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: 14th September, 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 ended 30th June, 2017 and Concall Invite**

We are enclosing herewith the updates on the Unaudited Financial Results for the quarter ended as on 30th June, 2017 and Concall invite.

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

Thanking You.

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

Avanti Sankav
Company Secretary & Compliance Officer





Talwalkars
Spreading fitness in over 70 cities

E M B R A C I N G
C H A N G E

Talwalkars Better Value Fitness Limited

Quarterly Update (Q1 FY2017-18)

14th September,2017

DISCUSSION POINTS



Our Footprint



Re-organisation Update



Developments in Gym Segment



Developments in Lifestyle Segment



Result Update



Going Forward



Key Marketing Highlights



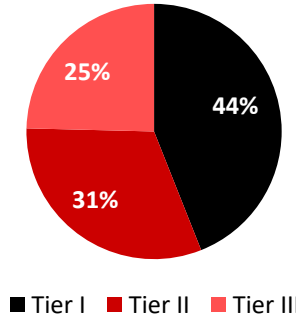
About Us

OUR FOOTPRINT

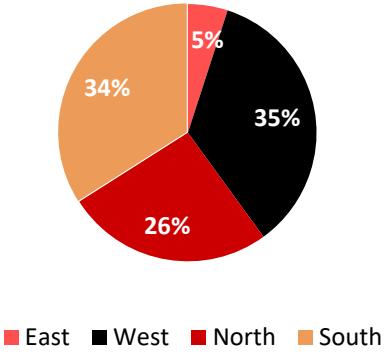
Fitness Centers as on 30th June, 2017

Format	Centers
Owned	
Talwalkars	103
Power World Gym	30
Subsidiaries/ Associates	
Talwalkars	9
Zorba Studios	5
PWG SriLanka	20
Franchise	
Talwalkars	18
HiFi	26
TOTAL	**211**

