Talwalkars Better Value Fitness Ltd.
Regd. Off.: 801, Mahalaxmi Chambers, 22, Bhulabhai Desai Road, Mumbai 400 026.
CIN: L92411MH2003PLC140134; Tel.: 6612 6300. Fax: 6612 6363. Website: www.talwalkars.net

Talwalkars
Spreading fitness since 1932

Date: 12th December, 2017

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400001.

To,
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G Block, BKC,
Bandra (East), Mumbai - 400051.

Dear Sir,

Re: **Talwalkars Better Value Fitness Limited; Scrip Symbol: TALWALKARS; Scrip Code: 533200**
Sub: **Updates on Unaudited Financial Results for the quarter and half year ended 30th September, 2017**

We are enclosing herewith the updates on the Unaudited Financial Results for the quarter ended as on 30th September, 2017.

Kindly take the same on records and acknowledge the receipt of the same.

Thanking You.

Yours faithfully,
For **Talwalkars Better Value Fitness Ltd.**

TALWALKARS BETTER VALUE FITNESS LTD. MUMBAI

Avanti Sankav
Company Secretary & Compliance Officer

Centrum Broking Limited

Cordially invites you to a

Conference Call

With the management of

Talwalkars Better Value Fitness Limited

Agenda: Discussion on Q2FY18 Results & Future Outlook

Company Management	
Mr. Prashant Talwalkar Managing Director & CEO	**Mr. Anant Gawande** Executive Director
Mr. Girish Nayak Chief Financial Officer	

Conference Dial-In Numbers	
Primary Number:	+91 22 3960 0607
Secondary Number:	+91 22 3940 3977
International Toll Free Numbers:	USA : 1 866 746 2133 UK : 0 808 101 1573 Singapore : 800 101 2045 Hong Kong : 800 964 448
Date:	Thursday, 14 December 2017
Time:	12:00 noon IST

RSVP:

Mr. Ankit Kedia
Centrum Broking Limited
Land line: +91 22 4215 9634
Mob: +91 9773030562
E-mail: ankit.kedia@centrum.co.in

Mr. Varshit Shah
Centrum Broking Limited
Land line: +91 22 4215 9495
Mob: +91 9819913128
E-mail: varshit.shah@centrum.co.in



Expanding Horizons.

-Growing Franchise Way!

Talwalkars Better Value Fitness Limited

Q2 FY2017-18 : 12th Dec, 2017.

DISCUSSION POINTS



Our Footprint



Business Segments



Developments in Gym Segment



Developments in Lifestyle Segment



Result Update



Going Forward



Marketing Highlights

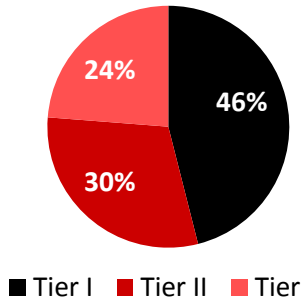
About Us

OUR FOOTPRINT

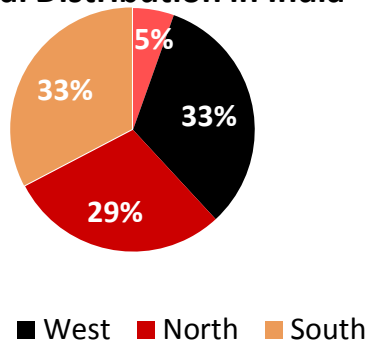
Fitness Centers as on 30th September, 2017

Format	#
Owned	
Talwalkars	103
Power World Gym	40
Subsidiaries/ Associates	
Talwalkars	9
Zorba Studios	4
PWG SriLanka	20
Franchise	
Talwalkars	19
HiFi	27
TOTAL	**222**

