



# SHOPPERS STOP

## START SOMETHING NEW



# Disclaimer

*Certain statements in this release concerning our future growth prospects are forward-looking statements within the meaning of applicable securities laws and regulations , and which involve a number of risks and uncertainties,beyond the control of the Company, that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Shopper's Stop Ltd. may, from time to time, make additional written and oral forward looking statements, including our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company.The Company also expects the media to have access to all or parts of this release and the management's commentaries and opinions thereon, based on which the media may wish to comment and/or report on the same. Such comments and/or reporting maybe made only after taking due clearance and approval from the Company's authorized personnel.The Company does not take any responsibility for any interpretations/ views/commentaries/reports which may be published or expressed by any media agency,without the prior authorization of the Company's authorized personnel.*



# Business Overview



- Shoppers Stop Ltd has been awarded “ The Department Store of the Year “ at the Star Retailer 2010 awards.
- 16th MAC store opened at Chennai on 2nd November, 2010
- Pune Arcelia store closed on 23rd December, 2010.
- First Citizen members base increased to over 19,19,000 and their contribution to sales was 73%.



# Our Presence and still expanding...

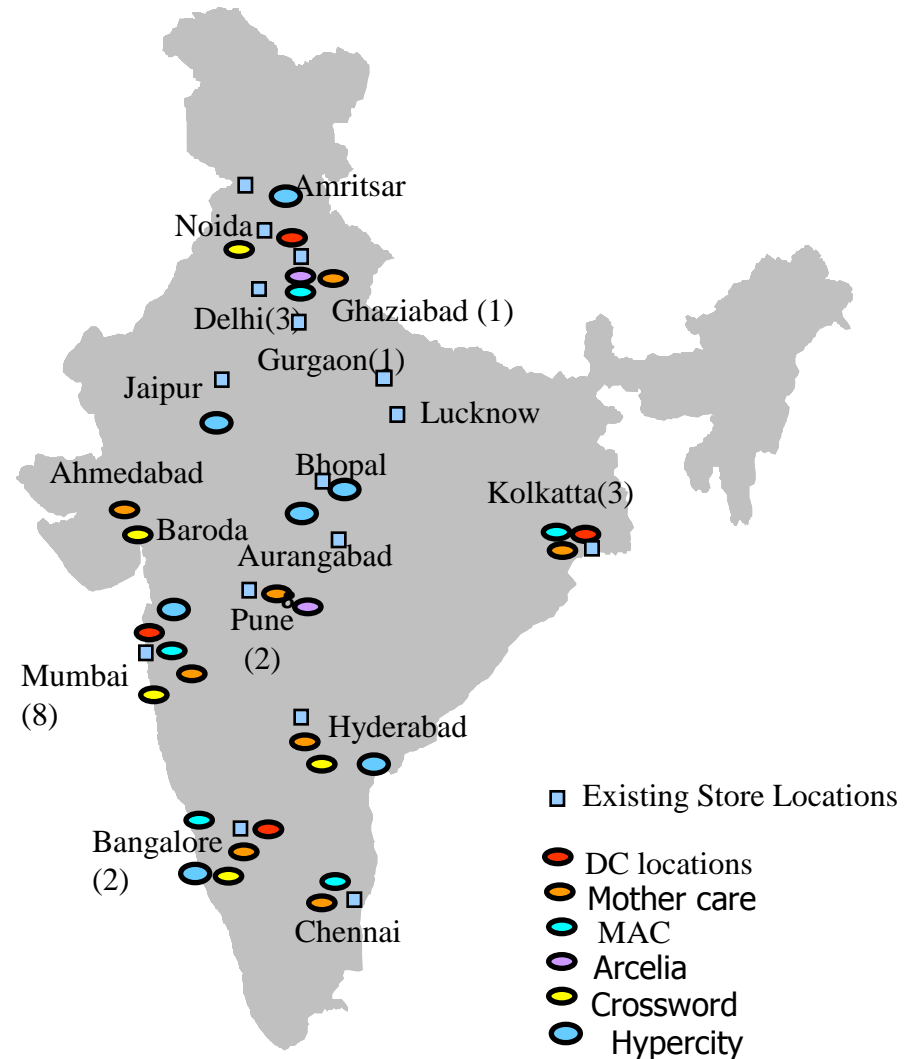
## Presence in 14 Cities

– Shoppers' Stop	36
– Home Stop	4
– Mother Care	29(22)
– Mac & Clinique	24 (13)
– Estee Lauder	3
– Crossword	38(8)

Total Area 2,317,184 Sq.ft.

Hypercity 8 Stores

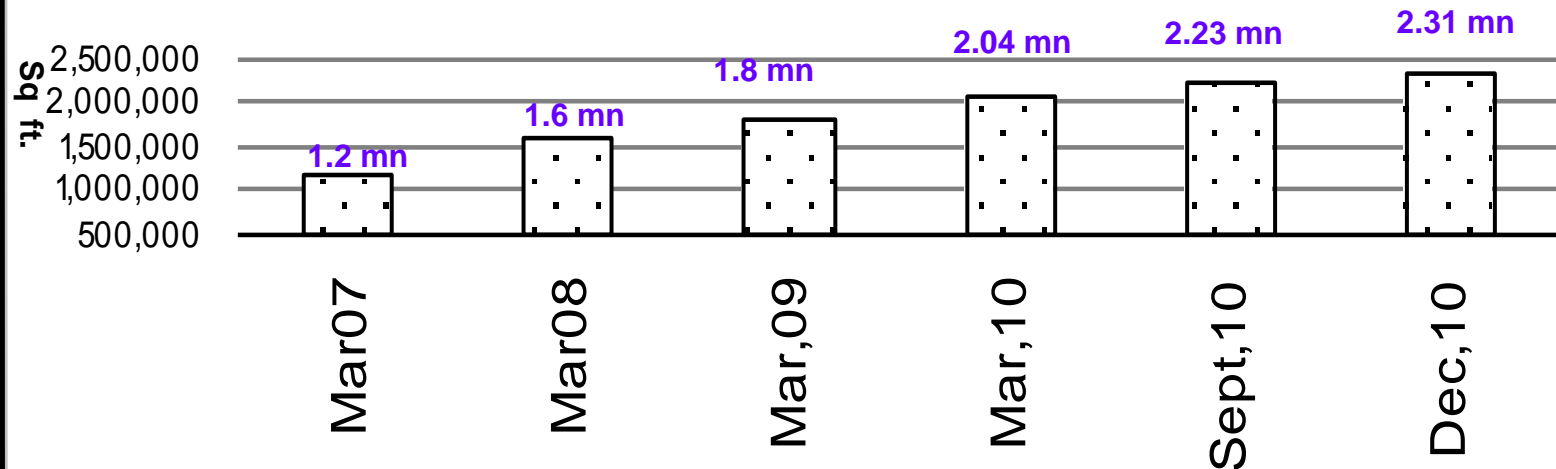
*Figures in brackets represent  
shop in shop*



As on 31<sup>st</sup> Dec 2010

# Existing Stores of Shoppers Stop Ltd.

## Space ramp-up (Sq. ft.)



### Store Area as on 31<sup>st</sup> December,10

Shoppers Stop  
Specialty Stores

**Total Store Area**

### Chargeable Area (Sq.ft.)

2,066,521

2,50,663

-----  
23,17,184

=====



# Key Financial Highlights – Q3-2010-11



- **Sales Growth:**

Shoppers Stop department stores : 33%

All formats : 24%

- **LTL Sales Growth:**

Shoppers Stop department stores : 22%

stores > 5 years : 14%

stores < 5 years : 39%

- **Sales Per Sq.ft. on chargeable area (Built up sq.ft.) :**

Shoppers Stop department stores : Rs 2,415 (LY Rs. 2,081)

