



Future Retail

The evolution...

The Past

- Aggressive expansion – into new geographies, categories and businesses
- Established leadership in all key consumption centers and in all key categories for modern retail
- Created multiple businesses and established our footprint across the country

The Present

- Leverage scale, size & knowledge acquired to drive home efficiencies & productivity in the business
- Focus on profitable growth in key consumption categories - fashion, food, general merchandise and home
- Focus on free cash flows, a deleveraged balance sheet, maintain low gearing ratios, and improve working capital management

The Future

- Three independent entities focused on hypermarket, fashion and food / distribution
- Growth fueled through internal accruals
- Create India's dominant players in hypermarket & fashion businesses

Creation of focused entities



Focuses on operating the hypermarket network with the objective of maintaining its competitive advantage as well as gaining the benefits of scale through focusing on efficiency & productivity. Also operates home & consumer durables chains.



Formed through demerger and consolidation of all lifestyle fashion businesses of the group. A strong portfolio of domestic and foreign brands across all categories, integrates with department stores, outlet malls, specialty chains and independent distribution networks.



An integrated food and FMCG company with a portfolio of fast growing FMCG brands and its own distribution network through urban convenience stores and rural wholesale markets and an upcoming food park.

FUTURE RETAIL

- The company operates 162 Big Bazaar hypermarkets and along with standalone Food Bazaars and FBB, it operates close to 8.6 million square feet of retail space in over 90 cities
- It also operates the home retailing business through chains like Home Town and eZone that operate around 1.5 million square feet of space
- Expansion will be measured and location-based with around 20 new Big Bazaar stores expected in FY 13



Focus areas for Consolidation :

Bring in more simplicity and focus into the business

Deleverage the balance sheet

Exit non-core businesses including financial services and insurance

Milestones Achieved:

Divestiture of the financial services business to Warburg Pincus – Completed

Divestiture of stakes in insurance business – Initiated with L&T and IITL and expected to be closed by September'13

Demerger of Pantaloons business and deleveraging of balance sheet through transfer of Rs 1,600 of debt – Completed

Demerger and consolidation of lifestyle fashion business into an independent entity – Completed

Network strengths :

Pan India Network:
Presence in 90 cities and a dominant position in top 8 cities with over 85 stores, Big Bazaar captures India's staple consumption like no other

Locations:
As the only hypermarket brand in most cities in India, Big Bazaar has access to some of the best existing locations as well as upcoming ones

Hypermarket Chain	# of outlets	# of cities	Average Store Size (sq ft)
Big Bazaar	162	90	40,000 – 50,000
Spencer's	29	22	25,000 – 40,000
Reliance Mart	24	10	40,000 – 50,000
More Megastore	14	11	50,000 – 60,000
SPAR	13	8	40,000 – 50,000
Star Bazaar	12	3	40,000 – 50,000
Hypercity	12	9	50,000 – 70,000
Total	5	1	100,00 – 160,000
Easyday Hyper	1	1	55,000 – 60,000

Source: Images Retail

Increased productivity & efficiencies :

Almost 2 million sq ft of space has been rationalized to eliminate cannibalization and increase productivity

Renewed Big Bazaar – Naye India Ka Bazaar

Increasing revenue per square foot & ticket size

Sustaining a merchandise mix to optimize return on investment

More than 80 stores across formats have been renovated



Rebranding value fashion :

FBB – “Lets make India thoda aur stylish” - focused on contemporary clothing to bring new set of customers

Increase the share of fashion in the overall business

16 FBB standalone stores added to the formats aggression in capturing the new markets and increasing customer traction in existing stores

“Women” as the key focus – apparel, footwear & home



Assortment strategy :

Good – Better – Best

Food: Creating customer stickiness –
increase of brand & quality in
commodities

Looking for new subcategories to
ensure growth momentum

Electronics, footwear, home fashion
and furniture were reconstructed
from a zero base

