



# SHOPPERS STOP

## START SOMETHING NEW

*Quarter ended 30<sup>th</sup> September 2016*



# 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

- 1 Departmental stores opened at Orion Mall Bangalore during this quarter.
- 1 Bobbi Brown SA store opened at Noida during this quarter.
- 1 Mother Care SIS Store opened at Orion Mall Bangalore during this quarter.
- 1 Hypercity Store opened at Orion Mall Bangalore during this quarter.

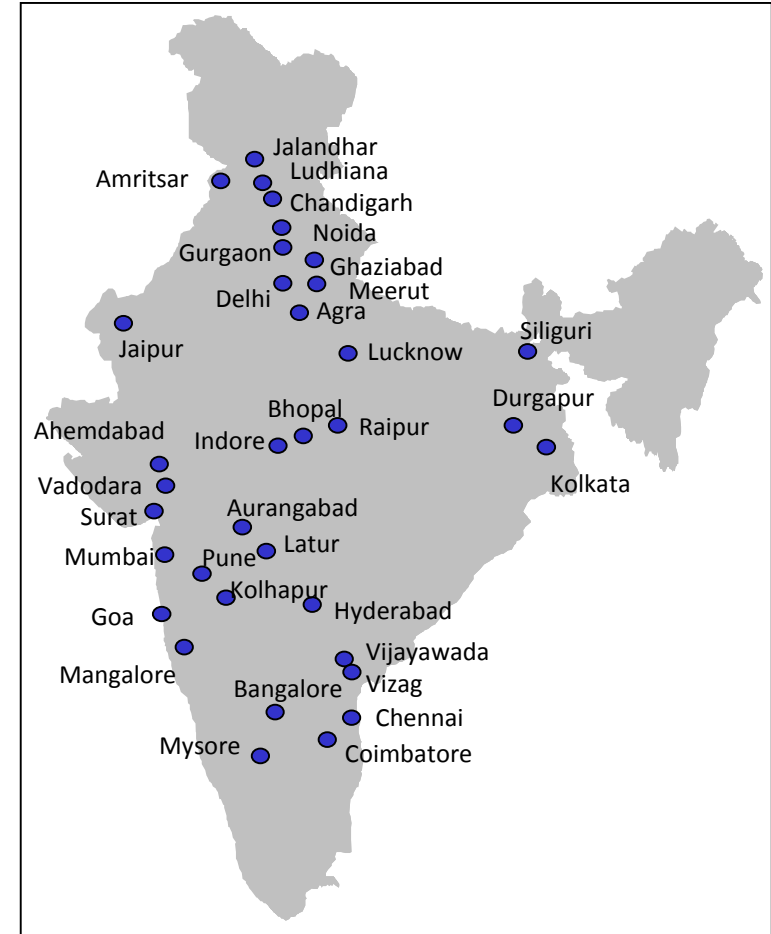
## ❖ Loyalty Program

- First Citizen members club has now reached 44.38 lacs members. Their contribution to sales was 73% for the year.



# Our Presence and still expanding...

City	SS Dept.	Crossword	Home Stop	Mother Care	MAC/Estee/ Clinique/ Bobbi Brown	Hypercity	Total
Amritsar	1				3	1	5
Bangalore	11	8	4		12	4	39
Chennai	3	1	1		4		9
Delhi	5	2	1		12		20
Gurgaon	2				4		6
Hyderabad	5	6	1	1	4	2	19
Jaipur	3					1	4
Kolkata	5	3			6		14
Lucknow	1	1	1				3
Mumbai	9	18	3	1	18	3	52
Noida	2				4	2	8
Pune	6		1		5	1	13
Ghaziabad	2						2
Siliguri	1	1					2
Durgapur	1						1
Bhopal	1	2				1	4
Ludhiana	1				1		2
Aurangabad	1						1
Indore	1	1					2
Vijayawada	1	1	1				3
Mysore	1						1
Latur	1						1
Ahmedabad	2		1			1	4
Jalandhar	1						1
Coimbatore	1		1				2
Chandigarh	1		1		2		4
Surat	1				2		3
Kalyan	1	1					2
Thane	1	3			2	2	8
Agra	1						1
Vadodara	1					1	2
Raipur	2	1					3
Mangalore	2	1					3
Vizag	1						1
Meerut	1						1
Kolhapur	1						1
Goa	1						1
Total	82	50	16	2	79	19	248



