# SHOPPERS STOP

START SOMETHING NEW

*Quarter ended 31st December 2016*

# Disclaimer

*Certain statements in this release concerning our future growth prospects are forward-looking statements within the meaning of applicable securities laws and regulations , and which involve a number of risks and uncertainties,beyond the control of the Company, that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Shopper's Stop Ltd. may, from time to time, make additional written and oral forward looking statements, including our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.The Company also expects the media to have access to all or parts of this release and the management's commentaries and opinions thereon, based on which the media may wish to comment and/or report on the same. Such comments and/or reporting maybe made only after taking due clearance and approval from the Company's authorized personnel.The Company does not take any responsibility for any interpretations/ views/commentaries/reports which may be published or expressed by any media agency,without the prior authorization of the Company's authorized personnel.*

# Business Overview

❖ ***New Stores***

- 1 Shoppers Stop Airport store opened at Delhi Airport during this quarter.
- 2 MAC Stand alone stores opened at Inorbit Mall Malad and Delhi Airport during this quarter.
- 1 Clinique store opened at DLF Noida during this quarter.
- 1 Bobbi Brown Stand alone store opened at Inorbit Mall , Malad during this quarter.
- 2 Departmental stores were closed at Mulund and Inorbit Pune during this quarter.

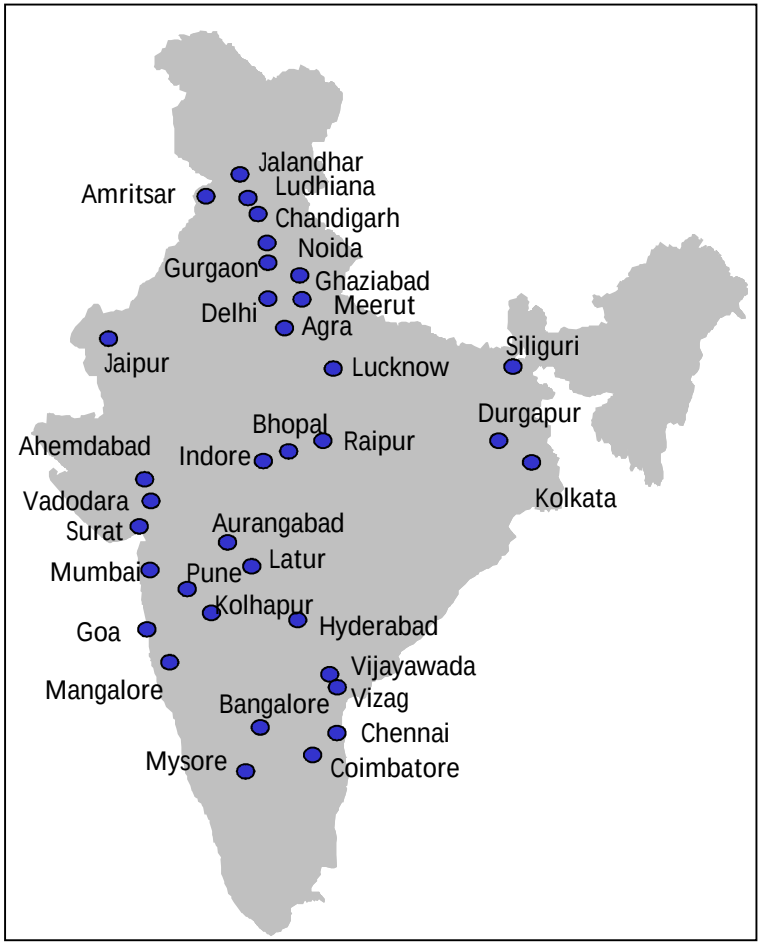
❖ ***Loyalty Program***

- First Citizen members club has now reached 46.27 lacs members. Their contribution to sales was 76% for the year.

# Our Presence

## and still expanding…

| City | SS Dept. | Crossword | Home Stop | Mother Care | MAC/Estee/ Clinique/ Bobbi Brown | Hypercity | Total |
|---|---|---|---|---|---|---|---|
| Amritsar | 1 | | | | 3 | 1 | 5 |
| Bangalore | 11 | 8 | 4 | | 12 | 4 | 39 |
| Chennai | 3 | 1 | 1 | | 4 | | 9 |
| Delhi | 6 | 2 | 1 | | 13 | | 22 |
| Gurgaon | 2 | | | | 4 | | 6 |
| Hyderabad | 5 | 6 | 1 | 1 | 4 | 2 | 19 |
| Jaipur | 3 | | | | | 1 | 4 |
| Kolkata | 5 | 3 | | | 6 | | 14 |
| Lucknow | 1 | 1 | 1 | | | | 3 |
| Mumbai | 8 | 18 | 3 | 1 | 20 | 3 | 53 |
| Noida | 2 | | | | 5 | 2 | 9 |
| Pune | 4 | | 1 | | 5 | | 10 |
| Ghaziabad | 2 | | | | | | 2 |
| Siliguri | 1 | 1 | | | | | 2 |
| Durgapur | 1 | | | | | | 1 |
| Bhopal | 1 | 2 | | | | 1 | 4 |
| Ludhiana | 1 | | | | 1 | | 2 |
| Aurangabad | 1 | | | | | | 1 |
| Indore | 1 | 1 | | | | | 2 |
| Vijayawada | 1 | 1 | 1 | | | | 3 |
| Mysore | 1 | | | | | | 1 |
| Latur | 1 | | | | | | 1 |
| Ahmedabad | 2 | | 1 | | | 1 | 4 |
| Jalandhar | 1 | | | | | | 1 |
| Coimbatore | 1 | | 1 | | | | 2 |
| Chandigarh | 1 | | 1 | | 2 | | 4 |
| Surat | 1 | | | | 2 | | 3 |
| Kalyan | 1 | 1 | | | | | 2 |
| Thane | 1 | 3 | | | 2 | 2 | 8 |
| Agra | 1 | | | | | | 1 |
| Vadodara | 1 | | | | | 1 | 2 |
| Raipur | 2 | 1 | | | | | 3 |
| Mangalore | 2 | 1 | | | | | 3 |
| Vizag | 1 | | | | | | 1 |
| Meerut | 1 | | | | | | 1 |
| Kolhapur | 1 | | | | | | 1 |
| Goa | 1 | | | | | | 1 |
| Total | 80 | 50 | 16 | 2 | 83 | 18 | 249 |

