

INVESTOR UPDATE

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india tomorrow

EQUITY DILUTION IN HOMES SOLUTIONS RETAIL (INDIA) LIMITED

With the intention of unlocking shareholder value and raising capital for future expansions, the company entered into an equity dilution arrangement for its 100% subsidiary, Home Solutions Retail (India) Limited (HSRIL), with leading domestic private equity funds.

ICICI Venture Funds Management, India's largest domestic private equity fund will invest upto Rs.120 crores in HSRIL. This would result in a dilution of 16% to 21%. The second transaction involves Pantaloon Retail (India) Limited divesting its stake in HSRIL to Kotak SEAF India, for about Rs.50 crores.

MUMBAI CITY HELPLINE LAUNCHED FOR BIG BAZAAR AND FOOD BAZAAR STORES

Retail is all about getting closer to the consumer and understanding and evolving with her, and in order to further substantiate this, the company launched its first dedicated Customer Helpline for all Big Bazaar and Food Bazaar stores in Mumbai, on 1st November. The intention of this helpline is to be a one-point contact for providing customers with the latest information on local stores through updates on daily in-store promotions, exciting product offerings as well as extending and encouraging customer feedback and interaction with the stores. The helpline number, 6000-2255 is accessible from any landline and mobile instrument and is operational from 10 am to 10 pm daily. Going forward, this offering will be extended nationally to other formats as well.

First Quarter Results

Pantaloon announced the result for the first quarter ending 30th September 2006. The highlights were:

Gross sales for the September 06 quarter stood at Rs.658.70 crores, compared to Rs.413.30 crores for September 05 quarter, a jump of almost 60 per cent.

PBT increased to Rs.57.93 crores in September 06 quarter ended from Rs.19.23 crores in September 05 quarter ended, a rise of over 201 per cent.

Net profit improved by close to 186 per cent from Rs.13.52 crores for the quarter ended September 2005 to Rs.38.64 crores for the quarter ended September 2006.

October Sales

Sales in October '06 from Value Retailing stood at Rs.206.43 crores, while sales from Lifestyle Retailing stood at Rs.74.20 crores. Sales from Home Retailing stood at Rs.32.18 crores. Same store growth under Value Retailing was 6.53 per cent and under Lifestyle Retailing 2.95 per cent.

	Oct'06	Oct'05	YOY %	July-	July-	%
Particulars			Change	Oct'06	Oct'05	Change
	Sales	Sales		Sales	Sales	
Value Retailing	206.43	139.39	48.09	638.11	393.53	62.15
Lifestyle Retailing	74.20	62.65	18.43	281.72	204.57	37.72
Home Retailing	32.18	-	-	82.42	-	-
Total	312.81	202.04	54.82	1,002.25	598.10	67.57
Less: Inter-Company Sales	19.59	-	-	53.55	-	-
Total	293.22	202.04	45.13	948.70	598.10	58.62
Same Store Growth						
Value Retailing	148.13	139.06	6.53	467.30	392.50	19.06
Lifestyle Retailing	64.50	62.65	2.95	248.01	201.09	23.33
Home Retailing	32.18	-	-	82.42	-	-

Sales are in rupees crores

Note :

1.1 The above sales figures for the month of October 2006 and October 2005 includes SIS sale of Rs.5.44 cr. and Rs.10.17 cr. respectively.

pantaloons
FRESH FASHION

[[LIFESTYLE RETAILING]]

The 23rd Pantaloons Fresh Fashion store, spread across 20,000 square feet opened on 18th October at Orchid City Mall, Mumbai.

With the opening of this store, the number of Pantaloons stores in Mumbai now stands at 5.

Upcoming Stores

- 24th Pantaloons of 14,000 sq. ft. is scheduled to come up at Rohini, Delhi in November 2006
- 25th Pantaloons of 20,000 sq. ft. is scheduled to come up at Milan Subway, Mumbai in December 2006
- 26th Pantaloons of 30,000 sq. ft. is scheduled to come up at Noida in December 2006
- 27th Pantaloons of 10,000 sq. ft. is scheduled to come up at TDI Mall, Agra in December 2006

BIG BAZAAR
s se *sasta* aur *achha* kahin nahi!

[[VALUE RETAILING]]

The 34th Big Bazaar of nearly 60,000 square feet, including Food Bazaar, opened at Orchid City Centre, Mumbai on 18th October. The store will offer the regular sections in fashion, food, general merchandise and house some of the newer concepts as well.