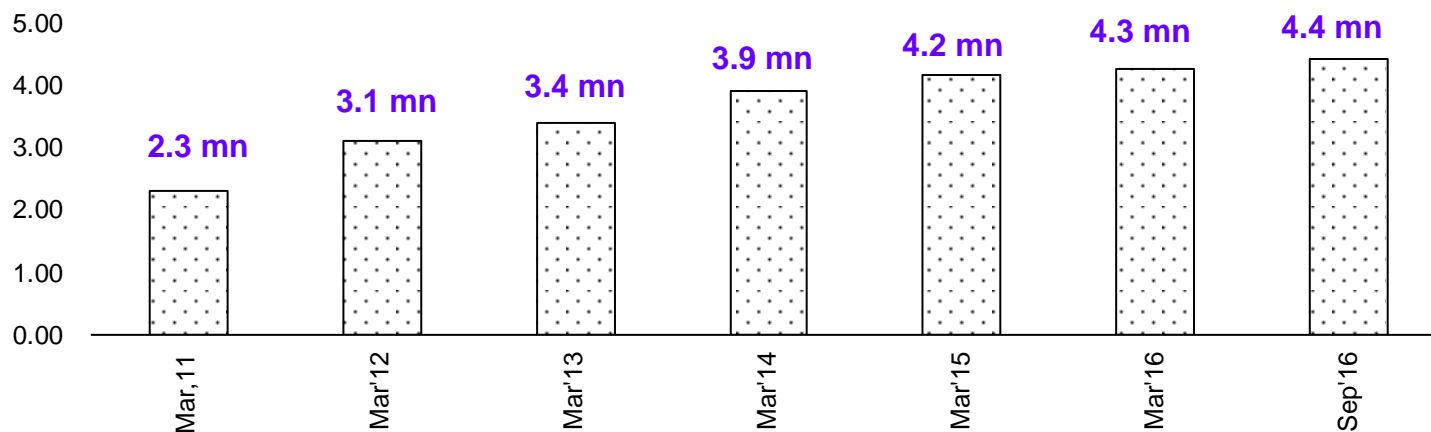
➤ More than 6.1 million sq. ft. area, across 37 cities

As on 30th Sept, 2016



# Existing Stores

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



### Store Area as on 30<sup>th</sup> Sept, 2016

Shoppers Stop

Specialty Stores

Total Store Area

### Chargeable Area (Sq.ft.)

4,136,194

321,080

4,457,274

Crossword

Hypercity

JV Companies

101,211

1,379,775

229,621

Total Group

6,167,881

# New Store Opened



Location : Brigade Orion

Opening Date : 18<sup>th</sup> September 2016

Chargeable Area : 46,530 sq .ft.



# Key Financial Highlights – Q2-2016-17

- **Sales Growth:**

Shoppers Stop department stores : 8.0%

All formats : 7.7%

- **LTL Sales Growth:**

Shoppers Stop department stores : 2.2%

stores > 5 years : 0.5%

stores < 5 years : 5.9%

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

Shoppers Stop department stores : Rs 2,370 (LY Rs. 2,343)

