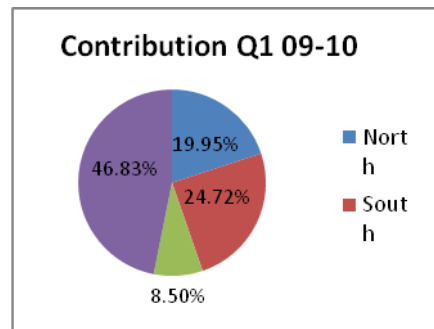
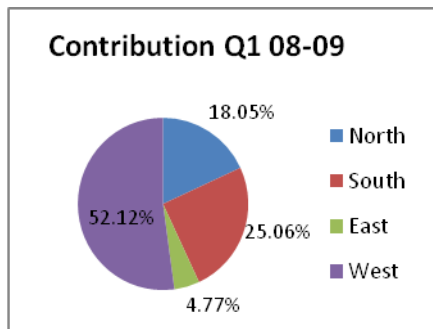


CATWALK WORLDWIDE Quarterly performance – Q109-10

Catwalk Worldwide witnessed an increase of 5.1% in same store sales growth in Q1 FY09-10 over Q1 FY08-09, while it grew 16% as a chain year-on-year in Q1 FY09-10. In terms of volume the company registered a growth of 2.3% in same stores whereas as a chain it clocked 11.2% growth. Along with the growth in both value and volume, the average selling price of its products also saw a rise of 7%.

Catwalk has a pan India presence aptly reflected with its merchandise available as far in the east as Siliguri. The western region though dominates with it contributing to almost 47% of its sales showing a growth of 2.25% over Q1 FY08-09. The biggest growth was seen in the eastern region – 102.6% over FY08-09 and the regions' contribution increasing to 9% in the revenue pie. The southern and northern region contributed 23% and 21% to the Catwalk coffers, registering a growth of 12.25% and 25.75% respectively. The trend in the region contribution shows the decrease in dependence of Catwalk on the western region with the other regions slowly increasing their influence on the revenues of Catwalk.



Catwalk operates both in the stand alone store format as well as in the shop-in-shop format. Catwalk has partnerships with most of the major retailers viz. Shoppers stop, Lifestyle, Pantaloons, Reliance, etc.

Catwalk's performance in Q109-10 is in line with its forecasted sales, though it has taken a small hit due the current economic conditions. However with the economy seeing a recovery of sorts, Catwalk is confident of achieving its target at the end of the current fiscal.

Catwalk was the first retailer in the footwear industry to have a loyalty program for its customers. Called "Advantage Catwalk" – the program emphasizes the importance of the customers in Catwalk's scheme of things. 42.5% of the sales in Q109-10 have come from these Catwalk loyalists and the company is confident that this figure will keep growing.

Consolidating itself as the leading retailer in the ladies footwear category has seen Catwalk start new stores to cater to the ever increasing demand of the fashion conscious junta. As of 30 June 2009 there are 103 Catwalk outlets all across India. This represents an almost 11% increase in

the number of stores with respect to Q1 FY08-09. The number of shop-in-shops grew by 10% while the number of boutique stores grew by 23%.

The company's Gross Margin Return on Inventory (GMROI) increased by 17% to 2.53 in Q109-10 while its Gross Margin Return on Footage (GMROF) grew by 13% to INR 8,719 and its Gross Margin Return on Labor (GMROL) grew by 56% to INR 774,685.

*Source: Images group- Shoes & Accessories/ September 09 | VOL 1 | No. 3 'CATWALK
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