



# 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



## ➤ **New Stores**

- ❑ 39<sup>th</sup> , 40<sup>th</sup> and 41<sup>st</sup> Shoppers Stop Store Opened at Inorbit Pune , Indore and Chennai during this quarter.
- ❑ 5<sup>th</sup> Home Stop Store Opened at Lucknow during this quarter.
- ❑ 18<sup>th</sup> ,19<sup>th</sup> and 20<sup>th</sup> MAC store opened at Ludhiana and two at Delhi during this quarter.
- ❑ 39<sup>th</sup> ,40<sup>th</sup> and 41<sup>st</sup> Crossword store opened at Thane, Bangalore and Lucknow.

## ➤ **Loyalty Programme**

- ❑ First Citizen members club now has 21,35,588 members. Their contribution to sales was 72%
- ❑ Our Facebook fan page continues to grow well & has crossed 1 million fans.

## ➤ **Award Received**

- ❑ Shoppers Stop Ltd ranked as 76<sup>th</sup> in “ India’s Best Companies to Work for 2011” Survey by Great Place To Work Institute and The Economic Times.

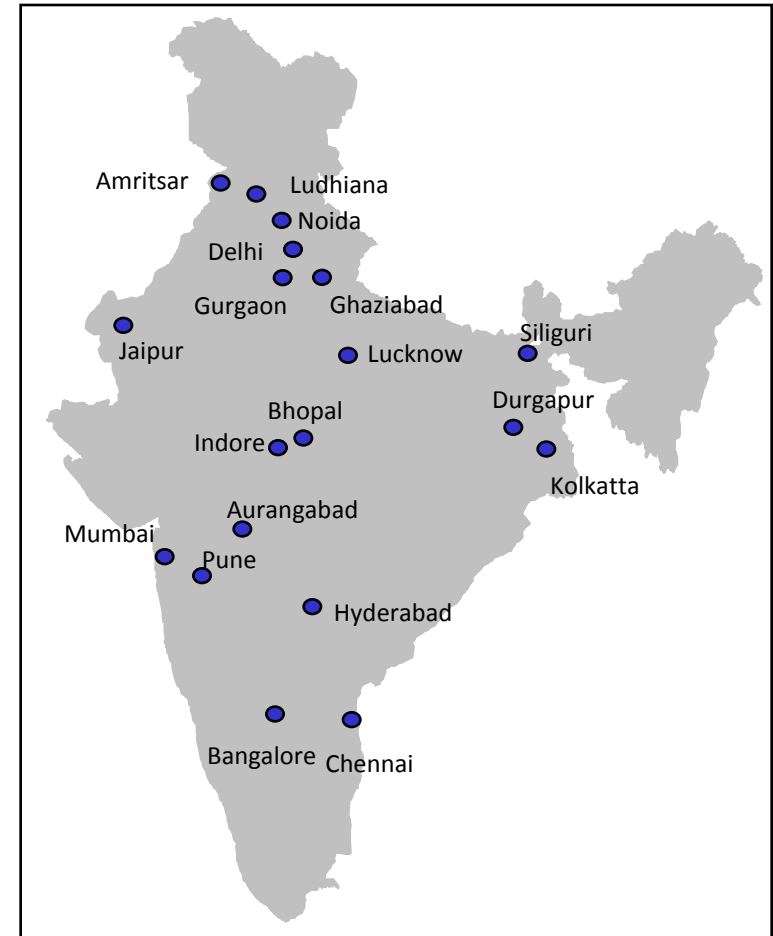


# Our Presence and still expanding...

City	SS Dept.	Crossword	Home Stop	Mother Care	MAC/Estee/ Clinique	Hypercity	Total
Amritsar	1	1			1	1	4
Bangalore	5	9	1	1	4	2	22
Chennai	2	1		1	2		6
Delhi	4	2	1	1	9		17
Gurgaon	1						1
Hyderabad	4	5		1	2	1	13
Jaipur	2					1	3
Kolkatta	3				2		5
Lucknow	1	1	1				3
Mumbai	8	18	2	2	11	3	44
Noida	1				1		2
Pune	3			1	2		6
Ghaziabad	1						1
Siliguri	1						1
Durgapur	1						1
Bhopal	1	2				1	4
Ludhiana					1	1	2
Aurangabad	1	1					2
Indore	1	1					2
Total	41	41	5	7	35	10	139