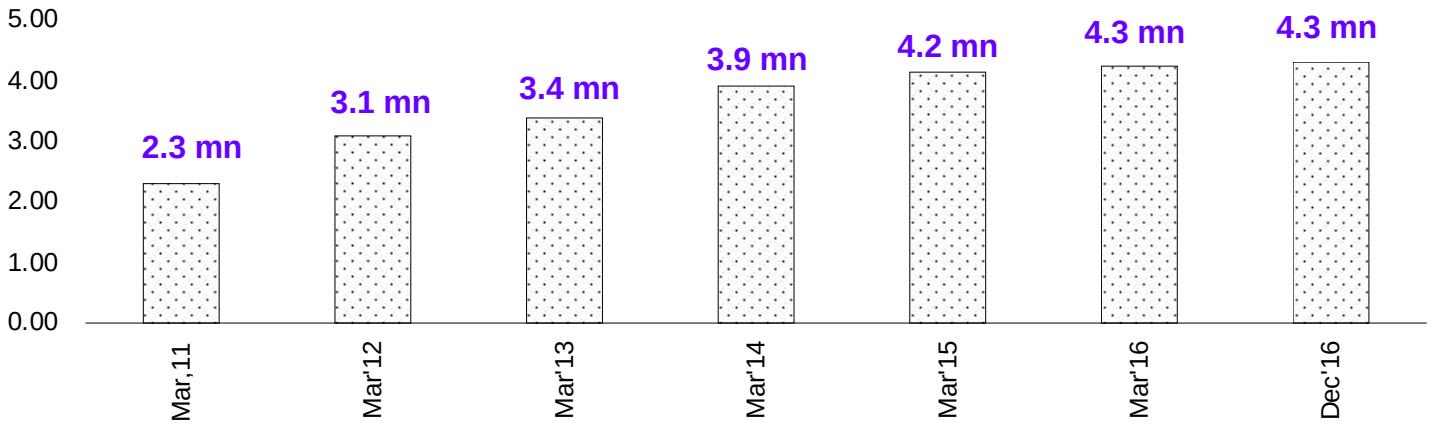



- *More than 5.98 million sq. ft. area, across 37 cities*

*As on 31st Dec, 2016*

# Existing Stores

## Shoppers Stop Store Space ramp-up (Sq. ft. in mns.)




| Store Area as on 31st Dec, 2016 | Chargeable Area (Sq.ft.) |
|---|---|
| Shoppers Stop | 3,982,175 |
| Specialty Stores | 325,270 |
| | --- |
| Total Store Area | 4,307,445 |
| | ========= |
| Crossword | 101,811 |
| Hypercity | 1,342,856 |
| JV Companies | 237,307 |
| | --- |
| Total Group | 5,989,418 |
| | ========== |

# New Store Opened

Location : Delhi Airport

Opening Date : 05th Oct 2016

Chargeable Area : 3,563 sq .ft.

# Key Financial Highlights – Q3-2016-17

- **<u>Sales Growth</u>:**

  Shoppers Stop department stores : 12.5**%**
  All formats : 11.6**%**

- **<u>LTL Sales Growth</u>:**

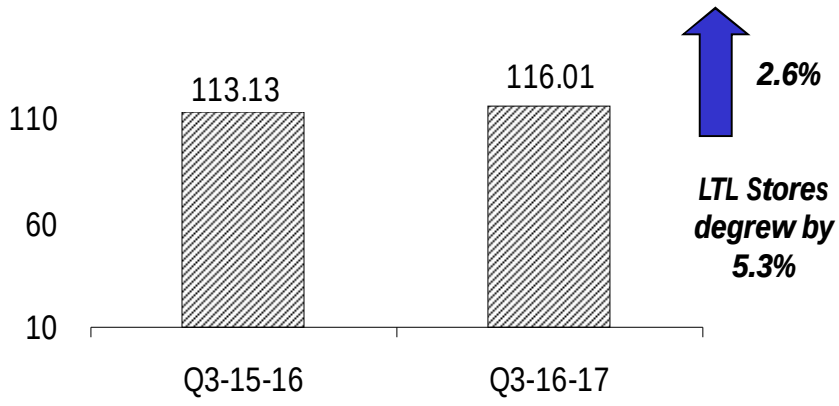
  Shoppers Stop department stores : 6.4%
  stores > 5 years : 2.5%
  stores < 5 years : 14.8%

- **<u>Sales Per Sq.ft. on chargeable area (Built up sq.ft.)</u> :**

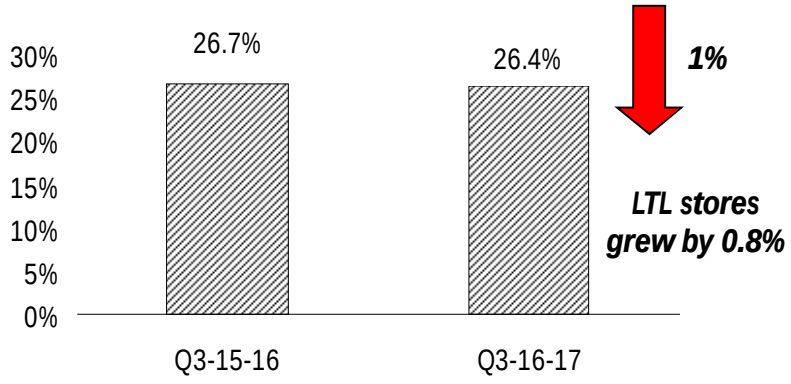
  Shoppers Stop department stores : **Rs 2,510 (LY Rs. 2,319)**

