

FUTURE RETAIL

January 6, 2020

To,
Dept. of Corporate Services (CRD)
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai 400 001

Listing Department
National Stock Exchange of India Limited
"Exchange Plaza"
Bandra-Kurla Complex, Bandra (East)
Mumbai 400 051

Scrip Code: 540064
Scrip Code of Debt: 958809 & 958810

Symbol: FRETAIL

Dear Sir / Madam,

Sub. : Intimation under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

This is in furtherance to our letter dated January 4, 2020 whereby we have informed the stock exchanges that the board of directors of the Company ("Board") in its meeting held on January 4, 2020 had approved issuance of USD-denominated notes for an aggregate amount not exceeding USD 500 million, in one or more tranches, in the international market as per applicable laws ("Notes").

Further to above, we hereby inform you that the Company is contemplating issuance of Notes proposed to be listed on Singapore Stock Exchange subject to market conditions and the Company's officials will be participating in the roadshow presentation from January 7, 2020 to January 13, 2020 covering Singapore, Hong Kong, Los Angeles, New York and London. Please note that the above schedule may undergo changes in case of exigencies on the part of the Company or the organisers, market conditions or other considerations. A copy of the investor presentation is enclosed herewith as "Annexure A" and is also available on the website of the Company at www.futureretail.in.

A preliminary offering circular has been prepared and shall be made available to the prospective investors in relation to the contemplated issue of Notes. These Notes will not be offered or sold in India.

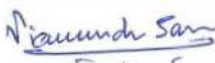
The pricing, tenure and other terms of the Notes will be determined by the Company on or after January 14, 2020 and such details shall be intimated to you in due course.

Please treat this as an intimation required under Regulation 29, 30 and other applicable provisions of the Listing Regulations.

We request you to kindly take the same on records.

Thanking you,

Yours faithfully,
For Future Retail Limited


Virendra Samani
Company Secretary



Encl. : as above.

FUTURE RETAIL



Disclaimer:

This announcement is not an offer of securities for sale in the United States or elsewhere. This announcement has been prepared for publication in India only and is not for publication or distribution, directly or indirectly, in or into the United States. The Notes have not been, and will not be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") and may not be offered or sold within the United States, except pursuant to an exemption from, or in transactions not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Accordingly, the Notes are being offered and sold (i) within the United States to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act) and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act, in each case in compliance with applicable laws of the jurisdictions where such offers and sales occur.

The Notes have not been, are not being and will not be offered or sold, directly or indirectly, by means of any offer document, offering circular or any other document / material relating to the Notes, to any person or to public in India which would constitute an advertisement, invitation, offer, sale or solicitation of an offer to subscribe for or purchase any securities in violation of applicable laws of India.

The Offering Circular has not been, nor will it be, registered, produced or published as an offer document (whether a prospectus in respect of a public offer, a statement in lieu of a prospectus or information memorandum, private placement offer cum application letter, an offering circular, an offering memorandum or other offering material in respect of any private placement under the Companies Act, 2013, regulations formulated by Securities and Exchange Board of India ("SEBI") or any other applicable Indian laws) with any Registrar of Companies, the SEBI or any Indian stock exchange or any other statutory or regulatory body of like nature in India.



Future Retail Limited (Formerly known as Bharti Retail Limited)

Registered Office: Knowledge House, Shyam Nagar, Off Jogeshwari Vikhroli Link Road, Jogeshwari (East), Mumbai - 400 060

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CIN : L51909MH2007PLC268269

FUTURE RETAIL



Future Retail Limited (FRL)

Roadshow Presentation
January 2020

Disclaimer

This presentation contains forward looking statements and during the course of this presentation, FRL may make projections or other forward looking statements regarding, among other things, FRL's business outlook and investments, implementation of its strategies, estimates of future performance, anticipated results, future revenues, cash flows or capital requirements that involve risks and uncertainties. All statements other than statements of historical facts are forward looking statements. These statements involve known and unknown risks, uncertainties and other factors that may cause FRL's actual results, performance or achievements to be materially different from those expressed or implied by the forward looking statements. In some cases you can identify these statements by words such as "could," "may," "expects," "anticipates," "believes," "intends," or similar words. You shall review the risk factors discussed in the international preliminary offering circular which are being prepared by FRL in connection with the contemplated transaction. In light of these risks and uncertainties and other factors not currently viewed as material, there is no assurance that the forward looking statements made during this presentation will in fact be realized and actual results may differ materially from those described in the forward looking statements. Such forward-looking statements are based on numerous assumptions regarding the company's present and future business strategies and the environment in which the company will operate in the future. You should not rely upon forward looking statements as predictions of future events. These forward looking statements speak only as at the date as of which they are made, and, except as otherwise required by applicable securities laws, FRL, its respective directors, agents, employees, representatives or affiliates disclaim any intention or obligation to supplement, amend, update or revise any of these forward looking statements Accordingly, any reliance you place on such forward looking statements will be at your sole risk.

This document is for information only and does not constitute or form part of, and should not be construed as, any offer for sale or subscription of or solicitation or invitation of any offer to buy or subscribe for any securities of FRL or any of its subsidiaries in any jurisdiction. No part of it should form the basis of or be relied on in connection with any investment decision or any contract or commitment to purchase or subscribe for any securities. Any decision to invest in or any such offer to subscribe for or acquire securities of the company must be based solely on the information contained in a final offering document (the "offering document") issued or to be issued by the company in connection with any such offer and not on the contents hereof. This presentation does not contain all relevant information relating to the company or its securities, particularly with respect to the risks and special considerations involved with an investment in the securities of the company and is qualified in its entirety by reference to the detailed information appearing in the offering document.



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I. Future Group Overview



Future Group: A Pioneer of Consumer Branded and Retail Business



Full ecosystem across the consumption chain...

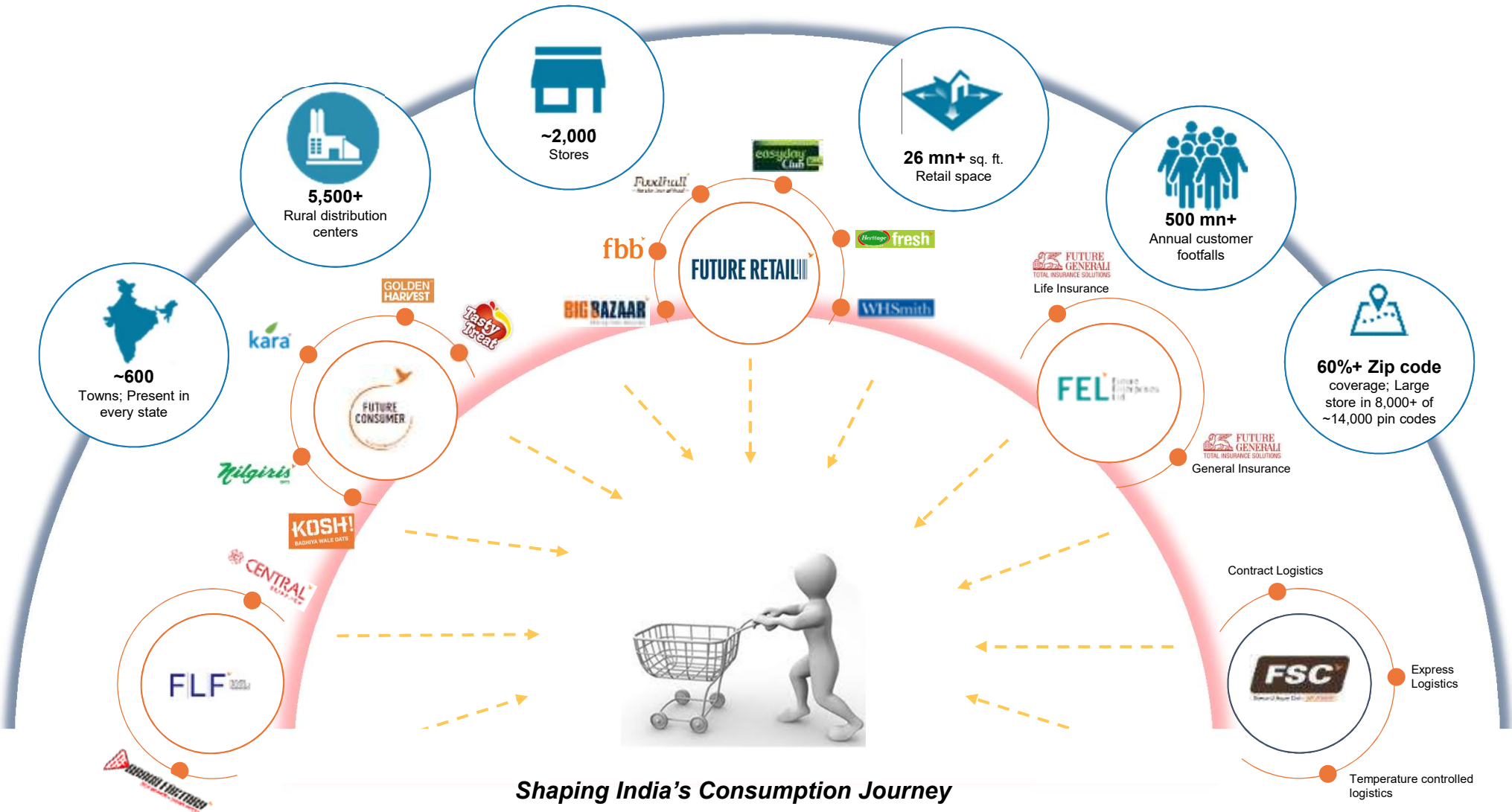
Driving Value Across the Supply Chain

Retail

Consumer

Supply Chain

Digital



...with a well-established comprehensive platform that encompasses end-to-end control of value chain

Source: Company information

FRL | Roadshow Presentation | 2020



Overview of Future Group Companies

One of the leading players in the Indian consumer products and retail industry with a prominent presence across food, FMCG¹, apparel, retail, logistics and financial services

