



FLF 

FUTURE  
LIFESTYLE  
FASHIONS

**Investor Update**

**Q2 FY 17-18**

## 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.

## Key Highlights : H1 FY 18

- ✓ Central opened new stores in Kolkatta, Mumbai, Hyderabad and NCR in H1 FY18
- ✓ Brand Factory opened 5 new stores in H1 FY18 including Marathalli, Bangalore with upgraded look and feel
- ✓ Launched Future Pay wallet for Central customers having 2.8 Million registered users.
- ✓ Continue to deliver sustainable SSG as at H1 FY 18
- ✓ FLFL inducted into India MSCI Index
- ✓ FLFL rated by CRISIL as **“AA- with positive outlook”**
- ✓ First Listed Brand and Retail Fashion company to reach double digit ROCE%
- ✓ Successfully completed Ind AS compliance, implementation supported by Deloitte
- ✓ GST Roll out completed successfully

# FLF H1 FY18 in Numbers

## Central SSG%

13.4 %

(13.3% in H1FY17)

## Brand Factory SSG%

24.2 %

(17.3% in H1FY17)

## FLF SSG%

14.8 %

(13.5% in H1FY17)

## Revenue

₹ 2,202 Cr in H1FY18

21.0 %\*

(₹1,820 Cr in H1 FY17)

## Gross Margin

₹ 803 Cr in H1FY18

20.0 %

(₹669 Cr in H1 FY17)

## EBITDA

₹ 215 Cr in H1FY18

25.4 %

(₹172 Cr in H1 FY17)

## PBT

₹ 94 Cr in H1FY18

27.7 %

(₹74 Cr in H1 FY17)

Note:- all figures includes numbers of Lee Cooper business undertaking after netting off Inter-company transactions.

\* Revenue growth is 23% adjusted for GST rates differentials in H1 FY 18

# Key Deliverables

Area	FY 17	H1 FY18	Indicative trajectory
<b>SSG %</b>	<b>16.4%</b>	<b>14.8%</b>	• Sustain close to double digit SSG
<b>Revenue (Growth %)</b>	<b>17.5%</b>	<b>21.0%*</b>	• 15-17% CAGR
<b>ROCE%</b>	<b>7.8%</b>	<b>11.7%</b>	• Expand by 450-600 bps over 3 years
<b>Debt/ EBITDA</b>	<b>1.8</b>	<b>1.6</b>	• Around 2 times of EBITDA

Note:- all figures includes numbers of Lee Cooper business undertaking after netting off Inter-company transactions.

\* Revenue growth is 23% adjusted for GST rates differentials in H1 FY 18



# Promotional Events – Q2 FY17



- ▶ aLL organized its prestigious plus size fashion revolution #aLLplusLFW17 at Lakme Fashion week W/F 2017 on Saturday, 19th August 2017 7.30PM and received excellent response from public on its Primero collection
- ▶ The same is on Live stream on Instagram and Facebook

- ▶ Indigo Nation organized an event in Bangalore at its Indigo Nation and Scullers Flagship store Indira Nagar 100 Feet Road – Dance Therapist on Sep 22<sup>nd</sup> with a tag #Join Indigo Nation This Friday For A Face-Off Between Fashion And Dance.
- ▶ Received overwhelming response from public regarding the same.



- ▶ UMM organized the Next Generation DJ Contest in association with Central, Executed by Submerge and Powered by Pioneer DJ where interested people can send their entries between 5<sup>th</sup> Aug to 23<sup>rd</sup> Aug and will get a change to win Pioneer Pro DJ Gears.
- ▶ This event is organized across all major cities and received excellent response from public.

- ▶ Urban Yoga conducted a contest on #CaughtInCotton where the viewers can upload their image wearing any cotton outfit and Tag Urban Yoga in their picture and Hastag #CaughtInCotton to win exciting goodies from Urban Yoga.





CENTRAL  
BRAND NEW

PAY  
₹4,000  
AND TAKE MERCHANDISE WORTH  
₹8,000\*

11<sup>th</sup> AND 12<sup>th</sup> JULY

CENTRAL  
BRAND NEW

শারদ রূপে  
KOLKATA  
Pretty Panchami Special

CELEBRATING OUR  
1<sup>ST</sup> PUJO  
WITH EXCITING OFFERS!

