

Press Release

Future Capital launches India's 1st Financial Superstores

- To be integrated within retail format, ties up with Future Group stores
- To launch 100 branches within a year
- To launch in 20 major cities pan India

MUMBAI, April 05, 2011: Leveraging the large customer franchisee of the nation-wide Future Group stores, Future Capital today announced the launch of India's first Financial Superstores within a retail format to offer multi-range financial products.

Similar to the retail concept of Future Group retail stores, Future Capital aims at providing holistic financial solutions by being a one stop shop for all retail financial products ranging from loans, payment solutions, wealth management and equity broking solutions, insurance offerings, real estate broking and money changing. These superstores would be in sizes ranging from 150 - 350 sq ft.

Future Group has 200 large stores across the formats of Big Bazaar, Hometown, E Zone, Pantaloon and Central's with over 15 million square feet of retail space and over 200 million customer footfalls annually. Thus, the strategic tie up with Future Group's retail stores has offered Future Capital the magnanimous bandwidth of large format retail stores namely Big Bazaar, E zone and Hometown. A financial services company integrated with a retail chain makes a great combination, as the two entities provide complementary services.

Announcing the launch, Mr. V. Vaidyanathan, Vice Chairman & MD of Future Capital, said: "We believe that our biggest competitive advantage and differentiator is the ability to provide services to the customers of the Future Group stores. We will meet all four financial needs for the customer, Borrowing, Investment, Protection and Financial Planning we will offer Car Loans, Home Loans, Property Loans, Gold Loans, Life Insurance, distribute Mutual Funds and offer Wealth Management and Equity Broking Solutions and ATM facilities. We are planning to launch 100 of these financial branches by March 2012."

The financial superstore is a very unique and a first time concept in India, which has been a highly successful model abroad, especially in countries like the USA, Europe, Brazil and Mexico. A strong and successful case in point would be Wal-Mart which has over 1000 Wal-Mart money centers in their retail stores which provide money orders and transfers, Cheque cashing, self prepaid debit cards among other retail financial products.

The Company targets to have over 100,000 customers onboard during year one and disburse Rs 1,000 crores of secured loans in 2011-2012 from the stores and build a very strong fee income business through wealth management, broking and insurance businesses.

About Future Capital Holdings:

Future Capital Holdings (FCH) is an NBFC and is in the business of providing financial services across wholesale and consumer businesses. The company offers business in two segments - Retail Financial Services and Wholesale Credit. Under Retail, it offers Consumer Durable loans, Loans against property, Security and Gold and is in the process of launching new products in the consumer finance and wealth management segments. In the Wholesale Credit category, its bouquet covers corporate loans for acquisitions, project financing and other wholesale businesses. As of Dec 2010, the company had a total of 45000 customers, 20 full service branches, 260 employees and net worth of Rs. 754 crores.

Few recent developments at Future Capital Holdings:

Future Capital Holding (FCH) & Centrum Capital Ltd. (CCL) recently decided on the rearrangement of share holding on their two existing Joint Ventures, FCH Centrum Wealth Managers Ltd. (FCH CWML) & FCH Centrum Direct Ltd. (FCH CDL).

As per the new arrangement, Centrum Capital Ltd. will buy 50% stake currently held by FCH in the entity FCH Centrum Direct Ltd. for a consideration of Rs. 100 crores. In 2008, FCH had invested Rs. 75 crore for 50% stake in this joint venture. Post this transaction, Centrum Capital Ltd will hold 100% stake of FCH Centrum Direct Limited. Centrum Direct Ltd. is primarily into the business of Forex money changing and travel solutions.

As part of the same arrangement, FCH will buy out 50% stake of FCH Centrum Wealth Managers Ltd. from CCL at a consideration of Rs 1 crore. In 2008, FCH had invested 50% stake in this joint venture with CCL for Rs 25 crores. Post this transaction, FCH will hold 100% of this entity. FCH plans to leverage on this platform for building a very strong business in the area of Wealth management and equity broking.

Key Personnel for the Company

Mr. V. Vaidyanathan recently joined as the Vice Chairman and Managing Director of the company in August 2010. He was earlier MD & CEO of ICICI Prudential and on the board of ICICI Bank. Since taking over he has defined the business model of the company and hired the key management team to deliver on the plans.

Mr. Apul Nayyar has joined in October 2010, as the CEO of the Retail finance Business. In his last role, Mr. Nayyar was Executive Director of India Infoline Investment Services Ltd and has also worked with Citigroup as a Chief Financial Officer.

Mr. Ashok Shinkar joined Future Capital Holdings Ltd in January 2011 as Corporate Centre Head & CFO: He has earlier been on the Board of Wanbury Limited and has worked with J M Morgan Stanley and SSKI Corporate finance.