Demographic Distribution in India

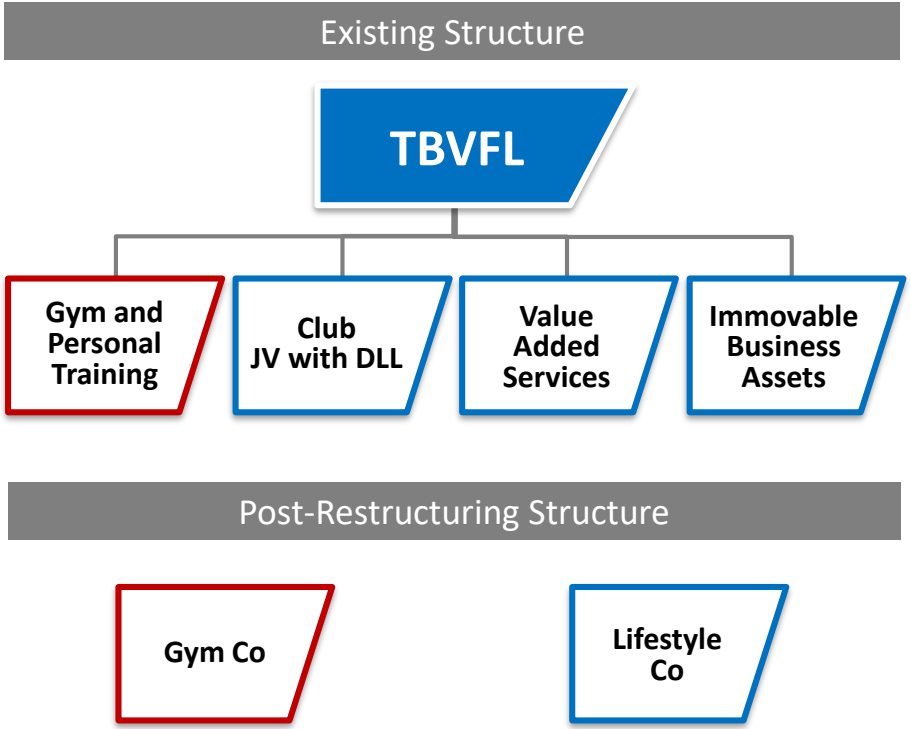


Regional Distribution in India

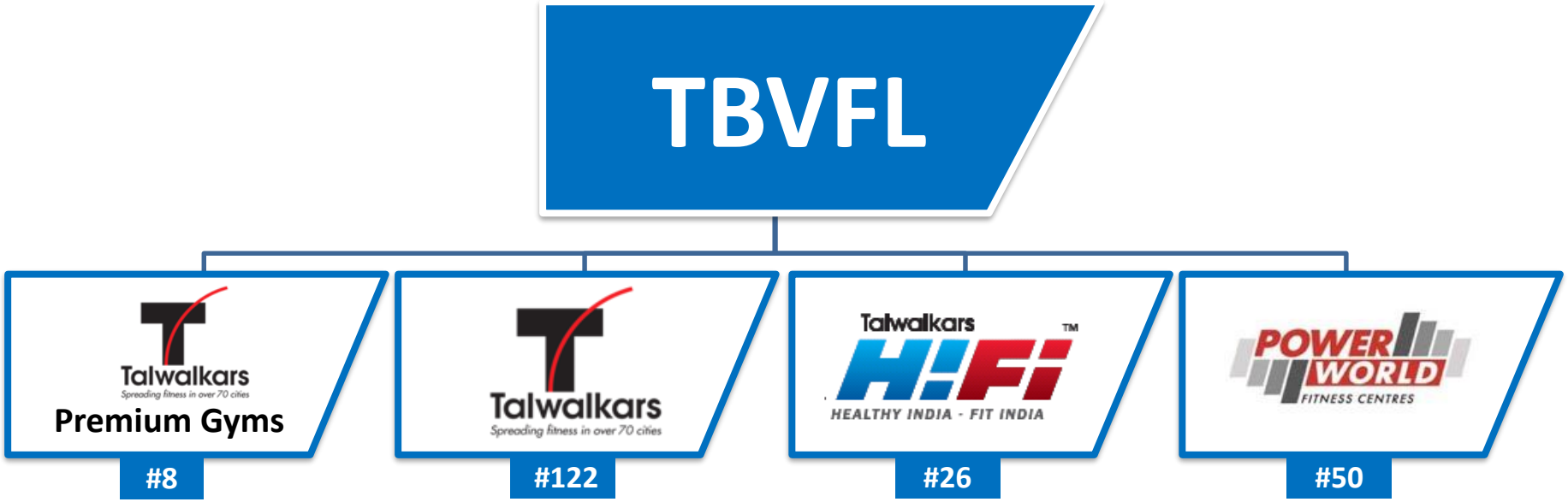


SPLIT - A HEALTHY WAY FORWARD

- The NCLT convened the meeting of the Shareholders of the Company for approval of the Scheme of Arrangement on 27th April, 2017.
- The Shareholders approved the scheme with the requisite majority.
- Now the final approval by the NCLT is awaited.
- Post the NCLT approval, **the Company expects the process will get completed in a short period of time.**



TALWALKARS BETTER FITNESS VALUE LTD.



No. of Centers

KEY DEVELOPMENTS IN THE GYM SEGMENT

- The Soft launch of the PWG gyms saw a proper scale of opening in this quarter, results of which are expected to be aggregated in the next quarter.

- The Team is preparing in full swing for the upcoming August Scheme . We Expect robust Sales with this Scheme.

- The Company partnered with Snap Fitness Inc for “Snap Fitness Brand” signing an exclusive master franchise for six Asian Countries.

- The deal with Force Fitness (I) Private Limited continues to be under the process of due diligence.