CENTRAL  
BRAND NEW

EVERYTHING AT  
50% OFF<sup>\*</sup>

ON SPORTSWEAR | FOOTWEAR | HANDBAGS

EXTENDED  
FOR  
TODAY



Last 2 Days  
THE BLOCKBUSTER  
22<sup>nd</sup> SEPT-2<sup>nd</sup> OCT

FLAT 50% OFF  
ON ALL BRANDS  
ON FOOTWEAR & SPORTSWEAR

FLAT 60% OFF  
ON SPORTS  
FOOTWEAR

DEMOS @ REP  
₹2,299  
@ ₹999  
ONLY

BRAND FACTORY  
NATIONAL BRAND WEEK  
8<sup>th</sup> - 15<sup>th</sup> AUG  
ON BEST TO BEST BRANDS CATEGORY

FLAT 50% + 20%  
ON ALL APPAREL AND SPORTS FOOTWEAR

BRAND FACTORY  
BEST BRANDS - SMART PRICES

#GET FESTIVE READY

FLAT 40% OFF<sup>\*</sup>  
ON ALL BRANDS  
8<sup>th</sup> - 17<sup>th</sup> Sept

# New Store Launch – Q2 FY18



- ▶ Launch of Third Central store in Hyderabad at Gachibowli on Aug-22<sup>nd</sup> taking the total store count to 37 pan India.



- ▶ Launched 5<sup>th</sup> store in Pune on Sep-13<sup>th</sup>.



- ▶ Brand Factory opened its New door in Nashik city by opening store during this quarter on Sep-14<sup>th</sup>.



- ▶ Brand Factory re-launched its Marathalli, Bangalore Store on Sep-22<sup>nd</sup> with new look and feel.





# Company store network

## Company store network

### Central

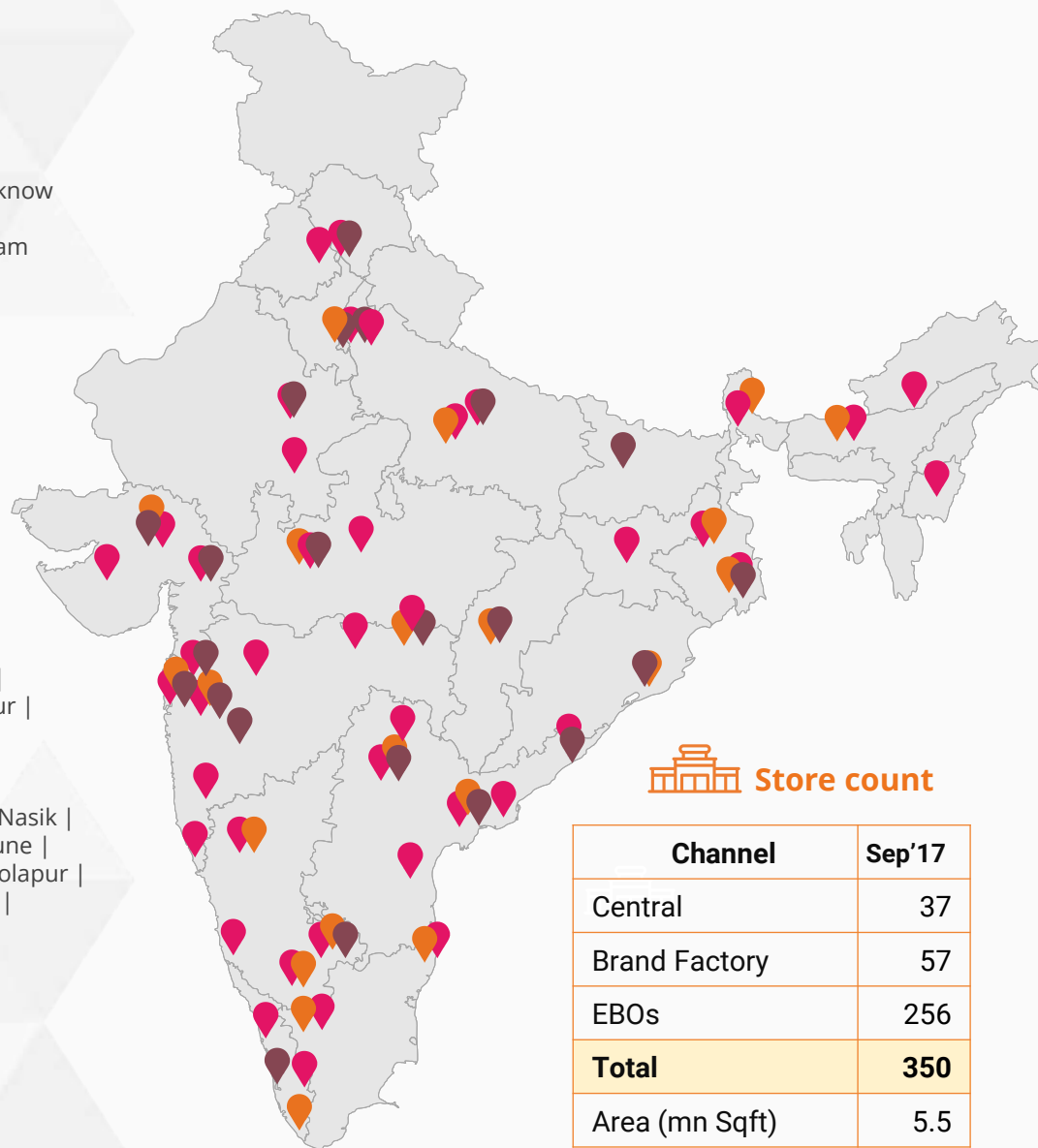
Ahmedabad | Bengaluru | Bhubaneswar | Delhi | Gurgaon | Hyderabad | Indore | Jaipur | Kochin | Kolkata | Koregaon | Lucknow | Mangalore | Mohali | Mumbai | Nagpur | Navi Mumbai | Noida | Patna | Pune | Raipur | Surat | Vadodara | Visakhapatnam

