



The Phoenix Mills Limited



Investor Presentation - Quarter and Year Ending March 31, 2012
May 29, 2012

DISCUSSION OUTLINE

1

2011-12: THE YEAR THAT WAS

- Retail
- Residential and Commercial
- Financials
- Summing up

2

2012-13 AND BEYOND

- Retail
- Residential and Commercial
- Hospitality
- Investments



2011-12: The year that was

Retail: High Street Phoenix (HSP)

Key Highlights:

- Consumption at the mall increased from Rs 7,880 mn in FY2011 to Rs 9,708 mn in FY2012, a 23% y-o-y growth.
- Average sales per sft increased from Rs 1,531 in FY2011 to Rs 1,732 in FY2012
- HSP rental per sft p.m. increased from Rs 154psf pm in FY2011 to Rs 174 psf pm in FY2012.
- 0.15msf key anchors rental re-negotiations completed in FY2012 resulting in an increase of over 60% from previous rentals
- Opening of 18,000 sft Grand Galleria Connect in September 2011
- Palladium Annexe (16,000 sft) which houses luxury brands like Gucci, Jimmy Choo, Tumi and the likes opened in February this year.



2011-12: The year that was

Retail: Phoenix Marketcity

- During the year, 3 Phoenix Marketcity malls became operational in Pune, Bangalore and Kurla.
- PML's retail leasable area (economic interest) increased by 2.5 times from 0.9 msf (HSP) in FY2011 to 2.3 msf in FY2012
- Incremental leasing rates higher than current average rates.

	Pune	Bangalore	Kurla	Total
Total retail area (msf)	1.14	0.98	1.13	3.25
PML Stake	58.5%	46.5%	24.3%	
PML's economic interest (msf)	0.67	0.46	0.27	1.40
Launch date	June 2011	Oct 2011	Nov 2011	
Lease Status	80-85%	85-90%	75-80%	
No of stores operational	235	178	171	
Occupancy	70%	60%	50%	
Avg Rent psft p.m. (Rs)	60-65	65-70	90	



2011-12: The year that was

Retail: Phoenix Marketcity Pune



- Out of more than 300 stores planned, nearly 235 stores already operational
- Area occupancy of nearly 70%
- Key licensees include Zara, Pantaloon, Star India Bazaar, Reliance Trends etc.

- Consumption at the mall was at Rs 2,027 mn till March 2012 since its launch
- Average sales per sft have been stable at Rs 550 in Q4FY12 v/s Rs 581 in Q3FY12 despite Q4 being seasonally weak quarter
- Nearly 85% of 0.25 msf Phase I – commercial project has been sold at an avg. price of Rs. 6,100 psf.



2011-12: The year that was

Retail: Phoenix Marketcity Bangalore



- Out of nearly 280 stores planned, 178 stores already operational
- Area based occupancy is nearly 60%

- Key licensees trading include Zara, Hamley's, Big Bazaar, Pantaloons, Marks & Spencer etc.



2011-12: The year that was

Retail: Phoenix Marketcity Kurla



- Out of more than 330 stores planned, 171 stores already operational
- Areas based occupancy stands at ~50%

- Key licensees which are already trading are Reliance Mart, Debenhams, Reliance trends, Lifestyle etc.



2011-12: The year that was

Residential and Commercial

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 economic interest (msf)	Launch	Sales till Mar 2012
Pune	Phase I	Commercial	0.25	58.5%	0.14	Constructed	85%
Mumbai	15 LBS	Commercial	0.28	24.3%	0.06	Constructed	61%
	Orion Park	Commercial	0.84	24.3%	0.20	Jan 2012	10%
	Graceworks	Commercial	0.42	44%	0.19	Jan 2012	-
Chennai	Phase I	Residential	0.26	63%	0.16	June 2011	76%
	Classic Housing	Residential	0.21	66%	0.14	FY12	29%
Total			2.26		0.89		

During Q4FY12, the company soft-launched its commercial projects at Kurla (Orion and Graceworks).



