



**Investor Update – Q2 FY15
(July – September 2014)**

FASHION

Retail Brands
Distribution Investments

Business Highlights – Q2 FY15

- ❖ Total income from operations of Rs. 892 cr for Q2 FY15, a 25.6% growth over Q2 FY14
 - Reported SSGs of 7.5% in retail and 8.7% in Central
- ❖ Reported EBITDA margins of 10.8% in Q2 FY15 compared to 10.7% in Q2 FY14
- ❖ During the quarter, FLF **added 0.57 million sq ft** of gross retail space which included **5 Central, 2 Brand Factory, 7 aLL, 2 Planet Sports and 26 other outlets**

Business Highlights – H1 FY15

- ❖ Total income from operations of Rs.1,591 cr for H1 FY15, a 18.2% growth over H1 FY14
- ❖ Maintained EBITDA margins of 11.4% in H1 FY15
- ❖ During the H1 FY14, **added 0.67 million sq ft** of gross retail space which included **5 Central, 3 Brand Factory ,10 aLL, 2 Planet Sports and 50 other outlets**

Strategic Initiatives

- ❖ Announced a strategic alliance with **Amazon.in** to leverage the online platform for retailing FLF's portfolio of fashion brands
- ❖ Announced a partnership with **dunnhumby** for customer data analysis
- ❖ Enrolled over 1 million customers in the month of October as part of **The 12 Months Free Shopping Festival**

Corporate Actions

- ❖ Increased stake in **Famozi** brand from 11% to 30%
- ❖ Divested 31.5% stake in **Celio**, a French men's wear brand, FLF continues to hold 3.5% stake in this entity
- ❖ Board of Directors and shareholders approved a Rs. 175cr **preferential allotment** to the Promoter

Growth and Expansion of Brand Outlets

- ❖ Opened 9 Exclusive Brand Outlets (EBOs) strengthening presence in cities including Kochi, Kannur, Vijayawada, Delhi and Hyderabad
 - Also established presence in new cities like Bikaner and Ganganagar in Rajasthan and Amaravati in Maharashtra
- ❖ During the quarter, added 7 franchise stores in Jaipur, Nashik, Bengaluru, Agartala and captured new cities including Calicut and Karimnagar
- ❖ Lee Cooper opened 3 exclusive outlets in Jaipur and Mangalore
- ❖ aLL opened 7 outlets in Nashik, Chennai, Mangalore, Mohali, Hyderabad and Siliguri

Scullers at Capitol Mall, Kannur



Urbana, Manchester United and Scullers at Hyderabad Airport



Scullers at PVP Mall, Vijaywada



Indigo Nation / Scullers at Kochi

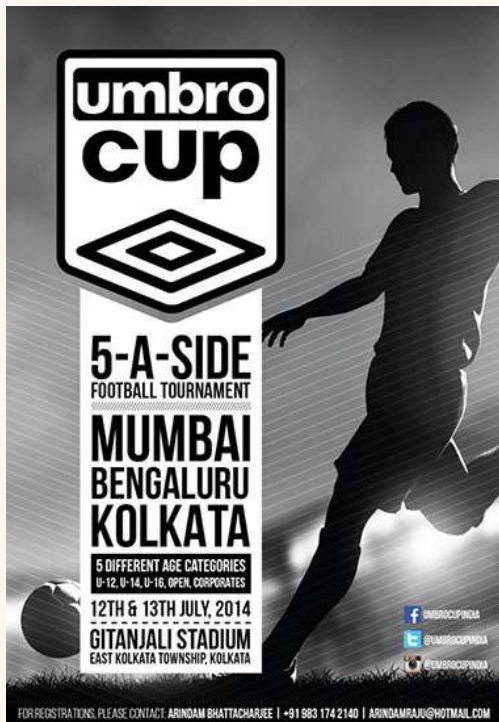


- ❖ Scullers Kids unveils The Autumn Winter Collection with Smile Foundation
 - ‘This is Life’ collection is a range of smart casuals designed in colors and fabrics that are timeless in nature
 - ‘Explorer’ collection is more of the rugged yet comfortable casuals designed for outdoors

- ❖ Umbro, launched the 5-a-side competition with an aim to develop and popularize football in India



- ❖ Converse was awarded the ‘*Best Men’s Footwear Brand*’ at the **Myntra Brand Summit 2014** held in September 2014



Launch of AW'14 Collection Across Brands

MEIN
Chocolata Sculptor, 2014.
My reason is to make sculptures
from food about enough to eat. It
was Ferrari. The world will be still
to appreciate his art and eat it too.

