

**February 14, 2018**

**The Corporate Relationship Department  
BSE Limited**  
Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai- 400 001

**The Listing Department,  
The National Stock Exchange of India Ltd**  
Bandra-Kurla Complex, Mumbai.

**Ref: The Phoenix Mills Limited (503100/ PHOENIXLTD)**  
**Sub: Investor Presentation on the Financial Results for the third quarter and nine months ended December 31, 2017**

Dear Sir,

Pursuant to Regulation 30 read with Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), please find enclosed herewith the Investor Presentation on the financial results for the third quarter and nine months ended December 31, 2017.

Kindly take the same on your record.

**Regards,**  
**for The Phoenix Mills Limited**



**Puja Tandon**  
**Company Secretary**



# Investor Presentation

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## February 2018



Certain statements in this communication may be ‘forward looking statements’ within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company’s operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

The Phoenix Mills Ltd. (PML) 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.

**Company Overview**

**Financial Results**

**Annexure**

Developer and manager of prime retail-led assets in city centers, with a gross portfolio of 17.5 million sq. ft spread over 100+ acres of prime land in key gateway cities of India



8 Malls spread over 6 mn sq. ft in 6 major cities  
FY17: Consumption of INR 58 bn and Rental income of INR 7.7 bn



Residential Projects under Development with 4.13 mn sq. ft. of saleable area  
INR 18 bn cumulative residential sales till FY17



Commercial centres in Mumbai with Rent-generating leasable area of 0.98 mn sq.ft



2 Hotel (588 Keys) managed by renowned global operators  
FY17: St. Regis ARR of INR. 10,594 with 72% occupancy

A-Grade malls in prime locations of major cities in India



Residential, commercial and hospitality complements retail business



## MALL PORTFOLIO – Operational (5.90 MSF)

HSP & Palladium	Mumbai	0.74
Phoenix MarketCity	Chennai	1.00
Palladium	Chennai	0.22
Phoenix MarketCity	Pune	1.19
Phoenix MarketCity	Bangalore	1.00
Phoenix MarketCity	Mumbai	1.11
Phoenix United	Lucknow	0.33
Phoenix United	Bareilly	0.31

## MALL PORTFOLIO – Under Development (1.00 MSF)

Phoenix MarketCity Wakad	Pune	1.0
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## MATURE RESIDENTIAL PORTFOLIO (3.72 MSF)

One Bangalore West	Bengaluru	2.20
Kessaku		0.99
The Crest	Chennai	0.53

## HOTEL PORTFOLIO (588 KEYS)

The St. Regis	Mumbai	395
Courtyard by Marriot	Agra	193

## MATURE OFFICE PORTFOLIO (1.60 MSF)

Phoenix Paragon Plaza	Mumbai	0.42
The Centrium	Mumbai	0.28
Art Guild House	Mumbai	0.76
Phoenix House	Mumbai	0.14

## Well balanced business model

- Own, manage and develop iconic, large format, retail-led, integrated mixed use properties
- Over 17.5 msft in operational Retail, Hospitality, Commercial and Residential Assets in key gateway cities of India
- Established track record of execution, timely delivery and quality of end product

## Robust retail annuity rentals

- Over INR 58 bn in consumption in FY17, CAGR of 22% over FY13-17
  - Over INR 7.7 bn rentals in FY17, CAGR of 16% over FY13-17
- Significant potential for retail rental upgrades → Over 50% of leasable area in both HSP and Phoenix MarketCity Chennai up for renewal in the next 3 years; HSP and PMC Chennai together accounted for 53% of FY17 rentals

