

INVESTOR UPDATE

Nov 2008

FUTURE GROUP STRENGTHENS COMPANY-OWNED BRAND STRATEGY

The development and nurturing of company-owned brands has been a key component of the company's strategy and has paid rich dividends, specially in the fashion category where brands like John Miller, Lombard, Knighthood, Bare and DJ&C enjoying leadership positions. The company now plans to further strengthen its portfolio of brands in categories like FMCG, consumer durables & electronics, home products and fashion, with the aim to achieve projected revenue of Rs 10,000 crore by 2012 from company-owned brands.



This is a major thrust for the company into the consumption space and reinforces its belief that it has the necessary expertise, knowledge and competence to create bigger brands faster. The Indian consumer products market is a largely 'underbranded' with a large chunk of consumer purchase going in unbranded, commodities. The company has seen an opportunity to rewrite brand rules and gain sizeable market share in the branded products space.



Among the group's consumer brands are John Miller, Bare, DJ&C, Buffalo, Knighthood, RIG, Indigo Nation, Scullers, Urbana (in the fashion category); Tasty Treat, Care Mate, Fresh n Pure, Clean Mate (in the FMCG category); Dreamline (in the general merchandise category) and Koryo, Sensei and IQIP (in the consumer durables and electronics category). This strategy of building strong Indian consumer brands will help the company offer better value proposition to consumers and also improve its margins. The company has put into place very strong alliances to achieve these goals and have tied up with renowned manufacturers like Cargil and Dynamix, and is in talks with a number of other players.

FUTURE PREPAID CARDS LAUNCHED

In order to bring in more innovation and excitement in its customer proposition, the company has done a successful pilot launch of its Future Prepaid Cards in Pune. At retail outlets, customers can load this card with any monetary value and this can be used to make a payment at any Future Group outlet. Packed with first-of-its-kind features, the card opens up to myriad uses. Since it can be used to purchase almost any merchandise across all Future Group outlets, the Future Prepaid Cards make for better gifts than chain-specific vouchers. The card be topped up multiple times at any Future Group outlet and can be used as a wallet to give to kids and parents. Key customer propositions also include special promotions and gifts and also a perceived control on purchases.



The company has chalked out a staged nation-wide launch for Future Prepaid Cards in December 2008.

OCTOBER-NOVEMBER SALES

Sales in October-November '08 from Value Retailing stood at Rs.811 crores, while sales from Lifestyle Retailing was Rs.286.84 crores. Home Retailing sales stood at Rs.199.41 crores. Same store growth under Value Retailing was 12.58 per cent, Lifestyle Retailing stood at 10.64 per cent and Home Retailing was - 9.36 per cent. Since Diwali was celebrated in October in 2007 and in November in 2008, comparison of the October-November sales data better reflects revenue trends.

Particulars	Nov'08	Nov'07	YOY % Change	Oct-Nov'08	Oct-Nov'07	YOY % Change	July-Nov'08	July-Nov'07	% Change
	Sales	Sales		Sales	Sales		Sales	Sales	
Value Retailing	355.67	342.23	3.93%	811.00	585.27	38.57%	1,914.01	1,375.48	39.15%
Life Style Retailing	118.85	109.30	8.74%	286.84	210.71	36.13%	738.55	539.53	36.89%
Home Retailing	63.24	86.40	-26.81%	199.41	167.97	18.72%	511.13	322.77	58.36%
Total	537.75	537.93	-0.03%	1,297.25	963.96	34.58%	3,163.69	2,237.78	41.38%
Less: Inter-Company Sales	17.54	36.54	-51.99%	73.90	76.98	-4.00%	203.88	150.61	35.37%
Total	520.21	501.39	3.75%	1,223.35	886.98	37.92%	2,959.81	2,087.17	41.81%
Same Store Growth									
Value Retailing	287.85	333.86	-13.78%	646.04	573.84	12.58%	1,506.62	1,350.93	11.53%
Life Style Retailing	97.32	108.51	-10.32%	231.74	209.44	10.64%	589.78	538.10	9.60%
Home Retailing	30.70	47.97	-36.01%	79.58	87.80	-9.36%	174.20	164.97	5.59%

Sales are in rupees crores

Note:
1.1 The above sales figures for the months of November 2008 and November 2007 include SIS sales of Rs.3.69 cr. and Rs.6.45 cr. respectively.

Upcoming Stores

One Pantaloons Fresh Fashion store is scheduled to open in the month of December 2008.

BIG BAZAAR

Upcoming Stores

5 Big Bazaar stores, including cut-in Food Bazaar's, are expected to open during the months of December 2008 & January 2009.

FOOD BAZAAR

Upcoming Stores

The months of December 2008 & January 2009 will witness the opening of about 5 Food Bazaar stores, including cut-ins.

Home Solutions Retail (India) Limited

Store Count	Square Feet	Date of Opening	Location
35th eZone	30,000 sq.ft.	3rd November 2008	Chennai

Upcoming Stores

The months of December 2008 & January 2009 will witness the opening of about 3 eZone's, 1 Home Town and other formats.

KB's FAIRPRICE

The month of November 2008 witnessed the opening of 6 KB's Fair Price stores in 5 cities totaling to 5,100 square feet. The total number of stores stands at 146.