



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



- First Citizen members base increased to over 17,08,000 and their contribution to sales is 73%.



- Andheri Store was relaunched after renovation on 5th June,2010.



- 31st & 32nd SS Department store opened at Bangalore Koramangala on 22nd July,2010 & Bhopal on 27th July, 2010 respectively.



- 13th & 14th MAC SIS Store opened at Amritsar and Andheri on 3rd May,2010 and 25th July,2010 respectively.



- Four Clinique SIS Stores opened at Juhu, Rajouri, GVK-Hyderabad & Garuda Mall – Bangalore.



- HyperCity 32% stake acquired on 30th June,2010, which takes SSL Stake to 51% as on June,2010.



- Hypercity has been awarded “CORPORATE ACHIEVEMENT TO RECOGNIZE QUALITY & EXCELLENCE” – April 2010 by OMAC, France





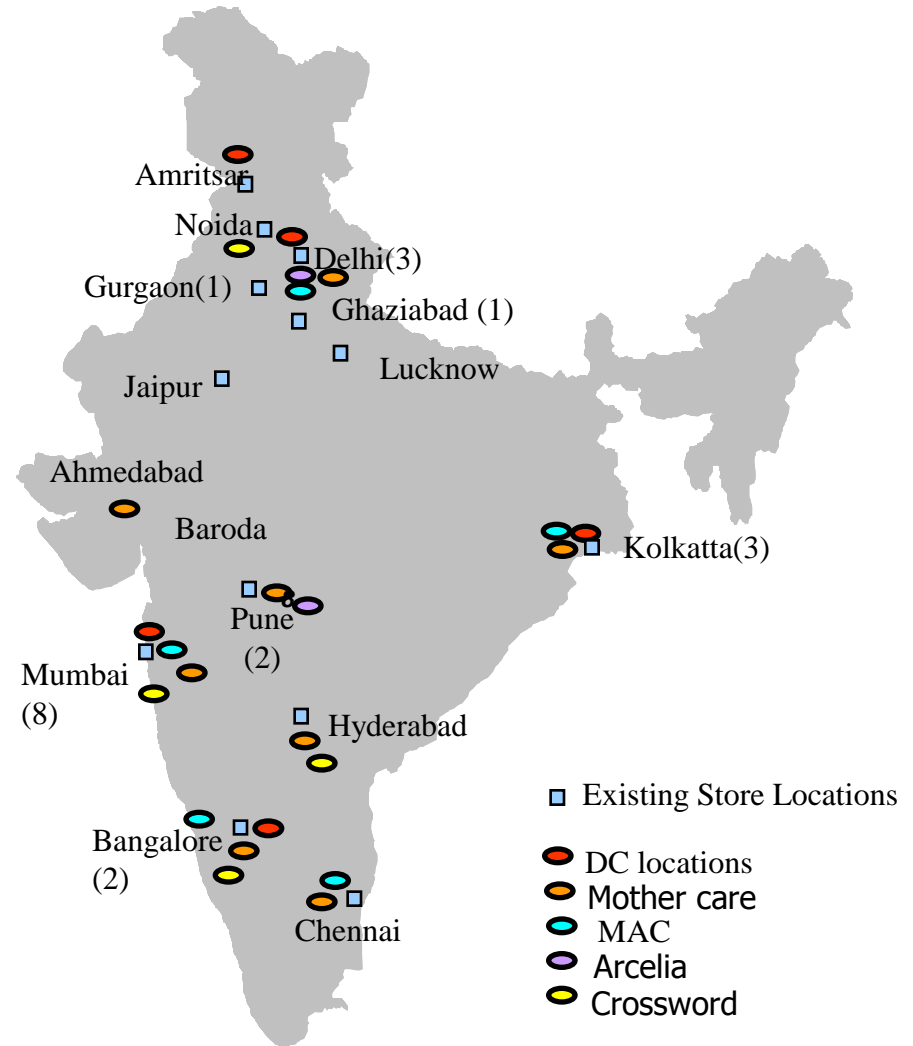
Our Presence and still expanding...

Presence in 13 Cities

– Shoppers' Stop	30
– Home Stop	4
– Mother Care	24[16]
– Mac & Clinique	20 (12)
– Estee Lauder	3
– Airport	2
– Crossword	32 [7]
-- Arcelia	1

Total Area 2,063,150 Sq.ft.

*Figures in brackets represent
shop in shop*



S

Andheri Store Re-launch – 5th June 2010

HomeStop.

arcelia



m

MAC

HyperCITY

TIMEZONE

the Nuance group



S

HomeStop.

arcelia



m

MAC

HyperCITY

TIMEZONE

the Nuance group

New Store Opened



Location : Koramangala (Bangalore)

Opening Date : 22nd July 2010

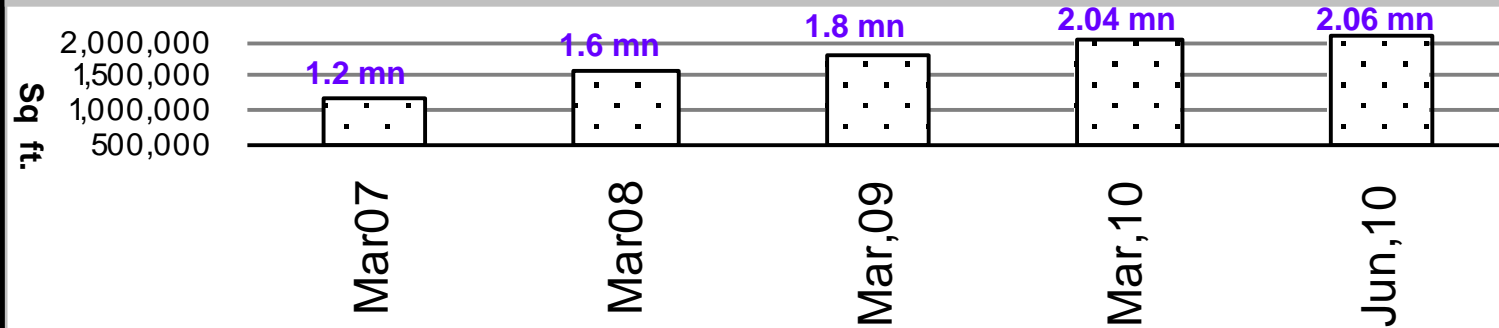
Chargeable Area : 53719 sq.ft.





Existing Stores of Shoppers Stop Ltd.

Space ramp-up (Sq. ft.)



