



**Investor Update** Q3 & 9M FY18

**FMCG 2.0**

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## **BUSINESS UPDATE**

## Q3 FY18 – At a Glance



**52%\***

Topline Growth  
(Standalone)



Standalone PAT  
continues

**₹69 mn**



Consolidated EBITDA at

**₹ 178 mn**

**↑2.9x**



3<sup>rd</sup> consecutive quarter of  
**Cash Profit** at Consolidated  
level

**₹59 mn**

\* Factoring the impact of GST, Reported Growth 49%.



Key Brands Growth

- **2.3x** Desi Atta
- **1.9x** Caremate
- **1.9x** Fresh & Pure
- **1.5x** Tasty Treat



**~80k**

Store distribution  
footprint, **2.8x** expansion  
on YoY basis



**Other developments**

Sale of investment in ACK  
at equity value of  
₹600mn



Highest value creation  
amongst FMCG peers,

**105%** XIRR in

Mkt Cap<sup>#</sup> in last ~3.5 years

# As on 07 February 2018



# Portfolio: Key Brands and Categories



## Food and Beverages (93%)



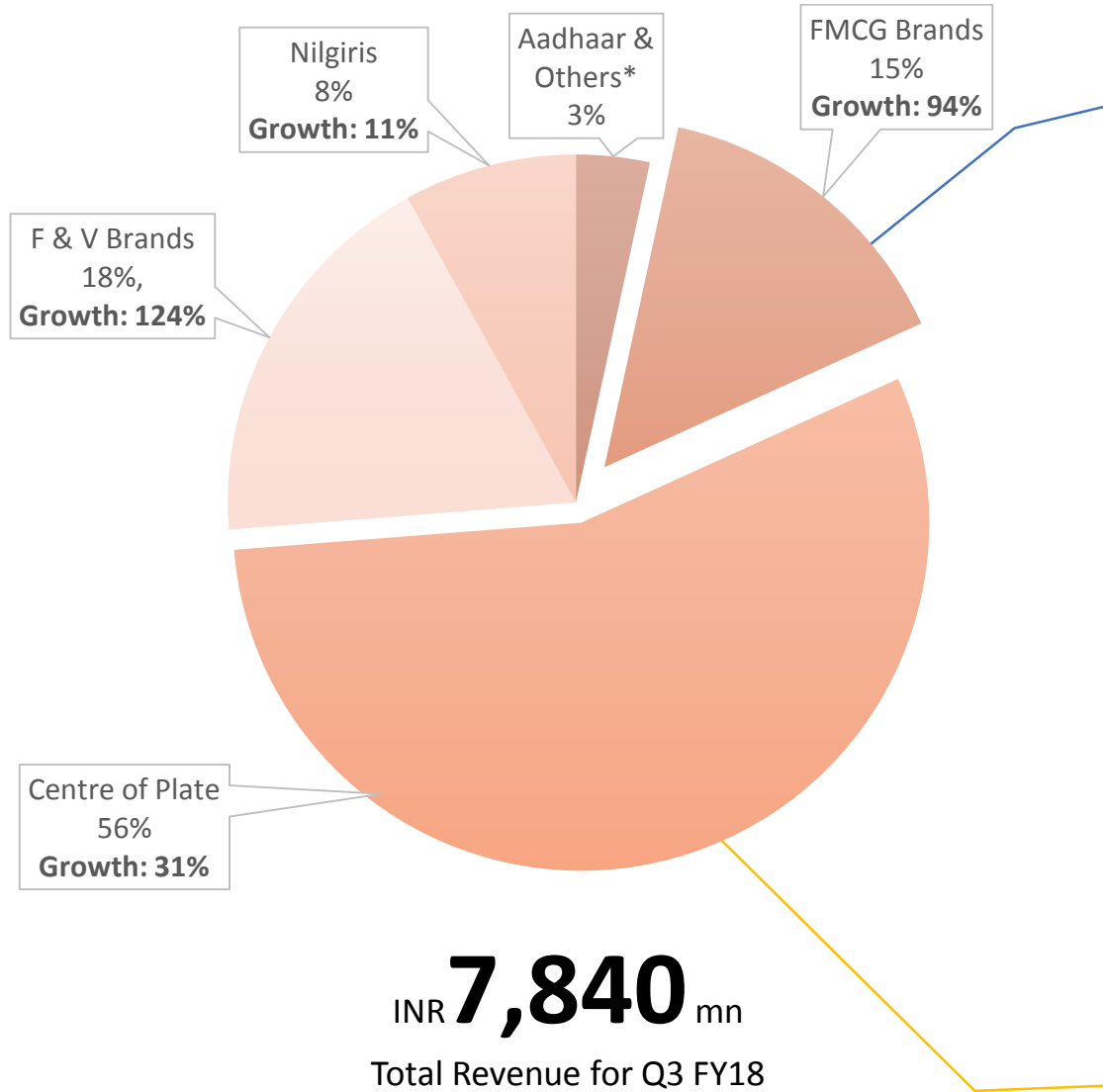
Staples, Dairy and Bakery, Fruits and Vegetables, Snacks, Juices, Frozen Foods, Ready to Cook Foods among others

