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

Talwalkars™
Spreading fitness since 1932

Date: 11th August, 2016

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, 2016**

We are enclosing herewith the updates on the Unaudited Financial Results for the quarter ended as on 30th June, 2016.

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



TALWALKARS BETTER VALUE FITNESS LIMITED | QUARTERLY UPDATE (Q1 FY2016-17)
11th August,2016

Discussion points

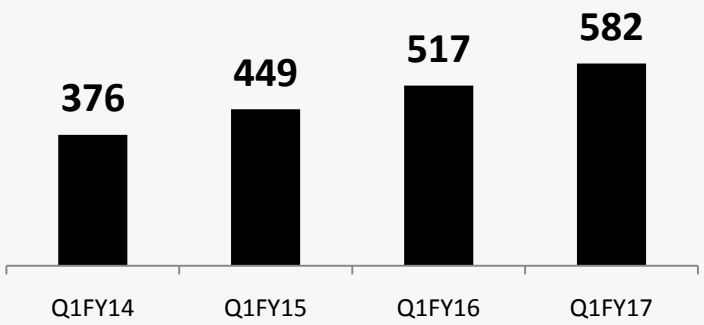


- FINANCIAL **SUMMARY**
- OUR **FOOTPRINT**
- KEY **DEVELOPMENTS**
- OTHER **DEVELOPMENTS**
- KEY **MARKETING**
- RESULT **UPDATE**
- GOING **FORWARD**
- ABOUT **TALWALKARS**

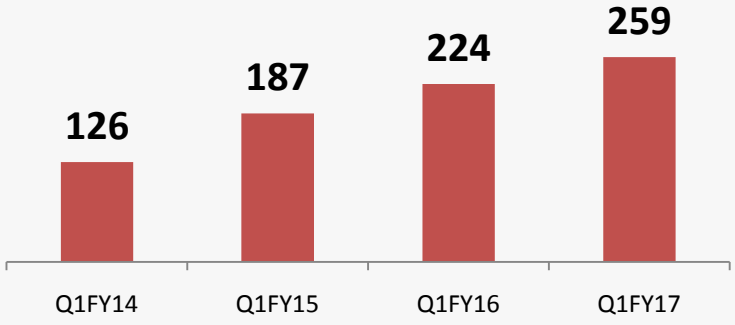
Financial summary



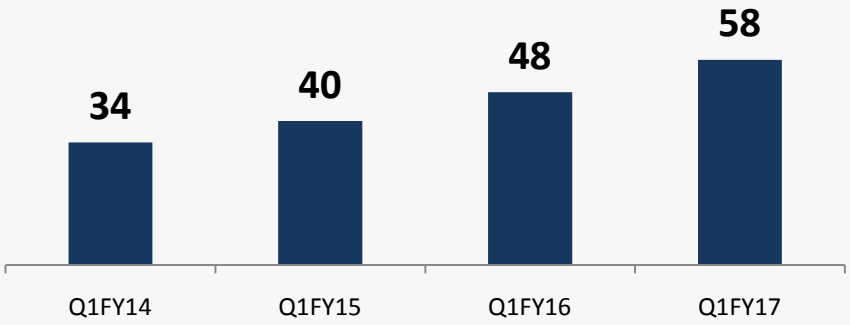
Revenue



EBITDA



PAT *



** PAT after Minority Interest and Share of Associates*

Our footprint



177 fitness centres in 85 cities and towns across South Asia

Format	No. of fitness centers
Talwalkars	
Owned	103
Subsidiary	12
Franchised	18
Power World Gyms	20
HiFi gyms	24
Total	**177**

Key developments of the quarter



Company Results were better than expected even though India was amidst heatwave in April-June.

SSS growth averaged 7.5% during the quarter.

Value added Services provides impetus to the first quarter growth.

Entered into a MoU for operating and owning 7 gyms currently owned by subsidiaries. This will improve profitability of these gyms and enhance co-ordination.