➤ More than 3.6 million sq. ft. area, across 19 cities

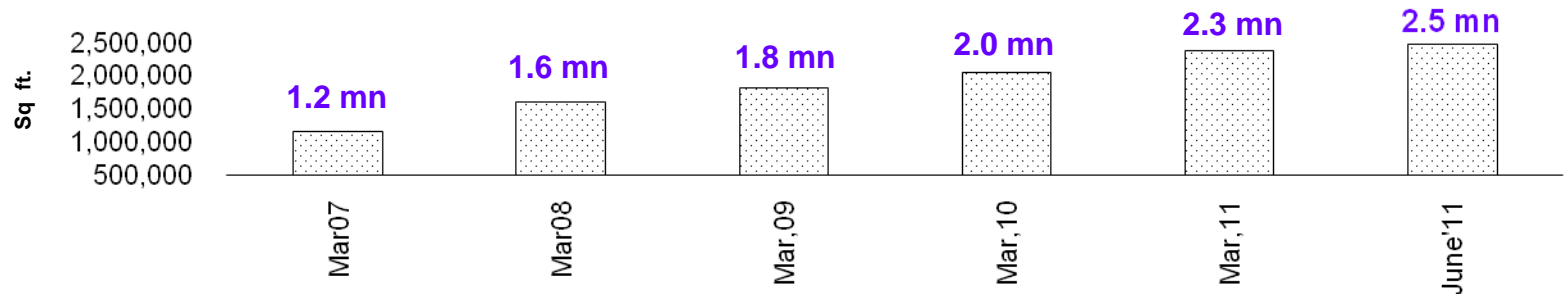
As on 30<sup>th</sup> June, 2011





# Existing Stores

## Shoppers Stop Store Space ramp-up (Sq. ft.)



### Store Area as on 30<sup>th</sup> June,11

Shoppers Stop

Specialty Stores

Total Store Area

Crossword

Hypercity

Total Group

### Chargeable Area (Sq.ft.)

2,312,436

157,881

-----

2,470,317

=====

95,245

1,070,096

-----

3,635,658

=====

# New Store Opened



Location : Inorbit Pune

Opening Date : 2<sup>nd</sup> April, 2011

Chargeable Area : 56590 sq. ft.





# New Store Opened



Location : Indore

Opening Date : 25<sup>th</sup> April, 2011

Chargeable Area : 55500 sq .ft.





# New Store Opened



Location : Shyamala Chennai

Opening Date : 17<sup>th</sup> May, 2011

Chargeable Area : 57500 sq. ft.







# Key Financial Highlights – Q1-2011-12



- **Sales Growth:**

Shoppers Stop department stores : 22%

All formats : 15%



- **LTL Sales Growth:**

Shoppers Stop department stores : 7%

stores > 5 years : 3%

stores < 5 years : 14%



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

Shoppers Stop department stores : Rs 1,762 (LY Rs. 1,853)



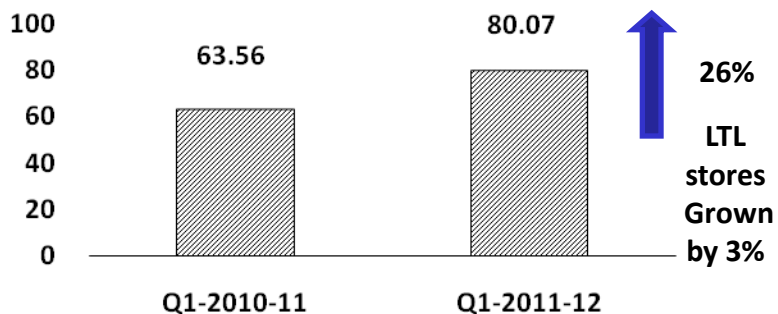
- **Customer entry for Shoppers Stop Departmental stores Increased by 26%**



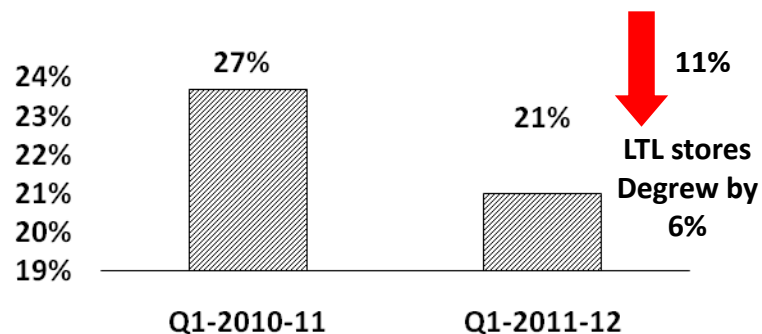


# Operational Indicators – Q1-2011-12

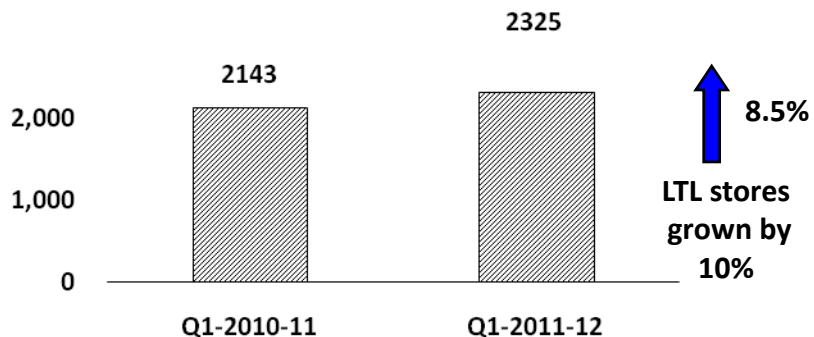
Customer Entry (figures in lacs.)



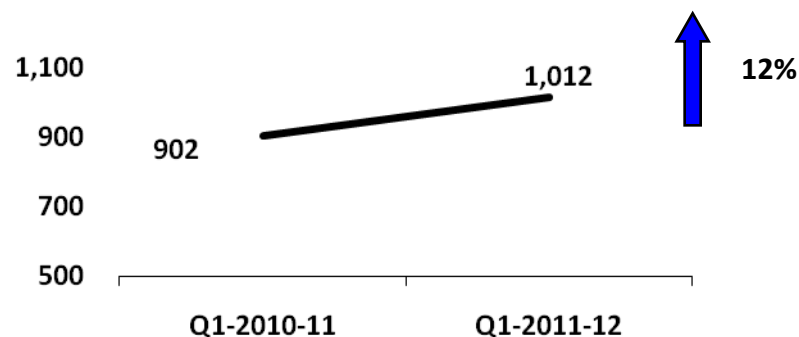
Conversion Ratio (%)



Transaction Size (Rs.)



