The Phoenix Mills Ltd.

Investor Presentation – 1QFY13

Discussion Outline

1 **About Us**
- Business Model
- Our Portfolio

2 **Key Highlights**
- Financial Overview
- Retail
- Residential and Commercial

3 **2012-13 AND BEYOND**
- Retail
- Residential and Commercial
- Hospitality

ALL ROADS LEAD TO A PHOENIX MARKETCITY

BUSINESS MODEL

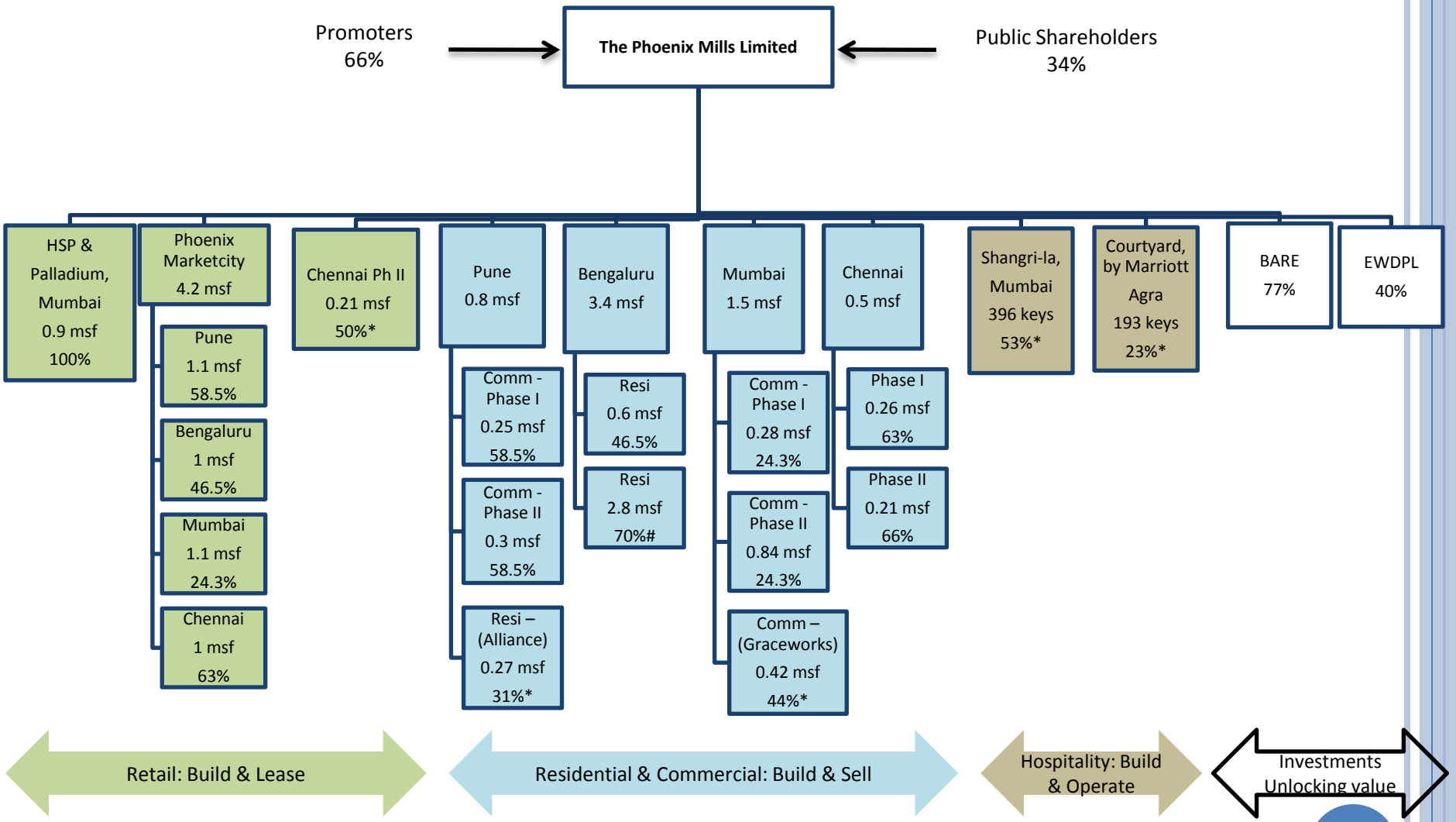
- A business model with annuity income from retail, healthy cash flows from sale of commercial & residential assets and value generation through strategic investments
- Retail: Build and Lease Model
- Residential & Commercial : Build and Sell model
- Hospitality : Build and Operate Model
- Investment : Strategic Investments in Retail focused developers in Tier II & III cities