Store Area as on 30th June,10

Shoppers Stop
Specialty Stores

Total Store Area

Chargeable Area (Sq.ft.)

1,816,272

2,46,878

20,63,150

=====



Key Financial Highlights – Q1 2010-11



- **Sales Growth:**

Shoppers Stop department stores : 26%

All formats : 25%



- **LTL Sales Growth:**

Shoppers Stop department stores : 21%

stores > 5 years : 14%

stores < 5 years : 37%



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

Shoppers Stop department stores : Rs 1,842 (LY Rs. 1,636)



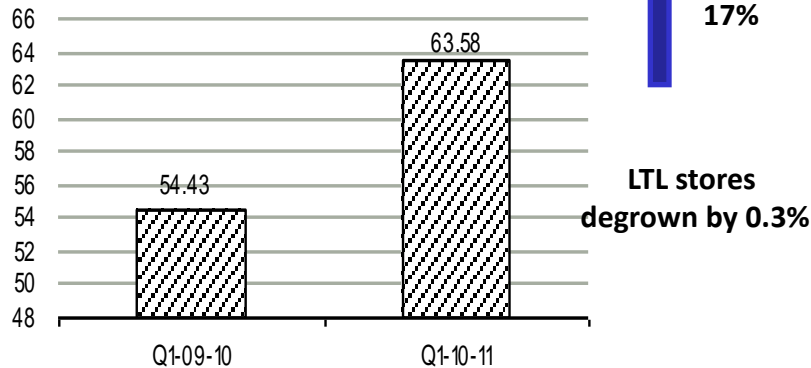
- **Customer entry for Shoppers Stop Departmental stores Increased by 17%**



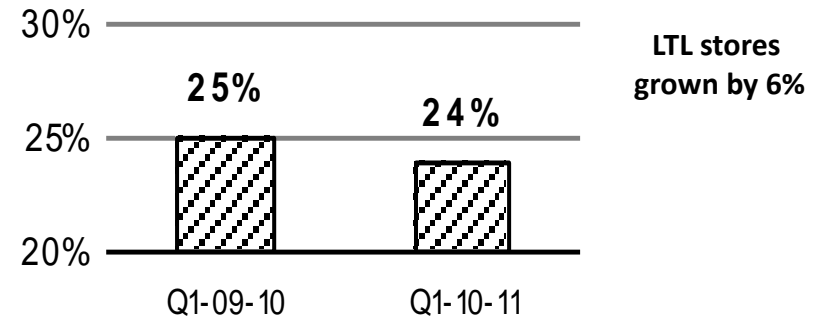


Operational Indicators – Q1-2010-11

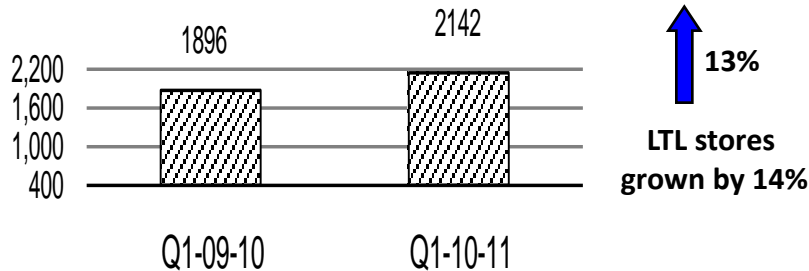
Customer Entry (figures in lacs.)



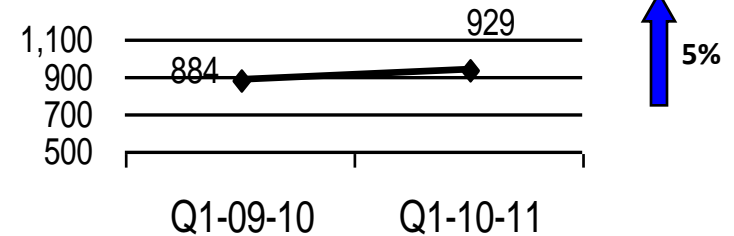
Conversion Ratio (%)



Transaction Size (Rs.)



Average Selling Price ("ASP")



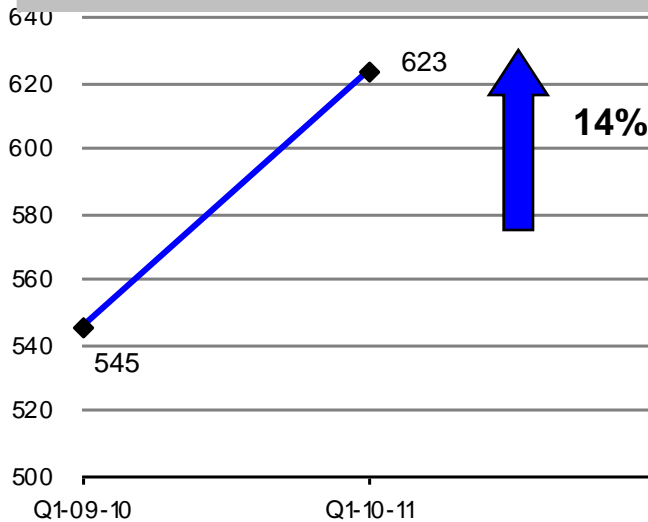
LTL Volume

16%



Operational Efficiency Q1 2010-11

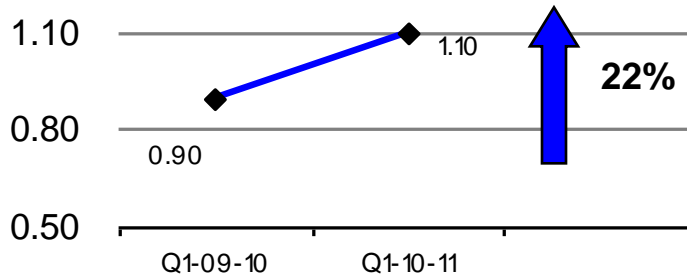
GMROF (Rs. per unit of retail space)



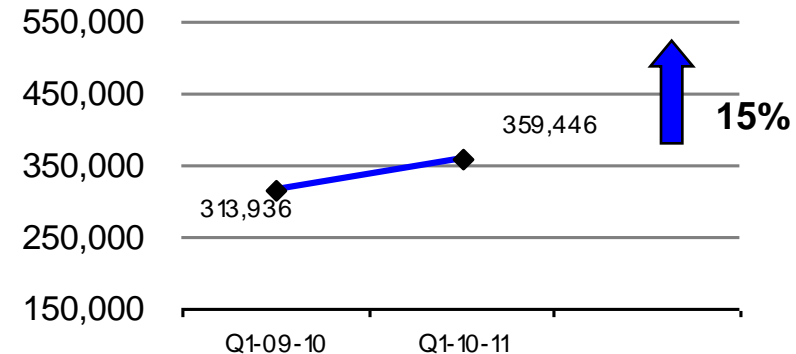
SS Dept. Stores

- *Company has improved GMROF, GMROI & GMROL.*

GMROI (Rs. inventory)



