FUTURE CONSUMER

for the Fast Moving Consumer Generation

Investor Presentation *May 17*

For the Fast Moving Consuming Generation

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Indian Consumer is Evolving….

A new generation of consumers have emerged who are

Young, and Experimental

Confident and Expressive

Globally Aware

Wedded to choice and convenience

What do these consumers demand??

More Value for their Time

COOK

- Indian house makers spend **13.2 hours** within the kitchen, compared to global peers who spend just **6 hours**

Need?

- Quality, consistency and value-added basic food to make time more **productive**

Source: GFK Research

Premium and Value Ad FMCG Products

SHARE

- Barely one-third of the **US$185 billion** FMCG market is branded, dominated by home and personal care and tobacco products.

Need?

- Demographic and income changes are moving consumption towards **discretionary food items** such as snacks, savories, juices, ready to cook packs growing at **3-4X** over next five years.
- Consumers are looking at premium products and value ads

Source: Boston Consulting Group

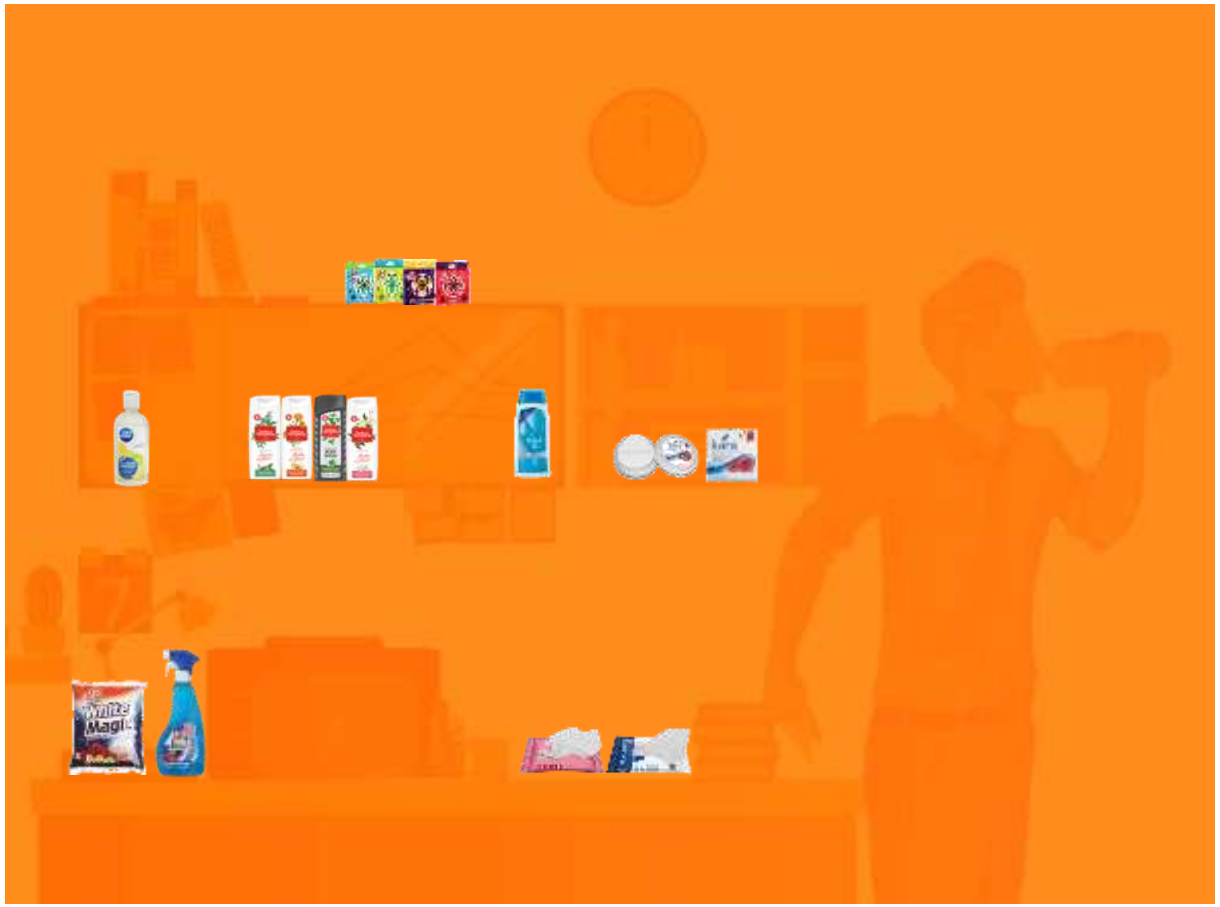
Safer and Holistic Home and Personal Care Options

CARE

- Over 80% of India's home and personal care market, estimated to be around US$ 28 billion, is branded
- Yet existing brands face new challenges with changes in consumer preference towards premium products

Need?

- Healthier options that take care of body



Source: FMCG market details are as per Boston Consulting Group research

What do we Offer?

- FCL is tapping into the unmet needs and unexpressed desires of this generation to create an organization that is geared to deliver...