NEAR TERM DEVELOPMENTS- SNAP FITNESS

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

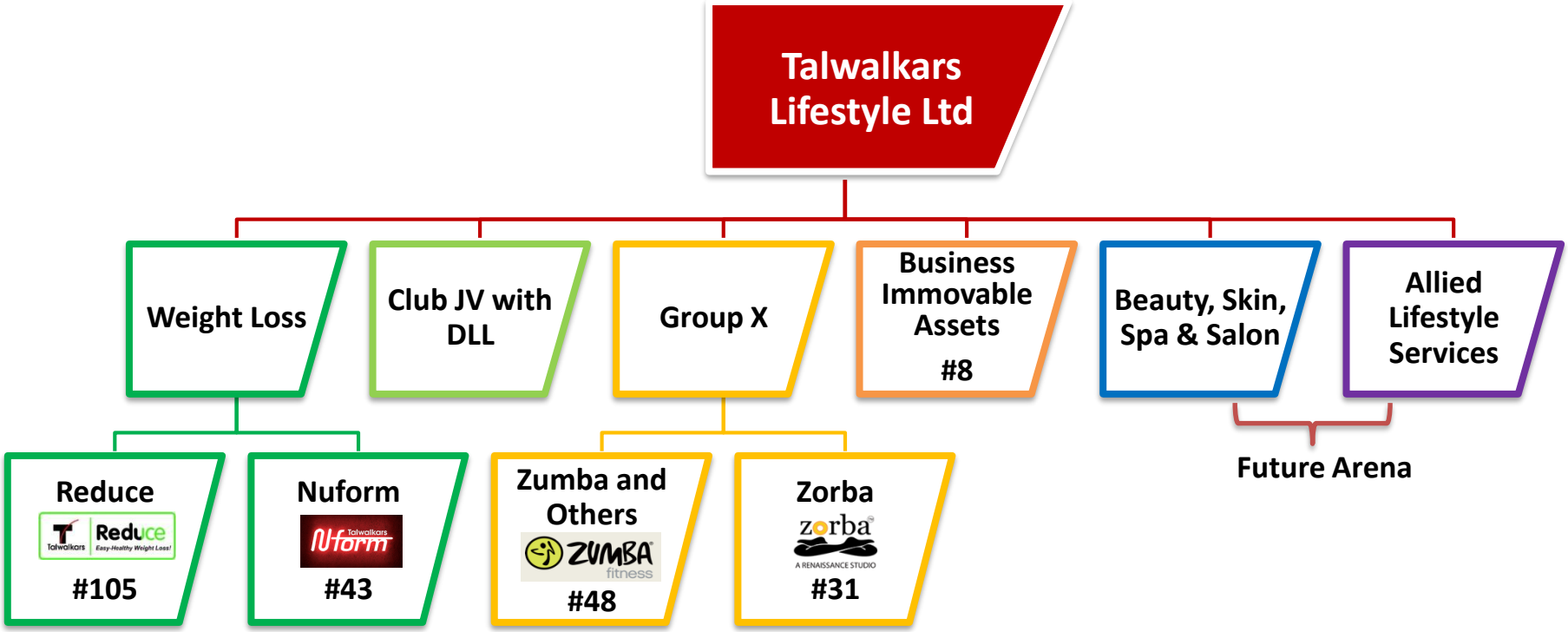
- Snap Fitness Inc. **granted exclusive right to develop and operate fitness clubs** in Bangladesh, Malaysia, Singapore, Sri Lanka, Thailand and Vietnam in favour of Talwalkars through its subsidiary overseas.

- This will enable the Company to increase its presence through the **franchise route** across these territories with a lower capex.

- Talwalkars is in the process of setting up an overseas subsidiary with an objective to carry on the business of owning, running, managing and franchising gyms.



TALWALKARS LIFESTYLE LTD.



No. of Centers

KEY DEVELOPMENTS IN THE LIFESTYLE SEGMENT

- **Reduce**
  - Launched a service software where the nutritionist can track daily weight of the members and prepare the progress chart on real time .
  - This ensures customer engagement and enables them to follow the diet regime accurately.

