

## Results Analysis & Highlights

**Turnover in Core Retail Increases by 32.10%**

**Net Profit in Core Retail Increases by 62.38%**

For the first quarter, the Core Retail businesses posted a total turnover of Rs 2581.42 crore in Q1 2010/11, compared to Rs 1954.21 crore in Q1 2009/10. The Core Retail business' EBITDA increased by 16.48% in Q1 2010/11 to Rs 220.82 crore, compared to Rs 189.57 crore in Q1 2009/10. The Core Retail business' Net Profit increased by 62.38% in Q1 2010/11 to Rs 42.76 crore, compared to Rs 26.33 crore in Q1 2009/10. The Core Retail business includes all the retail business of the company and its wholly owned subsidiaries in value, lifestyle and home retailing segments.

Following the lunar calendar, the festive season this year has been pushed by three weeks to October and November, as opposed to last year when Dussehra and Diwali was celebrated a month earlier. The resultant impact of festive season sales, that typically begins well in advance, will therefore be much stronger in the second quarter of the current financial year. The company expects its revenues to increase significantly in Q2 2010/11.

In line with our growth plans, the Core Retail business added new Big Bazaar stores at Amravati, Faridabad, Bhatinda and Vapi, Central destination malls in Vishakhapatnam and Jaipur and Pantaloons Fresh Fashion store in Mumbai. With these additions the total operational retail space of the Core Retail business expanded to 13.37 million square feet. Better supply chain and inventory management has resulted in overall inventory turns improvement. Specific inventory has been raised to cater to the ensuing festive season in Q2. For Q1 2010/11, Same-store Sales Growth (SSG) under Value Retailing was 12.5%, Lifestyle Retailing stood at 21.7% and Home Retailing at 15.1% per cent.

During the quarter the fashion category witnessed robust growth numbers. Ladies ethnic wear and western wear were highest growth segments, while kidswear is a strong upcoming segment. Early indications suggest that the wallet-share of customers that was moving towards mobiles and electronics is showing a reversal and customers are increasingly spending more on fashion, compared to previous years. The fashion category across value and lifestyle business is growing at between 30% and 40% .

The Group has been continuously investing in building up a strong talent base. At the leadership level, the group has attracted well-known professionals from across sectors, with a focus on developing a leadership team that can manage and grow a multi-billion dollar business. Retail industry veteran, Raghu Pillai, credited to have set up retail chains at RPG Group and Reliance, has joined the Group to lead the value and home retail business. Marketing and strategy expert, Vibha Paul Rishi, well-known for her stint at Pepsico's global headquarters is leading all marketing and customer engagement strategies. K Radhakrishnan, from Reliance Hypermarkets and Vivek Dhume from Canada's Loblaw are leading teams in food sourcing. UK-based home improvement retailer, Kingfisher Group's former commercial director, Mark Ladham has joined the Group to lead the operations of Home Town.

The home business is set for steady growth and the company has acquired large institutional orders from builders and developers and is also growing its retail business. The home business now has a large order book that will translate into higher sales in the next few quarters. The company is putting in place robust logistics, design and delivery systems to cater to a fast growing business.

## Financial Summary

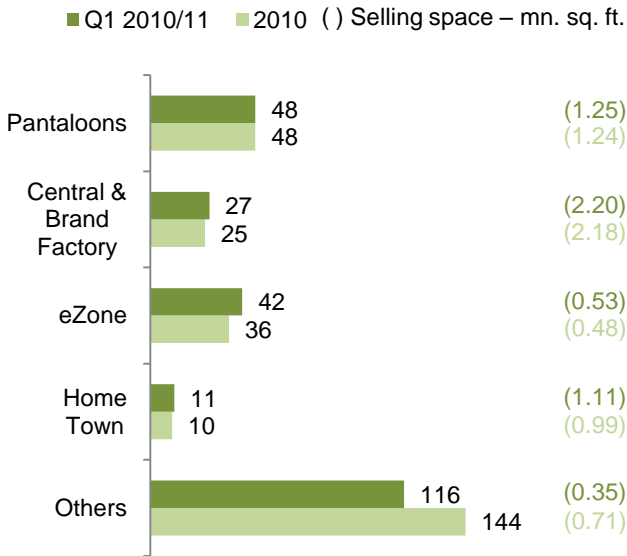
Particulars (INR Cr.)	Core Retail <sup>1</sup>		Stand-alone <sup>2</sup>		Consolidated
	Q1 10/11	Q1 09/10	Q1 10/11	Q1 09/10	Q1 10/11
<b>Sales &amp; operating income</b>	<b>2,581</b>	<b>1,954</b>	<b>991</b>	<b>1,777</b>	<b>2,751</b>
Other income	8	5	8	5	14
<b>Total Income</b>	<b>2,590</b>	<b>1,959</b>	<b>999</b>	<b>1,782</b>	<b>2,764</b>
<b>PBDIT</b>	<b>221</b>	<b>190</b>	<b>103</b>	<b>195</b>	<b>249</b>
Depreciation	63	48	35	43	73
<b>PBIT</b>	<b>158</b>	<b>141</b>	<b>69</b>	<b>152</b>	<b>176</b>
Interest	93	103	42	87	123
<b>PBT</b>	<b>65</b>	<b>39</b>	<b>27</b>	<b>65</b>	<b>53</b>
Tax	22	12	9	21	29
<b>PAT (before minority interest)</b>	<b>43</b>	<b>26</b>	<b>18</b>	<b>44</b>	<b>24</b>
Cash Profit	106	74	52	87	96