Food and Fast Moving Consumer Goods to the Fast Moving Generation

Integrated Food & FMCG Company

Key Food & FMCG Brands

Tasty Treat | Nilgiris 1905 | kara | Desi Atta Company | Golden Harvest

Sangi's Kitchen | Swiss Tempelle | KARMIQ – Food that celebrates your youth | think skin | KOSH! Premium Oat Grain

Two Strong Pillars Supporting the Furtherance of Business Purpose

Distribution Network

- Overall distribution footprint of ~46,000 stores
- Access to a vast network of over 1,000 Future Group retail outlets
- Extended Modern trade distribution at Lulu & Haiko

Sourcing & Manufacturing

- Strong presence in sourcing of agri commodities and fresh produces
- Dairy & Bakery manufacturing facility in Southern India
- Frozen Vegetables / Snacks, Chutney and Wafer Biscuit facilities
- Oats facility in Sri Lanka
- International tie-up with global brands

Q4 and FY17- At a Glance

39%
Topline Growth

1st Year
of Standalone PAT profitability

1st Year
of Consolidated EBITDA profitability

Growth across Key Brands
- **5.1x** Sangi's Kitchen
- **3.2x** Karmiq
- **1.3x** Tasty Treat

Key Brand Updates
- **POOOF!**
- **Sangi's Kitchen** (New flavors of Mayo)
- **Bakers Street** (Biscotti, Pita Chips etc.)

₹782mn Net Debt reduction over last year

46,000+
Store distribution footprint vs ~14,600 at FY16 end

78% CAGR
in share price performance; created value for stakeholders

Note: Revenue growth numbers adjusted for franchising of convenience store business

BRANDS

Portfolio: Key Brands and Categories

Brands Business Constituted ~93%(1) of Top Line in FY17
– An increase from 81% in FY16

Food and Beverages (94%)

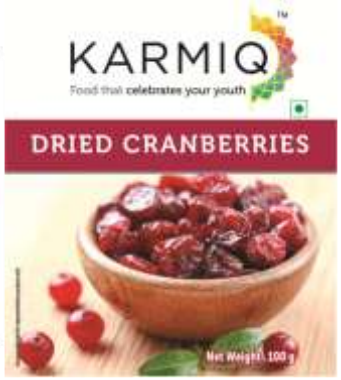
Staples, Dairy and Bakery, Fruits and Vegetables, Snacks, Juices, Frozen Foods, Ready to Cook Foods among others

Home & Personal Care (6%)

Wipes, Body Wash, Body Lotion, Toilet and Floor Cleaners, Kitchen Aides

Note:
1) Remaining 7% largely represents revenues from Food Park, Aadhaar and others.

Broad Portfolio of Branded Commodities

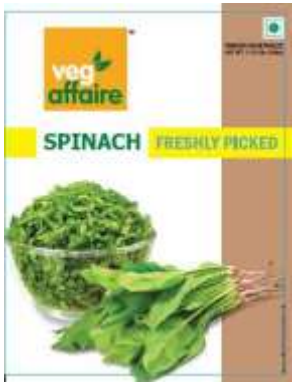


Entering into high margins products such as specialty flour, rice bran oil, olive oil among others

Expanding Dairy and Bakery Footprint / Portfolio

- An iconic dairy and bakery brand with over 110 year heritage operating an integrated portfolio of over 200 SKUs
- Nilgiris enjoys a strong patronage in southern markets, the brand is perceived as ‘Made, Not Manufactured’
- Undertook mass advertising for the first time with newspaper advertising in Chennai and Bengaluru
- Building digital with presence on Facebook and Instagram
- Exploring distribution opportunities outside the Group network with launches in HyperCity, Spencers etc.
- Recently launched 4 variants of flavoured Greek Yogurt

Broad Range of Value Added Offerings



Tasty Treat

Sangis Kitchen

POOOF!

BAKER STREET

veg affaire

Sunkist

Personal and Homecare

kara

Swiss Tempelle

think skin

Clean Mate

care mate

KOSH - Oats for Every Meal

- Blends with the center of plate in every Indian household be it roti, upma, khichdi, idli, chilla, & much more!
- Wide range of offerings makes it easy for the consumer to cook Oats the way he / she prefers
- Launched across Big Bazaar Easy Day, Nilgiris and Modern and General Trade Outlets

- Plan for a larger scale launch of KOSH via General Trade
- Initiated the General Trade launch in over 11,500 stores
- In process to set up distributor network to support the launch
- Launch is well supported by media campaigns both traditional and new age digital customers

Kosh Advertisement Campaign

Ab khaana yummy yummy, pet healthy healthy

Roti ke pet mein kya hai?

Key Initiatives & Associations for Enhancing Brand Awareness

Innovative Products Catering to Indian Festive Habits

Associating with various festivals around the year helps building a stronger brand recall

Extending the Portfolio across Food & Beverages

Activate your taste buds with the launch of an exciting new range of Mayonnaise from Sangi's Kitchen Introducing 4 new flavors:

1. **Mustard**
2. **Schezwan**
3. **Smokey Tikka**
4. **Eggless Mayonnaise**

Launched Pooof Wafflets in three flavors:

1. **Strawberry Candy Floss**
2. **Belgian chocolate**
3. **Coffee hazelnut**

Karmiq Green Tea Introduced new range of green tea with 4 different flavors:

1. **Mint & Rose**
2. **Jasmine**
3. **Lemon & Honey**
4. **Classic**

Baker's street launched exotic rage of Biscotti, Pita chips, Bruschetta and bread sticks

Continue to launch new variants

1. **Channa Sattu Atta**
2. **Multigrain Bhatura Mix**
3. **Paratha Mix**

TO SLEEP OR NOT TO SLEEP. THAT IS THE QUESTION.
HOW HAVE YOU BEAN?
POOOF!
KEEP YOUR FRIENDS CLOSE AND YOUR CHOCOLATE CLOSER
INTERNET IS BAE
BELGIAN CHOCOLATE
STRAWBERRY CANDY FLOSS
COFFEE HAZELNUT
NOW BRUH

