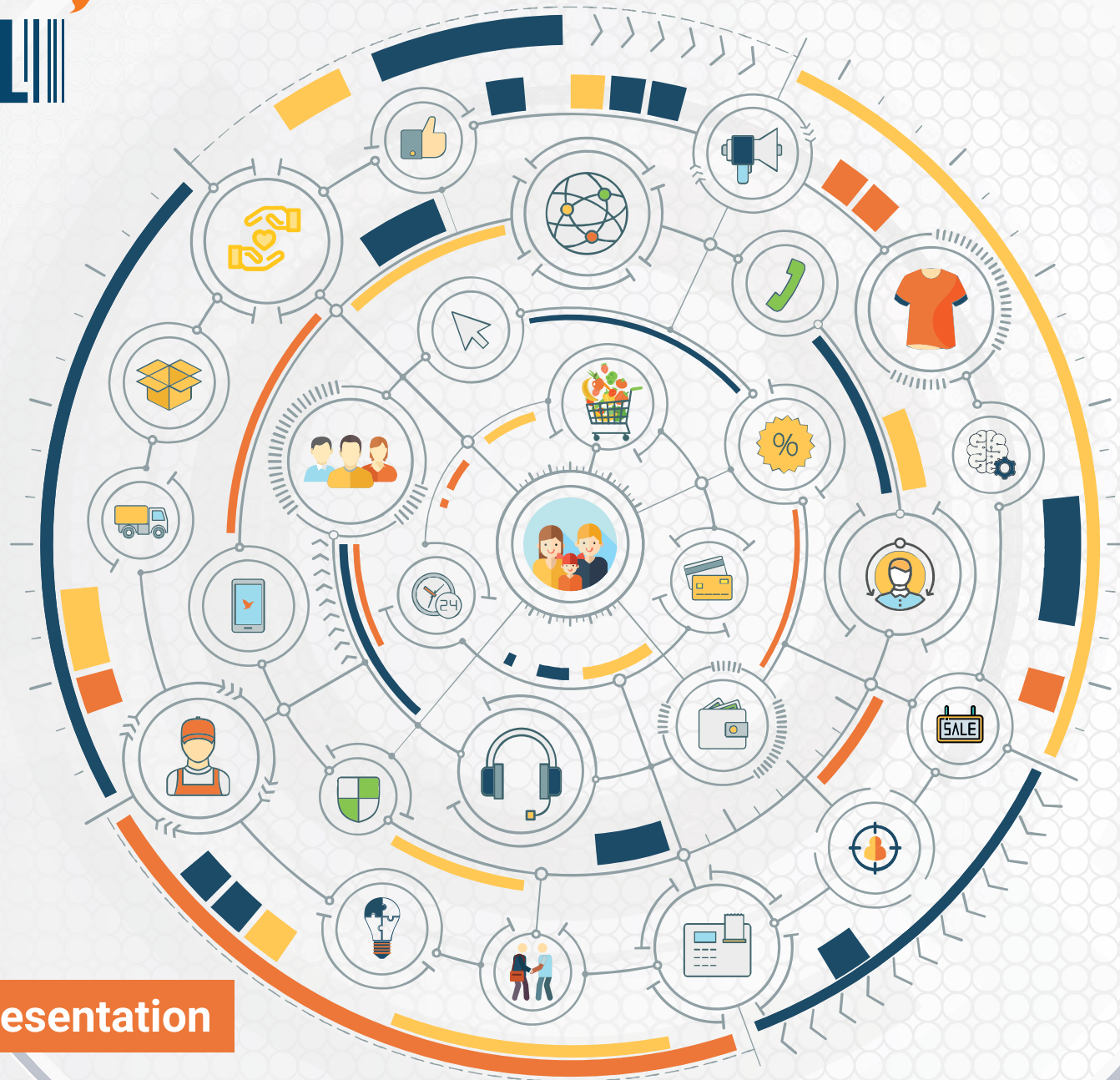


FUTURE RETAIL



Q3 FY19 Investor Presentation

February 2019

Table of Content



Important Updates



03



Integration with Technology and Loyalty



08



Quarter in Numbers



11



Marketing Updates



15

IMPORTANT UPDATES



1. Over the past four years, FRL has integrated its operations efficiently and built an unparalleled pan-India network of 1,444 stores in 409 cities of India -
 - ~85% of the business (Large Format) is growing at over 10% SSSG over the last 15 consecutive quarters and the remaining 15% (Small Format) is fast building distinctive strong MOATs for itself
2. FRL has been the only Retailer in India to have acquired five retail businesses, has successfully integrated them and continues to create superior businesses post acquisition -
 - Hypercity (Large Format) has delivered 3.6% EBITDA in Q3FY19 v/s -20% in Q4FY18 (quarter of acquisition)
 - Northern India Small Stores (largely Easyday) are EBITDA profitable v/s -6% in FY16 (year of acquisition)
3. With the completion of rapid inorganic growth phase, management now believes that this is an opportune time to let FRL chart its growth independently with the deployment of data and technology
4. The cash-flows and balance-sheet of FRL are well positioned for sustained growth potential with improving margins
 - ROCE of 19.4% (ROE 20.1%) in Sep' 18 v/s 13.4% (ROE 9.1%) in Mar'16
5. Promoters and Management are highly motivated to contribute towards an integrated growth for FRL
- 6. To this extent, Promoters are committing an Equity Infusion of Rs. 2,000cr at a price of Rs. 505 per share**
7. Above equity infusion, coupled with inflow of upside share, shall aid in reducing the lease rentals payable to FEL. The endeavor is to completely do away with lease rentals in next 18 months. Management firmly believes that this -
