



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

Phoenix Mills Limited Q2FY10 revenues at Rs. 263.90 mn

Revenue increased by 4.18% compared with Q2FY09

Q2FY10 EBITDA, PAT at Rs. 181.85 mn and Rs. 175.41 mn respectively

Mumbai, 27 October 2009

The Phoenix Mills Limited, pioneer of retail led mix-use developments in India, today announced its financial results for the quarter and half year ended 30th September 2009.

Key Highlights

- **300,000 sq.ft Premium and Luxury Mall – Palladium commenced operations at High Street Phoenix in Lower Parel, Mumbai during the quarter**
 - Approximately 80% area has been leased out as on date and stores are currently at fit-out stage
 - Approximately 20% of the stores have commenced operations and the rest are likely to complete fit-outs and commence operations in the 3rd quarter
 - Palladium is the launch platform for leading international premium & luxury brands with Zara, Manchester United Café & The Comedy Store opening their first stores in the country at Palladium and Burberry opening their flagship store at Palladium
 - Part of Phase III development at High Street Phoenix also includes one of the largest car parking area in South Mumbai of approximately 400,000 sq.ft which commenced operations in the 2nd quarter of the current financial year.
 - The Company expects full quarter contribution from Palladium starting Q4 FY2010

- **The super-structure of Luxury Hotel Shangri-La at High Street Phoenix completed in Q2 FY2010**
 - Interiors and finishing work currently being undertaken
 - Hotel expected to open in the 3rd quarter of FY 2011

- **Phoenix Market City projects at Kurla-Mumbai, Pune & Bangalore expected to commence operations the next financial year**
 - Leasing of these large consumption centres commenced in the 2nd quarter of the current financial year with an overwhelming response from retailers

Commenting on the Company's performance for Q2 & H1 FY2010, Mr. Shishir Shrivastava - CEO - Hospitality & New Initiatives & Chief Development Director, The Phoenix Mills Ltd. said:

"I am pleased to announce that this quarter has been a productive period for Phoenix with the inauguration of the 300,000 sq.ft premium & luxury mall Palladium as well as the completion of the super-structure of Shangri-La Hotel at our flagship development High Street Phoenix in Lower Parel, Mumbai. We continue to witness robust footfalls at High Street Phoenix and believe with the improving macro indicators there will be an increasing trend in the conversion of footfalls to revenue for our retailers. The large parking facility that has now commenced operations has also significantly contributed to the increase in footfalls.

The group has faith in the Indian consumption story and the Company's vision is to capture Indian consumption through a diversified basket of high quality retail and hospitality assets across India. High Street Phoenix is our key operating property at present.

We believe that the initiatives we have taken on a national basis, which include the Phoenix Market City projects at Pune, Kurla, Bangalore and Chennai as well as our investments in Entertainment World Developers Pvt. Ltd. and Big Apple Real Estate will contribute greatly to delivering the Company vision. While cyclicalities is a part of real estate business, our model remains unique with strong focus on retail and hospitality space which we believe has sustainable and profitable prospects on a long term basis.

We are also glad to report a healthy financial performance in an environment that has been stabilizing over the past few months for retailers and the outlook going forward remains steady with a positive bias."

About The Phoenix Mills Limited

The Phoenix Mills was incorporated in 1905 as a textile mill, and is now focused on real estate development and entertainment. It has emerged as the leader for large scale, mixed format retail-led developments in India with its landmark High Street Phoenix property in Mumbai.

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

For further information please contact:

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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

