

## Q5 FY14 – Investor Update

### FY14 Highlights

The company reported standalone income from operations of ₹11,577 crore and EBITDA margin of 9.2% for the 15 months ending Mar'14.

FY14 Same Store Sales Growth for value business that primarily operates Big Bazaar is 6.3%, while that for home and consumer durables chains Home Town and eZone is 2.5%.

The standalone business includes Big Bazaar, Food Bazaar, fbb, Home Town and eZone. The financial numbers for Mar'14 are not comparable with Dec'12 due to the demerger of its lifestyle fashion businesses that included Pantaloons, Central, Brand Factory, among others.

The consolidated income from operations of ₹13,897 crore and EBITDA margin of 9.0% for the 15 months ending Mar'14. The company reported PAT of ₹95 crore for the 15 months ending Mar'14.

### Quarter Highlights

The company's standalone business, reported a total income from operation of ₹2,345 crore and witnessed gross margin of 28.4%, an improvement of 170bps sequentially, on account of increased sales in high margin categories like fashion, footwear & home furnishing. The company also reported EBITDA margin of 10.5%, an expansion of around 40bps compared to Dec'13.

The Same Store Sales Growth for value business that primarily operates Big Bazaar is 2.2%, while that for home and consumer durables chains Home Town and eZone is 2.1%.

The gross addition during the quarter was 0.29 mn sq ft space and total area increased to 10.36 mn sq ft.

During the quarter, Big Bazaar established its presence in cities of Bhilai and Mandya in Chattisgarh & Karnataka respectively. Big Bazaar also opened its 13<sup>th</sup> store in Kolkata strengthening its presence in the city. Big Bazaar further strengthened its position in Mumbai and Hyderabad. fbb opened its 2<sup>nd</sup> store in Bengaluru. eZone expanded its network largely through cut-in stores in Big Bazaar.

fbb launched its Spring Summer (SS) 14 collection in Mumbai in a high energy flash mob fashion show with the 25 finalists of fbb Femina Miss India 2014. In its quest to make *"India thoda aur stylish"*, this young and vibrant brand chose this sensational new technique that reflects fbb's vibe and unveiled the extensive spring summer 2014 line. On cue with the music, they walked around the mall towards the stage in a specially choreographed sequence. This unexpected gathering surprised and excited the customers who whipped out their cameras and furiously started clicking away. The venue came alive as the unique fashion show hit the stage.

### Awards

Future Group was honored with the 'Best BSM Implementation & Transformation' award for 2013, at the BMC India IT Technology Summit held in Dubai in February 2014. The Group won the award for demonstrating real value of Enterprise Tool Implementation across the organization's IT Infrastructure. The prestigious event which is an annual affair organized by BMC Software was attended by over 100 executives from more than 25 organizations.

## FRL Standalone – P&L Summary

Particulars (₹ cr.)	3 months ended			Yearly	
	31-Mar-14	31-Dec-13	31-Mar-13	31-Mar-14	31-Dec-12
Net Sales	2,295	2,276	2,285	11,336	6,772
Other Operating Income	50	47	51	241	216
<b>Total income from Operations</b>	<b>2,345</b>	<b>2,323</b>	<b>2,336</b>	<b>11,577</b>	<b>6,988</b>
Purchase of stock-in-trade	1,652	1,744	1,677	8,521	4,840
Changes in inventories	27	(42)	84	(23)	(396)
<b>Gross Profit</b>	<b>666</b>	<b>621</b>	<b>575</b>	<b>3,080</b>	<b>2,543</b>
<b>Gross Margin %</b>	<b>28.4%</b>	<b>26.7%</b>	<b>24.6%</b>	<b>26.6%</b>	<b>36.4%</b>
Employee benefits expense	90	84	81	424	336
Rent including lease rentals	131	127	125	641	736
Other Expenditures	204	183	191	975	695
<b>Total Operating Expense</b>	<b>425</b>	<b>394</b>	<b>398</b>	<b>2,040</b>	<b>1,767</b>
Other Income	5	8	3	28	28
<b>EBITDA</b>	<b>246</b>	<b>235</b>	<b>180</b>	<b>1,068</b>	<b>804</b>
<b>EBITDA Margin %</b>	<b>10.5%</b>	<b>10.1%</b>	<b>7.7%</b>	<b>9.2%</b>	<b>11.5%</b>
Depreciation and amortisation	88	84	73	404	312
EBIT	158	151	107	663	492
Finance Costs	155	149	116	693	460
PBT before exceptional	3	1	(9)	(29)	32
Profit on sale of investment	(0)	31	-	31	257
PBT after exceptional	2	32	(9)	1	288
Tax Expenses	1	10	(3)	(2)	15
<b>PAT</b>	<b>2</b>	<b>22</b>	<b>(6)</b>	<b>3</b>	<b>273</b>