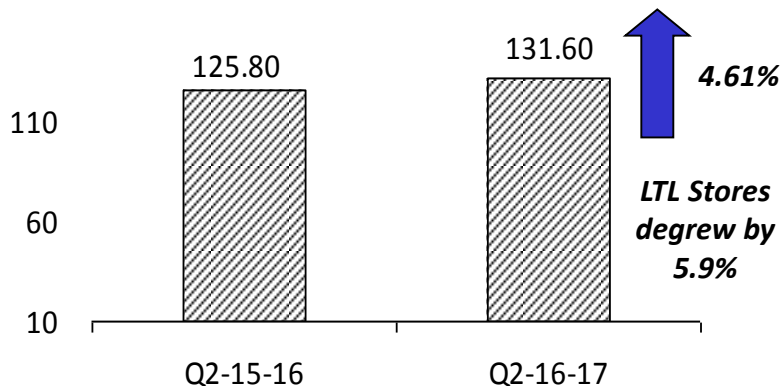






# Operational Indicators – Q2-2016-17

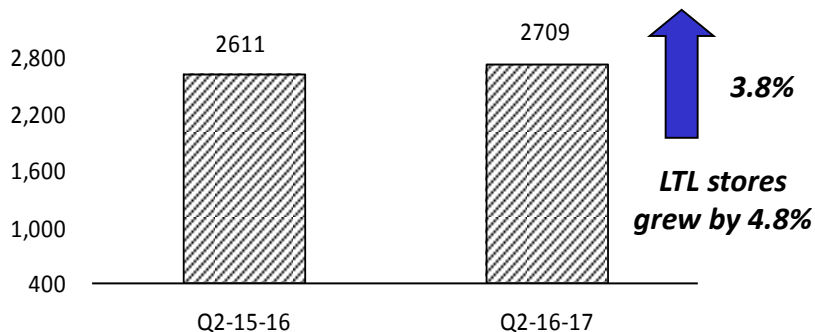
**Customer Entry (figures in lacs.)**



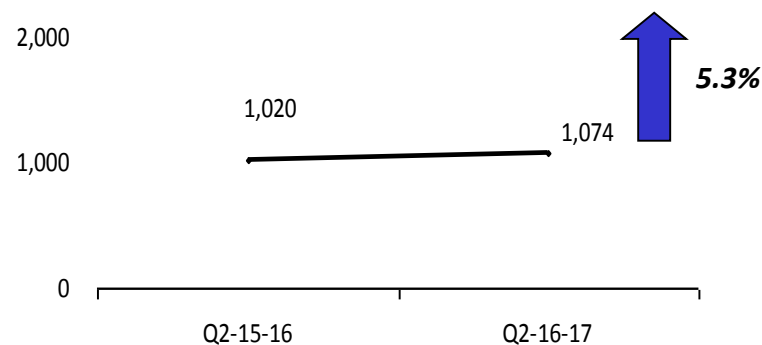
**Conversion Ratio (%)**



**Transaction Size (Rs.)**



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



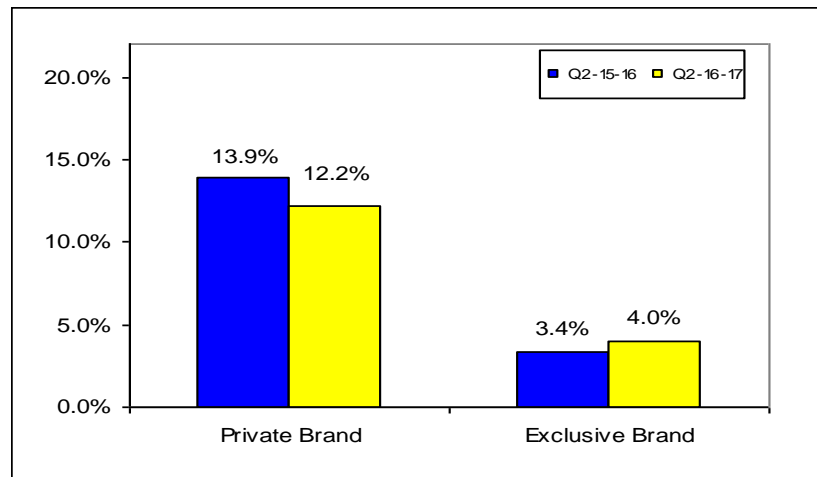
LTL Volume

3.1%



# Merchandise Mix – Q2-2016-17

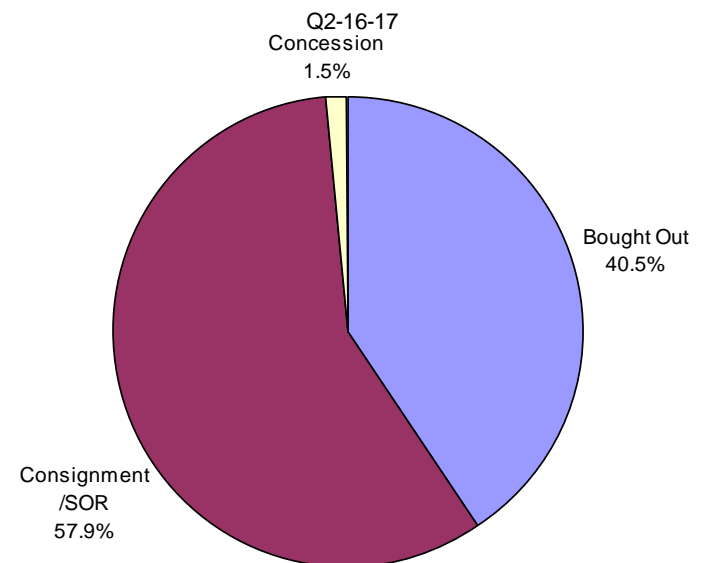
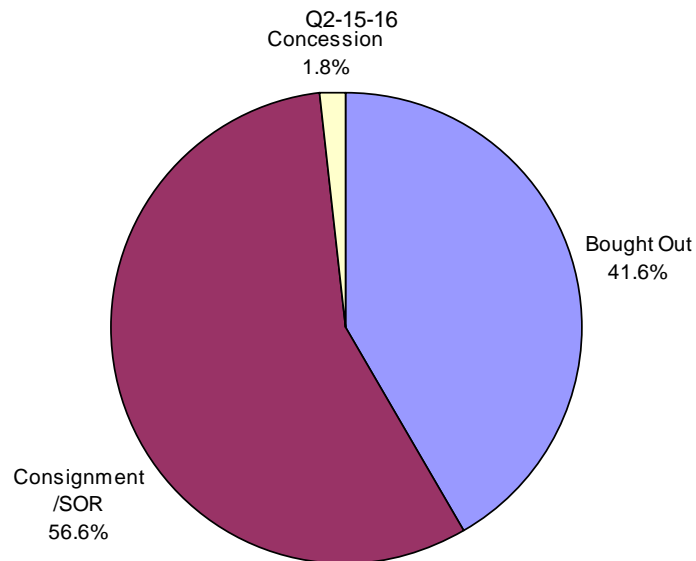
## Private & Exclusive Brand Mix



• Private Brand Sales decreased by 1.7%.