2011-12: The year that was

STANDALONE AND CONSOLIDATED FINANCIALS

Review of Audited Financials Statements for Quarter and Year Ending March 31, 2012



2011-12: The year that was

Standalone P&L Overview

	(Rs million)	Q4FY12	Q4FY11	y-o-y Change	Q3FY12	q-o-q change	FY12	FY11	y-o-y change	
FY12 Income rose by 12% y-o-y	Income from operations	531	467	13.8%	505	5.2%	1,981	1,765	12.2%	FY12 PBT rose by 16% y-o-y
	EBITDA	363	315	15.3%	373	-2.7%	1,401	1,253	11.7%	
	EBITDA Margin	68.4%	67.5%		73.9%		70.7%	71.0%		
	Other Income	146	143	2.2%	113	29.2%	457	323	41.4%	
FY12 EBITDA rose by 12% y-o-y	Depreciation	73	70	5.4%	74	-0.5%	283	277	2.0%	FY12 PAT rose by 15% y-o-y
	Interest	68	3		57	18.8%	165	86	93.5%	
	PBT	368	385	-4.5%	355	3.5%	1,409	1,214	16.1%	
	PAT	273	275	-0.6%	269	1.6%	1,053	917	14.9%	
	PAT Margin	51.4%	58.9%		53.3%		53.2%	52.0%		
	EPS (Rs)	1.89	1.90		1.86		7.27	6.33		



2011-12: The year that was

Consolidated P&L Overview

Income
rose by
74.4%
y-o-y

EBITDA
rose by
50%
y-o-y

Particulars (Rs million)	FY12	FY11	y-o-y Change
Income from operations	3,666	2,102	74.4%
EBITDA	2,114	1,406	50.4%
EBITDA Margin	58%	67%	
Other Income	446	287	55.5%
Depreciation	563	314	79.3%
Interest	944	228	314.7%
PBT	1,053	1,151	-8.5%
Less: Tax expenses	189	321	
Add: Share of profit/loss from Associates and MI	192	12	
PAT	1,056	842	25.5%
PAT Margin	28.8%	40.1%	
EPS (Rs)	7.29	5.81	

PAT
rose by
26%
y-o-y



2011-12: The year that was

Balance Sheet

Particulars (Rs mn)	Standalone		Consolidated	
	FY12	FY11	FY12	FY11
Equity and Liabilities				
Shareholder's Capital	290	290	290	290
Reserves and Surplus	16,431	15,715	16,434	16,410
Minority Interest	-	-	3,948	1,965
Long term Debt	2,612		14,138	9,248
Other Long term liabilities	664	642	1,034	806
Total Sources of Funds	19,996	16,647	35,844	28,719
Assets				
Fixed Assets (incl CWIP)	5,308	5,189	25,471	18,929
Long term Investments	7,998	4,814	4,054	3,610
Long term Loans & Advances	5,478	5,238	5,100	3,557
Current Assets, Loans and Advances				
Inventory	-	-	2,516	1,182
Sundry Debtors	314	875	618	961
Cash & Bank Balance	138	74	1,000	816
Short term Loans & Advances	2,176	1,687	945	924
Short term Investments & Others	245	364	962	1,178
Less: Current Liabilities & Provisions	1,772	1,612	5,286	2,656
Net Deferred Tax Asset & other	112	17	465	218
Total Funds applied	19,996	16,647	35,845	28,719



2011-12: The year that was

Summing up

- **Q1: Apr – June 2011**
 - Launched Phoenix Marketcity Pune
 - Increased stake in Phoenix Marketcity Bangalore from 37.8% to 46.4%
 - Soft launched its 0.26 msf Phase I residential project in Chennai
- **Q2: July – Sep 2011**
 - Opening of 18,000 sft of Grand Galleria Connect in HSP
- **Q3: Oct –Dec 2011**
 - Phoenix Marketcity Bangalore became operational
 - Phoenix Marketcity Mumbai became operational
- **Q4: Jan – Mar 2012**
 - Soft-launched its commercial projects at Kurla (Orion and Graceworks).
 - Phoenix Hospitality Co Pvt Ltd (PHCPL) becomes a subsidiary with PML now owning 56.9% stake
 - Enters into a share purchase agreement with Kshitij VCF to acquire a 32% stake in Classic Mall Development and Classic Housing for Rs 1.06 bn



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2012-13 and beyond

Retail: Phoenix Marketcity Chennai launch



- The construction work for residences above Mall structure is ongoing.
- Approx 68% has been re-leased at a higher rate and key tenants like Pantaloons, Satyam Cinemas, Big Bazaar etc. are undergoing fit-outs

- 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 Rs 6,750 per sq. ft.; total collections till date are around Rs. 440 mn
- SPA signed with Kshitij VCF to buy its 32% stake in Classic Mall Development Pvt. Ltd. and Classic Housing Projects Pvt. Ltd. for Rs 1.06 bn



2012-13 and beyond

Residential and Commercial



Bangalore West Residential Project

- Nearly 2.8 msf of saleable area in a prime 16.5 acre land parcel located at Rajajinagar in Bangalore (W)
- The project is designed to have 9 high-rise towers and one luxury tower



2012-13 and beyond

Hospitality: Shangri-La



- Shangri – La is positioned as a five star luxury hotel with an inventory of 396 rooms and service apartments.
- It shall house multiple fine dining and lounge options, a sprawling banqueting and conferencing facility and a spa that matches international standards to cater to business and leisure travelers
- Phase wise handover of the property to Shangri – La has already begun.