GEOGRAPHICAL - SPREAD

- Strong presence in metropolitan and Tier I cities like Mumbai, Pune, Bengaluru & Chennai
- Spreading to Tier II, Tier III cities by partnering with experienced and reputed developers

ABOUT US

OUR PORTFOLIO



All stake % represents economic interest of PML
*Stake held via PHCPL
Proposed shareholding

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KEY HIGHLIGHTS

STANDALONE FINANCIAL OVERVIEW

(Rs Mn)	1QFY13	4QFY12	*QoQ (%)*	1QFY12	*YoY (%)*	FY12
Income from operations	626	600	*4%*	535	*17%*	2,260
EBITDA	**394**	**363**	*9%*	**331**	*19%*	**1,401**
EBITDA Margin	*63.0%*	*60.5%*		*61.8%*		*62.0%*
Other Income	143	146	*(2%)*	110	*31%*	457
Depreciation	67	73	*(8%)*	67	*1%*	283
Interest	58	68	*(15%)*	10	*463%*	165
Profit before tax	413	368	*12%*	363	*14%*	1,409
Profit after tax	**306**	**273**	*12%*	**272**	*12%*	**1,053**
EPS (Rs)	2.11	1.89		1.88		7.27

Note: *For better understanding of the financial statements, the electricity charges recovered from licensees, which were earlier netted off with electricity expenses are now reclassified and disclosed on gross basis as income and expenses. The corresponding figures for the previous quarters/year have also been accordingly reclassified. Resultantly, the figures of the Total Income & Total Expenditure stands increased by Rs. 64.7 mn for 1QFY12, Rs. 69.0 mn for 4QFY12 , Rs 93mn for 1QFY13 and Rs. 278.9 mn for FY12. This change does not impact the Net profit for the relevant period/year.*

KEY HIGHLIGHTS

UNAUDITED ST BALANCE SHEET

Liabilities (Rs million)	As on June 30, 2012	As on March 31, 2012	Assets (Rs million)	As on June 30, 2012	As on March 31, 2012
Share Capital	290	290	**Non - Current Assets**		
Reserves & Surplus	16,737	16,431	Tangible Assets	4,317	4,395
Sub-Total	**17,027**	**16,721**	Capital Work-in-Progress	954	913
Non – Current Liabilities			Non-Current Investments	7,998	7,998
Long Term Borrowings	2,552	2,612	Deferred Tax Assets (Net)	29	28
Other L. T. Liabilities	664	664	L.T. Loans and Advances	5,622	5,478
Long-Term Provisions	4	4	Other Non-Current Assets	87	84
Sub Total	**3,219**	**3,279**	**Sub Total**	**19,007**	**18,896**
Current Liabilities			**Current Assets**		
Short Term Borrowings	89	7	Current Investments	-	100
Trade Payables	393	410	Trade Receivables	320	314
Other Current Liabilities	1,194	991	Cash & Cash equivalents	131	138
Short Term Provisions	397	360	S.T. Loans and Advances	2,559	2,176
			Other Current Assets	301	145
Sub Total	**2,073**	**1,768**	**Sub Total**	**3,312**	**2,873**
Total	**22,318**	**21,768**	**Total**	**22,318**	**21,768**

