

FUTURE RETAIL



Future Retail Limited (FRL)

12th October' 2019

Continuing from the announcement in February' 2019, management would now like to achieve a completion of the asset purchase from Future Enterprises Limited.

1. FRL proposes to purchase the in-store leased assets at fair value for a maximum amount of Rs.4,000cr resulting into -
 - Cessation of all corporate guarantees from FRL to FEL Lenders;
 - Reduction in annual Lease rentals by upto Rs. 650cr;
 - The fair value of the above shall be determined based on an independent valuation report backed by fairness opinion;
 - Such consideration shall be achieved from balance warrants issuance, equity upside share and existing credit facilities approvals available with the Company
 - This being a related party transaction, is subject to shareholder approval in an EGM dated 08th November' 2019.

2. Given that FRL has established one of the widest retail networks in India with high gross margins that continues to deliver on strong SSSGs & operating leverage, various initiatives have been put in place to focus on generating significantly higher operating cash-flows from the business.



This report contains forward-looking statements and proforma financials, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', 'proforma' 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 and proforma financials 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 or proforma financials. The Company or its representatives assume no responsibility to publicly amend, modify or revise any forward looking statements and proforma financials, on the basis of any subsequent developments, information or events.

Thank You