<sup>1</sup> Financials for Core Retail operations which indicates summation of PRIL and FVRL

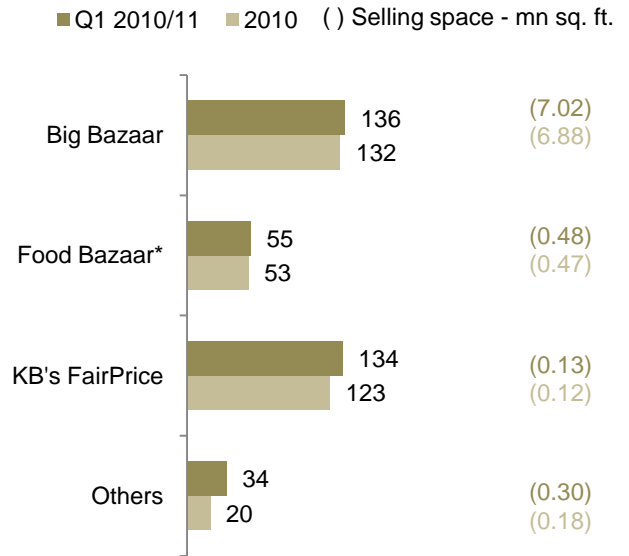
<sup>2</sup> Stand-alone financials are not comparable with the previous quarter due to PRIL's realignment during the previous year

## Retail stores count and selling space as of September 30, 2010

### PRIL



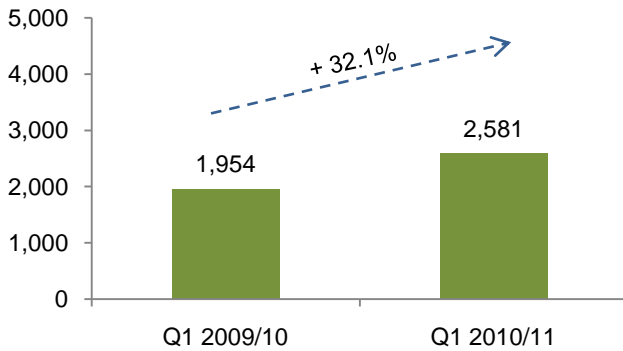
### FVRL



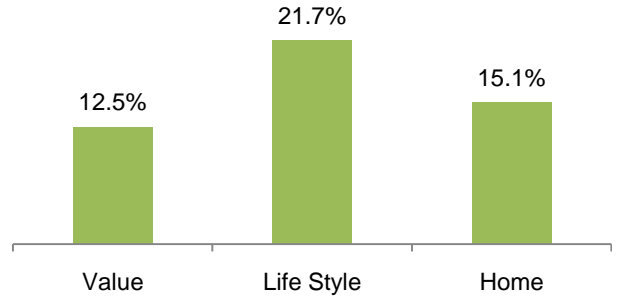
\* Stand-alone Food Bazaar stores only. Does not include stores located within every Big Bazaar.

## Key Financial and Operational Metrics <sup>1</sup>

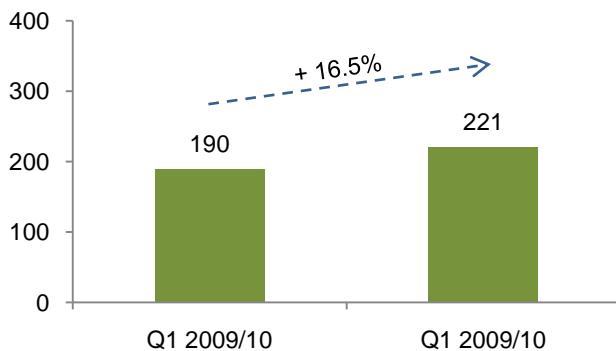
### Net Sales/ Income from other operations (Rs cr.)