### Brand Factory

Ahmedabad | Asansol | Bengaluru | Bhubaneswar | Coimbatore | Chennai | Delhi | Ghaziabad | Guwahati | Hubli | Hyderabad | Kanpur | Kolkata | Mangalore | Mumbai | Mysore | Nasik | Pune | Raipur | Secunderabad | Thiruvananthapuram | Ujjain | Vijayawada

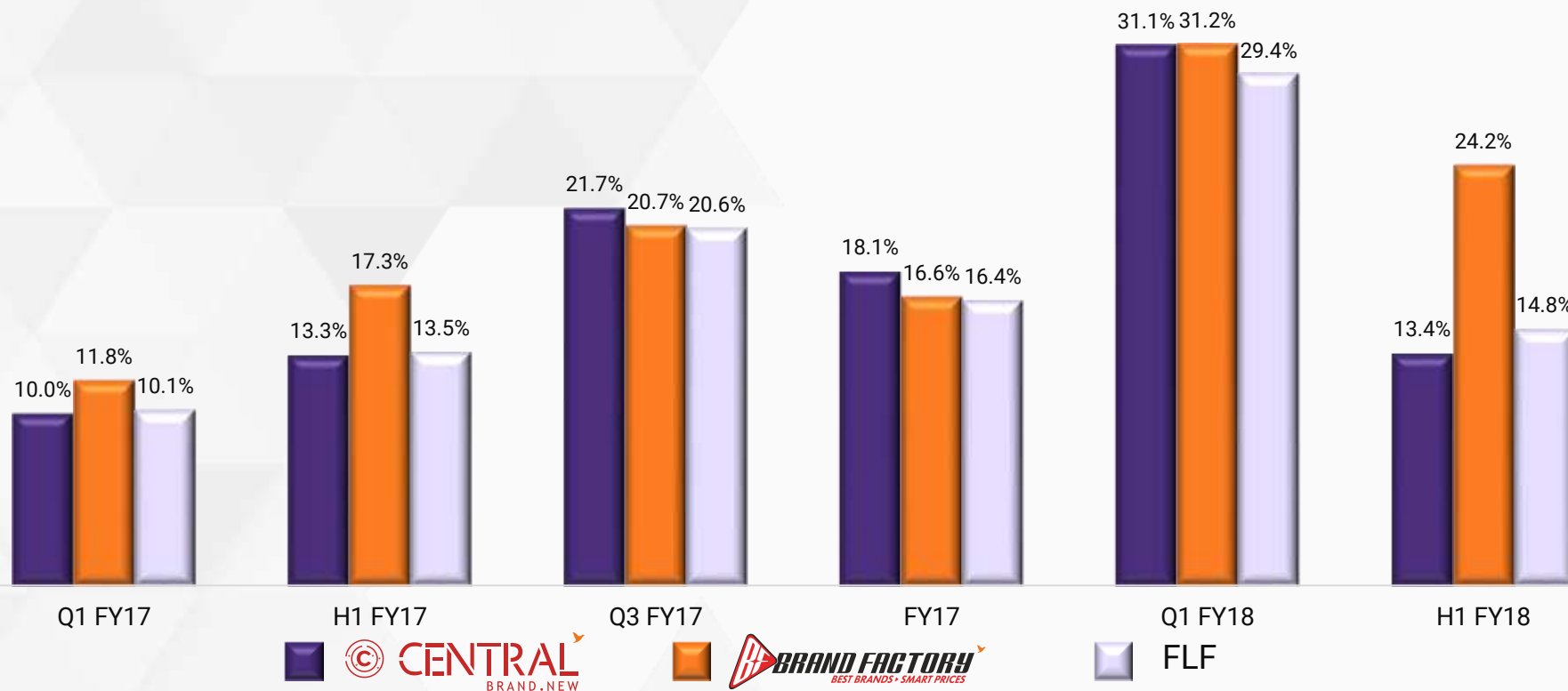
### EBO's

Agartala | Amalapuram | Ahmedabad | Amaravati | Bengaluru | Bhimavaram | Bhopal | Bhubaneswar | Calicut | Chandigarh | Changanacherry | Chennai | Chiplun | Chittoor | Coimbatore | Deoghar | Dhule | Delhi | Erode | Ganganagar | Ghaziabad | Guntur | Gurgaon | Guwahati | Hubli | Hyderabad | Indore | Idukki | Imphal | ITA Nagar | Jaipur | Jalandhar | Jodhpur | Karimnagar | Kakinada | Kanchipuram | Kannur | Kanpur | Khammam | Kochin | Kothagudem | Kolkata | Kota | Kottayam | Lucknow | Mallapuram | Mangalore | Manipal | Mohalli | Mumbai | Muzaffarpur | Mysore | Nagpur | Nanded | Nasik | Navi Mumbai | Nellore | Noida | Ongole | Palakkad | Palasa | Pune | Rajahmundry | Ranchi | Ratlam | Sambalpur | Siliguri | Sikar | Solapur | Srikakulam | Surat | Thalassery | Thane | Trivandrum | Thrissur | Tirupur | Ujjain | Vadodara | Vellore | Vijayawada | Vijayanagaram | Vishakapatnam | Warangal



*Note:- Includes numbers of Lee Cooper business Stores.  
Map not to scale*

# Same Store Retail Sales Performance



► Continues to have positive same store growth across Central and double digit growth at Brand Factory in Q2 FY18.

