



Ref: FLFL/ BM/ Q2/ BSE/ NSE/ 2017-18

01 November 2017

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

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

Scrip Code : 536507

Scrip Code : FLFL

Dear Sir/Madam,

Sub: Presentation to Analysts/ Investors

Please find enclosed herewith the presentation being forwarded to Analysts/ Investors on the Un-audited Financial Results of the Company for the quarter and half year ended 30 September 2017.

The aforesaid presentation is also available on the Company's website www.futurelifestyle.in

Kindly take the above information on your records.

Thanking you,

Yours truly,

for **Future Lifestyle Fashions Limited**


Sanjay Kumar Mutha
Chief-Legal & Company Secretary

Encl: As above



FLF



FUTURE
LIFESTYLE
FASHIONS

Investor Update

Q2 FY 17-18

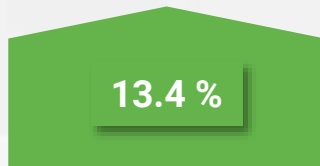
Disclaimer

This report contains forward-looking statements, which may be identified by their use of words like 'plans', 'expects', 'will', 'anticipates', 'believes', 'intends', 'projects', 'estimates', or other words of similar meaning. All statements that address expectations or projections about the future, including but not limited to statements about the Company's strategy for growth, product development, market position, expenditures, and financial results are forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Key Highlights : H1 FY 18

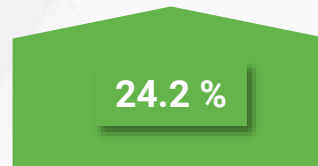
- ✓ Central opened new stores in Kolkatta, Mumbai, Hyderabad and NCR in H1 FY18
- ✓ Brand Factory opened 5 new stores in H1 FY18 including Marathalli, Bangalore with upgraded look and feel
- ✓ Launched Future Pay wallet for Central customers having 2.8 Million registered users.
- ✓ Continue to deliver sustainable SSG as at H1 FY 18
- ✓ FLFL inducted into India MSCI Index
- ✓ FLFL rated by CRISIL as **“AA- with positive outlook”**
- ✓ First Listed Brand and Retail Fashion company to reach double digit ROCE%
- ✓ Successfully completed Ind AS compliance, implementation supported by Deloitte
- ✓ GST Roll out completed successfully

Central SSG%



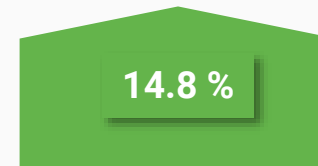
(13.3% in H1FY17)

Brand Factory SSG%



(17.3% in H1FY17)

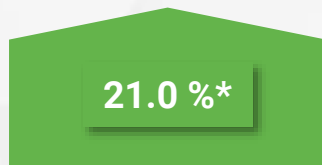
FLF SSG%



(13.5% in H1FY17)

Revenue

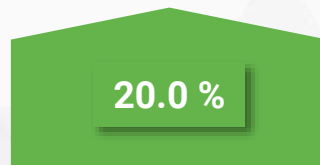
₹ 2,202 Cr in H1FY18



(₹1,820 Cr in H1 FY17)

Gross Margin

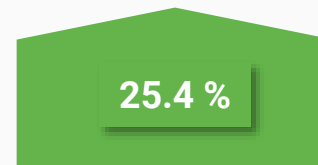
₹ 803 Cr in H1FY18



(₹669 Cr in H1 FY17)

EBITDA

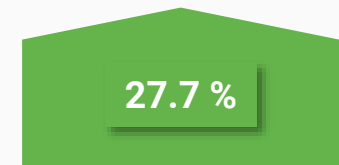
₹ 215 Cr in H1FY18



(₹172 Cr in H1 FY17)

PBT

₹ 94 Cr in H1FY18



(₹74 Cr in H1 FY17)

Note:- all figures includes numbers of Lee Cooper business undertaking after netting off Inter-company transactions.