• Private Label sales mix decreased by 1.7%

## Merchandise Buying Model

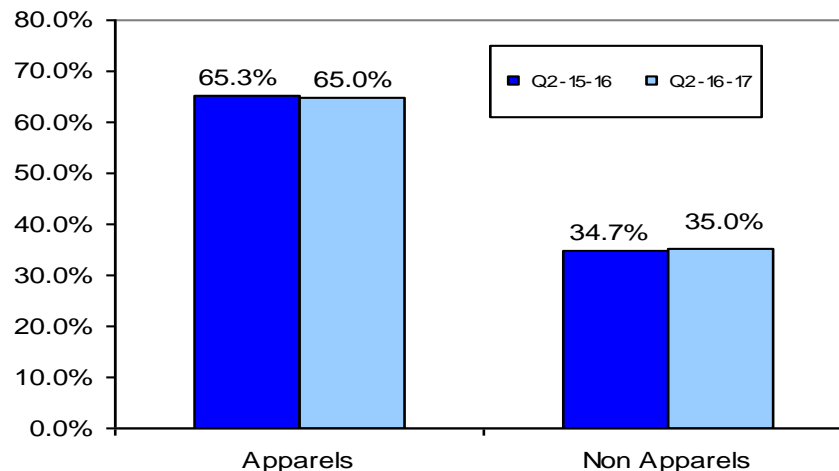


# Revenue Mix – Q2-2016-17

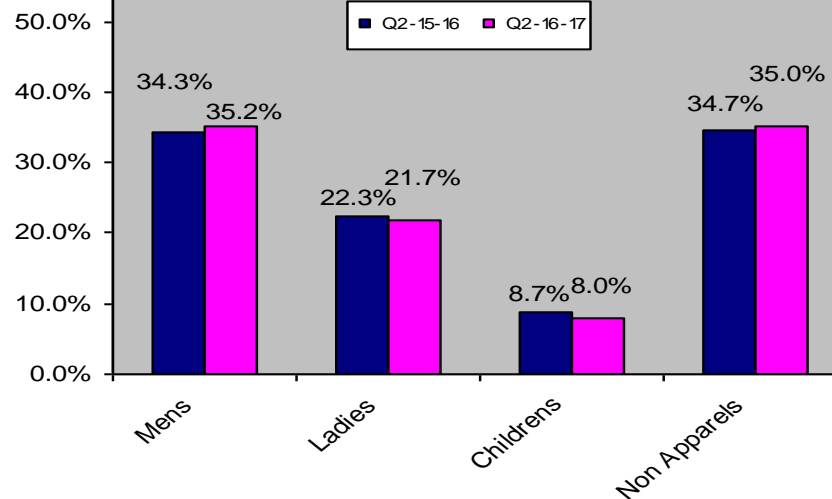


- Non Apparel consists of Home, Leather, Watches, Jewellery, Electronics and Personal accessories

CATEGORY WISE SALES (%)



DIVISION WISE SALES (%)



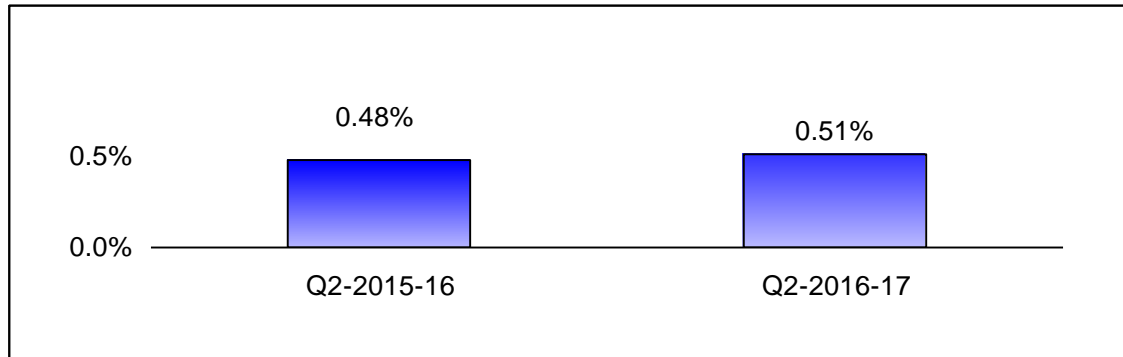


# Operational Efficiency Q2-2016-17:

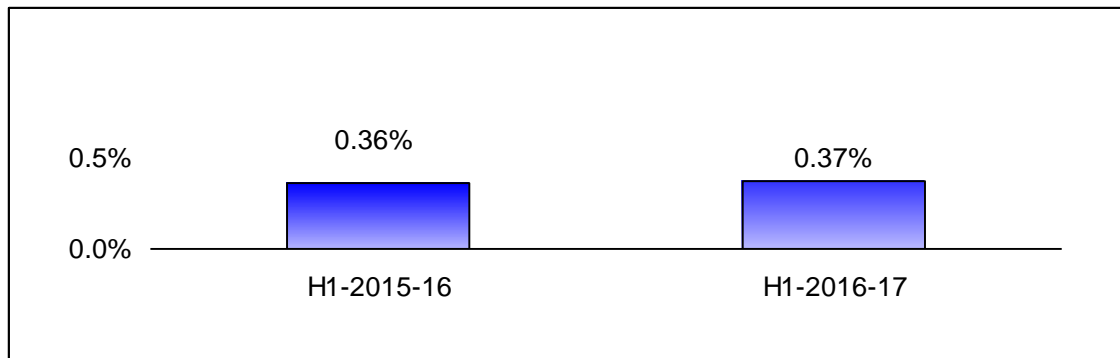
Shrinkage as % of Gross Retail Sales

(SS Dept. Stores)

## Q2-2016-17



## H1-2016-17











# Financial Summary – Q2-2016-17

Shoppers Stop Ltd.