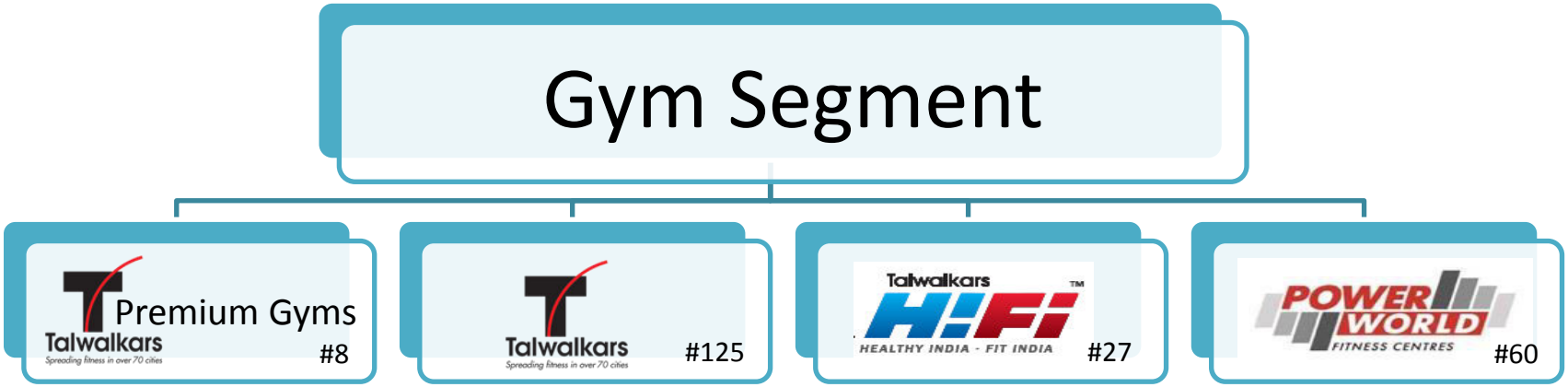
Demographic Distribution in India



Regional Distribution in India



TALWALKARS BETTER VALUE FITNESS LTD.



No. of Centers

DEVELOPMENTS IN GYM

- Added 1gym under Talwalkars franchise model in Siliguri, West Bengal and 1gym in Jorhat, Assam under Hi-Fi model.
- Significant momentum was seen in this quarter due to Annual August Scheme with better renewal rates, better employee engagement and improved utilization.
- Maiden Idea: " Rs.125,000 p.a all inclusive package for just Rs.20,000 p.a*" - this scheme was well received and carved out a distinctive identity for value added services.
- Upgarded biometric systems across all its existing gym and CHCF (Complete health complete fitness) enabling additional services and also introduced Omnia (Multi-purpose Fitness Rig) across few of its centers.
- The company is working on new locations for rolling out new gyms.