Average Selling Price ("ASP")



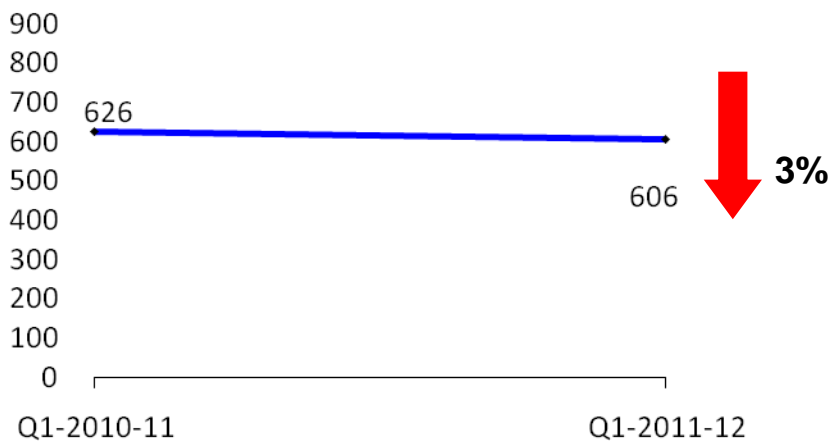
LTL Volume

5%

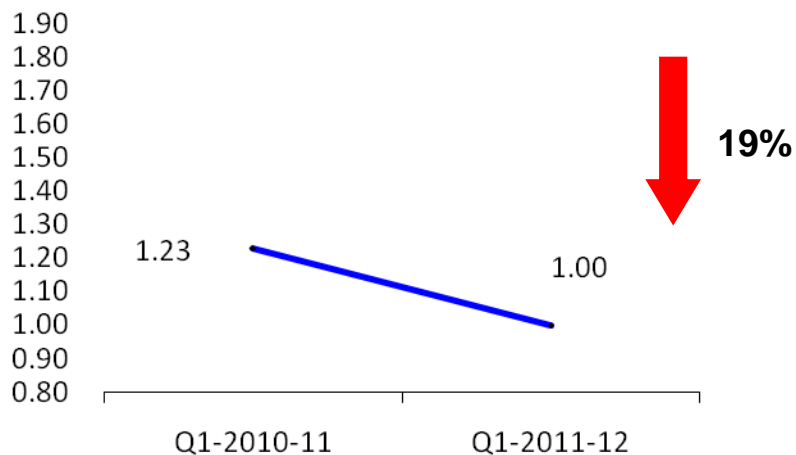


# Operational Efficiency Q1 2011-12- SS Dept. Stores

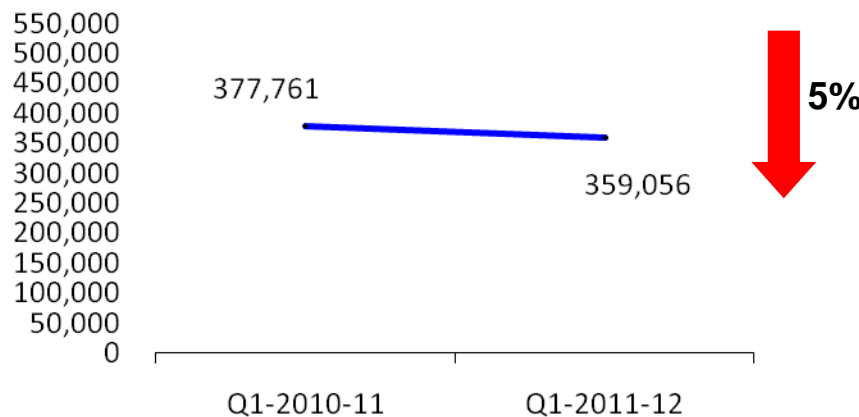
**GMROF (Rs. per unit of retail space)**