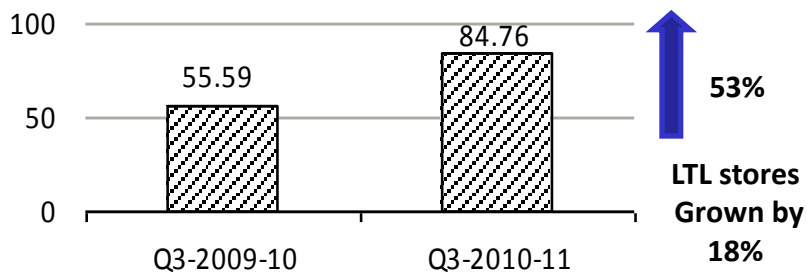
- **Customer entry for Shoppers Stop Departmental stores Increased by 53%**



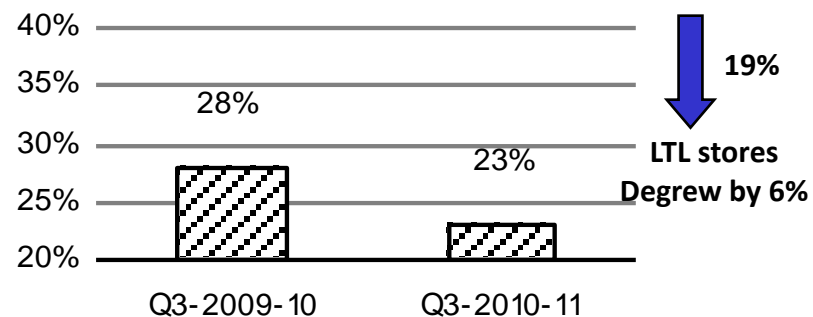


# Operational Indicators – Q3-2010-11

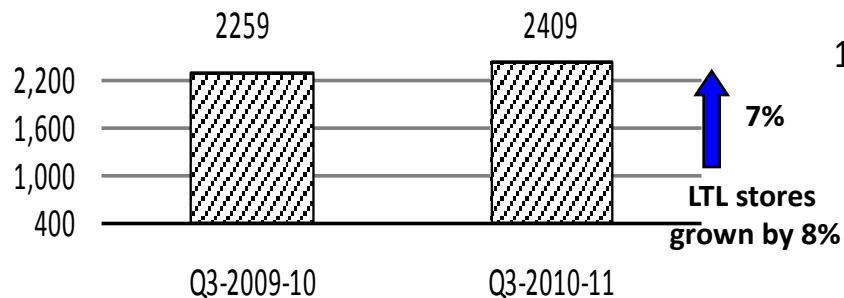
**Customer Entry (figures in lacs.)**



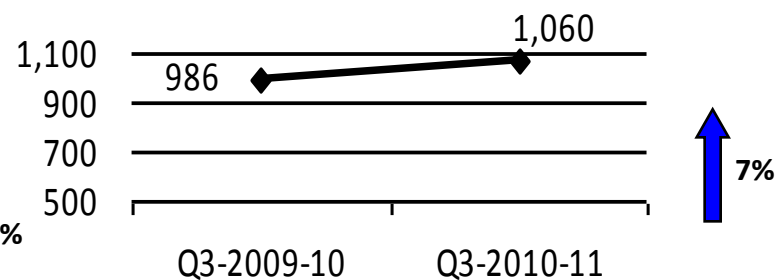
**Conversion Ratio (%)**



**Transaction Size (Rs.)**



**Average Selling Price ("ASP")**



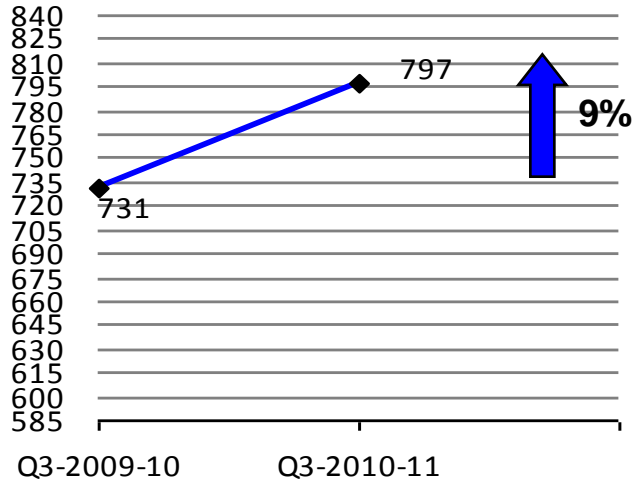
LTL Volume

15%



# Operational Efficiency Q3 2010-11

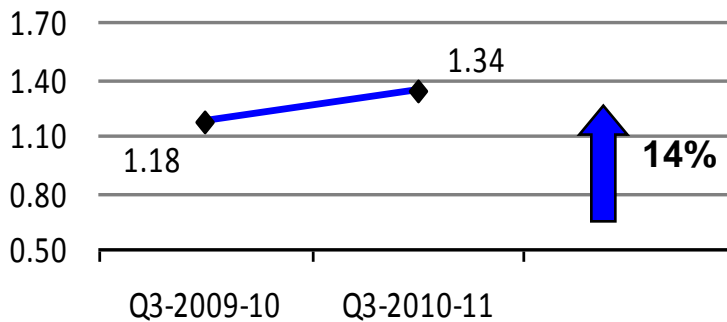
## GMROF (Rs. per unit of retail space)



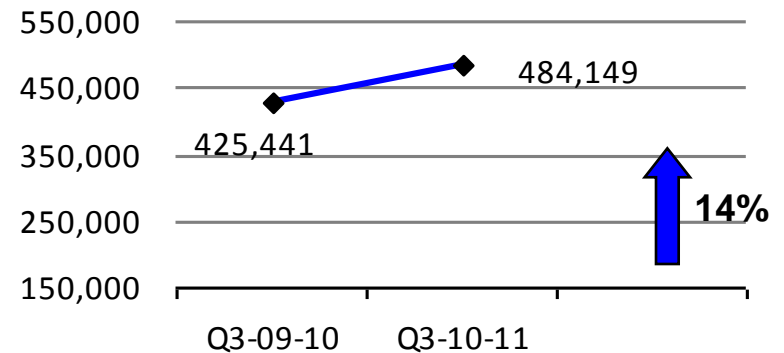
## SS Dept. Stores

- Company has improved GMROF, GMROL & GMROI.