***exclusive of GST**

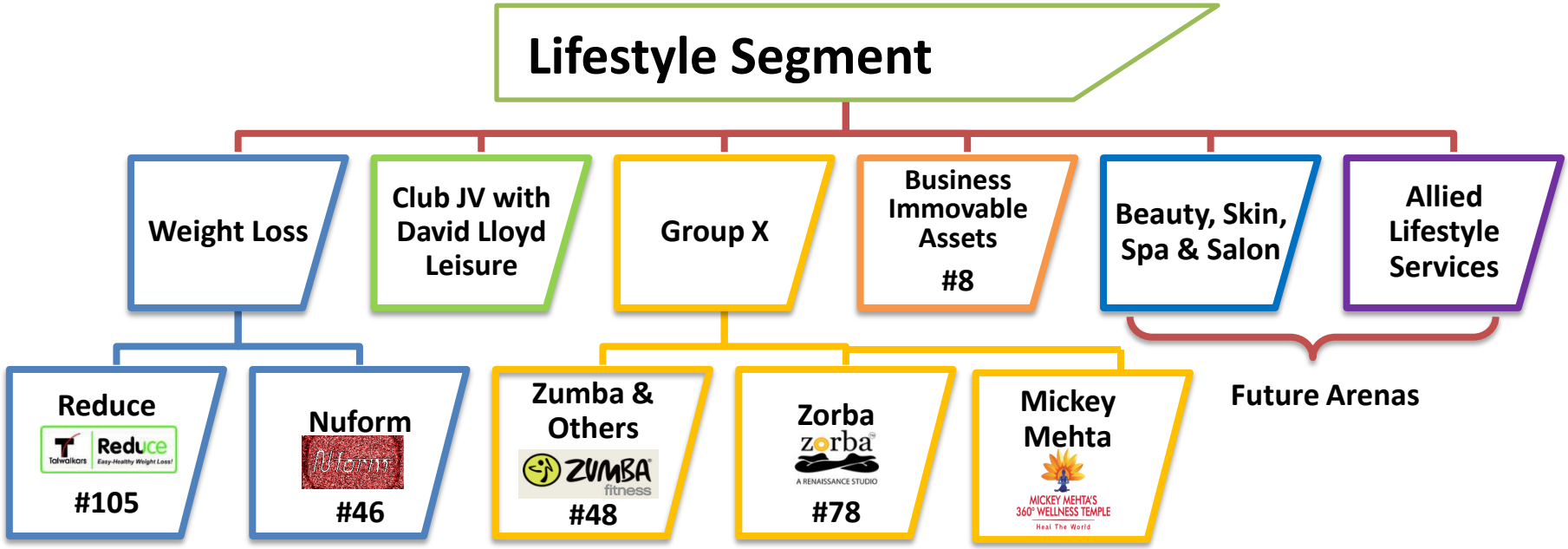
DEVELOPMENTS IN GYM- SNAP FITNESS

- Talwalkars have acquired exclusive master franchise from Snap Fitness Inc to develop and operate fitness clubs in Bangladesh, Malaysia, Singapore, Sri Lanka, Thailand and Vietnam through setting up a subsidiary overseas.

- Snap Fitness Inc. headquartered in Minneapolis, MN is recognised as global leader with franchise with 2,500 health clubs and 1,450 locations providing a range of fitness and healthcare services to its members for the past 8 years.



TALWALKARS BETTER VALUE FITNESS LTD.



No. of Centers

DEVELOPMENTS IN LIFESTYLE SEGMENT

MICKEY MEHTA

- Talwalkars has entered into strategic alliance with global holistic health guru Dr. Mickey Mehta and with Mickey Mehta Health Beyond Fitness Pvt. Ltd.
- TBVFL will utilize its existing infrastructure to scale Mickey Mehta's 360° Wellness Temple centres across its existing GYM chains.
- Some of the signature wellness offering are Learn Swimming in 24 hours and Grow tall with Mickey Mehta will be incorporated within existing and new centers. The company is taking necessary actions to upgrade the centers.
- The company intends to Franchise and organise and manage Brand Endorsements, Seminars, Corporate Tie-Ups and Weekend Diploma Program etc. under this format.
- This will engage the customers from age brackets of 6 yrs to 90 years.

MICKEY MEHTA'S
360° WELLNESS TEMPLE
Heal The World



DEVELOPMENTS IN LIFESTYLE SEGMENT -CLUB

- Talwalkars Club Limited, announced the construction for their first club in India in Wakad, Pune has commenced.
- This club will offer range of health, sports and leisure facilities including squash, tennis, badminton, gyms, spa, restaurant, conference meet-up, banquet etc.
- Ms. Hazel Geary, the COO of this venture deputed by David Lloyd Leisure is spearheading the club project in Pune. She has been located in India since April 2016 and is responsible for overseeing the design, construction and operation of the first club in Pune and is also identifying additional opportunities across India.
- Post the compliance of various statutory procedures the club project has received necessary sanctions for its commencement.

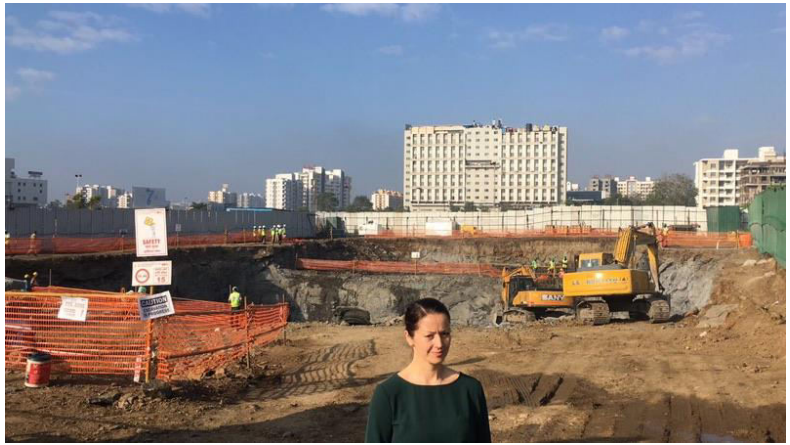








DEVELOPMENTS IN LIFESTYLE SEGMENT-CLUB





- ✓ Foundation work has commenced for the club at its site in Pune.
- ✓ Company has roped in a international construction company for its setting up.
- ✓ The club is expected to be ready in 9 to 12months.
- ✓ The company is expecting to roll out its initial membership plan by middle of next year.