# Operational Indicators – Q3-2016-17

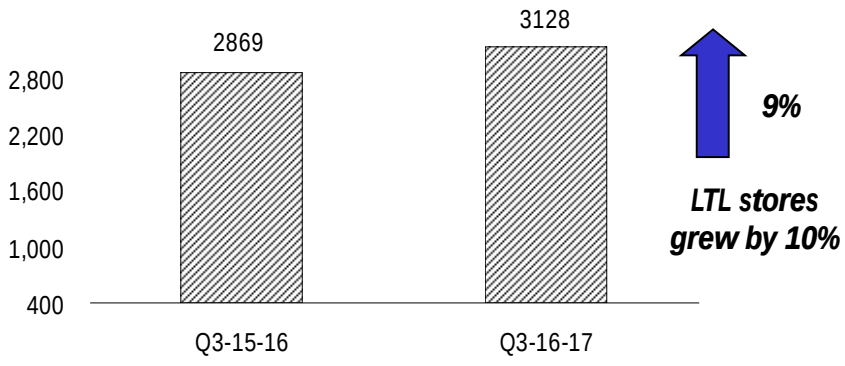
***Customer Entry (figures in lacs.)***



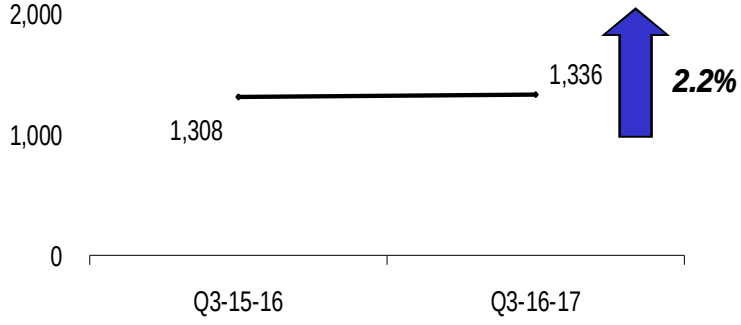

***Conversion Ratio ( % )***




***Transaction Size (Rs.)***



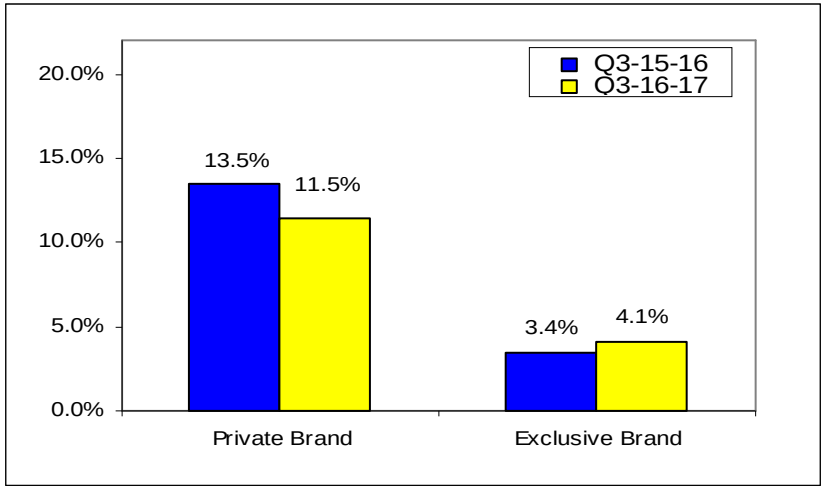

***Average Selling Price ("ASP")***




*LTL Volume* ***4.2%***

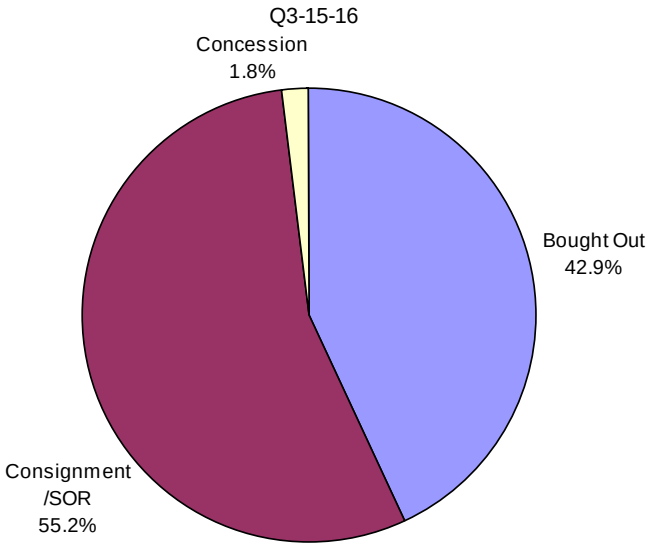