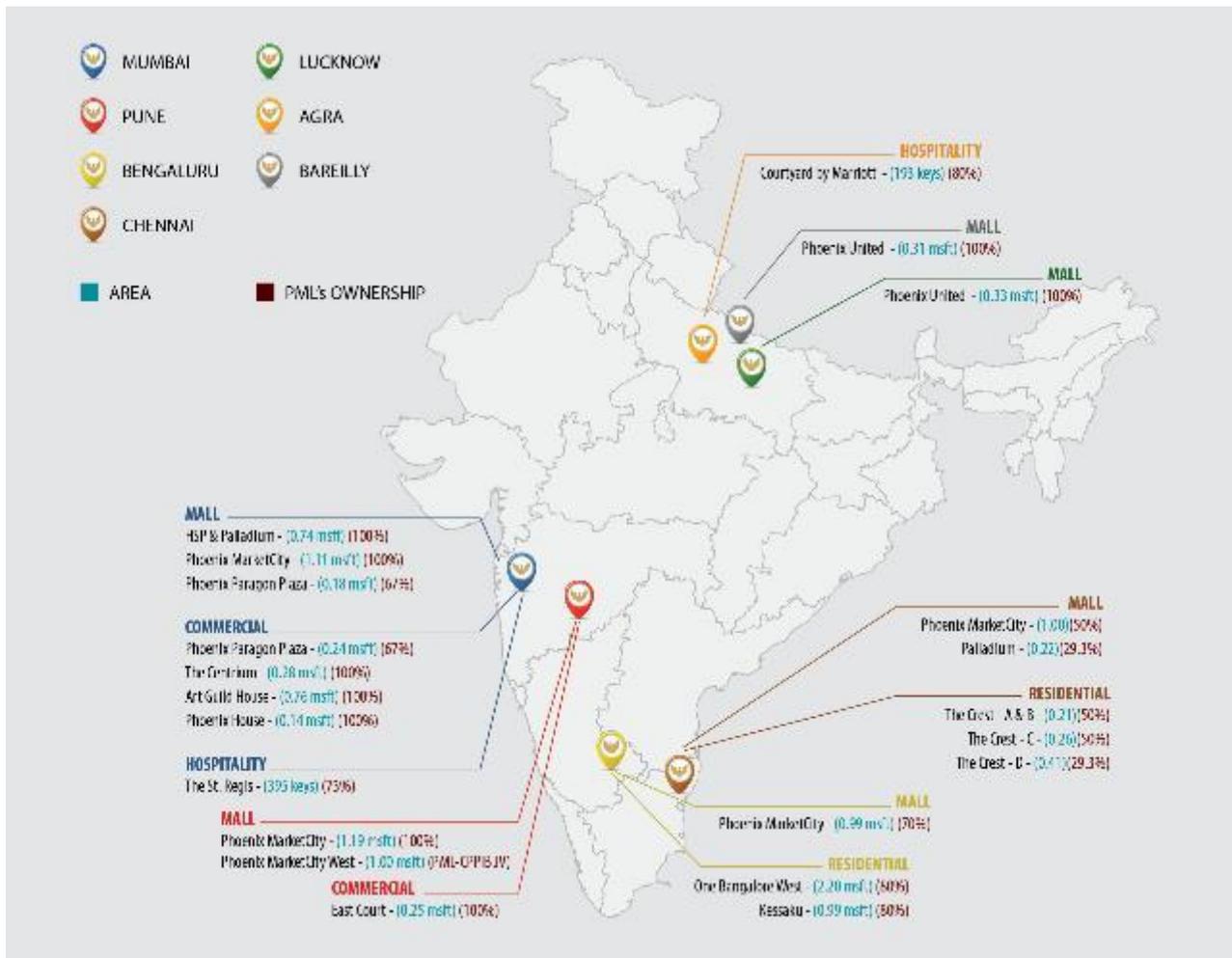
## Residential, hotels, and commercial complement retail

- Residential portfolio of 4.13 mn sq ft focusing on premium and luxury residential segment and
- Commercial portfolio of 0.98 mn sq ft complements retail business and adds to annuity income
- Premium hotels (The St Regis, Mumbai and Courtyard by Marriott, Agra) continue to experience robust occupancy and ARR growth

## Future growth pipeline

- Well positioned to grow retail portfolio to 2x in the next five years
- Partnered with CPPIB to develop retail-led mixed-use development in India
- Significant balance development potential in both existing projects and new acquisitions to add complementary asset classes to existing retail developments and boost annuity income portfolio

## PRESENCE ACROSS MAJOR CONSUMPTION CENTRES IN INDIA



Company Overview  
**Financial Results**  
Annexure

(Rs. mn)	Q3 FY18	Q3 FY17	9M FY18	9M FY17	% yoy growth
Income from operations	1,001	1,000	2,928	2,840	
<b>EBITDA</b>	<b>619</b>	<b>668</b>	<b>1,878</b>	<b>1,935</b>	
EBITDA Margin^ (%)	62%	67%	64%	68%	
Profit Before Tax and exceptional item	371	354	1,494	1,531	
<b>Profit after tax &amp; before comprehensive income</b>	<b>292</b>	<b>57</b>	<b>1,234</b>	<b>968</b>	<b>28%</b>
Diluted EPS (Rs.)	1.90	0.37	8.04	6.32	27%

^EBITDA Margin as a percent of Rental Income

(Rs. mn)	Q3 FY18	Q3 FY17	9M FY18	9M FY17
<b>Income from operations</b>	<b>4,166</b>	<b>4,367</b>	<b>11,831</b>	<b>13,702</b>
Retail	2,719	3,075	7,897	8,878
Residential	311	388	1,032	2,130
Commercial**	173**	42	430**	523
Hospitality & Others	964	863	2,471	2,172
<b>EBITDA</b>	<b>2,067</b>	<b>2,137</b>	<b>5,612</b>	<b>6,473</b>
<i>EBITDA Margin (%)</i>	<i>50%</i>	<i>49%</i>	<i>47%</i>	<i>47%</i>
Profit after tax	<b>588</b>	<b>630</b>	<b>1,163</b>	<b>1,388</b>
<b>PAT after minority interest &amp; before other comprehensive income</b>	<b>652</b>	<b>445</b>	<b>1,496</b>	<b>1,419</b>
PAT after minority interest & after other comprehensive income	1,388	377	2,756	1,340
Diluted EPS (Rs.)	4.25	2.91	9.75	9.27