DEVELOPMENTS IN LIFESTYLE SEGMENT-REDUCE

Talwalkars | Reduce
Easy-Healthy Weight Loss!

- Partnered with online retailers like Growfitter, Paytym, Nykaa, American Express Offer Page, Free Charge, Cheep Mobile App etc.
- Introduction of products like “Healthy Puffs” , 5 Varieties of Soups, Muesli options etc .
- Increase in membership base significantly in this quarter

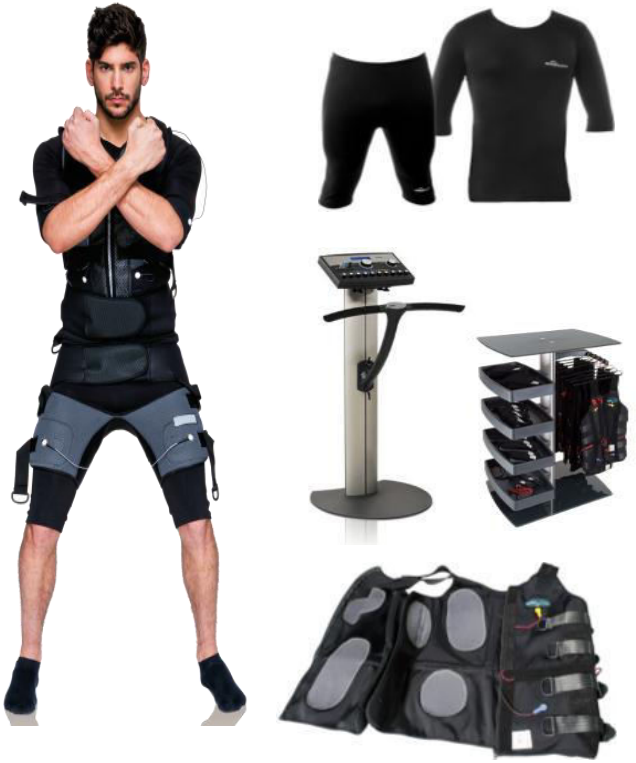


Reduce now with Newer Healthier Options!!!

DEVELOPMENTS IN LIFESTYLE SEGMENT- NUFORM

- Elevated our services called “Home-PEP” (personalised exercise program) in this quarter enabling customers to avail services at door step. The response has been positive.

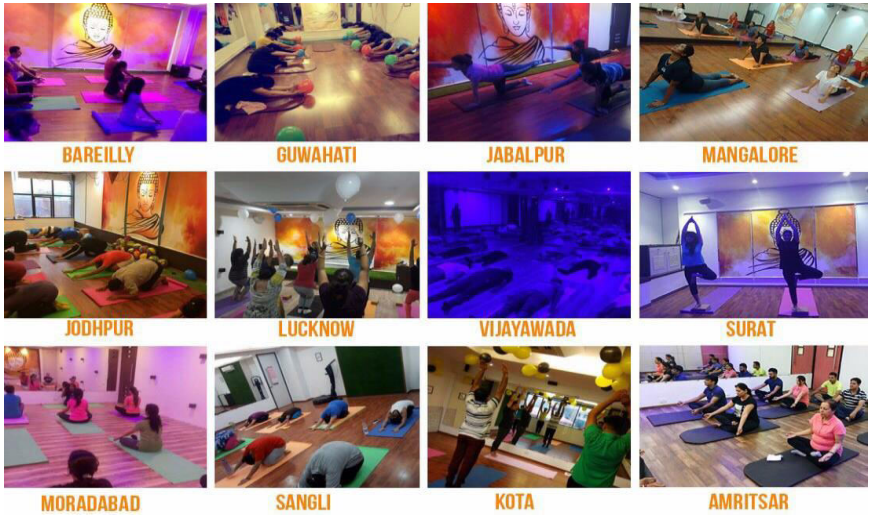
- Machines ordered across 30+ centers which are to be deployed in existing and new centers in near quarter



DEVELOPMENTS IN LIFESTYLE SEGMENT- ZORBA

zorba
A RENAISSANCE STUDIO

- Added 47 centers in this quarter reaching **78 centers** .
- Added 12 centers on 1st August 2017
- Zorba "A Renaissance Studio" is now one of **India largest Yoga Chain.**
- Good response in our gyms and in standalone centers.
- This model is EBITDA Accretive and has high return ratios



Added 12 centers on a single day across above locations!!!