FUTURE CONSUMER™

BAKER STREET™

Bruschetta

Handmade and baked with herbs & condiments, these bruschettas taste delectable with every bite

Breadsticks

These handmade breadsticks with subtle flavours of garlic, oregano & sesame are baked to crispy perfection

Pita Chips

Handmade & baked these pita chips seasoned with flavours of jalapeno & cheese & the goodness of multigrain are simply irresistible

Melba Toast

Thin, crisp, toasted bread ready to be layered & relished with your favourite toppings

Biscotti

Loaded with almonds, these luscious handmade Italian style biscotti are pure indulgence

DISTRIBUTION

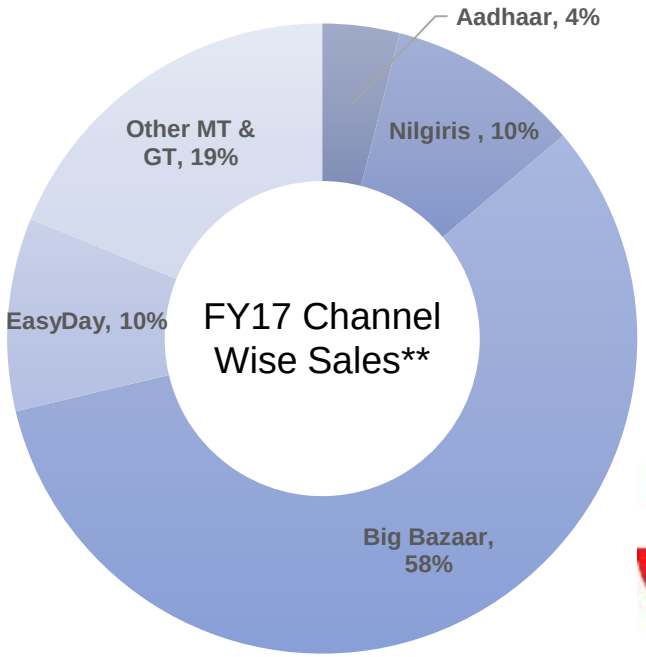
Distribution Network Spanning across Channels

Future Group Stores:

>1000 / 750

Rajasthan FPS:

>5,750 / 1,200



Other Modern Trade:

>240 / 50

General Trade:

>20,850

11,500

11,000

Other GT 2,000

/ 12,600

Presence across leading organized retailers with an overall footprint of over

46,000 / ~14,600 stores

FY17 Stores / FY16 Stores

Note: Chart indicates revenue split for Brand Business (93% of FCL topline)

SOURCING AND MANUFACTURING

Significant Value Addition Capabilities

Our value addition centers, well connected through a logistics network, act as solid building blocks to our brand portfolio

Created Strong Backend Infrastructure

Sourcing Strengths

- Created fully integrated agri-commodity sourcing capabilities
  - Sourcing capacity of 1.5 lakh tonnes agri-produce
  - 71 sourcing hubs across the country and APMC licenses in 26 states
  - Warehousing facilities at 34 locations
  - 11 processing centers - includes mechanized processing centers
  - Other centers are for cleaning / sorting / grading

Dairy & Bakery Facilities

- One manufacturing facility each for dairy and bakery near Bangalore
- Daily milk handling capacity of 1.8lac ltr per day
- Installed capacities for dairy for wide range of products like milk, butter, different variants of cheese, curd etc
- "Dedicated" Chilling Center at Muthur
- Planning strategic tie ups with other dairy players in Northern & Western markets
- Dairy business procures 54,000 litres of milk everyday from a network of over 5,000 farmers and 200 milk traders in Tamil Nadu and Karnataka
- Monthly installed capacities of 450 tonnes of bread, 100 tonnes of cake among other products

Other Facilities

- **Oats Facility in Sri Lanka**
  - Launched an Oats manufacturing facility
  - Enables to capture Oats segment in India with a wide variety of products
- **Other Facilities in Southern India (as part of Food Park)**
  - Facility for Frozen Vegetables & Frozen Snacks
  - Sauces and Dips facility for brand Sangi's Kitchen
- **Contract Manufacturing**
  - Working with leading Food & FMCG manufacturers across segments
  - Working with dairy players in North to cater to Delhi market

Significant Value Addition Capabilities

BOARD OF DIRECTORS & KEY MANAGEMENT

Effective Board with Vast Experience

G. N. Bajpai

Chairman

Previously been the Chairman of SEBI, LIC, the Corporate Governance Task Force of International Organization of Securities Commission and the Chairperson of the Insurance Institute of India and Served on the BOD of various institution

Kishore Biyani

CEO Future Group

Founder and Group CEO of Future Group. Has over 25 years experience and is known as the pioneer of modern retail industry in India

Frédéric de Mévius

Director

Founded Verlinvest & has been its managing director since then, serves as non-executive director of portfolio companies
Acting as representative of DLF SA
Previously served on the Board of Directors of Interbrew and Spadeal

Vibha Rishi

Director

Currently on the Board of prestigious companies like Asian Paints, Tata Chemicals, Indian Hotels, Go Airlines, Taj SATS Air Catering, PNB Metlife India Insurance, Tata Teleservices

Deepak Malik

Director

Acting representative of Proterra Investment Partners
Managing Director of the private equity team in Proterra and serves on Board of various investee companies

Effective Board with Vast Experience

Narendra Baheti

Director

Been associated with Future Group since 2002
Instrumental in successfully leading agri-sourcing business of the group
Helped in building strong brands such as Golden Harvest, Fresh & Pure, Premium Harvest, Ekta