## GMROI (Rs. inventory)



## GMROL (Rs. per employee)



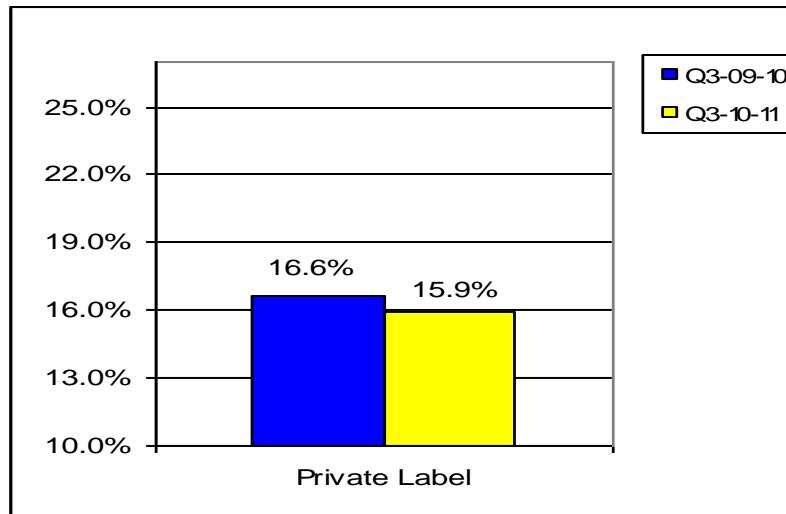




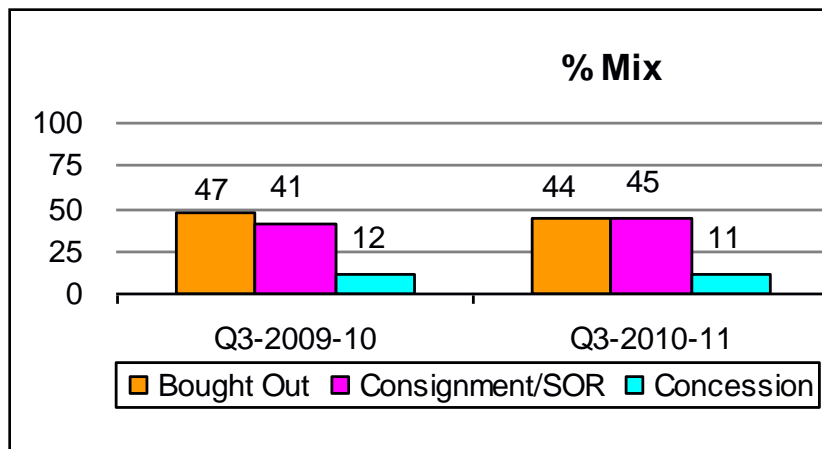
# Merchandise Mix – Q3 2010-11

- Private Label Mix decreased by 0.7%
- Private Label Sales increased by 27%.

## Private Label Mix



## Merchandise Buying Model

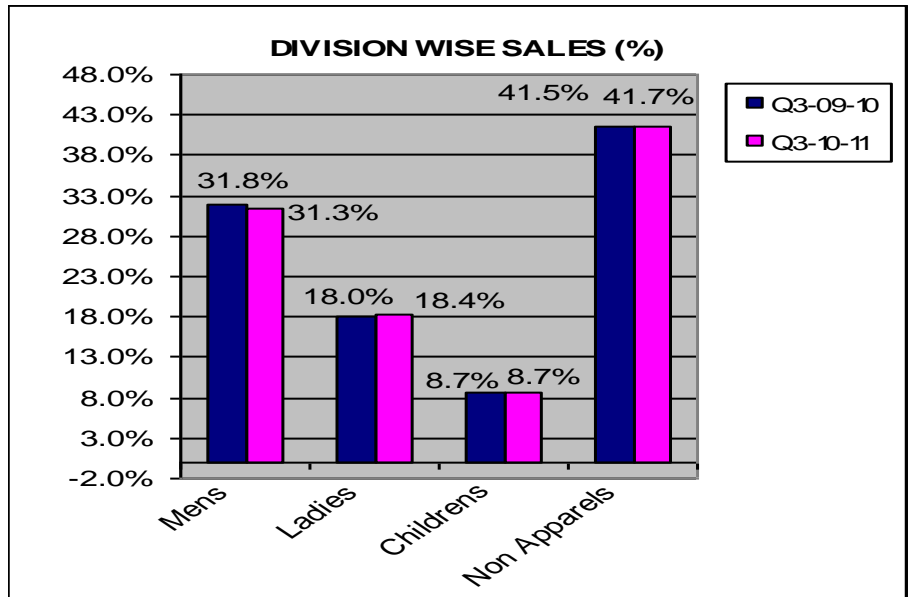
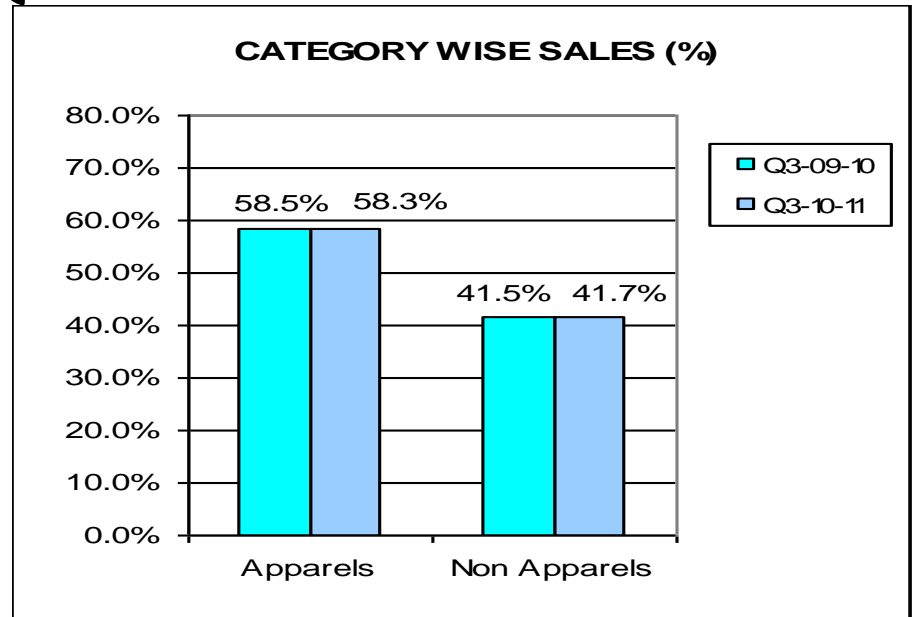




# Revenue Mix – Q3 -2010-11

- Non Apparel consists of Home, Leather, Watches, Jewellery, Electronics and Personal accessories

Children includes Mother Care

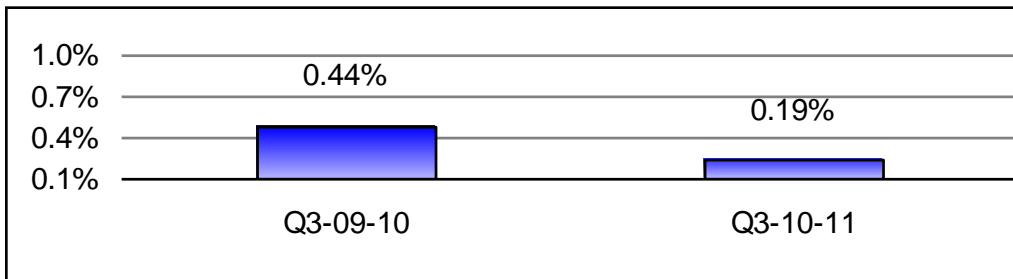




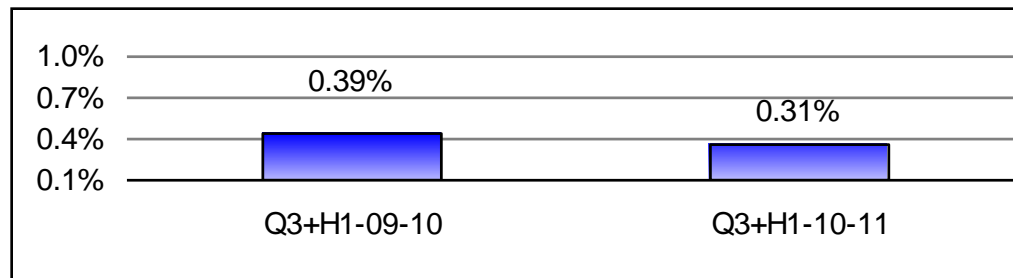
# Operational Efficiency Q3 & Q3+H1-2010-11 :Shrinkage as % of Gross Retail Sales

*(SS Dept. Stores)*

## Q3-2010-11



## Q3+H1-2010-11





# Financial Summary – Q3-2010-11

Shopper's Stop Ltd.