<ul style="list-style-type: none"> Leading Indian retail Company with a focus on distribution of key consumer products categories such as food, FMCG, fashion and household products Market cap: INR172bn FY19 revenue: INR202bn Promoter Group holding: 49.5% 	<ul style="list-style-type: none"> Focuses on integrated branded fashion from design to distribution; with a portfolio of brands in fashion space Market cap: INR81bn FY19 revenue: INR57bn Promoter Group holding: 45.9% 	<ul style="list-style-type: none"> Engages in the manufacturing, processing and distribution of fast moving consumer goods, food and processed food products Market cap: INR43bn FY19 revenue: INR39bn Promoter Group holding: 46.3% 	<ul style="list-style-type: none"> Leading Indian third-party supply chain and logistics service provider Market cap: INR21bn FY19 revenue: INR12bn Promoter Group holding: 52.4% 	<ul style="list-style-type: none"> Businesses include insurance, textile manufacturing, supply chain and logistics Market cap: INR11bn FY19 revenue: INR60bn Promoter Group holding: 50.2% 												
<p>Key brands</p> <table border="1"> <tr> <td>Stores</td> <td>1,550</td> </tr> <tr> <td>Sq. ft (mn sq. ft.)</td> <td>16.4</td> </tr> </table>	Stores	1,550	Sq. ft (mn sq. ft.)	16.4	<p>Key brands</p> <table border="1"> <tr> <td>Stores</td> <td>349</td> </tr> <tr> <td>Sq. ft (mn sq. ft.)</td> <td>7.3</td> </tr> </table>	Stores	349	Sq. ft (mn sq. ft.)	7.3	<p>Key brands</p>	<p>Key stats</p> <table border="1"> <tr> <td>Warehouses</td> <td>90</td> </tr> <tr> <td>Sq. ft (mn sq. ft.)</td> <td>8.3</td> </tr> </table>	Warehouses	90	Sq. ft (mn sq. ft.)	8.3	<p>Key entities</p>
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Sq. ft (mn sq. ft.)	8.3															
<p>Key strategic investors</p> <div style="border: 1px solid orange; padding: 5px; text-align: center;">Amazon²</div>	<p>Key strategic investors</p> <div style="border: 1px solid orange; padding: 5px; text-align: center;">Blackstone</div>	<p>Key strategic investors</p> <div style="border: 1px solid orange; padding: 5px; text-align: center;">IFC</div>	<p>Key strategic investors</p> <div style="border: 1px solid orange; padding: 5px; text-align: center;">Nippon Express</div>	<p>Key strategic investors</p> <div style="border: 1px solid orange; padding: 5px; text-align: center;">Generali³</div>												
<p>Other marquee investors</p> <div style="display: flex; flex-wrap: wrap;"> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">Bennett, Coleman & Co.</div> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">Arisaig</div> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">Premji Invest</div> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">Westwood</div> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">L&T MF</div> </div>	<p>Other marquee investors</p> <div style="display: flex; flex-wrap: wrap;"> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">LCatterton</div> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">Life Insurance Corporation of India</div> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">PremjiInvest</div> </div>	<p>Other marquee investors</p> <div style="display: flex; flex-wrap: wrap;"> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">Verlinvest</div> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">Arisaig</div> </div>	<p>Other marquee investors</p> <div style="display: flex; flex-wrap: wrap;"> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">Edelweiss</div> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">L&T MF</div> </div>	<p>Other marquee investors</p> <div style="display: flex; flex-wrap: wrap;"> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">Bennett, Coleman & Co.</div> <div style="border: 1px solid orange; padding: 5px; margin: 2px;">Life Insurance Corporation of India</div> </div>												

Source: Company information, BSE

Note: Revenue for all Future Group companies (except FRL) are on consolidated basis; market cap as of 31-Dec-2019; Promoter Group holding for all companies (except FRL) as of 30-Sep-2019 and for FRL as of 4-Jan-2020; store count and sq. ft as of 30-Sep-2019

¹ FMCG: Fast Moving Consumer Goods; ² Amazon has invested in Future Coupons Private Limited (one of the promoter holding entities of FRL); ³ For insurance business only










Issuer of USD notes

II. Overview of Future Retail Limited



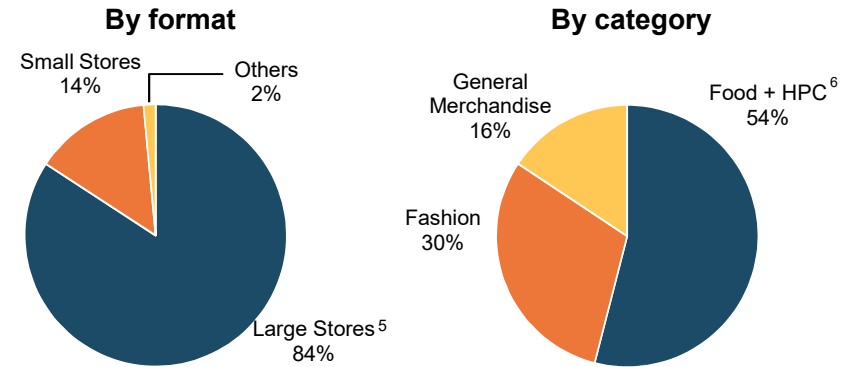
FRL at a Glance

One of the leading organized retailer in India with a strong national presence

Scale	Efficiency	Depth
 <p>1,550 Retail stores</p>	 <p>>67% Revenue from non-food categories³</p>	 <p>>350 mn Customer footfalls¹</p>
 <p>16.4 mn sq. ft. Retail Space</p>	 <p>~11% Same Store Sales Growth (SSSG)²</p>	 <p>432 Cities</p>
 <p>INR 202 bn FY19 Revenue</p>	 <p>~27% Gross Margins¹</p>	 <p>29⁴ States</p>

Notes: All data as of Sep-19, unless mentioned otherwise
 1 as of FY19
 2 for FY19 Big Bazaar
 3 excludes other operating income
 4 including 4 Union Territories
 5 comprises of Big Bazaar and fbb
 6 HPC: Home and Personal Care

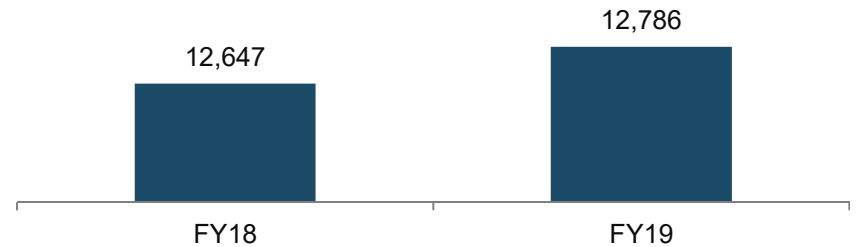
FY2019 Revenue Mix³ – By format and category



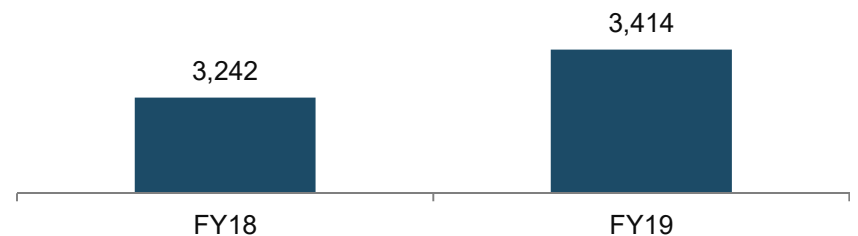
FY19 Revenue : INR 202bn

Value creation with improving productivity

Revenue per sq. ft. (INR)








Gross profit per sq. ft. (INR)

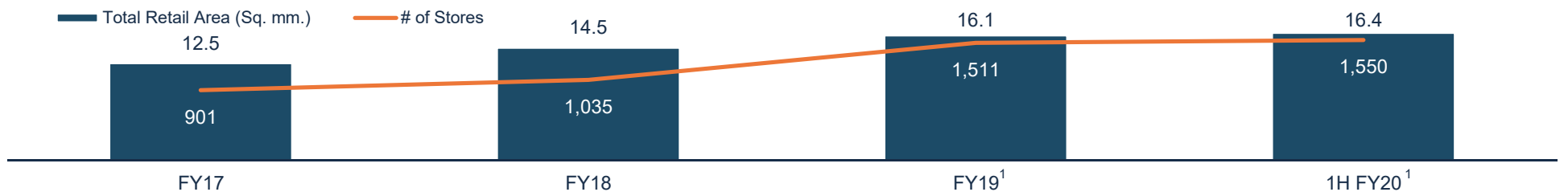


Retail Network Overview

Fulfilling consumer needs across Food, Fashion and Home at multiple price points

Category	Format type	Formats	# of stores	Area (mn sq. ft.)	# of cities	Target Consumer
Large Stores	Hypermarket		293	12.63	147	Low-to Mid income
	Fashion		95	1.04	47	Low-to Mid income
Small Stores	Convenience		1,147 ¹	2.55	344	Low-to Mid income
Others	Gourmet Retail		9	0.13	4	High Income
	Consumer durables and electronics		6	0.06	4	Mid-to-High Income
Cumulative			1,550	16.40	432	

Total Retail Area (mn sq. ft.)



Note: All data as of Sep-19

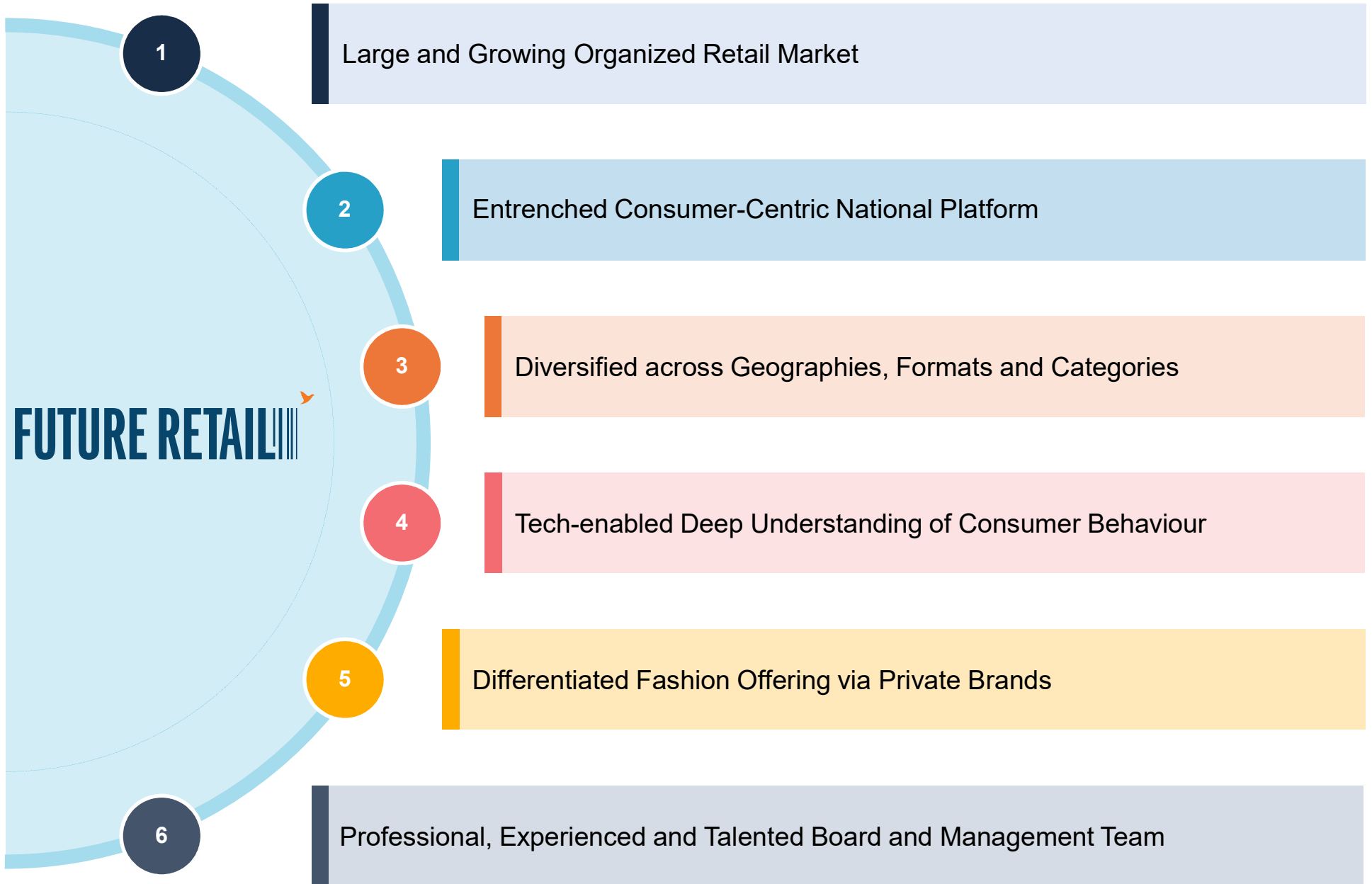
¹ includes 100 WH Smith Stores owned by one of FRL's subsidiaries