#: Financials for 3 months ending 31-Mar-14 , 31-Dec-13 and 31-Mar-13 are comparable

Financials for 15 month ending 31-Mar-14 represents FRL and FVRL excluding lifestyle businesses

Financials for 15 months and 18 months ended 31-Mar-14 and 31-Dec-12, respectively are not comparable

## FRL Standalone – Balance Sheet Summary

Particulars (₹ cr.)	FRL - Standalone	
	31-Mar-14	31-Dec-12
<b>Shareholders Funds</b>		
Share capital	46	46
Reserves and surplus	3,222	3,276
<b>Total - Shareholders' funds</b>	<b>3,268</b>	<b>3,323</b>
<b>Optionally Fully Convertible Debentures</b>	-	800
<b>Compulsory Convertible Debentures</b>	150	-
<b>Optionally Convertible Debentures</b>	250	-
<b>Non-current liabilities</b>		
Long-term borrowings	3,755	1,854
Deferred tax liabilities (Net)	180	95
Other long term liabilities	-	150
Long-term provisions	16	5
<b>Total - Non current liabilities</b>	<b>3,951</b>	<b>2,105</b>
<b>Current liabilities</b>		
Short-term borrowings	1,349	551
Trade payables	1,224	810
Other current liabilities	1,154	981
Short-term provisions	3	34
<b>Total - Current liabilities</b>	<b>3,730</b>	<b>2,376</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>11,350</b>	<b>8,603</b>
<b>Assets</b>		
Fixed assets	4,704	2,493
Non-current investments	1,350	2,280
Long-term loans and advances	371	764
<b>Total - Non current assets</b>	<b>6,425</b>	<b>5,537</b>
<b>Current Assets</b>		
Inventories	3,113	2,140
Trade receivables	314	165
Cash and Bank balances	102	56
Short-term loans and advances	1,379	691
Other current assets	16	14
<b>Total -Current assets</b>	<b>4,925</b>	<b>3,066</b>
<b>TOTAL - ASSETS</b>	<b>11,350</b>	<b>8,603</b>

#: Balance Sheet for 31-Mar-14 includes FRL and FVRL and excludes lifestyle businesses.  
Balance Sheet for 31-Dec-12 does not reflect the impact of the demergers of the lifestyle businesses and does not include FVRL hence not comparable.

## FRL Consolidated – P&L Summary

Particulars (₹ cr.)	Yearly	
	31-Mar-14	31-Dec-12
Net Sales	13,655	19,929
Other Operating Income	242	257
<b>Total income from Operations</b>	<b>13,897</b>	<b>20,186</b>
Purchase of stock-in-trade	9,891	13,815
Changes in inventories	11	(808)
<b>Gross Profit</b>	<b>3,996</b>	<b>7,179</b>
<b>Gross Margin %</b>	<b>28.8%</b>	<b>35.6%</b>
Employee benefits expense	621	1,131
Other Expenditures	2,431	3,805
<b>Total Operating Expense</b>	<b>3,052</b>	<b>4,937</b>
Other Income	308	130
<b>EBITDA</b>	<b>1,251</b>	<b>2,373</b>
<b>EBITDA Margin %</b>	<b>9.0%</b>	<b>11.8%</b>
Depreciation and amortisation	452	632
EBIT	799	1,740
Finance Costs	726	1,647
PBT before exceptional	73	93
Profit on sale of investment	26	379
PBT after exceptional	99	473
Tax Expenses	4	131
<b>PAT</b>	<b>95</b>	<b>342</b>

#: Financials for 15 months and 18 months ended 31-Mar-14 and 31-Dec-12, respectively are not comparable  
PAT is before Prior period item, Share in Loss of Associate company & Minority Interest.