 - Shall be hugely accretive to margins for business and will give a strong philip to growth
 - Will maintain the strong trajectory of improving return on capital at FRL

Performance Snapshot

- Company delivered a Y-o-Y revenue growth of **13%**
- EBITDA increased by **30%** on Y-o-Y basis to reach **5.3%**
- PAT increased by **10%** Y-o-Y to reach **3.8%**
- Over 15 consecutive quarters of almost double digit SSG at Big Bazaar
 - 10.1% in Q3FY19
 - 5.9% Overall SSG in Q3FY19
- Strong base for Future Pay: ~**30%** revenue contribution on a run-rate basis. Future Pay is now attractively placed for management to reap sharp synergies across functions

Network Snapshot

- Present in **409** cities with 1,444 stores
- Over **50** cities with >1 million population have a Big Bazaar store
- Strategic focus on Tier 2/3 towns - **7** new large format stores
- Fast increasing network of small format stores consistent with Technology and Supply Chain investments

Business Snapshot

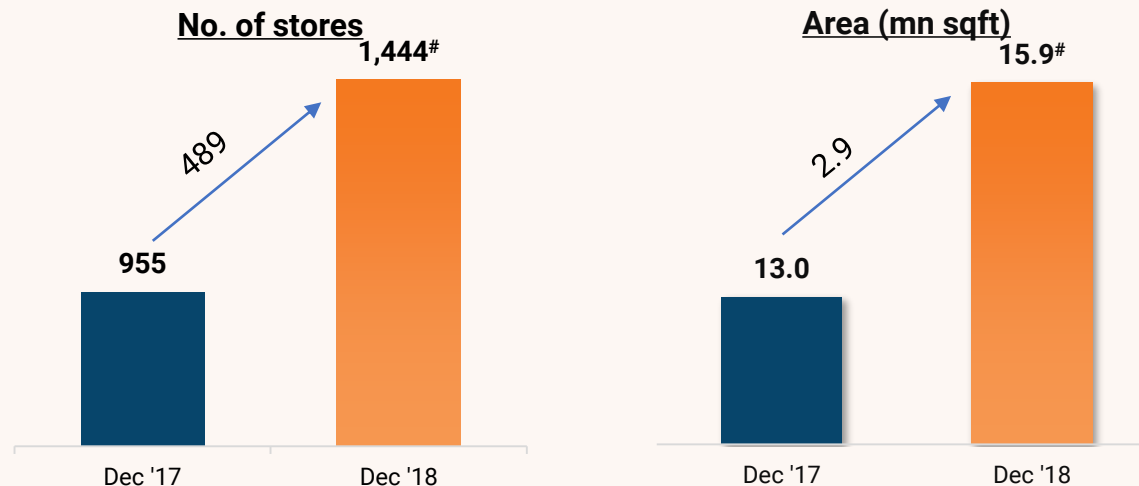
- Small Stores delivered a growth of 29% on a Y-o-Y basis
- Scale continues to empower operating leverage
- Customer Conversions – **7%** improvement on a Y-o-Y basis
- Building Tech and Digital capabilities are a focus area for management and Company is inching closer to a more robust O2O strategy

FRL Store Network

Format	As on 31 Dec 2018	During Oct – Dec '18	
		Net Store additions	Area added (mn sqft)
Large Format	BIG BAZAAR Making India Beautiful	286	144
	fbb India's Fashion Bazaar	89	43
	Foodhall	11	5
Small Format*	easyday Club Heritage fresh WHSmith	1,050	312
Others	ezone smarter living	8	5
Cumulative		1,444	409