Le Cooper
what's your obsession?

Le Cooper Exclusive Store in Bangalore, Jaipur, Mangalore, Mumbai, Pune.
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For more location details please visit www.le.cooper.in

Love the way you are.
Fashion Collection 2014

all
THE STORE

Because you are the most important

CENTRAL
LONDON

**STRIPE
TEASE**

Le Cooper

URBAN YOGA
CLUBHOUSE AND ACCESSORIES
whatever your yoga

**FREE SPIRIT
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MOHR
The things of our life

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INDIGO NATION SUBJECT TO CHANGE

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DANIEL HECHTER
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SPEAK FRENCH WITHOUT
SAYING A WORD

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**STAY
LEGENDARY**

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SCULLERS
this is life

To find a store near you visit www.scullers.in or call 080-42222222.
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Retail Presence:

- ❖ Operates 4.98 million square feet of retail space across fashion formats (including EBOs)
 - Added ~0.57 million sq ft of gross space during the quarter

New Store Openings:

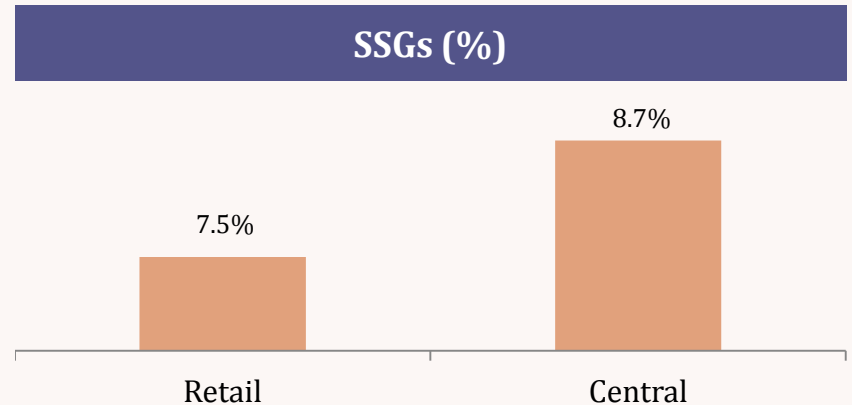
- ❖ Central opened 5 stores in the quarter
 - Establishing presence in Patna, Mohali, and Mangalore
 - Strengthening its presence in Pune and Hyderabad
- ❖ Brand Factory opened its doors in Gwalior and Guwahati
- ❖ *I am In*, the outlet targeting the youth, entered Pune and Chandigarh with its first store in these cities

Other Highlights

- ❖ Central launched a month-long campaign celebrating the cosmetic festival
 - With such a well-executed 360-degree campaign, the cosmetic category delivered phenomenal growth
- ❖ Central's lingerie category team bags two awards at Triumph India's Annual Awards Ceremony
 - First award was for Excellence in Business Innovation
 - Second award was for Highest LTL Growth for the year 2013-14

Store Network as of 30th September 2014		
Format	# of stores	Retail space (mn sq ft)
Central	29	3.06
Brand Factory	40	1.35
aLL	44	0.06
Planet Sports & Other	79	0.23
EBOs and Others	185	0.28
Grand Total	377	4.98

Planet Sports & Other includes Converse, Skechers & other sportswear formats
EBO and Others includes franchise, *I am In*, BARE and Lee Cooper brand stores.