### Note to P&L

- Classic Mall Development Company Private Limited (CMD CPL), which owns and operates the retail mall known as Phoenix Marketcity, Chennai, has ceased to be the Company's subsidiary effective 31st March, 2017 and has since been re-classified as an associate of the Company.
- Pursuant to the said re-classification, the income from operations (Rs. 1,770 mn for 9MFY18 and Rs. 584 mn for Q3FY18) as well as expenses including taxes ( Rs. 1,102 mn for 9MFY18 and Rs. 355 mn for Q3FY18) of CMD CPL have not been consolidated for the periods

\*\* From Q1 FY18, Commercial Income refers to income earned from rent-generating leased area in the Commercial portfolio; revenue recognition for area sold in Commercial portfolio was completed in FY17

## Proforma adjustment of Q3 & 9M FY18 results for the change in treatment for Classic Mall

- For like-to-like comparison with the prior year period, we have adjusting reported 9M results and for the sake of illustration, present proforma results assuming consolidation of CMDCPL results for 9M.
- This illustrates that Proforma 9M FY18 EBITDA came in at Rs. 6,740 mn, up 4% yoy for 9M FY18
- There is no change in 9M FY18 PAT after minority interest and before other comprehensive income as a result of this illustration.

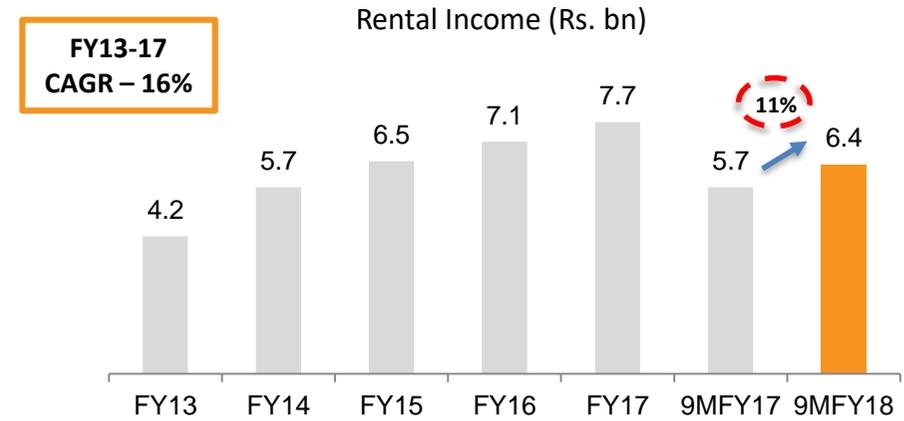
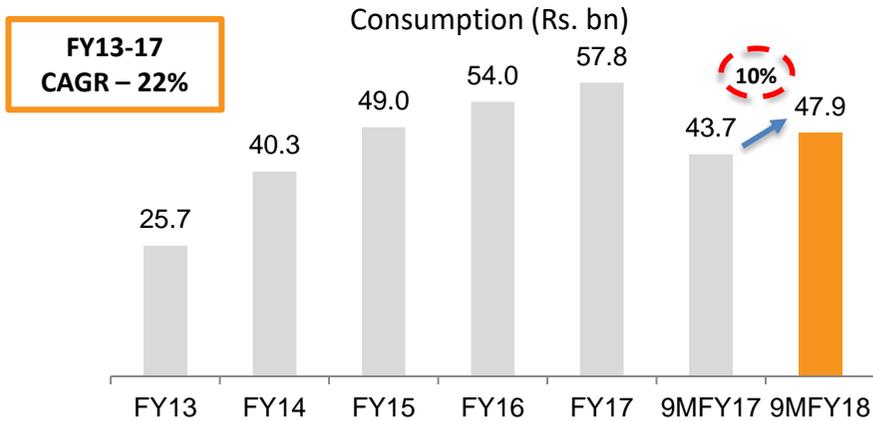
(Rs. mn)	Reported Q3 FY18	Proforma Q3 FY18 Results	Reported 9M FY18 Results	Proforma 9M FY18 results
<b>Income from operations</b>	<b>4,166</b>	<b>4,713</b>	<b>11,831</b>	<b>13,533</b>
<b>EBITDA</b>	<b>2,067</b>	<b>2,432</b>	<b>5,612</b>	<b>6,740</b>
<i>EBITDA Margin (%)</i>	<i>50%</i>	<i>52%</i>	<i>47%</i>	<i>50%</i>
<b>PAT after minority interest &amp; before other comprehensive income</b>	<b>652</b>	<b>652</b>	<b>1,496</b>	<b>1,496</b>