GMROL (Rs. per employee)





Merchandise Mix – Q1 2010-11

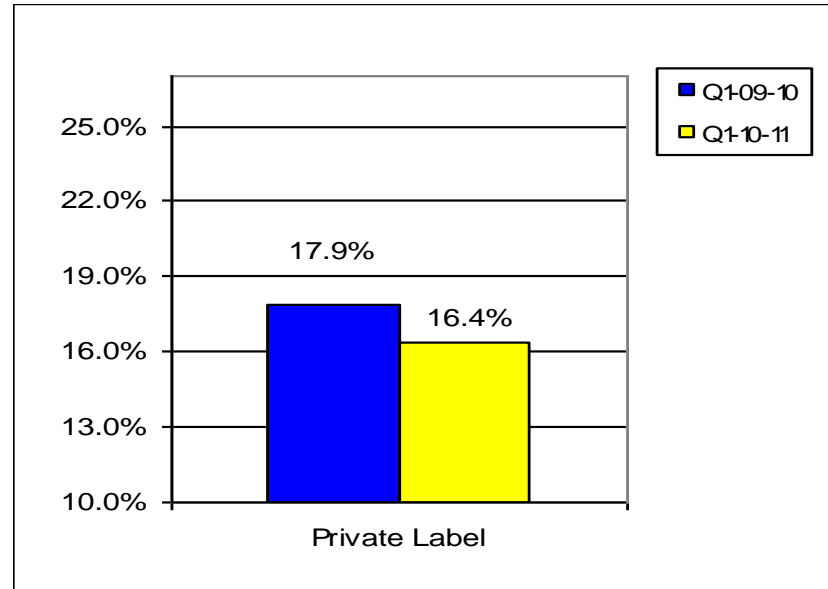


- Private Label sales grew by 18%.

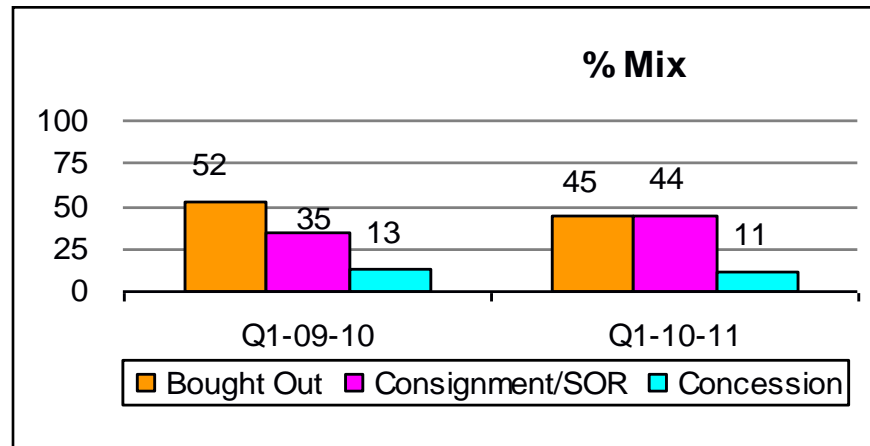
- Private Label Mix decreased by 1.5%



Private Label Mix



Merchandise Buying Model





Revenue Mix – Q1 2010-11

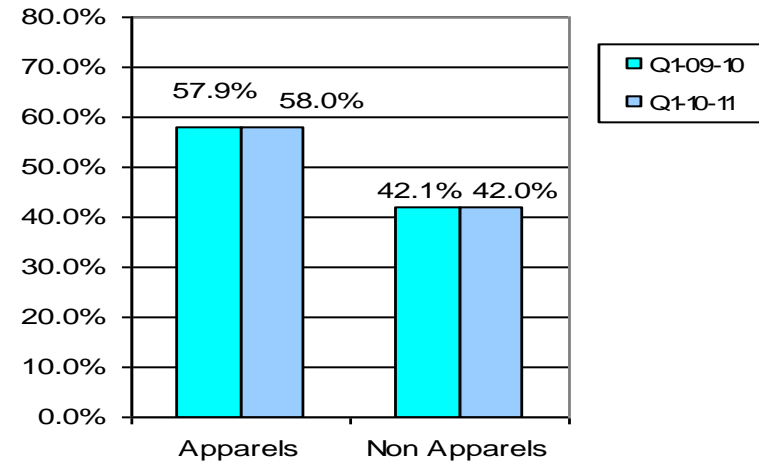


- Non Apparel consists of Home, Leather, Watches, Jewellery, Electronics and Personal accessories

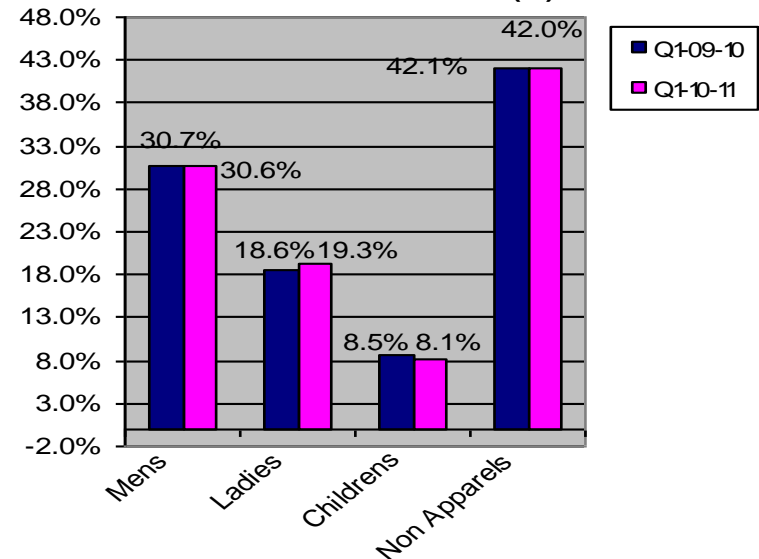
Children includes Mother Care



CATEGORY WISE SALES (%)



DIVISION WISE SALES (%)