Rs. in lacs

Particular	Q3-10-11	Q3-09-10
<b>Retail Turnover</b>	<b>52,086.8</b>	<b>42,739.7</b>
<b>Retail Sales (Before VAT)</b>	<b>51,591.5</b>	<b>41,709.9</b>
Retail Sales (Net of VAT)	49,116.5	39,862.6
<b>Margin on Sales</b>	<b>17,016.3</b>	<b>14,463.4</b>
<b>Margin on Sales %</b>	<b>33.0%</b>	<b>34.7%</b>
Other Retail Operating Income	495.3	1,029.8
Operating expenses	12,360.4	10,940.9
<b>Operating expenses %</b>	<b>24.0%</b>	<b>26.2%</b>
<b>Operating Profit (EBIDTA)</b>	<b>5,151.3</b>	<b>4,552.3</b>
<b>Operating Profit (EBIDTA) %</b>	<b>10.0%</b>	<b>10.9%</b>
Finance Charges (Net)	31.2	443.5
Depreciation	879.8	1,218.2
<b>PBT ( Before Exceptional Item)</b>	<b>4,240.3</b>	<b>2,890.6</b>
<b>PBT%</b>	<b>8.2%</b>	<b>6.9%</b>
Exceptional Items	-	(98.8)
<b>PBT</b>	<b>4,240.3</b>	<b>2,989.4</b>
<b>PBT %</b>	<b>8.2%</b>	<b>7.2%</b>
Tax	1,454.0	1,068.0
<b>Profit After Tax</b>	<b>2,786.3</b>	<b>1,921.4</b>
<b>Profit After Tax %</b>	<b>5.4%</b>	<b>4.6%</b>

↑ 22%

↑ 18%

LY Operating Income includes Rs.660 lacs for relinquishment of Exclusive rights to open Mother Care Stand alone Stores. The Company retains the exclusive development rights for Shop in Shop Dept. Stores

↑ 13%

↑ 13%

↓ (93)%

↑ 47%

↑ 45%

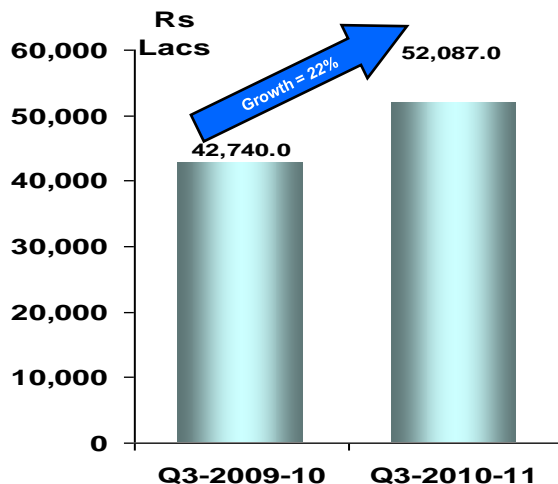




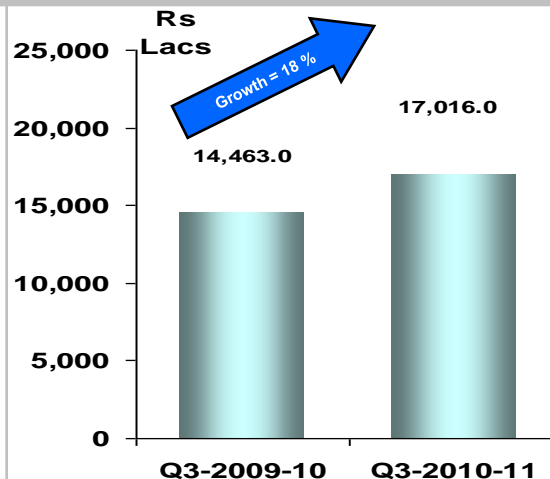
# Financial Performance – Q3 2010-11



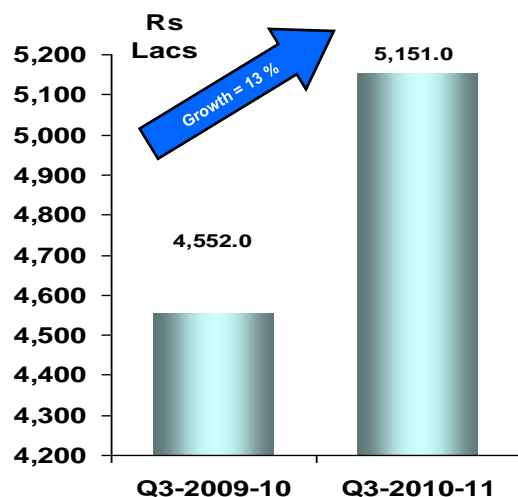
**Retail Turnover**



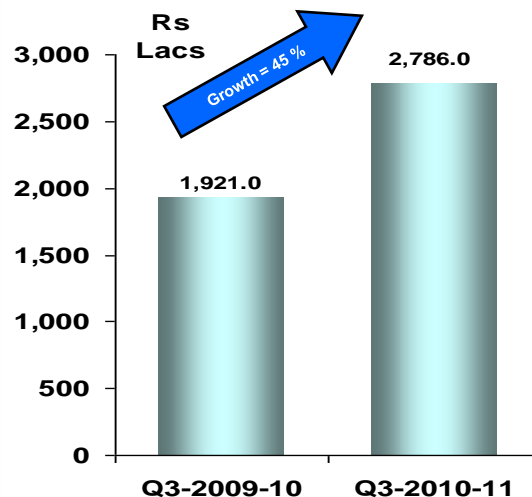
**Gross Cash Margin**



**EBIDTA**



**PAT**





# Consolidated Financial – Q3 2010-11



Rs. in lacs

Particular	Q3-10-11	Q3-09-10
<b>Retail Turnover</b>	<b>72,483.9</b>	<b>43,820.7</b>
Retail Sales (Before VAT)	71,466.5	42,649.4
Retail Sales (Net of VAT)	67,717.8	40,802.2
<b>Margin on Sales</b>	<b>21,213.3</b>	<b>15,118.4</b>
<b>Margin on Sales %</b>	<b>29.7%</b>	<b>35.4%</b>
Other Retail Operating Income	1,017.4	1,171.2
Operating expenses	17,971.4	11,867.3
<b>Operating expenses %</b>	<b>25.1%</b>	<b>27.8%</b>
<b>Operating Profit (EBIDTA)</b>	<b>4,259.3</b>	<b>4,422.4</b>
<b>Operating Profit (EBIDTA) %</b>	<b>6.0%</b>	<b>10.4%</b>
Finance Charges (Net)	672.1	431.7
Depreciation	1,364.2	1,539.4
<b>Profit Before Tax</b>	<b>2,223.0</b>	<b>2,451.4</b>
<b>Profit Before Tax %</b>	<b>3.1%</b>	<b>5.7%</b>
Tax	1,464.7	1,091.4
Minority Interest	896.0	1.1
<b>Profit After Tax</b>	<b>1,654.3</b>	<b>1,361.0</b>
<b>Profit After Tax %</b>	<b>2.3%</b>	<b>3.2%</b>



65%



40%



51%



(4)%



56%



(9)%



22%

Consolidation includes:

- Shoppers Stop Limited
- Crossword Bookstores Ltd.
- Timezone Entertainment Pvt. Ltd.
- Nuance Group (India) Pvt. Ltd.
- Gateway Multichannel Ltd
- Hypercity Retail (India) Ltd..

Note: LY figures do not include Hypercity Retail (India) Ltd.