Retail Network Created During the Quarter

Stores Opened During the Quarter			
Format	Date of opening	Sq. Ft.	Location
Central	Sep-14	1,03,894	Mohali
	Sep-14	64,965	Pune
	Sep-14	1,08,523	Hyderabad
	Sep-14	1,03,561	Patna
	Sep-14	77,161	Mangalore

Stores Opened During the Quarter			
Format	Date of opening	Sq. Ft.	Location
Brand Factory	Sep-14	26,543	Gwalior
	Sep-14	33,228	Guwahati

Stores Opened During the Quarter			
Format	Date of opening	Sq. Ft.	Location
Planet Sports	Aug-14	1,364	Surat
	Jul-14	4,150	Mangalore

Stores Opened During the Quarter			
Format	Date of opening	Sq. Ft.	Location
aLL	Jul-14	722	Chennai
	Jul-14	1,268	Chennai
	Jul-14	1,856	Nashik
	Aug-14	1,403	Mangalore
	Aug-14	1,139	Mohali
	Sep-14	1,066	Hyderabad
	Sep-14	1,386	Siliguri

Stores Opened During the Quarter			
Format	Date of opening	Sq. Ft.	Location
I am In	Aug-14	5,247	Pune
	Sep-14	8,267	Chandigarh



Strengthening online presence by partnering:

- ❖ In October 2014, Future Group announced a strategic alliance with Amazon.in that will leverage the strong product knowledge, extensive brand portfolio and sourcing base of Future Group, and the ecommerce platform, customer base and reach of Amazon.in
- ❖ Partnership will initially focus on the Future's Group fashion brands and will subsequently cover all other categories
- ❖ Fashion brands Lee Cooper, Converse, Indigo Nation, Scullers or Jealous21, among others will be retailed exclusively online through Amazon.in platform
- ❖ Partnership will promote existing and new brands in markets, explore co-branding opportunities and accelerate new product development in categories which are currently not served by retailers



Partnership Aims to Blend Consumer Science with the Largest Cache of Consumer Data in India

- ❖ In October 2014, Future Group entered into a joint venture partnership with dunnhumby, the world's leading customer science company
- ❖ dunnhumby will leverage the extensive consumer data generated from the group's retail network and work closely with the retailer and its suppliers to more effectively segment and engage with its customers
- ❖ dunnhumby will bring on board its tools, knowledge and experience to leverage this data to uncover valuable insights on what customers want, where they want it, and how much they're willing to pay for it
 - These insights will be translated into actions, offering personalized experiences, in and out of store, online and off
- ❖ dunnhumby operates similar joint venture partnerships with retailers across the globe including the Kroger Co. in the U.S., Metro in Canada, Gruppo Pam in Italy, and Coop in Norway

Future Group Shopping Festival (FGSF):

- ❖ In October, for the first time Future Group offered customers Cash back of up to Rs 3,00,000 that they can use for free shopping for the next one year
- ❖ 11 leading Future Group formats have come together in over 100 cities, 'The 12 Months Free Shopping Festival'
- ❖ This initiative will target the higher-ticket size, premium customers who can be serviced across all group formats
- ❖ Over 1 million customers were enrolled and these customers are expected to visit our stores at least 12 times in a year

SHOP AT FUTURE GROUP OUTLETS TILL 31ST OCTOBER, 2014.

USE THE CARD FOR FREE SHOPPING FOR THE NEXT 12 MONTHS AT FUTURE GROUP OUTLETS

GET FREE MONTHLY SHOPPING ON YOUR FUTURE GROUP SHOPPING CARD.

future group
Uda hai. Aaj. Abhi.

SHOP MORE TO EARN MORE FREE SHOPPING

YOU SHOP FOR (₹)	YOU GET FREE ANNUAL SHOPPING (₹)
10,00,000	3,00,000 (3000 x 12 MONTHS)
6,00,000	1,68,000 (1400 x 12 MONTHS)
4,00,000	1,08,000 (900 x 12 MONTHS)
3,00,000	72,000 (600 x 12 MONTHS)
2,00,000	44,400 (360 x 12 MONTHS)
1,00,000	21,000 (175 x 12 MONTHS)
75,000	14,400 (120 x 12 MONTHS)
50,000	9,000 (75 x 12 MONTHS)
25,000	4,200 (35 x 12 MONTHS)
10,000	1,500 (125 x 12 MONTHS)
5,000	600 (50 x 12 MONTHS)

SHOP AT FUTURE GROUP OUTLETS TILL 31ST OCTOBER, 2014.

GET FREE MONTHLY SHOPPING ON YOUR FUTURE GROUP SHOPPING CARD.

USE THE CARD FOR FREE SHOPPING FOR THE NEXT 12 MONTHS AT FUTURE GROUP OUTLETS.

