



THE PHOENIX MILLS LTD

Registered Office: 462 Senapati Bapat Marg, Lower Parel, Mumbai – 400013, India

**Q2-FY2011 Income from Operations stood at Rs. 443 mn
v/s Q2-FY2010 Rs. 264 mn – an increase of 68%**
H1-FY2011 Income from Operations stood at Rs. 848 mn, an increase of
66% as compared to H1-FY2010
Q2-FY2011 EBITDA increased by 75%, while Q2-FY2011 PAT
increased by 26% as compared to Q2-FY2010

Mumbai, 28 October 2010

Phoenix Mills Limited, India's premier retail-led assets company, today announced its financial results for the quarter ended 30th September 2010.

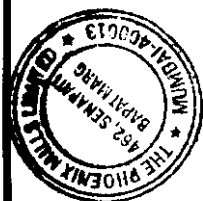
Key Highlights of the Quarter

High Street Phoenix

- HSP has seen strong footfalls of over one million a month and the site has witnessed one of the highest consumptions ever in August and September 2010.

Other Projects of the Group

- **Update on Project SPVs:** The Group is developing Phoenix Market City projects at four locations namely, Mumbai, Pune, Bangalore and Chennai.
 - Handover of licensed premises to retailers for fitouts has commenced for **Phoenix Market City, Pune.**
 - LOIs for licensing over 75% of the project have been executed and several retailers including key anchors have moved in for fitouts.
 - The Company launched for sale the Phase I commercial offices in September 2010 and has received an encouraging response from customers
 - PML is proposing to increase its stake by 8% in the project to 58.5%
 - Handover of licensed premises to retailers for fitouts have commenced for **Phoenix Market City, Bangalore (E).**



- LOIs for licensing over 70% of the project have been executed and strong traction is expected for the balance area.
- The project recently concluded a rights issue. PML subscribed to the issue and increased its stake from 28.1% to 32.7%.
- Handover of licensed premises to retailers for fitouts have commenced for **Phoenix Market City, Kurla**.
 - LOIs for licensing over 55% of the project have been executed
 - The Company has received advances towards booking of almost 80% of the offices in Phase 1 branded as '15LBS'
 - Possession of the said premises are expected to be handed over by Q4-FY2011.
- Handover of licensed premises to retailers for fitouts are expected to commence in Q4-FY2011 for **Phoenix Market City, Chennai**. Key anchors and vanilla retailers in place.
 - LOIs for licensing over 60% of the project have been executed
- We have signed up with Zara as a key anchor client for all the Phoenix Market City projects.
- **Pallazzo Hotels and Leisure Ltd. (The Shangri-La Hotel, Mumbai)**
 - Facade work has progressed significantly and is expected to be completed shortly.
 - Work on site has started for assembling and installation of elevators
 - All major equipment contracts have been awarded; delivery of goods has commenced.

Other Highlights

- Market City Resources Pvt. Ltd., a subsidiary of PML, is now moving into the services and advisory vertical for providing mall management services. It has finalized the terms for providing such services to Phoenix Market City, Bangalore and is expected to finalize the terms with the other projects shortly.
- PML has also finalized the terms for a joint development with Phoenix Market City, Bangalore for the residential development.



Commenting on the Company's performance, Mr. Shishir Shrivastava - Executive Director, The Phoenix Mills Ltd. said:

"The Company aspires to continue building on the current momentum in its quest for becoming the leading retail-led mixed-use developer and manager in the country. We strongly believe that our focus on creating differentiated assets within city-centric locations has the potential to unlock the maximum value from our land parcels.

Our vision is to create shareholder value by generating exceptional yields from the capital growth and sale of architecturally superior, difficult to replicate assets that are truly world class in quality and infrastructure. We aspire to consistently delight and engage the Indian consumer, and provide a world-class experience. Our expertise and know-how will continue to be the cornerstone for our aspirations in creating a superior business environment for our many local and international retailer partners."