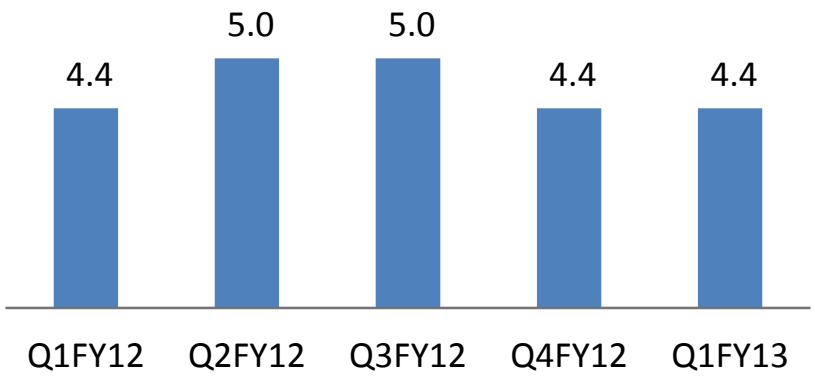
ALL ROADS LEAD TO A PHOENIX MARKETCITY

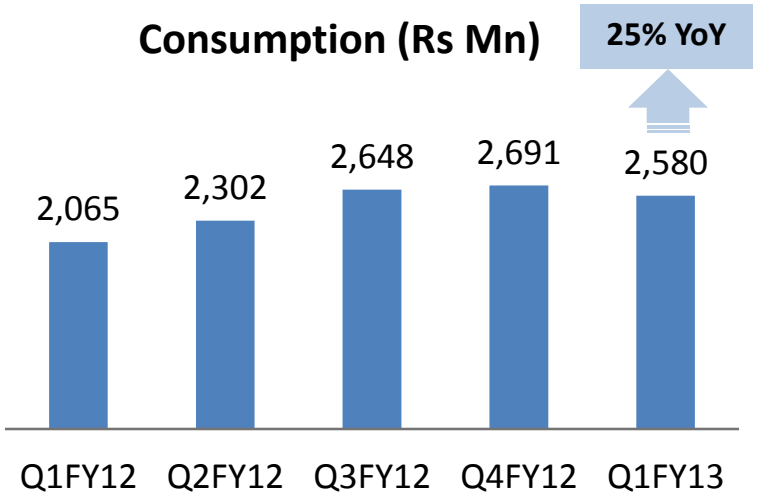
Key Highlights:

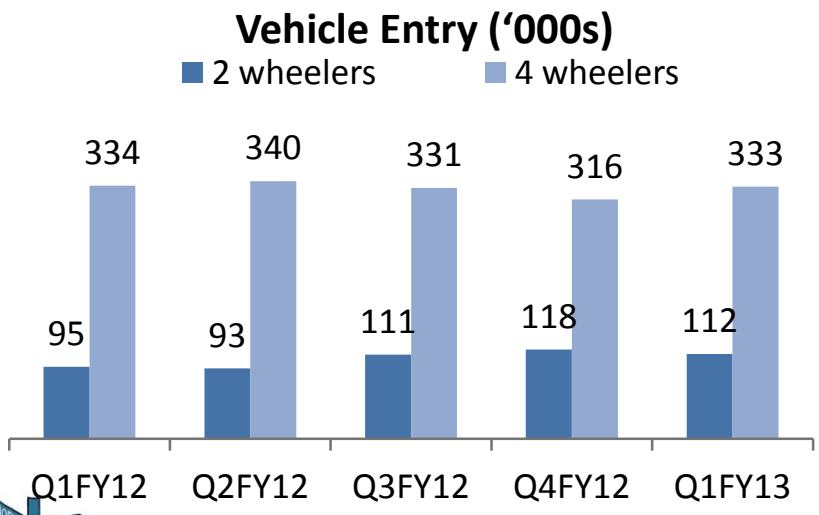
- Consumption at the mall increased from Rs 2,065 mn in Q1FY12 to Rs 2,580 mn in Q1FY13, a 25% y-o-y growth
- Average Trading Density increased from Rs 1,485 in Q1FY12 to Rs 1,756 in Q1FY13, a 18% y-o-y growth
- HSP rental per sft p.m. increased from Rs 162 in Q1FY12 to Rs 177 in Q1FY13
- Palladium Annexe (16,000 sft) which was opened in 4QFY12 to house luxury brands has achieved higher than 70% occupancy. Premium brands like Bally, Ermeneglido Zegna, Paul Smith etc. became operational during the quarter
- Food Court (6,000 sq. ft.) has been re-opened with an international look. Current Occupancy stands at approx 65% with brands like Ice Cream Works and Haagen Dazs opening the quarter