## 9M FY18 results reflect strong performance led by the non-residential portfolio

- We have witnessed strong performance from our retail, commercial and hospitality portfolios in 9M FY18
  - Revenue recognition from residential portfolio was strong in 9M FY17 due to first-time contribution from Kessaku
  - This impacts yoy comparison for reported results in 9M FY18
  - In 9M FY18, Palladium Construction reported revenue of 1,038 mn and PAT after minority interest and before OCI of Rs. 136 mn compared to corresponding figures of Rs. 1,926 mn and Rs. 375 mn respectively in 9M FY17
- In the table below, we provide adjusted 9M FY18 results to demonstrate the performance from the non-residential portfolio..
  - We adjust reported 9M FY18 results by removing the residential portfolio results and assuming consolidation of CMDCPL results
  - This provides a like-for-like comparison with results for the prior year period for the non-residential portfolio
  - Income from operations from non-residential portfolio comes in at Rs. 12,495 mn, up 6% yoy
  - 9M FY18 PAT after minority interest and before other comprehensive income comes in at Rs. 1,360 mn, up 30% yoy

(Rs. mn)	Adjusted Q3 FY18	Adjusted Q3 FY17	Adjusted 9M FY18	Adjusted 9M FY17
Income from operations from retail, commercial and hospitality businesses	4,391	4,029	12,495	11,776
PAT after minority interest & before other comprehensive income	635	390	1,360	1,044

	HSP & Palladium	Phoenix MarketCity				Phoenix United		Palladium
	Mumbai	Bangalore	Chennai	Mumbai	Pune	Bareilly	Lucknow	Chennai
Retail Leasable/Licensable Area (msf)	0.74	1.00	1.00	1.11	1.19	0.31	0.33	0.22
Total No. of Stores	274	294	259	315	351	144	130	Grand Opening on Feb 17, 2018
Average Rental (Rs. psf)**	369	116	132	96	110	61	79	
Trading Occupancy %**	90%	95%	92%	91%	91%	79%	88%	
Leased Occupancy %*	99%	98%	98%	96%	98%	88%	92%	

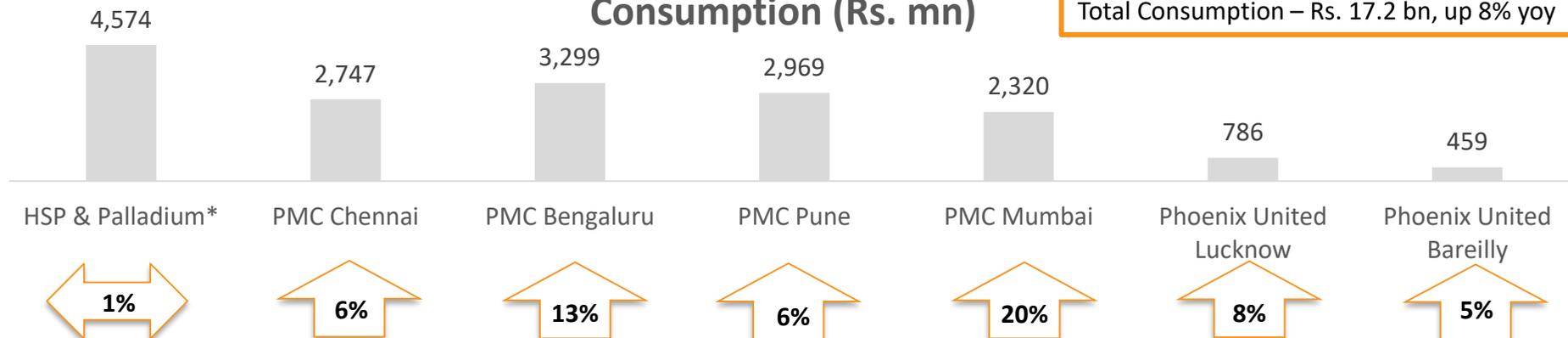


\*\* Average for quarter ended Dec 2017 \* As of end-Dec 2017

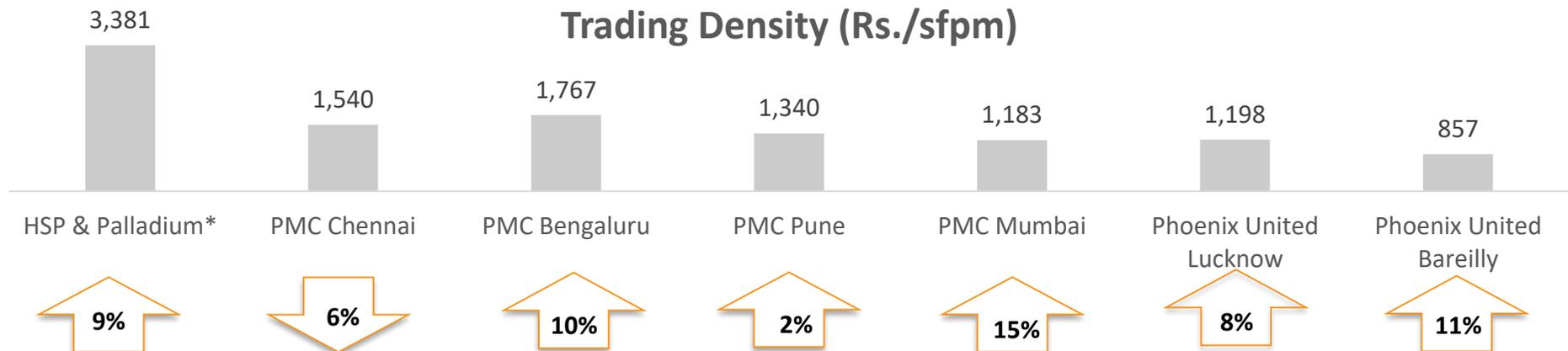
Note: PML owns 50.0% of CMD CPL and CMD CPL has been classified as an Associate of the Company effective 31 March 2017. Hence, it's income from operations and expenses (including taxes) have not been consolidated in PML's results