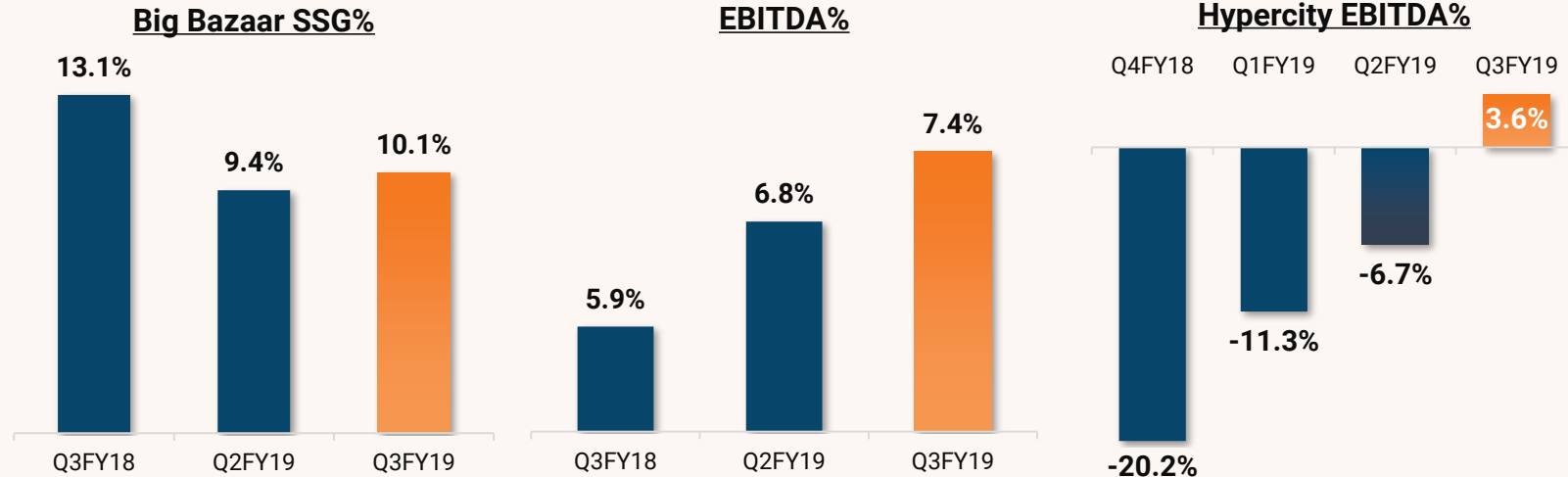
*The above store count includes 100 WH Smith stores having a total area of 0.06 mn sqft. WH Smith is a 100% subsidiary of Future Retail, the financial disclosures are on a standalone basis.

Y-o-Y

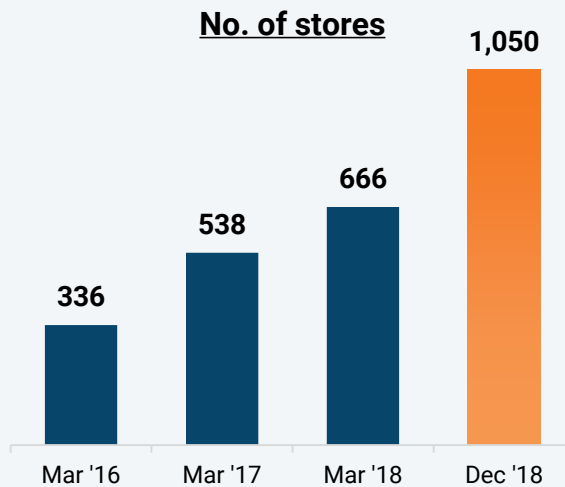


The store count and area as on 31 Dec 2018 include Hypercity and WH Smith stores not included in the base quarter

Large Formats (85% revenue contribution)



Small Format (15% revenue contribution)



