



Investor Update – Q3 FY16  
(September 2015 – December 2015)

**FASHION**

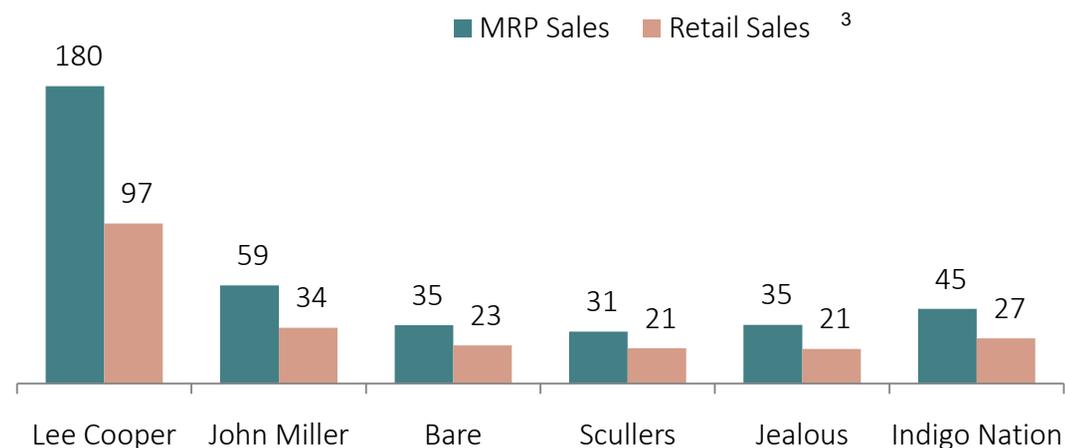
Retail Brands  
Distribution Investments

## Business Highlights – Q3FY16 & 9M FY16

- ❖ Reported Total income from operations of ₹878 cr for Q3 FY16 with a 18% growth vs. Q3 FY15
  - ❖ The quarter was favorably impacted by shift in festive season as compared to last year
- ❖ Reported Total income from operations of ₹2,450 cr for 9M FY16 with a 5% growth vs. 9M FY15
  - ❖ Largely impacted by closure of 54 stores in YTD FY16 along with 2 Central stores being under renovation in Q2 FY16
- ❖ Lee Cooper reported a significant growth of 60% on sequential basis
- ❖ Indigo Nation also registered a strong growth of 16% as compared to Q2 FY16
- ❖ Reported SSGs of 16.9% & 16.6% in retail & Central
- ❖ Q3 FY16 being a full price quarter EBITDA margins were significantly up by ~300bps as compared to Q2 FY16
  - ❖ On YoY basis, EBITDA margins exhibited improvement of ~80bps
- ❖ Operates 4.84 million square feet of retail space across fashion formats (including EBOs)
  - ❖ Gross space addition during Q3 FY16 was ~0.25 million sq ft

Total Sales <sup>1</sup> Summary (₹ cr)		
Particulars	Q3 FY16	9M FY16
FLFL Brands	368	1,011
- Owned Brands	118	332
- Licensed Brands	250	679
Third Party Brands <sup>2</sup>	595	1,660
<b>Total Sales</b>	<b>963</b>	<b>2,671</b>
Less: Consignment / SIS	57	139
Less: Taxes	49	137
<b>Net Sales after Tax</b>	<b>857</b>	<b>2,395</b>

## Top Brand Performance Q3 FY16 (₹ cr)



<sup>1</sup>: Includes SIS & consignment sales

<sup>2</sup>: Third party brands represent non FLF brands and includes SIS sales and consignment sales

<sup>3</sup>: Retail Sales indicate Net Sales Before Tax

- ❖ Launched “First Ever TV Commercial” of iconic brand “Lee Cooper” in India
- ❖ The commercial promotes the key brand values of “Toughness”, “Relentless” and “Unbeatable” also expanding the brand reach to a wider audience
- ❖ The brand ‘s Facebook page reached the milestone of over 400,000 likes



- ❖ Indigo Nation recently launched an exciting promotional campaign “StartupNation”
- ❖ The campaign revolves around “Start-Ups” which have opened new economic avenues for today’s youth
- ❖ As a part of the campaign, Indigo Nation also sponsored “E-Summit 2016” at Bengaluru, an event to celebrate and encourage the spirit of entrepreneurship
- ❖ Enhancing the dynamic and young appeal of the brand, the campaign was well received by consumers