**GMROI (Rs. inventory)**



**GMROL (Rs. per employee)**

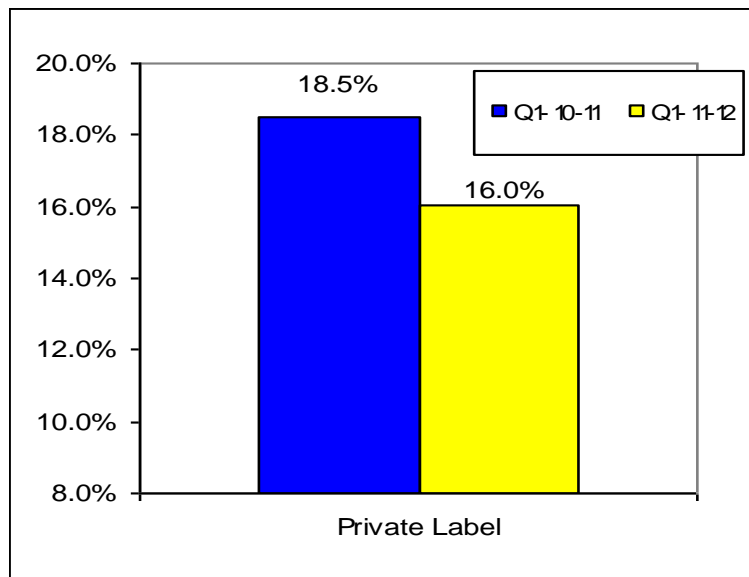




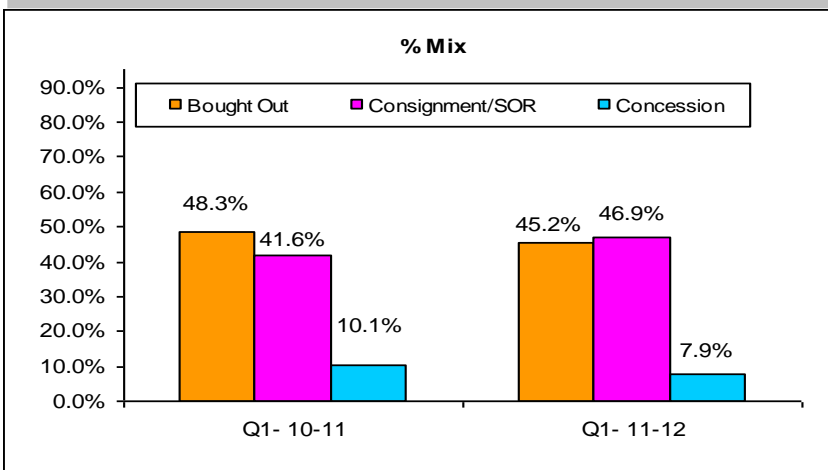
# Merchandise Mix – Q1 2011-12

- Private Label Sales increased by 6%.
- Private Label Mix decreased by 2.5%

## Private Label Mix



## Merchandise Buying Model



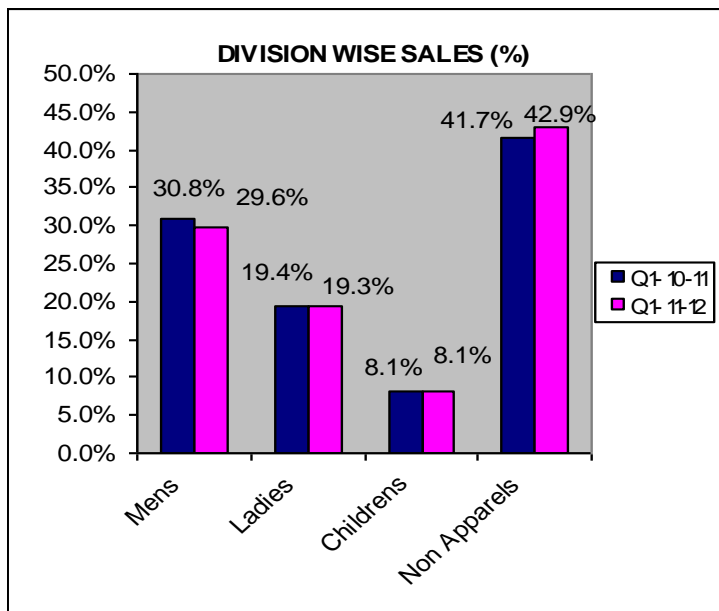
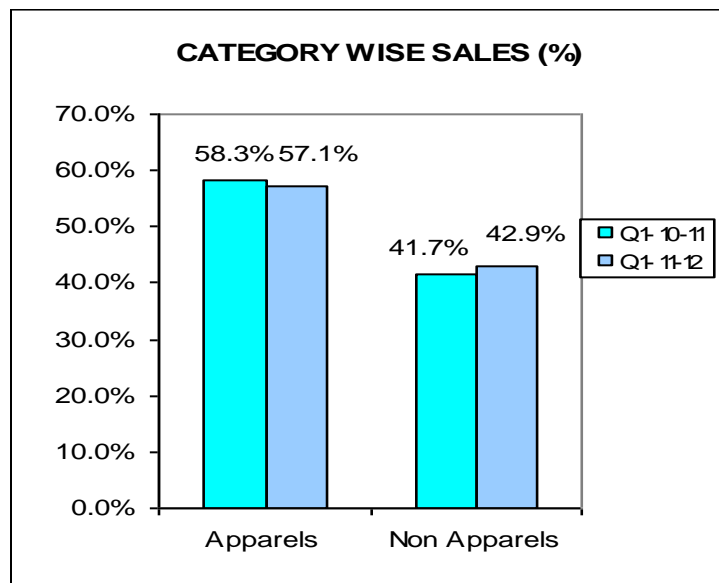


# Revenue Mix – Q1 -2011-12



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

Children includes Mother Care

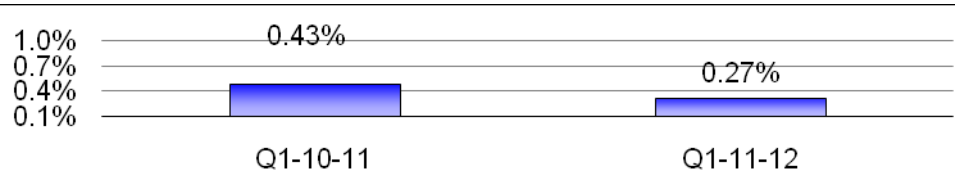




# Operational Efficiency Q1 & 2011-12 :Shrinkage as % of Gross Retail Sales

*(SS Dept. Stores)*

Q1-2011-12





# Financial Summary – Q1-2011-12

Shopper's Stop Ltd.

