

# INVESTOR UPDATE

Oct 2008

## DIWALI CELEBRATIONS



All the formats of the company made a concerted effort to get a maximum possible share of the increase in consumption spending that takes place during the festival season and Diwali. The company's multi-format retail strategy with presence in almost every consumption category helped attract an unprecedented number of customers spending on fashion, jewelry and accessories, food, consumer durables, home improvement products and home products.

Big Bazaar's ongoing 'Shubh Shubh Pehno' campaign complimented the targeted 'Jag Mag Diwali' campaign. Ezone hosted a 'Festival of Electronics' celebration, along with Home Town's 'Diwali Double Khushi' offers and discounts. Special marketing promotions and campaigns during this season were also conducted by jewelry format, Navaras, Mobile Bazaar and Collection i.



Strengthened by these initiatives, the company's Diwali sales touched new records. A particularly heartening trend was the increase in sales in fashion category. The **Fashion@Big Bazaar** positioning has gained traction with consumers and is helping the company increase the share of fashion in the total revenues. The ongoing 'Shubh Shubh Pehno' multi-media campaign is an attempt by Fashion@Big Bazaar

to celebrate the onset of any new event or auspicious festival with the tradition of wearing new clothes. The company expects the fashion category to be an important constituent in its expansion plans as well as approach markdowns scientifically and improve margins continuously.

In order to maintain the excitement levels in the coming months, the company has planned out a number of innovative marketing and promotion strategies to attract customers to its stores and maintain its revenue growth in the months of November and December as well benefit from the upcoming marriage season during these months.



## ETHNICITY LAUNCHED IN AHMEDABAD



The company launched a new and uniquely positioned large-store format, **Ethnicity** that will cater to the largely untapped and lucrative ethnicwear market. The first such format of over 25,000 square feet was launched in Ahmedabad in the month of October and offers a

wide range of products such as ethnic Lucknowi Chikanwork, Bandhini Dupattas, Bengali Kanthawork, fusion wear, jewellery, handicrafts, home décor, beauty products and gifts, all under one roof. Ethnicity aims to reconnect the Indian consumer with the country's rich cultural heritage, colors, festivals and fabrics. The store also houses various leading ethnic wear and fusion wear brands.



## FUTUREBRANDS LAUNCHED THE FIRST EXCLUSIVE JOHN MILLER STORE



The John Miller brand has been one of the oldest and largest brands created by the company and has enjoys a high level of recall among customers. Futurebrands, a subsidiary company is now entrusted with growing this brand and is extending its reach and distribution to even outlets outside the Future Group network. John Miller products had recently been introduced at a number of Multi-Brand Outlets outside the group.

In October, the first Exclusive Brand Outlet for John Miller was launched in Kalaghoda in Mumbai. In the next two years, the company plans to make the brand available at around 20 EBOs and around 1000 MBOs outside the Future Group network.

## OCTOBER SALES

Sales in October '08 from Value Retailing stood at Rs. 455.34 crores, while sales from Lifestyle Retailing was Rs.167.99 crores. Home Retailing sales stood at Rs.136.17 crores. Same store growth under Value Retailing was 49.26 per cent, Lifestyle Retailing stood at 33.18 per cent and Home Retailing was 22.74 per cent.