RESULT UPDATE

Consolidated Results

Particulars (INR In Mn)	Quarter Ended 30.09.2017 (Unaudited)	Quarter Ended 30.09.2016 (Unaudited)		Half Year Ended 30.09.2017 (Unaudited)	Half Year Ended 30.09.2016 (Unaudited)	
Revenues	**1,031**	**896**	**10%**	**1,604**	**1,409**	**11%**
EBITDA	**659**	**532**	**24%**	**945**	**785**	**20%**
PAT*	**360**	**288**	**25%**	**427**	**343**	**25%**

** PAT after Non Controlling Interest and profit from Associates and Joint Ventures.*

CONSOLIDATED INCOME STATEMENT

	Quarter Ended			Half Year Ended		
Particulars (Rs. in Mn)	**Sept-17**	**Sept-16**	**YoY%**	**Sept-17**	**Sept-16**	**YoY%**
Income from Operations	972	882	10%	1,539	1,384	11%
Other Operating Income	60	13		65	25	
Total	1,031	896	15%	1,604	1,409	14%
Expenditure						
Personnel Cost	129	156	-17%	221	242	-9%
Admin & Other Exp	243	207	18%	437	382	15%
	372	363	2%	659	624	6%
Total						
EBITDA	659	532	24%	945	785	20%
Depreciation	107	64	67%	233	204	14%
EBIT	552	468	18%	712	581	22%
Interest	70	50	39%	122	88	39%
EBT before exceptional Items	483	418	15%	590	494	19%
Exceptional Items	0	-		0	-	
PBT	482	418	15%	589	494	19%
Tax	120	130	-7%	157	150	5%
PAT before Minority Interest	362	289	25%	432	344	26%
Share of Associates /Joint Venture	-8	2		-4	5	
Non controlling Interest	-6	3		0	6	
PAT after Minority Interest	360	288	25%	427	343	25%

CONSOLIDATED BALANCE SHEET

Consolidated Unaudited Balance Sheet as at	30-Sep-17
ASSETS	
I) Non- Current Assets	
(a) Property, plant and equipment	6,062
(b) Capital work in progress	597
(c) Goodwill	78
(d) Other intangible assets	90
(e) Financial Assets	
(i) Investments	1,073
(iii) Other financial assets	1,290
(f) Other non-current Assets	746
	9,936
II) Current Assets	
(a) Inventories	4
(b) Financial Assets	
(i) Investments	-
(ii) Loans	424
(iii) Trade Receivables	303
(iii) Cash and cash equivalents	836
(iv) other financial asssets	221
(c) Other current Assets	377
	2,167
Total Assets (i+ii)	**12,103**

(Rs. In Mn)

CONSOLIDATED BALANCE SHEET

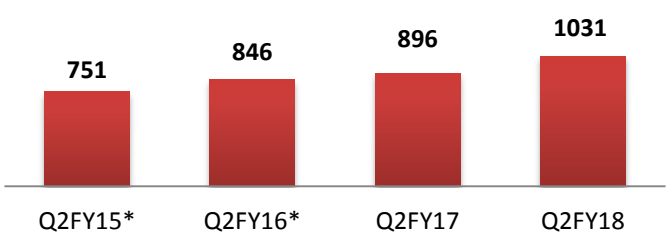
(Rs. In Mn)