## Home & Personal Care (7%)

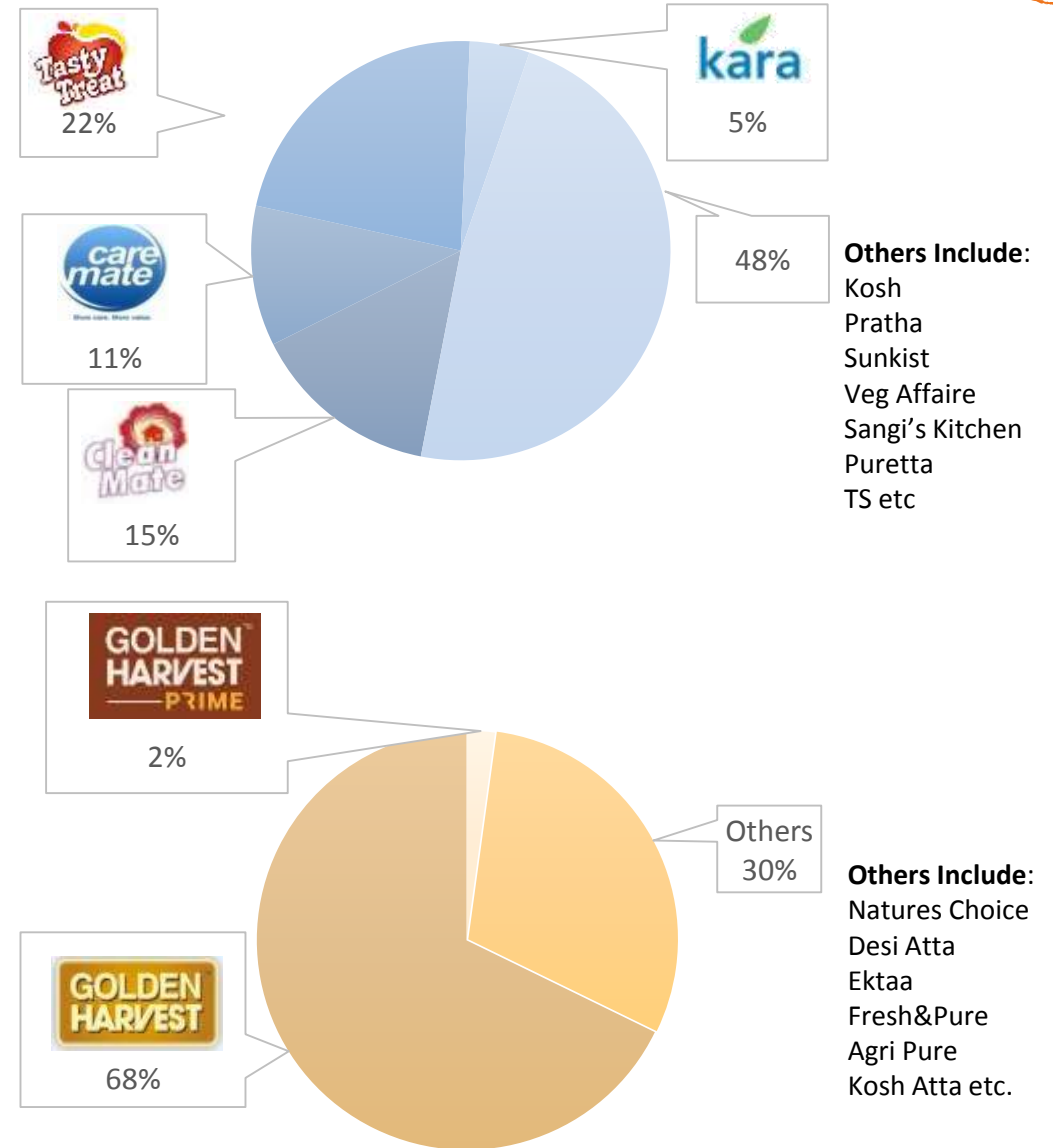


Wipes, Body Wash, Body Lotion, Toilet and Floor Cleaners, Kitchen Aides

# Revenue Split Across SBUs & Brands thereof



## Brand wise Split



# Extending the Portfolio across Food, Beverages and Home & Personal Care



Delicious flavour options which are the usual favourites for most people make this a 'souperb' snack option:

1. **Manchow Soup**
2. **Thick Tomato Soup**
3. **Sweet Corn Soup**
4. **Mix Veggie Soup**
5. **Hot & Soup Soup**



All new Thinkskin bodywash available in 5 new variants:

1. **Lemon Fresh**
2. **Aqua Splash**
3. **Wild Rose**
4. **Sandal Clear**
5. **Active Sports**



Fresh & Pure

## Brown to Gold

For stronger coffee, without the bitterness, for coffee with its richness intact. Beans roasted to perfection with freshness and purity at its epitome



Sangi's Kitchen brings to you authentic:

1. **Coriander**
2. **Kashmiri Chilli**
3. **Teekhi Chilli**
4. **Turmeric Powder**

And a range of 13 herbs and seasonings



Swiss Tempelle's all new **Pollution Defence Face Wash**