Rs. in lacs

Particular	Q1-11-12	Q1-10-11
<b>Retail Turnover</b>	<b>44,609.3</b>	<b>38,574.5</b>
<b>Retail Sales (Before VAT)</b>	<b>43,919.6</b>	<b>38,238.2</b>
Retail Sales (Net of VAT)	41,796.6	36,386.2
<b>Margin on Sales</b>	<b>14,828.5</b>	<b>12,891.3</b>
<b>Margin on Sales %</b>	<b>33.8%</b>	<b>33.7%</b>
Other Retail Operating Income	689.7	336.3
Operating expenses	12,884.2	10,723.9
<b>Operating expenses %</b>	<b>29.3%</b>	<b>28.0%</b>
<b>Operating Profit (EBIDTA)</b>	<b>2,634.0</b>	<b>2,503.7</b>
<b>Operating Profit (EBIDTA) %</b>	<b>6.0%</b>	<b>6.5%</b>
Finance Charges (Net)	67.3	331.4
Depreciation	810.0	638.5
<b>PBT ( Before Exceptional Item)</b>	<b>1,756.6</b>	<b>1,533.9</b>
<b>PBT%</b>	<b>4.0%</b>	<b>4.0%</b>
Exceptional Items	-	(5.1)
<b>PBT</b>	<b>1,756.6</b>	<b>1,539.0</b>
<b>PBT %</b>	<b>4.0%</b>	<b>4.0%</b>
Tax	588.5	537.0
<b>Profit After Tax</b>	<b>1,168.1</b>	<b>1,002.0</b>
<b>Profit After Tax %</b>	<b>2.7%</b>	<b>2.6%</b>