* Revenue growth is 23% adjusted for GST rates differentials in H1 FY 18

Key Deliverables

| Area | FY 17 | H1 FY18 | Indicative trajectory |
|---------------------------|--------------|---------------|--|
| SSG % | 16.4% | 14.8% | <ul style="list-style-type: none"> • Sustain close to double digit SSG |
| Revenue (Growth %) | 17.5% | 21.0%* | <ul style="list-style-type: none"> • 15-17% CAGR |
| ROCE% | 7.8% | 11.7% | <ul style="list-style-type: none"> • Expand by 450-600 bps over 3 years |
| Debt/ EBITDA | 1.8 | 1.6 | <ul style="list-style-type: none"> • Around 2 times of EBITDA |

Note:- all figures includes numbers of Lee Cooper business undertaking after netting off Inter-company transactions.

* Revenue growth is 23% adjusted for GST rates differentials in H1 FY 18

Promotional Events – Q2 FY17



- ▶ aLL organized its prestigious plus size fashion revolution #aLLplusLFW17 at Lakme Fashion week W/F 2017 on Saturday, 19th August 2017 7.30PM and received excellent response from public on its Primero collection
- ▶ The same is on Live stream on Instagram and Facebook

- ▶ Indigo Nation organized an event in Bangalore at its Indigo Nation and Scullers Flagship store Indira Nagar 100 Feet Road – Dance Therapist on Sep 22nd with a tag #Join Indigo Nation This Friday For A Face-Off Between Fashion And Dance.
- ▶ Received overwhelming response from public regarding the same.



- ▶ UMM organized the Next Generation DJ Contest in association with Central, Executed by Submerge and Powered by Pioneer DJ where interested people can send their entries between 5th Aug to 23rd Aug and will get a change to win Pioneer Pro DJ Gears.
- ▶ This event is organized across all major cities and received excellent response from public.

- ▶ Urban Yoga conducted a contest on #CaughtInCotton where the viewers can upload their image wearing any cotton outfit and Tag Urban Yoga in their picture and Hastag #CaughtInCotton to win exciting goodies from Urban Yoga.



CENTRAL
BRAND.NEW

CENTRAL
PAY ₹4,000 AND TAKE MERCHANDISE WORTH ₹8,000*
11th AND 12th JULY

CENTRAL
শারদ রুপে KOLKATA
Pretty Panchami Special
CELEBRATING OUR 1ST PUJO WITH EXCITING OFFERS!

CENTRAL
EVERYTHING AT 50% OFF
ON SPORTSWEAR | FOOTWEAR | HANDBAGS
EXTENDED FOR TODAY

BRAND FACTORY
BEST BRANDS • SMART PRICES

Last 2 Days
THE BLOCKBUSTER
22nd SEPT - 2nd OCT
FLAT 50% OFF ON ALL BRANDS
FLAT 60% OFF ON SPORTS FOOTWEAR
DENIMS @ REG ₹2299 @ ₹999 ONLY

BRAND FACTORY
NATIONAL BRAND WEEK 8th - 10th AUG
FLAT 50% + 20% ADDITIONAL ON ALL APPAREL AND SPORTS FOOTWEAR

BRAND FACTORY
GET FESTIVE READY
FLAT 40% OFF ON ALL BRANDS
8th - 17th SEPT

New Store Launch – Q2 FY18



- ▶ Launch of Third Central store in Hyderabad at Gachibowli on Aug-22nd taking the total store count to 37 pan India.



- ▶ Launched 5th store in Pune on Sep-13th.



- ▶ Brand Factory opened its New door in Nashik city by opening store during this quarter on Sep-14th.



- ▶ Brand Factory re-launched its Marathalli, Bangalore Store on Sep-22nd with new look and feel.