# Merchandise Mix – Q3-2016-17

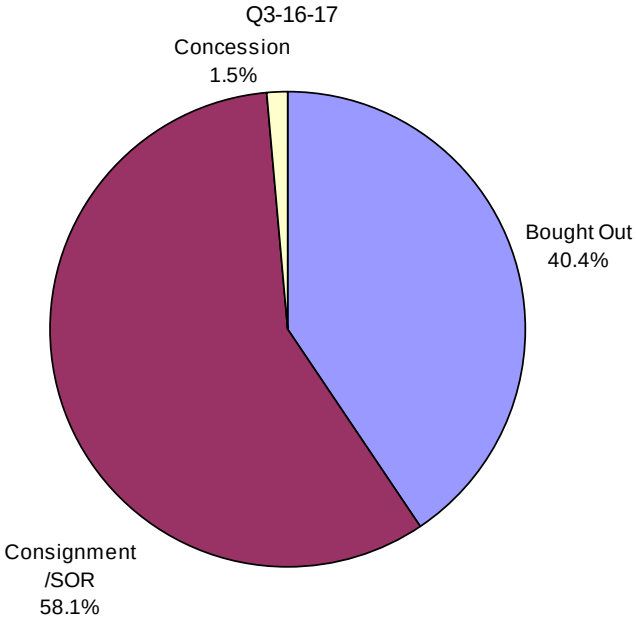
## Private & Exclusive Brand Mix



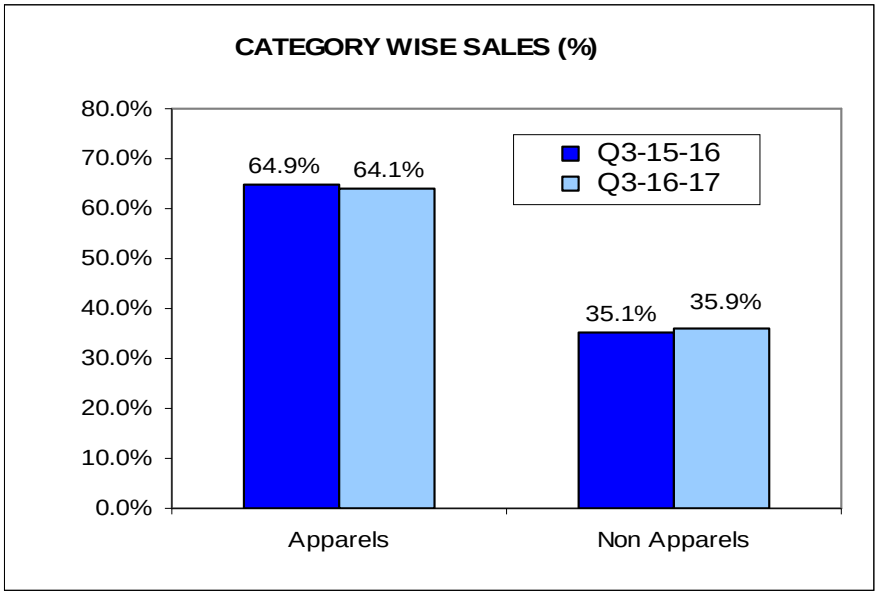

- **Private Brand Sales decreased by 5.4%.**
- ***Private Label sales mix decreased by 2%***

## Merchandise Buying Model

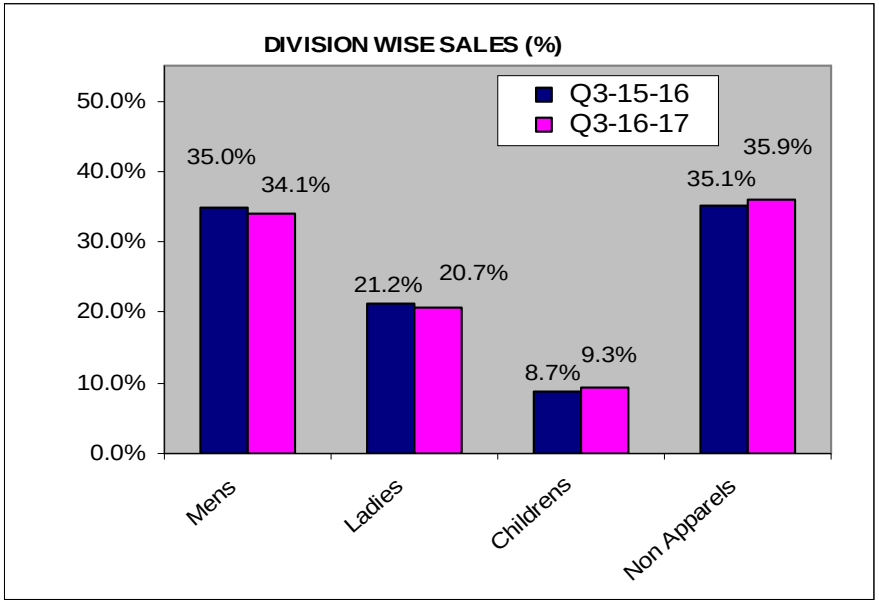


# Revenue Mix – Q3-2016-17




- **Non Apparel consists of Home, Leather, Watches, Jewellery, Electronics and Personal accessories**