The month of October witnessed Big Bazaar's entry into Haldia, West Bengal with the opening of a 30,000 square feet store, including Food Bazaar, on the 19th at Akash Ganga Complex. This is an indication of the value proposition that the company has to offer by taking modern retail to the masses. With the opening of this store, the total number of Big Bazaar's operational is 35. Durgapur is the other similar city in West Bengal, which has been exposed to modern retail.

Upcoming Stores

- 36th Big Bazaar of 60,000 square feet (including Food Bazaar) is scheduled to come up at Himalaya Mall, Ahmedabad in November 2006
- 37th Big Bazaar of 65,000 square feet (including Food Bazaar) is scheduled to come up at Coimbatore in November 2006
- 38th Big Bazaar of 83,000 square feet (including Food Bazaar) is scheduled to come up at Dumas Road, Surat in November 2006
- 39th Big Bazaar of 35,000 square feet (including Food Bazaar) is scheduled to come up at Mega Mall, Panipath in December 2006
- 40th Big Bazaar of 53,000 square feet (including Food Bazaar) is scheduled to come up at RTC Cross Road, Hyderabad in December 2006
- 41st Big Bazaar of 55,000 square feet (including Food Bazaar) is scheduled to come up at Chennai in December 2006
- 42nd Big Bazaar of 26,000 square feet (including Food Bazaar) is scheduled to come up at Milan Subway, Mumbai in December 2006
- 43rd Big Bazaar of 50,000 square feet (including Food Bazaar) is scheduled to come up at Great India Place, Noida in December 2006
- 44th Big Bazaar of 60,000 square feet (including Food Bazaar) is scheduled to come up at Jayanagar, Bangalore in December 2006
- 45th Big Bazaar of 32,000 square feet (including Food Bazaar) is scheduled to come up at Sinhgad, Pune in December 2006

DEPOT

The 4th independent Depot store of nearly 3,000 square feet opened on 19th October at Orchid City Centre, Mumbai. With this, the tally of total number of Depot stores and cut-ins stands at 27.



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Home Solutions Retail (India) Limited

The 4th E-Zone in the chain and the 1st store in Mumbai, opened on 19th October at Orchid City Centre. This lifestyle store spread across 8,000 square feet, would offer the citizens of Mumbai a wide variety of consumer durable and electronic goods in a great shopping experience.

- 5th E-Zone of 12,000 sq.ft. is scheduled to come up at City Centre Mall, Hyderabad in November 2006
- 6th E-Zone of 14,500 sq.ft is scheduled to come up at Rohini, Delhi in December 2006
- 7th E-Zone of 9,500 sq.ft is scheduled to come up at E-City, Lucknow in December 2006
- 8th E-Zone of 19,000 sq.ft is scheduled to come up at West Gate Mall, Delhi in December 2006
- 9th E-Zone of 10,000 sq.ft is scheduled to come up at Milan Subway, Mumbai in December 2006
- 10th E-Zone of 9,000 sq.ft is scheduled to come up at Lumbini, Hyderabad in December 2006
- 11th E-Zone of 11,000 sq.ft is scheduled to come up at Kakurgachi, Kolkata in December 2006
- 12th E-Zone of 8,000 sq.ft is scheduled to come up at Homeland, Kolkata in December 2006
- 13th E-Zone of 10,000 sq.ft is scheduled to come up at TDI Mall, Agra in December 2006
- 14th E-Zone of 8,000 sq.ft is scheduled to come up at Vaswani Matrix, Bangalore in December 2006
- 4th Collection I of 11,000 sq.ft. is scheduled to come up at Orchid City Mall, Mumbai Central, Mumbai in November 2006
- 5th Collection I of 12,000 sq.ft. is scheduled to come up at City Centre Mall, Hyderabad in November 2006
- 6th Collection I of 10,000 sq.ft. is scheduled to come up at E-City, Lucknow in December 2006
- 7th Collection I of 10,000 sq.ft. is scheduled to come up at Kakurgachi, Kolkata in December 2006
- 8th Collection I of 18,000 sq.ft. is scheduled to come up at Homeland, Kolkata in December 2006
- 9th Collection I of 10,000 sq.ft. is scheduled to come up at Lumbini, Hyderabad in December 2006
- 5th Electronics Bazaar of 3,600 sq.ft. is scheduled to come up at Indore in December 2006
- 5th Furniture Bazaar of 5,000 sq.ft. is scheduled to come up at Baner, Pune in December 2006



The company's first Home Town of over 1,25,000 square feet is scheduled to open in December at Noida, and will comprise of a wide range of product categories for the new home owner to choose from. Some of these include home textiles and furnishing, furniture, building material and accessories, appliances, consumer electronics and electricals as well as home services. All these categories and services would be available under one roof, catering to the requirements of the lifestyle and value consumer.