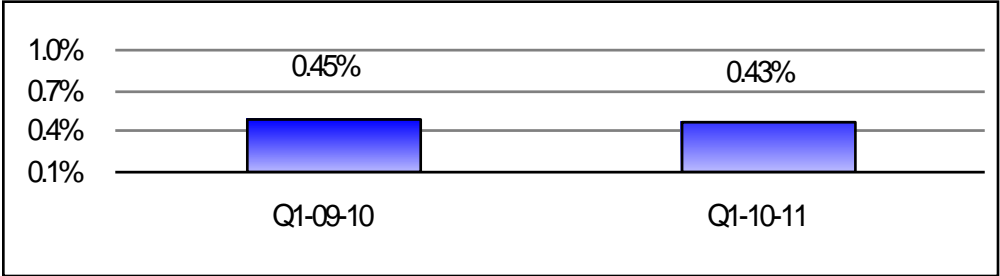




Operational Efficiency Q1 -2010-11: Shrinkage as % of Gross Retail Sales

(SS Dept. Stores)

Q1-2010-11





Format wise P&L Q1 -2010-11

Rs.in lacs

Q1-2010-11	SS Dept	Other Formats	Company
Revenue	31,988.8	6,249.4	38,238.2
Operating Income	213.4	122.9	336.3
Gross Margin % to sales	10,602.5 33.1%	2,288.8 36.6%	12,891.3 33.7%
Operating Expenses % to sales	8,650.1 27.0%	2,073.7 33.2%	10,723.9 28.0%
EBIDTA % to sales	2,165.8 6.8%	338.0 5.4%	2,503.7 6.5%
Finance Charges % to sales	251.3 0.8%	80.1 1.3%	331.4 0.9%
Depreciation % to sales	421.9 1.3%	216.6 3.5%	638.5 1.7%
PBT - Before Exceptional Items % to sales	1,492.5 4.7%	41.3 0.7%	1,533.9 4.0%

Q1-2009-10	SS Dept	Other Formats	Company
Revenue	25,489.6	5,083.1	30,572.7
Operating Income	176.4	70.4	246.8
Gross Margin % to sales	8,410.9 33.0%	1,743.4 34.3%	10,154.3 33.2%
Operating Expenses % to sales	7,106.4 27.9%	1,779.7 35.0%	8,886.1 29.1%
EBIDTA % to sales	1,480.9 5.8%	34.2 0.7%	1,515.1 5.0%
Finance Charges % to sales	363.9 1.4%	184.1 3.6%	548.0 1.8%
Depreciation % to sales	445.1 1.7%	165.8 3.3%	610.9 2.0%
PBT - Before Exceptional Items % to sales	672.0 2.6%	(315.8) -6.2%	356.2 1.2%

Other formats comprise:

- Home Stop
- Crossword
- Mothercare
- MAC, Clinique & Estee Lauder
- Arcelia
- Airport Retail (Domestic)
- Ecom












Financial Summary – Q1 2010-11

Shopper's Stop Ltd.

Rs. in lacs

Particular	Q1-10-11	Q1-09-10	
Retail Turnover	38,574.5	30,819.5	 25%
Retail Sales (Before VAT)	38,238.2	30,572.7	
Retail Sales (Net of VAT)	36,386.2	29,143.7	
Margin on Sales	12,891.3	10,154.3	 27%
Margin on Sales %	33.7%	33.2%	
Other Retail Operating Income	336.3	246.8	
Operating expenses	10,723.9	8,886.1	 21%
Operating expenses %	28.0%	29.1%	
Operating Profit (EBIDTA)	2,503.7	1,515.1	 65%
Operating Profit (EBIDTA) %	6.5%	5.0%	
Finance Charges	331.4	548.0	 40%
Depreciation	638.5	610.9	
PBT (Before Exceptional Item)	1,533.9	356.2	
PBT%	4.0%	1.2%	
Exceptional Items	(5.1)	-	 332%
PBT	1,539.0	356.2	
PBT %	4.0%	1.2%	
Tax	537.0	103.8	 297%
Profit After Tax	1,002.0	252.4	
Profit After Tax %	2.6%	0.8%	