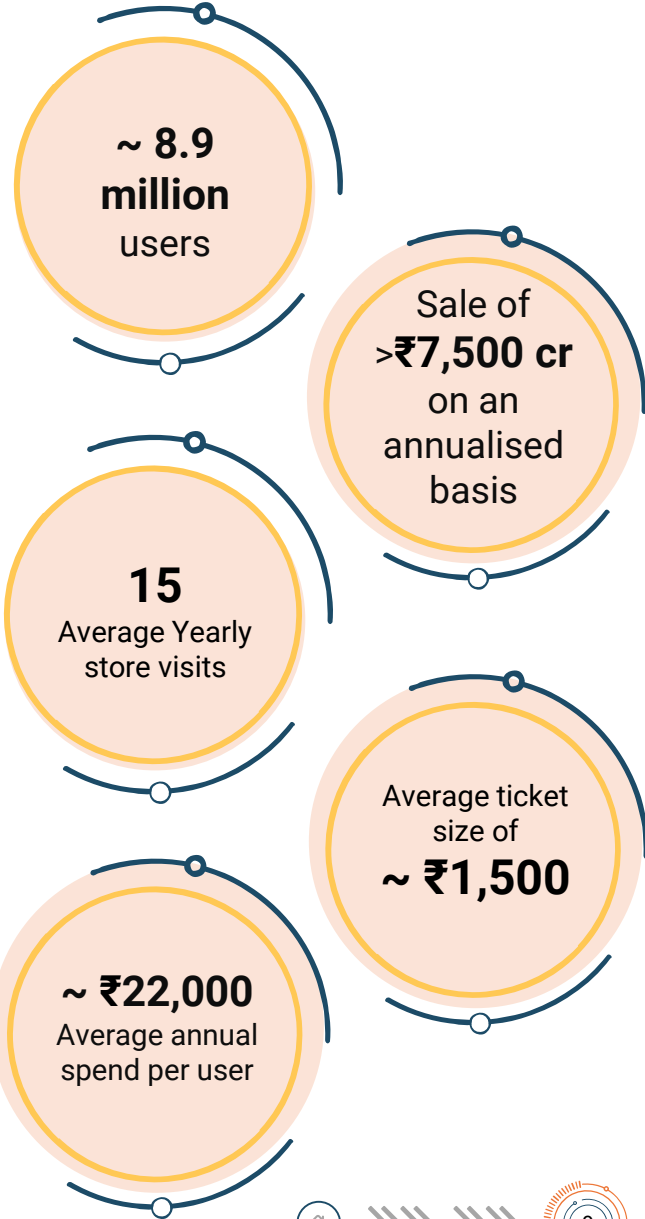
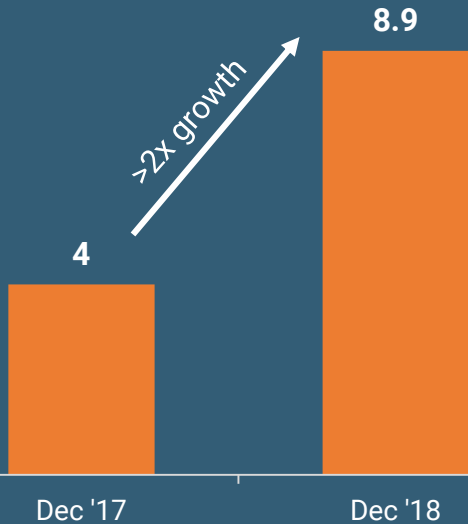
- >2 year old stores @ >1,500 members or more are profitable
- >1 year old stores @ 1,500 members or more at -0.5% EBITDA
- Stores with 1,500 members inching closer to BEP on a run rate basis
- Southern India stores continue to be under integration
- Key focus on supply chain capabilities and data-led technology deployments to reduce costs, improve availability and drive productivity