The 2nd Star & Sitara beauty salon of nearly 2,500 square feet opened on 9th November at 10 Acres, Ahmedabad. Located within the 11,000 square feet Beauty & Health Mall, this format would offer the best services in personal grooming. The first such store is operational in Bangalore.

BEAUTY & HEALTH MALL

The 2nd Beauty & Health Mall is scheduled to open at Orchid City Centre, Mumbai in November. Spread over nearly 16,000 square feet, this format would offer health, beauty & wellness products and services under one roof.

FOOD BAZAAR

WHOLESALE PRICES

October witnessed the company's private label initiative propelled further, with the launch of Cheese Slices under the 'Fresh & Pure' brand in two pack sizes - 200gms & 480gms. The product has been introduced in all Mumbai stores and will be taken nationally in a few months.

The 53rd Food Bazaar of nearly 5,000 square feet opened in Mumbai at Orchid City Centre on 18th October.

Haldia welcomed the 54th Food Bazaar of nearly 5,000 square feet on 19th October at Akash Ganga Complex, Haldia, West Bengal.

The 55th Food Bazaar in the chain opened at Prime Mall, Irla, Mumbai on 21st October. With the opening of this 2,000 square feet store, the number of Food Bazaars in Mumbai stands at 10.

Upcoming Stores

- 56th Food Bazaar of 18,000 sq.ft. is scheduled to come up at Himalaya Mall, Ahmedabad in November 2006
- 57th Food Bazaar of 10,000 sq.ft. is scheduled to come up at City Center, Hyderabad in November 2006
- 58th Food Bazaar of 10,000 sq.ft. is scheduled to come up at Hi-Life Mall, Mumbai in November 2006
- 59th Food Bazaar of 15,000 sq.ft. is scheduled to come up at Coimbatore in November 2006
- 60th Food Bazaar of 18,000 sq.ft. is scheduled to come up at Dumas Road, Surat in November 2006
- 61st Food Bazaar of 5,000 sq.ft. is scheduled to come up at Mega Mall, Panipath in December 2006
- 62nd Food Bazaar of 8,000 sq.ft. is scheduled to come up at Baner, Pune in December 2006
- 63rd Food Bazaar of 8,500 sq.ft. is scheduled to come up at RTC Cross Road, Hyderabad in December 2006
- 64th Food Bazaar of 10,000 sq.ft. is scheduled to come up at Chennai in December 2006
- 65th Food Bazaar of 9,000 sq.ft. is scheduled to come up at Milan Subway, Mumbai in December 2006
- 66th Food Bazaar of 12,000 sq.ft. is scheduled to come up at City Center Mall, Vashi, Mumbai in December 2006
- 67th Food Bazaar of 8,000 sq.ft. is scheduled to come up at Great India Place, Noida in December 2006
- 68th Food Bazaar of 7,000 sq.ft. is scheduled to come up at Jayanagar, Bangalore in December 2006
- 69th Food Bazaar of 5,000 sq.ft. is scheduled to come up at Sinhgad, Pune in December 2006
- 70th Food Bazaar of 8,000 sq.ft. is scheduled to come up at Mardipalli Sirla Heights, Hyderabad in December 2006
- 71st Food Bazaar of 6,000 sq.ft. is scheduled to come up at Vaswani Matrix, Bangalore in December 2006



The 4th F123 format opened on 18th October at Orchid City Centre, Mumbai. Spread over 7,500 square feet, this store would offer a wide range of gaming options ranging from bowling and pool to interactive video games and bumper cars and fun foods and services for the entire family. The other three F123's are located in Indore, Bangalore and Ahmedabad.



The 2nd Brand Factory store of nearly 40,000 square feet is scheduled to come up at Atria, Hyderabad in November.