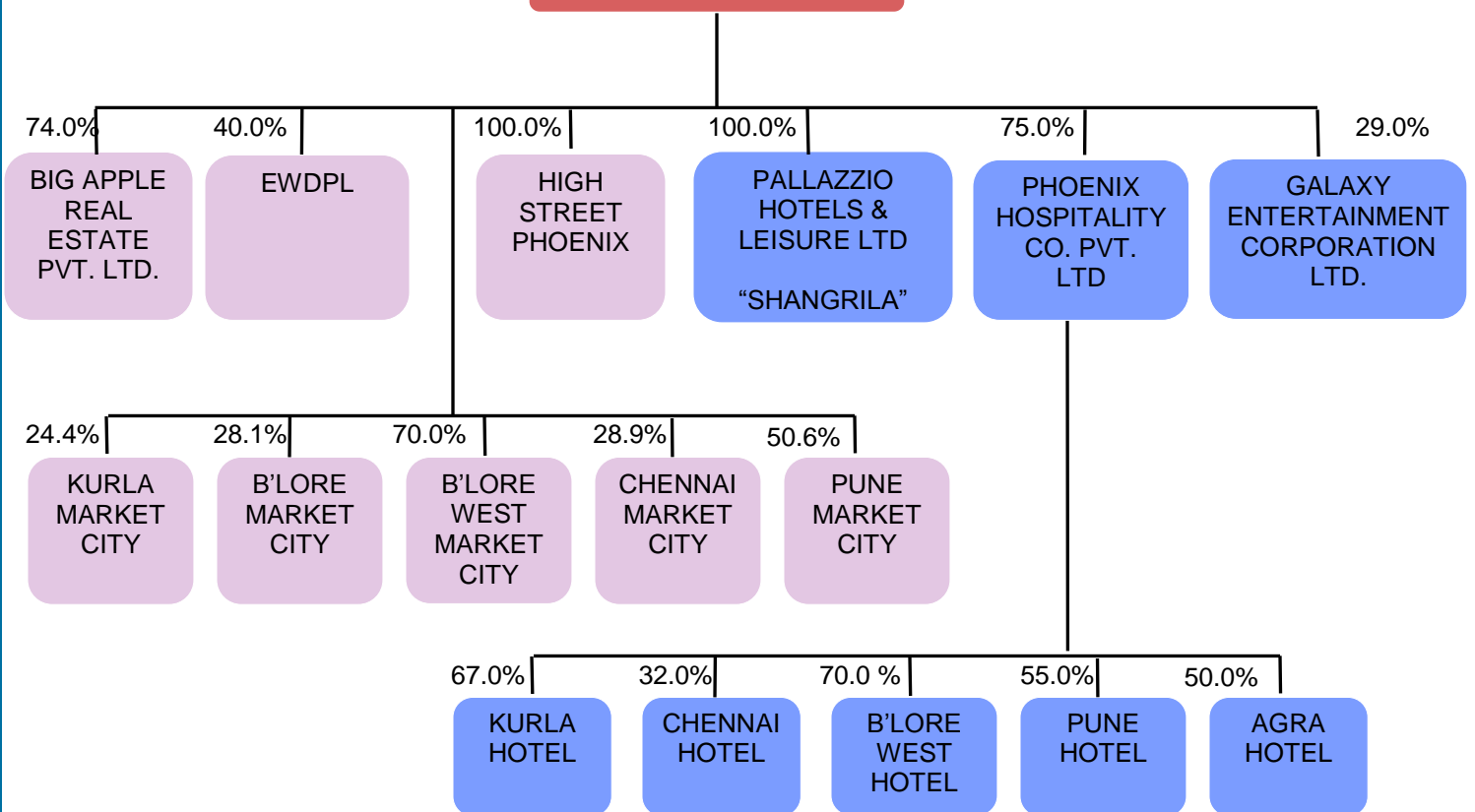
Financial overview

(Rs. Million)	Q2 FY2010	Q2 FY2009	% Shift	H1 FY2010	H1 FY2009	% Shift
Income from Operations	263.90	253.30	4.18	511.76	460.37	11.16
PBIDT	181.85	179.82	1.13	370.66	335.42	10.51
Depreciation	26.70	17.50	52.57	50.70	37.00	37.03
Interest	9.69	16.87	(42.56)	19.20	16.87	13.81
Other Income	82.66	321.89	(74.32)	135.35	377.76	(59.93)
Profit before Tax	228.13	467.33	(51.18)	436.11	619.31	(29.58)
Profit after Tax	175.41	386.66	(54.63)	328.69	496.98	(33.86)
EPS – FV of Rs. 2 each (Rs.)	1.21	2.73	(55.68)	2.27	3.59	(36.77)