K. K. Rathi

Director

Qualified Chartered Accountant and company secretary
Previously served as CEO of Future Ventures and CFO with erstwhile Pantaloon Retail India Limited

Adhiraj Harish

Independent Director

Member of the Bar Council of Maharashtra & Goa and has been practicing as an Associate at D.M. Harish & Co., Advocates
Primary expertise in the area of real estate laws & instrumental in successful completion of numerous real estate transactions

Ashni Biyani

Director

Instrumental in bringing in design-led thinking within the group
Led the conceptualization and launch of a number of retail formats for Future Group

Management Team Footprint Well in Place Now

Devndra Chawla

CEO

Over 20 years of industry experience
Been associated with the Group for over 8 years leading the food retailing and FMCG business in various capacities
Previously associated with Reliance Fresh and Coco Cola

Narendra Baheti

Agri & Staples Brands

Been associated with Future Group since 2002
Instrumental in successfully leading agri-sourcing business of the group
Helped in building strong brands such as Golden Harvest, Fresh & Pure, Premium Harvest, Ektaa

Saurabhkumar Lal

Manufacturing

~20 years of manufacturing and supply chain experience across FMCG, printing and packaging
At HUL, looked after supply and operations of 3 company owned and 15 contract manufacturing plants of FMCG products

Rahul Kansal

Marketing

Joined from Times Group, most recently served as Executive President looking after brand and business strategy for TOI, Mirrors and language brands
Previous experience of leadership positions at Leo Burnett, Mudra Communications, Ogilvy & Mather

Maneesh Sharma

Packaging

26+ years of experience in FMCG Packaging portfolio covering Beauty, Homecare, Food and healthcare etc. for both Indian as well as Global Markets
Associated with Marico, Dabur & Unilever India previously

Ravin Mody

CFO

Recently appointed as CFO of FCL
Over 11 years experience at Marico of working in various positions, last held position being Head-Treasury, IR, M&A
Experience across Corporate Finance, Cross Border M&A, post acquisition integration, treasury, forex, fund raise etc.

Sanjay Malpani

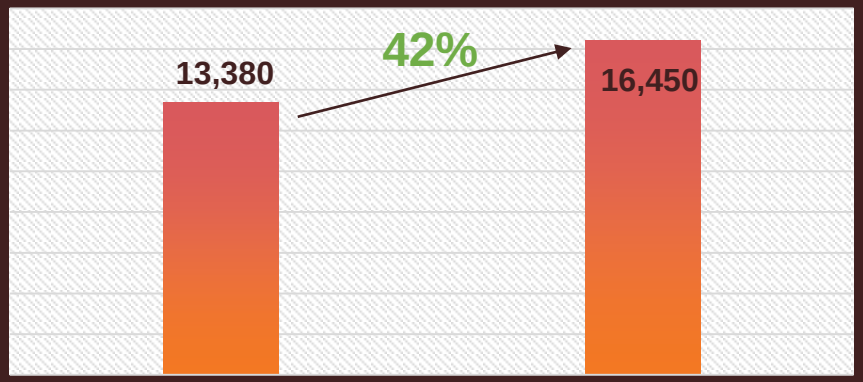
Food Park

25 years of professional career in India & abroad with leading MNC, large corporate & start-ups in Finance, strategy, governance and general management
Associated with Sara Ltd (HK), Cura Group, Alghanim Group (Kuwait)