## Consumption (Rs. mn)

Total Consumption – Rs. 17.2 bn, up 8% yoy

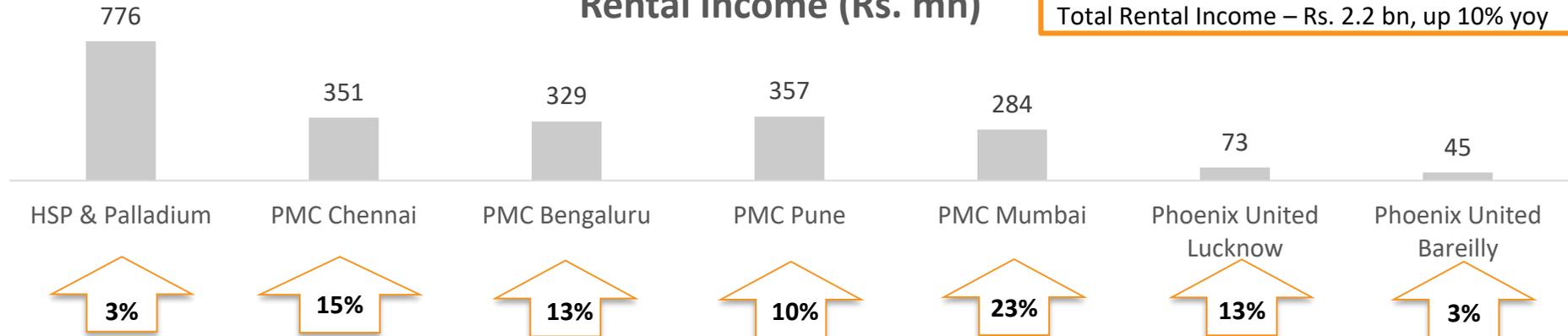


## Trading Density (Rs./sfpm)



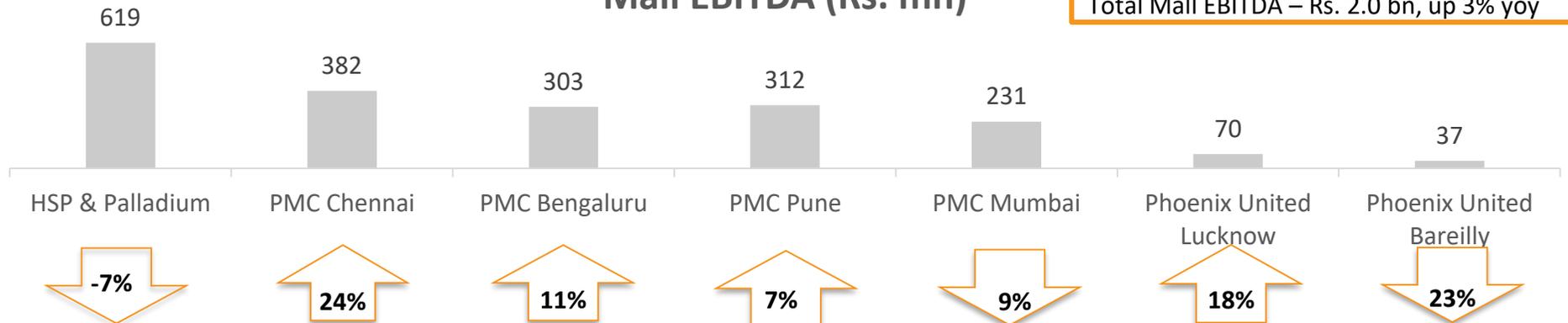
## Rental Income (Rs. mn)