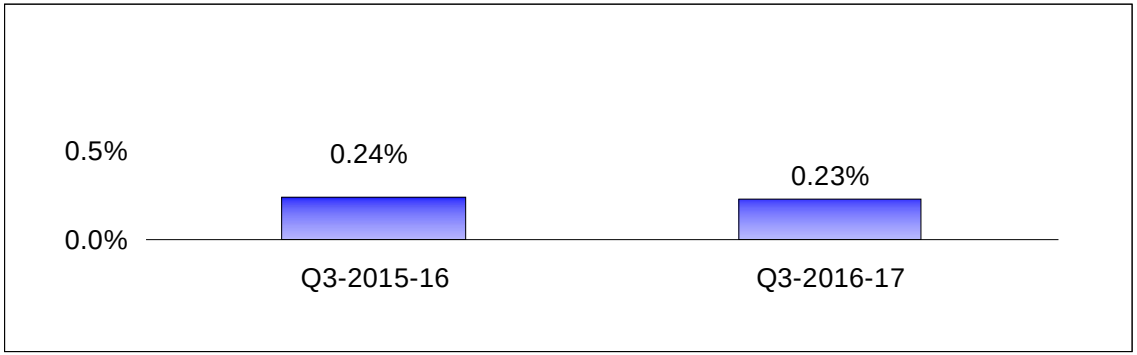


# Operational Efficiency Q3-2016-17:

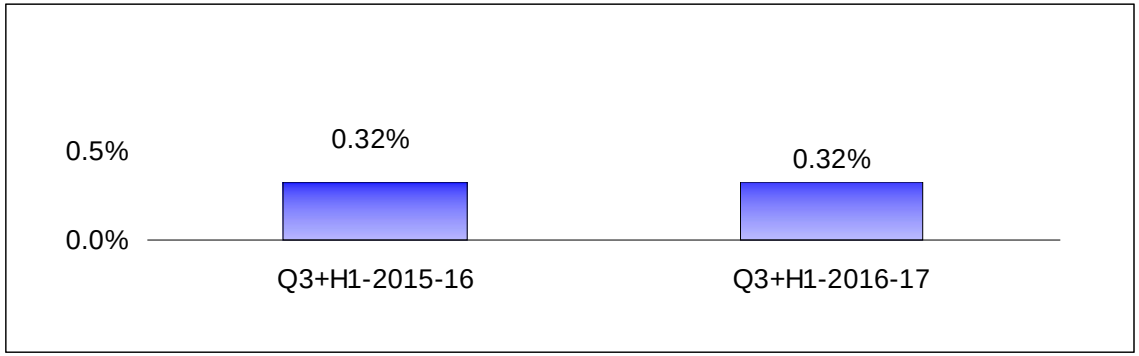
Shrinkage as % of Gross Retail Sales

*(SS Dept. Stores)*

## Q3-2016-17




## Q3+H1-2016-17



# Financial Summary – Q3-2016-17

**Shoppers Stop Ltd.** **Rs. in lacs**

| Particular | Q3-2016-17 | Q3-2015-16 | |
|---|---|---|---|
| **Retail Turnover** | **114,252.5** | **102,416.3** | |
| **Retail Sales** | 112,266.5 | 100,560.9 | 12% |
| **Margin on Sales** | **37,098.3** | **33,622.3** | 10% |
| **Margin on Sales %** | **33.0%** | **33.4%** | |
| Other Retail Operating Income | 1,986.0 | 1,855.3 | |
| Operating expenses | 31,939.6 | 28,479.3 | 12% |
| **Operating expenses %** | **28.4%** | **28.3%** | |
| **Operating Profit (EBIDTA)** | **7,144.7** | **6,998.4** | 2% |
| **Operating Profit (EBIDTA) %** | **6.4%** | **7.0%** | |
| Finance Charges (Net) | 934.5 | 1,051.7 | |
| Depreciation | 2,928.3 | 2,106.1 | |
| **PBT** | **3,281.9** | **3,840.6** | (15)% |
| **PBT%** | **2.9%** | **3.8%** | |
| Tax | 1,381.3 | 1,595.6 | |
| **Profit After Tax** | **1,900.5** | **2,245.0** | (16)% |
| **Profit After Tax %** | **1.7%** | **2.2%** | |
| | | | |
| **Total Comprehensive Income** | **1,896.5** | **2,256.6** | |
| **Total Comprehensive Income%** | **1.7%** | **2.2%** | |

*Note : Figures have been regrouped for Presentation purpose.*

# Consolidated Financial – Q3-2016-17

Rs. in lacs

| Particular | Q3-2016-17 | Q3-2015-16 | |
|---|---|---|---|
| **Retail Turnover** | **154,265.2** | **133,129.1** | |
| **Retail Sales** | 147,161.6 | 129,617.6 | 14% |
| **Margin on Sales** | **43,677.4** | **39,936.9** | 9% |
| **Margin on Sales %** | **29.7%** | **30.8%** | |
| Other Retail Operating Income | 7,103.5 | 3,511.4 | |
| Operating expenses | 42,519.0 | 37,198.6 | 14% |
| **Operating expenses %** | **28.9%** | **28.7%** | |
| **Operating Profit (EBIDTA)** | **8,261.9** | **6,249.7** | 32% |
| **Operating Profit (EBIDTA) %** | **5.6%** | **4.8%** | |
| Finance Charges (Net) | 1,360.7 | 1,641.7 | |
| Depreciation | 3,895.8 | 2,800.6 | |
| **PBT** | **3,005.5** | **1,807.4** | 66% |
| **Profit Before Tax %** | **2.0%** | **1.4%** | |
| Share of Profit/(Loss) in Joint Ventures | (180.4) | (84.8) | |
| Tax | 1,381.3 | 1,638.7 | |
| Minority Interest | 109.4 | 1,022.6 | |
| **Profit After Tax** | **1,553.0** | **1,106.5** | 40% |
| **Profit After Tax %** | **1.1%** | **0.9%** | |
| | | | |
| **Total Comprehensive Income** | **1,549.0** | **1,118.1** | |
| **Total Comprehensive Income%** | **1.1%** | **0.9%** | |

*Note : Figures have been regrouped for Presentation purpose.*

***Consolidation includes:***

- ***Shoppers Stop Limited***
- ***Hypercity Retail (India) Ltd..***
- ***Crossword Bookstores Ltd.***
- ***Timezone Entertainment Pvt. Ltd.***
- ***Nuance Group (India) Pvt. Ltd.***
- ***Gateway Multichannel Retail ( India ) Ltd***