Renewed focus on provoking
consumption in home category

Reset to grab-and-go
furniture and home fashion

yeh JAWAANI hai DEEWANI
Ghoomna Chahe Dunya Saari
MILESTONE IN CINEMAS MAY 31

50% Off
SAVARI Soft Trolley

Flat 20% Off
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Buy 1 @ 50%, Buy 2 @ 60% Off
Soft Trolley, Hard Trolley, Soft Trolley, Soft Trolley

SPECIAL OFFER
Shop for ₹ 500 & Get an Airbag worth ₹ 400
Flat ₹ 169

Big Bazaar
Naye India Ka Bazaar

BAJAJ
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Powered by **Scotch-Brite**

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Cook Better
Store Better
Serve Better

Check out great offers to upgrade your kitchen at a store near you.

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NAYE INDIA KA BAZAAR

Living Essence
Plain Dyed Premium Bath Range
Super absorbent 100% cotton yarn

Bath Towels
MRP ₹ 449
Inaugural Price ₹ 404

Hand Towels
MRP ₹ 89
Inaugural Price ₹ 80

Face Towels
MRP ₹ 49
Inaugural Price ₹ 44

Now Available in 30 Colours

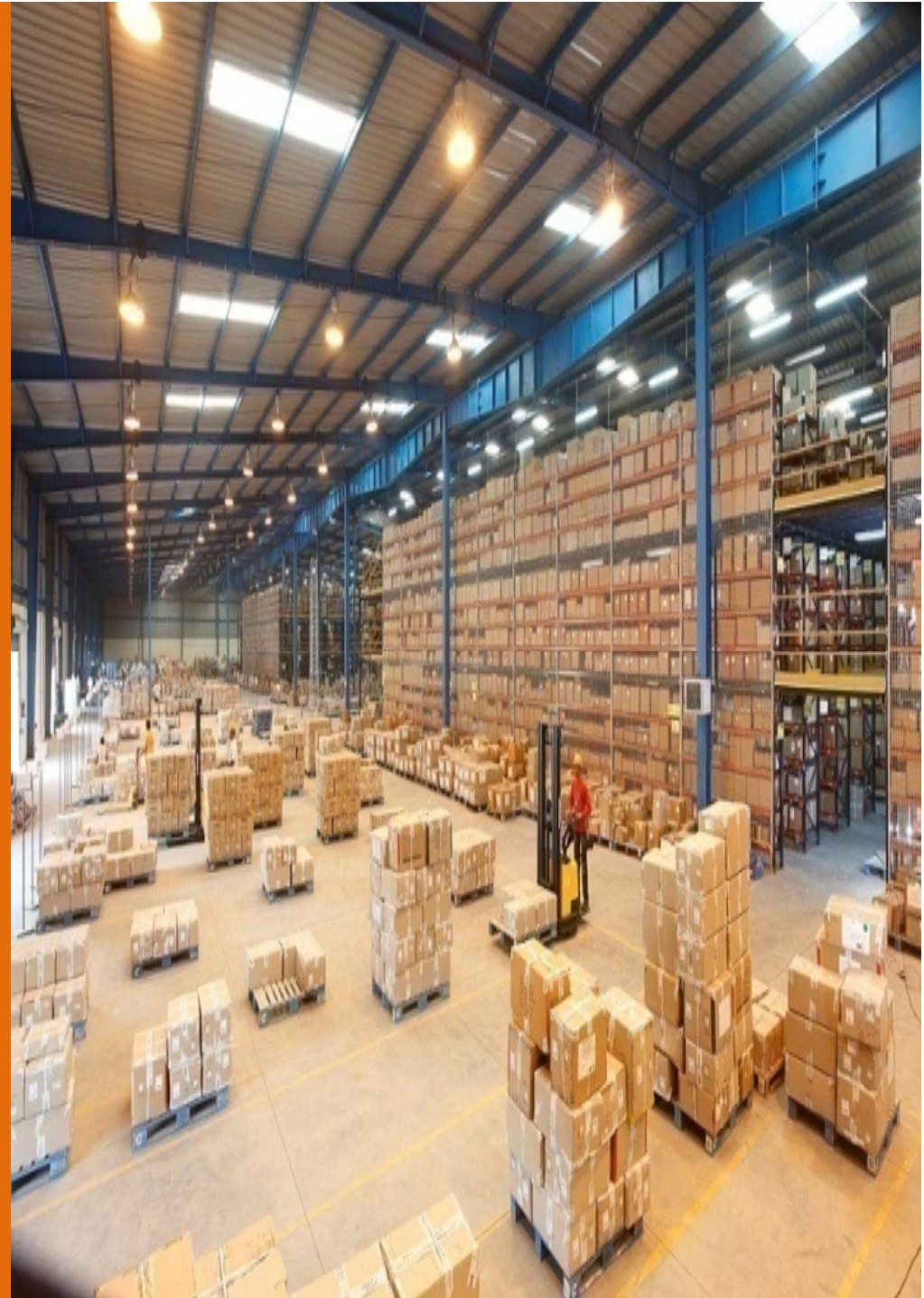
*Distribution network
optimization :*

Centralized distribution center in
Nagpur - “Zero Mile City”

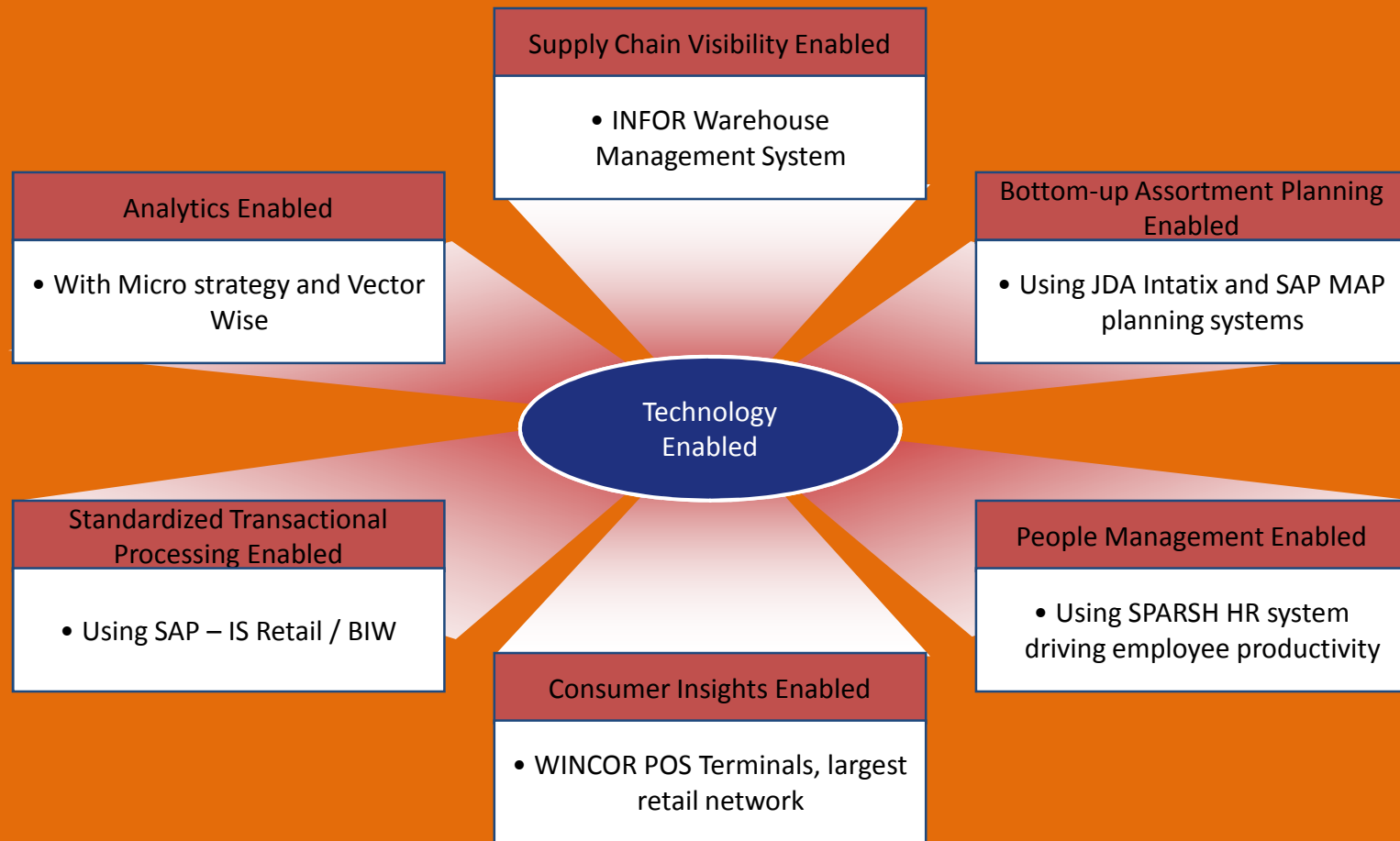
Consolidated from 16 DCs to 1 MDCs
& 4 Regional Cross Dock Hubs