- **Nuform**
  - Planning to launch " All in one " Package in August scheme , in which Nuform will be a part of the package .
  - During the quarter orders for the Nuform equipments were placed and training for most of the branches has been initiated.

- **Group - X**
  - Actively looking to utilize its free floor infrastructure optimally and in process is talks to collaborate with Mickey Mehta.
  - Integrating more Zorba centers in the existing infrastructure.

NEAR TERM DEVELOPMENTS- MICKEY MEHTA

- Talwalkars has entered into a non-binding memorandum of understanding (MOU) with Mickey Mehta Health Beyond Fitness Pvt. Ltd., and with renowned holistic fitness and wellness expert Mr. Mickey Mehta.

- TBVF and Mickey Mehta will be setting up a new company that will acquire the assets including brand and goodwill of Mickey Mehta Health Beyond Fitness Pvt. Ltd. TBFVL will have 51% shareholding in the new company.

- TBVFL plans to open to utilize its existing infrastructure to scale Mickey Mehta's 360° Wellness Temple centres across its existing GYM chains.

- This will engage the customers and also will increase the age brackets from 6 yrs to 90 years.



MICKEY MEHTA'S
360° WELLNESS TEMPLE
Heal The World

NEAR TERM DEVELOPMENTS- ZORBA


BAREILLY


GUWAHATI


JABALPUR


MANGALORE


JODHPUR


LUCKNOW


VIJAYAWADA


SURAT


MORADABAD


SANGLI


KOTA


AMRITSAR

zorba
A RENAISSANCE STUDIO

12

CLASSES STARTED ON A SINGLE DAY !!!

On 1stAugust,2017

RESULT UPDATE

Consolidated Results (₹ in Mn)

Particulars (₹ In Mn)	Quarter Ended 30.06.2017 (Unaudited)	30.06.2016# (Unudited)
Revenues	**573**	514
EBITDA	**290**	253
PAT*	**71**	55

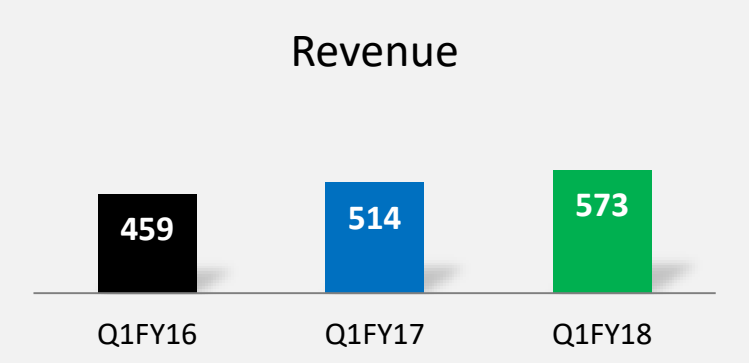


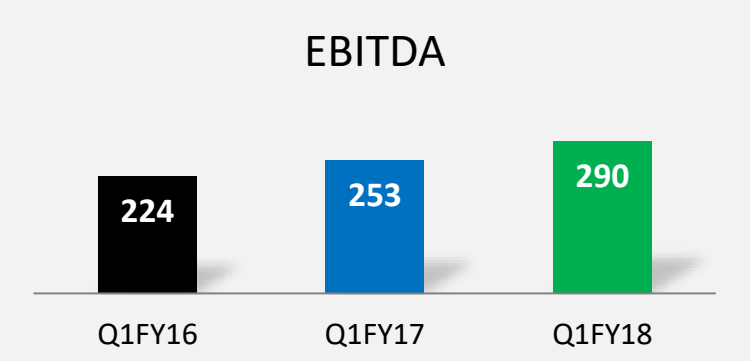
** PAT after Minority Interest and Share of Profits of Associates*