Total Rental Income – Rs. 2.2 bn, up 10% yoy



## Mall EBITDA (Rs. mn)

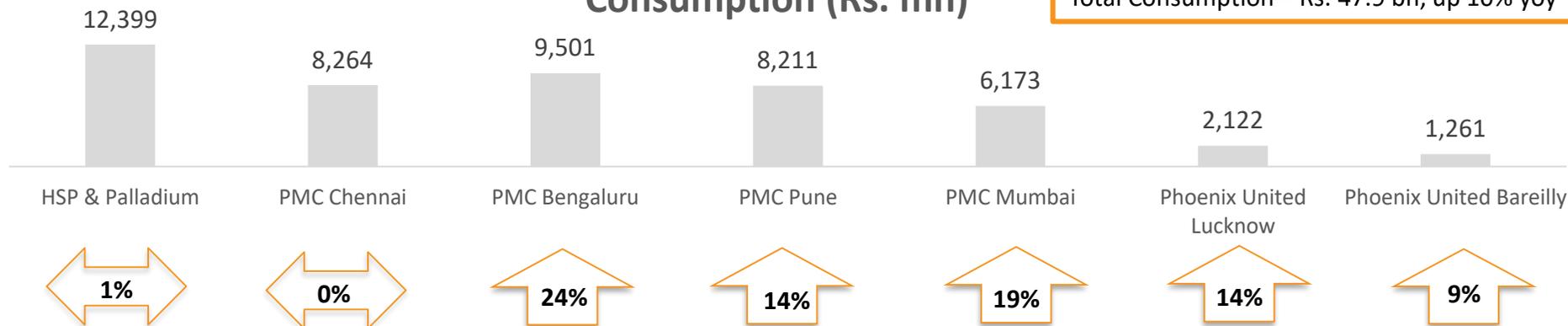
Total Mall EBITDA – Rs. 2.0 bn, up 3% yoy



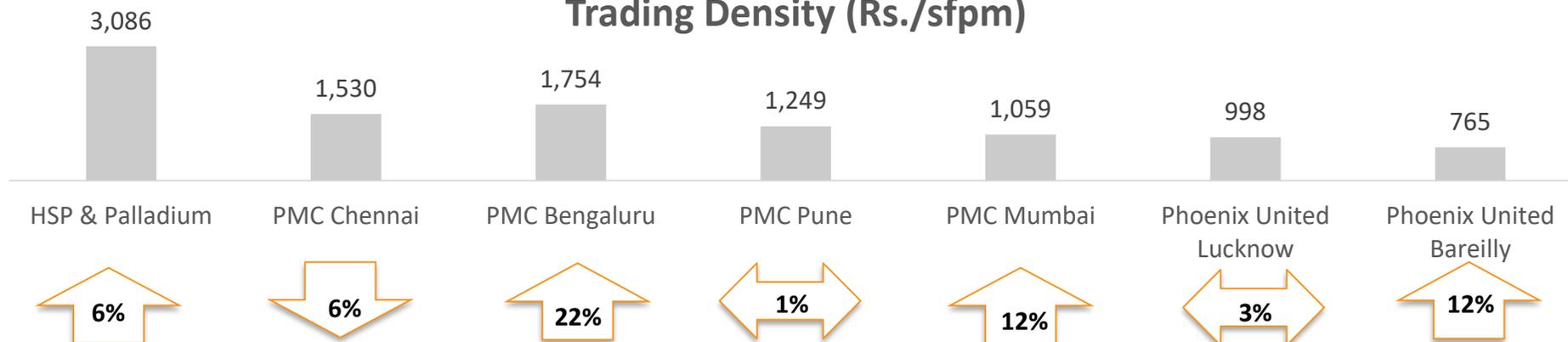
Note: PML owns 50.0% of CMDCPL and CMDCPL has been classified as an Associate of the Company effective 31 March 2017. Hence, its income from operations and expenses (including taxes) have not been consolidated in PML's results. EBITDA for Bareilly was impacted by structural upgrades and fit-outs in the mall.