**Q3+H1-2010-11**



# Key Financial Highlights –Q3+H1-2010-11



- **Sales Growth:**

Shoppers Stop department stores : 28%

All formats : 24%

- **LTL Sales Growth:**

Shoppers Stop department stores : 18%

stores > 5 years : 11%

stores < 5 years : 33%

- **Sales Per Sq.ft. on chargeable area (Built up sq.ft.) :**

Shoppers Stop department stores : Rs 6,136 (LY Rs. 5,783)

- **Customer entry for Shoppers Stop Departmental stores increased by 33%.**



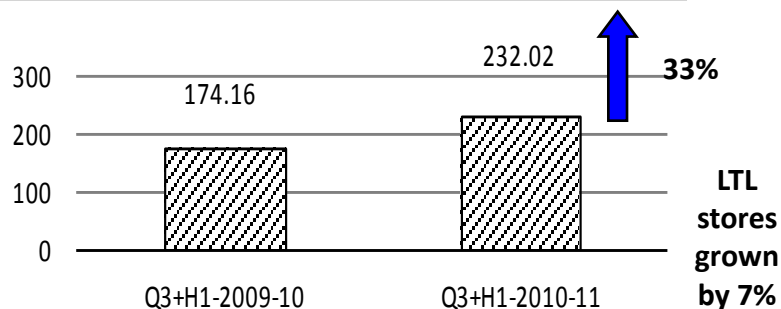




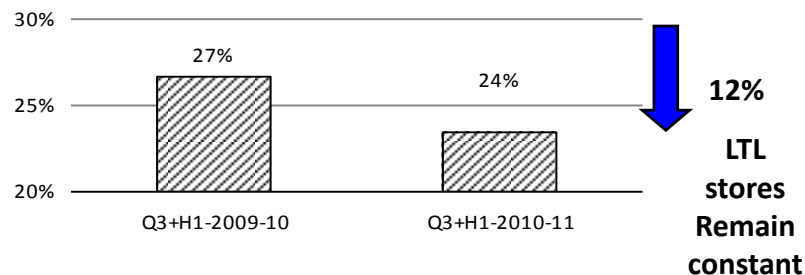
# Operational Indicators –Q3+H1-2010-11



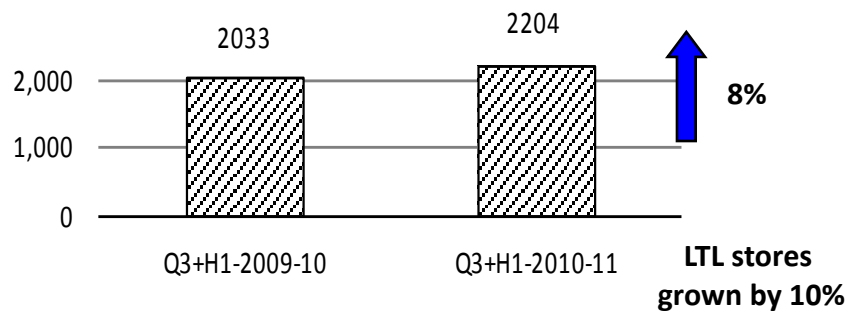
Customer Entry (figures in lacs.)



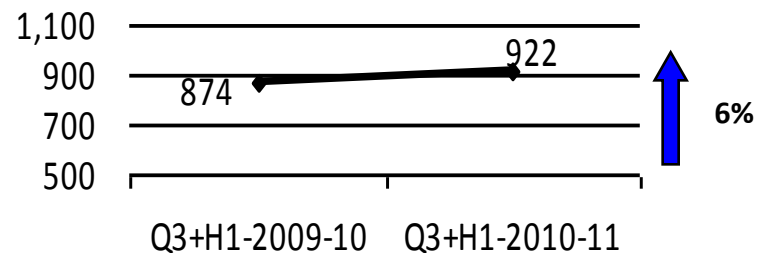
Conversion Ratio (%)



Transaction Size (Rs.)



Average Selling Price ("ASP")



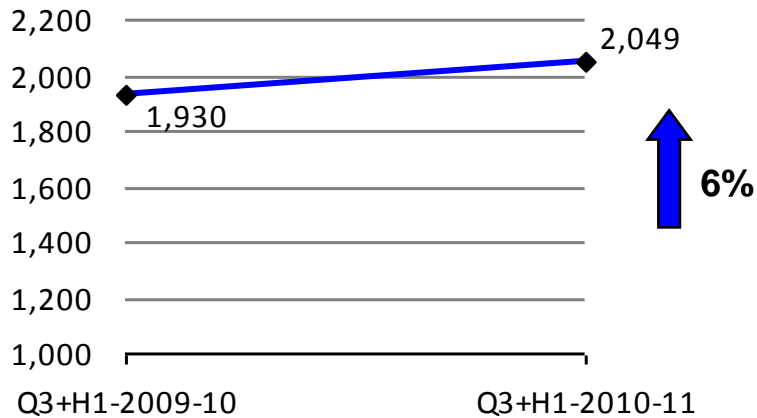
• LTL Volume

12%



# Operational Efficiency -Q3+H1-2010-11

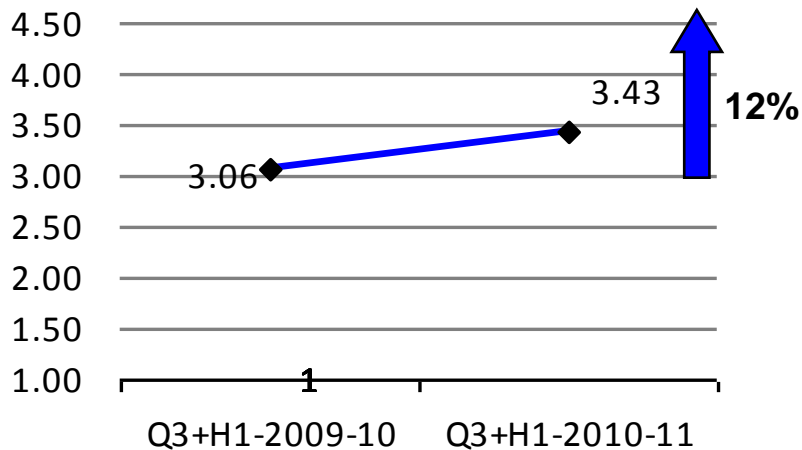
GMROF (Rs. per unit of retail space)



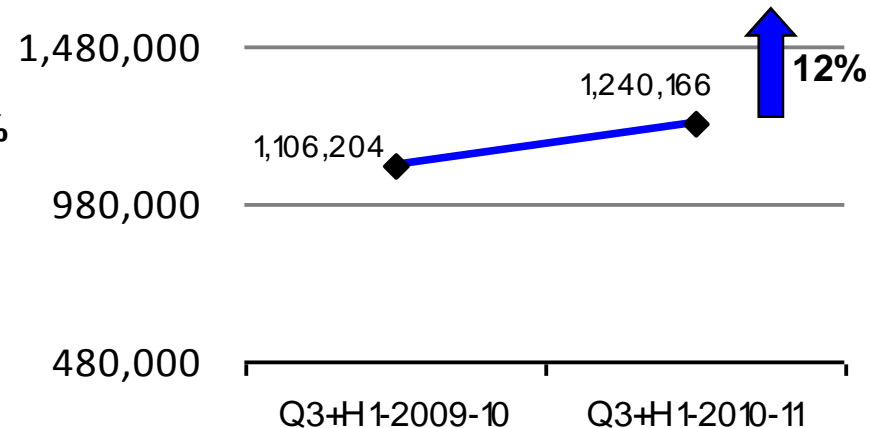
## SS Dept. Stores

- Company has improved GMROF, GMROL & GMROI.