To reap benefits of scale and
upcoming GST regime

Reduction in costs and increase in
inventory commitment



Technology Support Across Retail Chains Driving Efficiencies



Technology enabled platform helps business achieve scale and speed in decision making

Strengthening customer loyalty :

Payback & T24 have over 14 million members

Helping drive better customer analytics to improve assortment and merchandise planning

24 million customers per month

Food: Creating customer stickiness – increase of brand & quality in commodities

Big Bazaar Profit Club

T24 – Talk more shop more

Reducing customer acquisition cost and helping optimize marketing spends

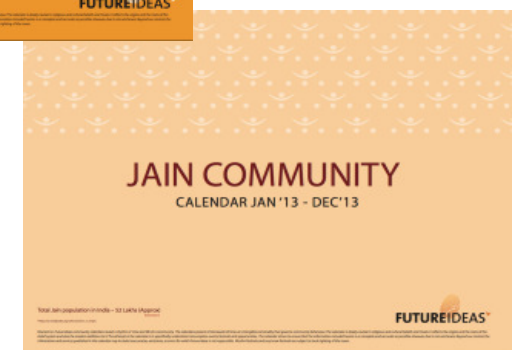
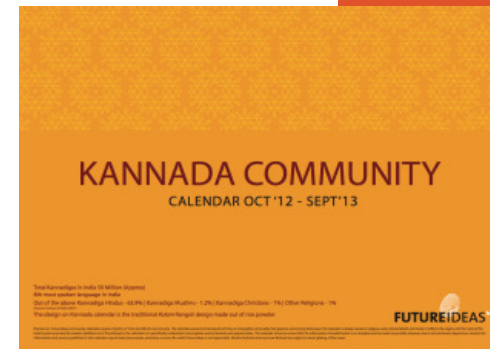


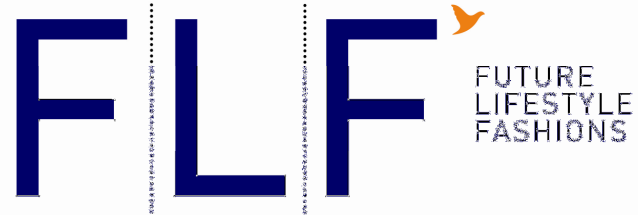
Consumer strengths :

Big Bazaar ranks 3rd in Most Trusted Brands survey in the services category done by Nielsen