III. Key Credit Highlights



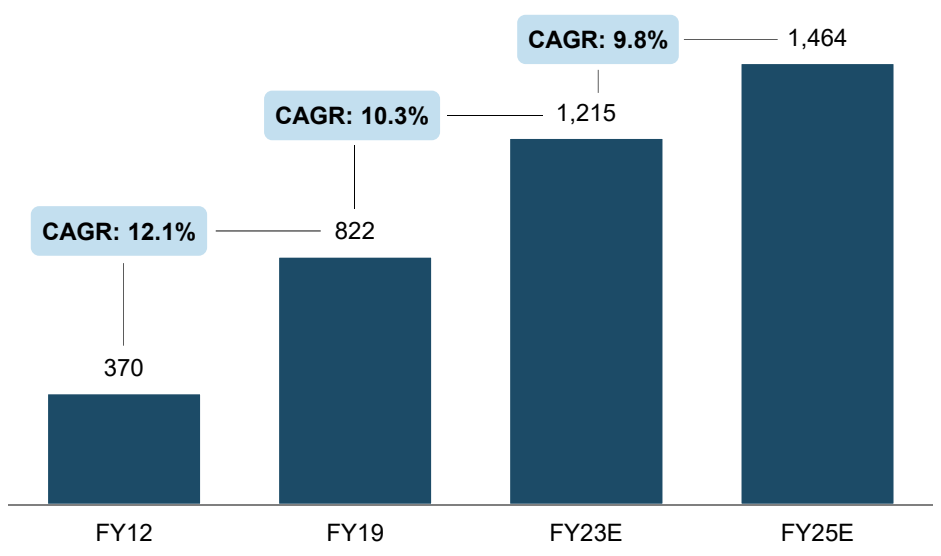
Key Credit Highlights



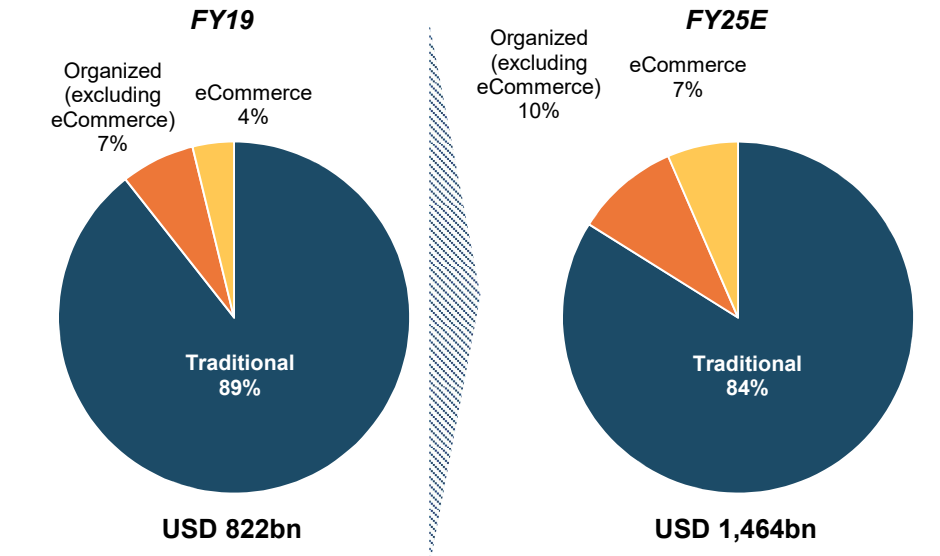
1 Large and Growing Organized Retail Market

Organized retail market expected to grow from **USD 88bn** (2019) to **USD 235bn** (2025E) at a CAGR of **18%**

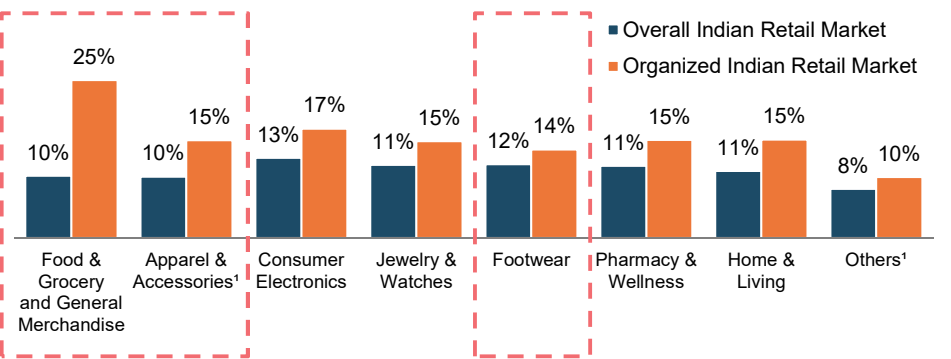
Overall Indian Retail Market (USD bn)



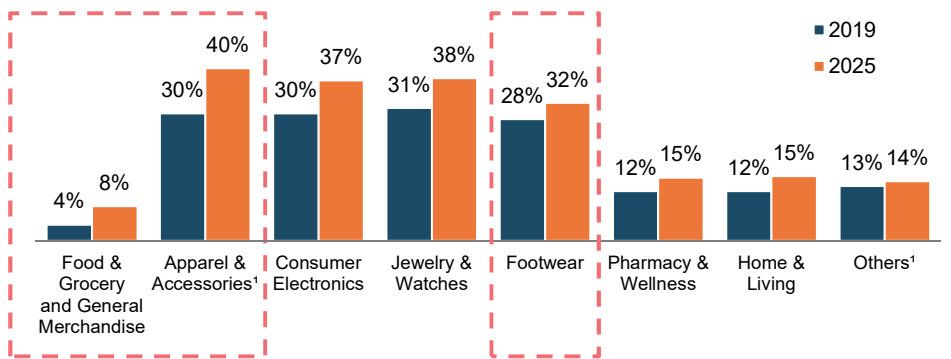
Structure of Overall Indian Retail Market



Indian Retail Market - FY19-25 CAGR (%)



Penetration of Organized Retail across categories



FRL is present across high-growth retail categories

Source: Technopak Research & Analysis
 Note:
¹ Accessories includes Bags, Belts, Wallets; Others include Books & Stationery, Toys, Eyewear, Sports Goods, Alcoholic Beverages and Tobacco

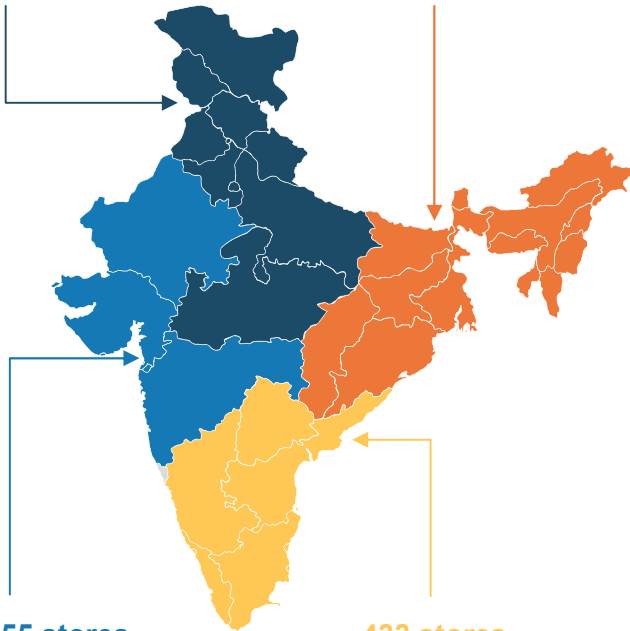
India's leading multi format pan India retailer

690 stores

73	Big Bazar
591	Easyday/WHSmith
21	fbf
04	Foodhall
01	eZone

172 stores

77	Big Bazar
72	Easyday/WH Smith
19	fbf
04	eZone



255 stores

72	Big Bazar
161	Easyday/WHSmith
18	fbf
03	Foodhall
01	eZone

433 stores

71	Big Bazar
37	fbf
323	Easyday/Heritage/WHSmith
02	Foodhall

432 cities across 29 states¹

Financial support from Future Group

■ 2014: Preferential issue of warrants of ~INR 2,000 mn to the promoters

■ 2015: Rights issue of ~INR 16,000 mn

■ 2019: Subscription to warrants of INR 20,000 mn

Unmatched scale

1,550
Retail stores

16.4
mn sq. ft.
Retail space

>350 mn
Customer footfalls²

Leading market position

#1
player
in Food & Grocery and General Merchandise organized retail in India

Fashion destination
for youth population

Market leading brands

BIG BAZAAR

- ❖ Established in 2001; One of the largest hypermarket chains in India
- ❖ Among the **top 40** most valuable brands in India³

fbf

- ❖ Value fashion chain

easyday Club

Heritage fresh

- ❖ Smaller format convenience stores

ezone

Foodhall






- ❖ Specialty stores for electronics and gourmet retail

WHSmith

- ❖ Convenience store chain operating primarily at transit locations like airports, metro stations, etc.