★ THE 12 MONTHS FREE SHOPPING FESTIVAL 1ST - 31ST OCTOBER 2014

Investment / Divestments:

The logo for Famozi, featuring the word "Famozi" in a grey, sans-serif font with a small yellow dot above the 'i'.

- ❖ On 8th August 2014, FLF made further investments in Eclat Lifestyle Private Limited, engaged in the business of footwear under the “Famozi” brand
 - Increased its stake in Eclat from 11% to 30%

The logo for Celio, featuring the word "celio" in a bold, red, lowercase sans-serif font, followed by an asterisk.

- ❖ On 10th October 2014, FLF announced divestment of 31.5% stake in Celio Future Fashion Limited in favor of Celio International SA
 - FLF continues to hold 3.5% stake in Celio

Preferential Allotment:

- ❖ On 8th October 2014, the Board of Directors of the Company approved:
 - Issue of 1,59,34,065 Equity Shares of face value of Rs. 2/- each at a price of Rs. 91/- per equity share aggregating to Rs. 145 cr on preferential basis
 - Issue of 32,96,700 Compulsory Convertible Debentures of face value of Rs. 91/- each (CCDs) aggregating to Rs. 30 cr on preferential basis to the Promoter Group of the Company;
 - Each CCD will be convertible into one Equity Share of Rs. 2/- each as fully paid up on April 01, 2015
- ❖ On 7th November 2014, the shareholders approved the preferential allotment with requisite majority

Financial performance – Income Statement

Income Statement (INR cr.) Particulars	Quarter ended		Half yearly		Year ended
	Q2 FY15	Q2 FY14	H1 FY15	H1 FY14	FY 2014
Net Sales	874	690	1,557	1,301	2,661
Other Operating Income	18	20	34	44	83
Total Income from Operations	892	710	1,591	1,346	2,744
COGS	563	449	978	841	1,697
Gross Profit	329	261	613	505	1,047
Gross Margin %	36.9%	36.8%	38.5%	37.5%	38.2%
Employee Benefits Expense	44	30	83	57	129
Rent including Lease Rental	84	71	164	138	292
Other Expenditures	105	84	185	157	334
Total Expenditure	233	186	431	352	755
EBITDA	97	76	182	153	292
EBITDA Margin %	10.8%	10.7%	11.4%	11.4%	10.6%
Other Income	2	155	2	156	296
<i>Other Income</i>	2	1	2	1	2
<i>Profit from sale of investment</i>	0	190	0	190	330
<i>Service Tax Liability</i>	0	36	0	36	36
Depreciation	45	27	87	54	385
EBIT	53	204	97	255	203
Finance Costs	43	42	81	82	163
PBT	11	161	16	173	40
Exceptional Items	0	0	0	0	-6
Tax expense	4	52	5	56	11
Net profit	7	109	11	117	23

- ❖ Revenue growth in Q2 FY15 of 25.6% attributable to SSGs and new stores added
- ❖ Gross Margin and EBITDA margins witnessed 10bps expansion compared to previous year

Note: Standalone results do not include investee companies.

Financial performance – Balance Sheet

Balance Sheet (INR cr.)	As of date	Year Ended
Particulars	30-Sep-14	31-Mar-14
Total - Shareholders' Funds	1,426	1,291
Non-Current Liabilities		
Long-Term Borrowings	1,300	1,264
Deferred Tax Liability (Net)	67	64
Other Long Term Liability	51	252
Long-Term Provisions	5	5
Total - Non Current Liabilities	1,422	1,586
Current Liabilities		
Short-Term Borrowings	245	78
Trade Payables	830	835
Other Current Liabilities	244	142
Short Term Provisions	1	8
Total - Current Liabilities	1,320	1,063
TOTAL - EQUITY AND LIABILITIES	4,169	3,940
Assets		
Fixed Assets	1,551	1,339
Long-Term Loans and Advances	341	329
Total - Non Current Assets	1,892	1,668
Current Assets		
Current Investment	385	379
Inventories	1,164	1,024
Trade Receivables	312	263
Cash and Bank Balances	46	271
Short-Term Loans and Advances	302	267
Other Current Assets	68	68
Total -Current Assets	2,276	2,272
TOTAL - ASSETS	4,169	3,940

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.

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