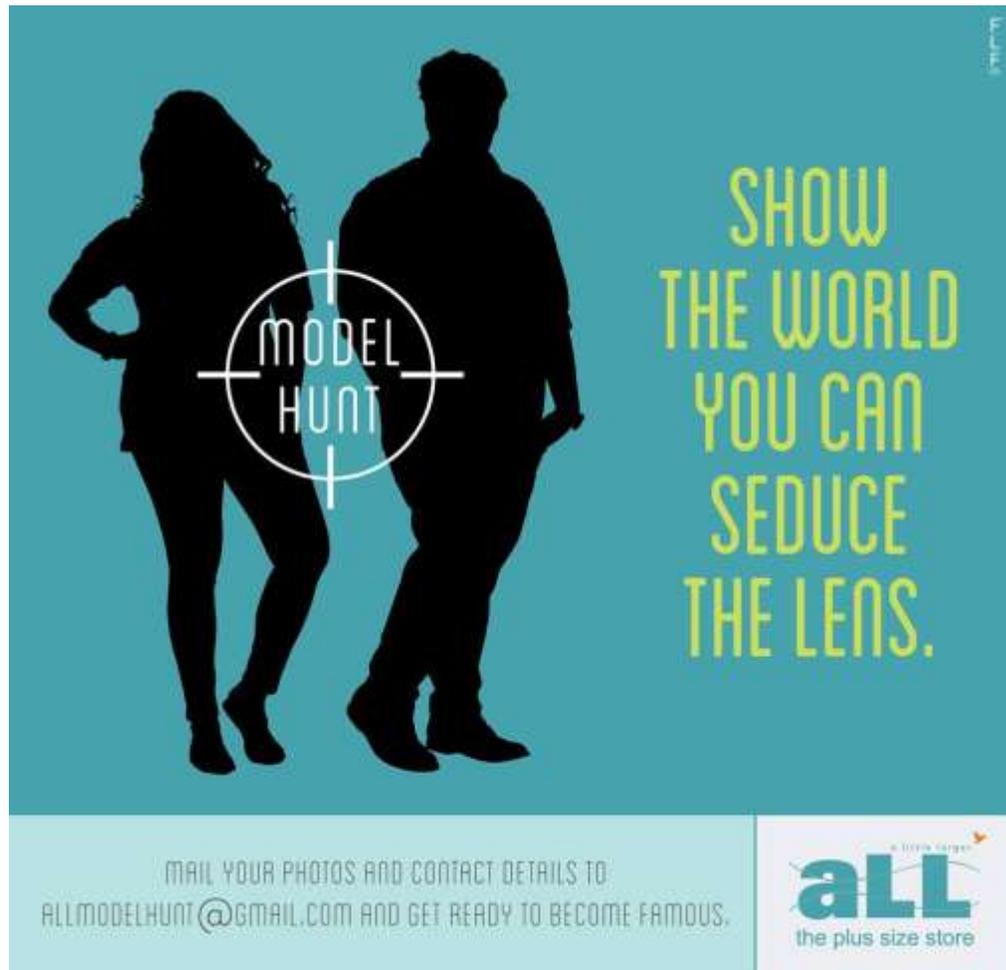
THE NEW AGE  
ECONOMY IS FULL  
OF POSSIBILITIES.  
EVEN AN UPSTART  
CAN BE A STARTUP.  
#StartupNation

INDIGO NATION

SUBJECT TO CHANGE



- ❖ aLL recently launched its 'ModelHunt' contest, where lucky contestants had a shot at modeling by sharing their details and photos



- ❖ An "aLLWonderWoman" contest invited participants to share their superhero stories
- ❖ With such exciting contests the brand enjoys good customer engagement