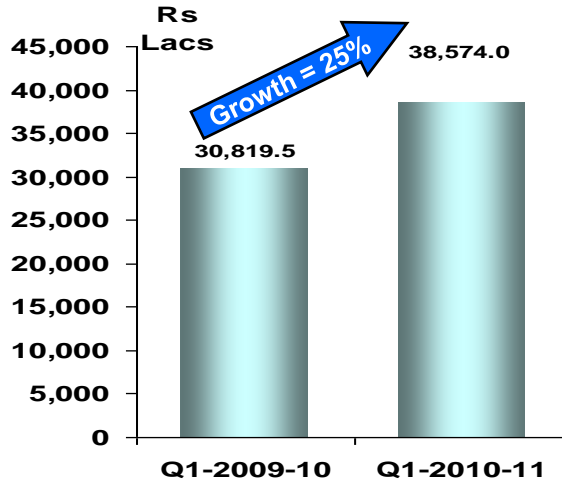




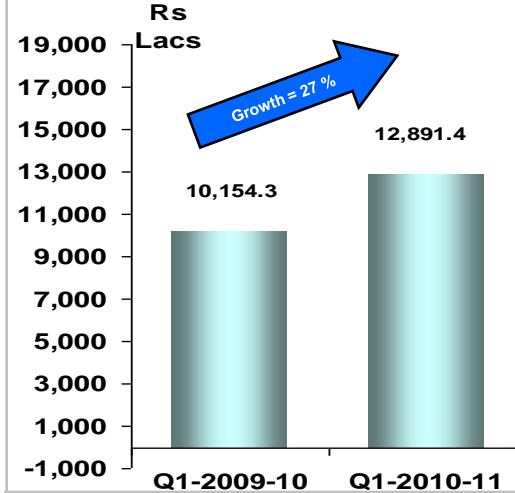
Financial Performance – Q1 2010-11



Retail Turnover

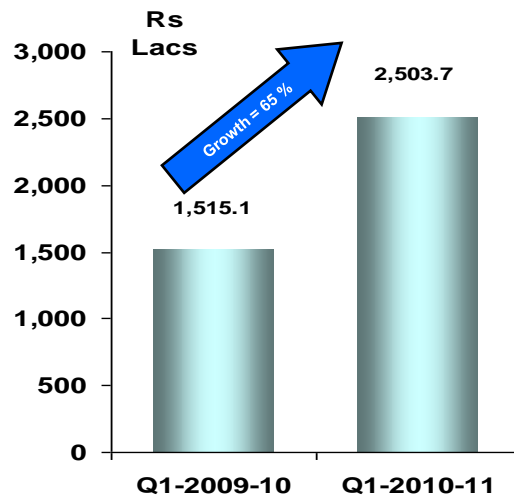


Gross Cash Margin

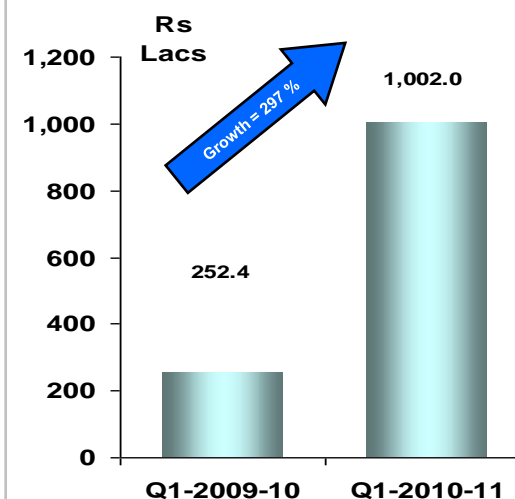


Gross Margin %
Increased by 50
basis points

EBIDTA



PAT





Consolidated Financial – Q1 2010-11



Rs. in lacs

Particular	Q1-2010-11	Q1-2009-10
Retail Turnover	39,831.2	31,937.3
Retail Sales (Before VAT)	39,307.1	31,583.2
Retail Sales (Net of VAT)	37,443.8	30,154.2
Margin on Sales	13,419.9	10,945.8
Margin on Sales %	34.1%	34.7%
Other Retail Operating Income	524.1	354.1
Operating expenses	11,415.3	9,756.3
Operating expenses %	29.0%	30.9%
Operating Profit (EBIDTA)	2,528.7	1,543.6
Operating Profit (EBIDTA) %	6.4%	4.9%
Finance Charges	305.6	574.6
Depreciation	764.5	780.6
Profit Before Tax	1,458.6	188.4
Profit Before Tax %	3.7%	0.6%
Tax	562.9	103.1
Minority Interest	33.0	16.3
Profit After Tax	928.8	101.6
Profit After Tax %	2.4%	0.3%

↑ 25%

↑ 23%

↑ 17%

↑ 64%

↓ 47%

↑ 674%

↑ 815%

Consolidation includes:

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



Balance Sheet – SSL Standalone

Rs.in Lacs

PARTICULARS	Unaudited June'10	Audited March'10
<u>Sources of Funds</u>		
Share Capital (including Warrant Deposit)	6,564	6,563
Reserves & Surplus	25,350	24,326
NET WORTH	31,914	30,889
Loans Funds	17,667	19,141
TOTAL	49,581	50,030
<u>APPLICATIONS OF FUNDS</u>		
<u>FIXED ASSETS</u>		
Net Block	31,385	29,867
Investments in Subsidiary / JV Companies	13,589	11,967
<u>CURRENT ASSETS, LOANS & ADVANCES</u>		
Stock in Trade	15,580	14,989
Sundry Debtors	881	1,091
Lease Deposits for Properties	10,496	10,334
Loans & Advances	5,763	9,234
Cash & Bank Balance	440	304
TOTAL CURRENT ASSETS	33,161	35,952
<u>CURRENT LIABILITIES & PROVISIONS</u>		
Current Liabilities & Provisions	28,554	27,756
TOTAL CURRENT LIABILITIES	28,554	27,756
NET CURRENT ASSETS	4,607	8,196
TOTAL	49,581	50,030

Note :- In Dec,09 Company has issued 4 mn share warrants to promoters & share holders have approved QIP for 4 mn shares.





Cash Flow – SSL Standalone

Rs.in Lacs

Particulars	For the Year ended 30th June 2010
Operating Profit	2,476
Changes in Working Capital	382
Cash Generated from Operating Activities	2,857
Investment in SSL Fixed Assets	(2,617)
Investment in JV/ Subsidiary Companies	1,817
Net Cash Used for Investing Activities	(799)
Proceeds from issuance of share capital	26
Interest & Finance Cost (Net off)	(465)
Increase / (Decrease) in Loans	1,526
Cash generated from Financing Activities	1,087
Net Increase/(decrease) in Bank Balance	3,145





HyperCITY

Investor Presentation - Q1 FY11



HyperCITY: The Next Growth Engine



HyperCITY – Overview

- Operates the hypermarket retail format with **7 stores** and total area under operation of **830,000 sq ft**
- In a short period HyperCITY has positioned itself as **premium player in the hypermarket space**, dominant in its catchment
- SSL has increased their stake to 51% in HyperCITY on 30th June, 2010.

HyperCITY

HyperCITY – Way forward

- **Proof of concept** in the hypermarket space in India established
- **Optimal product and merchandise mix** established to sustain high margins
- **Portfolio of exclusive brands** created in all product segments
- **Strong relationships** with suppliers to ensure smooth supply
- **Robust growth pipeline** visibility established with:
 - 4 stores opened in FY 2010
 - To continue adding 4-5 stores every year for the next 5 years
- **Strengthened back end and IT** systems to support aggressive expansion plans.
- To achieve Company level breakeven in FY 2013.