↑ 16%

↑ 15%

↑ 20%

↑ 5%

↓ (80)%

↑ 15%

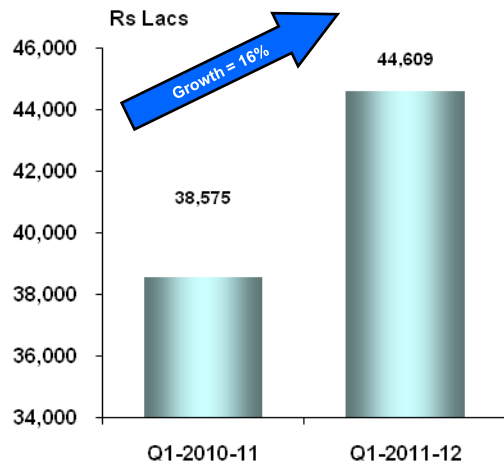
↑ 17%



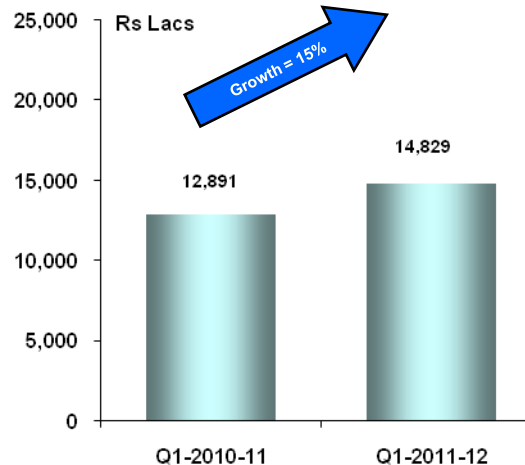


# Financial Performance – Q1 2011-12

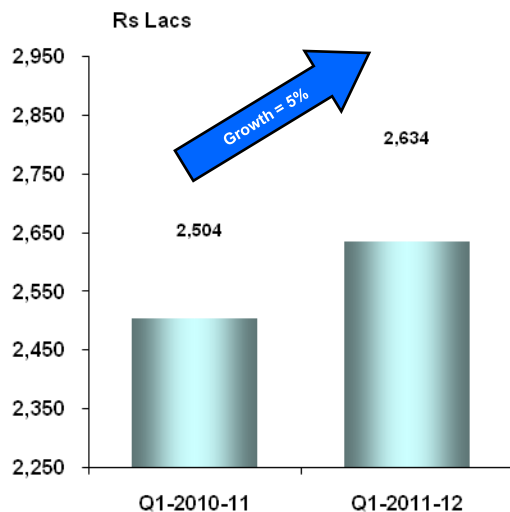
## Retail Turnover



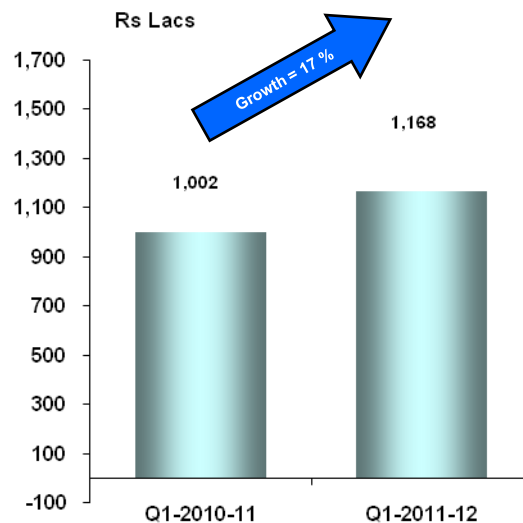
## Gross Cash Margin



## EBIDTA



## PAT







# Consolidated Financial – Q1 2011-12



Rs. in lacs

Particular	Q1-11-12	Q1-10-11
<b>Retail Turnover</b>	<b>66,000.6</b>	<b>39,831.2</b>
Retail Sales (Before VAT)	64,810.3	39,307.1
Retail Sales (Net of VAT)	61,325.0	37,443.8
<b>Margin on Sales</b>	<b>19,475.3</b>	<b>13,419.9</b>
<b>Margin on Sales %</b>	<b>30.0%</b>	<b>34.1%</b>
Other Retail Operating Income	1,190.2	524.1
Operating expenses	19,274.4	11,415.3
<b>Operating expenses %</b>	<b>29.7%</b>	<b>29.0%</b>
<b>Operating Profit (EBIDTA)</b>	<b>1,391.1</b>	<b>2,528.7</b>
<b>Operating Profit (EBIDTA) %</b>	<b>2.1%</b>	<b>6.4%</b>
Finance Charges (Net)	787.6	305.6
Depreciation	1,333.3	764.5
<b>Profit Before Tax</b>	<b>(729.8)</b>	<b>1,458.6</b>
<b>Profit Before Tax %</b>	<b>-1.1%</b>	<b>3.7%</b>
Tax	581.0	562.9
Minority Interest	1,159.3	33.0
<b>Profit After Tax</b>	<b>(151.5)</b>	<b>928.8</b>
<b>Profit After Tax %</b>	<b>-0.2%</b>	<b>2.4%</b>



66%

Consolidation includes:

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



45%

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



69%



(45)%



158%



(150)%



(116)%

# Balance Sheet – SSL Standalone

Rs.in Lacs

PARTICULARS	Audited June'11	Audited March'11
<u>Sources of Funds</u>		
Share Capital	4,131	4,108
Reserves & Surplus	56,912	55,702
<b>NET WORTH</b>	<b>61,043</b>	<b>59,810</b>
<u>Loans Funds</u>	<u>20,091</u>	<u>14,872</u>
<b>TOTAL</b>	<b>81,134</b>	<b>74,682</b>
<u>APPLICATIONS OF FUNDS</u>		
<u>FIXED ASSETS</u>		
Gross Block	58,731	55,029
Less : Depreciation	20,160	19,350
<b>Net Block</b>	<b>38,571</b>	<b>35,679</b>
Investments in Subsidiary / JV Companies	25,919	23,719
Deferred Tax Asset	338	325
<u>CURRENT ASSETS, LOANS &amp; ADVANCES</u>		
Stock in Trade	17,501	15,114
Sundry Debtors	1,634	1,601
Lease Deposits for Properties	11,175	10,675
Loans & Advances	17,220	17,305
Cash & Bank Balance	705	262
<b>TOTAL CURRENT ASSETS</b>	<b>48,235</b>	<b>44,957</b>
<u>CURRENT LIABILITIES &amp; PROVISIONS</u>		
Current Liabilities & Provisions	31,929	29,997
<b>TOTAL CURRENT LIABILITIES</b>	<b>31,929</b>	<b>29,997</b>
<b>NET CURRENT ASSETS</b>	<b>16,306</b>	<b>14,959</b>
<b>TOTAL</b>	<b>81,134</b>	<b>74,682</b>

## Balance Sheet Ratios

Particulars	Q1-2011-12	2010-11
ROCE ( for 3 months)	2.3%	19.3%
ROCE (Without Investment in Group Co.) ( for 3 months)	4.5%	33.3%
RONW ( for 3 months)	3.0%	26.7%
Debt Equity Ratios	0.33	0.25
Asset Turnover Ratio ( for 3 months)	1.07	5.24
Current Ratio	0.71	0.64



# Cash Flow – SSL Standalone

Rs.in Lacs	
Particulars	For the period ended 30th June,2011
<b>Operating Profit</b>	1,691
Changes in Working Capital	(2,760)
<b>Cash Generated from Operating Activities</b>	(1,069)
Investment in SSL Fixed Assets	(2,933)
Investment in JV/ Subsidiary Companies	(397)
<b>Net Cash Used for Investing Activities</b>	(3,330)
Proceeds from issuance of share capital	65
Interest & Finance Cost (Net off)	(441)
Payment of Dividend and Dividend Tax	-
Increase / (Decrease) in Loans	5,219
<b>Cash generated from Financing Activities</b>	4,842
<b>Net Increase/(decrease) in Bank Balance</b>	443





# HyperCITY

## Investor Presentation – Q1 FY11





## Key Highlights



- 10<sup>th</sup> store opened at Bangalore-II on 28<sup>th</sup> Apr'11 .
- Discovery Club now has 2.1 lacs members ,Their Contribution to Sales was **43%** .
- **Recognitions :**
  - “Best use of Technology for Supply Chain Management”
  - “Best Innovation in Warehousing and storage” -from *IIIF*.
- Launched “**HyperCITY – ITM Post Graduate Program in Retail**”.