# Financial Summary – Q3+H1-2016-17

## Shoppers Stop Ltd. Rs. in lacs

| Particular | Q3+H1-2016-17 | Q3+H1-2015-16 | |
|---|---|---|---|
| **Retail Turnover** | **310,064.8** | **282,770.9** | |
| **Retail Sales** | 304,747.4 | 277,768.1 | 10% |
| **Margin on Sales** | **101,454.2** | **93,270.1** | 9% |
| **Margin on Sales %** | **33.3%** | **33.6%** | |
| Other Retail Operating Income | 5,317.4 | 5,002.9 | |
| Operating expenses | 91,951.7 | 81,877.2 | 12% |
| **Operating expenses %** | **30.2%** | **29.5%** | |
| **Operating Profit (EBIDTA)** | **14,819.9** | **16,395.8** | (10)% |
| **Operating Profit (EBIDTA) %** | **4.9%** | **5.9%** | |
| Finance Charges (Net) | 2,965.2 | 2,836.8 | |
| Depreciation | 9,078.8 | 7,275.9 | |
| **PBT ( Before Exceptional Item)** | **2,776.0** | **6,283.0** | |
| **PBT%** | **0.9%** | **2.3%** | |
| Exceptional Item | - | 2,381.0 | |
| **PBT** | **2,776.0** | **3,902.0** | (29)% |
| **PBT %** | **0.9%** | **1.4%** | |
| Tax | 1,162.9 | 2,620.1 | |
| **Profit After Tax** | **1,613.0** | **1,282.0** | 26% |
| **Profit After Tax %** | **0.5%** | **0.5%** | |
| | | | |
| **Total Comprehensive Income** | **1,608.5** | **1,233.0** | |
| **Total Comprehensive Income%** | **0.5%** | **0.4%** | |

*Note : Figures have been regrouped for Presentation purpose.*

# Consolidated Financial – Q3+H1-2016-17

**Rs. in lacs**

| Particular | Q3+H1-2016-17 | Q3+H1-2015-16 | |
|---|---|---|---|
| **Retail Turnover** | **414,598.0** | **371,091.4** | |
| **Retail Sales** | 400,099.1 | 362,066.4 | 11% |
| Retail Sales (Net of VAT) | 379,411.6 | 343,431.6 | |
| **Margin on Sales** | **121,814.6** | **111,797.6** | 9% |
| **Margin on Sales %** | **30.4%** | **30.9%** | |
| Other Retail Operating Income | 14,498.8 | 9,025.0 | |
| Operating expenses | 122,006.5 | 106,552.3 | 15% |
| **Operating expenses %** | **30.5%** | **29.4%** | |
| **Operating Profit (EBIDTA)** | **14,306.9** | **14,270.4** | 1% |
| **Operating Profit (EBIDTA) %** | **3.6%** | **3.9%** | |
| Finance Charges (Net) | 4,595.1 | 4,290.5 | |
| Depreciation | 11,572.3 | 9,207.1 | |
| **PBT** | **(1,860.6)** | **772.7** | (341)% |
| **PBT %** | **-0.5%** | **0.2%** | |
| Share of Profit/(Loss) in Joint Ventures | (348.8) | 445.6 | |
| Tax | 1,162.9 | 2,770.2 | |
| Minority Interest | 2,213.2 | 2,819.0 | |
| **Profit After Tax** | **(1,159.1)** | **1,267.1** | (192)% |
| **Profit After Tax %** | **-0.3%** | **0.3%** | |
| | | | |
| **Total Comprehensive Income** | **(1,163.6)** | **1,218.1** | |
| **Total Comprehensive Income%** | **-0.3%** | **0.3%** | |

***Consolidation includes:***

- ***Shoppers Stop Limited***
- ***Hypercity Retail (India) Ltd..***
- ***Crossword Bookstores Ltd.***
- ***Timezone Entertainment Pvt. Ltd.***
- ***Nuance Group (India) Pvt. Ltd.***
- ***Gateway Multichannel Retail ( India ) Ltd***

*Note : Figures have been regrouped for Presentation purpose.*

# Balance Sheet – SSL Standalone

Rs.in Lacs

| PARTICULARS | UnAudited Dec'16 | Audited Mar'16 |
|---|---|---|
| Share capital | 4,175 | 4,173 |
| Reserves and surplus | 75,422 | 73,741 |
| Profit & Loss Account for the year | | |
| **Net Worth** | **79,597** | **77,914** |
| Loan Funds | 55,535 | 58,976 |
| | | - |
| **Total Liabilities** | **135,132** | **136,890** |
| Total Fixed Assets | 64,257 | 65,943 |
| Investment in Subsidiary Company | 61,876 | 55,870 |
| Lease Deposit | 16,559 | 16,053 |
| Current Assets, Loans & Advances | | |
| Stock in Trade | 37,896 | 38,587 |
| Sundry Debtors | 6,549 | 2,367 |
| Loans & Advances | 1,359 | 1,830 |
| Cash & Bank Balance | 849 | 528 |
| Other Current Assets | 10,493 | 9,576 |
| **Total Current Assets** | **57,146** | **52,888** |
| **Current Liabilities and Provisions** | | |
| Trade Creditors | 44,747 | 37,064 |
| Other liabilities and provisions | 20,276 | 17,141 |
| **Total Current Liabilities** | **65,023** | **54,205** |
| **Net Current Assets** | **(7,877)** | **(1,316)** |
| Deferred Tax | 318 | 340 |
| **Total Assets** | **135,132** | **136,890** |

*Note : Figures have been regrouped for Presentation purpose.*

| Particulars | Q3+H1-16-17 | 2015-16 |
|---|---|---|
| **Debt Equity** | **0.70** | **0.75** |
| **Asset Turnover Ratio** (Without Invt. In Group Co.) | **3.91** | **4.80** |
| **Current Ratio** | **0.88** | **0.99** |