## Consumption (Rs. mn)

Total Consumption – Rs. 47.9 bn, up 10% yoy

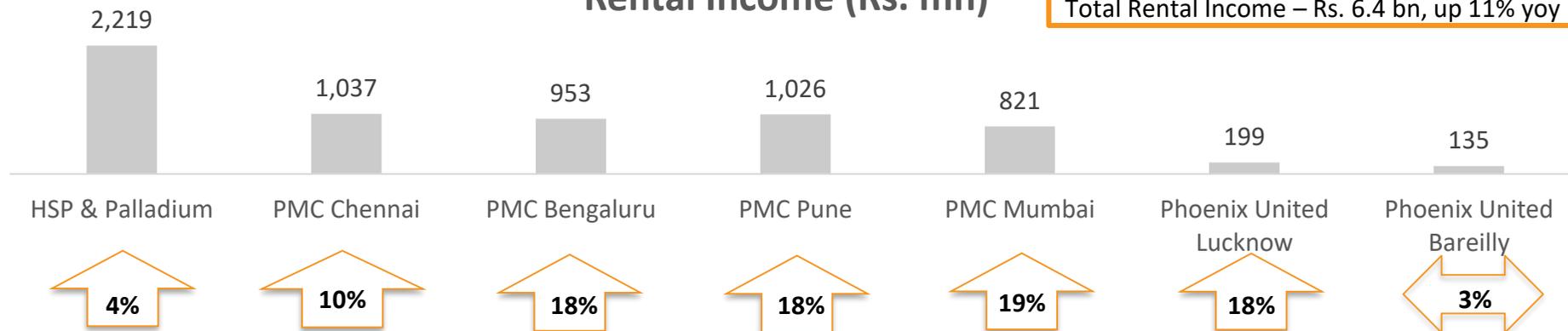


## Trading Density (Rs./sfpm)



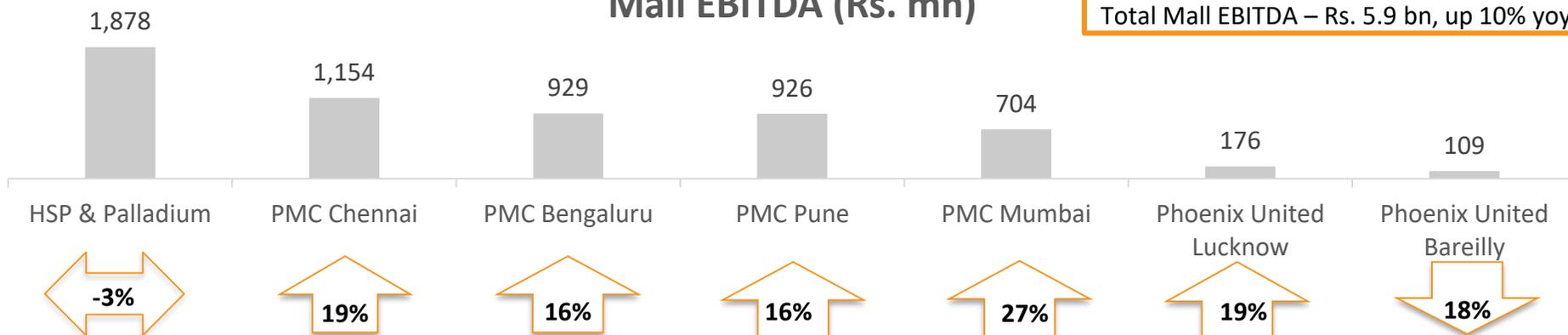
## Rental Income (Rs. mn)

Total Rental Income – Rs. 6.4 bn, up 11% yoy



## Mall EBITDA (Rs. mn)

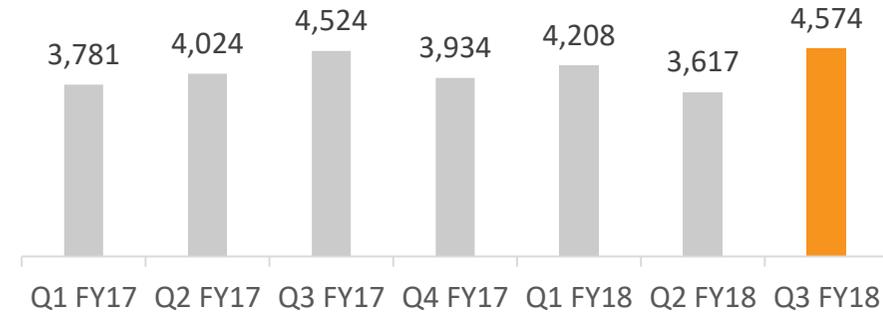
Total Mall EBITDA – Rs. 5.9 bn, up 10% yoy



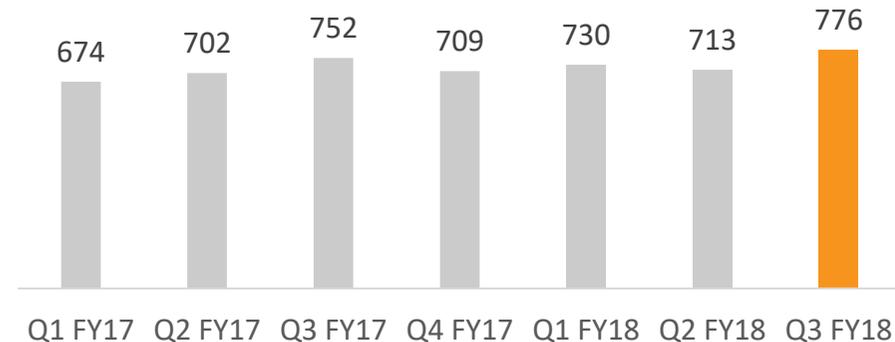
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- Rental Income of Rs. 776 mn this quarter, up 3% yoy
- Trading Density is up 6% yoy for 9MFY18 at Rs. 3,086 pspm
- Consumption of Rs. 4,574 mn in Q3 FY18, up 1% yoy; Consumption in Q4FY18 to benefit from ~11% of leasable area becoming operational at the end of December 2017
- Launch of New zones and Stores
  - New stores upgraded the existing Fashion & Apparel and F&B mix at High Street Phoenix
  - Fashion & Apparels – Massimo Dutti, Mango, Springfield, Women’s Secret
  - Restaurants – The Wine Rack, The Farzi Café, The Runway Project by Pizza Express, Soda Bottle Openerwala, Café Delhi Heights, Chili’s