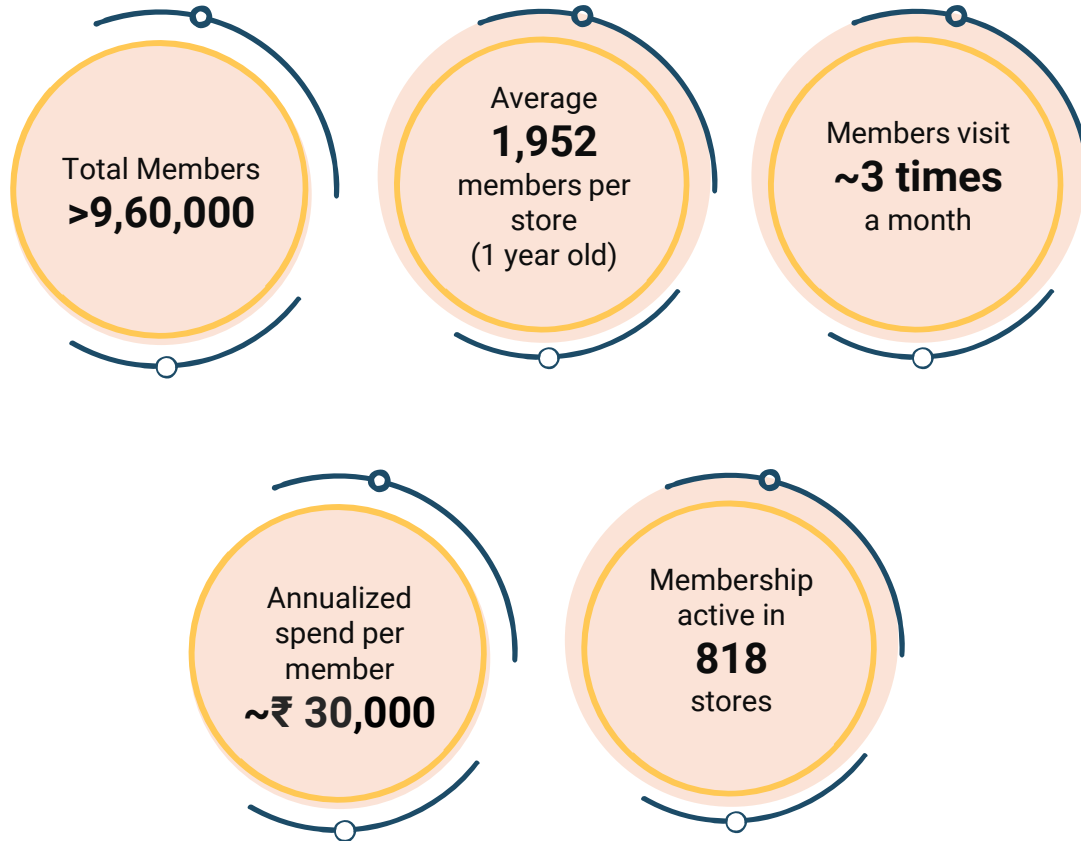
INTEGRATION WITH TECHNOLOGY AND LOYALTY



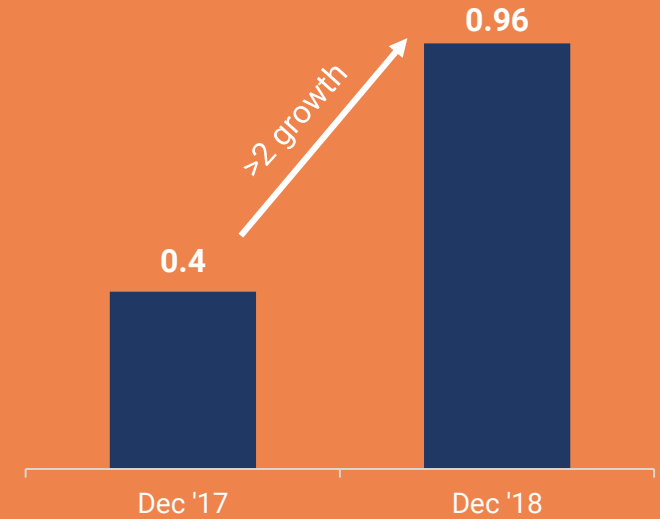


Future Pay Users (in mn)





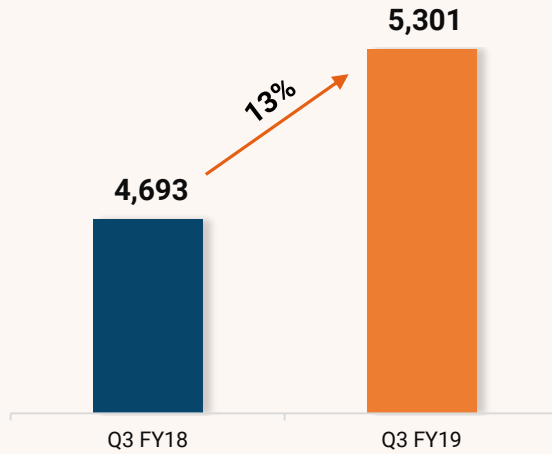
Easyday Club Members (in mn)



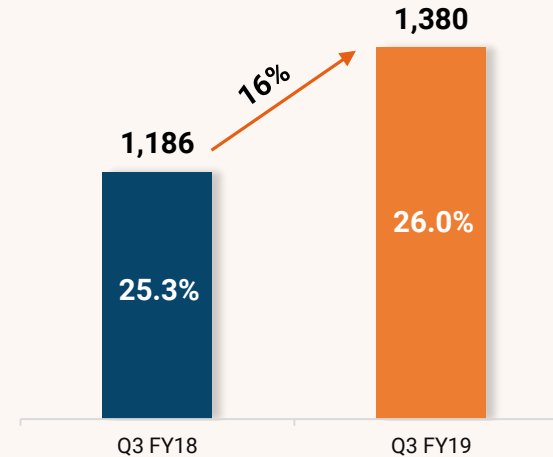
QUARTER IN NUMBERS



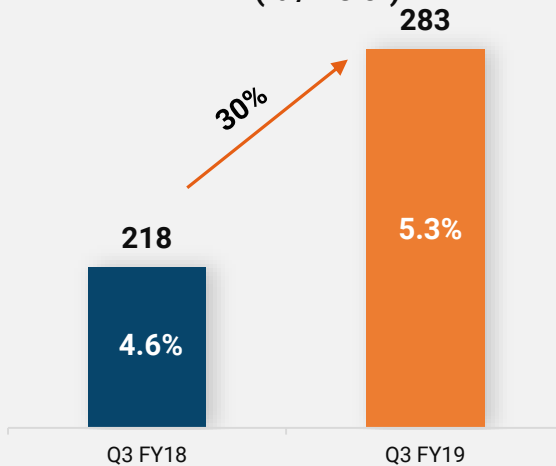
Income from Operations (Rs cr)