# Golden Harvest: Product Launch and Promotions on Prime Time TV!!

## Grand launch of Golden Harvest Sona Masoori Rice in Andhra Pradesh & Telangana



Core integrations  
on  
leading shows on  
Zee Telugu



Largest brand from  
FCL's portfolio is  
now on TV!!





## Innovative Products Catering to Festive Season



Stop scaring people after Halloween.

Don't let stubborn make-up give everyone the creeps. Infused with the power of Lavender and Seaweed, use Kara Make-up Removal wipes to wipe it all away with ease.



**kara**



CHRISTMAS ISN'T  
*Christmas*  
WITHOUT  
*Nilgiris*

*Bring home Plum Cakes. Bring home Christmas!*



Have a Berrilicious Christmas  
&  
a Healthy New Year

**KARMIQ**  
NUTS | DRY FRUITS | SEEDS



# Brand Promotions, Media Campaigns and Awards

## Creating a Strong Brand Recall



## Pratha print ad campaign in Times of India



## Recognitions



# Eye Grabbing Product Placements in Stores







## **DISTRIBUTION NETWORK & CHANNEL MIX**



# Distribution Network Spanning across Channels



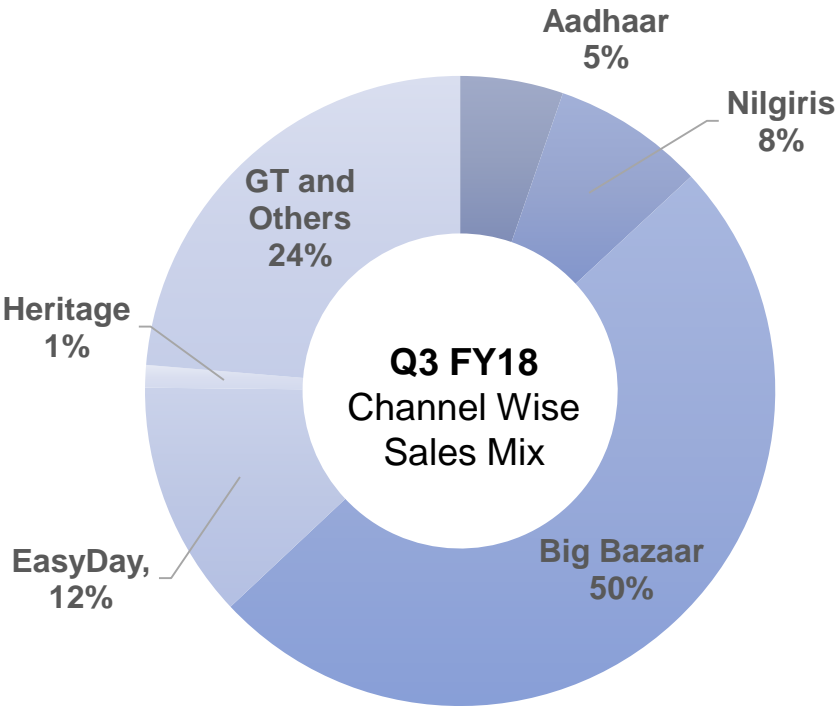
Future Group Stores\*:

1,149



Rajasthan FPS:

5,395



Other Modern Trade:

214



General Trade:

30,000



25,500



17,500



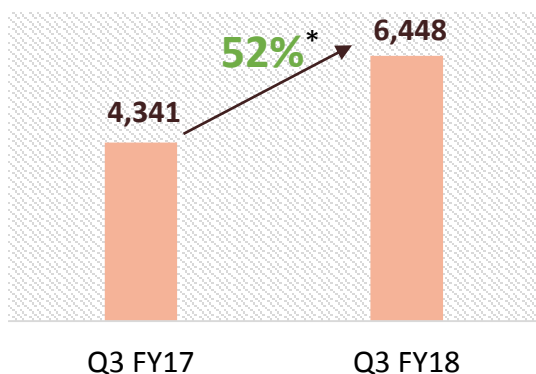


## FINANCIAL UPDATE

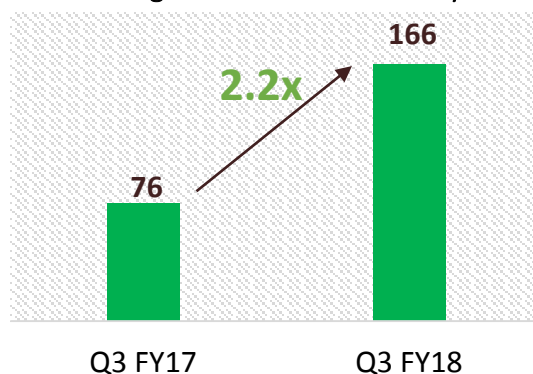
# FCL Q3 FY18 Performance Snapshot – Standalone & Consolidated

## Standalone Summary

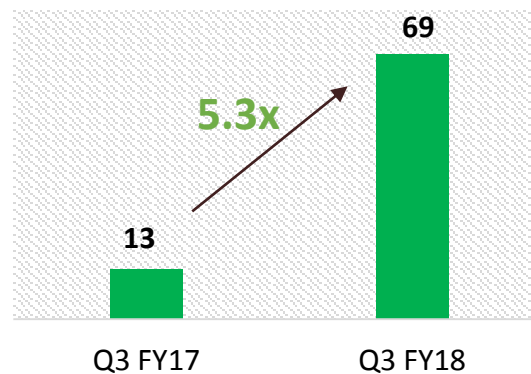
Top Line Growth



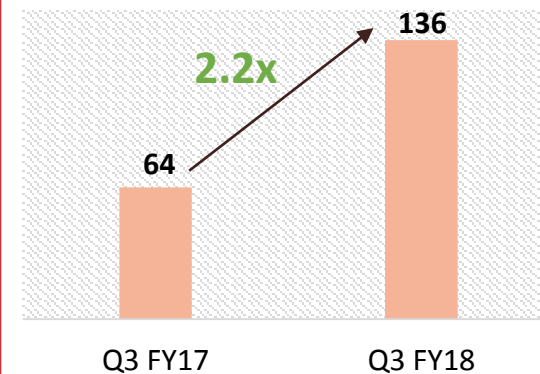
EBITDA Improvement on the Back of High Growth and Efficiency



PAT of ₹69 mn



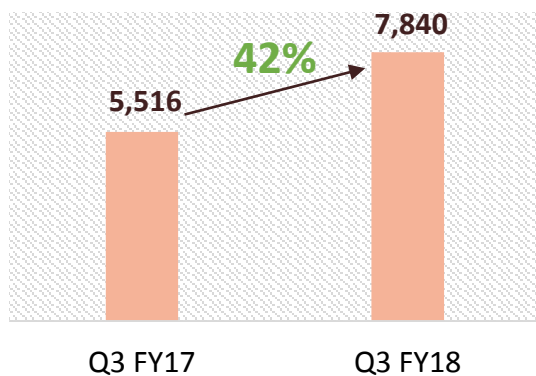
Cash Profitability



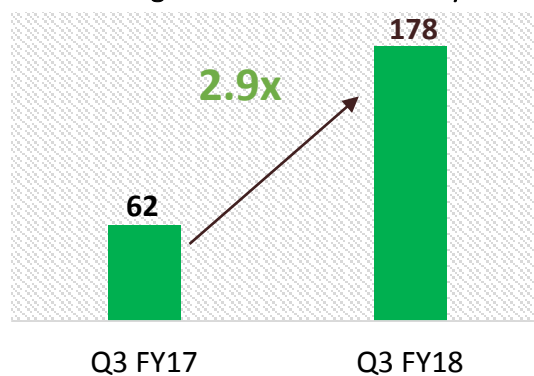
\* Factoring the impact of GST, Reported Growth 49%.

