Talwalkars Better Value Fitness Ltd.
Regd. Off.: 801/813, Mahalaxmi Chambers, 22, Bhulabhai Desai Road, Mumbai 400 026.
Tel.: 6612 6300. Fax: 6612 6363. Website: www.talwalkars.net CIN: L92411MH2003PLC140134

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Spreading fitness since 1932

Date: 5th February, 2015

To,
Mr. Wilbur Fernandes/ Mr. Troydon Bird,
The Manager
BSE Ltd.
Corporate Service Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

To,
The Manager
Listing / Compliance Department,
National Stock Exchange of India Ltd.
Exchange Plaza,Plot No. C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.

Dear Sir,

Re: **Talwalkars Better Value Fitness Ltd.; Scrip Name: TALWALKARS; Scrip Code : 533200**
Sub: **Furnishing Updates on the Financial Results for quarter ended 31st December, 2014.**

We are enclosing herewith the updates on the Financial Results for the quarter ended as on 31st December, 2014.

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

Thanking You.

Yours faithfully,
For **Talwalkars Better Value Fitness Limited**

TALWALKARS BETTER VALUE FITNESS LTD. MUMBAI

Avanti Sankav
Company Secretary & Compliance Officer

Encl: As Above

REPUBLIC OF HEALTH!



TALWALKARS BETTER VALUE FITNESS LIMITED

QUARTERLY UPDATE (Q3 FY 2014-15) – 5th Feb,2015

DISCUSSION POINTS



- FINANCIAL SUMMARY
- PAN-INDIA FOOTPRINT
- CORE DEVELOPMENTS OF THE QUARTER
- KEY MARKETING HIGHLIGHTS
- RESULTS UPDATE
- GOING FORWARD
- ABOUT TALWALKARS

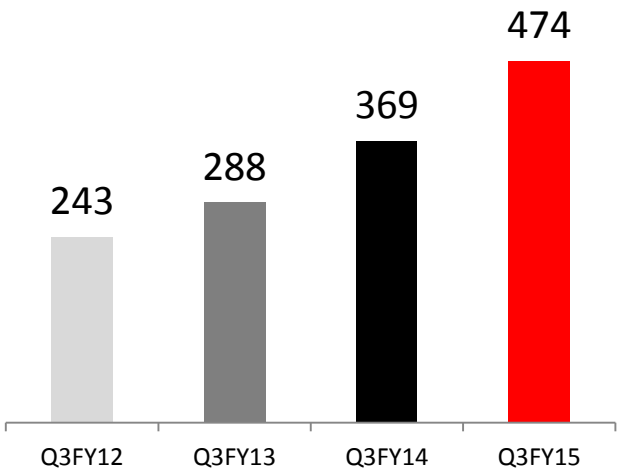
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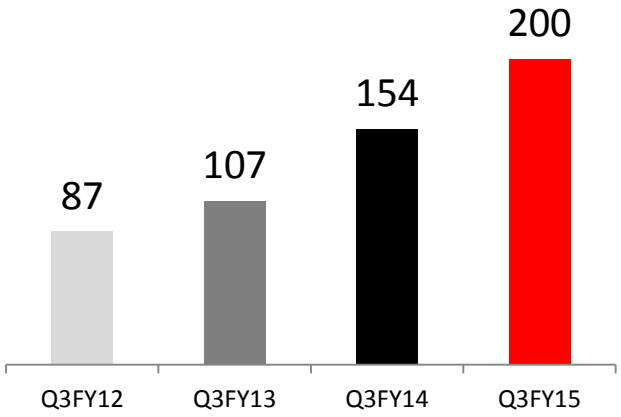
FINANCIAL SUMMARY

(₹ Mn)

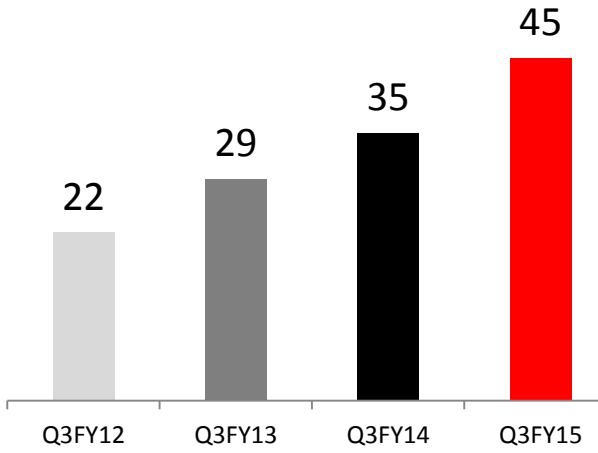
Revenue



EBITDA



PAT(after minority interest)