Towards saving costs and consolidating operations, one of the gyms in Kolkata, which was a part of subsidiary, (33.33% of Company share)was transferred to a franchisee .

Opened Zorba across Talwalkars Fitness centers, thus making it now available in Chennai, Bangalore, Mumbai and Hyderabad.

Established 1 HiFi gym in Jaipur city.

Other developments



Zumba® Fitness

The Company is pleased to inform its new tie-up with Zumba Fitness, USA for the sale of merchandise in India.

Authorised distribution partner for all Zumba Merchandise(T-shirts, Capris, Shorts,Jackets, Hoodies, Accessories like Bandanas, Bands, Socks,Fashion jewellery, DVD's, Protein Shake, Shoes etc) in the Indian Market.

Launched the Zumba Fitness website for India www.zumbashop.in

Directly working with the Zumba instructor community in India to create awareness about the availability of these products. Thus reducing marketing cost.

About Zumba® Merchandise

The Zumba products are bought by instructors and members of Zumba classes.

There has been almost 50% increase in Zumba instructors in last 1 year in India. These classes are conducted in studios of gym (Not just TBVFL, but almost every gym in the country), community halls, office caferias, clubs etc enabling a corresponding increase in number of people taking Zumba Fitness classes.

Other developments



Club

The Company is awaiting the final clearances from Municipal and other authorities in Pune for the revised plans submitted to them.

Separately, the Company is making efforts to open a field /marketing office in Pune at the earliest which will showcase and sell the club membership.

Restructuring

The Company has sought and is awaiting permission from some of its creditors for the proposal to unlock value of certain businesses and immovable properties.

It is simultaneously taking advise of top legal counsels to reduce and mitigate tax and other liabilities related to unlocking of this value through demerger/ realignment/spin off of these assets.

Seasonality slide



Given the nature of our Business, there exists a strong seasonality and hence our numbers should be compared on a YoY basis, and not sequentially to derive the true picture

Qtr	Period	Revenue %	PAT %	Characteristics
Q1	Apr - Jun	17%	9%	School vacations, monsoons
Q2	Jul - Sep	33%	41%	Talwalkars annual discount scheme
Q3	Oct - Dec	17%	10%	Festivals: Diwali, Ganesh Chaturti, Pongal, Navratri, Dussera and Christmas
Q4	Jan - Mar	33%	40%	New year resolutions sees an uptake in membership

- Effect of seasonality evident in quarterly financials

Key marketing highlights



Launched an attractive ‘Beat the Heat’ plan in April

Introduced the ‘Summer Student Offer’

Introduced a ‘Money Back’ offer, encouraging members to lose weight and get back into shape

Extensively marketed the Reduce program by offering a one week trial at discounted rates

Became the official fitness digital partner of the Bollywood film Baaghi.

In one of the online initiative, we tied-up with MTV Splitsvilla 9

Extended our presence to the new fashion social network app Roposo

Facebook likes leaped from 64,000 to 90,000

Result update



Consolidated Results

Particulars (₹ in mn)	Quarter ended		
	30.06.2016 (Unaudited)	30.06.2015 (Unaudited)	
Revenues	582	517	13%
EBITDA	259	224	16%
PAT*	58	48	20%

* PAT after Minority Interest and Share of Associates

Result update



Consolidated Results

VAS provided impetus to the Q1FY17 growth

EBIDTA margins stood at 44%

Operating Cost is reduced by 270 bps due to slightly higher productivity and spreading of central costs

The Company benefited from its alliance with PWG gym in Srilanka and this added to the bottom line