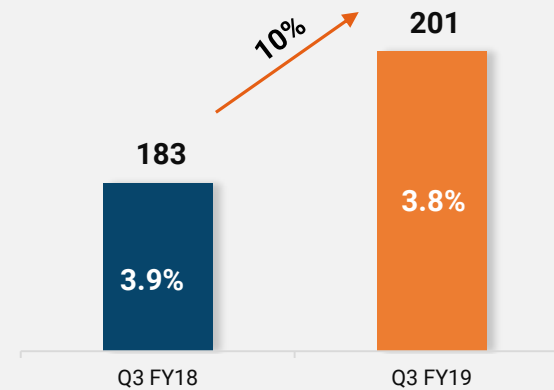
Gross Margin (% / Rs cr)



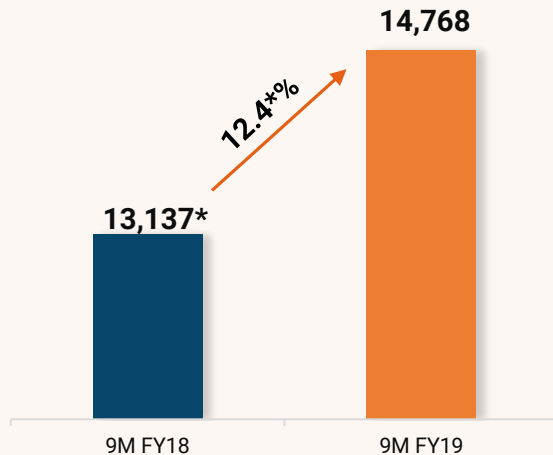
EBITDA (% / Rs cr)



PAT (% / Rs cr)

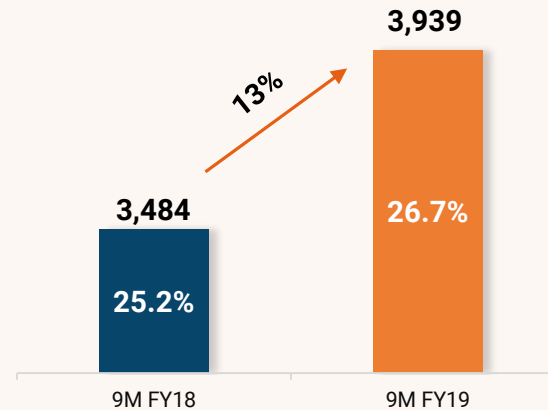


Income from Operations (Rs cr)

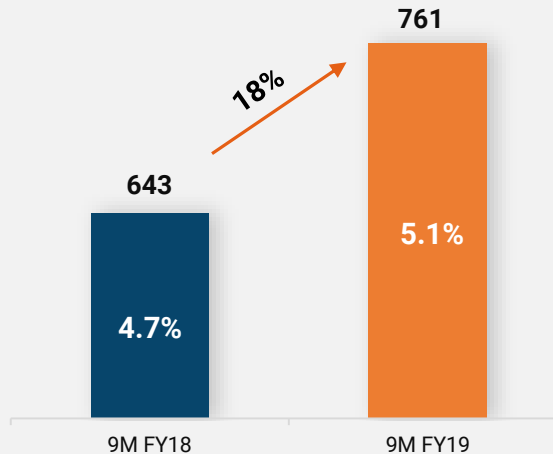


*Like-to-like basis

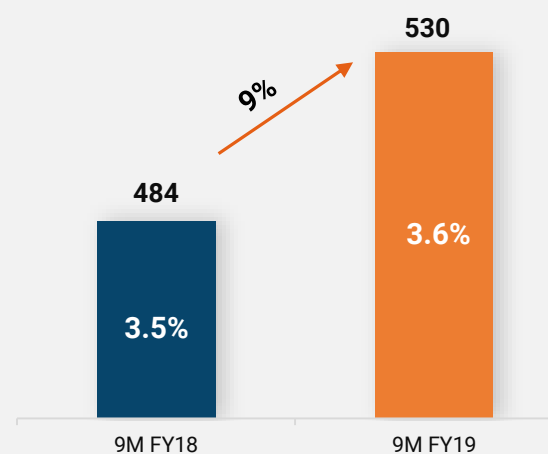
Gross Margin (% / Rs cr)



EBITDA (% / Rs cr)



PAT (% / Rs cr)