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OUR FOOTPRINT

	Q3FY2010	Q3FY2014
# of employees	~ 2300	~ 5000
# of PEP trainers	~ 600	~ 1600
Area in Sq ft .	~ 400000	~ 670000

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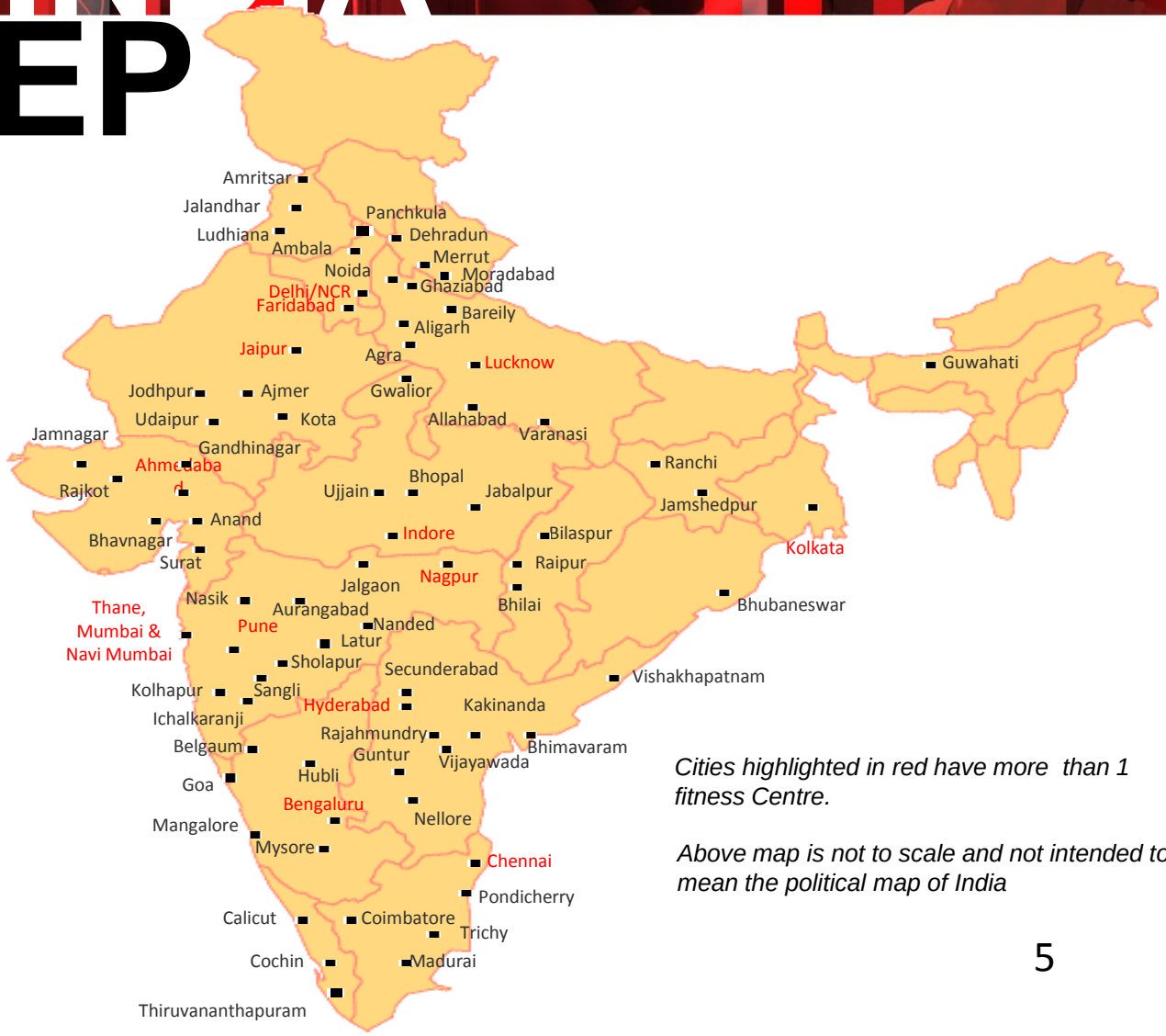


PAN-INDIA SWEEP

150
Fitness centers

78
Cities and towns

20
Indian states



Cities highlighted in red have more than 1 fitness Centre.