Company store network

Company store network

Central

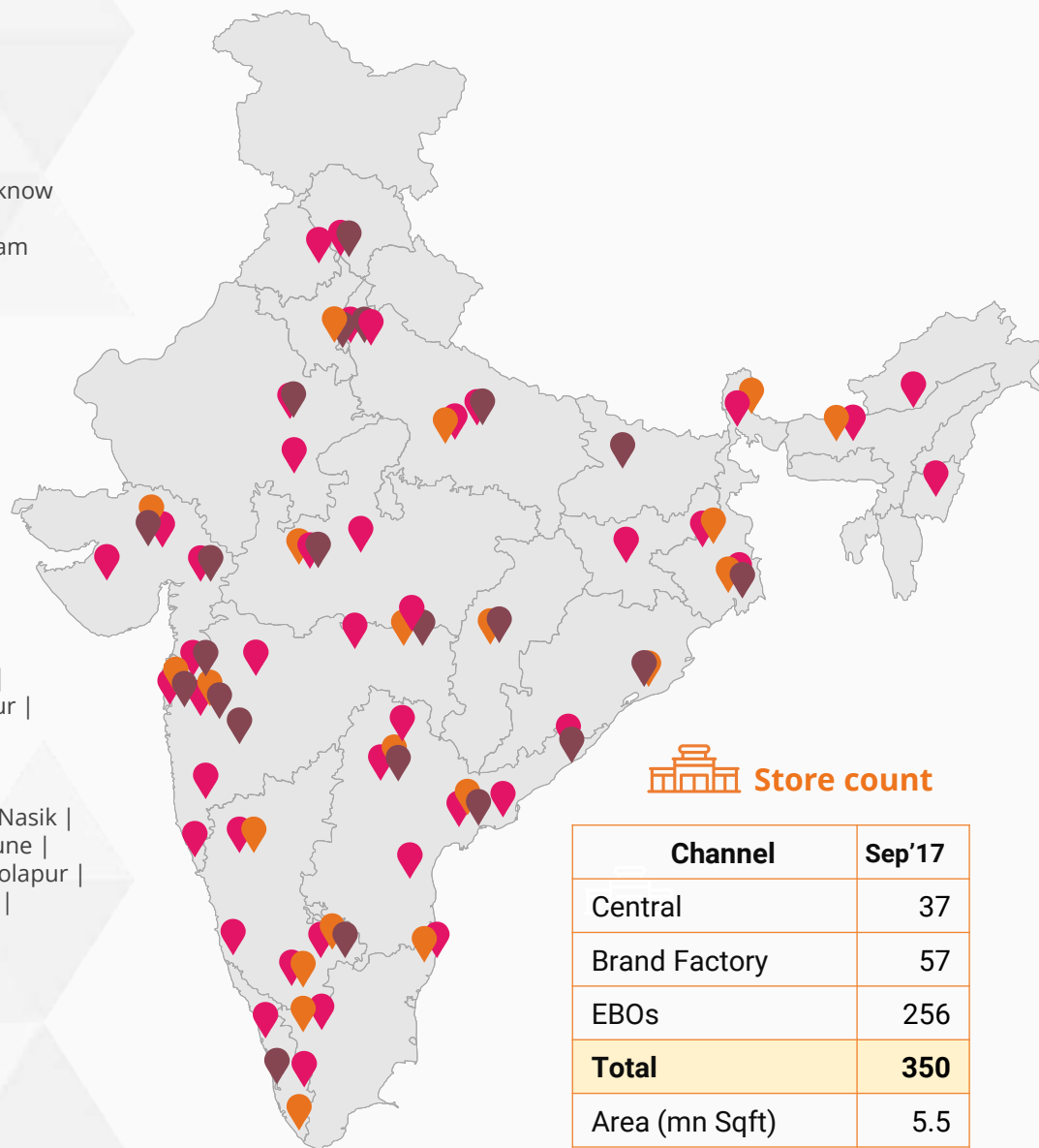
Ahmedabad | Bengaluru | Bhubaneswar | Delhi | Gurgaon | Hyderabad | Indore | Jaipur | Kochin | Kolkata | Koregaon | Lucknow | Mangalore | Mohali | Mumbai | Nagpur | Navi Mumbai | Noida | Patna | Pune | Raipur | Surat | Vadodara | Visakhapatnam

Brand Factory

Ahmedabad | Asansol | Bengaluru | Bhubaneswar | Coimbatore | Chennai | Delhi | Ghaziabad | Guwahati | Hubli | Hyderabad | Kanpur | Kolkata | Mangalore | Mumbai | Mysore | Nasik | Pune | Raipur | Secunderabad | Thiruvananthapuram | Ujjain | Vijayawada