GMROI (Rs. inventory)



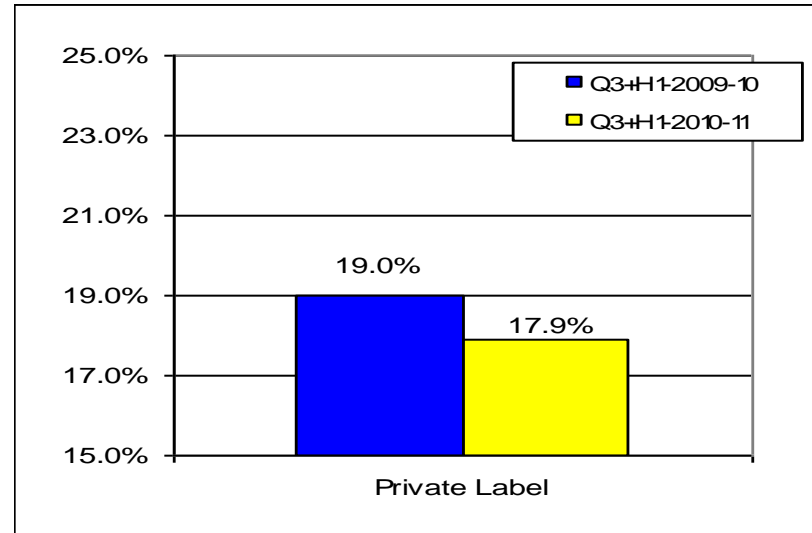
GMROL (Rs. per employee)



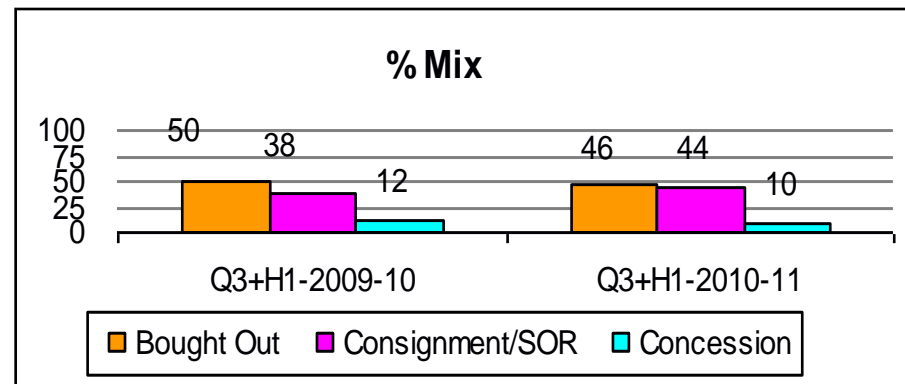
# Merchandise Mix – Q3+H1-2010-11

- Private Label Mix decreased 1.5%
- Private Label Sales has increased by 20%

## Private Label Mix



## Merchandise Buying Model



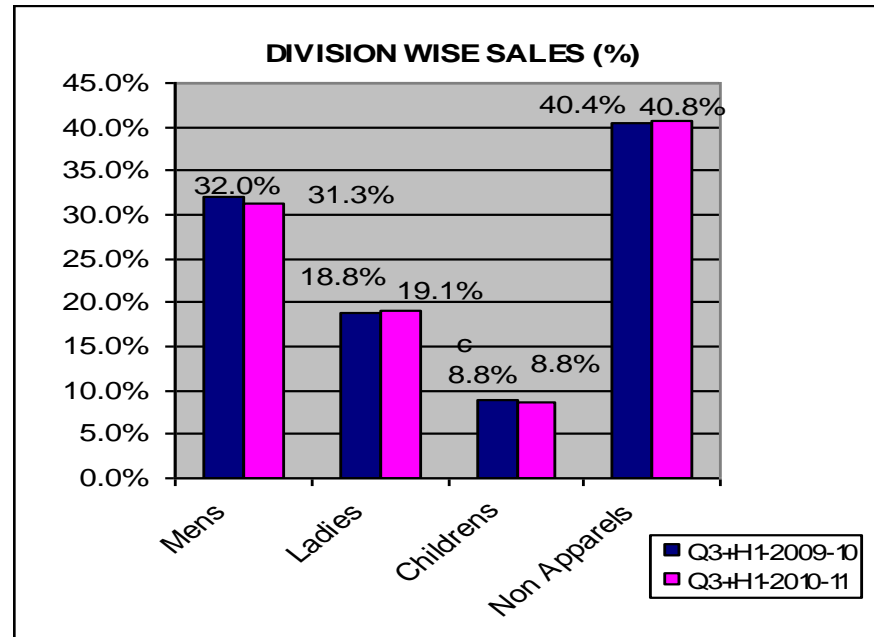
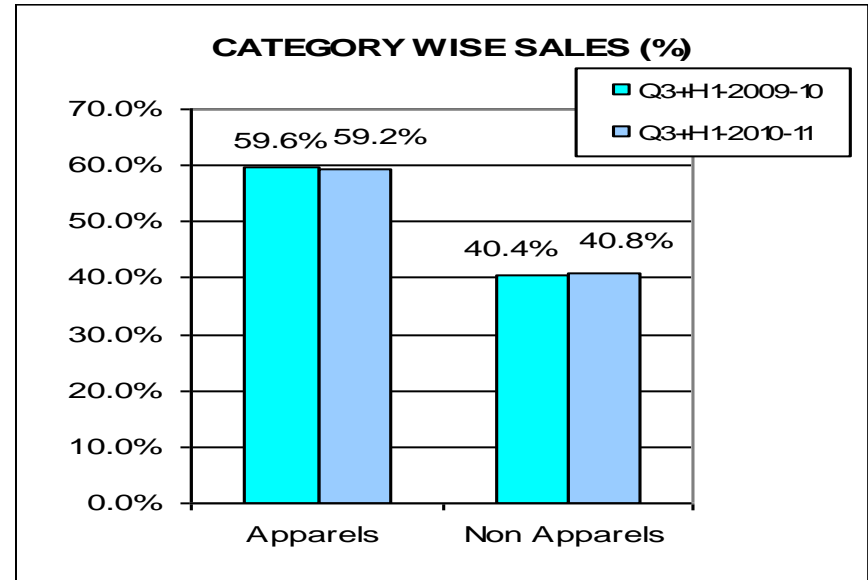


# Revenue Mix – Q3+H1-2010-11



- Non Apparel consists of Home, Leather, Watches, Jewellery, Electronics and Personal accessories

Children includes Mother Care





# Financial Summary –Q3+H1-2010-11

Shopper's Stop Ltd.

Rs. in lacs

Particular	Q3+H1-2010-11	Q3+H1-2009-10
<b>Retail Turnover</b>	<b>141,539.3</b>	<b>114,799.0</b>
<b>Retail Sales (Before VAT)</b>	<b>140,154.3</b>	<b>113,179.4</b>
Retail Sales (Net of VAT)	133,516.0	108,172.2
<b>Margin on Sales</b>	<b>45,041.0</b>	<b>37,102.7</b>
<b>Margin on Sales %</b>	<b>32.1%</b>	<b>32.8%</b>
Other Retail Operating Income	1,384.9	1,619.6
Operating expenses	34,952.6	30,077.1
<b>Operating expenses %</b>	<b>24.9%</b>	<b>26.6%</b>
<b>Operating Profit (EBIDTA)</b>	<b>11,473.3</b>	<b>8,645.2</b>
<b>Operating Profit (EBIDTA) %</b>	<b>8.2%</b>	<b>7.6%</b>
Finance Charges (Net)	762.8	1,536.2
Depreciation	2,246.9	2,453.1
<b>PBT ( Before Exceptional Item)</b>	<b>8,463.7</b>	<b>4,656.0</b>
<b>PBT%</b>	<b>6.0%</b>	<b>4.1%</b>
Exceptional Items	(5.1)	(187.7)
<b>PBT</b>	<b>8,468.8</b>	<b>4,843.7</b>
<b>PBT %</b>	<b>6.0%</b>	<b>4.3%</b>
Tax	2,943.0	1,463.8
<b>Profit After Tax</b>	<b>5,525.8</b>	<b>3,379.9</b>
<b>Profit After Tax %</b>	<b>3.9%</b>	<b>3.0%</b>

↑ 23%

↑ 21%

LY Operating Income includes Rs.660 lacs for relinquishment of Exclusive rights to open Mother Care Stand alone Stores. The Company retains the exclusive development rights for Shop in Shop Dept. Stores

↓ 16%

↑ 33%

↓ (50)%

↑ 82%

↑ 75%

↑ 63%





# Consolidated Financial – Q3+H1-2010-11



Rs. in lacs

Particular	Q3+H1-2010-11	Q3+H1-2009-10
Retail Turnover	179,679.1	118,142.8
Retail Sales (Before VAT)	177,080.2	116,069.3
Retail Sales (Net of VAT)	168,038.8	111,062.0
Margin on Sales	52,989.1	39,209.1
Margin on Sales %	29.9%	33.8%
Other Retail Operating Income	2,598.9	2,073.5
Operating expenses	45,494.5	32,780.7
Operating expenses %	25.7%	28.2%
Operating Profit (EBIDTA)	10,093.5	8,502.0
Operating Profit (EBIDTA) %	5.7%	7.3%
Finance Charges (Net)	1,859.1	1,552.3
Depreciation	3,291.1	3,110.7
Profit Before Tax	4,943.2	3,838.9
Profit Before Tax %	2.8%	3.3%
Tax	3,006.1	1,518.0
Minority Interest	1,610.7	9.6
Profit After Tax	3,547.8	2,330.5
Profit After Tax %	2.0%	2.0%

↑ 53%

Consolidation includes:

- Shoppers Stop Limited
- Crossword Bookstores Ltd.
- Timezone Entertainment Pvt. Ltd.
- Nuance Group (India) Pvt. Ltd.
- Gateway Multichannel Ltd.
- Hypercity Retail (India) Ltd..