## Consolidated Summary

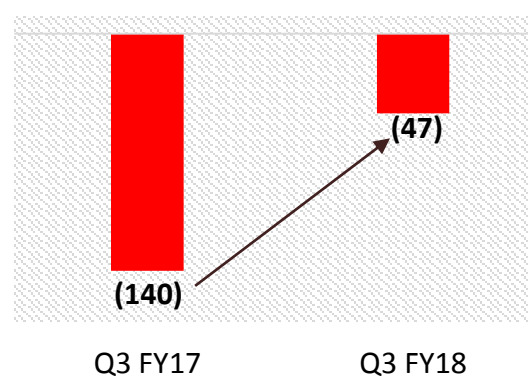
Top Line Growth



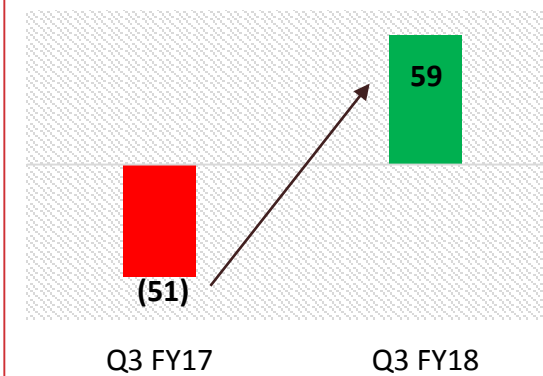
EBITDA Improvement on the Back of High Growth and Efficiency



PAT Loss Narrowed by INR93 mn



Attained Cash Profitability



# Standalone Income Statement – Q3 & 9M FY18

FY 2016-17		Particulars (INR Mn)	FY 2017-18		
Q3	9M		Q2	Q3	9M
4,328	12,260	Sales	6,145	6,436	17,741
13	40	Other Operating Income	15	12	40
<b>4,341</b>	<b>12,300</b>	<b>Total Income from Operations</b>	<b>6,160</b>	<b>6,448</b>	<b>17,781</b>
-3,797	-10,734	COGS	-5,367	-5,625	-15,490
<b>545</b>	<b>1,566</b>	<b>Gross Margin</b>	<b>793</b>	<b>823</b>	<b>2,291</b>
12.5%	12.7%	Gross Margin%	12.9%	12.8%	12.9%
13	37	Other Income	16	15	45
-482	-1,384	Other Operating Cost	-643	-673	-1,861
<b>76</b>	<b>220</b>	<b>EBITDA</b>	<b>166</b>	<b>166</b>	<b>474</b>
1.8%	1.8%	EBITDA%	2.7%	2.6%	2.7%
-92	-296	Interest Expense	-102	-123	-331
80	201	Interest Income	86	93	255
-51	-148	Depreciation	-64	-67	-182
<b>13</b>	<b>-23</b>	<b>PBT</b>	<b>86</b>	<b>69</b>	<b>216</b>
<b>13</b>	<b>-23</b>	<b>PAT</b>	<b>86</b>	<b>69</b>	<b>216</b>
0.3%	-0.2%	PAT %	1.4%	1.1%	1.2%
<b>64</b>	<b>125</b>	<b>Cash Profit</b>	<b>150</b>	<b>136</b>	<b>398</b>

## Q3 FY18 (YoY Growth):

Topline Growth **52%\*** (\*Factoring the impact of GST, Reported growth 49%)