Note:- all figures includes numbers of Lee Cooper business undertaking after netting off Inter-company transactions.

# FLF Snapshot – Q2 and H1 FY18



Total Income  
From Operations



Gross Profit



EBITDA Margin



PAT



Gross Space Addition  
(mn. sq. ft.)

Q2 FY18	<b>₹1,118 Cr</b>	<b>₹406 Cr</b>	<b>9.83%</b>	<b>₹30 cr</b>	<b>0.41</b>
H1 FY18	<b>₹2,202 Cr</b>	<b>₹803 Cr</b>	<b>9.79%</b>	<b>₹62 cr</b>	<b>0.57</b>

## FLF Brands

- Contributed ~38% of Revenue in Q2FY18.
- Brands registered a growth of 15% in H1FY18.

## Q2 Margins

- Reported Gross Profit of ₹406 Cr and EBITDA Margins of 9.8% in Q2 FY18

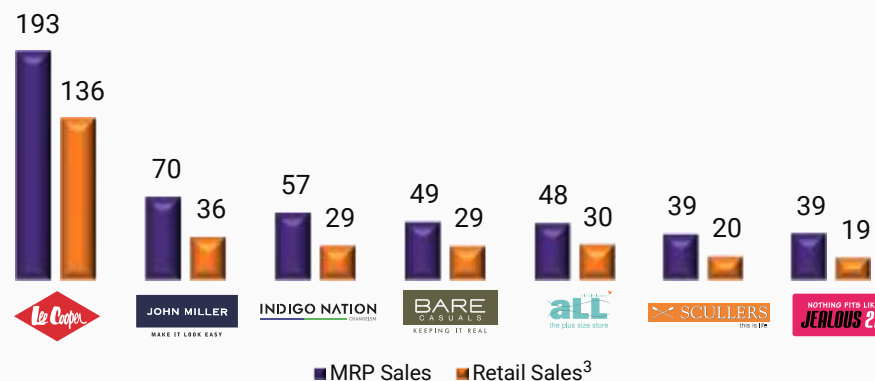
## H1 SSGs

- Retail : 14.8%
- Central: 13.4%
- Brand Factory: 24.2%

## Total Sales<sup>1</sup> Summary (₹ Cr)

Particulars	Q2 FY18	H1 FY18
FLF Brands	472	889
- Owned Brands	123	237
- Licensed Brands	349	652
Third Party Brands <sup>2</sup>	781	1,546
<b>Total Sales<sup>1</sup></b>	<b>1,253</b>	<b>2,436</b>
Less: Consignment / SIS	49	104
Less: Taxes & Duties	106	171
<b>Net Sales after Tax</b>	<b>1,098</b>	<b>2,160</b>

## Top Brand Performance Q2 FY18 (₹ Cr)



1: Includes SIS & consignment sales

2: Third party brands represent non FLF brands and includes SIS sales and consignment sales

3: Retail Sales indicate Net Sales Before Tax

Note:- all figures includes numbers of Lee Cooper business undertaking after netting off Inter-company transactions.