Particulars (₹ mn)	Quarter Ended		
	June-16	June-15	YoY%
Income from Operations	575	507	13%
Other Income	7	10	
Total	582	517	13%
Expenditure			
Personnel Cost	86	83	4%
Admin & Other Exp	165	152	9%
Service Tax Collected & Paid	72	58	24%
Total	323	293	10%
EBITDA	259	224	16%
Depreciation	136	131	4%
EBIT	123	93	32%
Interest	38	32	19%
PBT	85	61	39%
Tax	28	11	
PAT before Minority Interest	57	50	14%
Share of profit of Associates	3	0	
Minority Interest	2	2	
PAT after Minority Interest and share of associates	58	48	20%

Going forward



Zorba will continue to expand in such a way that it will be available in the top-10 cities of the Talwalkars network by first half of the next calender year

Expand through a combination of Talwalkars and PWG gyms both in India and Sri Lanka

Aggressively initiated marketing activities for the pre-August scheme and the initial figures indicate an encouraging response to the scheme

Zumba Merchandise will be marketed across India to cash-in on the craze for the fitness program

About Talwalkars



Talwalkars
Spreading fitness since 1932

India's largest - and only listed - fitness chain

177 centres across South Asia

World-class gymming experience backed by professional trainers

Diverse fitness services including standard gymming and fitness, 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

Four fitness centre formats of Talwalkars Premium Gym, Talwalkars , PWG and HiFi

The magic of Reduce



Talwalkars
Spreading fitness since 1932

"Soon after retirement, I became a member of your fitness centre at Hubli, enrolling for the 90-day Reduce plan. On successful completion of the program, my weight reduced to 64 kg from earlier 73.1 kg. I am proud to be your member and I am most satisfied with the diet plan as well as the workouts at your gym. I enjoyed having the tailored Reduce breakfast which contained a variety of dishes and was tasty too."

- **Gururaj S. Deshpande,** Hubli Gym (Karnataka)

"When we started, my husband and I underwent the Reduce meal plan and the 45-days for the program seemed like a long time. However, we were surprised by how easy the journey was from Day 1. The program certainly didn't feel like a "diet", we never starved and we didn't have any cravings. In fact, it was a smooth ride all along. We must convey our special thanks to our dietitian, Sonia Vatkar, who guided and motivated us all through. My husband lost **8 kg** and I lost **5.5 kg** from when we started. So yeaaaaaah!"

- **Anuja and Parag Tita**, Online member, Mumbai

Nuform



Talwalkars
Spreading fitness since 1932

Nuform was a new experience for me. Most people have a notion that it will be like electric shock but it is nothing of that sort. This training is helping me lose weight as well as inches. In just four sessions I lost around 12 inches from all over the body. This training as also helped me building strength and stamina. I will suggest everyone should try this training. If not for its strengthening and toning then just for the experience.

Shristi Goel.



Marketing Initiatives



Talwalkars
Spreading fitness since 1932







Cautionary statement and 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.

Concall Invite



Talwalkars
Spreading fitness since 1932

CENTRUM

Centrum Broking Limited

Cordially invites you to a

Conference Call

With the management of

Talwalkars
Spreading fitness since 1932

Talwalkars Better Value Fitness Limited

Agenda: Discussion on Q1FY17 Results & Future Outlook

Company Management	
Mr. Girish Talwalkar Executive Chairman	**Mr. Anant Gawande** Executive Director, CFO
Mr. Aditya Dhillon Head - Operations	**Mr. Girish Nayak** Head - Finance
Conference Dial-In Numbers	
Primary Number:	+91 22 3960 0607
Secondary Number:	+91 22 6746 5837
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, 12 August 2016
Time:	12:30 PM IST

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

CONTACT INFORMATION



Talwalkars
Spreading fitness since 1932

ANANT GAWANDE
Promoter
Director, CFO
anantg@talwalkars.net
+91 22 6612 6300

GIRISH NAYAK
Head- Finance
girishn@talwalkars.net
+91 22 66126300

GRISHMA SHETTY
AVP- Investor Relations
grishmas@talwalkars.net
+91 22 66126344/+91 9820202399

Visit us at: www.talwalkars.net