EBITDA INR **166** mn vs INR76 mn

PBT of INR **69** mn

Cash Profit INR **136** mn vs INR64 mn

## 9M FY18 (YoY Growth):

Topline Growth **45%**

EBITDA INR **474** mn vs INR220 mn

Cash Profit INR **398** mn vs INR125 mn



# Consolidated Income Statement – Q3 & 9M FY18

FY 2016-17		Particulars (INR Mn)	FY 2017-18		
Q3	9M		Q2	Q3	9M
5,473	15,699	Sales	7,457	7,795	21,830
43	125	Other Operating Income	48	45	138
<b>5,516</b>	<b>15,824</b>	<b>Total Income from Operations</b>	<b>7,505</b>	<b>7,840</b>	<b>21,968</b>
-4,743	-13,659	COGS	-6,474	-6,764	-18,942
<b>773</b>	<b>2,165</b>	<b>Gross Margin</b>	<b>1,032</b>	<b>1,076</b>	<b>3,027</b>
14.2%	13.7%	Gross Margin%	13.7%	13.7%	13.8%
30	79	Other Income	22	13	65
-741	-2,093	Other Operating Cost	-904	-916	-2,649
<b>62</b>	<b>150</b>	<b>EBITDA</b>	<b>149</b>	<b>178</b>	<b>443</b>
1.1%	0.9%	EBITDA%	2.0%	2.3%	2.0%
-121	-360	Interest Expense	-121	-136	-385
34	91	Interest Income	31	33	91
-88	-256	Depreciation	-113	-106	-309
<b>-113</b>	<b>-375</b>	<b>PBT</b>	<b>-55</b>	<b>-31</b>	<b>-160</b>
-27	-126	Share of JV, Associates & Minority Interest	-33	-16	-64
<b>-140</b>	<b>-509</b>	<b>Consolidated PAT</b>	<b>-88</b>	<b>-47</b>	<b>-224</b>
-2.5%	-3.2%	PAT %	-1.2%	-0.6%	-1.0%
<b>-51</b>	<b>-253</b>	<b>Cash Profit</b>	<b>25</b>	<b>59</b>	<b>85</b>

## Q3 FY18 (YoY Growth):

Topline Growth **42%**

EBITDA INR **178** mn vs INR62 mn

PAT Loss narrowed by INR **93** mn

Cash Profit of INR **59** mn

## 9M FY18 (YoY Growth):

Topline Growth **39%**

EBITDA INR **443** mn vs INR150 mn

Cash Profit of INR **85** mn

## FCL on the Path of Achieving Operating Efficiency

<b>Q3 FY17</b>	<b>9M FY17</b>	<b>Particulars</b>	<b>Q3 FY18</b>	<b>9M FY18</b>
<b>% of Total Income</b>	<b>% of Total Income</b>		<b>% of Total Income</b>	<b>% of Total Income</b>
<b>5,516</b>	<b>15,824</b>	<b>Total Income from Operations (INR mn)</b>	<b>7,840</b>	<b>21,968</b>
86.0%	86.3%	COGS	86.3%	86.2%
<b>14.0%</b>	<b>13.7%</b>	<b>Gross Margin</b>	<b>13.7%</b>	<b>13.8%</b>
0.6%	0.5%	Other Income (Excluding Interest Income)	0.2%	0.3%
4.8%	4.7%	Employee Cost	4.4%	4.3%
8.6%	8.6%	Other Operating Cost	7.3%	7.7%
<b>1.1%</b>	<b>0.9%</b>	<b>EBITDA</b>	<b>2.3%</b>	<b>2.0%</b>
1.6%	1.6%	Depreciation	1.3%	1.4%
1.6%	1.7%	Interest Expense (net)	1.3%	1.3%
<b>-0.9%</b>	<b>-1.6%</b>	<b>Cash Profit</b>	<b>0.7%</b>	<b>0.4%</b>

# Consolidated Balance Sheet

Particulars (INR mn)	As on	
	31-Mar-17	31-Dec-17
Shareholder's Fund	8,885	9,783
Minority Interest	78	35
Gross Debt	4,714	5,725
<i>Less: Cash and Cash Equivalents</i>	475	169
Net Debt	4,239	5,555
<b>Net Adjusted Capital Employed</b>	<b>13,202</b>	<b>15,373</b>
Fixed Assets	5,173	5,609
Goodwill and Intangibles	4,163	4,057
Net Current Assets & Others	3,866	5,708
<b>Total Net Assets</b>	<b>13,202</b>	<b>15,373</b>

- ❖ While the Top Line witnessed a growth of ~39% in 9M FY18 the balance sheet grew only by ~16% for the 9 month period
- ❖ Working capital days stood at 57 days at the end of 9M FY18 as at the end of FY17