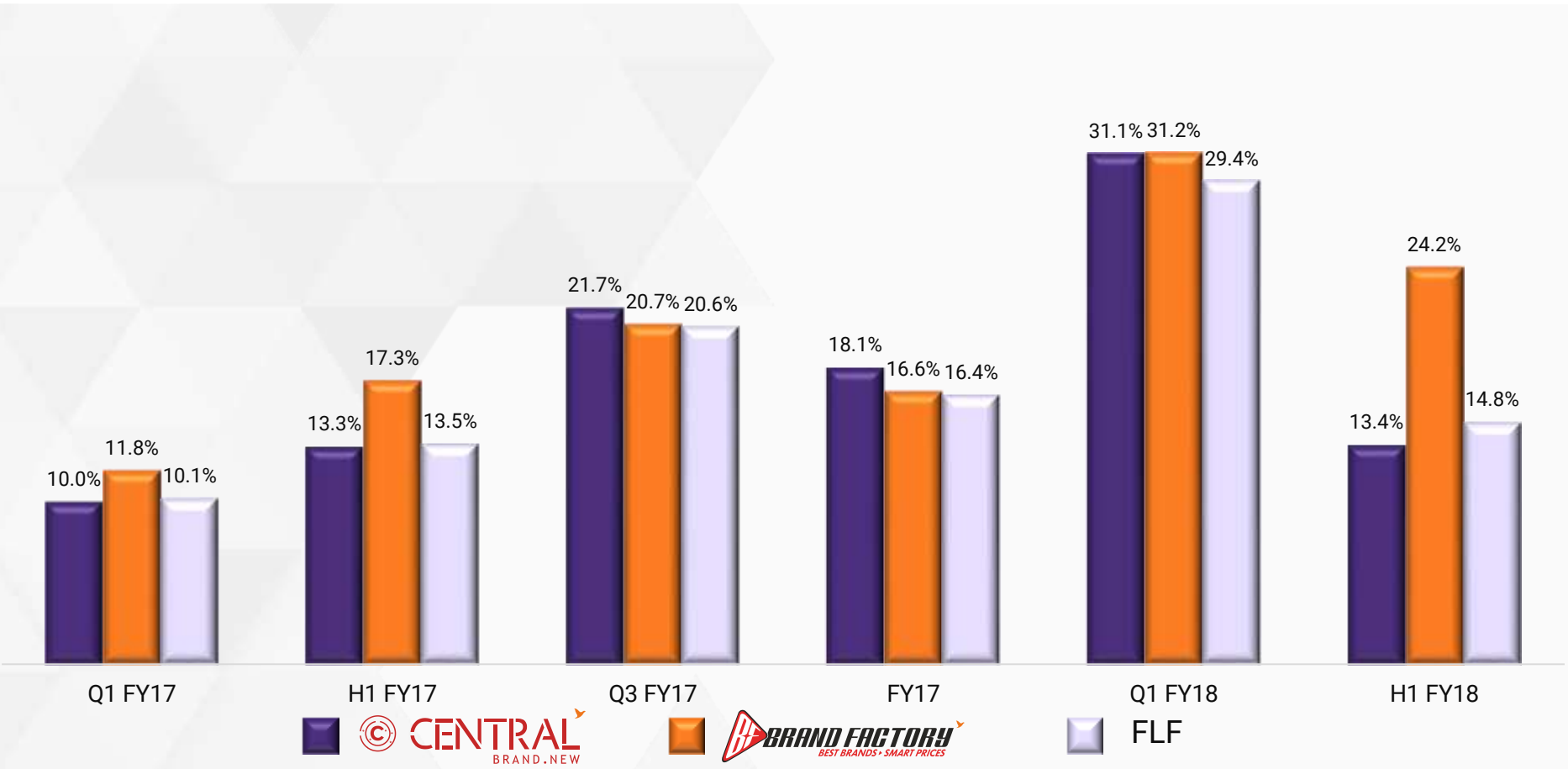
EBO's

Agartala | Amalapuram | Ahmedabad | Amaravati | Bengaluru | Bhimavaram | Bhopal | Bhubaneswar | Calicut | Chandigarh | Changanacherry | Chennai | Chiplun | Chittoor | Coimbatore | Deoghar | Dhule | Delhi | Erode | Ganganagar | Ghaziabad | Guntur | Gurgaon | Guwahati | Hubli | Hyderabad | Indore | Idukki | Imphal | ITA Nagar | Jaipur | Jalandhar | Jodhpur | Karimnagar | Kakinada | Kanchipuram | Kannur | Kanpur | Khammam | Kochin | Kothagudem | Kolkata | Kota | Kottayam | Lucknow | Mallapuram | Mangalore | Manipal | Mohalli | Mumbai | Muzaffarpur | Mysore | Nagpur | Nanded | Nasik | Navi Mumbai | Nellore | Noida | Ongole | Palakkad | Palasa | Pune | Rajahmundry | Ranchi | Ratlam | Sambalpur | Siliguri | Sikar | Solapur | Srikakulam | Surat | Thalassery | Thane | Trivandrum | Thrissur | Tirupur | Ujjain | Vadodara | Vellore | Vijayawada | Vijayanagaram | Vishakapatnam | Warangal



Note:- Includes numbers of Lee Cooper business Stores.
Map not to scale

Same Store Retail Sales Performance



▶ Continues to have positive same store growth across Central and double digit growth at Brand Factory in Q2 FY18.

Note:- all figures includes numbers of Lee Cooper business undertaking after netting off Inter-company transactions.

FLF Snapshot – Q2 and H1 FY18

Total Income From Operations

Gross Profit

EBITDA Margin

PAT

Gross Space Addition (mn. sq. ft.)

| | | | | | |
|---------|-----------|---------|-------|--------|------|
| Q2 FY18 | ₹1,118 Cr | ₹406 Cr | 9.83% | ₹30 cr | 0.41 |
| H1 FY18 | ₹2,202 Cr | ₹803 Cr | 9.79% | ₹62 cr | 0.57 |

FLF Brands

- Contributed ~38% of Revenue in Q2FY18.
- Brands registered a growth of 15% in H1FY18.

Q2 Margins

- Reported Gross Profit of ₹406 Cr and EBITDA Margins of 9.8% in Q2 FY18

H1 SSGs

- Retail : 14.8%
- Central: 13.4%
- Brand Factory: 24.2%

Total Sales¹ Summary (₹ Cr)

| Particulars | Q2 FY18 | H1 FY18 |