Note: All data as of Sep-19; ¹ Including 4 union territories; ² In FY19; ³ By Interbrand India



	Large format	Small format	Others			
						
Overview	<ul style="list-style-type: none"> Marquee hypermarket brand 	<ul style="list-style-type: none"> Affordable fashion for young customers 	<ul style="list-style-type: none"> Convenient neighbourhood store 	<ul style="list-style-type: none"> Gourmet retail 	<ul style="list-style-type: none"> Consumer durables and electronics chain 	
Target audience	<ul style="list-style-type: none"> Low and middle-income consumers 	<ul style="list-style-type: none"> Low and middle-income consumers 	<ul style="list-style-type: none"> Low and middle-income consumers 	<ul style="list-style-type: none"> High-income consumers 	<ul style="list-style-type: none"> Middle to high-income consumers 	Diversified across customer profiles
Geographic presence	<ul style="list-style-type: none"> Pan-India 	<ul style="list-style-type: none"> Pan-India 	<ul style="list-style-type: none"> Easyday in North Heritage in South 	<ul style="list-style-type: none"> Premium locations in metros 	<ul style="list-style-type: none"> Metros 	Revenue split almost equally across North, South, West and East
Product categories	<ul style="list-style-type: none"> Food & grocery, home & personal care and general merchandise 	<ul style="list-style-type: none"> Apparel 	<ul style="list-style-type: none"> Daily essentials such as grocery, home and personal care 	<ul style="list-style-type: none"> Food and grocery 	<ul style="list-style-type: none"> Electronics 	Diversified across categories
Focus areas	<ul style="list-style-type: none"> Focus on customer service, wide assortment of products and next generation layouts 	<ul style="list-style-type: none"> Initiatives to target millennials and improve online presence 	<ul style="list-style-type: none"> Increasing focus on customer engagement and a strong digital platform, including app-based ordering 	<ul style="list-style-type: none"> Focus on premium food and kitchen accessories 	<ul style="list-style-type: none"> Focus on lifestyle solutions based on customer needs 	

Tech-enabled Deep Understanding of Consumer Behaviour

Uses proprietary consumer data to obtain valuable insights into customer trends and preferences

Using technology and data analytics, FRL has strong understanding of the Indian consumer landscape and behaviour



Data Analytics

Insight into changing customer patterns and buying preferences



Store Prediction

Helps predict new store locations for small and large format stores



Regional Management

Understanding of local consumer preferences



Membership Model

Locks-in customers across format and categories



In-store Technology

Shortens supply chain cycles and timely offers right product to right customer

~95% of fashion products sold at fbb are Future Group's owned / licensed brands

Men's wear



SHATRINJ

Women's wear



Unisex brands



UMM
underground music movement

Kid's brands



SHATRINJ



Deliver higher margins

Better control over quality / pricing

Better control of supply chain

Efficient inventory management and a wider assortment

Efficiently match demand with SKUs

Strong online presence

- Ecommerce portals like fbbonline.in
- Social media
- Digital channels

Promotions and Endorsements

- Music and performance events
- Celebrity endorsements and media presence

Value driven fashion portfolio focused on young consumers and families

Diverse and well-respected Board of Directors

**Kishore Biyani***Chairman and Managing Director*

- Has over 40 years experience in the field of manufacturing, marketing of ready-made garments and retail. Known as the pioneer of modern retail industry in India and has led the Group's foray into organized retail and brands across food, fashion and home

**Rahul Garg***Non-Executive Director*

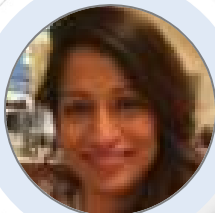
- Partner and Co-Head of India based Private Equity of Premji Invest. He leads investments in BFSI and Consumer/Retail sectors
- Previously associated with ICICI Bank and worked across the entire financial services spectrum covering private equity, corporate banking, structured and project finance

**Rakesh Biyani***Joint Managing Director*

- Associated with Future Group for over 20 years. Leads the management and expansion of the Group's flagship formats, including 'Big Bazaar' and 'fbb'

**Ravindra Dhariwal***Independent Director*

- Senior Advisor to TPG India and brings with him the experience of 39 years of building consumer business all over the World
- Previously associated with Bennett & Coleman & Co. Ltd. as CEO, Global President of International News Media Association and Pepsico

**Sridevi Badiga***Independent Director*

- Currently runs a cross border advisory practice in the Middle East. Previously she worked in Investment Banking and was part of GAP Inc's Corporate Finance Team
- She holds an MBA degree from Kellogg School of Management

**Gagan Singh***Independent Director*

- Previously CEO – Business (India) and Chairperson Sri Lanka Operations of Jones Lang LaSalle
- In past, has been associated with Benetton India, DCM International, Soaltee Group and Ranbaxy Laboratories

**Shailendra Bhandari***Independent Director*

- Seasoned finance professional with ~36 years of experience and an impressive track record of accomplishments
- His areas of expertise include Banking, Private Equity and Mutual Funds

FRL has **4** Independent Directors including
2 Independent Women Directors

Experienced and professional management team

**Sadashiv Nayak***Head – Big Bazaar*

- With over 20 years of experience in the industry and has been with Future Group for more than 12 years
- Previously worked with Hindustan Lever & Asian Paints
- Holds a Post Graduate Diploma in Business Management from XLRI Jamshedpur

**CP Toshniwal***Chief Financial Officer*

- With over 2 decades of experience as part of Future Group
- Brings in strong domain of Retail Industry and experience in Corporate and Strategic Planning, Financial Planning & Restructuring, Risk Management System and Process Implementation, M&A etc.

**Vinay Bhatia***Head – Loyalty & Analytics*

- Leads Initiatives across loyalty programs at Future Group including Profit Club, Savings Club, Payback and T24, payment wallets, Gift Vouchers & Cards, Customer & Data Analytics
- With over 23 years of experience, he has worked in the past with Shoppers Stop, Marico, Asian Paints

**Dhananjay Sengupta***Head – Small Format*

- Recently appointed as the Head – Small Format and shall lead the Retail 3.0 strategy
- Long associated with Future Group for over 13 years, with latest position being that of CEO-North Zone

**Rajesh Seth***Chief Operating Officer (COO) – fbb*

- Appointed as COO of fbb in 2016
- Has over 20 years of industry experience and has been associated with the Future Group for 15 years
- Previously worked at Trent Ltd. where he managed Marketing, Promotions and Loyalty

**Pawan Sarda***Head – Digital Marketing*

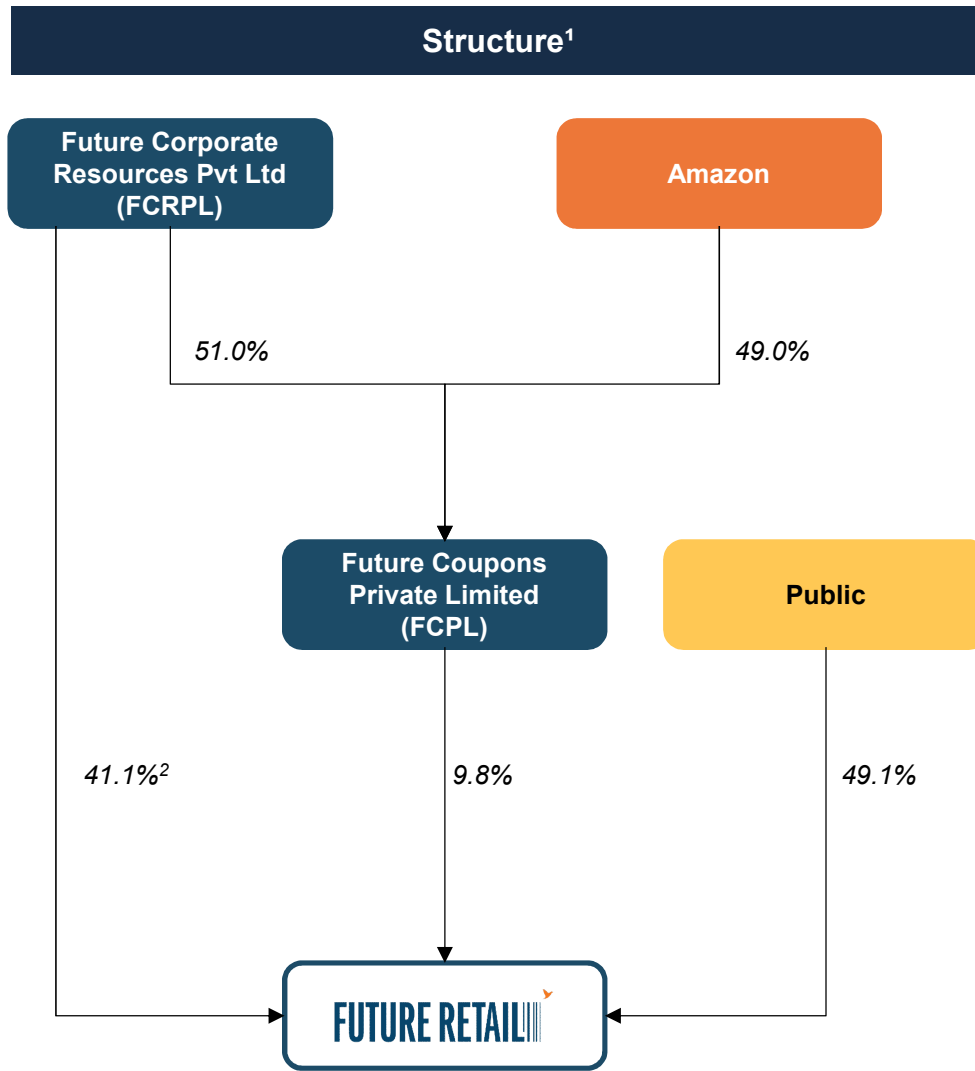
- Spearheading online and offline for all Future Group formats and also driving E-Commerce businesses
- Close to 20 years of work experience in Retail, Housing, Digital, Content and Commerce

IV. Partnership with Amazon



FRL & Amazon: Partnership of two large ecosystems

FRL and Amazon have entered into long-term business agreements for expanding the reach of FRL stores and consumer brands through the Amazon India marketplace



Deal Contours

- Amazon acquired 49% stake in FCPL for US\$ 200 mn
 - the rest (51%) stake is held by FCRPL
- On consummation of the transaction, FCPL will own 9.8% stake in FRL on a fully diluted basis
 - this includes 7.3% equity stake in FRL acquired through warrants conversion
 - additional 2.5% stake in FRL transferred by FCRPL to FCPL

Call Option

- Amazon has an option to acquire all or part of promoters' shareholding in FRL between the 3rd and 10th year of investment, subject to applicable law