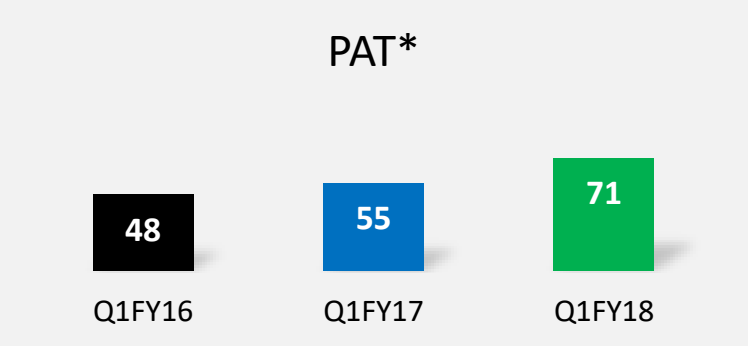
 # Q1FY17 has been reinstated under IND AS

FINANCIAL SUMMARY

(₹ in Mn)







** PAT after Share of Associates and Non Controlling Interest*

RESULT UPDATE - CONSOLIDATED

Particulars (₹ inMn)	Quarter Ended		
	June-17	June-16#	YoY%
Income from Operations	567	503	13%
Other Operating Income	6	11	
Total	573	514	12%
Expenditure			
Personnel Cost	92	86	8%
Admin & Other Exp	191	175	9%
Total	283	260	9%
EBITDA	290	253	15%
Depreciation	126	140	
EBIT	164	113	45%
Interest	53	38	40%
PBT	111	75	47%
Tax	37	20	84%
PAT before Share of Associates & NCI	74	55	33%
Share of Associates	3	3	
Non Controlling Interest	6	3	
PAT	71	55	30%

 # Q1FY17 has been reinstated under IND AS

VAS provided impetus to the Q1FY18 growth

EBIDTA margins stood at 51%

Operating Cost is reduced by 200 bps due to slightly higher productivity and spreading of central costs

Depreciation is lower as certain assets has reached at the end of their useful life

PAT margins stood at 12.43%

IND AS RECONCILIATION

Particulars (₹ inMn)	Quarter Ended June-16 (Unaudited)
Net Profit as per Previous IGAAP	**57.27**
Add/(Less)	
Financial liabilities at amortised cost	0.18
Financial assets:	
-Carried at fair value through Profit & Loss statement	0.01
-Carried at amortised cost	(0.20)
Depreciation impact on fair valuation of certain items of PPE & other adjustment	(9.46)
Deferred Tax	7.65
Impact of Ind AS adjustment on NCI	(0.52)
Total Comprehensive Income under Ind AS	**54.93**

OTHER UPDATES

PREFERENTIAL ALLOTMENT

- With intention of better mobilisation of resources the company decided to undertake Preferential Allotment (in form of Equity Shares) to Promoters.
- The promoters will be infusing 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
- Preferential Allotment will strengthen the Company's Net Worth and reduce its Debt Equity Ratio.
- All the statutory requirements for the same have been adequately compiled with.

IMPLEMENTATION OF GST

The Company has welcomed the implementation of GST and has created a team of professionals to streamline and integrate GST into its system.

Implementation of GST

The Company has taken various steps to implement GST smoothly:

- ✓ Taken registration in all the states where it is present
- ✓ Appointed one full time Consultant for smooth implementation of GST
- ✓ Provided training to all the staff members
- ✓ Updated Accounting software's and Accounting packages
- ✓ Upgraded Technical Support Team and Compliance Team for smooth transition

GOING FORWARD

GYM SEGMENT

1. **Talwalkars**
   Has streamlined the outlay for its gym format and is looking forward to rollout 3-5 of these gyms .
   2-3 Franchise are in pipeline.

2. **PWG**
   Plans to open a cluster of 10-15 gyms during the year in India's top 10 cities.

3. **HiFi**
   3 HiFi to be opened shortly .
   8-10 in the immediate pipeline.

4. **Snap**
   Plans to open a subsidiary in Singapore for overseas expansion.