↑ 35%

↑ 39%

↑ 19%

↑ 20%

↑ 29%

↑ 52%

Note: LY figures do not include Hypercity Retail (India) Ltd.



# Balance Sheet – SSL Standalone



PARTICULARS	Unaudited December'10	Audited March'10
<u>Sources of Funds</u>		
Share Capital	4,107	6,563
Reserves & Surplus	54,432	24,326
<b>NET WORTH</b>	<b>58,538</b>	<b>30,889</b>
Loans Funds	10,163	19,141
<b>TOTAL</b>	<b>68,701</b>	<b>50,030</b>
<u>APPLICATIONS OF FUNDS</u>		
<u>FIXED ASSETS</u>		
Net Block	32,066	29,867
Investments in Subsidiary / JV Companies	22,349	11,967
<u>CURRENT ASSETS, LOANS &amp; ADVANCES</u>		
Stock in Trade	15,984	14,989
Sundry Debtors	1,737	1,091
Lease Deposits for Properties	10,320	10,334
Loans & Advances	15,795	9,234
Cash & Bank Balance	421	304
<b>TOTAL CURRENT ASSETS</b>	<b>44,257</b>	<b>35,952</b>
<u>CURRENT LIABILITIES &amp; PROVISIONS</u>		
Current Liabilities & Provisions	29,971	27,756
<b>TOTAL CURRENT LIABILITIES</b>	<b>29,971</b>	<b>27,756</b>
<b>NET CURRENT ASSETS</b>	<b>14,286</b>	<b>8,196</b>
<b>TOTAL</b>	<b>68,701</b>	<b>50,030</b>

Rs.in Lacs

Balance Sheet Ratios

Particulars	Q3+H1-10-11	2009-10
ROCE (for 9 months)	15.5%	17.5%
RONW (for 9 months)	20.6%	30.4%
Debt Equity Ratios	0.17	0.62
Current Ratio	0.65	0.66



# Cash Flow – SSL Standalone



Particulars	Rs.in Lacs
	For the Half Year ended 31st December 2010
<b>Operating Profit</b>	<b>9,060</b>
Changes in Working Capital	405
<b>Cash Generated from Operating Activities</b>	<b>9,465</b>
Investment in SSL Fixed Assets	(4,139)
Investment in JV/ Subsidiary Companies	(16,618)
<b>Net Cash Used for Investing Activities</b>	<b>(20,757)</b>
Proceeds from issuance of share capital	25,209
Interest & Finance Cost (Net off)	(1,141)
Payment of Dividend and Dividend Tax	(611)
Increase / (Decrease) in Loans	(8,979)
<b>Cash generated from Financing Activities</b>	<b>11,407</b>
<b>Net Increase/(decrease) in Bank Balance</b>	<b>115</b>





# HyperCITY

## Investor Presentation – Q3 FY11



# Key Financial Highlights –Q3 -2010-11

- **Sales Growth:**

All Stores : 79%

LTL Stores : 22%

- **Sales Per Sq.ft. on chargeable area :**

Chain Level : 1,942

LTL : 2,704

- **Customer entry Increased by 125%**





# Key Financial Highlights –Q3+H1 -2010-11

- **Sales Growth:**

All Stores : 95%

LTL Stores : 22%

- **Sales Per Sq.ft. on chargeable area :**

Chain Level : 5,369

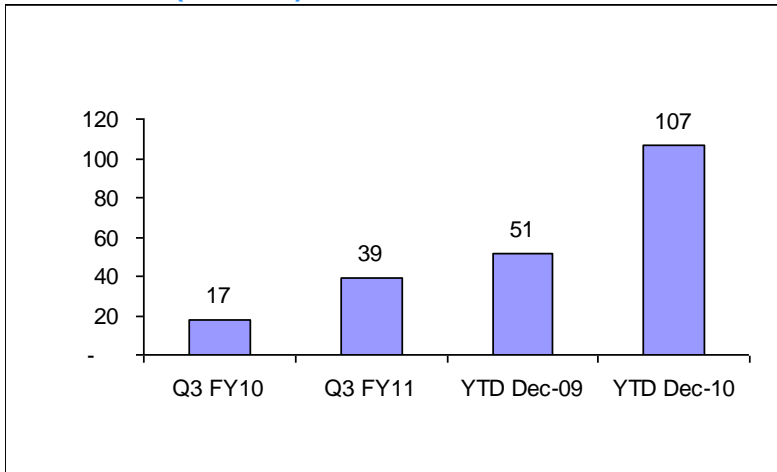
LTL : 7,603

- **Customer entry Increased by 109%**

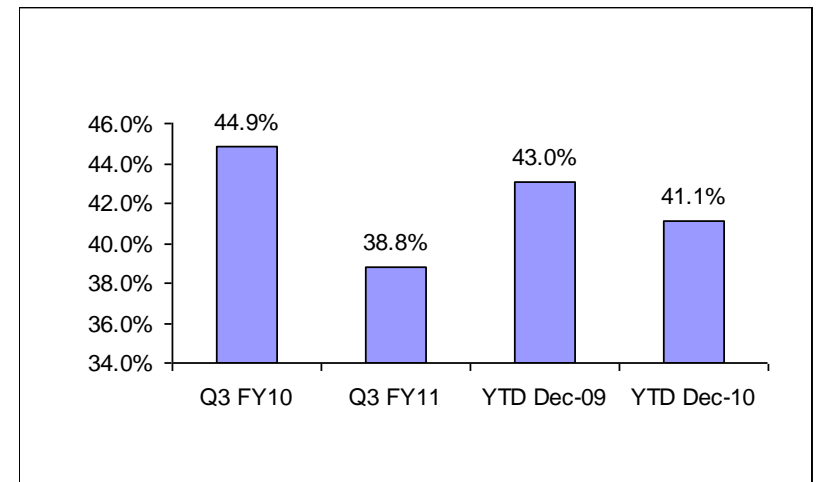


# Footfalls, ASP , Conversion and Average Ticket size

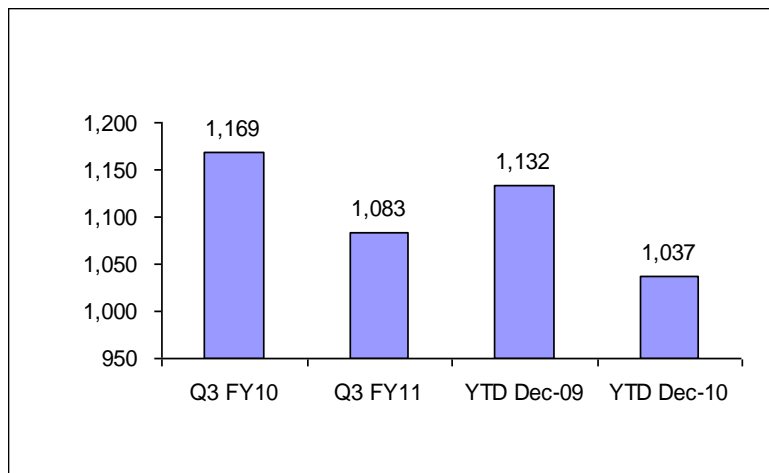
## Footfalls (In Lacs)