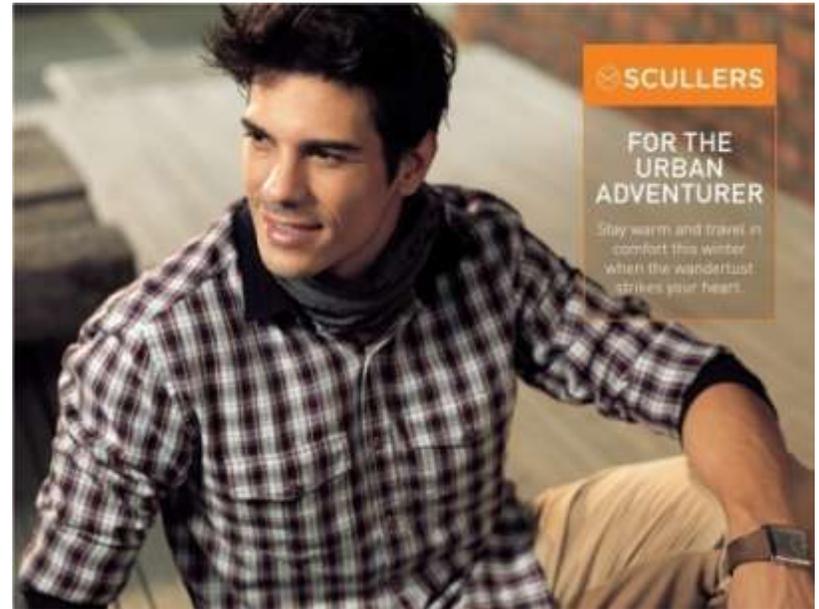
Scullers Leveraged Social Media Platform by Running Various Media Campaigns



SCULLERS

EVERY  
MONDAY  
IS A FRESH  
START

SCULLERS WANDERLUST  
Rugged durability for the urban traveller



SCULLERS

FOR THE  
URBAN  
ADVENTURER

Stay warm and travel in  
comfort this winter  
when the wanderlust  
strikes your heart.



SCULLERS

CARRY YOUR  
SUNSHINE WITH YOU

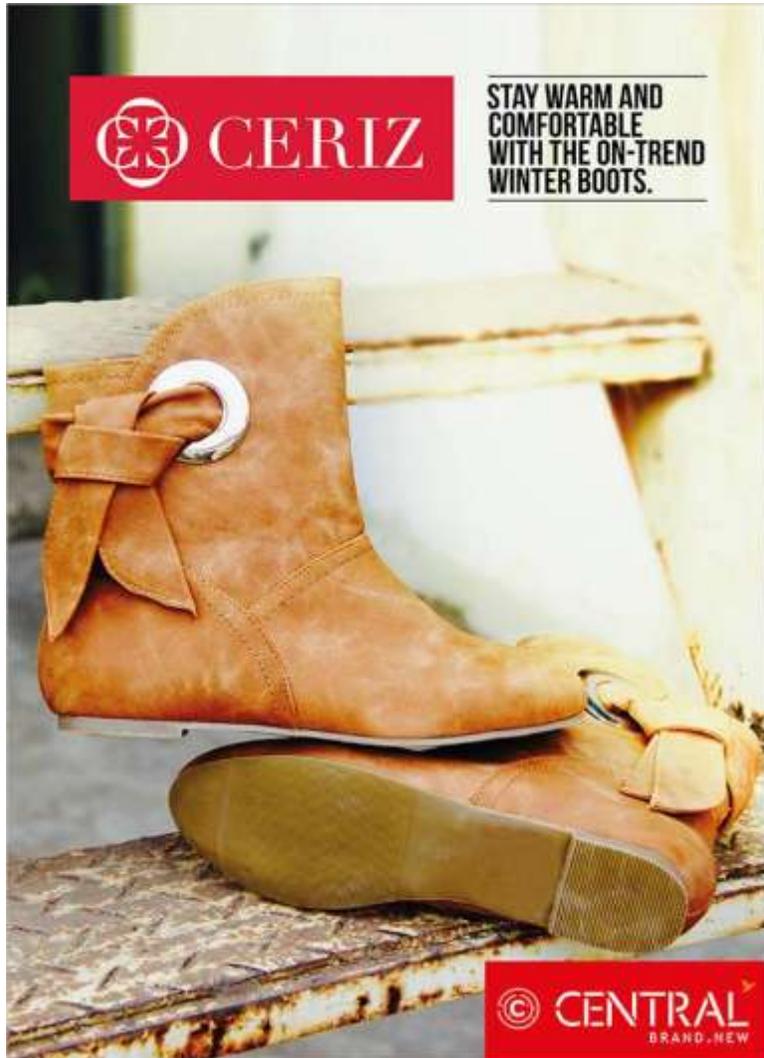
SCULLERS GLOBAL FUSION  
Fashion styles for everytag.adventurer

# Central Presents "ALL FOR MEN" Weekend



\*Conditions Apply, Int'Elas. Offer is valid on select merchandise from participating brands, subject to availability of the brand in store. Offer may be applicable on purchase of items above only in select. Shopping vouchers worth ₹200 are redeemable only on minimum purchase of ₹2500 from 15 - Mar '21.