Big Apple Real Estate Pvt Ltd

- Investment of Rs. 1.1bn 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 Bareilly 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



For more information on the Company, its projects and services please log on to
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the gull sees farthest who flies highest



Seagull

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The financial projections, expected launch dates of projects, estimated areas etc. contained herein are estimates, based on current market conditions, regulations, norms and business plans of the Company. References to developable or chargeable areas are based on existing real estate regulations, approvals existing, approvals expected, allowances and current development plans. Changes in real estate regulations and market conditions in future may result in variances from the financial projections and/or the estimated project areas, which are beyond the control of the Company.

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Annexure



BUSINESS MODEL

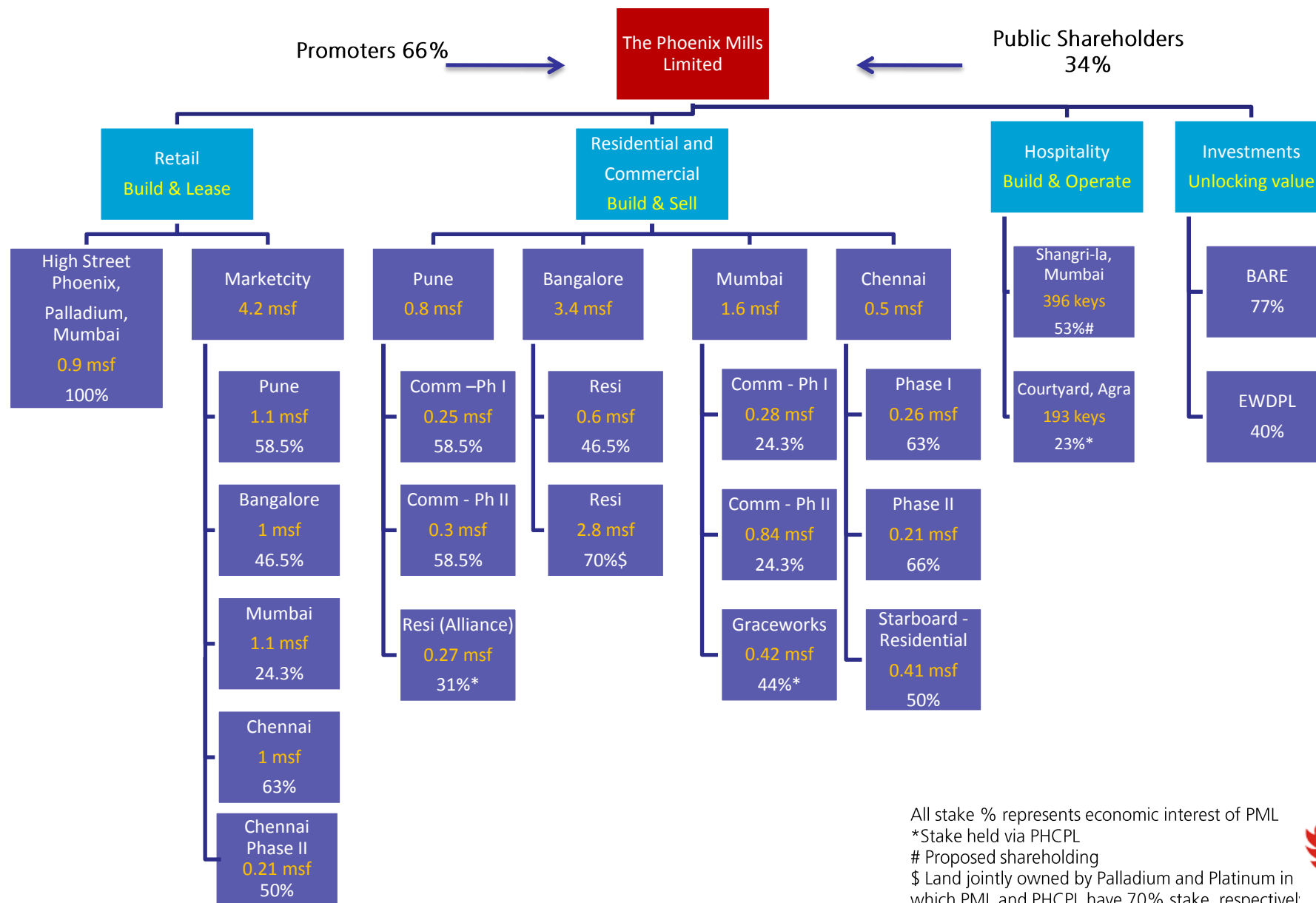
- A business model with high annuity from retail and cash flow from sale of commercial & residential and an upside on strategic investment.
- Retail : Build and Lease Model
- Residential & Commercial : Build and Sell model
- Hospitality : Build and Operate Model
- Investment : Strategic Investments in Retail focused developers in Tier II & III cities