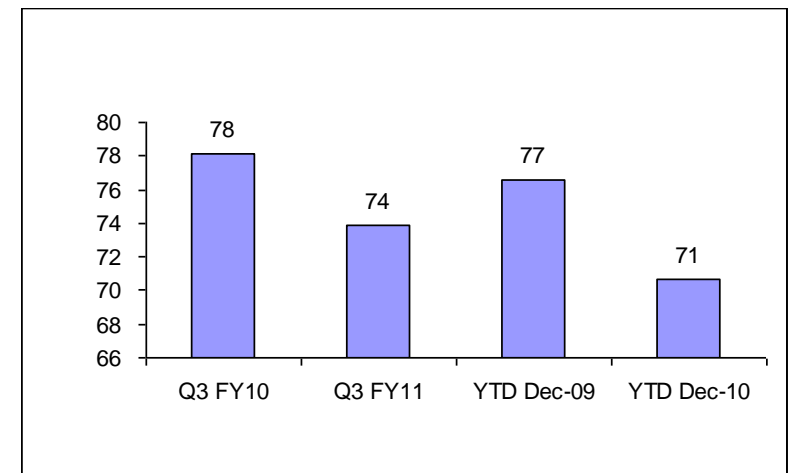
## Conversion rate (%)



## Average Transaction size (Rs)



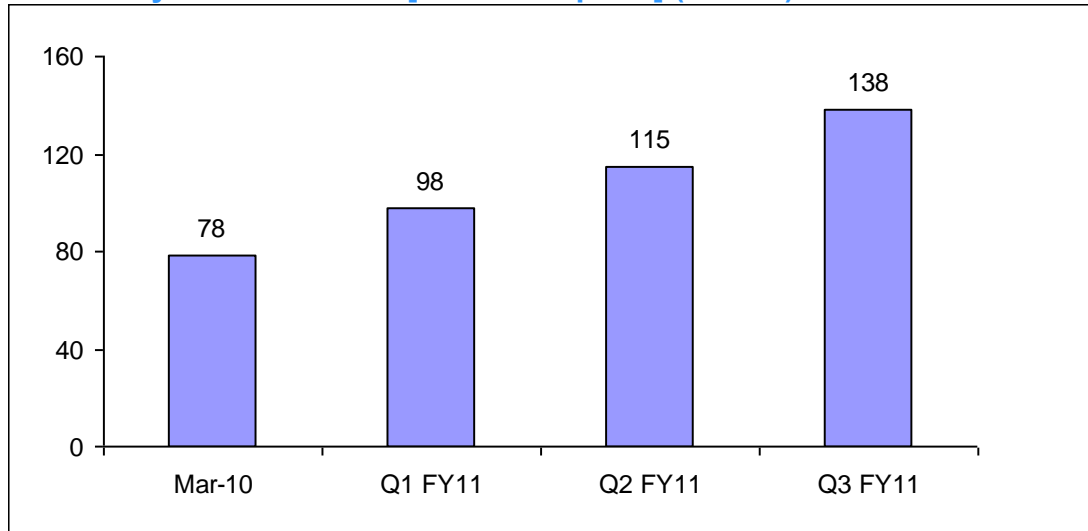
## Average Selling Price (Rs)



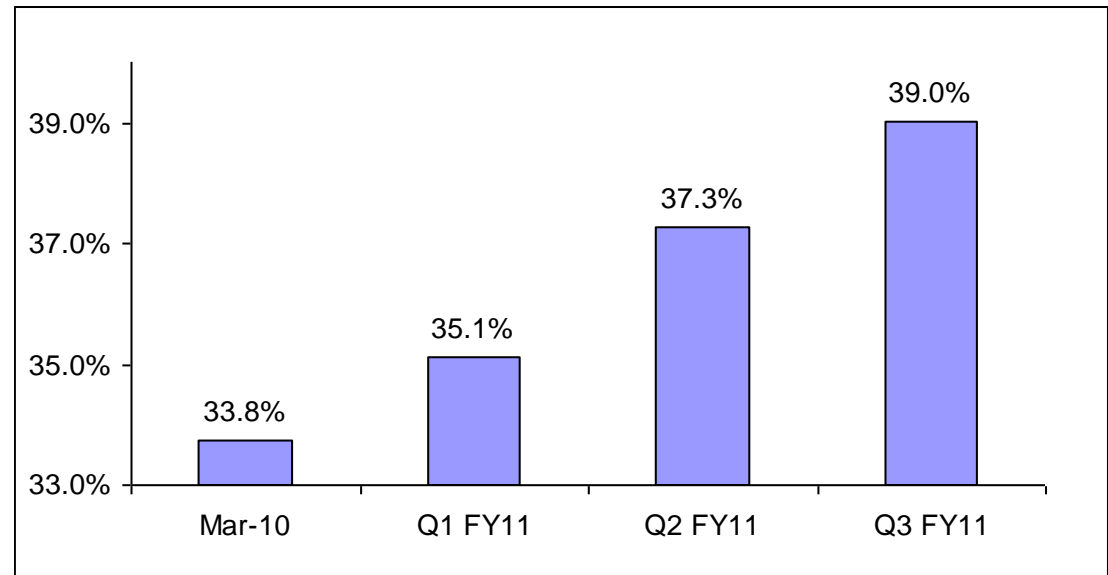


# Discovery club members and their contribution

Discovery Club Members [Since Inception] (In '000)



Discovery Club contribution to Total Sales (%)



• H1 Discovery Club sales mix - 23.1%





# HyperCity Financials - 2010-11



Rs.in lacs

Particular	Q3- FY11	% Sales	YTD Dec10	% Sales
Retail Sales (Including VAT)	16,592		45,683	
Retail Sales (Net of VAT)	15,230	100.0%	42,108	100.0%
Margin on Sales	2,963	19.5%	8,425	20.0%
%to Sales	19.5%		20.0%	
DC Cost	241	1.6%	668	1.6%
Shrinkage	141	0.9%	272	0.6%
Damages / Others	66	0.4%	161	0.4%
<b>Gross Margin</b>	<b>2,515</b>	<b>16.5%</b>	<b>7,324</b>	<b>17.4%</b>
%to Sales	16.5%		17.4%	
Store Operating Expenses	2,904	19.1%	8,152	19.4%
Other Retail Operating Income	255	1.7%	720	1.7%
<b>Store EBIDTA</b>	<b>(134)</b>	<b>-0.9%</b>	<b>(107)</b>	<b>-0.3%</b>
Store EBIDTA %to Sales	-0.9%		-0.3%	
Service Office Expenses	768	5.0%	2,256	5.4%
<b>COMPANY EBIDTA</b>	<b>(902)</b>	<b>-5.9%</b>	<b>(2,363)</b>	<b>-5.6%</b>
Depreciation	308	2.0%	914	2.2%
Finance Charges	621	4.1%	1,746	4.1%
Tax	(3)	0.0%	(3)	0.0%
<b>PAT</b>	<b>(1,829)</b>	<b>-12.0%</b>	<b>(5,021)</b>	<b>-11.9%</b>
PAT %to Sales	-12.0%		-11.9%	

Rs.in lacs

Sources of Funds	31st Dec 2010
Net worth	96
Loans from Shareholders / Group Co's	10,608
Loans	10,700
<b>Total</b>	<b>21,404</b>
<b>Application of Funds</b>	
Fixed Assets	14,711
Currents Assets , Loans and Advances	12,647
Less : Current Liabilities and Provisions	5,954
Net Current Assets	6,693
<b>Total</b>	<b>21,404</b>



In case of any clarifications please  
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