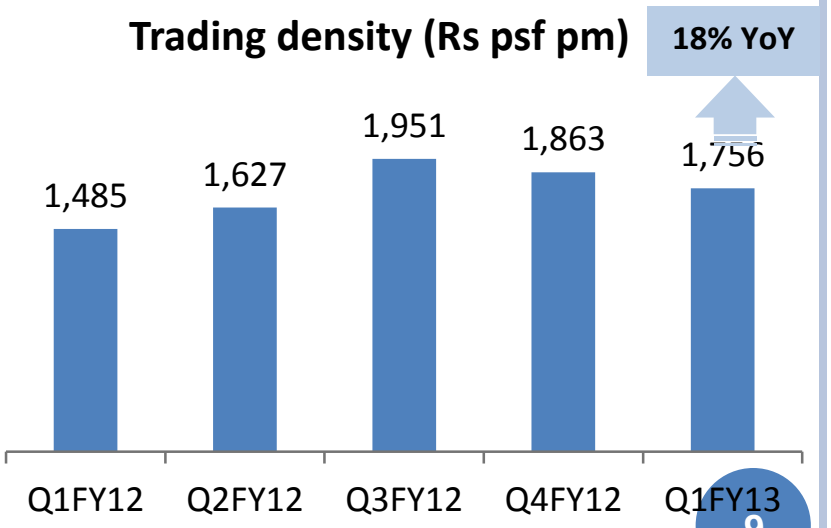
KEY HIGHLIGHTS

HIGH STREET PHOENIX









ALL ROADS LEAD TO A PHOENIX MARKETCITY

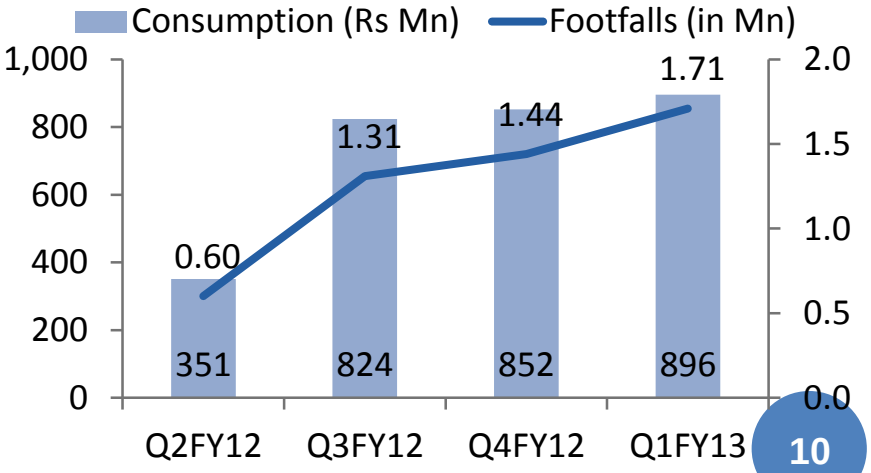
Rental rate @ HSP for Q1FY13 = Rs 177 psf pm

KEY HIGHLIGHTS

PHOENIX MARKETCITY PUNE

Key Operating Parameters	
Current Leasing Status	85%
Current Occupancy Status	69%
Number of Stores Trading	237
License Fees (psf/pm)	Rs.60
Key Financial Details	**(Rs. Mn)**
Equity	1,568
Secured Loan	4,700
Project Cost (Phase I)	8,053

- Avg. Trading density for the mall was Rs. 562 psf during 1QFY2013 vis-à-vis Rs. 493 psf for the period July – March 2012
- PVR has completed fit-outs and is expected to open in August 2012
- ~0.22 msf out of the total saleable area of 0.25 msf of East Court has been sold at an approx rate of Rs. 6,100 psf.



KEY HIGHLIGHTS

PHOENIX MARKETCITY PUNE

Particulars (Rs mn)	Q1FY2013
Total Income	142
Recoveries (CAM and other)	112
Total Income	**254**
EBIDTA	**126**
EBIDTA Margin (as % of Rental Income)	*89%*
EBIDTA Margin (as % of Total Income)	*50%*
Occupancy	*69%*
Rental rate (Rs psf. pm. of trading area)	*60.2*

ALL ROADS LEAD TO A PHOENIX MARKETCITY

KEY HIGHLIGHTS

PHOENIX MARKETCITY BENGALURU

- Large format stores like Croma, Home Town, Tanishq opened during the quarter
- Blu O and OOD Life are expected to open by August-end 2012
- Plans for the residential are currently at advanced stages of design

Key Operating Parameters	
Current Leasing Status	88%
Current Occupancy Status	62%
Number of Stores Trading	189
License Fees (psf/pm)	Rs.65
Key Financial Details	**(Rs. Mn)**
Equity	1,950
Secured Loan	3,480
Project Cost (Phase I)	6,111

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Key Highlights

Phoenix Marketcity Kurla

- Reliance Mart & Freezing Rains @ Snow World have become operational
- PVR expected to open by September 2012; Amoeba has partially opened with four Bowling Alleys, which shall ramp up to 14 lanes by mid-August 2012
- Rs . 1,500 Mn tied up for construction of Orion park with Yes Bank @ 15.5% with a moratorium period of two years.
- 91% of 15 LBS has been sold.