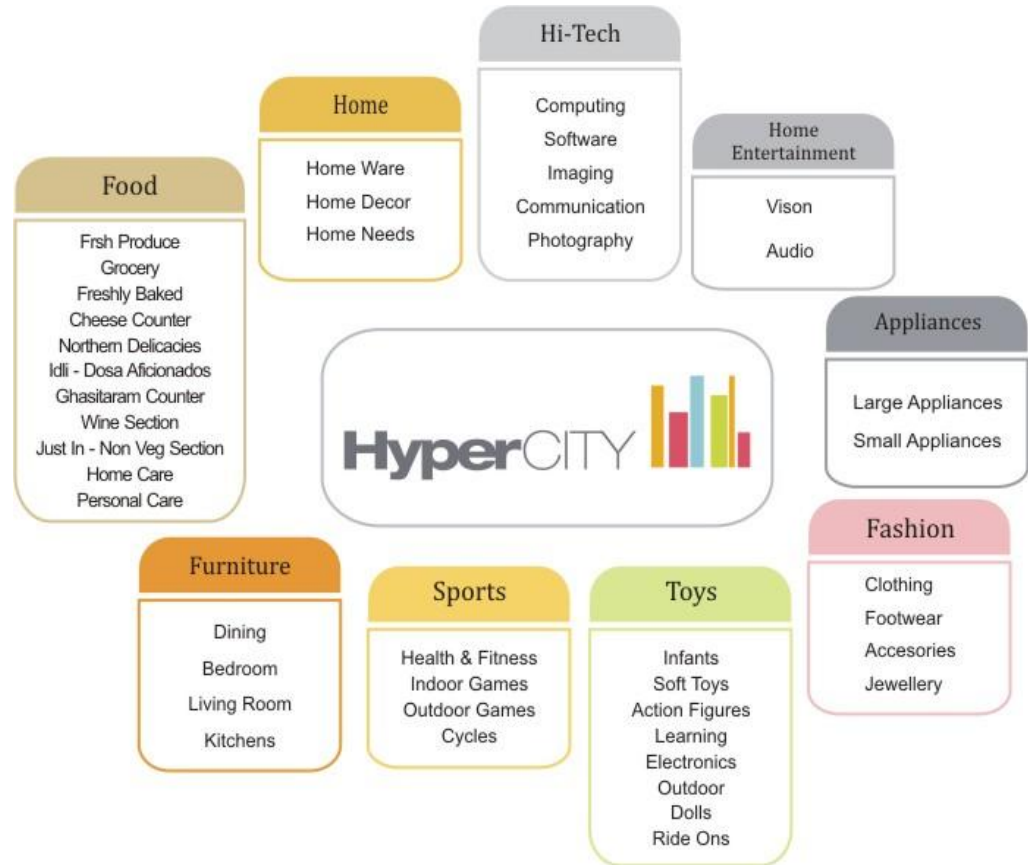


Positioning & Product Strategy: Large Footfalls attracted Due to the Widest Product Offering by a Hypermarket in India

Positioning

- Target customers: 18-45 years with Income - 20,000+
 - Discerning, Urban, Upscale with High Disposable Income
- Other In-store attractions – Café, Laundry, Wine, Saloon, SPA
- Widest product range on offer in a hypermarket in India, 45K SKUs
- Awarded the “**100 Must Visit Retail Destinations** for year 2007-08 around the world”
- International Award for “**Corporate Achievement to Recognize Quality & Excellence**” – April 2010.

Product Offering



Average footfalls per month: 1Mn, indicating strong customer pull



Flexible Business Model Eyeing Margins and Product Quality



Business Model to focus on footfalls and margins...

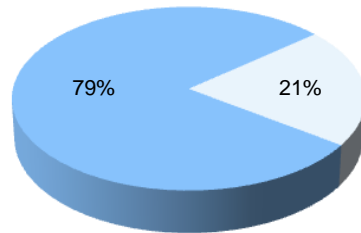
Department	Mix %	Key Driver
Food & Groceries	50-55%	Footfall driver
General Merchandise [Home, Furniture, CDIT]	35-40 %	Value & Margin driver
Apparels & Jewellery	7-10%	Fashion, Value & Margin driver

A strong own brand portfolio that covers main customer segments

Food	General Merchandise	Fashion

...with a strong Private label push across categories

Private Label Branded



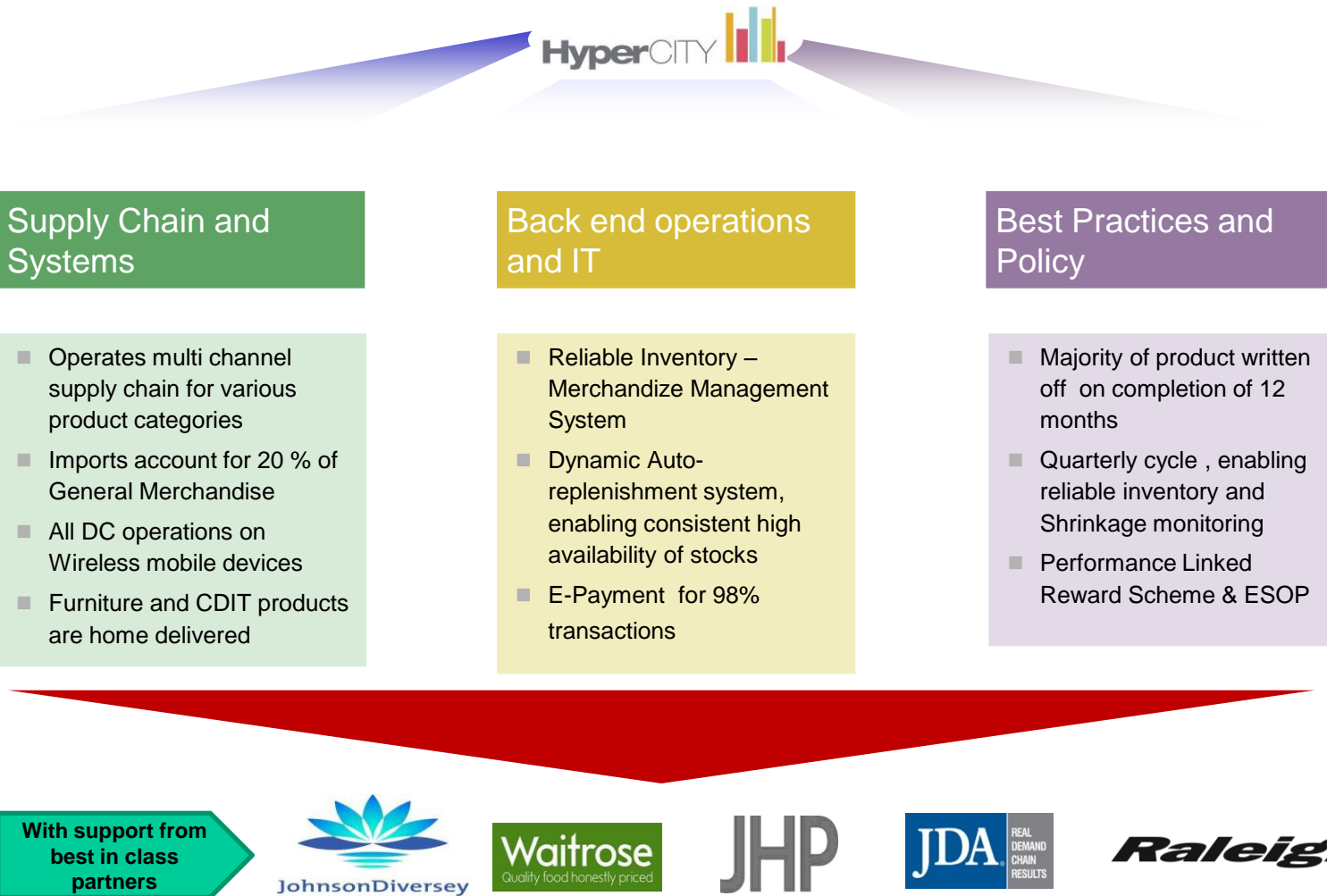
Department	Sales Mix %	Gross Margin % FY10
Food & Groceries	55%	18.2%
General Merchandise	38%	19.3%
Apparels & Jewellery	7%	34.1%
Company	100%	19.7%