Additional Key Conditions

- FCPL has a right to appoint an observer on the board of directors of FRL
- FCPL will have pre-emptive right on further equity issuance
- FRL will be required to obtain prior approval of FCPL on certain matters

Note: Shareholding rounded off

¹ Structure upon consummation of the investment by Amazon and proposed warrants conversion

² Includes shareholding of 0.1% by other Promoter and Promoter Group



Potential Areas of Engagement

Synergies of one of the leading global platforms with one of India's leading organized retailers

- Partnership will build on the robust offline and online capabilities of both the organizations

- FRL and Amazon have signed two agreements focusing on key categories

- i. Grocery and general merchandising: focusing on groceries, general merchandise and beauty categories

- ii. Fashion and footwear: focusing on fashion and apparel, footwear, jewelry, watches, luggage, travel gear, eye wear, perfumes and related accessories

- Seamless packaging and pickup of products ordered online at FRL retail outlets

V. Future Retail Limited Strategy







Note:
¹ As of Sep-19

Tapping Into Growth Opportunity in Underpenetrated Geographies

2

FRL has strong presence in metros and Tier-I cities with a significant growth potential in Tier-II and below cities

Geographic Distribution of FRL Stores¹

Category	FY17	FY18	FY19
Mega metros	26%	22%	18%
Mini metros	28%	24%	25%
Tier-I	18%	19%	21%
Tier-II	13%	12%	12%
Tier-III and below	16%	23%	24%
Total	100%	100%	100%

- FRL is well-placed to garner the consumption opportunity in metros and Tier-I cities
 - c.65% of FRL stores are located in metros and Tier-I cities in (as of FY19)
- Smaller cities have witnessed a paradigm shift due to changing socio-cultural values, increasing disposable income and per capita consumption making it a strong value proposition
- FRL is well poised to capture the growth in smaller cities and will continue to expand in the relatively underpenetrated Tier-III and below towns
 - FRL stores in Tier-III and below towns increased by 50% in last 2 years

Note:

¹ Cities are classified based on their population:

Mega Metros: cities with population greater than 10mn

Mini Metros: cities with population greater than 6mn but less than 10mn

Tier-I cities: cities with population greater than 1mn but less than 6mn

Tier-II cities: cities with population greater than 0.3mn but less than 1mn

Tier-III cities and below: cities with population less than 0.3mn



Leveraging Private Brands to Drive Growth

Wide portfolio of private brands

Strong portfolio of private brands . . .

Food and beverages (F&B)	Centre of plate (Staples)	GOLDEN HARVEST PRIME KARMIQ	FRESH & PURE	DESIATTA	EKTAA Shubhra	mother earth	KOSH	S
	Processed foods	Tasty Treat	veg affaire	Milgiris				
Home and personal care (HPC)	Personal care	kara	think skin	TS	puretta			
	Home care	Clean Mate	care mate	prim	prathali	MYSST		
Fashion and apparel	Men's wear	KNIGHTHOOD	AFL	SHATRINJ				
	Women's wear	Morpanik	SHYLA WHAT WOMEN WANT	SAVARRA	ATESSA	Hey!	SRISHTI	
	Unisex brands	D.J.&C	BUFFALO	BARE CASUALS	UMM underground music movement			
	Kid's brands	SRISHTI	SPUNK	SHATRINJ	D.J.&C	BUFFALO		

. . . to drive margin expansion

- Product differentiation
- Faster execution
- Control over quality / pricing
- Control of supply chain
- Bargaining power
- Inventory management
- Wider assortment
- Matching of demand with SKUs

Contribution of private brands (FY19)

24.5%
Revenue share in food and home & personal care

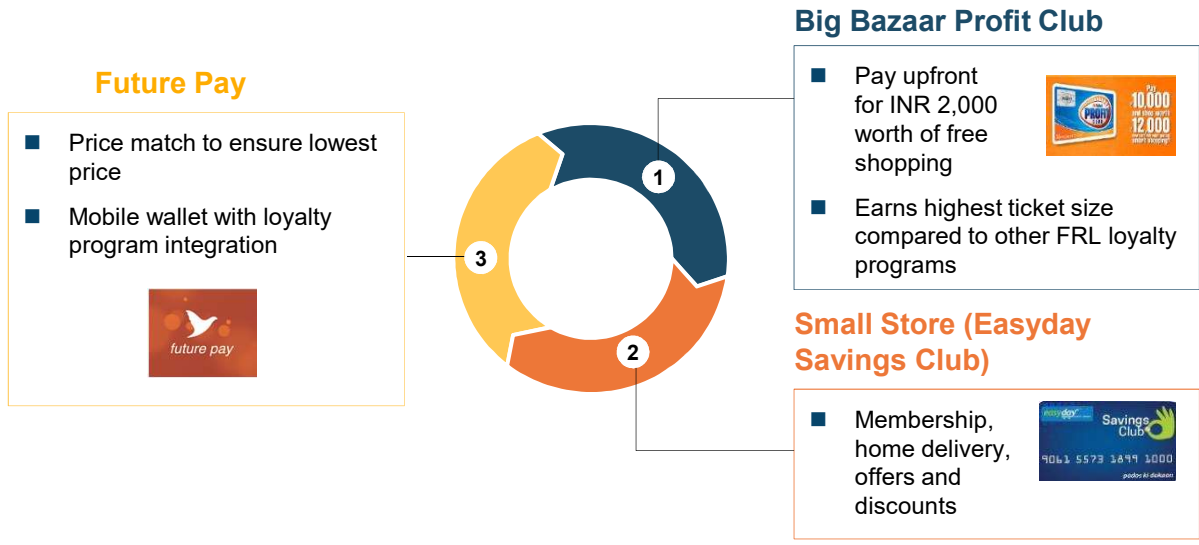
94.8%
Revenue share in fashion

11.2%
Revenue share in general merchandise

Target higher contribution of private brands across categories

Deepen Customer Reach

Capture, track and assess customer behavior



Memberships

Small Store Savings Club: Engine of Throughput to Small Stores

~1.5 mn members at 3x growth in 18 months ¹	1,600+ Average members per store	~4-5 times Member visits per month	Membership active in 945 stores	~INR 30,000 Annualized spend per member
---	---	------------------------------------	--	---

Big Bazaar Profit Club: Testimony of Customers' Belief

1 mn members 5x growth in 18 months ¹	Allows customers to shop for INR 12,000 within a year on a lump sum payment of INR 10,000	Differentiated pre-paid loyalty program that locks-in customers and encourages to buy from FRL	~INR 40,000 Average annual spend per user
---	--	--	---

Digital marketing initiatives

Online to Offline Strategy: Marketing Initiatives to Deepen Customer Reach

24-hour live show on Facebook during "**Sabse Saste 5 Din**" sale



#DecideYourPrice campaign on Twitter

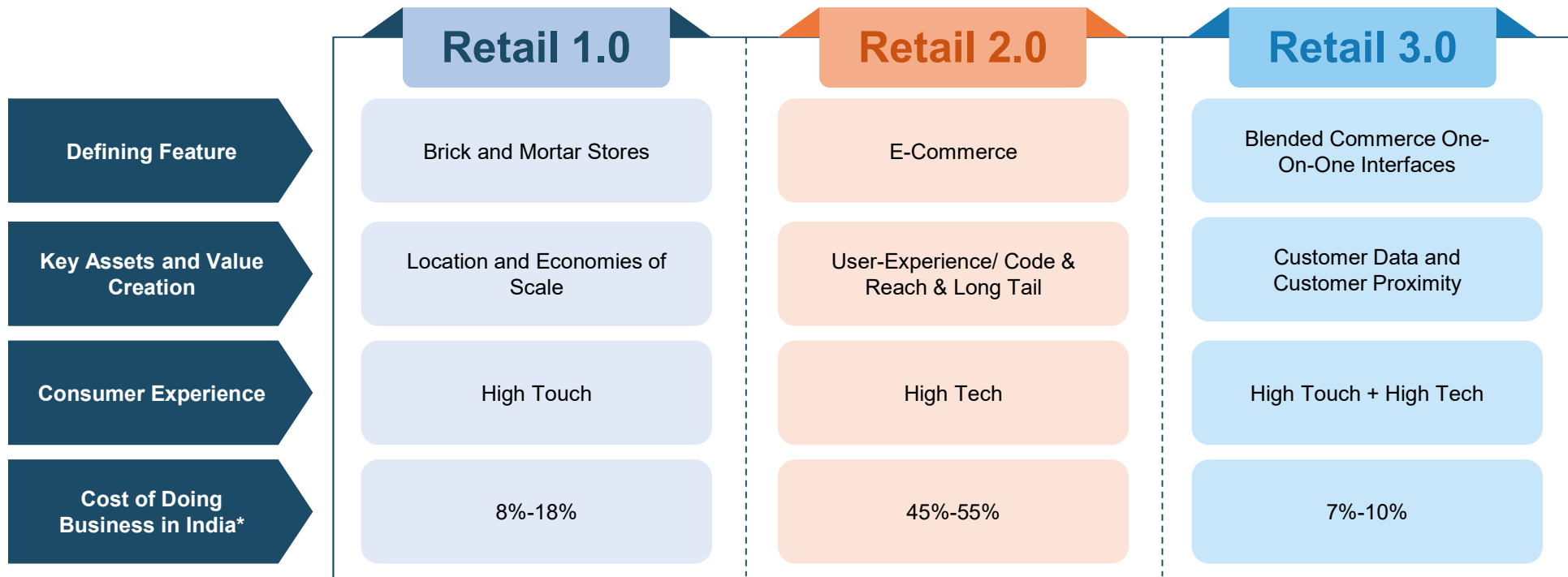


"Kitchen Stock Exchange" online game to issue discount coupons on product searches

Note:
¹ As of Sep-19

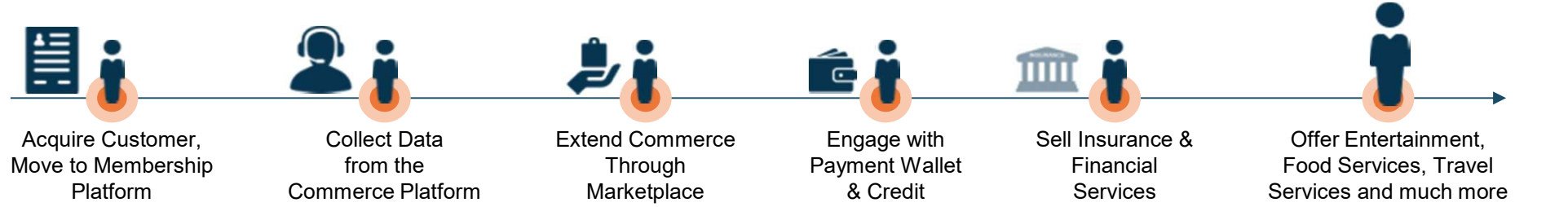
Drive Retail 3.0 – Layering of Technology Over Physical Space