Equity and liabilities	
Equity	
(i) Equity share capital	310
(ii) Other equity	5,755
Equity attributable to equity holders of ther parent	6,065
Non controlling interest	37
Total Equity	6,102
LIABILITIES	
(i) Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	4,874
(ii) Other financial liabilities	8
(b) Deferred tax liabilities (net)	447
(c)Other non-current liabilities	1
	5,329
(ii)Current Liabilities	
(a)Financial Liabities	
(ii) Trade payables	115
(iii) Other financial liabilities	464
(b) Liabilities for current tax (net)	53
(c)Other current liabilities	21
(d)Provisions	19.
	672
Total Liability (i+ii)	6,001
Total Equity and Liabilities	**12,103**

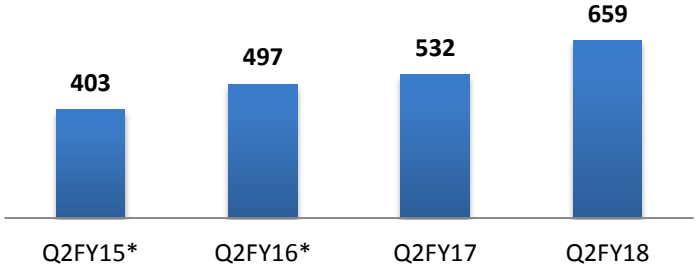
FINANCIAL SUMMARY

(Rs. In Mn)

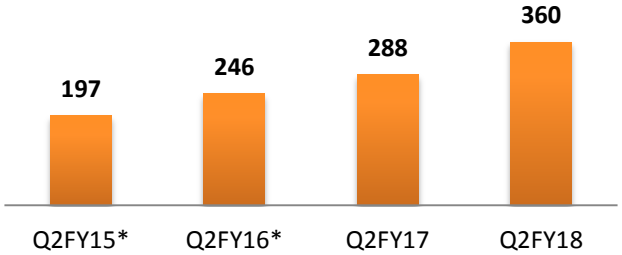
Revenues



EBITDA



PAT#



 # PAT after Non Controlling Interest and profit of share from Associates and Joint Venture.

** Not adjusted as per Ind AS. (Ind AS applicable w.e.f 01/04/2017)*

FINANCIAL ANALYSIS

- VAS provided impetus in this quarter by innovative cross selling of ideas by combining fitness idea, for eg: Gym plus Zorba
- EPS for half year ended Sept17 is Rs.14.31.
- Net Debt to Equity ratio is 0.74
- Personnel Cost of Q2FY17 included cost of 20gyms opened in the Q3FY17. Hence the cost to that extent is higher last year.
- Operating expenses of PWG brand gym is lower and this enabled us to keep cost under control.

OTHER UPDATES

PREFERENTIAL ALLOTMENT

- The company has allotted Preferential Shares (in form of Equity Shares) to increase the Promoters Contribution.
- The promoters infused Rs.41.38 crs by subscribing 13,00,000 Equity Shares.
- Issue was made at Rs.318.33 per share in accordance with SEBI Regulations.
- The infused funds in the Company will be utilized for the expansion in India and overseas.
- This preferential allotment has enabled to increase the promoters contribution to 37.68%

IMPACT OF GST

- GST one country, one tax enabled VAT setoff against services that were not possible under earlier tax regime.
- Initially the company charged service tax to customers and paid VAT on equipments purchased. It wasn't possible to set off this VAT against service tax. Under GST regime, paying GST on both sales and purchases has enabled to claim input tax credit on both.
- Waiting time to avail the credit has also reduced significantly.
- Thus impact of GST has been positive to neutral**.**

DEMERGER

- On 27th April 2017 the National Company Law Tribunal (NCLT) convened the meeting of the Shareholders of the Company for approval of the Scheme of Arrangement between Talwalkars Better Value Fitness Ltd. and Talwalkars Lifestyle Ltd. and their respective shareholders.
- The Shareholders approved the scheme with the requisite majority.
- The Scheme is now pending approval from NCLT and applicable legal authorities.
- The company awaits NCLT approval in a short period of time**.**

NEAR TERM DEVELOPMENTS

Gym Segment

- Target top 10-12 cities of India and emerge as a dominant player
- Add 20 -25gyms in near term.
- Plans to add 8-10 Gyms under Hi-Fi Franchise in the financial year.
- Plans to add 3-4 Talwalkars Franchise during the financial year.