Above map is not to scale and not intended to mean the political map of India

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WIDESPREAD FOOTPRINT

Andhra Pradesh and Telangana **15 centers**	**Uttar Pradesh** **11 centers**	**Gujarat** **11 centers**
Rajasthan **9 centers**	**Karnataka** **9 centers**	**Tamil Nadu** **9 centers**

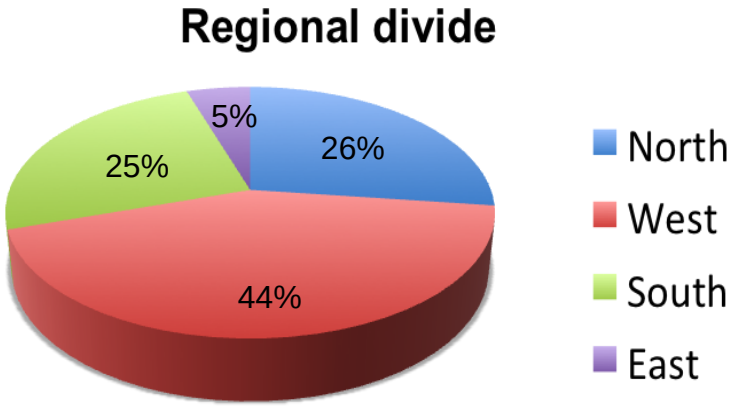
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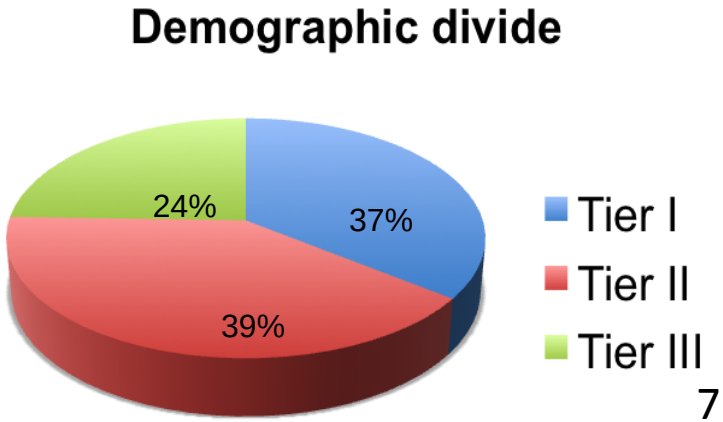


EXPANSIVE FOOTPRINT

Multi-format asset ownership

Talwalkar's	
Owned	104
Subsidiary	16
Franchise	13
HiFi	17
TOTAL	**150**





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CORE TALKING POINTS THIS QUARTER

- Achieved visible growth in value-added services including Reduce, Transform and NuForm, resulting in **55 bps** EBITDA margin accrual vis-à-vis the same period of last quarter of last fiscal
- SSS has increased from 8.9% to **10.2%,** a substantive achievement in a challenging operating environment
- Locked-in **8-9 gym locations** across various pockets of India at attractive long-term rentals
- Banking with SBI has led to reduction of ROI on the funds utilised and resulted in providing enduring benefits to the company.
- **Completed land acquisition for the Talwalkars leisure club project in Pune from the Kolte Patil Group. All architectural plans have been finalized and the Company has applied for statutory permissions which is expected in next 120-150 days.**

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KEY MARKETING HIGHLIGHTS

- Initiated the **Losers' Challenge 2014** across all branches; the activity leveraged the power of the group by providing exercises and nutritional education to ensure lifestyle change among members
- Partnered with ***Business Standard*** **for the World Heart Day** with promotional ads inserted across all editions of the leading financial daily as well as on its website and micro-site
- Boosted presence of the **Talwalkars brand** among the fitness fraternity at the 6th **World Body Building & Physique Sports Championship** at the Goregaon Exhibition Centre, Mumbai
- Tied-up with **Pinkathon**, a run to raise awareness about breast cancer; our Zumba trainers performed at the registration events before the run

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RESULT UPDATE

Consolidated Results

Particulars	Quarter ended			9 Month ended		
	31.12.2014 (Unaudited)	31.12.2013 (Unaudited)		31.12.2014 (Unaudited)	31.12.2013 (Unaudited)	
Sales	474	369	**28%**	1,763	1,442	**22%**
EBITDA	200	154	**30%**	790	593	**33%**
PAT*	45	35	**28%**	282	217	**30%**

* PAT after Minority Interest

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RESULT UPDATE

Consolidated Results

Robust income growth at 28%, retained EBITDA margins at 47%

Admin Cost down by 100 basis points.