Consumer-facing innovations like launch of FBB, Food Hall, Public Holiday Sale & Big Bazaar Profit Club have gained strong acceptance

Focus on community-based insights and integration of community calendars into marketing initiatives to drive consumer connect





Brands + Retail + Distribution + Investments



MRP Sales > Rs 300 crores



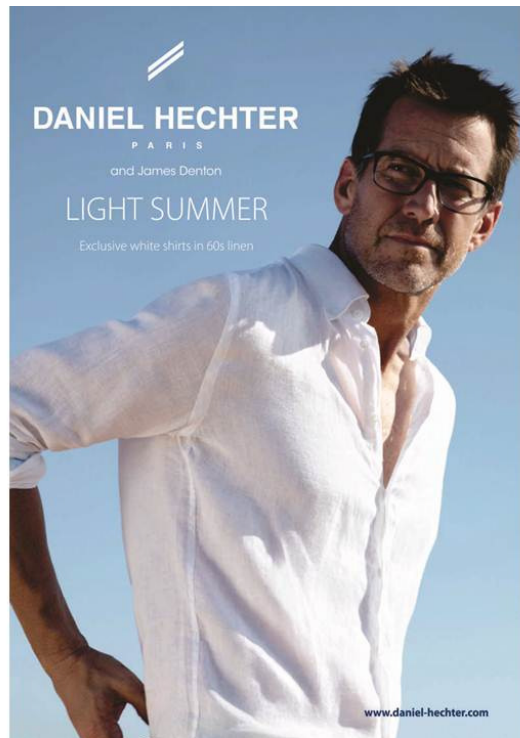
Brands

MRP Sales > Rs 100 crores

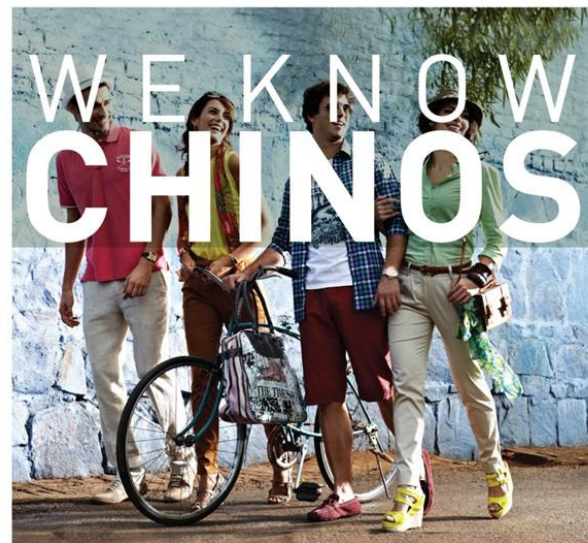


MRP Sales < Rs 100 crores









THE WIDEST RANGE OF CHINOS IN THE COUNTRY

ARE YOU WEARING AN INNOVATION TODAY?

Move over ordinary formals, Urbana Techno Formals are here with a line of innovations such as Durewhite, Anti-spill, Sweat-free, Odour-resistant shirts and many more. Something ordinary formals can't even dream of. Time to discover.

Featured here: Dazzling white shirts enriched with Durewhite

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**PRIDE
IS RED**

MANCHESTER UNITED EXCLUSIVE CLOTHING & ACCESSORIES.

Central is a seamless mall chain offering a 'complete shopping experience' with a fresh product offering every season

Operates 22 stores with 2.40 million sq ft of retail space

Offering over 400 international, domestic and group-owned brands with full-line collections from each brand in an unobstructed, pure shopping experience to the discerning Indian customer



Brand Factory is an out-let store, positioned as a stopover hub for graduating to lifestyle retailing

Operates 26 stores with 0.91 million sq ft of retail space

Retailing the same brands and products available at Central at 'smart' prices

Targeted at the cost-conscious aspirational youth segment

Creating brands exclusive to Brand Factory





Multi-brand sports lifestyle retail chain with over 45 specialty stores

One-stop destination for the latest global trends in the sports and lifestyle segment