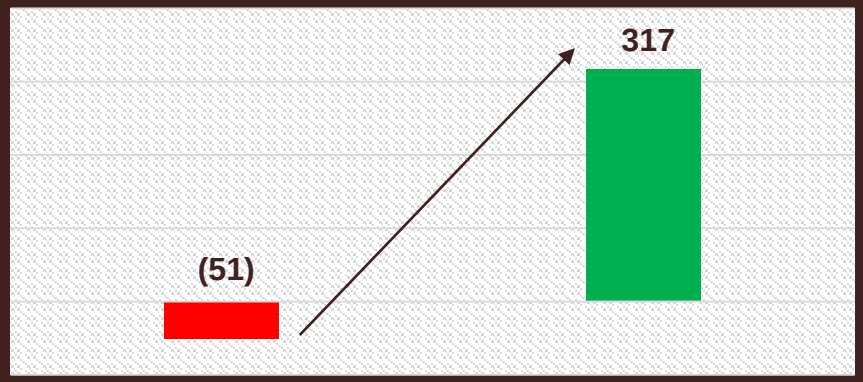
FINANCIAL UPDATE

FY17 Performance Snapshot – Standalone

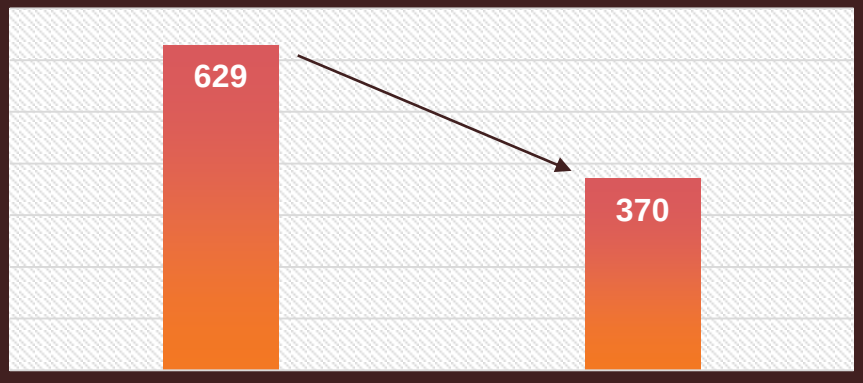
Top Line Growth



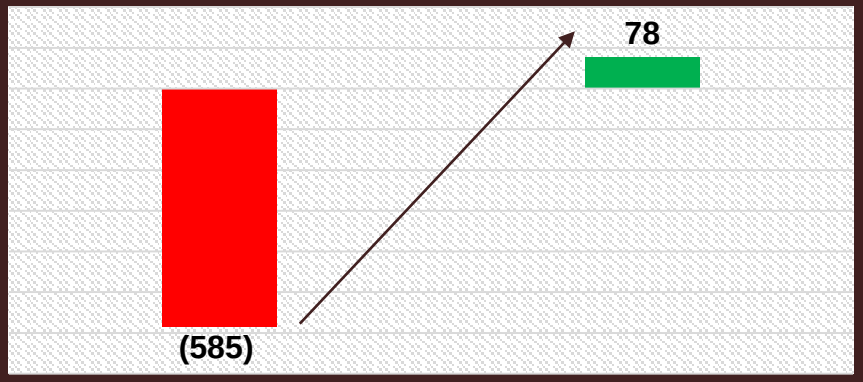
EBITDA Improvement on the Back of High Growth and Efficiency



Interest Expense Declined by INR259 mn



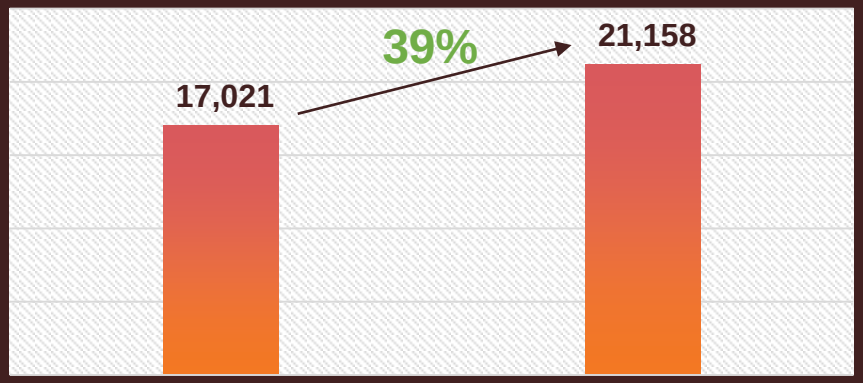
1st Year of Bottom line Profitability



Note: Revenue growth numbers adjusted for impact of convenience stores franchised effective from Feb'16

FY17 Performance Snapshot – Consolidated

Top Line Growth



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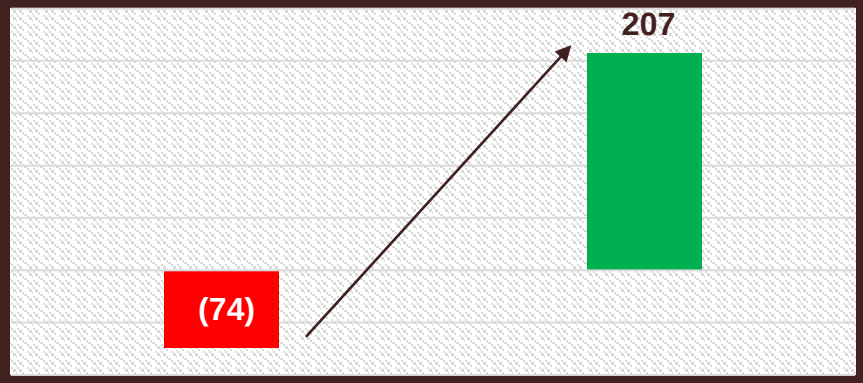
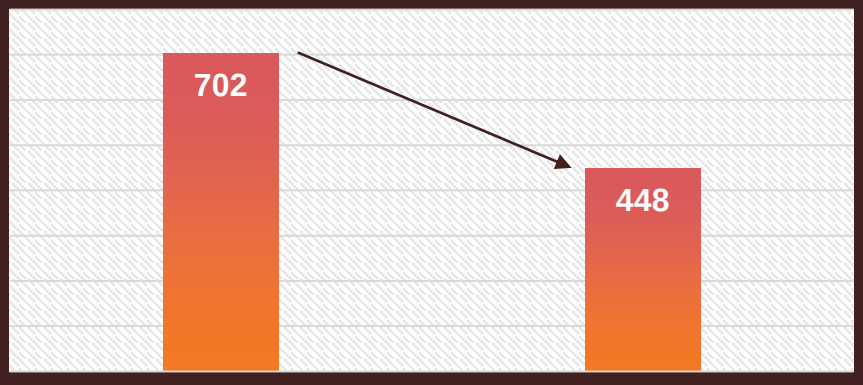
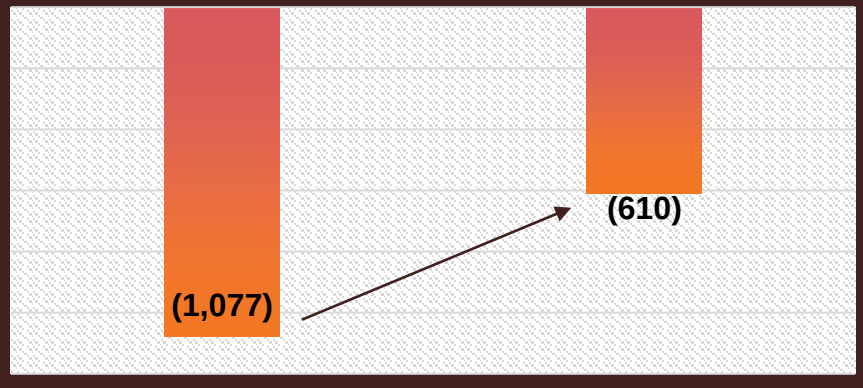