- Customer proximity reduces logistics cost
- Membership program makes customer acquisition cost negligible



- Every customer touchpoint in the store generates data that allows FRL to create customer profiles and tailor offerings to maximize customer spending

Owning the Customer Ecosystem



* Refers to Delivery Cost, Returns, & Customer Acquisition Cost as % of revenues

One of the entities globally to have tie-up with both Amazon and 7-Eleven



- In August 2019, FRL announced its **partnership with Amazon** that will facilitate the Company as it takes the path to become **truly omni-channel**
- Amazon acquired **49% stake** in Future Coupons Private Limited, one of the promoter holding entities of FRL
- Amazon has been granted a call option which allows Amazon to **acquire all or part of Promoters' shareholding** in FRL, and is **exercisable between the 3rd to 10th years**
- The partnership brings together **considerable synergies** of one of the **largest online e-commerce platforms** globally with one of **India's leading retail platform**
- **Enhance online presence** of FRL's private brands through Amazon's marketplace



- In February 2019, FRL, through its subsidiary, entered into an **80 years Master Franchise Agreement** with 7-Eleven Inc. to bring 7-Eleven's convenience chain format to India
- 7-Eleven is an **iconic global retail brand** with more than 67,000 stores worldwide and known for its iconic brands such as Slurpee, Big Bite and Big Gulp
- The growth and expansion of 7-Eleven will be an important part of **growing FRL's food and FMCG brands** and in bringing new services, formats and conveniences for customers
- Intend to **offer fresh and hygienic yet affordable food products** with localized offerings in the currently untapped retail space in India

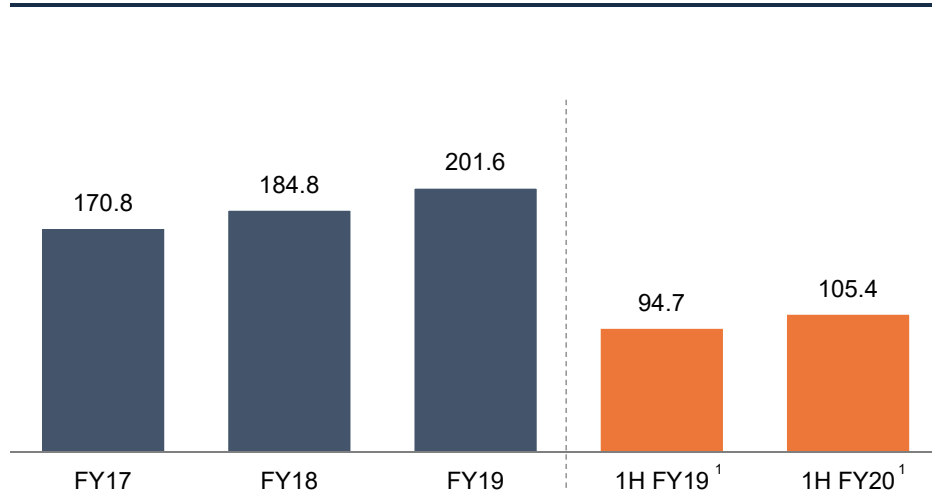
VI. Financial Overview



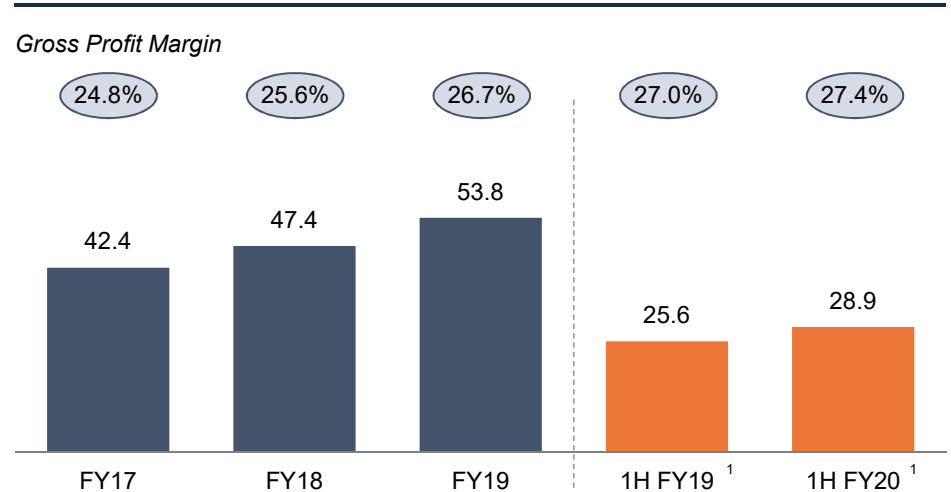
Financial Overview

Strong financial profile supported by diversified funding sources

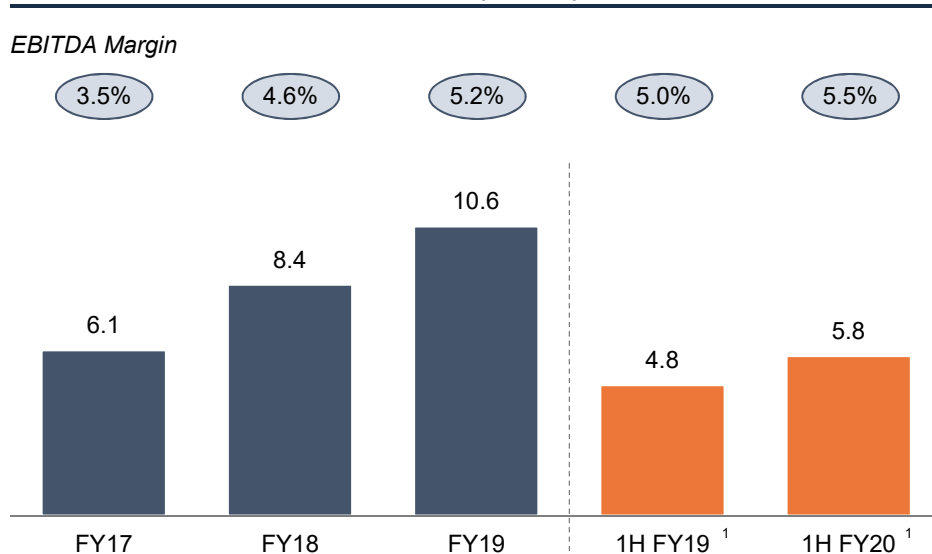
Total Revenue (INR bn)



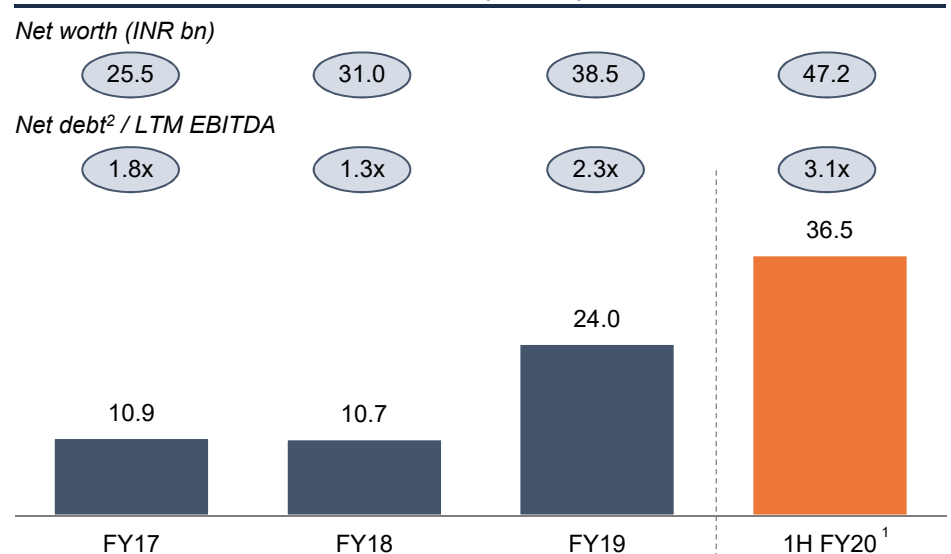
Gross Profit (INR bn)



EBITDA (INR bn)



Net Debt (INR bn)²



Note: All the above financials are on standalone basis. Financials for FY ended Mar 2019 are not comparable with previous years, due to effect given to demerger of Home Retail Business undertaking to Praxis Home Retail Limited and vesting of demerged Retail Undertaking of Heritage Foods Retail Limited and demerged Retail Business Undertaking of Hypercity Retail (India) Limited with the Company at different period of times during the previous years and in the financial year under review

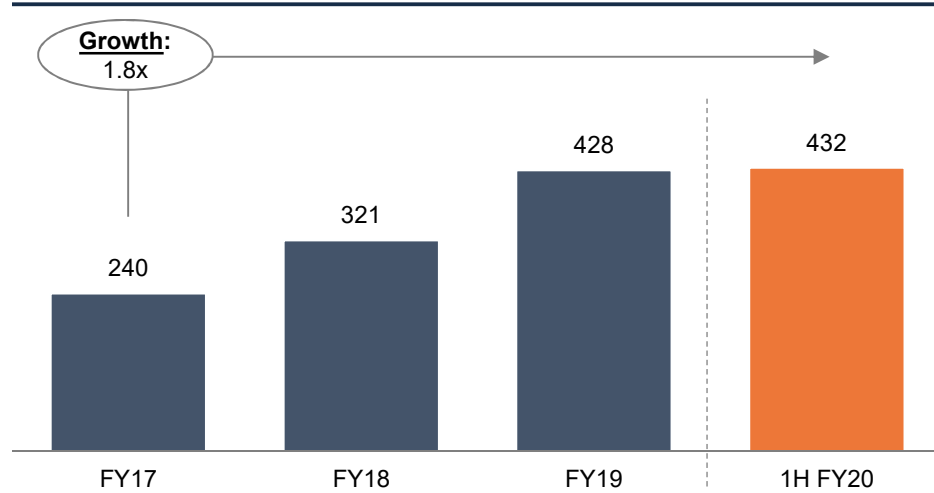
¹ Like to like basis (without IND AS 116)

² Net debt defined as total long term borrowings, short term borrowings and current maturities of long term borrowings less cash and cash equivalents and bank balances

