

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001. BSE- Scrip Code: 532938	The National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Mumbai – 400 050. NSE - Symbol - FCH
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Dear Sir/Madam,

Re.: Outcome of the Meeting of the Board of Directors of the Company held on 4th June 2012

The Board of Directors of the Company at its meeting held on 4th June 2012, *inter alia*, have resolved and approved the following:

1. Reclassification of Authorised Share Capital

subject to approval of members, re-classifying the authorized share capital of the Company into 10,30,00,000 equity shares of Rs. 10/- each and 1,00,00,000 Compulsorily Convertible Preference Shares of Rs. 10/- each from the existing authorized share capital of 11,30,00,000 Equity Shares of Rs. 10/- each, aggregating to Rs. 113,00,00,000/-.

2. Approving the Share Purchase Agreement and the Share Subscription Agreement

- a. approve the Share Purchase Agreement (**SPA**) dated 4th June 2012 entered into between Pantaloon Retail (India) Ltd. (PRIL), Future Value Retail Ltd. (FVRL), Mr. Kishore Biyani, Company and Cloverdell Investment Ltd (**Cloverdell**) for sale by PRIL and FVRL to Cloverdell of the equity shares of the Company representing a maximum of 53.67% but subject to a minimum of 40% of the equity share capital of the Company. The sale is proposed at a price of INR 162/- (Rupees One Hundred and Sixty Two only) per share in accordance with the terms and conditions of the SPA.
- b. subject to consent of the members of the company, preferential allotment to Cloverdell of 0.01%, Compulsorily Convertible Preference Shares ("**CCPS**") at a price of INR 162/- per CCPS, with each CCPS convertible into one equity share of the Company of Rs. 10/- each, for an aggregate amount of Rs.100,00,00,080/- (Rupees One Hundred Crore and Eighty only) ("**Subscription Amount**"). In light of the compulsory nature of conversion of the CCPS, if so decided by the Board and Cloverdell, allot equity shares to Cloverdell in lieu of CCPS towards part of the Subscription Amount not exceeding 50% of the Subscription Amount. The said allotment shall be effected as per the terms and conditions of the Share Subscription



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Agreement dated 4th June 2012, entered into between the Company and Cloverdell in compliance of all relevant laws, regulations and conditions, obtaining all requisite approvals including the shareholder's approval through a postal ballot.

- c. Cloverdell belongs to the Warburg Pincus group. Warburg Pincus, founded in 1966, has been a leading private equity investor in the world. Warburg Pincus, along with its affiliates, has invested approximately USD 2.7 billion in Indian companies and currently has approximately USD 1.1 billion invested in India.
- d. Upon completion of the transaction set out in the Share Purchase and the Share Subscription, as set out above, pursuant to the terms of the Share Purchase Agreement and the Share Subscription Agreement, Cloverdell shall acquire control over the Company. Accordingly, Cloverdell is proposing to launch a mandatory open offer at a offer price of INR 162 (Rupees One Hundred and Sixty Two only) per equity share in compliance with Regulations 3(1) and 4 of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as may be amended from time to time ("SEBI Takeover Regulations")

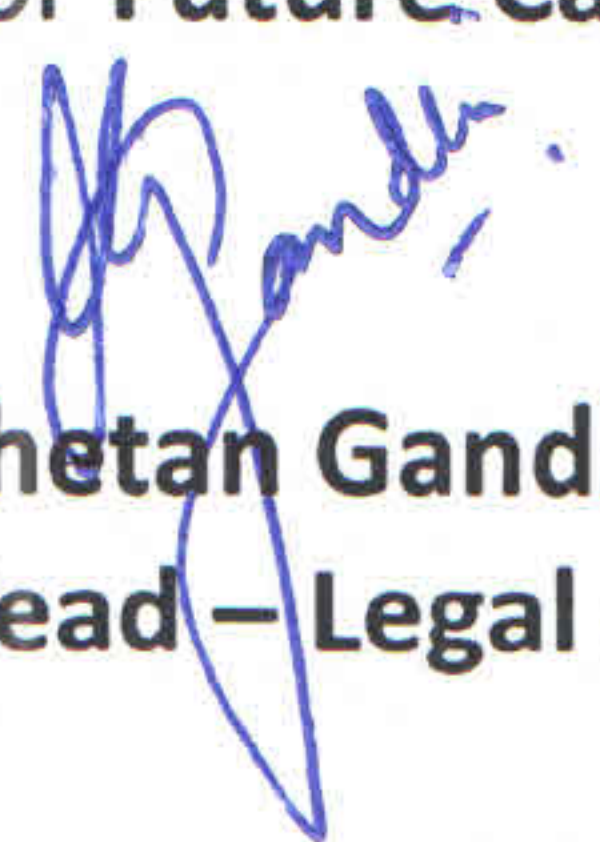
3. Postal Ballot :

Accorded its consent for postal ballot to seek approval of shareholders of the Company for re-classifying the authorized capital, preferential allotment of securities and Employee Stock Option Scheme – 2012 and also approved the draft notice of Postal Ballot and appointed Scrutinizer.

You are requested to take note of the above.

Yours faithfully,

For Future Capital Holdings Limited


Chetan Gandhi
Head – Legal & Secretarial



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