GEOGRAPHICAL - SPREAD

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

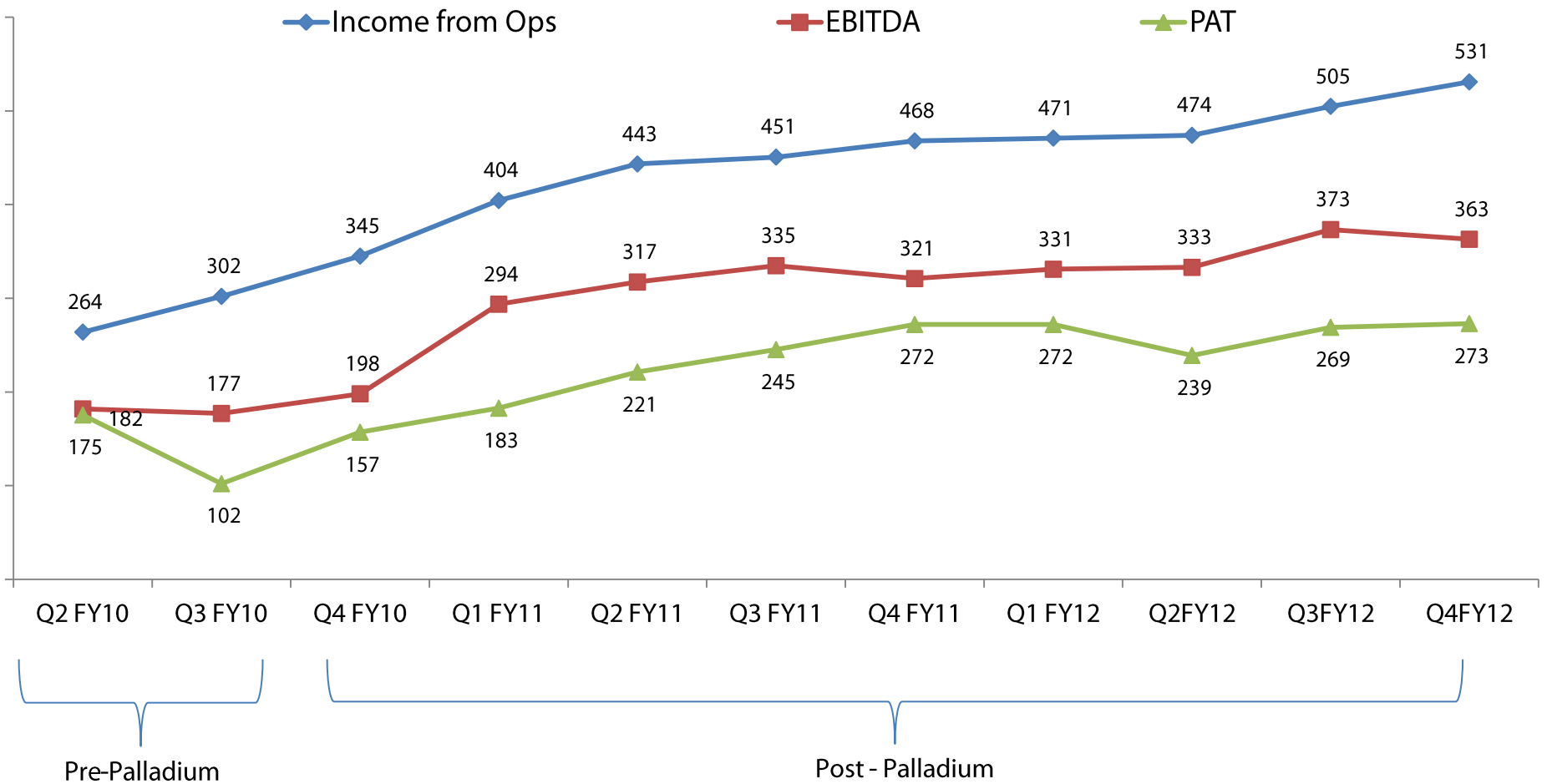


Business Model



Key Trends over the quarters

Rs. Mn



Key Institutional Shareholders