|---------------------------------|--------------|--------------|
| FLF Brands | 472 | 889 |
| - Owned Brands | 123 | 237 |
| - Licensed Brands | 349 | 652 |
| Third Party Brands ² | 781 | 1,546 |
| Total Sales¹ | 1,253 | 2,436 |
| Less: Consignment / SIS | 49 | 104 |
| Less: Taxes & Duties | 106 | 171 |
| Net Sales after Tax | 1,098 | 2,160 |

Top Brand Performance Q2 FY18 (₹ Cr)



1: Includes SIS & consignment sales

2: Third party brands represent non FLF brands and includes SIS sales and consignment sales

3: Retail Sales indicate Net Sales Before Tax

Note:- all figures includes numbers of Lee Cooper business undertaking after netting off Inter-company transactions.

| Income Statement (₹ cr.) Particulars | Published ¹ | | Comparable ² | | |
|---|------------------------|--------------|-------------------------|--------------|--------------|
| | Q2'17 | Q2'18 | Q2'17 | Q2'18 | Gr% |
| Retail Sales | 1,061 | 1,099 | 1,061 | 1,203 | 13.5% |
| Taxes | 62 | 98 | 62 | 106 | 70.8% |
| Net Sales | 999 | 1,002 | 999 | 1,098 | 9.9% |
| Other Operating Income | 21 | 20 | 21 | 20 | -2.3% |
| Total Income from Operations | 1,019 | 1,022 | 1,019 | 1,118 | 9.7% |
| COGS | 661 | 638 | 661 | 711 | 7.6% |
| Gross Profit | 358 | 384 | 358 | 406 | 13.5% |
| Gross Margin % | 35.1% | 37.5% | 35.1% | 36.4% | |
| Employee Benefits Expense | 51 | 62 | 51 | 67 | 30.9% |
| Rent including Lease Rental | 112 | 105 | 112 | 106 | -5.0% |
| Other Expenditures | 108 | 128 | 108 | 129 | 19.7% |
| Total Expenditure | 271 | 295 | 271 | 302 | 11.6% |
| Other Income | 5 | 6 | 5 | 6 | 8.7% |
| EBITDA | 93 | 94 | 93 | 110 | 18.5% |
| EBITDA Margin % | 9.1% | 9.2% | 9.1% | 9.8% | |
| Depreciation | 19 | 36 | 19 | 41 | 114.1% |
| EBIT | 74 | 58 | 74 | 69 | -6.3% |
| Finance Costs | 28 | 24 | 28 | 24 | -15.5% |
| PBT | 45 | 34 | 45 | 45 | -0.6% |
| Tax expense | 16 | 11 | 16 | 15 | -7.6% |
| Net profit | 29 | 23 | 29 | 30 | 3.2% |

