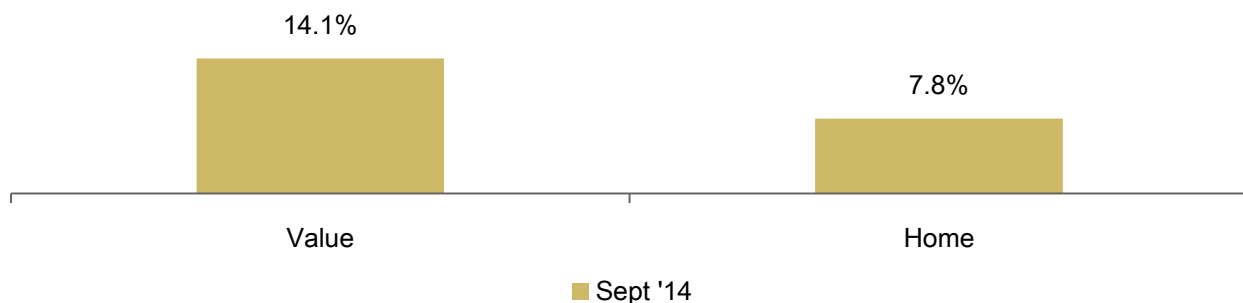
Q2 FY15 – Investor Update

Business Highlights

The Company's standalone business reported a total income from operation of ₹ 2,546 crore, an expansion of 9.9% compared to quarter ended September 2013, and EBITDA of ₹ 271 crore for the quarter ended September 2014. The Company reported EBITDA margins of 10.7%, an expansion of around 157bps compared to quarter ended September 2013, largely due to increase in Gross Margins.

The Same Store Sales Growth for value business that primarily operates Big Bazaar is 14.1%, while that for home and consumer durables chains Home Town and eZone is 7.8%.

Same Store Sales (%)



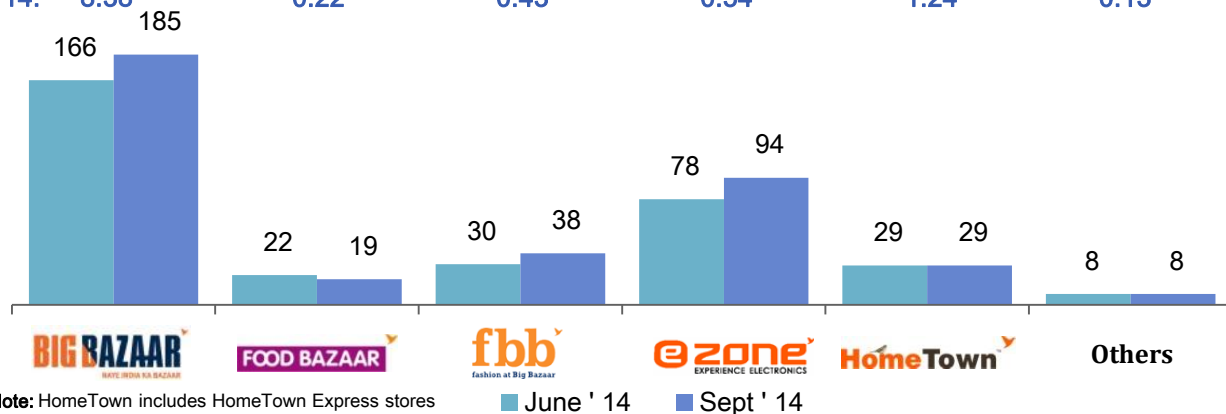
Store Additions

The total gross addition during the quarter was 0.67 million sq feet space and total operational area increased to 10.93 million sq ft.

Total Store Count and Retail Space

Selling Space (mn. sq. ft.)

	June '14	July '14	Aug '14	Sept '14	HomeTown	Others
June '14:	7.89	0.27	0.36	0.48	1.24	0.13
Sep '14:	8.38	0.22	0.43	0.54	1.24	0.13



FRL Standalone – P&L Summary

Particulars (₹ cr.)	3 months ended			6 months ended	
	30-Sep-14	30-Jun-14	30-Sep-13 #	30-Sep-14	30-Sep-13 #
Net Sales	2,485	2,317	2,263	4,802	4,479
Other Operating Income	61	51	54	112	94
Total income from Operations	2,546	2,368	2,317	4,914	4,573
Purchase of stock-in-trade	2,002	1,759	1,742	3,761	3,489
Changes in inventories	(167)	(58)	(44)	(226)	(134)
Gross Profit	712	668	618	1,379	1,218
Gross Margin %	28.0%	28.2%	26.7%	28.1%	26.6%
Employee benefits expense	94	93	83	187	169
Rent including lease rentals	138	134	131	271	257
Other Expenditures	215	198	200	412	397
Total Operating Expenses	446	424	414	871	823
Other Income	6	8	6	15	12
EBITDA	271	252	211	523	406
EBITDA Margin %	10.7%	10.6%	9.1%	10.7%	8.9%
Depreciation and amortisation	128	124	80	252	159
EBIT	143	128	131	271	247
Finance Costs	172	162	144	333	272
PBT before exceptional	(28)	(34)	(13)	(62)	(25)
Profit on sale of investment	0	100	0	100	-
PBT after exceptional	(28)	66	(13)	38	(25)
Tax Expenses	(20)	-	(5)	(20)	(9)
PAT	(8)	66	(8)	58	(16)

#: Financials for 3 and 6 months ending 30th September 2013 have been aggregated comparable with current financial results.

FRL Standalone – Balance Sheet

FRL - Standalone		
Particulars (₹ cr.)	30-Sep-14	31-Mar-14
Shareholders Funds		
Share capital	49	46
Equity Warrants	48	-
Reserves and surplus	3,457	3,205
Total - Shareholders' funds	3,555	3,252
Compulsory Convertible Debentures	-	150
Optionally Convertible Debentures	250	250
Non-current liabilities		
Long-term borrowings	3,046	3,755
Deferred tax liabilities (Net)	160	180
Other long term liabilities	-	-
Long-term provisions	16	16
Total - Non current liabilities	3,222	3,951
Current liabilities		
Short-term borrowings	2,390	1,349
Trade payables	1,234	1,224
Other current liabilities	1,285	1,154
Short-term provisions	3	20
Total - Current liabilities	4,912	3,747
TOTAL - EQUITY AND LIABILITIES	11,938	11,350
Assets		
Fixed assets	4,984	4,704
Non-current investments	1,264	1,350
Long-term loans and advances	396	371
Total - Non current assets	6,643	6,425
Current Assets		
Inventories	3,336	3,113
Trade receivables	319	314
Cash and Bank balances	49	102
Short-term loans and advances	1,577	1,379
Other current assets	13	16
Total -Current assets	5,295	4,925
TOTAL - ASSETS	11,938	11,350

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♦ **Disclaimer:** This update may contain forward-looking statements, which may be identified by their use of words like "strategy for growth, product development, market position, expenditures, and financial results, are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

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