Particulars (₹ cr)	3 months ended				Growth	
	31-Dec-18	30-Sep-18	31-Dec-17		Y-o-Y	Q-o-Q
Income from Operations	5,301	4,929	4,693		13%	8%
Gross Profit	1,380	1,314	1,186		16%	5%
Gross Margin %	26.0%	26.7%	25.3%			
Employee benefits expense	277	270	235			
Rent including lease rentals	375	367	348			
Other Expenditures	450	429	389			
Total expenditure	1,103	1,067	971			
Other Income	5	6	3			
EBITDA	283	253	218		30%	12%
EBITDA%	5.3%	5.1%	4.6%			
Depreciation and amortisation	25	23	11			
EBIT	258	230	206		25%	12%
EBIT %	4.9%	4.7%	4.4%			
Finance Costs	56	55	23			
PBT	201	175	183			
Tax Expenses	-	-	-			
PAT	201	175	183		10%	15%
PAT%	3.8%	3.6%	3.9%			

MARKETING UPDATES



fbf

WINS BIG

at

ANNUAL INDIA DIGITAL AWARDS



BEST LEAD GENERATION CAMPAIGN THROUGH MOBILE

GOLD

NATIONAL JEANS DAY

SUNDAY, 16TH DEC 2018

future group

CELEBRATING OUR SUCCESS IN WINNING THE TITLE FOR

MARKETING CAMPAIGN OF THE YEAR!



OUR PURSUIT FOR EXCELLENCE CONTINUES...

CREATED BY - INTERIM COMMUNICATIONS

CONGRATULATIONS



BIG BAZAAR
Making India Beautiful

BAGS 2 AWARDS AT THE MADDIES

24 Hours Facebook Live - Gold

Midnight Sale - Silver

fbf

WINS BIG

at

ET RISE WITH INDIA PRESENTS



STARS OF THE INDUSTRY AWARDS

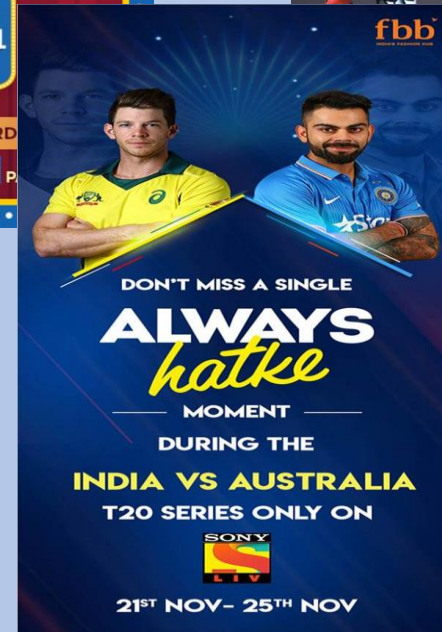
BEST EXPERIENTIAL AND BRAND EXPERIENCE

BEST USE OF SOCIAL MEDIA FOR MARKETING

fbf AIRPORT MAKEOVER

NATIONAL JEANS DAY


SUNDAY, 16TH DEC 2018



Connecting to every customer through latest platforms

fbb
fbb online

TIME FOR THE NEW



Say "Talk to fbbonline" On **G Assistant**

Open **fbbonline.in**

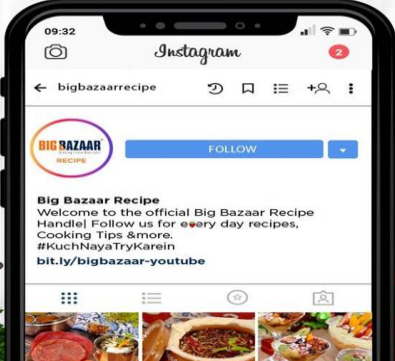
Fill your shopping cart and **USE CODE : TALK100**

GET EXTRA ₹100 OFF ON PURCHASE OF ₹300 AND ABOVE

Talk to fbbonline now

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Big Bazaar Recipe
Welcome to the official Big Bazaar Recipe Handle! Follow us for every day recipes, Cooking Tips & more.
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Creating a social impact

For The First Time Ever At BIG BAZAAR
A Preview Day Sale Only For Differently-Abled Shoppers!



₹ Get sabse sasta offers before everyone else

- Wheelchair Assistance
- Priority Bill Counters
- Shopping Assistance
- Home Delivery

SABSE SASTE 5 DIN 23-27 JAN

21st Jan, 10 AM

10% RuPay **50% cashback**

BIG BAZAAR
Making India Beautiful

prathall

Your continuous support and contribution towards "School to School" initiative from 15th November - 15th January has been overwhelming.

Applauding Our Achievements

Zone	Sale Unit Wise
South	1,44,498
East	1,36,635
West	59,519
North	48,261
AP & TS	41,167
Mumbai	37,044
NCR	33,960
Grand Total	5,01,084

A heartfelt thank you for all the efforts and hard work put in.