Interest Expense Declined by INR254 mn



PAT loss narrowed by INR467 mn



Note: Revenue growth numbers adjusted for impact of convenience stores franchised effective from Feb'16

Standalone Income Statement – Q4 & FY17

FY 2015-16		Particulars (INR Mn)	FY 2016-17	
Q4	FY16		Q4	FY17
3,193	13,331	Sales	4,140	16,400
12	49	Other Operating Income	10	50
3,205	**13,380**	**Total Income from Operations**	**4,150**	**16,450**
2,753	11,622	COGS	3,598	14,307
452	**1,758**	**Gross Margin**	**552**	**2,143**
14.1%	*13.1%*	*Gross Margin%*	*13.3%*	*13.0%*
-5	-40	Other Income	-2	-39
433	1,849	Other Operating Cost	456	1,866
24	**-51**	**EBITDA**	**97**	**317**
0.7%	*-0.4%*	*EBITDA%*	*2.3%*	*1.9%*
21	152	Depreciation	25	172
210	629	Interest Expense	74	370
-54	-244	Interest Income	-104	-305
-153	**-588**	**PBT**	**102**	**80**
-3	-3	Tax	2	2
-151	**-585**	**PAT**	**101**	**78**
-4.7%	*-4.4%*	*PAT %*	*2.4%*	*0.5%*

Topline Growth **42%**

EBITDA INR **317** mn vs INR-51 mn

Interest Expense Declined by INR **259** mn

PBT Turnaround of INR **667** mn

PAT INR **78** mn vs INR-585 mn

Note: 1) Q4 FY16 and FY16 includes convenience stores which were franchised in Feb'16
2) Revenue growth numbers adjusted for impact of convenience stores franchised effective from Feb'16

Consolidated Income Statement – Q4 & FY17

FY 2015-16		Particulars (INR Mn)	FY 2016-17	
Q4	FY16		Q4	FY17
4,153	16,869	Sales	5,295	20,995
45	152	Other Operating Income	39	164
4,198	**17,021**	**Total Income from Operations**	**5,334**	**21,158**
3,558	14,467	COGS	4,597	18,231
640	**2,553**	**Gross Margin**	**738**	**2,928**
15.2%	*15.0%*	*Gross Margin%*	*13.8%*	*13.8%*
-36	-90	Other Income	-31	-110
646	2,717	Other Operating Cost	712	2,831
30	**-74**	**EBITDA**	**57**	**207**
0.7%	*-0.4%*	*EBITDA%*	*1.1%*	*1.0%*
60	284	Depreciation	70	326
229	702	Interest Expense	88	448
-27	-183	Interest Income	-49	-140
-232	**-877**	**PBT**	**-52**	**-427**
-3	-2	Tax	2	9
-67	-202	Share of JV, Associates & Minority Interest	-47	-174
-296	**-1,077**	**Consolidated PAT**	**-101**	**-610**
-7.1%	*-6.3%*	*PAT %*	*-1.9%*	*-2.9%*

Topline Growth 39%

EBITDA INR **207** mn vs INR -74 mn

Interest Expense Decline of INR **254** mn

PBT INR **-427** mn decreased by ~50%

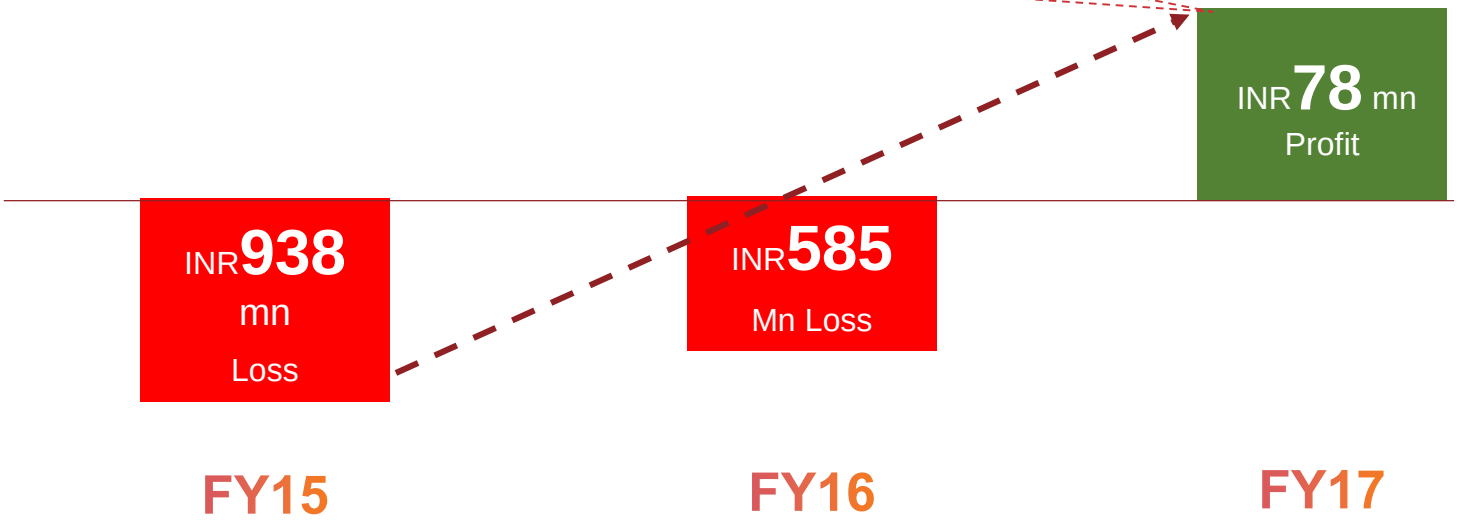
PAT Loss narrowed by **INR 467 mn**

Note: 1) Q4 FY16 and FY16 includes convenience stores which were franchised in Feb'16
2) Revenue growth numbers adjusted for impact of convenience stores franchised effective from Feb'16