Rs. in lacs

Particular	Q2-2016-17	Q2-2015-16	
<b>Retail Turnover</b>	<b>107,944.8</b>	<b>100,408.4</b>	
<b>Retail Sales</b>	106,312.6	98,699.9	 8%
<b>Margin on Sales</b>	<b>34,904.9</b>	<b>32,447.5</b>	 8%
<b>Margin on Sales %</b>	<b>32.8%</b>	<b>32.9%</b>	
Other Retail Operating Income	1,632.2	1,708.5	
Operating expenses	31,492.0	28,114.9	 12%
<b>Operating expenses %</b>	<b>29.6%</b>	<b>28.5%</b>	
<b>Operating Profit (EBIDTA)</b>	<b>5,045.1</b>	<b>6,041.1</b>	 (17)%
<b>Operating Profit (EBIDTA) %</b>	<b>4.7%</b>	<b>6.1%</b>	
Finance Charges (Net)	921.0	879.5	
Depreciation	2,425.9	3,091.4	 (18)%
<b>PBT</b>	<b>1,698.2</b>	<b>2,070.1</b>	
<b>PBT%</b>	<b>1.6%</b>	<b>2.1%</b>	
Tax	629.4	868.6	 (11)%
<b>Profit After Tax</b>	<b>1,068.9</b>	<b>1,201.5</b>	
<b>Profit After Tax %</b>	<b>1.0%</b>	<b>1.2%</b>	
<b>Total Comprehensive Income</b>	<b>1,053.4</b>	<b>1,190.2</b>	
<b>Total Comprehensive Income%</b>	<b>1.0%</b>	<b>1.2%</b>	

Note : Figures have been regrouped for Presentation purpose.





# Consolidated Financial – Q2-2016-17

Rs. in lacs

Particular	Q2-2016-17	Q2-2015-16
<b>Retail Turnover</b>	<b>142,164.6</b>	<b>129,358.2</b>
<b>Retail Sales</b>	<b>137,748.6</b>	<b>126,485.4</b>
<b>Margin on Sales</b>	<b>41,838.9</b>	<b>38,577.8</b>
<b>Margin on Sales %</b>	<b>30.4%</b>	<b>30.5%</b>
Other Retail Operating Income	4,416.0	2,872.8
Operating expenses	41,617.6	36,321.7
<b>Operating expenses %</b>	<b>30.2%</b>	<b>28.7%</b>
<b>Operating Profit (EBIDTA)</b>	<b>4,637.3</b>	<b>5,128.9</b>
<b>Operating Profit (EBIDTA) %</b>	<b>3.4%</b>	<b>4.1%</b>
Finance Charges (Net)	1,534.3	1,361.9
Depreciation	3,178.8	3,730.4
<b>PBT</b>	<b>(75.8)</b>	<b>36.6</b>
<b>Profit Before Tax %</b>	<b>-0.1%</b>	<b>0.0%</b>
Share of Profit/(Loss) in Joint Ventures	(173.5)	604.2
Tax	629.4	849.6
Minority Interest	845.0	1,016.4
<b>Profit After Tax</b>	<b>(33.8)</b>	<b>807.6</b>
<b>Profit After Tax %</b>	<b>0.0%</b>	<b>0.6%</b>
<b>Total Comprehensive Income</b>	<b>(49.2)</b>	<b>796.3</b>
<b>Total Comprehensive Income %</b>	<b>0.0%</b>	<b>0.6%</b>

Consolidation includes:

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



Note : Figures have been regrouped for Presentation purpose.



# Financial Summary – H1-2016-17

Shoppers Stop Ltd.

Rs. in lacs

Particular	H1-2016-17	H1-2015-16	
Retail Turnover	195,812.2	180,354.7	
Retail Sales	192,480.8	177,207.1	↑ 9%
Margin on Sales	64,355.9	59,647.7	↑ 8%
Margin on Sales %	33.4%	33.7%	
Other Retail Operating Income	3,331.4	3,147.5	
Operating expenses	60,012.1	53,397.9	↑ 12%
Operating expenses %	31.2%	30.1%	
Operating Profit (EBIDTA)	7,675.2	9,397.4	↓ (18)%
Operating Profit (EBIDTA) %	4.0%	5.3%	
Finance Charges (Net)	2,030.6	1,785.2	
Depreciation	6,150.4	5,169.8	
PBT ( Before Exceptional Item)	(505.9)	2,442.4	
PBT%	-0.3%	1.4%	
Exceptional Item	-	2,381.0	
PBT	(505.9)	61.4	↓ (923)%
PBT %	-0.3%	0.0%	
Tax	(218.4)	1,024.5	
Profit After Tax	(287.5)	(963.1)	↑ 70%
Profit After Tax %	-0.1%	-0.5%	
Total Comprehensive Income	(288.0)	(1,023.6)	
Total Comprehensive Income%	-0.1%	-0.6%	

Note : Figures have been regrouped for Presentation purpose.





