

Press Release

Future Group announces Joint Venture with Axiom Telecom LLC

Mumbai, July 20, 2007: Future Group today announced that its flagship company Pantaloon Retail (I) Ltd. has signed a **50:50 joint venture agreement** with the UAE based, **Axiom Telecom LLC**, the largest authorized distributor, retailer and after sales support provider of mobile phones, phone accessories, wireless gadgets, memory & storage devices in the Middle East. The new company will focus on developing backend sourcing infrastructure for the Pantaloon Retail's existing telecom retailing business, to enable it to expand and scale up, exponentially. Additionally, it will also create a nationwide network of state-of-the-art after sales service centers for mobile handsets in the country.

Said **Mr. Kishore Biyani, Group CEO, Future Group**, "The current explosion of the telecom retail market that we are seeing, is breaking new barriers every day. There is no doubt that mobiles will soon be the single largest electronic products retailed in the country. Future Group, with the knowledge and expertise of Axiom Telecom's systems and process in this area, will be best positioned to retail and service the Indian telecom market."

Said, **Mr. Faisal Al Bannai, CEO, Axiom Telecom LLC**, "We see great business potential in India for distribution & servicing of telecom products, and are delighted to partner with Future Group, the largest retailer in the country. We believe that our expertise in distribution and after sales service operations, and Future Group's understanding of the Indian consumer and the marketplace, will create a win-win for us, as well as the Indian consumers."

The joint venture activities would be carried out by a separate company. This Joint Venture is a strategic business decision for the Future Group and reinforces its commitment to be a serious player in the telecom wholesale, retail and after sales service market in the country. Rabo India Finance Ltd. And Alpen Capital (ME) Limited, Dubai were joint financial advisors to the transaction.

About Axiom Telecom

Axiom Telecom is the largest and leading, authorized distributor and retailer for international brands such as Nokia, Sony Ericsson, Motorola, Samsung, Thuraya and i-mate. Axiom specializes in wireless communication products and boasts more than 450 outlets under its management in prime retail locations across the Middle East. The Axiom name is a stamp of quality and originality, and a guarantee of the best after-sales service in the region provided by highly trained professionals. Axiom employs over 1600 people it has since expanded into Saudi Arabia, Bahrain, Oman, Kuwait, Egypt and UK. More expansion and jobs are in the pipeline as the company grows in the Middle East but also in the surrounding countries.

Established in 1997 by Faisal Al Bannai, Axiom is committed to offering the best value for money to its customers, along with genuine service and the most attractive incentives. Today, besides its own branded outlets, Axiom owns and operates stores through partner arrangements in the UAE with Spinneys, Lulu Centers and Union Co-op. Axiom is also the exclusive telecom partner for Emirate Service Stations and more recently Enoc & Eppco Petrol station where Mobile Phone accessories are

sold in over 200 stations. Axiom is more than a retailer. The company is made up of different business units. Retail is the flagship business where Axiom is clearly the largest and most advanced retailer in the region. Wholesale makes Axiom the biggest multi-brand distributor in the Middle East. Axiomplus another successful business unit that focuses on selling value-added services like ringtones, games, wallpaper, live SMS soccer score updates, data backup and many more mobile wireless applications. The mobile service centre is another important business unit in Axiom takes care of all after sales services in Axiom. Axiom was also the first company to invest in the dedicated mobile phone repair facility, 'Phonecare', currently across the middle east. Axiom's strength lies in the fact that it operates in different sectors of telecommunication distribution, retail, value added services, service provisioning, airtime management and repair services.

Dubai Holding is a strategic shareholder of Axiom Telecom LLC. Created to consolidate the various large scale infrastructure and investment projects that contribute towards Dubai's economic, social and industrial developments, Dubai Holding has constantly worked in tandem with these sectors toward a single goal - the good of tomorrow. Dubai Holding created a strong foothold in 11 industries, with 19 subsidiaries, developing and launching pioneering initiatives spanning numerous sectors including Technology, Communication, Energy, Health and Education, Tourism, Real Estate, Finance, Hospitality, Biotechnology and Industrial manufacturing.

About Future Group

Future Group is the country's leading business group that caters to the entire Indian consumption space. It operates through six verticals: **Future Retail** (encompassing all lines of retail business), **Future Capital** (financial products and services), **Future Brands** (all brands owned or managed by group companies), **Future Space** (management of retail real estate), **Future Logistics** (management of supply chain and distribution) and **Future Media** (development and management of retail media spaces).

The group's flagship company, Pantaloon Retail (India) Limited operates over 5 million square feet through 400 stores in 40 cities. Some of its leading retail formats include, Pantaloons, Big Bazaar, Central, Food Bazaar, Home Town, EZone, Depot, Health & Beauty Malls and online retail format, futurebazaar.com.

Future Group companies include, Indus League Clothing, that owns and retails brands like Indigo Nation and Scullers and Galaxy Entertainment that manages Sports Bar, Brew Bar and Bowling Co. Future Capital Holdings, the group's financial arm, focusses on asset management and consumer credit. It manages assets worth over \$1 billion that are being invested in developing retail real estate and consumer-related brands and hotels.

The group's joint venture partners include Italian insurance major, Generali, US-based stationary products retailer, Staples and UK-based Lee Cooper and India-based Talwalkar's, Blue Foods and Liberty Shoes.

Future Group's vision is to, "deliver Everything, Everywhere, Everytime to Every Indian Consumer in the most profitable manner." The group considers 'Indian-ness' as a core value and its corporate credo is - Rewrite rules, Retain values.

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