गुन..
GOODS... a voice, an effort
www.goods.org

BIG BAZAAR
Making India Beautiful

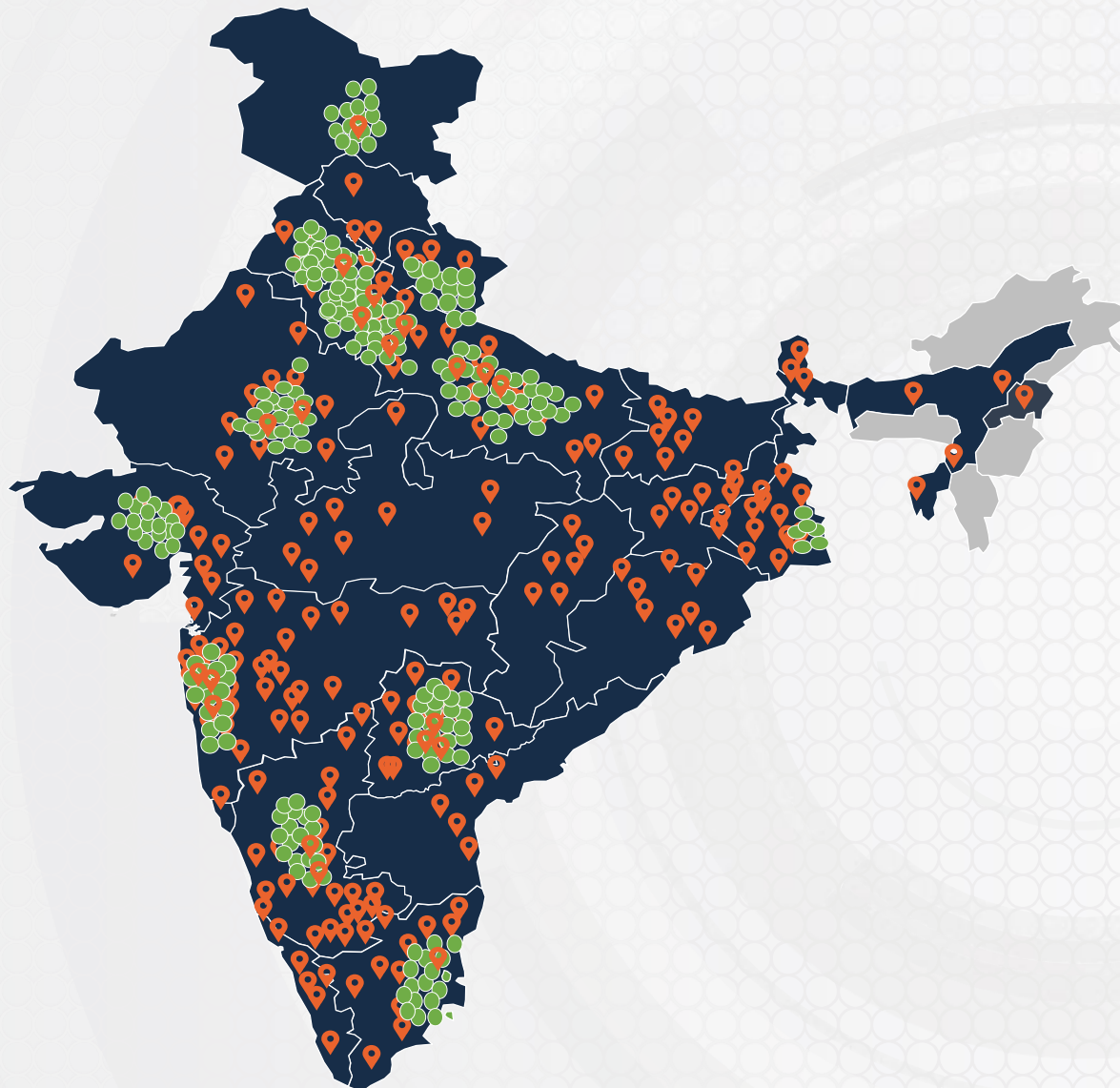
Big Bazaar believes in inclusiveness. Celebrating this value is Big Bazaar's 'Sab Ke Liye' spirit. Taking this thought ahead, we will be observing the 'Quiet Hour' at our Big Bazaar store in Matunga, Mumbai.

Our store is ready to provide qualified assistance to customers with autism. We humbly invite you and anyone close to you who may be a person with autism to join us in our effort to serve everyone better.

QUIET HOUR

December 03, 9:30am - 11:30am
Big Bazaar, New Era Road, Matunga Road, Matunga West

Customer Care: +91 22-49268116



FUTURE RETAIL: RIGHT NEXT TO YOU

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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