# Consolidated Financial – H1-2016-17

Rs. in lacs

Particular	H1-2016-17	H1-2015-16
<b>Retail Turnover</b>	<b>260,332.8</b>	<b>237,962.4</b>
<b>Retail Sales</b>	252,937.5	232,448.8
Retail Sales (Net of VAT)	239,958.8	220,500.8
<b>Margin on Sales</b>	<b>78,137.2</b>	<b>71,860.7</b>
<b>Margin on Sales %</b>	<b>30.9%</b>	<b>30.9%</b>
Other Retail Operating Income	7,395.3	5,513.6
Operating expenses	79,487.5	69,387.5
<b>Operating expenses %</b>	<b>31.4%</b>	<b>29.9%</b>
<b>Operating Profit (EBIDTA)</b>	<b>6,045.0</b>	<b>7,986.8</b>
<b>Operating Profit (EBIDTA) %</b>	<b>2.4%</b>	<b>3.4%</b>
Finance Charges (Net)	3,234.5	2,644.7
Depreciation	7,676.6	6,406.5
<b>PBT</b>	<b>(4,866.0)</b>	<b>(1,064.4)</b>
<b>PBT %</b>	<b>-1.9%</b>	<b>-0.5%</b>
Share of Profit/(Loss) in Joint Ventures	(168.4)	530.4
Tax	(218.4)	1,005.5
Minority Interest	2,103.9	1,796.4
<b>Profit After Tax</b>	<b>(2,712.1)</b>	<b>256.8</b>
<b>Profit After Tax %</b>	<b>-1.1%</b>	<b>0.1%</b>
<b>Total Comprehensive Income</b>	<b>(2,712.6)</b>	<b>196.3</b>
<b>Total Comprehensive Income%</b>	<b>-1.1%</b>	<b>0.1%</b>

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- Crossword Bookstores Ltd.
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- Gateway Multichannel Retail ( India ) Ltd



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# Balance Sheet – SSL Standalone

Rs.in Lacs

PARTICULARS	UnAudited Sep'16	Audited Mar'16
Share capital	4,175	4,173
Reserves and surplus	73,545	73,741
Profit & Loss Account for the year		
<b>Net Worth</b>	<b>77,720</b>	<b>77,914</b>
Loan Funds	61,549	58,976
		-
<b>Total Liabilities</b>	<b>139,269</b>	<b>136,890</b>
Total Fixed Assets	64,944	65,943
Investment in Subsidiary Company	58,639	55,870
Lease Deposit	16,933	16,053
<u>Current Assets, Loans &amp; Advances</u>		
Stock in Trade	34,545	38,587
Sundry Debtors	3,482	2,367
Loans & Advances	3,302	2,920
Cash & Bank Balance	621	528
Other Current Assets	10,664	8,485
<b>Total Current Assets</b>	<b>52,614</b>	<b>52,888</b>
<u><b>Current Liabilities and Provisions</b></u>		
Trade Creditors	35,867	37,064
Other liabilities and provisions	17,775	17,141
<b>Total Current Liabilities</b>	<b>53,642</b>	<b>54,205</b>
<b>Net Current Assets</b>	<b>(1,027)</b>	<b>(1,316)</b>
Deferred Tax	(219)	340
<b>Total Assets</b>	<b>139,269</b>	<b>136,890</b>

Particulars	H1-16-17	2015-16
Debt Equity	0.79	0.75
Asset Turnover Ratio (Without Invt. In Group Co.)	2.38	4.80
Current Ratio	0.98	0.99

SSL Debt : 615 Cr  
Hypercity Debt : 234 Cr

Note : Figures have been regrouped for Presentation purpose.



# Cash Flow – SSL Standalone

Rs.in Lacs

Particulars	For the period ended 30th Sept 2016
<b>Operating Profit</b>	<b>8,091</b>
Changes in Working Capital	(446)
<b>Cash Generated from Operating Activities</b>	<b>7,645</b>
Investment in SSL Fixed Assets & Deposit for stores	(5,464)
Investment in JV/ Subsidiary Companies	(2,769)
<b>Net Cash Used for Investing Activities</b>	<b>(8,233)</b>
Proceeds from issuance of share capital	94
Interest & Finance Cost (Net off)	(1,986)
Increase / (Decrease) in Loans	2,572
<b>Cash generated from Financing Activities</b>	<b>681</b>
<b>Net Increase/(decrease) in Bank Balance</b>	<b>93</b>

Note : Figures have been regrouped for Presentation purpose.