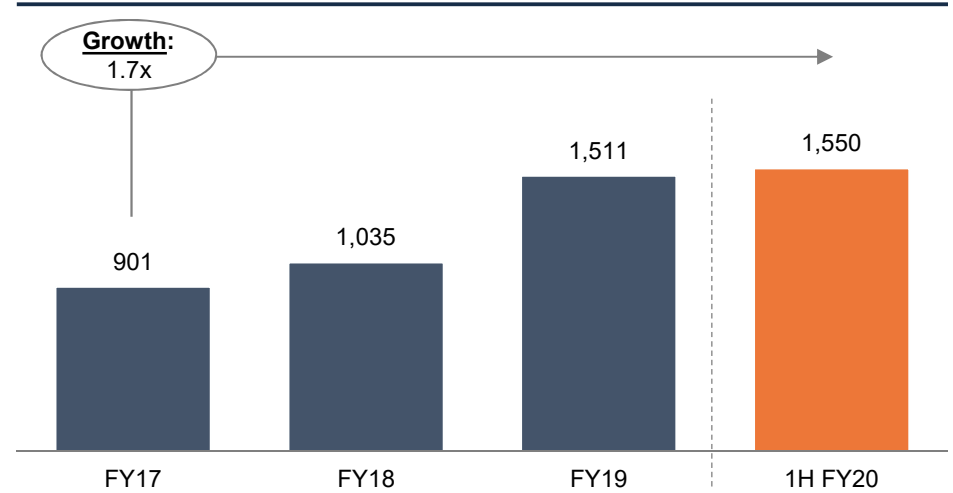
Operating Metrics

Expanding presence supported by increasing footfall

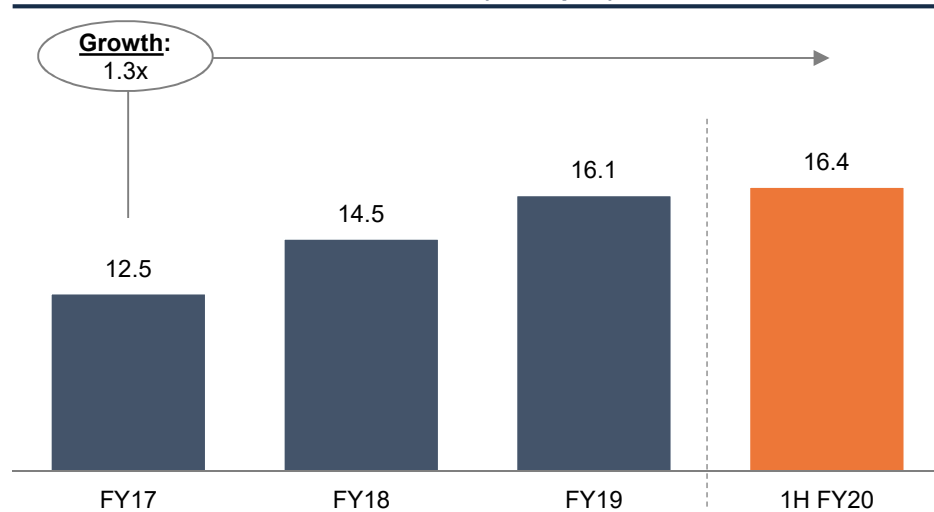
Cities (#)



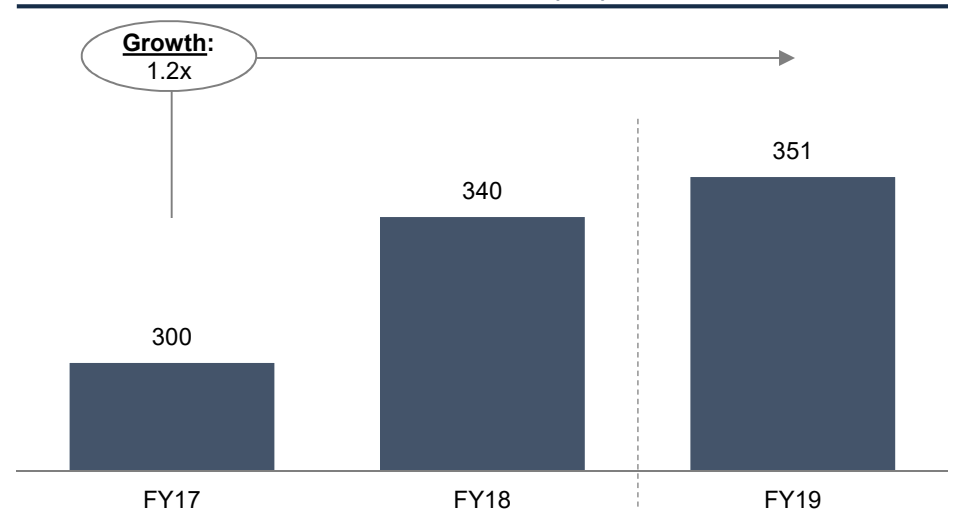
Retail stores (#)



Retail area (mn sq. ft.)



Customer visits (mn)¹



Note:

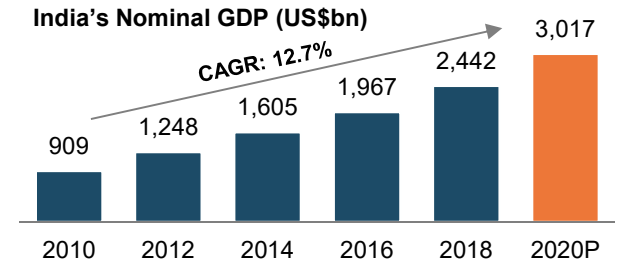
¹ Not released on a semi-annual basis



Appendix 1: Additional Information



- India is **seventh** in terms of nominal GDP and is the **third largest** economy in PPP terms globally — estimated to be amongst **top 3 economies** by CY 2050
- Consumption-led economy** with private consumption contributing c.60% of the GDP in FY19
- India has the **2nd largest population** but accounts for **3% of global consumption** in 2019 which is expected to increase significantly

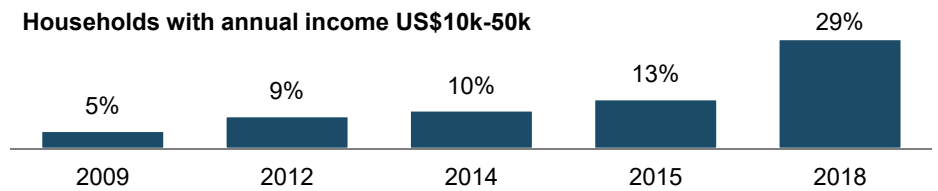


Growth levers for consumption growth in India

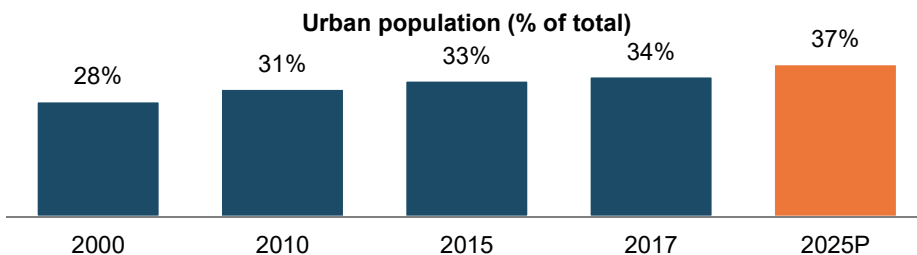
A Growing young and working population

Country	India	China	USA	UK
Median Age (years) ¹	26	35	37	40

C Growing Middle Class and Rising Disposable Income



B Increasing urbanization



Source: World Bank, UN data, Technopak, RBI, EIU, Census data (2011)

Note:

¹ As of FY12

D Nuclearization

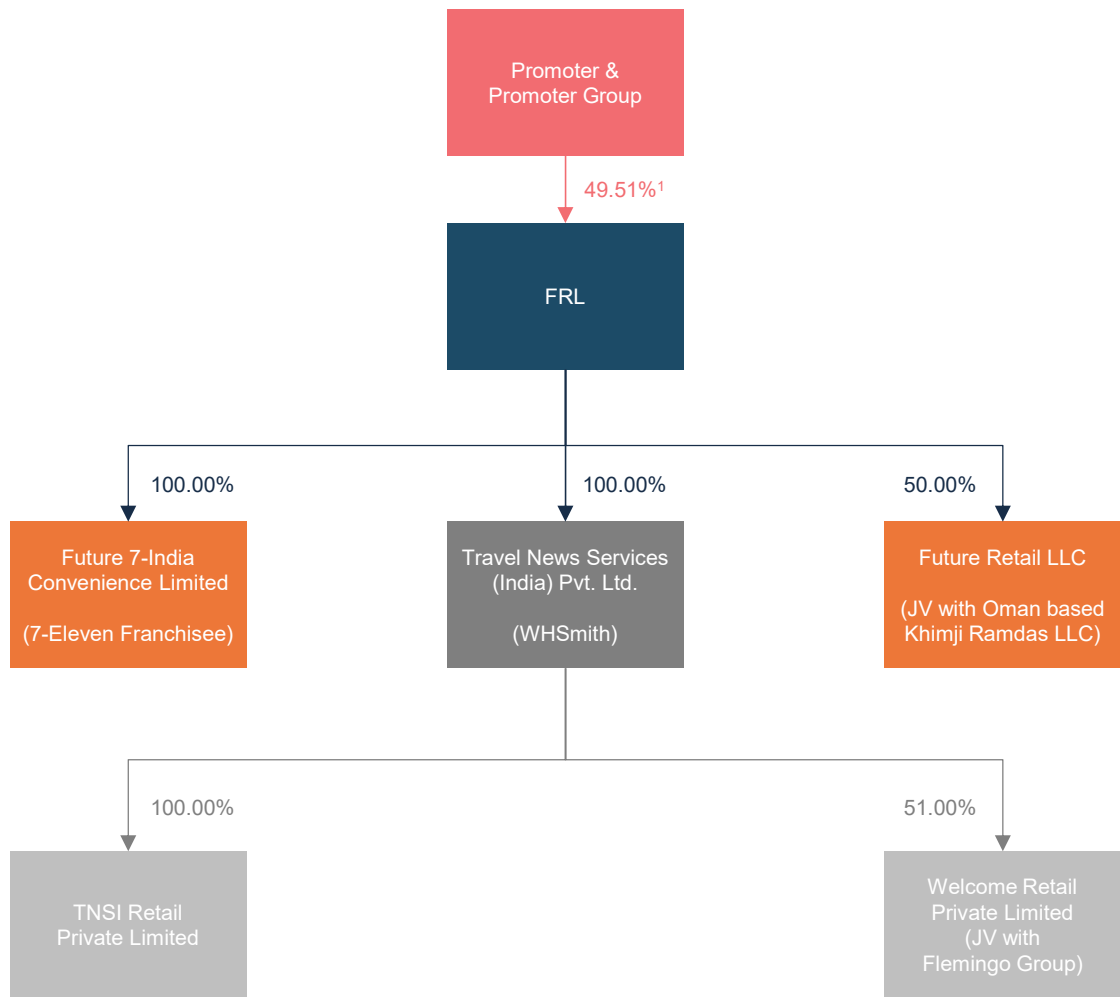
% of urban households with five or less members