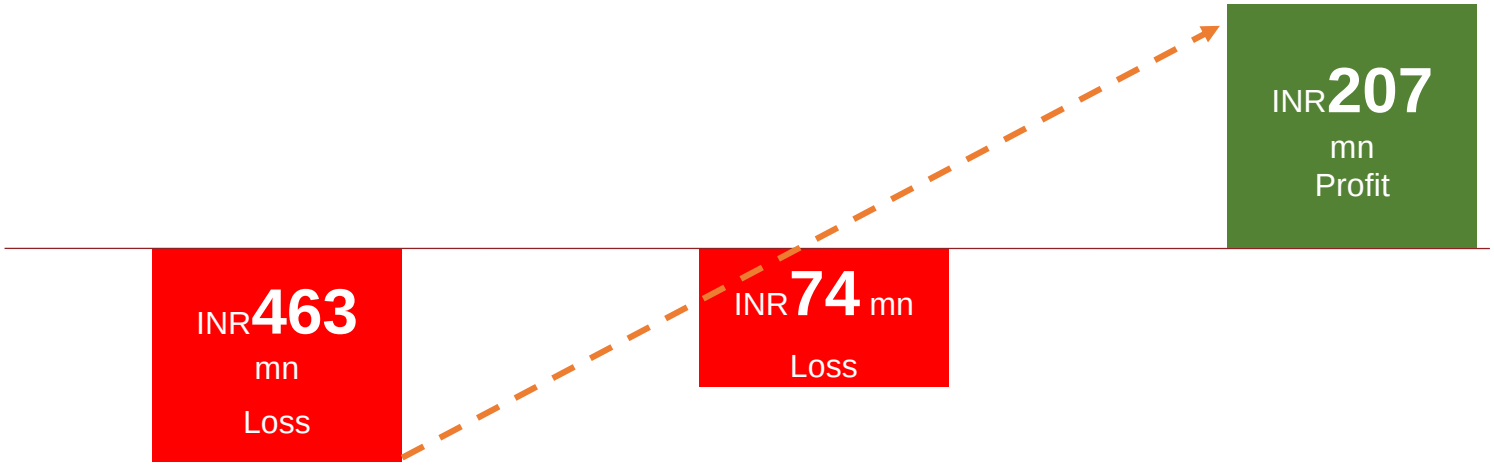
Evolution of Profitability Over the Last 3 Years

Standalone Business constituting ~78% of Total Top-line, achieved Bottom-line profitability

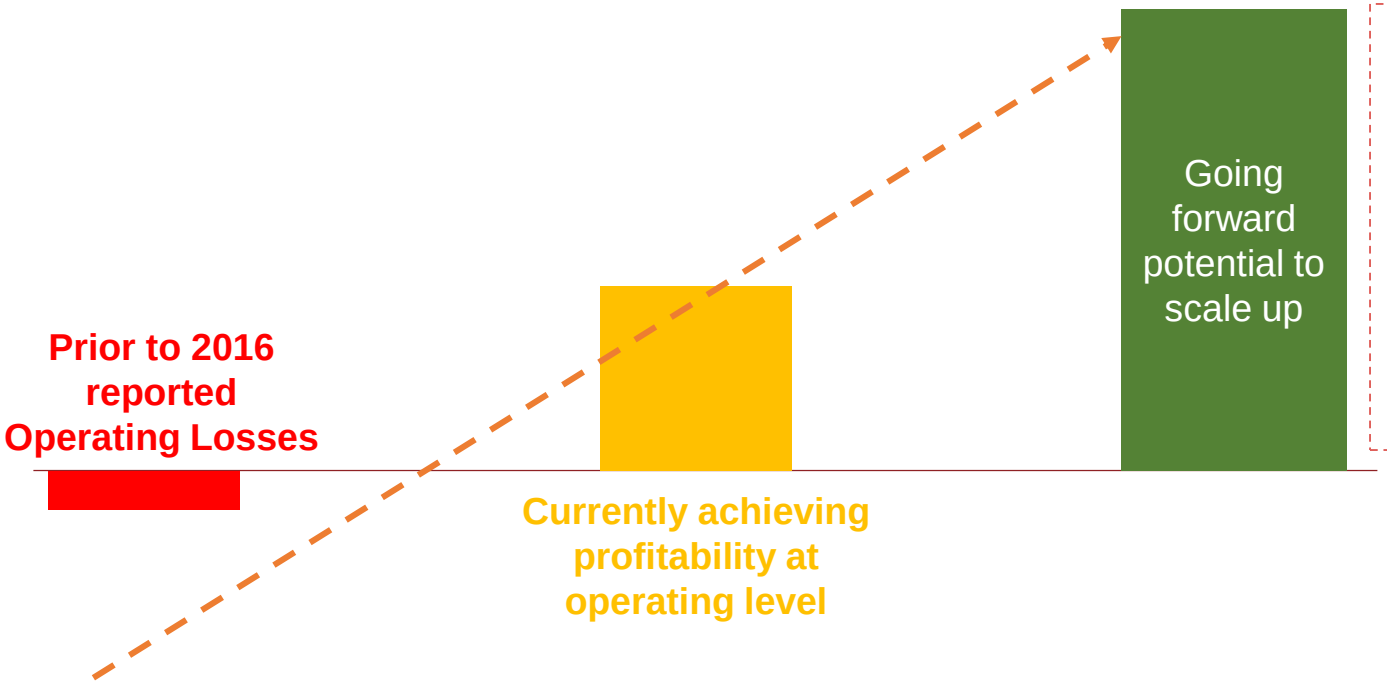
Standalone PAT Turnaround over Last 3 Years