## VALUE CREATION



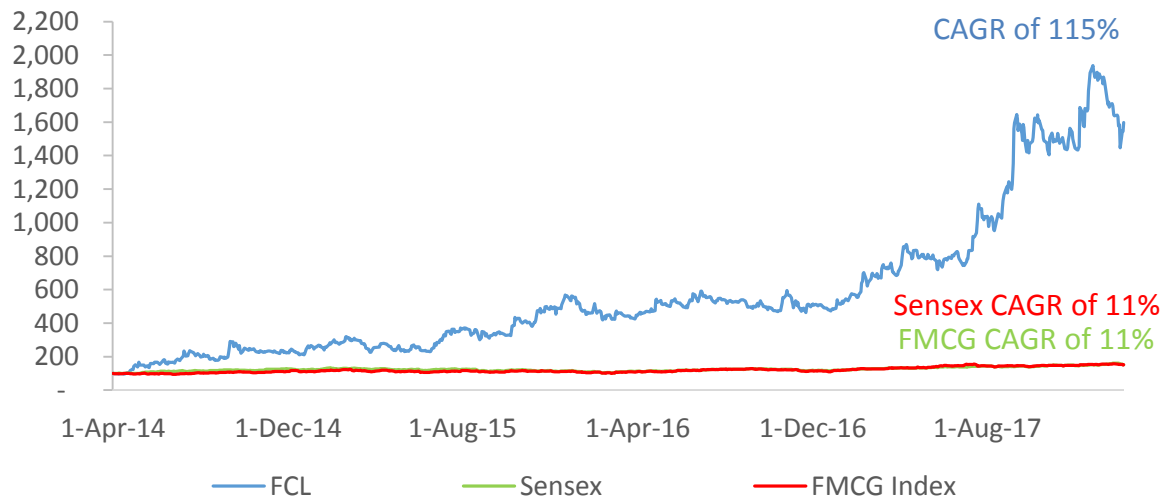
# Value Creation for Stakeholders

## Stock Exchange Data (as on 7th February, 2018)

Market Capital (INR mn)	1,22,546
Shares Outstanding	1,91,32,83,663
Free Float (%)	56%
Symbol (NSE/BSE)	FCONSUMER / 533400

**Note:** Shares Outstanding denotes basic number of shares outstanding

## FCL vs FMCG Index & Sensex (1<sup>st</sup> April 2014 – 07<sup>th</sup> February 2018)

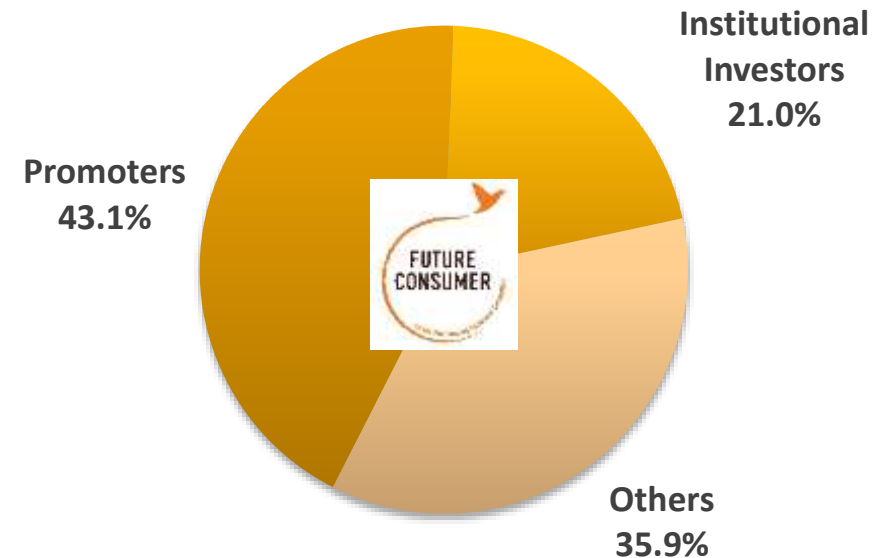


## Key Shareholders

## % Holding

Arisaig	7.9%
Proterra	7.8%
Verlinvest	7.3%
IFC	3.5%

**Note:** % Shareholding on 1<sup>st</sup> Jan 2018



**While the FMCG Index grew at a CAGR of 11% during the period 1<sup>st</sup> April 2014 to 07<sup>th</sup> February 2018, FCL Market Cap grew at a CAGR of 105% over the same time period**



Thank

You



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