Excellent rates given by SBI has enabled to retain Finance cost at similar levels

Increase in Depreciation by 31%

PAT increase by 28% YOY

EPS for nine months stood at 10.77 vs. 8.29 previous year

Particulars (₹ mn)	Quarter Ended			9 Month ended (YTD)		
	Dec 14	Dec 13	YoY%	Dec 14	Dec 13	YoY%
Income from Operations	472	366	29%	1757	1435	**22%**
Other Income	2	3		6	7	
Total	**474**	**369**	28%	**1763**	**1442**	**22%**
Expenditure						
Personal Cost	76	58	31%	300	265	**13%**
Admin & Other Exp	148	119	25%	486	433	**12%**
Service Tax Collected & Paid	50	38	30%	186	152	**23%**
Total	274	215	27%	972	850	**14%**
EBITDA	200	154	30%	790	593	**33%**
Depreciation	91	69	31%	293	196	**49%**
EBIT	109	85	28%	497	396	**26%**
Interest	40	31	27%	107	83	**29%**
PBT	70	54	29%	390	313	**25%**
Tax	11	12		78	70	
PAT before Minority Interest	**59**	**42**	42%	**313**	**243**	**29%**
Minority Interest	14	7		31	26	
PAT after Minority Interest	**45**	**35**	28%	**282**	**217**	**30%**

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GOING AHEAD

- Fourth quarter expected to remain buoyant with the success of **New Year Schemes**, thus setting the momentum and providing a strong topline for the coming quarter .
- The company has currently locked 8-9 locations in Delhi, Mumbai and other cities across India for gym expansion.
- Established one **HiFi gym** on 11th January 2015 in **Palakkad, Kerala**; the outlet has received good response. Franchise Agreements for **Ahmednagar, Gulbarga, Bidar, Jalgaon, and Satara** has been signed and work has started .
- Expect to provide **NuForm** across **25-30 gyms** in the coming quarters thus enabling the company to provide Transform, a holistic package of Reduce (diet based) & NuForm (machine based) to our members .

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PREMIUM GYM BANJARA HILLS

- The company opened its first premium gym of 10000 sq.ft at **Banjara Hills,** Hyderabad on 26th January, 2015.
- State-of-the-art equipments from Matrix has been installed including 15+ treadmills , 6 spinning cycles etc
- It is one of south India's **largest showpiece** gymnasiums in terms of floor plate.
- The basic gym membership fees has been increased from Rs.15-18(000) to **Rs 22-24(000).**
- 80% of our existing customers of Banjara Hills have shifted to this premium gym due to the 'look and feel ' of this centre.
- Overwhelming response to this gym has given the Company a confidence to open more such premium gyms in Metros and Tier 1 cities in the coming quarters.

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ABOUT TALWALKARS (TBVFL)

- India’s largest - and only listed - fitness chain
- 150 centers across 78 Indian cities and towns
- World-class gymming experience backed by a pool of highly-professional trainers
- Modern personnel training institute in Thane (Mumbai) . Tie up with Premier Training Internantional, UK .
- Diverse fitness services including standard gymming and fitness, Zumba® (aerobics and Latin dance-inspired fitness program), Transform (holistic fitness program), Reduce (diet-based, easy diet program), NuForm (time-efficient weight loss program), spa, massage, aerobics and yoga
- Two fitness centre formats of Talwalkars and HiFi

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AWARDS AND ACCOLADES

- Prashant Talwalkar, Managing Director and CEO, selected in the prestigious **'Top-30 Innovative CEOs'** by *Inc. India* magazine (Oct / Nov 2014).
- 'Innovative 100' by Inc. Ranking of top-100 innovative business practices in India's mid-sized companies. (December-2013)
- 'The Fastest Growing Mid-Sized Companies in India' by Inc 500. Talwalkars holds a 261 ranking in the list of 500 companies. (September-2013)
- 'Best under a Billion Dollars' by Forbes Asia. (August -2013)

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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.

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