SSL Debt : 556 Cr
Hypercity Debt : 226 Cr

# Cash Flow – SSL Standalone

Rs.in Lacs

| Particulars | For the period ended 31st Dec 2016 |
|---|---|
| **Operating Profit** | **13,878** |
| Changes in Working Capital | 6,466 |
| **Cash Generated from Operating Activities** | **20,344** |
| Investment in SSL Fixed Assets & Deposit for stores | (7,741) |
| Investment in JV/ Subsidiary Companies | (6,005) |
| **Net Cash Used for Investing Activities** | **(13,747)** |
| Proceeds from issuance of share capital | 94 |
| Interest & Finance Cost (Net off) | (2,929) |
| Increase / (Decrease) in Loans | (3,441) |
| **Cash generated from Financing Activities** | **(6,276)** |
| **Net Increase/(decrease) in Bank Balance** | **321** |

*Note : Figures have been regrouped for Presentation purpose.*

HyperCITY

Something *Fresh* every day

FOOD HOME FASHION

# Quarterly Performance – Q3 FY17

# Key Highlights

- LTL Sales growth : 9.5% [8 stores clocked double digit growth]
- Fashion mix : 17.9% [LY: 16.8%]
- Gross Margin : 22.7% [LY: 22.7%]
- LTL Opex growth : 10.7%
- Store operating profit : Rs. 545 lacs; [LY: 708 lacs]
- Company EBITDA : Rs. 1585* lacs; [LY: Rs. (324) lacs]
- PAT : Rs. (224)* lacs; [LY: Rs. (1955) lacs]
- Total retail space 1.34 Mn sq ft (19 stores).

** Includes Rs 2485 lacs profit from sale of 2 property option.*

# HyperCITY - Key Financials Highlights

- **Sales Growth:**

| | | |
|---|---|---|
| HyperCITY stores | : | **21.9**% |

- **LTL Sales Growth :**

| | | |
|---|---|---|
| HyperCITY stores | : | **9.5%** |
| - stores > 5 years | : | 9.8% |
| - stores < 5 years | : | 8.2% |

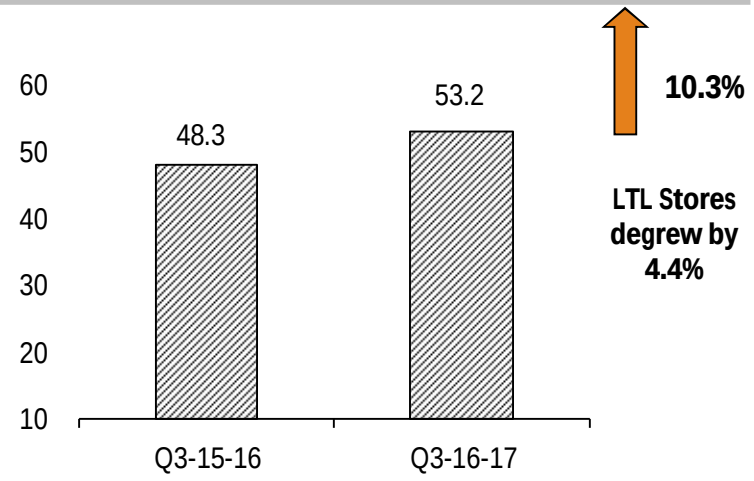
- **Sales Per Sq.ft. on chargeable area (Built up sq.ft.) :**

| | | |
|---|---|---|
| LTL level * | : | **Rs 2,541** (LY Rs 2,318) |
| Chain level * | : | **Rs 2,431** (LY Rs 2,173) |

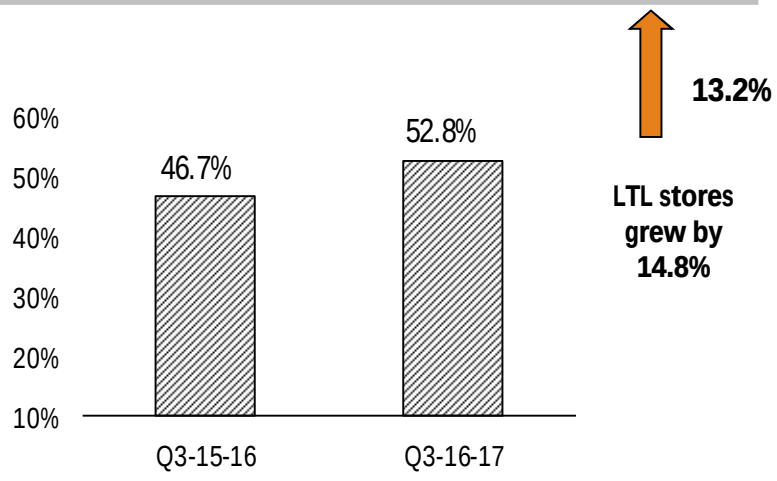
* LTL sales psf is after excluding concessionaire/ sub-lease area.

# Operational Indicators – Q3 - 2016-17

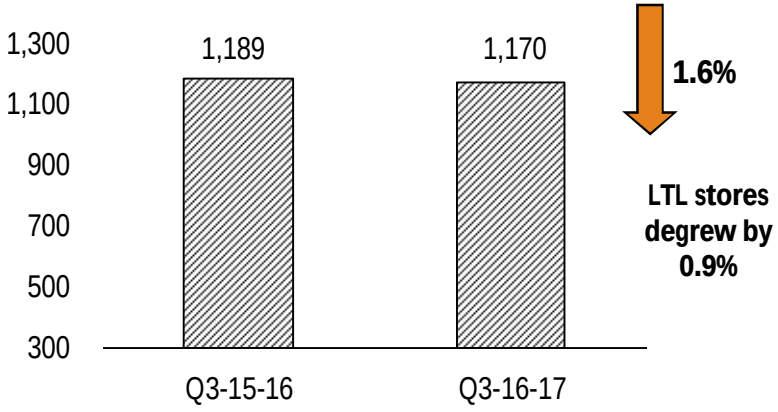
## Customer Entry (figures in lacs.)



