FUTURE LIFESTYLE FASHIONS

Ref: FLFL/BM/ BSE/ NSE/ 2016-17

8 August 2016

To
Dept. of Corporate Services (CRD)
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

**Scrip Code : 536507**
**Scrip Code of Debt : 950223/ 947433**

Listing Department
The National Stock Exchange of India Limited
Exchange Plaza,
Bandra- Kurla Complex, Bandra (East)
Mumbai- 400 051

**Scrip Code : FLFL**

Dear Sir/Madam,

**Sub: Presentation to Analysts/ Investors**

Please find enclosed herewith the presentation being forwarded to Analysts/ Investors on the Un-audited Financial Results of the Company for the Quarter ended 30 June 2016.

The aforesaid presentation is also available on the Company's website www.futurelifestyle.in

Kindly take the above information on your records

Thanking you,

Yours truly
for **Future Lifestyle Fashions Limited**

**Sanjay Kumar Mutha**
**Chief-Legal & Company Secretary**

Encl: As above

FUTURE
LIFESTYLE
FASHIONS

# Investor Update – Q1 FY17

April 2016 - June 2016

# Snapshot – Q1 FY17

FLF FUTURE LIFESTYLE FASHIONS

| Particulars | Q1 FY17 | Q1 FY16 |
|---|---|---|
| Total Income From Operations | ₹804 cr | ₹702 cr |
| Gross Profit | ₹314 cr | ₹278 cr |
| EBITDA Margin | 9.7% | 9.0% |
| PAT | ₹3.5 cr | ₹2.5 cr |
| Gross Space Addition (mn. sq. ft.) | 0.24 | 0.02 |

**FLF Brands**

- Contributed 40% of Total Sales compared to 38% in Q1 FY16
- Lee Cooper registered robust 33% YoY growth in MRP Sales
- Indigo Nations MRP sales grew significantly by 19% on YoY basis

**Margins**

- On YoY basis, EBITDA margins exhibited improvement of 68 bps

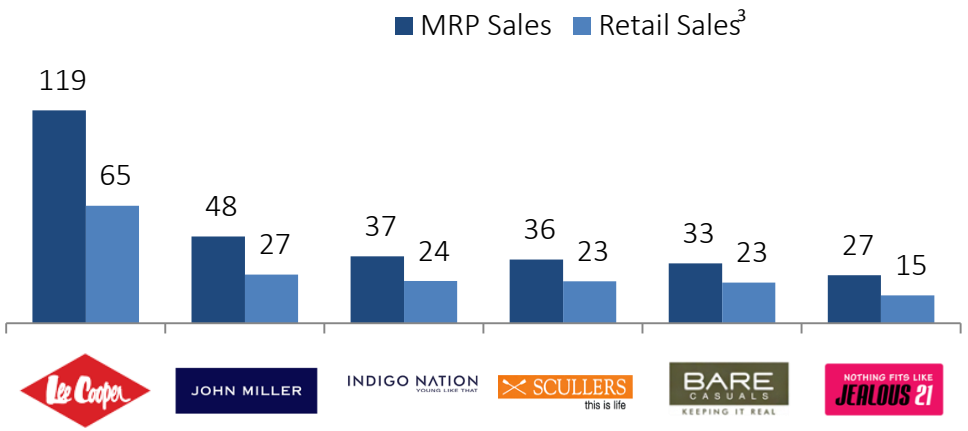
**SSGs**

- Retail :10.1% in Q1 FY17 vs 5.7% in Q1 FY16
- Central:10.0% in Q1 FY17 vs 9.9% in Q1 FY16

## Total Sales[1] Summary (₹cr)

| Total Sales[1] Summary (₹ cr) | | |
|---|---|---|
| **Particulars** | **Q1 FY17** | **Q1 FY16** |
| FLF Brands | 348 | 293 |
| *- Owned Brands* | *112* | *96* |
| *- Licensed Brands* | *236* | *197* |
| Third Party Brands[2] | 527 | 472 |
| **Total Sales** | **875** | **765** |
| Less: Consignment / SIS | 44 | 41 |
| Less: Taxes & Duties | 45 | 40 |
| **Net Sales after Tax** | **786** | **684** |

## Top Brand Performance Q1 FY17 (₹cr)




[1]: Includes SIS & consignment sales
[2]: Third party brands represent non FLF brands and includes SIS sales and consignment sales
[3]: Retail Sales indicate Net Sales Before Tax

# Cover Story – Building its Presence

FLF FUTURE LIFESTYLE FASHIONS

- Launched its second exclusive outlet in DLF Mall in June'16
- Cover Story is currently available at 2 EBOs and 10 Central stores
- Extending its reach on the ecommerce platform, Cover Story is also available on Myntra
- The brand recently featured in The Wall Street Journal - http://on.wsj.com/2awSyak