Key Operating Parameters	
Current Leasing Status	82%
Current Occupancy Status	59%
Number of Stores Trading	189
Targeted License Fees (psf/pm)	Rs. 85
Key Financial Details	**(Rs. Mn)**
Equity	3,091
Secured Loan	6,440
Project Cost (Phase I)	11,160

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DEVELOPMENT PORTFOLIO

Portfolio = 6.65 msf in 4 cities of India
Constructed/ Launched till date = 2.26 msf

Location	Project	Type	Area msf	PML Stake	PML's Eco. interest (msf)	Construction Status	Sales June '12
Pune	Phase I	Commercial	0.25	58.5%	0.14	Complete	88%
Mumbai	15 LBS	Commercial	0.28	24.3%	0.06	Complete	91%
	Orion Park	Commercial	0.84	24.3%	0.20	Jan 2012	37%
	Graceworks	Commercial	0.42	44%	0.19	Jan 2012	12%
Chennai	Phase I	Residential	0.26	50.01%*	0.16	June 2011	77%
	Classic Housing	Residential	0.21	50%*	0.14	FY12	29%
Total			**2.26**		**0.89**		

* The Company's Board, in its meeting held today, has approved the proposal to acquire the stake of Kshitij in Classic Mall and Classic Housing jointly with Sharyans Resources Limited, another shareholder in the said companies. On Completion of the said transaction, the Company will hold an effective equity stake of 50.01% in Classic Mall and 50% in Classic Housing.

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PHOENIX MARKETCITY, CHENNAI

Key Operating Parameters	
Leasing Status	71%
License Fees (psf/pm)	Rs. 95
Key Financial Details	(Rs. Mn)
Equity	1,498
Debt	3,000
Project Cost	5,434

- The Company's Board, in its meeting held today, has approved the proposal to aquire the stake of Kshitij in Classic Mall and Classic Housing jointly with Sharyans Resources Limited, another shareholder in the said companies. On Completion of the said transaction, the Company will hold an effective equity stake of 50.01% in Classic Mall and 50% in Classic Housing.
- Mall is expected to be launched in Q2FY2013
- Key Brands viz. Big Bazaar Croma, Lifestyle, Pantaloons, Satyam Cinemas, Man U, OOD life, etc. are undergoing fit-outs
- Construction at the Residential Tower C has progressed up to the 7th roof slab.
- Of the 0.26 mn sq. ft. (105 apartments) launched in Phase I earlier this year, around 0.20mn sq. ft. has already been committed
- Avg. sale price is greater than Rs 7,000 per sq. ft.; total collections till date are Rs. 598 mn

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ONE BANGALORE WEST

- Nearly 2.8 msf of saleable area in a prime 16.5 acre land parcel located at Rajajinagar in Bengaluru (W)
- The project is designed to have 9 high-rise towers and one luxury tower
- With most approvals in place, the project team is geared up for the launch of first phase by August 2012

2012 – 13 & BEYOND

SHANGRI- LA

Key Parameters	
Rooms	368
Serviced Apartments	28
Equity (Rs Mn)	2,946
Debt (Rs Mn)	6,050
Project Cost (Rs Mn)	10,008

- Shangri – La is expected to open in September 2012
- Façade works are fully complete
- All MEP high side equipments have been commissioned & handed over and more than 95% of the MEP low side equipments are tested & commissioned
- All 16 Elevators are commissioned and we have received the licenses to operate the same

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STRATEGIC INVESTMENTS

Big Apple Real Estate Pvt Ltd

- Investment of Rs. 1.1 bn for a 77.2% stake
- BARE operates its malls under the brand name of 'Phoenix United'
- 2 malls of 0.35 msf leasable area each are operational at Lucknow and Bareily since May 2010 and March 2012 respectively

Entertainment World Developers Pvt Ltd

- Investment of Rs. 1590 mn for 40.3% stake
- Develops retail, hospitality and residential projects across emerging cities in central India
- Operates under the brand name 'TREASURE'
- Four malls operational with 1.3 million sq ft of leasable area and additional 3 million sq ft leasable area expected to be operational in the next 12-18 months

Key Institutional Investors

AllianceBernstein

Barclays

DWS Investments

HDFC Mutual Fund

Cohen & Steers Capital Management Inc

Reliance Capital
Anil Dhirubhai Ambani Group

kotak

uti
UTI Mutual Fund

IDFC Mutual Fund

T.Rowe Price
Invest with Confidence

New Vernon Capital

الهيئة العامة للإستثمار
Kuwait Investment Authority

Henderson Global Investors

Birla Sun Life Mutual Fund

Janus Capital
Asset Management Group

For more information on the Company, its projects and services please log on to www.thephoenixmills.com

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the gull sees farthest who flies highest
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THANK YOU