Something *Fresh* every day

FOOD HOME FASHION

Quarterly Performance – Q2 FY17



## Key Highlights

- LTL Sales growth : 3.4%
- Fashion mix : 16.1% [LY: 15.4%]
- Gross Margin : 22.8% [LY: 22.2%]
- LTL Opex growth : 7.4%
- Store operating profit : Rs. 185 lacs; [LY: 549 lacs]
- LTL Store Operating profit : Rs. 687 lacs; [LY: 580 lacs]
- Company EBITDA : Rs. (57)\* lacs; [LY: Rs. (470) lacs]
- PAT : Rs. (1726)\* lacs; [LY: Rs. (1929) lacs]
- New Store Launched : Bangalore – Orion Mall (25k sq ft) launched on 4<sup>th</sup> Sep'16
- Total retail space 1.4 Mn sq ft (20 stores).

\* Includes Rs 1036 lacs profit from sale of 1 property option.





## Bangalore – Orion Mall, Store Launched on 4<sup>th</sup> Sept., 2016



# Bangalore – Orion Mall - (25K Sq.ft.)





# Bangalore – Orion Mall - (25K Sq.ft.)





# HyperCITY - Key Financials Highlights

- **Sales Growth:**

HyperCITY stores : **15.4%**

- **LTL Sales Growth :**

HyperCITY stores : **3.4%**

- stores > 5 years : **2.9%**

- stores < 5 years : **4.8%**

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

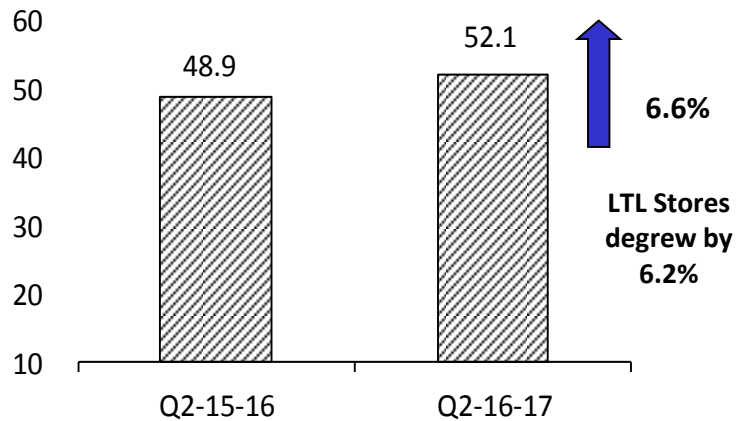
LTL level \* : **Rs 2,337** (LY Rs 2,259)

Chain level \* : **Rs 2,213** (LY Rs 2,138)

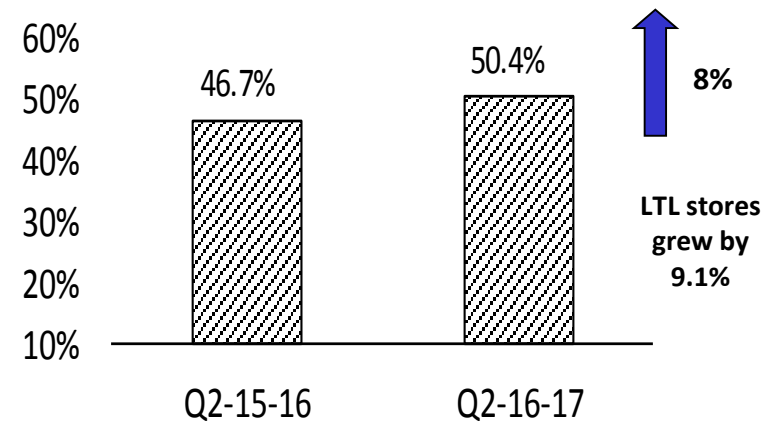
\* LTL sales psf is after excluding concessionaire/ sub-lease area.

# Operational Indicators – Q2 - 2016-17

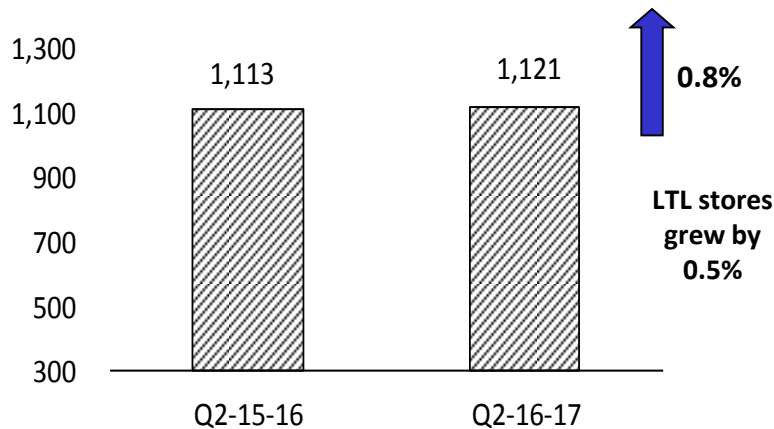
## Customer Entry (figures in lacs.)