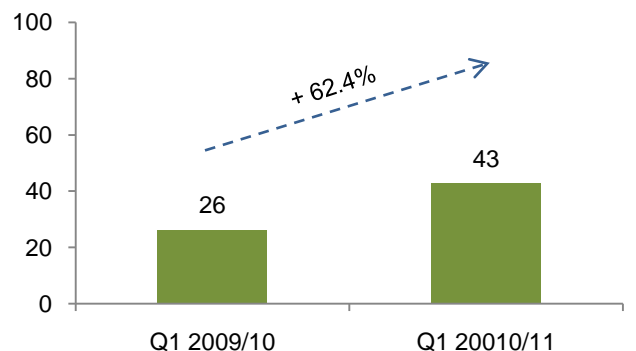
### Same store sales growth (Q1 2010/11)



### EBITDA (Rs. Cr.)



### PAT (Rs. Cr.)



<sup>1</sup> Based on financials for Core Retail operations which indicates summation of PRIL with demerged HSRIL and FVRL

## New store openings during the quarter

Format	Store Count	Square Feet	Date of Opening	Location
	48.	24,923 sq.ft	11-Aug-10	Kandivali (E), Mumbai
	13.	98,875 sq.ft.	29-Jul-10	Main Road, Vishakapatnam
	14.	87,344 sq.ft.	3-Sep-10	Pink Square Mall, Jaipur
	133.	29,773 sq.ft.	9-Jul-10	Elite Mall, Amravati
	134.	36,698 sq.ft.	4-Aug-10	Sarai Khawaja, Faridabad
	135.	23,070 sq.ft.	7-Sep-10	Mittal Mall, Bhatinda
	136.	24,408 sq.ft.	10-Sep-10	Empress Mall, Vapi, Gujarat
	186.	5,481 sq.ft	9-Jul-10	Elite Mall, Amravati
	187.	4,250 sq.ft	27-Jul-10	Metro Walk Mall, Delhi
	188.	5,402 sq.ft	4-Aug-10	Sarai Khawaja, Faridabad
	189.	4,840 sq.ft	7-Sep-10	Mittal Mall, Bhatinda
	190.	3,395 sq.ft	10-Sep-10	Empress Mall, Vapi, Gujarat
	191.	3,780 sq.ft	17-Sep-10	Ghatkopar Odeon Mall, Mumbai
	117.	1,200 sq.ft.	8-Jul-10	Vijaynagar, Bangalore
	118.	1,100 sq.ft.	14-Jul-10	Santacruz (E), Mumbai
	119.	750 sq.ft.	15-Jul-10	Janak Puri, Delhi
	120.	1,000 sq.ft.	26-Jul-10	Mira Road (E), Mumbai
	121.	500 sq.ft.	28-Jul-10	Mayur Phase II, Delhi
	122.	900 sq.ft.	3-Aug-10	Shahadra, Delhi
	123.	600 sq.ft.	7-Aug-10	Dwarka, Delhi
	124.	900 sq.ft.	20-Aug-10	BTM Layout 2nd stage, Bangalore
	125.	900 sq.ft.	23-Aug-10	Jat, Delhi
	126.	750 sq.ft.	29-Aug-10	Bhayander (E), Thane
	127.	550 sq.ft.	10-Sep-10	Kalyan (W), Thane
	128.	800 sq.ft.	21-Sep-10	West Patel Nagar, Delhi
	129.	900 sq.ft.	21-Sep-10	Rani Bagh, Delhi
	130.	850 sq.ft.	26-Sep-10	Dombivili (W), Maharashtra
	131.	800 sq.ft.	28-Sep-10	Desh Bandhu Gupta Market, New Delhi
	132.	643 sq.ft.	28-Sep-10	Pahar Ganj, New Delhi
	133.	750 sq.ft.	29-Sep-10	Timarpur, Delhi
	134.	550 sq.ft.	30-Sep-10	Sarai Rohilla, Delhi

### Registered Office:

Knowledge House, Shyam Nagar, Off Jogeshwari-Vikhroli Link Road, Jogeshwari (E), Mumbai 400 060. India  
P +91 22 6644 2200 F +91 22 6644 2201 www.pantaloonretail.in

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### IR Contact

Ashish Chakravarti Mobile: +91 9323948747 Email: ashish.chakravarti@futuregroup.in