LIFESTYLE SEGMENT

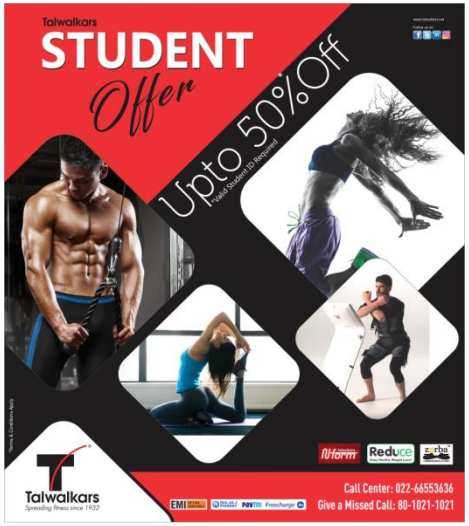
1. **Reduce**
   Steps undertaken to spread awareness of the product among the members and non members .

2. **Group X**
   Actively launching Zorba across its existing fitness centres . Zorba as on today is in over 50 centres and will be reaching over 80 centres by the end of the year.

3. **Nuform**
   The Company is looking to strategically place Nuform in all Gyms

4. **Mickey Mehta**
   Entered into strategic tie up to increase target audience from age 9 onwards

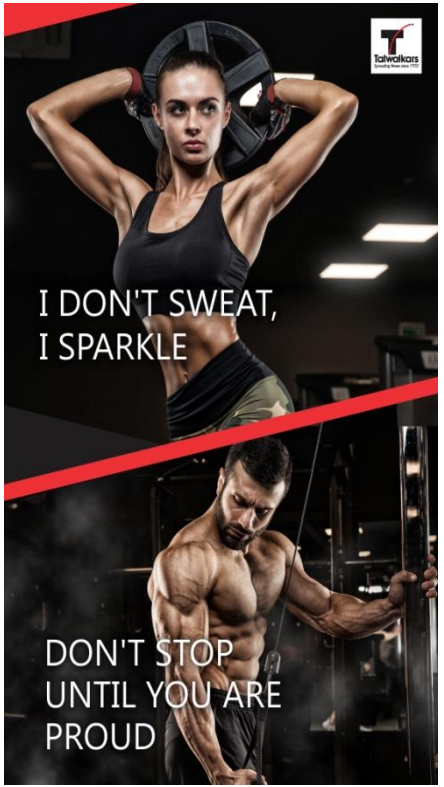
KEY MARKETING HIGHLIGHTS



e-mailer







<u>April Offer-</u>
<u>Students Offer:</u>
Upto 50% off

<u>April Offer-</u>
<u>Summer Offer:</u>
Pay for 3 months get 2 month free

<u>May Offer:</u>
Pay for 3 months get 1 month free

CLIENT DIARIES



Mr Vijendra Singh from Talwalkars Jabalpur, participated in National level championship at Bangalore and won **"Mr Bharat Kesri Title"**



Alfred Luke Sudhakaran from Talwalkars Madhurai, Tamil Nadu lost 20kgs in 90days.

ABOUT US

- Largest fitness chain in India and Srilanka with 211 centres.
- World-class gymming experience backed by professional trainers.
- Six fitness centre formats - Talwalkars Premium, Talwalkars, Snap Fitness, Power World Gym, HiFi and Zorba.
- 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), spa, massage and aerobics.

DISCLAIMER

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.

Girish Nayak
Chief Financial Officer
Tel: +91 22 66126300
Email: girishn@talwalkars.net

Grishma Shetty
AVP – Investor Relations
Tel: +912266126344 | +919820202399
Email: grishmas@talwalkars.net

Akshata Nayak
Manager – Investor Relations
Tel: +912266126392 | +919820612321
Email: akshatan@talwalkars.net

Thank You

Centrum Broking Limited

Cordially invites you to a

Conference Call

With the management of

Talwalkars Better Value Fitness Limited

Agenda: Discussion on Q1FY18 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:	Friday, 15 September 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