Lifestyle Segment

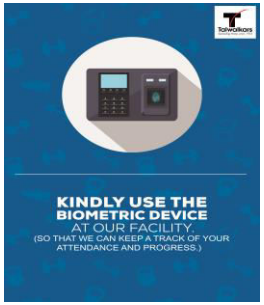
- Tie up with new online and offline retailers to scale Reduce product
- Scaling Nuform across all the existing centers and accelerate home based services
- Zorba is expected to reach over 100 centers .
- The Construction of the Club will be continued at a good pace.
- Utilising existing infrastructure to scale Mickey Mehta's 360° Wellness Temple centres across its existing GYM chains.

KEY MARKETING HIGHLIGHTS

Posters for promoting new initiatives



Omnia – 360 degree workout



Biometric devices used across centers

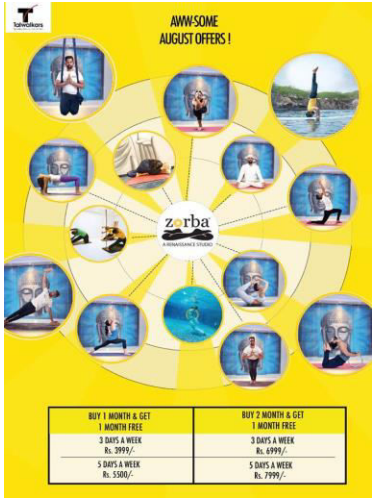


Additional services with Complete Health Complete Fitness (CHCF)

Annual August Scheme 2017







Aww-some August Offer at Zorba!

The company has taken Marketing initiatives through both Offline and online mode spreading health, fitness and wellness awareness.

CLIENT DIARIES

"I am Tanuja. As a working professional I come across many challenges but losing weight was something next to impossible for me.
Then my sister in Law suggested the solution to join Zorba at Goregaon. I joined Zumba classes at Zorba in June 17 and shredded few kilos within 2 months. I am surprised to see myself in a new look. My cloth size has already reduced from XXL to XL. Thanks to Zorba and it's instructors for bringing the change in me.. It' truly amazing! Looking forward to lose some more weight and gain good body shape and fitness..."
- Mrs. Tanuja Karkere

#SuccessStories



zorba
A RENAISSANCE STUDIO

"Yoga has helped me a lot in maintaining myself, it helped me to be more flexible & good healthy me. All credits goes to you Rahul, thank you, you are really a very good trainer.

- Riddhi

#SuccessStories



zorba
A RENAISSANCE STUDIO



SRIKANT, Mysore
Reduce program,
Renewed for 45 days,
Lost 27 kgs in 90 days

ABOUT US

- Largest fitness chain in India and Srilanka.
- Over 200 centers across South Asia.
- World-class gymming experience backed by professional trainers.
- Diverse fitness services including standard gymming and fitness, Zumba Merchandise and Zumba® (aerobics and Latin dance-inspired fitness programme), Transform (holistic fitness programme), Reduce (diet-based, easy diet programme), NuForm (time-efficient weight loss programme), Zorba (yoga), Mickey Mehta, spa, massage and aerobics.
- Various fitness centre formats - Talwalkars Premium, Talwalkars, Snap Fitness, Power World Gym, HiFi, Zorba and Mickey Mehta

DISCLAIMER

Talwalkars Better Fitness Value Ltd.

The views expressed here may contain information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of this information.

Any forward-looking information in this presentation has been prepared on the basis of a number of assumptions which may prove to be incorrect. This presentation should not be relied upon as a recommendation or forecast by Talwalkars Better Value Fitness Limited.

This presentation may contain 'forward-looking statements' - that is, statements related to future, not past, events. In this context, forward-looking statements often address our expected future business and financial performance, and often contain words such as 'expects,' 'anticipates,' 'intends,' 'plans,' 'believes,' 'seeks,' or 'will.' Forward-looking statements by their nature address matters that are, to different degrees, uncertain.

For us, uncertainties arise from the behavior of financial markets and change in consumption patterns; from future integration of acquired businesses; and from numerous other matters of national, regional and global scale, including those of an environmental, climatic, natural, political, economic, business, competitive or regulatory nature. These uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements.

We do not undertake to update our forward-looking statements.

Talwalkars
Spreading fitness in over 70 cities

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Thank You

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Spreading fitness since 1932