1: Published Income Statement without Lee Cooper since it is carved out as separate company w.e.f 29-Mar-2017

2: Comparable Income Statement with Lee Cooper net of eliminations

3: From the current financial year FLF moved its reporting from Indian GAAP to Ind AS

Financial Overview – H1 FY18

| Income Statement (₹ cr.) Particulars | Published ¹ | | Comparable ² | | |
|---|------------------------|--------------|-------------------------|--------------|--------------|
| | H1'17 | H1'18 | H1'17 | H1'18 | Gr% |
| Retail Sales | 1,888 | 2,172 | 1,888.43 | 2,334 | 23.6% |
| Taxes | 107 | 160 | 107 | 173 | 62.1% |
| Net Sales | 1,781 | 2,012 | 1,781 | 2,161 | 21.3% |
| Other Operating Income | 38 | 41 | 38 | 41 | 6.6% |
| Total Income from Operations | 1,820 | 2,053 | 1,820 | 2,202 | 21.0% |
| COGS | 1,151 | 1,294 | 1,151 | 1,399 | 21.6% |
| Gross Profit | 669 | 759 | 669 | 803 | 20.0% |
| Gross Margin % | 36.8% | 37.0% | 36.8% | 36.5% | |
| Employee Benefits Expense | 99 | 119 | 99 | 128 | 28.2% |
| Rent including Lease Rental | 211 | 225 | 211 | 226 | 7.1% |
| Other Expenditures | 197 | 242 | 197 | 246 | 24.6% |
| Total Expenditure | 508 | 586 | 508 | 600 | 18.0% |
| Other Income | 11 | 12 | 11 | 12 | 12.9% |
| EBITDA | 172 | 186 | 172 | 215 | 25.4% |
| EBITDA Margin % | 9.4% | 9.1% | 9.4% | 9.8% | |
| Depreciation | 39 | 68 | 39 | 74 | 91.9% |
| EBIT | 133 | 118 | 133 | 141 | 6.1% |
| Finance Costs | 59 | 47 | 59 | 47 | -20.7% |
| PBT | 74 | 71 | 74 | 94 | 27.7% |
| Tax expense | 26 | 24 | 26 | 32 | 22.8% |
| Net profit | 48 | 47 | 48 | 62 | 30.4% |

1: Published Income Statement without Lee Cooper since it is carved out as separate company w.e.f 29-Mar-2017

2: Comparable Income Statement with Lee Cooper net of eliminations

3: From the current financial year FLF moved its reporting from Indian GAAP to Ind AS

| Balance Sheet ¹ ₹ in Cr | As on |
|---------------------------------------|--------------|
| | Sep-17 |
| Shareholder's Funds | 1,319 |
| Net Debt | 655 |
| Less: Total Investment | 48 |
| Net Adj Capital Employed | 1,926 |
| Net Non Current Assets | 1,499 |
| Net Current Assets | 427 |
| Net Adj Capital Deployed | 1,926 |

| Ratios | Sep-17 |
|----------------------------|--------|
| ROCE % | 11.7% |
| Debt/Equity | 0.5 |
| Debt/EBITDA (Excluding EI) | 1.6 |
| NWC Days | 40 |



Thank You

FLF  FUTURE
LIFESTYLE
FASHIONS

Registered and Corporate Office:

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