

INVESTOR UPDATE

a *future group* initiative
india tomorrow**Future Group - India Tomorrow**

Half of India was born after 1982, the year of color TV in India and has seen the world in color. This youth of India, we believe represents the 2Cs, confidence and change. And this confidence and change is sweeping not just urban India but India is suburbs and semi-urban centers too. Ever imagines why Indian Idols come from small town? Why does 97% of team India be represented by the Dhonis, Sehwag and Irfan Pathans of the small town? Why Rang De Basanti is a bigger hit in suburban and semi-urban India than the metro cities? That's because a new India is emerging. Confident and willing to accept and benefit from change. The 2C will lead to the third C, consumption and that's what we represent.

To capture this new India of 3Cs, we went for a paradigm shift in the way we think. Think future. Let the present we create be based on the future we predict rather than the past. For the India of today, we believe, will not be the India of tomorrow. To this end, our group will now be called Future Group, India tomorrow. The Future Group has retail, brands, property, capital, media and logistics as its pillars.

Value Creator-Maximizing Shareholders Returns

As per a recent survey conducted by BusinessWorld magazine, Pantaloon Retail (India) Limited was considered among the top 5 companies across segments, that delivered superior returns to its shareholders over the past three years. The company's shareholders have seen the fastest returns on their stocks over the past 3 years, as compared to most other companies, at a whopping 4,046%. Further, the market cap has increased from about Rs.1,600 crores (approx.US \$ 320 million) to nearly Rs.5,400 crores (approx. US \$ 1 billion) over the past year, as per BusinessWorld.

Strategic Education Initiative

Keeping in mind the continuous requirement of retail talent for its various business lines, Pantaloon Retail (India) Limited and The Institute of Integrate Learning in Management (ILM), Gurgaon have allied to offer a two year full time Retail Management programme. This course would offer the best of theoretical inputs from ILM, and practical hands on training that Pantaloon will provide. This is the third such tie up that the company has engaged in, apart from the Mumbai based KJ Somaiya and Welingkar institutes.

March Sales

Sales in March '06 from Value Retailing stood at Rs.104.57 crores, while sales from Lifestyle Retailing were Rs.39.12 crores. Same store growth under Value Retailing was 22.61 percent and under Lifestyle Retailing 5.63 per cent.

Particulars	Mar-06	Mar-05	YoY%	July- Mar-06	July- Mar-05	%
	Sales	Sales		Sales	Sales	Change
Value Retailing	104.57	54.75	91.01	921.85	436.70	111.10
Life Style Retailing	39.12	30.40	28.70	480.12	301.10	59.46
TOTAL	143.69	85.14	68.77	1401.97	737.79	90.02
Same Store Growth						
Value Retailing	66.86	54.53	22.61	555.24	435.15	27.60
Life Style Retailing	32.11	30.40	5.63	350.61	295.30	18.73

Sales are in rupees crore

Note:

1.1 The above sales figures for the month of March 2006 and March 2005 includes SIS sale of Rs.6.20 cr. and Rs.7.75 cr. respectively.

pantaloons
FRESH FASHION

[[LIFESTYLE RETAILING]]

March was a spicy and tangy month for Pantaloons. Keeping in mind the fresh fashion motto, the company launched the *Lemon Mirchi* summer collection in all its stores across the country. Based on the Design Management concept, the project involved the integration of the basic senses of sight, smell, taste, touch and sound into a spectacular seasonal collection of greens and yellows, the colours of the season. For the first time a design catalogue too was launched to bring in the new fashion line.



Pantaloons, as an associate sponsor at the Pond's Femina Miss India 2006 contest, launched an exclusive indo-western fusion line of fashion by famed fashion designer, RockyS under the label-*Akriti by RockyS*. This collection caters to the young and restless woman in the age group of 20 to 30 years, and is available at all Pantaloons stores.

Blue Sky maintains its reputation as the destination store for watches and sunglasses, having introduced PROSUN (polarised sunglasses) VERSARE ADORE, and other brands beginning at Rs. 499. These brands are available exclusively at Blue Sky.

Upcoming Stores

- 19th Pantaloons of 22,000 sq.ft. is scheduled to come up at Mangalore in April/May 2006
- 20th Pantaloons of 20,000 sq.ft. is scheduled to come up in Shadhara, New Delhi in May 2006
- 21st Pantaloons of 18,000 sq.ft. is scheduled to come up in Rajkot, Gujarat in June 2006

BIG BAZAAR

Is se *sasta* aur *achha* kahin nahi!

[[VALUE RETAILING]]

Taking the association with Gini & Jony Apparels Pvt. Ltd. further, Big Bazaar introduced the *Palm Tree* label by Gini & Jony in one of its Mumbai stores. *Palm Tree* termed as a value label is exclusively aimed at the growing kidswear category. This brand would be gradually introduced in other Mumbai stores as well.

Upcoming Stores

- 4th Fashion Station of 12,000 sq.ft. is scheduled to come up in Eastern Bypass, Kolkata in April 2006
- 5th Fashion Station of 19,000 sq.ft. is scheduled to come up in Ahmedabad in April 2006
- 25th Big Bazaar of 42,000 sq.ft. (including Food Bazaar) is scheduled to come up at Shantinagar, Bangalore in April 2006
- 26th Big Bazaar of 33,000 sq.ft. (including Food Bazaar) is scheduled to come up at Mangalore in April 2006
- 27th Big Bazaar of 25,000 sq.ft. is scheduled to come up in Babu Nagar, Ahmedabad in April 2006
- 28th Big Bazaar of 35,000 sq.ft. (including Food Bazaar) is scheduled to come up in Rajkot, Gujarat in May 2006

FOOD BAZAAR
WHOLESALE PRICES

The city of Bangalore welcomed the 39th Food Bazaar in the chain at Garuda Mall on March 4, 2006. Spread over 5,000 square feet, this store is the 6th Food Bazaar in Bangalore, reflecting the popularity of the format. Apart from the regular features and sections, the store will house services like Golden Harvest, Chef Zone, Farm Fresh, Chill Station and ready to eat foods at Hungry Kya.

Upcoming Stores

- 40th Food Bazaar of 9,000 sq.ft. is scheduled to come up at Shantinagar, Bangalore in April 2006
- 41st Food Bazaar of 10,000 sq.ft. is scheduled to come up at Eastern Bypass, Kolkata in April 2006
- 42nd Food Bazaar of 7,000 sq.ft. is scheduled to come up at Mangalore in April 2006
- 43rd Food Bazaar of 12,000 sq.ft. is scheduled to come up at Rohini, Delhi in April 2006
- 44th Food Bazaar of 9,000 sq.ft. is scheduled to come up at Wazirpur, Delhi in April 2006
- 45th Food Bazaar of 8,000 sq.ft. is scheduled to come up at Rajkot, Gujarat in May 2006