- Income from operations increased by 4.18% from Rs. 253.30 million in Q2 FY 2009 to Rs. 263.90 million in Q2 FY2010. The Company has been able to deliver continued stable growth over the past few quarters
- EBITDA was higher by 1.13% from Rs. 179.82 million in Q2FY09 to Rs. 181.85 million in Q2FY10
- Standalone debt and Cash and cash equivalents balance as on 30 September, 2009 was at 1,606.10 million and 2,220.00 million respectively
- PAT is lower at Rs. 175.41million in Q2 FY10 compared to Rs. 386.66 million in Q2FY09. This is due to sale of investment in Fix Maturity Plan (FMP) reflecting in the 'Other Income' in the corresponding period of last year

Company Structure

THE PHOENIX MILLS LTD



Project Update

Market Cities

Phoenix Mills Ltd. owns a varied equity interest through separate SPVs in each Market City as per the Company's holding structure indicated earlier.

City	Market City Chennai	Market City Bangalore	Market City Pune	Market City Kurla	Market City B'lore West
Land Status	Acquired – Clear Title	Acquired – Clear Title	Acquired – Clear Title	Acquired – Clear Title	Acquired – Clear Title
Architectural Status	Done	Done	Done	Done	In Progress
Approval Status	Phase 1 Approved	Phase 1 Approved	Phase 1 Approved	Phase 1 Approved	Phase 1 Approved
Construction Commenced	Yes	Yes	Yes	Yes	Yes
Expected Completion	Q1 FY2012	Q3 FY2011	Q2 FY2011	Q2 FY2011	Q2 FY2011
Financial Closure	Done	Done	Done	Done	Initial Funding Done
Leasing Status	In Progress	In Progress	In Progress	In Progress	In Progress

Malls (Tier II & Tier III)

Malls in Tier II & Tier III cities are part of EWDPL and Bare Project SPVs. Phoenix Mills Ltd. holds 40% and 74% in EWDPL and Bare respectively. Some of EWDPL's projects likely to commence operations in the current and next financial year are as below:

City	EWDPL Projects				
	Indore Ti	Indore Central	Raipur	Jabalpur	Chandigarh
Land Status	Acquired	Acquired	Acquired	Acquired	Acquired
Architectural Status	Done	Done	Done	Done	Done
Approval Status	Done	Done	Done	Done	Done
Construction Commenced	Completed	Completed	Yes	Yes	Yes
Expected Completion*	Commenced Operations On Dec 05	Commenced Operations On May 2009	December 09	March 10	December 10
Financial Closure	Done	Done	Equity Funding-Done Debt In Progress	Equity Funding-Done Debt In Progress	Done
Leasing Status	Completed	Completed	In Progress	In Progress	In Progress

Hospitality – Premium Hotels

Phoenix Mills Ltd. holds 75% in Phoenix Hospitality Ltd. Each project is a separate SPV in which the Company owns a varied equity interest as per the holding structure indicated earlier.

City	Mumbai Shangri-La *	Mumbai Kurla Hotel	Chennai Hotel	Pune Hotel	Agra Hotel	Bangalore Hotel
Land Status	Acquired – Clear Title	Acquired – Clear Title	Acquired – Clear Title	Acquired – Clear Title	Acquired – Clear Title	Acquired – Clear Title
Planning & Architectural Status	Done	Done	Done	Done	Done	In Progress
Approval Status	Received	Received	Initial Approvals In Place	Initial Approvals In Place	Initial Approvals In Place	Initial Approvals In Place
Construction Status	RCC Completed Fit out & MEP In Progress	Started	Started	Started	Started	Deferred
Expected Completion*	Q3 FY 2011	Q3 FY 2012	Q1 FY 2013	Q3 FY 2012	Q3 FY 2012	Q1 FY 2013
Category	5 Star Luxury Business Hotel	5 Star Business Hotel	5 Star Business Hotel	5 Star Business Hotel & 3 Star Economy Hotel Combination	4 Star Upscale Hotel	5 Star Business Hotel
Approx Nos. Of Keys	420+	300+	225+	250 & 150+	150+	350+

* The Shangri-La Hotel, Mumbai is developed and owned by Pallazzio Hotels & Leisure Pvt. Ltd. currently a wholly-owned subsidiary of The Phoenix Mills Ltd.

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