## FRL Consolidated – Balance Sheet Summary

Particulars (₹ cr.)	FRL - Consolidated	
	31-Mar-14	31-Dec-12
Shareholders' funds	3,352	3,328
Share Application Money Pending Allotment	2	36
Optionally Fully Convertible Debentures	-	800
Compulsory Convertible Debentures	150	754
Optionally Convertible Debentures	250	-
Minority Interests	90	59
<b>Non-current liabilities</b>		
Long-term borrowings	3,810	3,559
Deferred tax liabilities (Net)	182	220
Long-term provisions & Other long term liabilities	19	426
<b>Total - Non current liabilities</b>	<b>4,012</b>	<b>4,204</b>
<b>Current liabilities</b>		
Short-term borrowings	1,420	1,872
Trade payables	1,469	2,383
Other current liabilities & Short-term provisions	1,405	1,602
<b>Total - Current liabilities</b>	<b>4,293</b>	<b>5,857</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>12,149</b>	<b>15,037</b>
<b>Assets</b>		
Fixed assets	4,914	5,185
Non-current investments	1,431	1,331
Long-term loans and advances	452	1,751
<b>Total - Non current assets</b>	<b>6,798</b>	<b>8,268</b>
<b>Current Assets</b>		
Current Investments	21	60
Inventories	3,131	4,469
Trade receivables	442	547
Cash and Bank balances	168	201
Short-term loans and advances	1,480	1,475
Other current assets	109	17
<b>Total - Current assets</b>	<b>5,351</b>	<b>6,769</b>
<b>TOTAL - ASSETS</b>	<b>12,149</b>	<b>15,037</b>

#: Balance Sheet for 31-Mar-14 includes FRL and FVRL and excludes lifestyle businesses.

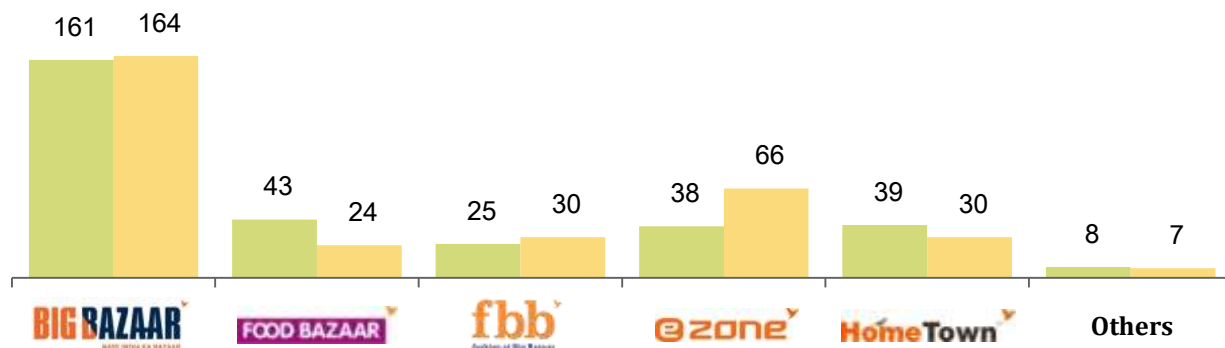
Balance Sheet for 31-Dec-12 does not reflect the impact of the demergers of the lifestyle businesses and does not include FVRL hence not comparable.

## Q5 FY14 – New Store Additions

### Total Store Count and Retail Space

#### Selling Space (mn. sq. ft.)

Dec' 12:	7.88	0.48	0.32	0.38	1.54	0.11
Mar' 14:	7.82	0.31	0.36	0.45	1.28	0.14



Note: HomeTown includes HomeTown Express stores

■ Dec ' 12   ■ Mar ' 14

### Stores opened quarter ended March' 14

Format	Date of opening	Sq. Ft.	Location
BIG BAZAAR	6-Jan-14	73,418	Alcove Gloria, VIP Road, Kolkata
	10-Jan-14	25,770	Panvel, Navi Mumbai
	21-Jan-14	47,931	Amirikukatpalli Village, Hyderabad
	21-Feb-14	34,881	Bhilai, Chattisgarh
	21-Feb-14	28,452	Mandya, Karnataka
fbb	16-Jan-14	9,518	Marthahalli, Bengaluru
	14-Mar-14	5,487	Eternity Mall, Nagpur
	15-Mar-14	5,782	Castle Grant, M.G.Road, Agra
ezone	1-Jan-14	7,330	Acropolis, Ahmedabad
	24-Jan-14	5,000	Poonam Mall, Nagpur
	24-Jan-14	2,167	Centre Square, Kochin

Note: eZone does not include cut-ins.

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