About The Phoenix Mills Limited

The Phoenix Mills was incorporated in 1905 as a textile mill. As the mythical phoenix bird, it is once again regenerating new and iconic assets across India. With over 30 million sq. ft. of prime spaces across India at various stages of execution, PML and its investee companies are embarking on an exciting journey of creating India's premier retail-led assets company that can produce quantum growth and long-term value creation. Today, PML is one of the most up-and-coming listed property companies in India.

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

Pranav Mehta

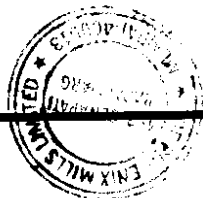
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Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause the actual results to differ materially from those contemplated by the relevant forward-looking statements. The Phoenix Mills Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



Details to the Announcement

Standalone Financial overview

(Rs Million)	Q2 FY2011	Q2 FY2010	% Change	Q1 FY2011	% Change	H1 FY2011	H1 FY2010	% change	FY2010 Audited
Income from Operations	443	264	68%	404	10%	848	512	66%	1,158
EBITDA	317	182	75%	294	8%	611	371	65%	746
EBITDA Margins	72%	69%		72%		72%	72%		64%
Other Income	66	83		44		110	135		240
Depreciation	70	27		69		138	51		160
Interest	29	10		35		64	19		86
Profit before Tax	285	228	25%	234	22%	519	436	19%	740
Profit after Tax	221	175	26%	183	21%	404	329	23%	599
EPS (Rs.)	1.53	1.21		1.26		2.79	2.27		4.13

- Income from operations increased by 68%, from Rs. 264 mn in Q2-FY2010 to Rs. 443 mn in Q2-FY2011. The Company was able to deliver healthy revenue growth this quarter on account of its premium mall - Palladium at High Street Phoenix.
 - Growth over Q1-FY2011 has been primarily due to opening of some new stores at Palladium.
- EBITDA was higher by 75% from Rs. 182 mn in Q2-FY2010 to Rs. 317 mn in Q2-FY2011.
 - EBITDA also increased from Rs. 294 mn in Q1-FY2011, an increase of 8%. EBITDA margins for the quarter are at 72%.
 - The increase in EBITDA has primarily been due to increase in operational efficiencies.
- Depreciation was higher in Q2-FY2011 as compared to Q2-FY2010 on account of Palladium & the Parking facility. However, it is in line with the amount in Q1-FY2011
- Interest expense has increased from Q2-FY2011 v/s Q2-FY2010. However, on a q-o-q comparison, it has decreased due to reduction in the loan outstanding.

- PBT has increased from Rs. 228 mn in Q2-FY2010 to Rs. 285 mn in Q2-FY2011, an increase of 25%. Growth in PBT is lower as compared to growth in income from operations due to increased depreciation and interest expense.
- PAT was higher at Rs. 221 mn in Q2-FY2011 as compared to Rs. 175 mn in Q2-FY2010, an increase of 26%. PAT margins for the quarter were at 50%.
 - On a q-o-q basis, PAT has increased by 21%
- For the H1-FY2011, income from operations increased by 66% to Rs. 848 mn v/s Rs. 512 mn in H1-FY2010. The increase is primarily due to opening of Palladium.
- EBITDA for H1-FY2011 was higher by 65% at Rs. 611 mn v/s Rs. 371 mn in H1-FY2010. EBITDA margins are at 72% for H1-FY2011.
- PBT and PAT for H1-FY2011 were at Rs. 519 mn and Rs. 404 mn respectively, a growth of 19% and 23% respectively over H1-FY2010.

Key Financial Perspectives as on 30th Sept, 2010

Particulars	Rs. bn	US\$ mn
Standalone Net Worth	15.8	351
Standalone Debt	0.85	19
Standalone Cash & Cash Equivalents	1.4	31
Consolidated Debt	7.3	163
Consolidated Cash & Cash Equivalents	2.6	59

Note: At a translation rate of 1US\$ = INR 45

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FOR THE PHOENIX MILLS LTD.



Pradumna Kanodia

PRADUMNA KANODIA
GROUP CFO