65% 2001 → 74% 2011

Business overview

- Incorporated in February 2007
- Engaged in retailing of fashion, household and consumer products through departmental and neighborhood stores under various formats across the country
- Flagship company of Future Group; One of the oldest retail companies in India and one of the first retailers to focus on multiple formats with the goal of targeting a broad range of Indian consumers
- Developed customer loyalty programs and shopping holidays in India
- Future Group's retail format business began in 1997 in Kolkata as an early entrant into the organized retail space in India; early mover advantage helped develop a wide network of stores and establish brand recognition

Corporate Structure



Note:
¹ Represents shareholding post allotment of 24,800,000 equity shares to FCPL on January 4, 2020

Standalone and Consolidated Profit & Loss Statement

(Mar y/e, INR mn)	Standalone				Consolidated	
	FY17	FY18	FY19	1H20	FY19	1H20
Income						
Revenue from operations	170,750.9	184,779.7	201,649.0	105,432.4	203,325.8	106,461.7
Other income	238.0	116.7	204.7	293.4	231.4	307.3
Total income	170,988.9	184,896.4	201,853.7	105,725.8	203,557.2	106,769.0
Expenses						
Purchase of stock-in-trade	132,129.2	144,225.5	154,318.5	81,895.6	155,159.0	82,372.8
Change in inventories of stock-in-trade	(3,785.7)	(6,818.7)	(6,507.7)	(5,327.7)	(6,553.9)	(5,349.2)
Employee benefits expense	8,034.4	9,299.5	10,744.1	5,134.3	10,901.7	5,250.6
Finance costs	2,042.3	1,753.8	2,239.8	5,027.4	2,281.2	5,181.2
Depreciation and amortization expense	325.8	534.3	1,005.9	5,005.0	1,040.2	5,300.9
Other expenses	28,560.1	29,750.2	32,725.0	10,654.0	33,454.6	10,759.6
Total expenses	167,306.1	178,744.6	194,525.6	102,388.6	196,282.8	103,515.9
Profit before exceptional items and tax	3,682.8	6,151.8	7,328.1	3,337.2	7,274.4	3,253.1
Exceptional items	–	(6,038.7)	–	–	–	–
Share of loss from joint venture	–	–	–	–	(2.4)	(9.9)
Profit before tax	3,682.8	113.1	7,328.1	3,337.2	7,272.0	3,243.2
Tax expense	–	–	–	–	0.1	–
Current tax	–	–	–	–	0.1	–
Profit for the year	3,682.8	113.1	7,328.1	3,337.2	7,271.9	3,243.2

Standalone and Consolidated Balance Sheet

(Mar y/e, INR mn)	Standalone				Consolidated	
	FY17	FY18	FY19	1H20	FY19	1H20
Assets						
Non-current assets						
Property, plant and equipment	949.7	4,886.2	8,626.4	69,426.2	8,709.4	71,680.6
Capital work-in-progress	24.1	243.1	1,478.2	1,796.8	1,479.0	1,799.8
Intangible assets	4,588.1	5,299.4	5,781.8	5,540.6	6,536.7	6,295.3
Intangible assets under development	94.4	92.7	423.6	432.6	423.6	432.6
Financial assets						
Investment	0.0	0.1	1,040.0	1,190.0	43.4	33.4
Loans / Deposits	2,669.9	2,734.9	3,953.2	5,900.9	4,161.9	6,083.7
Others	3.3	3.1	1.3	3.0	1.3	44.0
Other non-current assets	832.0	1,326.6	2,751.4	2,647.8	2,831.4	2,816.6
Total non-current assets	9,161.5	14,586.1	24,055.9	86,937.9	24,186.7	89,186.0
Current assets						
Inventories	37,351.6	44,174.1	50,655.9	55,979.6	50,849.7	56,194.9
Financial assets						
Trade receivables	2,280.6	2,383.5	3,164.6	4,561.2	3,224.7	4,863.6
Cash and cash equivalents	1,284.5	1,753.4	2,049.1	1,485.6	2,078.9	1,521.2
Bank balances other than cash and cash equivalents	275.9	396.4	479.0	427.8	479.3	428.1
Deposits	14,404.2	13,065.0	15,401.3	22,914.4	15,407.0	22,920.2
Others	146.2	829.0	998.4	543.3	1,083.9	611.1
Other current assets	4,470.8	4,757.3	8,472.6	10,663.2	8,557.8	10,789.9
Total current assets	60,213.8	67,358.7	81,220.9	96,575.1	81,681.3	97,329.0
Total assets	69,375.3	81,944.8	105,276.8	183,513.0	105,868.0	186,515.0
Equity and liabilities						
Equity						
Equity share capital	943.6	1,004.0	1,005.2	1,005.2	1,005.2	1,005.2
Other equity	24,593.0	29,958.7	37,514.3	31,989.8	37,461.3	31,352.6
Total equity	25,536.6	30,962.7	38,519.5	32,995.0	38,466.5	32,357.8
Liabilities						
Non-current liabilities						
Financial liabilities						
Borrowings	8.1	2,233.3	3,753.1	5,447.1	3,753.1	5,447.1
Other financial liabilities	–	–	–	68,812.6	93.4	71,266.4
Provisions	454.8	522.6	577.6	588.2	586.6	598.0
Other non-current liabilities	1,441.6	1,185.0	1,369.9	–	1,381.0	1.4
Total non-current liabilities	1,904.5	3,940.9	5,700.6	74,847.9	5,814.1	77,312.9
Current liabilities						
Financial liabilities						
Borrowings	10,775.9	10,014.1	21,786.7	32,964.7	21,786.7	32,964.7
Trade payables	27,799.9	34,242.3	29,373.2	26,641.8	29,788.3	27,373.6
Other financial liabilities	1,806.2	832.7	1,214.0	7,609.5	1,273.6	8,029.3
Other current liabilities	1,495.5	1,912.4	8,605.7	8,334.4	8,659.5	8,354.9
Provisions	56.7	39.7	77.1	119.7	79.3	121.8
Total current liabilities	41,934.2	47,041.2	61,056.7	75,670.1	61,587.4	76,844.3
Total equity and liabilities	69,375.3	81,944.8	105,276.8	183,513.0	105,868.0	186,515.0



Standalone and Consolidated Cash Flow Statement

(Mar y/e, INR mn)	Standalone				Consolidated	
	FY17	FY18	FY19	1H20	FY19	1H20
A. Cash flows from operating activities						
Profit before tax	3,682.8	113.1	7,328.1	3,337.2	7,274.4	3,253.1
Adjustments for:						
Depreciation and amortization expense	325.8	534.3	1,005.9	5,005.0	1,040.2	5,300.9
Finance costs	2,042.3	1,753.8	2,239.8	5,027.4	2,281.2	5,181.2
Loss on sale of investments	–	6,038.7	–	–	–	–
Employee stock option expense	97.2	51.3	164.4	82.8	164.4	82.8
Allowance for credit losses	13.6	27.5	55.5	105.6	49.8	50.1
Loss on disposal/discard of fixed assets (net)	–	14.1	85.1	91.4	85.3	91.4
Interest income	(113.4)	(108.2)	(177.0)	(164.9)	(193.3)	(167.7)
Operating profit before working capital changes	6,048.4	8,424.6	10,701.8	13,484.5	10,702.0	13,791.8
Adjustments for:						
Trade receivables	(987.2)	(302.4)	(836.0)	(1,502.3)	(573.5)	(1,689.0)
Loans, other financial assets and other assets	(4,264.4)	(267.0)	–	–	–	–
Deposits, other financial assets and other assets	–	–	(8,788.9)	(10,948.9)	(9,190.1)	(11,064.4)
Inventories	(3,796.4)	(7,421.7)	(6,481.8)	(5,323.7)	(6,675.6)	(5,345.3)
Trade payables	5,344.3	6,812.3	(4,869.1)	(2,731.4)	(4,454.0)	(2,414.7)
Other financial liabilities, other liabilities and provisions	(293.8)	(768.5)	7,410.1	65.6	6,971.0	(392.3)
Cash generated from operations	2,050.8	6,477.3	(2,864.3)	(6,956.2)	(3,220.1)	(7,113.9)
Taxes paid	(80.5)	(154.0)	(155.9)	(94.3)	(181.3)	(110.1)
Share in loss of joint ventures and associate company	–	–	–	–	2.4	9.9
Share in minority interest	–	–	–	–	2.8	1.2
Net cash flows from operating activities	1,970.3	6,323.3	(3,020.2)	(7,050.5)	(3,401.1)	(7,212.9)
B. Cash flows from investing activities						
Purchase of property, plant and equipment and intangible assets	(870.2)	(3,758.6)	(6,879.9)	(2,345.5)	(7,752.2)	(2,351.9)
Purchase of investment	0.0	(1,117.2)	(1,039.9)	(150.0)	(42.5)	(10.0)
Sale of investment	–	78.5	–	–	–	–
Interest received	113.4	108.2	177.0	164.9	193.3	167.7
Net cash used in investing activities	(756.8)	(4,689.1)	(7,742.8)	(2,330.6)	(7,601.4)	(2,194.2)
C. Cash flows from financing activities						
Proceeds from issue of shares	64.3	1,484.0	6.2	–	24.3	–
Proceeds from warrant application money	–	–	–	5,000.0	–	5,000.0
Proceeds from borrowings	1,093.9	(1,034.9)	13,292.3	12,872.0	13,902.3	13,269.8
Payment of lease	–	–	–	(7,529.1)	–	(7,883.4)
Interest paid	(2,042.3)	(1,753.8)	(2,239.8)	(1,525.3)	(2,281.2)	(1,537.0)
Net cash used in financing activities	(884.1)	(1,304.7)	11,058.7	8,817.6	11,645.4	8,849.4
On composite schemes of arrangement	60.2	139.3	–	–	–	–
Net (Decrease)/Increase In cash and cash equivalents	389.6	468.9	295.7	(563.5)	643.1	(557.7)
Cash and cash equivalents (opening balance)	894.9	1,284.5	1,753.4	2,049.1	1,435.9	2,078.9
Cash and cash equivalents (closing balance)	1,284.5	1,753.4	2,049.1	1,485.6	2,078.9	1,521.2



FUTURE RETAIL



Thank You