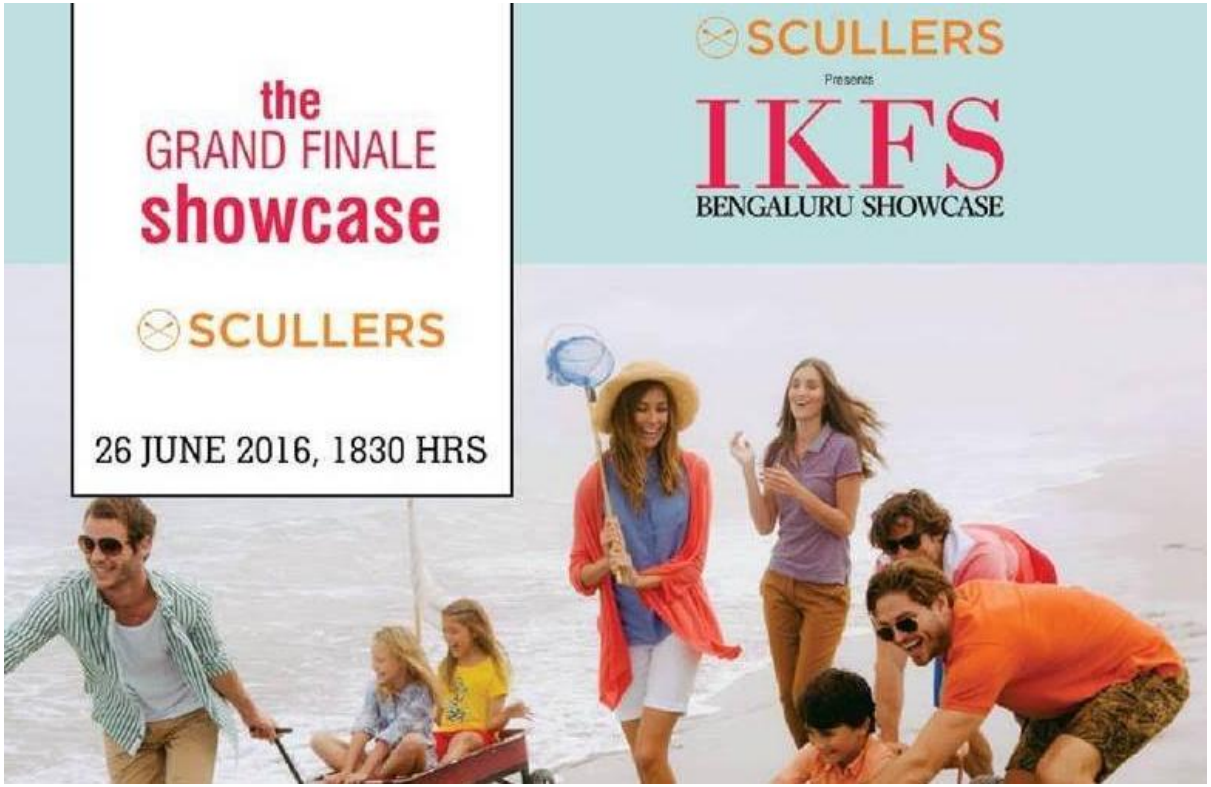
# Media Campaigns and Promotions

SCULLERS
this is life

- Scullers was title sponsor to IKFS – India Kids Fashion Show (Bengaluru Edition)
- The event offered perfect platform to communicate Scullers brand essence – Celebration of Joy, Optimism and New Beginnings
- Kids showcased the new Scullers Spring Summer'16 collection

URBAN yoga
SPIRITUAL FITNESS WEAR

- The most renowned Yoga attire brand in India celebrated International Yoga Day with style and enthusiasm
- Flash Yoga in Pune and Mumbai pleasantly surprised everyone also engaged the audience



# Media Campaigns and Promotions

NOTHING FITS LIKE JEALOUS 21

- Jealous 21 continues its second year of association with the Miss Universe via the launch of the Miss Universe Collection

INDIGO NATION CHANGEISM

- Indigo Nation and NDTV partnered successfully to present the NDTV Unicorn start-up awards 2016
- Indigo Nation continues to connect with the today's youth with celebrating start up ideas

# Growth & Expansion in Distribution Network

## Retail Presence

- Operates 5.06 million square feet of retail space across fashion formats (including EBOs)
  - Gross space addition during Q1 FY17 was ~0.24 mn sq ft