Gross Margins at 19.7%, focus to increase it by enhancing GM and Apparels





Best in Class Back End Operations to Support Vibrant Front



Working capital at 17 days of turnover, focus on reducing it to 9 days over 4 years



Proof of Concept Established, Roll Out Planned to Become Pan-India Operator



Vashi, 95,000 sq ft



Bangalore, 1.5 lacs sq ft



Amritsar, 1.4 lacs sq ft



Thane, 1 lacs sq ft

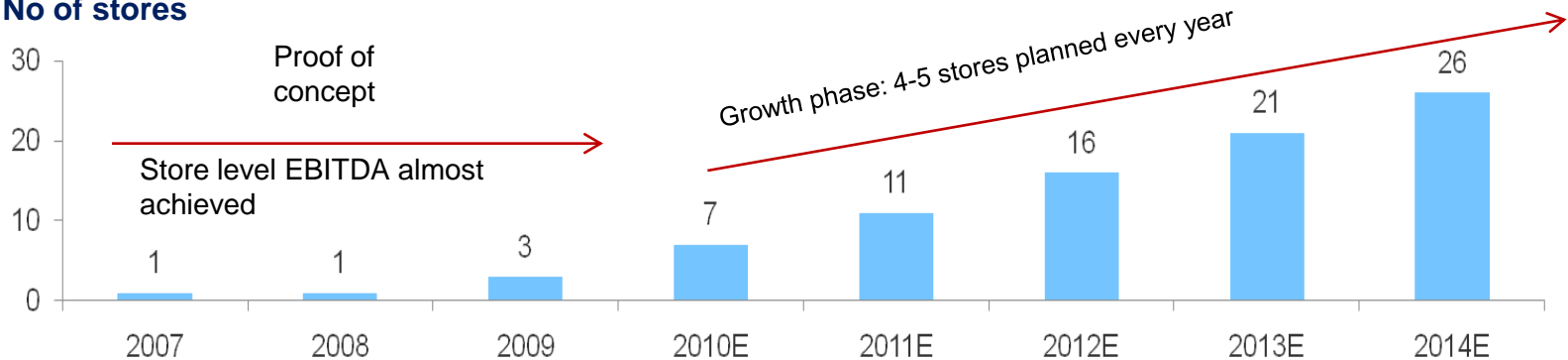


Hyderabad, 1.7lacs sq ft



Jaipur, 50,000 sq ft

No of stores



Focused store rollout strategy

- Cluster based growth strategy, with Core and Mid sized stores
 - Core size to be in 75–85 K sq ft to drive assortment, differentiation and profitability
 - Mid size format of 50-55 K sq ft for penetration
- Focus on markets based on Income group rather than tier I, tier II rankings

Expects to grow retail space at a CAGR of 35-40% over next 5 years



Key Financials Highlights – Q1 2010-11

Sales Growth:

Hypercity Sales Growth	123%
LTL Sales Growth	16%

Sales Per sq.ft. on chargeble area

Hypercity Sales per sq.ft. in Rs	1,632
LTL Sales per Sq.ft. in Rs	2,487

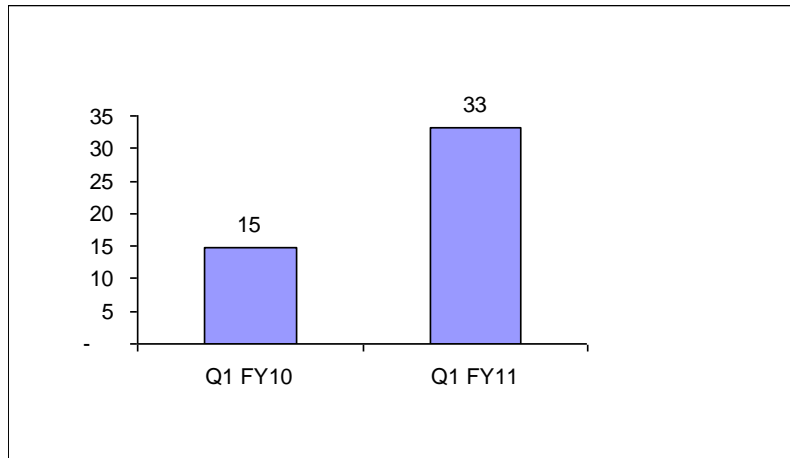
Customer entry for Hypercity stores increased by 123%



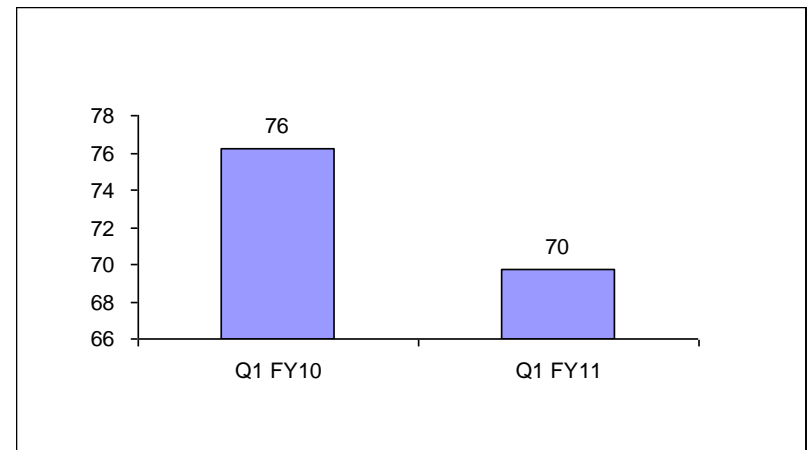


Footfalls, ASP , Conversion and Average Ticket size

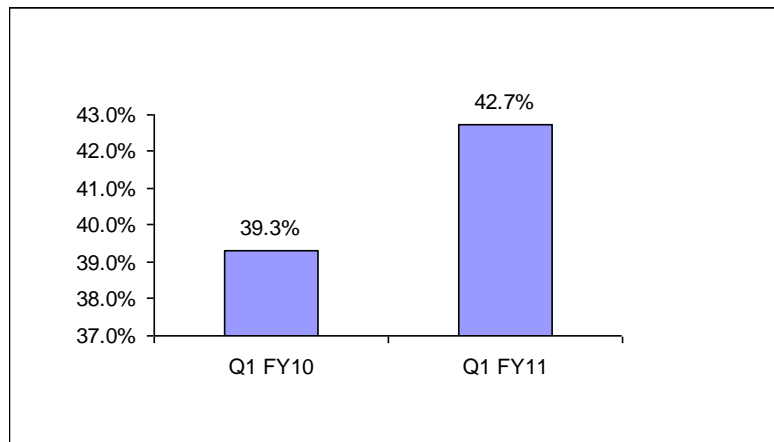
Footfalls (In Lacs)