Income Statement (₹ cr.) Particulars	Published <sup>1</sup>		Comparable <sup>2</sup>		
	Q2'17	Q2'18	Q2'17	Q2'18	Gr%
Retail Sales	1,061	1,099	1,061	1,203	13.5%
Taxes	62	98	62	106	70.8%
Net Sales	999	1,002	999	1,098	9.9%
Other Operating Income	21	20	21	20	-2.3%
Total Income from Operations	<b>1,019</b>	<b>1,022</b>	<b>1,019</b>	<b>1,118</b>	<b>9.7%</b>
COGS	661	638	661	711	7.6%
Gross Profit	<b>358</b>	<b>384</b>	<b>358</b>	<b>406</b>	<b>13.5%</b>
Gross Margin %	<b>35.1%</b>	<b>37.5%</b>	<b>35.1%</b>	<b>36.4%</b>	
Employee Benefits Expense	51	62	51	67	30.9%
Rent including Lease Rental	112	105	112	106	-5.0%
Other Expenditures	108	128	108	129	19.7%
Total Expenditure	271	295	271	302	11.6%
Other Income	5	6	5	6	8.7%
EBITDA	<b>93</b>	<b>94</b>	<b>93</b>	<b>110</b>	<b>18.5%</b>
EBITDA Margin %	<b>9.1%</b>	<b>9.2%</b>	<b>9.1%</b>	<b>9.8%</b>	
Depreciation	19	36	19	41	114.1%
EBIT	74	58	74	69	-6.3%
Finance Costs	28	24	28	24	-15.5%
PBT	45	34	45	45	-0.6%
Tax expense	16	11	16	15	-7.6%
Net profit	29	23	29	30	3.2%

1: Published Income Statement without Lee Cooper since it is carved out as separate company w.e.f 29-Mar-2017

2: Comparable Income Statement with Lee Cooper net of eliminations

3: From the current financial year FLF moved its reporting from Indian GAAP to Ind AS



# Financial Overview – H1 FY18

Income Statement (₹ cr.) Particulars	Published <sup>1</sup>		Comparable <sup>2</sup>		
	H1'17	H1'18	H1'17	H1'18	Gr%
Retail Sales	1,888	2,172	1,888.43	2,334	23.6%
Taxes	107	160	107	173	62.1%
Net Sales	1,781	2,012	1,781	2,161	21.3%
Other Operating Income	38	41	38	41	6.6%
Total Income from Operations	<b>1,820</b>	<b>2,053</b>	<b>1,820</b>	<b>2,202</b>	<b>21.0%</b>
COGS	1,151	1,294	1,151	1,399	21.6%
Gross Profit	<b>669</b>	<b>759</b>	<b>669</b>	<b>803</b>	<b>20.0%</b>
Gross Margin %	<b>36.8%</b>	<b>37.0%</b>	<b>36.8%</b>	<b>36.5%</b>	
Employee Benefits Expense	99	119	99	128	28.2%
Rent including Lease Rental	211	225	211	226	7.1%
Other Expenditures	197	242	197	246	24.6%
Total Expenditure	508	586	508	600	18.0%
Other Income	11	12	11	12	12.9%
EBITDA	<b>172</b>	<b>186</b>	<b>172</b>	<b>215</b>	<b>25.4%</b>
EBITDA Margin %	<b>9.4%</b>	<b>9.1%</b>	<b>9.4%</b>	<b>9.8%</b>	
Depreciation	39	68	39	74	91.9%
EBIT	133	118	133	141	6.1%
Finance Costs	59	47	59	47	-20.7%
PBT	74	71	74	94	27.7%
Tax expense	26	24	26	32	22.8%
Net profit	48	47	48	62	30.4%

1: Published Income Statement without Lee Cooper since it is carved out as separate company w.e.f 29-Mar-2017

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Balance Sheet <sup>1</sup> ₹ in Cr	As on
	Sep-17
Shareholder's Funds	1,319
Net Debt	655
Less: Total Investment	48
<b>Net Adj Capital Employed</b>	<b>1,926</b>
Net Non Current Assets	1,499
Net Current Assets	427
<b>Net Adj Capital Deployed</b>	<b>1,926</b>

Ratios	Sep-17
ROCE %	11.7%
Debt/Equity	0.5
Debt/EBITDA (Excluding EI)	1.6
NWC Days	40



**Thank You**



**Registered and Corporate Office:**

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