## HyperCITY - Key Financials Highlights – Q1 - 2011-12



- **Sales Growth:**

Chain level : 27%

LTL Sales Growth : 11%

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

Chain Level Sales per Sq. ft. (in Rs.) : 1,587

LTL Sales per Sq. ft. (in Rs.) : 1,728

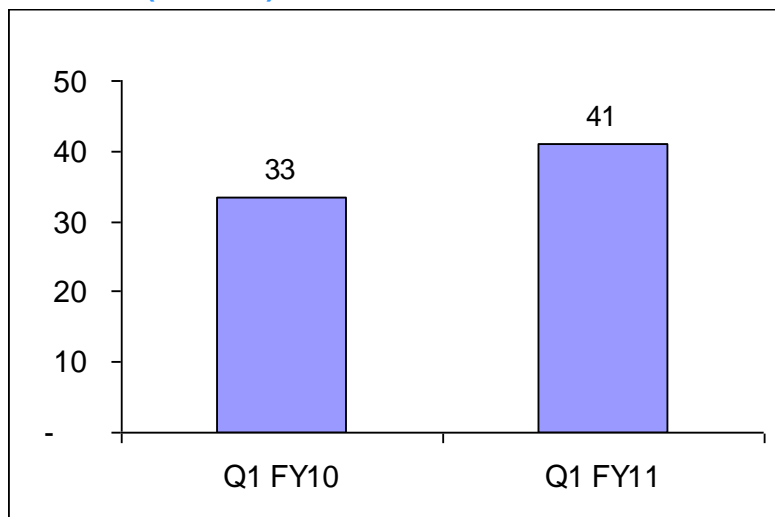
- **Customer entry Increased by 23%**



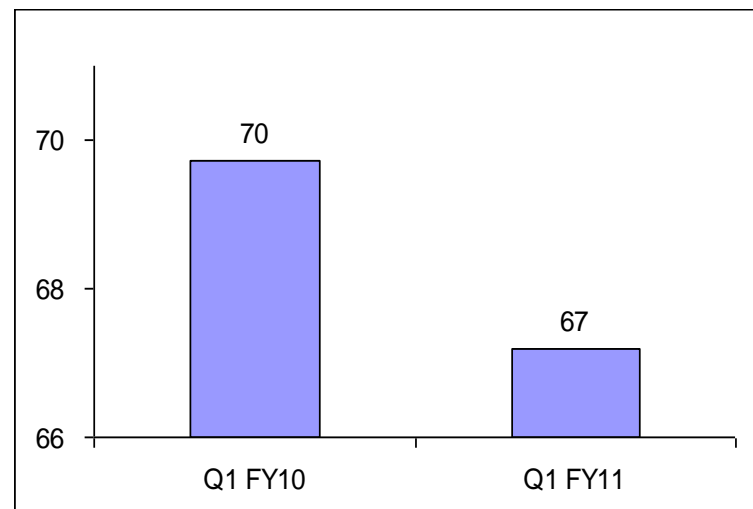
# Footfalls, ASP , Conversion and Average Ticket size



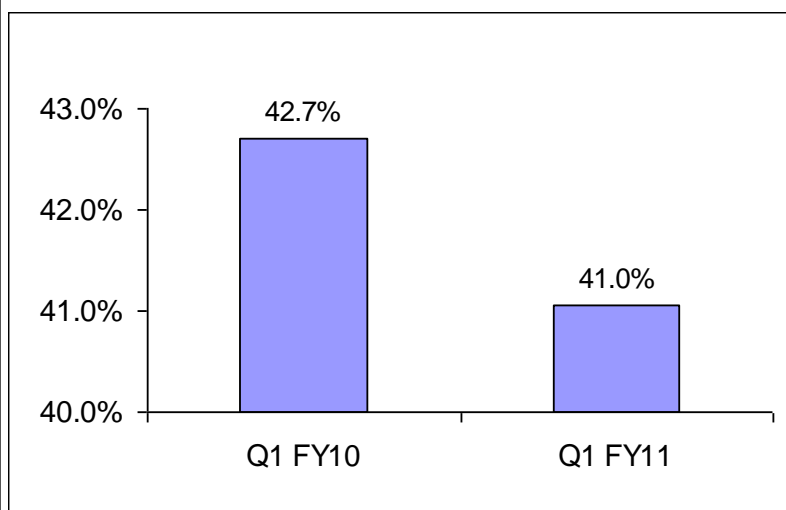
Footfalls (In Lacs)



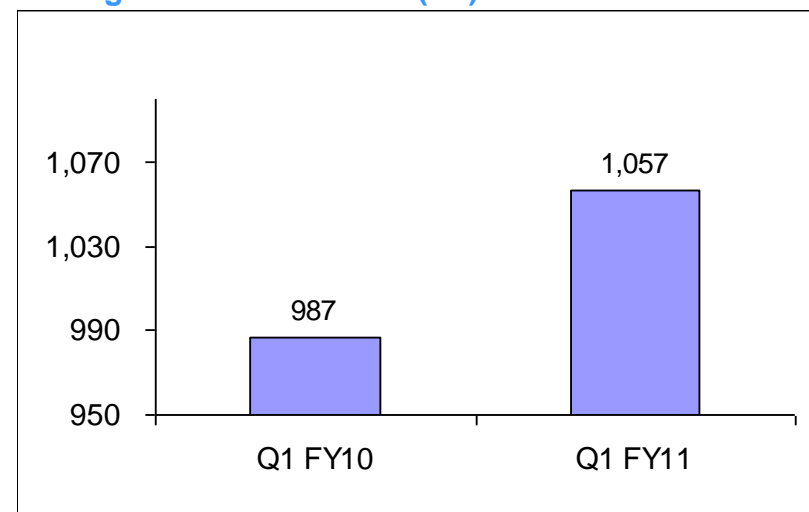
Average Selling Price (Rs)



Conversion rate (%)



Average Transaction size (Rs)