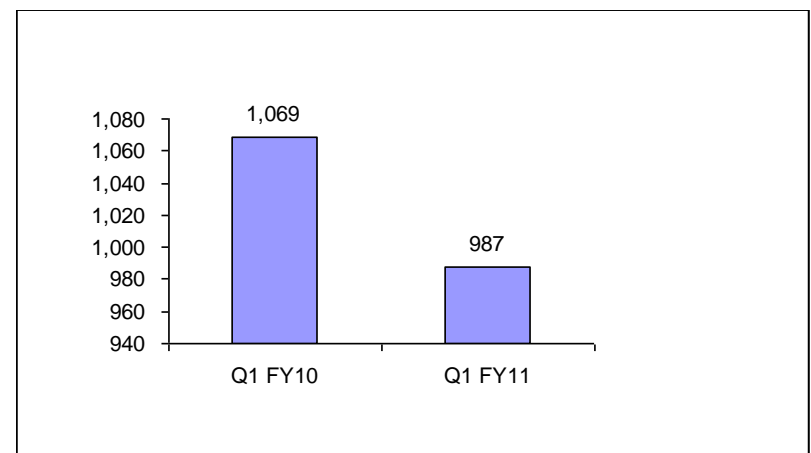
Average Selling Price (Rs)



Conversion rate (%)



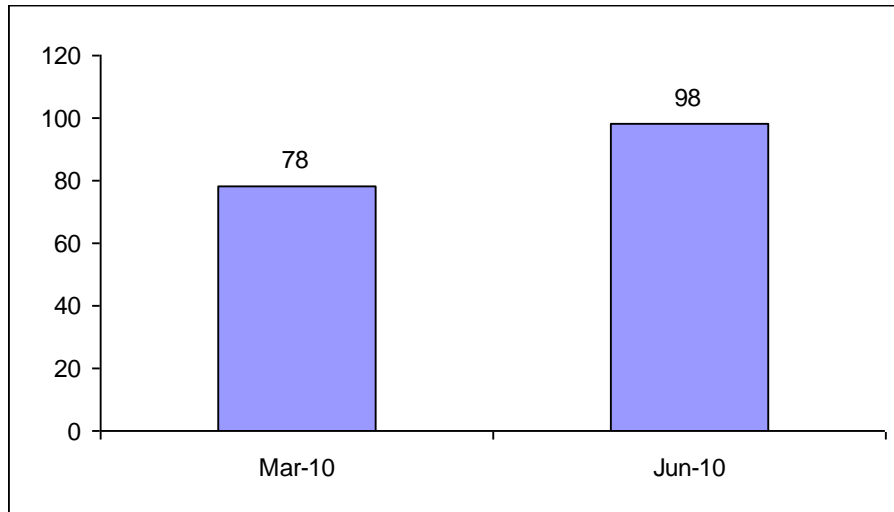
Average Transaction size (Rs)



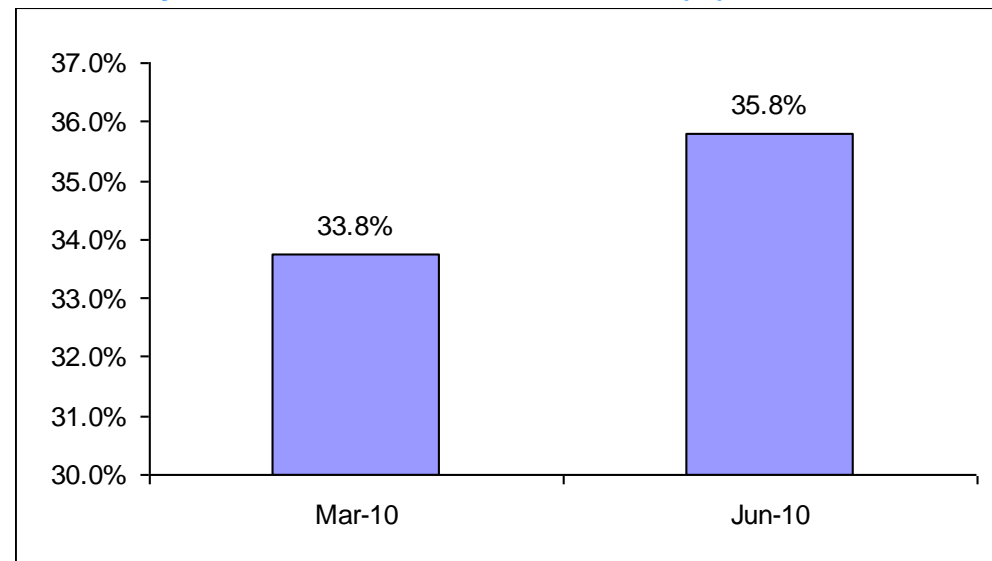


Discovery club members and their contribution

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



Discovery Club contribution to Total Sales (%)





HyperCity Financials Q1 - 2010-11



Rs.in lacs

Particular	Q1 -2010-11
Retail Sales(Including VAT)	14,032
Retail Sales(Net of VAT)	12,981
Gross Margin	2,650
Gross Margin%	204%
DC Cost	204
Shrinkage	57
Damages/Others	38
Net Margin	2,351
Net Margin%	18.1%
Store Operating Expenses	2,565
Other Retail Operating Income	223
Store EBITDA	8
Store EBITDA%/to Sales	0.1%
SO Expenses	900
COMPANY EBITDA	(892)
Depreciation	316
Finance Charges	600
PAT	(1,808)
PAT%	-139%

Rs.in lacs

Sources of Funds	30th Jun 10
Networth	1,609
Loans from Shareholders/Group Companies	2,632
Loans	18,186
Total	22,427
Application of Funds	
Fixed Assets	14,443
Current Assets, Loans and Advances	17,304
Less: Current Liabilities and Provisions	9,320
Net Current Assets	7,984
Total	22,427



In case of any clarifications please
contact on

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