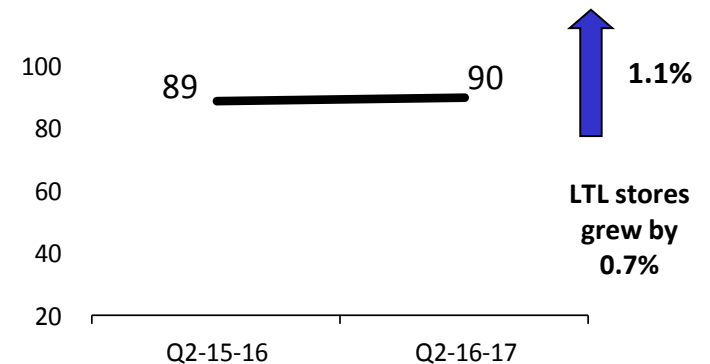
## Conversion Ratio (%)



## Transaction Size (Rs.)



## Average Selling Price ("ASP")



LTL Volume ↑ 2.7%



# HyperCITY Financials – Q2 - 2016-17

Rs.in lacs

Particular	Q2 FY17	% Sales	Q2 FY16	% Sales	Growth%
Retail Sales (Including VAT)	29,481	107.7%	25,535	107.6%	15.5%
Retail Sales (Net of VAT)	27,369	100.0%	23,722	100.0%	15.4%
Gross Margin	6,230	22.8%	5,272	22.2%	18.2%
DC Cost	273	1.0%	215	0.9%	27.0%
Shrinkage	158	0.6%	255	1.1%	-38.2%
<b>Margin on Sales</b>	<b>5,799</b>	<b>21.2%</b>	<b>4,802</b>	<b>20.2%</b>	<b>20.8%</b>
Store Operating Expenses	6,353	23.2%	4,960	20.9%	28.1%
Other Retail Operating Income	739	2.7%	706	3.0%	4.6%
<b>Store EBIDTA</b>	<b>185</b>	<b>0.7%</b>	<b>549</b>	<b>2.3%</b>	<b>-66.3%</b>
Service Office / Pre-ops Exp.	1,277	4.7%	1,018	4.3%	25.4%
Loss / (Profit) on sale of Property options	(1,036)	-3.8%			
<b>COMPANY EBIDTA</b>	<b>(57)</b>	<b>-0.2%</b>	<b>(470)</b>	<b>-2.0%</b>	<b>87.9%</b>
Depreciation	683	2.5%	571	2.4%	19.6%
Finance Charges	987	3.6%	888	3.7%	11.1%
<b>PAT</b>	<b>(1,726)</b>	<b>-6.3%</b>	<b>(1,929)</b>	<b>-8.1%</b>	<b>10.5%</b>

• LTL Opex Growth : 7.4%

• Numbers have been regrouped for analytical representation





YTD - FY16



# HyperCITY Financials – H1 - 2016-17

Rs.in lacs

Particular	YTD FY17	% Sales	YTD FY16	% Sales	Growth%
Retail Sales (Including VAT)	56,669	107.7%	51,020	107.6%	11.1%
Retail Sales (Net of VAT)	52,618	100.0%	47,405	100.0%	11.0%
Gross Margin	12,125	23.0%	10,632	22.4%	14.0%
DC Cost	534	1.0%	432	0.9%	23.7%
Shrinkage	295	0.6%	367	0.8%	-19.7%
Margin on Sales	11,296	21.5%	9,833	20.7%	14.9%
Store Operating Expenses	12,246	23.3%	9,706	20.5%	26.2%
Other Retail Operating Income	1,418	2.7%	1,363	2.9%	4.0%
Store EBIDTA	468	0.9%	1,490	3.1%	-68.6%
Service Office / Pre-ops Exp.	2,470	4.7%	2,009	4.2%	22.9%
Loss / (Profit) on sale of Property options	(1,036)	-2.0%			
COMPANY EBIDTA	(966)	-1.8%	(520)	-1.1%	-85.9%
Depreciation	1,377	2.6%	1,173	2.5%	17.4%
Finance Charges	1,954	3.7%	1,648	3.5%	18.6%
PAT	(4,298)	-8.2%	(3,340)	-7.0%	-28.7%

• LTL Opex Growth : 6.4%

Sources of Funds	30th Sep 16
Net worth	285
Loans from Shareholders / Group Co's	14,800
Loans	23,187
<b>Total</b>	<b>38,272</b>
Application of Funds	
Fixed Assets	18,010
Currents Assets , Loans and Advances	35,034
Less : Current Liabilities and Provisions	14,771
Net Current Assets	20,263
<b>Total</b>	<b>38,272</b>

• Numbers have been regrouped for analytical representation





In case of any clarifications please  
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