Pan-India presence covering 35 cities

Other concepts under Planet Sports include Sports Warehouse, Converse, Puma and Adidas operating 38 stores



“aLL – A Little Larger” format has established itself as a leader in the niche plus size clothing category

Operates 23 exclusive stores with ~35,000 sq ft of retail space and a network of cut-in within Central, Brand Factory & Pantaloons

Houses a wide range of ready to wear fashionable western and ethnic wear and accessories that are otherwise not easily available for brand conscious plus size customers

a little larger
aLL
the plus size store





EBOs Widespread

Acts as a multiplicant

Over 3.5 lakh sq ft of retail space spanning over 250 stores

Over 100 Exclusive Brand Showrooms in 30 cities

Presence in national chain stores, multi-brand outlets and overseas market



Investments



AND Designs caters to the women's apparel market, with a focus on western wear. The brand is designed by Anita Dongre, a noted fashion designer in the country, who has been able to build a scalable fashion business. The company operates are sold through 73 exclusive outlets and has a presence in 241 multi-brand outlets.


For the fiscal year ended March 2012, the company posted an aggregate turnover of Rs 118.76 crore and EBIDTA of Rs 22.56 crore registering a growth of 44% and 58 % respectively over previous year. FLF has a 23% stake in this company.

BIBA

BIBA has an established presence in women ethnic wear segment in India since 1988, which includes ethnic ensembles , mix and match readymade clothing and unstitched fabric lengths all under the brand "BIBA". BIBA operates through 87 exclusive brand outlets and 199 multi-brand outlets.

For the fiscal year ended March 2012, the company posted aggregate turnover of Rs 168.84 crore and an EBIDTA of Rs 39.51 crore, which has grown by 24% and 56% respectively over previous year. The company holds 28% stake in this company.

Other Investments:  : 33% stake in footwear brand

 : 26% stake in menswear manufacturer



: 63% stake in an entity retailing environmentally and socially sustainable products

industree

Joint Ventures

Clarks

celio*

holii

Key management leaders

Kailash Bhatia:

Kailash Bhatia leads the overall operations, growth and sourcing for the business. With over 30 years of valuable experience in the fashion industry, Kailash Bhatia founded the ColorPlus brand, which was subsequently acquired by Raymonds. Prior to that he had worked with Weekender, Arvind Mills Limited, and Mafatlal Industries Limited. A Textile Engineer with a Degree in Management flair for ideas, his innovative concepts in merchandising, marketing and brand promotion has helped the company grow its brand and retail presence. He has also led product innovation, setting up a strong distribution network and building the brand momentum for the company's brands. He joined Future Group in 2007.

Rachna Agarwal:

Rachna Agarwal is the CEO of the brands division of the company. In 1999, Rachna co-promoted the venture capital funded brand-marketing firm, Indus-League Clothing Ltd. (ILCL) along with 7 other colleagues, which was subsequently acquired by Future Group in 2005. Rachna took over as CEO of Indus-League Clothing Ltd in 2008. Rachna began her career in 1992 with Madura Garments. Rachna holds a degree in Economics, from St. Xavier's, Calcutta and a Post Graduate diploma in Management from, The Indian Institute of Management, Ahmedabad.

Vishnu Prasad:

Vishnu Prasad is the CEO of Central and Brand Factory. He has over two decades of experience in building retail networks and retail brands. He has been the CEO of Central chain, right from its inception and prior to that was also among the core team that founded Big Bazaar chain. He joined Future Group in 2000.

The background is a vibrant orange with soft, flowing, wavy lines that create a sense of movement and depth. A prominent white outline, resembling a stylized bird or a wing, is positioned on the left side of the image. The text "Thank You" is centered on the right side in a bold, black, sans-serif font.

Thank You

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