| Particulars               | Oct 08        | Oct 07        | YOY%          | July-Oct-08     | July-Oct-07     | %             |
|---------------------------|---------------|---------------|---------------|-----------------|-----------------|---------------|
|                           | Sales         | Sales         | Change        | Sales           | Sales           | Change        |
| Value Retailing           | 455.34        | 243.04        | 87.35%        | 1,558.35        | 1,033.24        | 50.82%        |
| Life Style Retailing      | 167.99        | 101.42        | 65.65%        | 619.70          | 430.24          | 44.04%        |
| <b>Total</b>              | <b>136.17</b> | <b>81.57</b>  | <b>66.94%</b> | <b>447.90</b>   | <b>236.37</b>   | <b>89.49%</b> |
| Home Retailing            | 759.50        | 426.03        | 78.27%        | <b>2,625.94</b> | <b>1,699.85</b> | <b>54.48%</b> |
| Less: Inter-Company Sales | 56.36         | 40.44         | 39.36%        | 186.34          | 114.07          | 63.35%        |
| <b>Total</b>              | <b>703.14</b> | <b>385.59</b> | <b>82.36%</b> | <b>2,439.60</b> | <b>1,585.78</b> | <b>53.84%</b> |
| <b>Same Store Growth</b>  |               |               |               |                 |                 |               |
| Value Retailing           | 358.19        | 239.98        | 49.26%        | 1,218.78        | 1,017.07        | 19.83%        |
| Life Style Retailing      | 134.42        | 100.93        | 33.18%        | 492.46          | 429.59          | 14.64%        |
| Home Retailing            | 48.88         | 39.82         | 22.74%        | 143.51          | 117.00          | 22.65%        |

Sales are in rupees crores

Note:  
1.1 The above sales figures for the months of October 2008 and October 2007 include SIS sales of Rs.4.52 cr. and Rs..4.43 cr. respectively.

Two Pantaloons Fresh Fashion Stores opened in the month of October.

| Store Count | Square Feet   | Date of Opening   | Location                             |
|-------------|---------------|-------------------|--------------------------------------|
| 43rd Store  | 23,000 sq.ft. | 9th October 2008  | Satellite Road, Ahmedabad            |
| 44th Store  | 19,300 sq.ft. | 17th October 2008 | DT Center, Shalimar Baugh, New Delhi |

## Upcoming Stores

One Pantaloons Fresh Fashion stores is scheduled to open in the month of November 2008.



| Store Count         | Square Feet   | Date of Opening   | Location                  |
|---------------------|---------------|-------------------|---------------------------|
| 1st Ethnicity Store | 25,000 sq.ft. | 16th October 2008 | Satellite Road, Ahmedabad |



One Big Bazaar store opened in the month of October.

| Store Count | Square Feet   | Date of Opening   | Location                |
|-------------|---------------|-------------------|-------------------------|
| 102nd Store | 37,000 sq.ft. | 27th October 2008 | The Souk Mall, Ludhiana |

## Upcoming Stores

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



One Food Bazaar store opened in the month of October.

| Store Count | Square Feet  | Date of Opening   | Location                |
|-------------|--------------|-------------------|-------------------------|
| 144th Store | 6,000 sq.ft. | 27th October 2008 | The Souk Mall, Ludhiana |

## Upcoming Stores

The months of November & December 2008 will witness the opening of 6 Food Bazaar stores, including cut-ins.



The month of October witnessed the opening of 8 KB's Fair Price stores in 6 cities totaling to 6,200 square feet. The total number of stores stands at 140.

## Home Solutions Retail (India) Limited

| Store Count          | Square Feet   | Date of Opening   | Location                   |
|----------------------|---------------|-------------------|----------------------------|
| 3rd Home Town Bazaar | 21,000 sq.ft. | 9th October 2008  | Orchid City Centre, Mumbai |
| 4th Home Town Bazaar | 20,000 sq.ft. | 18th October 2008 | Surat                      |
| 30th eZone           | 13,200 sq.ft. | 2nd October 2008  | Rohini, New Delhi          |
| 31st eZone           | 11,300 sq.ft. | 18th October 2008 | Gulmohar Park, Ahemdabad   |
| 32nd eZone           | 6,400 sq.ft.  | 18th October 2008 | Khaurtabad, Hyderabad      |
| 33rd eZone           | 15,500 sq.ft. | 19th October 2008 | Pusa Road, New Delhi       |
| 34th eZone           | 15,000 sq.ft. | 19th October 2008 | Haiko Mall, Powai, Mumbai  |

## Upcoming Stores

The months of November & December 2008 will witness the opening of 5 eZone's, 1 Home Town and 2 Home Town Bazaar formats.