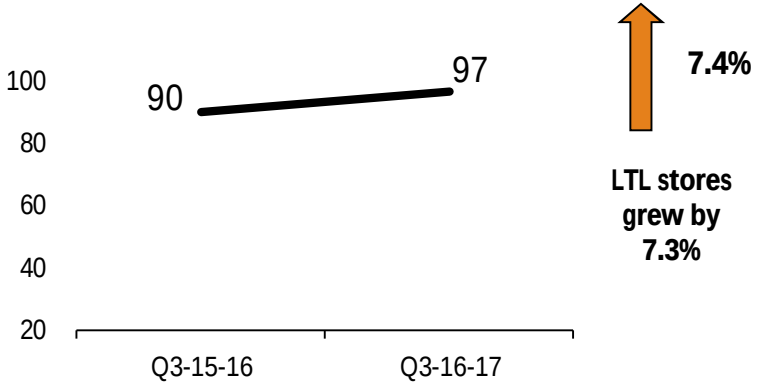

## Conversion Ratio (%)




## Transaction Size (Rs.)




## Average Selling Price ("ASP")




**LTL Volume** 2.2%

# HyperCITY Financials – Q3 - 2016-17

Rs.in lacs

| Particular | Q3 FY17 | % Sales | Q3 FY16 | % Sales | Growth% |
|---|---|---|---|---|---|
| **Retail Sales (Including VAT)** | **32,885** | 108.1% | **26,862** | 107.7% | 22.4% |
| **Retail Sales (Net of VAT)** | **30,408** | 100.0% | **24,937** | 100.0% | 21.9% |
| **Gross Margin** | **6,892** | 22.7% | **5,663** | 22.7% | 21.7% |
| DC Cost | 304 | 1.0% | 246 | 1.0% | 23.6% |
| Shrinkage | 181 | 0.6% | 240 | 1.0% | -24.7% |
| **Margin on Sales** | **6,408** | **21.1%** | **5,178** | **20.8%** | **23.7%** |
| Store Operating Expenses | 6,596 | 21.7% | 5,314 | 21.3% | 24.1% |
| Other Retail Operating Income | 733 | 2.4% | 844 | 3.4% | -13.2% |
| **Store EBIDTA** | **545** | **1.8%** | **708** | **2.8%** | **-23.0%** |
| Service Office / Pre-ops Exp. | 1,445 | 4.8% | 1,032 | 4.1% | 40.1% |
| Loss / (Profit) on sale of Property options | (2,485) | -8.2% | | | |
| **COMPANY EBIDTA** | **1,585** | **5.2%** | **(324)** | **-1.3%** | **589.9%** |
| Depreciation | 896 | 2.9% | 620 | 2.5% | 44.4% |
| Finance Charges | 913 | 3.0% | 1,011 | 4.1% | -9.7% |
| **PAT** | **(224)** | **-0.7%** | **(1,955)** | **-7.8%** | **88.6%** |

- LTL Opex Growth : 10.7%

- *Depreciation Includes impairment for downsizing of :*
  - *Hyd-Manjeera : Rs 87 lacs*
  - *Thane-1 : Rs 39 lacs*



• **Numbers have been regrouped for analytical representation**

# HyperCITY Financials – YTD - 2016-17

Rs.in lacs

| Particular | YTD FY17 | % Sales | YTD FY16 | % Sales | Growth% |
|---|---|---|---|---|---|
| **Retail Sales (Including VAT)** | **89,554** | 107.9% | **77,882** | 107.7% | 15.0% |
| **Retail Sales (Net of VAT)** | **83,026** | 100.0% | **72,342** | 100.0% | 14.8% |
| **Gross Margin** | **19,017** | 22.9% | **16,295** | 22.5% | 16.7% |
| DC Cost | 838 | 1.0% | 677 | 0.9% | 23.7% |
| Shrinkage | 475 | 0.6% | 607 | 0.8% | -21.6% |
| **Margin on Sales** | **17,704** | **21.3%** | **15,011** | **20.7%** | **17.9%** |
| Store Operating Expenses | 18,841 | 22.7% | 15,020 | 20.8% | 25.4% |
| Other Retail Operating Income | 2,151 | 2.6% | 2,207 | 3.1% | -2.5% |
| **Store EBIDTA** | **1,013** | **1.2%** | **2,198** | **3.0%** | **-53.9%** |
| Service Office / Pre-ops Exp. | 3,915 | 4.7% | 3,041 | 4.2% | 28.7% |
| Loss / (Profit) on sale of Property options | (3,521) | -4.2% | | | |
| **COMPANY EBIDTA** | **619** | **0.7%** | **(843)** | **-1.2%** | **173.4%** |
| Depreciation | 2,273 | 2.7% | 1,793 | 2.5% | 26.8% |
| Finance Charges | 2,868 | 3.5% | 2,660 | 3.7% | 7.8% |
| **PAT** | **(4,523)** | **-5.4%** | **(5,297)** | **-7.3%** | **14.6%** |

- LTL Opex Growth : 7.8%

| Sources of Funds | 31st Dec 16 |
|---|---|
| Net worth | 1,064 |
| Loans from Shareholders / Group Co's | 17,500 |
| Loans | 23,770 |
| **Total** | **42,334** |
| **Application of Funds** | |
| Fixed Assets | 18,060 |
| Currents Assets , Loans and Advances | 38,913 |
| Less : Current Liabilities and Provisions | 14,639 |
| Net Current Assets | 24,274 |
| **Total** | **42,334** |

- **Numbers have been regrouped for analytical representation**

In case of any clarifications please contact on

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