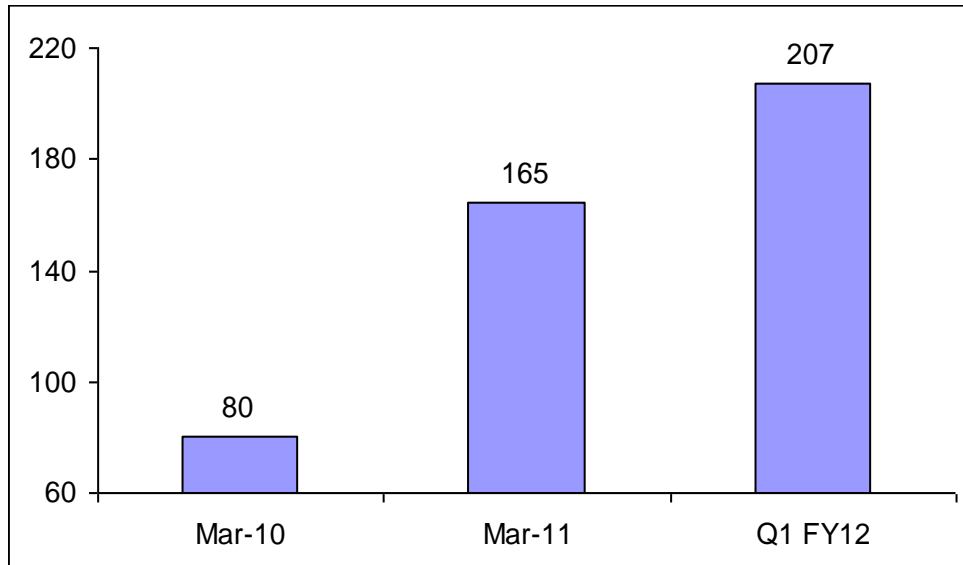




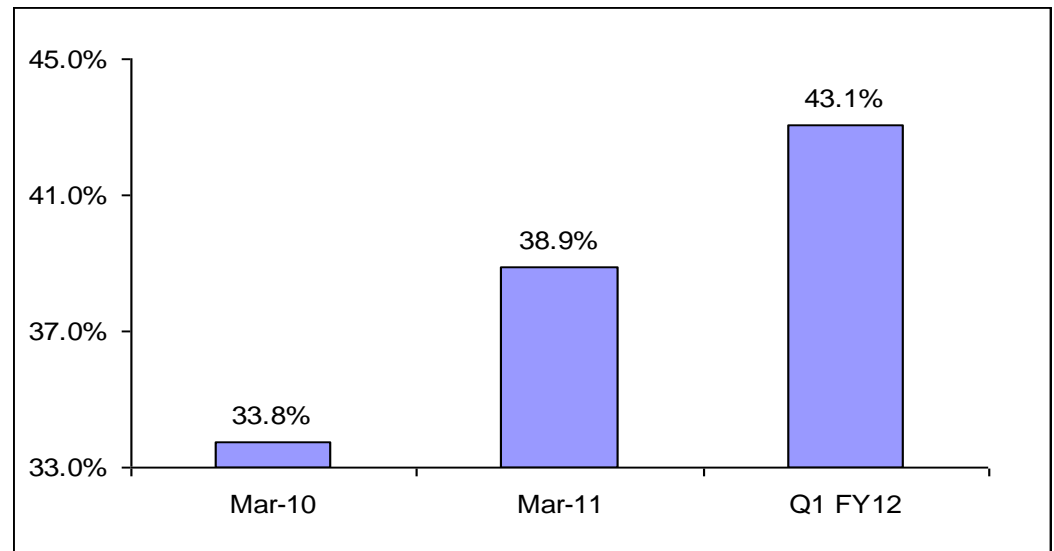
# Discovery club members and their contribution



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



Discovery Club contribution to Total Sales (%)







# HyperCity Financials - 2011-12



Rs.in lacs

Particular	Q1- FY12	% Sales	Q1- FY11	% Sales
Retail Sales (Including VAT)	17,789		14,032	
Retail Sales (Net of VAT)	16,438	100.0%	12,981	100.0%
Margin on Sales	3,150	19.2%	2,612	20.1%
<b>% to Sales</b>	<b>19.2%</b>		<b>20.1%</b>	
DC Cost	211	1.3%	174	1.3%
Shrinkage	54	0.3%	57	0.4%
<b>Gross Margin</b>	<b>2,884</b>	<b>17.5%</b>	<b>2,381</b>	<b>18.3%</b>
<b>% to Sales</b>	<b>17.5%</b>		<b>18.3%</b>	
Store Operating Expenses	3,380	20.6%	2,597	20.0%
Other Operating Income	300	1.8%	225	1.7%
<b>Store EBIDTA</b>	<b>(195)</b>	<b>-1.2%</b>	<b>8</b>	<b>0.1%</b>
Service Office Expenses	1,096	6.7%	949	7.3%
<b>COMPANY EBIDTA</b>	<b>(1,292)</b>	<b>-7.9%</b>	<b>(941)</b>	<b>-7.2%</b>
Depreciation	363	2.2%	316	2.4%
Finance Charges	713	4.3%	600	4.6%
<b>Net Loss</b>	<b>(2,368)</b>	<b>-14.4%</b>	<b>(1,857)</b>	<b>-14.3%</b>
<b>PAT % to Sales</b>	<b>-14.4%</b>		<b>-14.3%</b>	

• LTL stores Sales Growth 11% & EBIDTA growth more than 10 times.

Rs.in lacs

Sources of Funds	30th Jun 2011
Net worth	288
Loans from Shareholders / Group Co's	11,400
Loans	11,513
<b>Total</b>	<b>23,201</b>
<b>Application of Funds</b>	
Fixed Assets	15,813
Currents Assets , Loans and Advances	16,195
Less : Current Liabilities and Provisions	8,807
Net Current Assets	7,388
<b>Total</b>	<b>23,201</b>

• Numbers have been regrouped for analytical representation



In case of any clarifications please  
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