## New Store Openings

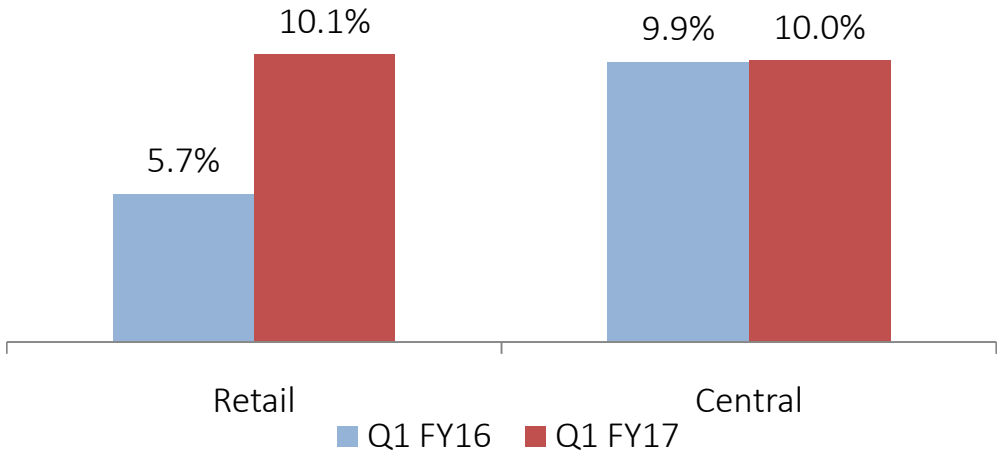
- Q1 FY17 witnessed store opening in both large store formats and small store formats
  - Expanding its presence in Mumbai, opened 1 Central store in Dahisar
  - Added 4 Brand Factory stores – 3 in Mumbai and Thane region and 1 in Hyderabad
  - Added 1 aLL store in Mumbai taking the total store count to 8 in the city
  - Lee Cooper opened its first store in Hanumangarh (Rajasthan)
  - Opened 7 EBOs & other small format stores:
    - Established presence in Kolhapur & Chiplun (Maharashtra), Vellore (Tamil Nadu) and Sambalpur (Orissa) by opening 1st store in these cities
    - Strengthened presence in Mumbai, Hyderabad and Indore

### Store Network as of 30th June, 2016

| Format | # of stores | Retail space (mn sq ft) |
|---|---|---|
| Central | 31 | 3.19 |
| Brand Factory | 46 | 1.38 |
| aLL | 54 | 0.07 |
| Planet Sports & Other * | 52 | 0.14 |
| EBOs and Others # | 183 | 0.27 |
| **Grand Total** | **366** | **5.06** |

* Planet Sports and Other includes Converse
\# EBO and Others includes franchise, *I am In* and Lee Cooper brand stores

### SSGs (%) for Q1 FY16 and Q1 FY17




**Note:** Store Data as on 30th June 2016

# Financial Overview

FLF FUTURE LIFESTYLE FASHIONS

## Income Statement

| Income Statement (₹ cr.) | Quarter ended | | Year Ended |
|---|---|---|---|
| Particulars | Q1 FY17 | Q1 FY16 | FY16 |
| Net Sales | 786 | 684 | 3,229 |
| Other Operating Income | 18 | 18 | 71 |
| **Total Income from Operations** | **804** | **702** | **3,300** |
| COGS | 489 | 424 | 2,046 |
| **Gross Profit** | **314** | **278** | **1,255** |
| ***Gross Margin %*** | **39.1%** | **39.6%** | **38.0%** |
| Employee Benefits Expense | 48 | 45 | 189 |
| Rent including Lease Rental | 95 | 90 | 373 |
| Other Expenditures | 93 | 80 | 368 |
| **Total Expenditure** | **236** | **215** | **929** |
| **EBITDA** | **78** | **63** | **325** |
| ***EBITDA Margin %*** | ***9.7%*** | ***9.0%*** | ***9.9%*** |
| Other Income | 2 | 12 | 16 |
| *Other Income* | *2* | *2* | *6* |
| *Profit from sale of investment* | *0* | *11* | *11* |
| Depreciation | 43 | 36 | 161 |
| EBIT | 36 | 39 | 180 |
| Finance Costs | 31 | 36 | 135 |
| PBT | **5** | **4** | **45** |
| Tax expense | 2 | 1 | 16 |
| **Net profit** | **4** | **2** | **29** |

- Total Income from Operations for Q1 FY17 stood at ₹804 cr
- Reported a strong topline growth of 14.5% on YoY basis
  - Supported by double digit SSGs
- Gross margins stood at 39.1% for Q1 FY17
- On YoY basis, EBITDA margins expanded by 68 bps to 9.7%
  - Primarily driven by decline in rental (106 bps) and employee expenses (37bps) as a % of Total Income from Operations
    - Largely due to higher sales productivity
- Finance costs declined by ₹4.7 cr on YoY basis

Note: 1) Profit from sale of investment in Q1 FY16 and FY16 primarily includes profit from sale of residual stake in BIBA
2) Numbers are rounded off to nearest integer

# THANK YOU

**Disclaimer:**

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.

**Registered and Corporate Office:**

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Incase if any queries please contact: investorrelations@futurelifestyle.in