Ceriz Introduced a Range of Fashionable Handbags and On-Trend Winter Boots



Central Launched Interesting and Engaging Daily Social Media Campaigns



## Retail Presence

- ❖ Operates 4.84 million square feet of retail space across fashion formats (including EBOs)
  - Gross space addition during Q3 FY16 was ~0.25 million sq ft

## New Store Openings

- ❖ Q3 FY16 witnessed store opening in larger as well as smaller store formats
  - Opened 2nd Central store in the NCR region
  - Opened 5 Brand Factory stores in Mumbai, Hyderabad, Pune, Bangalore and Ujjain (1<sup>st</sup> store in the city)
  - Opened 4 aLL stores in Kolkata, Coimbatore (1<sup>st</sup> store), Kottayam (1<sup>st</sup> store) and Indore
  - Lee Cooper opened its 1<sup>st</sup> Delhi store and also added 1 store in Jaipur
  - Opened 16 EBOs and other small format stores, expanding the network in Ratlam, ITA Nagar, Nellore
- ❖ During Q3 FY16, 14 smaller format stores / EBOs and 4 Brand Factory stores were shut

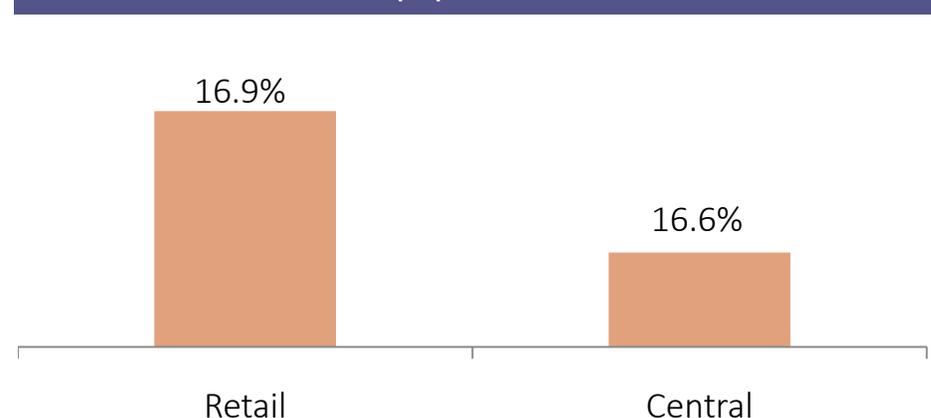
## Store Network as of 31st December 2015

Format	# of stores	Retail space (mn sq ft)
Central	30	3.13
Brand Factory	40	1.19
aLL	52	0.07
Planet Sports & Other	57	0.17
EBOs and Others	191	0.27
<b>Grand Total</b>	<b>370</b>	<b>4.84</b>