Consolidated EBITDA Turnaround over Last 3 Years



Evolution of Operating Profits



Enablers:

- Network expansion and increasing penetration
- Expansion of General Trade network
- New product launches
- Premiumization of products
- Economies of scale

Consolidated Balance Sheet

Particulars (INR mn)	As on	
	31-Mar-16	31-Mar-17
Shareholder's Fund	5,545	8,885
Minority Interest	122	78
Gross Debt	5,391	4,714
Less: Cash and Cash Equivalents	370	475
Net Debt	5,021	4,239
Net Adjusted Capital Employed	**10,688**	**13,202**
Fixed Assets	4,384	5,173
Goodwill and Intangibles	3,948	4,163
Net Current Assets & Others	2,356	3,866
Total Net Assets	**10,688**	**13,202**

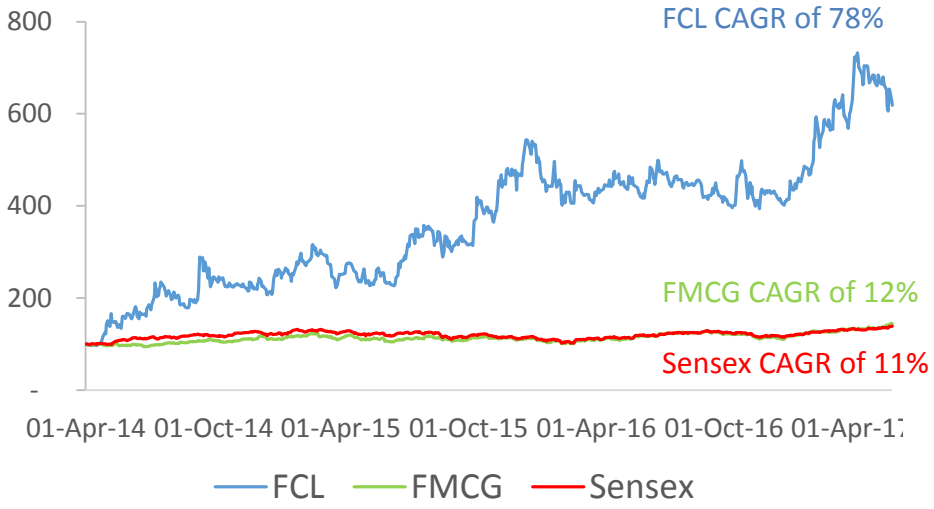
- Net Debt has declined by INR 782 mn over last year
- While the Top Line witnessed a growth of 39% in FY17 the Balance Sheet grew only by 24% YoY

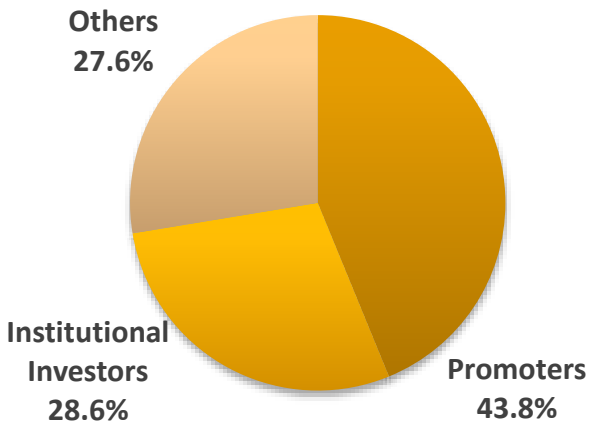
Value Creation for Stakeholders

Stock Exchange Data (as on 30th May, 2017)	
Market Capital (in INR mn)	56,109
Diluted Shares Outstanding	1,88,28,39,795
Free Float (%)	56%
Symbol (NSE / BSE)	FCONSUMER / 533400

Top Institutional Holders	% Holding (Diluted)
Arisaig	8.1%
Verlinvest	7.5%
Proterra	7.0%
IFC	3.1%

FCL vs FMCG Index & Sensex (1st April 2014 – 30th May 2017)





While the FMCG Index grew at a CAGR of 12% over 1st April 2014 to 30th May 2017, FCL Share Price grew at a CAGR of 78% over the same time period

Note: CAGR is calculated using XIRR, Shareholding, Market Capital based on Fully Diluted Basis

The Road Ahead…

- Leveraging the Group's strong knowhow of Indian Consumer
- Building a dynamic organization based on holacratic design to execute multiple ideas and initiatives at a time
- Building a strong portfolio of brands in high margin and value add categories
- Tap the immense potential of Modern Retail as the urban consumption story grows
- At the same time, building a strong multi-channel distribution across the country
- Continue journey towards profitability with expansion of operating profit with each quarter
- Further improving balance sheet position to improve stakeholder returns
- Significant portion of capital employed has recently got into commercial activity and should now gradually lead to value creation

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.

Thank You

FUTURE CONSUMER

for the Fast Moving Consumer Generation

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