Planet Sports and Other includes Converse

EBO and Others includes franchise, *I am In* and Lee Cooper brand stores

## SSGs (%) for Q3 FY16



## Quarterly Income Statement

Income Statement (₹ cr.) Particulars	Quarter ended			Year ended
	Q3 FY16	Q2 FY16	Q3 FY15	FY 15
Net Sales	857	853	723	3,064
Other Operating Income	20	17	18	70
<b>Total Income from Operations</b>	<b>878</b>	<b>871</b>	<b>742</b>	<b>3,134</b>
COGS	533	560	440	1,919
<b>Gross Profit</b>	<b>344</b>	<b>311</b>	<b>302</b>	<b>1,215</b>
<b>Gross Margin %</b>	<b>39.2%</b>	<b>35.7%</b>	<b>40.7%</b>	<b>38.8%</b>
Employee Benefits Expense	48	48	43	169
Rent including Lease Rental	96	92	90	346
Other Expenditures	99	96	89	369
<b>Total Expenditure</b>	<b>243</b>	<b>236</b>	<b>223</b>	<b>885</b>
<b>EBITDA</b>	<b>101</b>	<b>74</b>	<b>80</b>	<b>330</b>
<b>EBITDA Margin %</b>	<b>11.5%</b>	<b>8.5%</b>	<b>10.7%</b>	<b>10.5%</b>
Other Income	1	2	12	22
<i>Other Income</i>	<i>1</i>	<i>2</i>	<i>3</i>	<i>8</i>
<i>Profit from sale of investment</i>	<i>0</i>	<i>0</i>	<i>9</i>	<i>14</i>
Depreciation	40	40	48	170
EBIT	62	36	43	182
Finance Costs	33	33	41	158
PBT	29	3	3	<b>23</b>
Tax expense	9	1	1	5
<b>Net profit</b>	<b>20</b>	<b>2</b>	<b>2</b>	<b>19</b>

- ❖ Net Sales were favourably impacted by shift in festive season as compared to last year
- ❖ Q3 FY16 being a full price quarter Gross margins were significantly up by ~360bps as compared to Q2 FY16
- ❖ Improvement in Gross Margins also resulted in ~300bps improvement in EBITDA margins
- ❖ On YoY basis, EBITDA margins exhibited improvement of ~80bps
- ❖ Finance costs decreased by ₹7.5 cr compared to Q3 FY15
- ❖ Q3 FY15 and FY15 other income mainly includes profit from sale of stake in Celio
- ❖ Reported PAT margins of 2.2% in Q3 FY16

## YTD Income Statement

Income Statement (₹ cr.) Particulars	Nine Months ended		Year ended
	9M FY16	9M FY15	FY 15
Net Sales	2,395	2,281	3,064
Other Operating Income	55	52	70
<b>Total Income from Operations</b>	<b>2,450</b>	<b>2,333</b>	<b>3,134</b>
COGS	1,517	1,417	1,919
<b>Gross Profit</b>	<b>933</b>	<b>915</b>	<b>1,215</b>
<b>Gross Margin %</b>	<b>38.1%</b>	<b>39.2%</b>	<b>38.8%</b>
Employee Benefits Expense	141	125	169
Rent including Lease Rental	279	254	346
Other Expenditures	275	275	369
<b>Total Expenditure</b>	<b>695</b>	<b>654</b>	<b>885</b>
<b>EBITDA</b>	<b>239</b>	<b>261</b>	<b>330</b>
<b>EBITDA Margin %</b>	<b>9.7%</b>	<b>11.2%</b>	<b>10.5%</b>
Other Income	15	14	22
<i>Other Income</i>	<i>4</i>	<i>5</i>	<i>8</i>
<i>Profit from sale of investment</i>	<i>11</i>	<i>9</i>	<i>14</i>
Depreciation	116	135	170
EBIT	138	140	182
Finance Costs	102	122	158
PBT	36	19	<b>23</b>
Tax expense	12	6	5
<b>Net profit</b>	<b>24</b>	<b>12</b>	<b>19</b>

- ❖ Total Income from Operations was up by 5% for 9M FY16 as compared to 9M FY15
- ❖ Largely impacted by closure of 54 stores (~0.3 mn sq ft) in YTD FY16
- ❖ In Q2 FY16, Bengaluru MG Road and Hyderabad Punjagutta Central stores were under renovation to create high definition experience stores which also impacted sales
- ❖ Finance costs decreased by ₹20 cr compared to 9M FY15
- ❖ 9M FY16 other income includes profit from sale of residual stake in BIBA
- ❖ 9M FY15 and FY15 other income mainly includes profit from sale of stake in Celio

# Thank You

**Disclaimer:**

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's 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 Company's 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.

**Registered and Corporate Office:**

Future Lifestyle Fashions Ltd

Knowledge House, Shyam Nagar, Off Jogeshwari - Vikhroli Link Road, Jogeshwari (East), Mumbai 400 060 📞: +91 22 30842336 🌐: [www.futurelifestyle.in](http://www.futurelifestyle.in)

Incase if any queries please contact: [investorrelations@futurelifestyle.in](mailto:investorrelations@futurelifestyle.in)