### Consumption (Rs. mn)



### Rental Income (Rs. mn)



	Q3FY18	Q3FY17	% yoy growth	9MFY18	9MFY17	% yoy growth
<b>Rental Income (Rs. mn) ^</b>	<b>776</b>	<b>752</b>	<b>3%</b>	<b>2,219</b>	<b>2,128</b>	<b>4%</b>
Recoveries (CAM and other) (Rs. mn)	225	248		709	712	
Total Income (Rs. mn)	1,001	1,000		2,928	2,840	3%
<b>EBITDA (Rs. mn)</b>	<b>619</b>	<b>668</b>		<b>1,878</b>	<b>1,935</b>	
EBITDA Margin (as % of Rental Income)	80%	89%		85%	91%	



Rental Rate (Rs./sft pm) ^	369	324	14%	356	310	15%
Consumption (Rs. mn)	4,574	4,524	1%	12,399	12,330	1%
Trading Density (Rs./sft pm)	3,381	3,108	9%	3,086	2,923	6%
Trading Occupancy (%)	90%	97%		88%	94%	

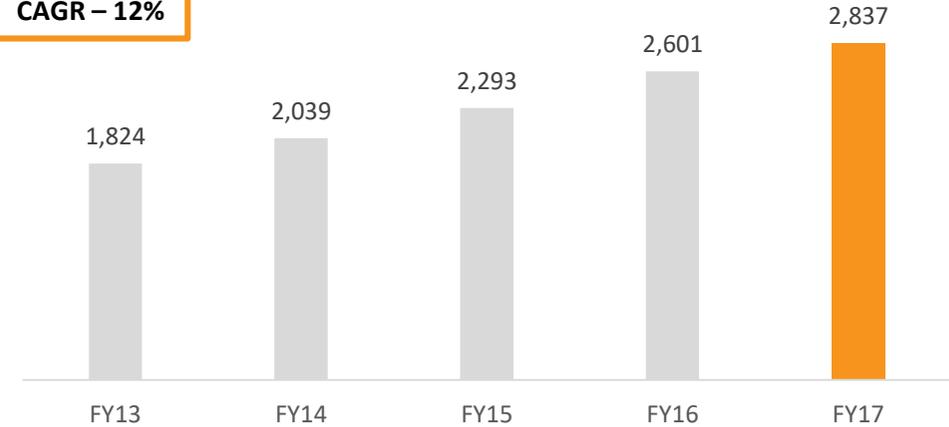


^ Rental Income & Rental rate is including Commercial Offices



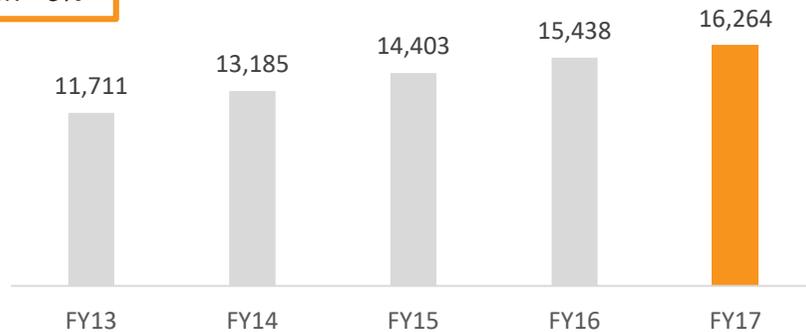
**FY13-17  
CAGR – 12%**

Rental Income (Rs.mn)

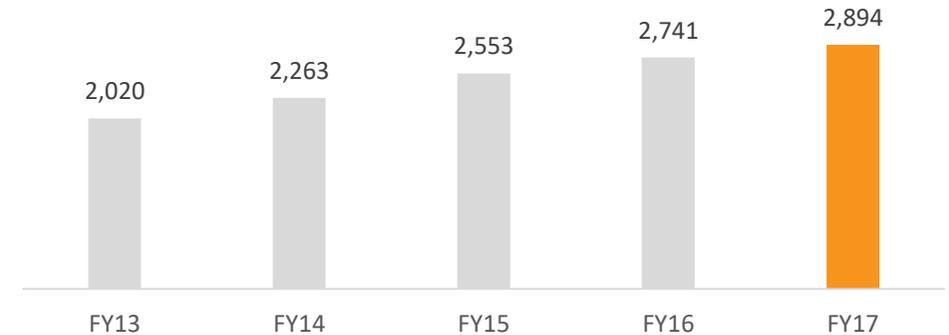


**FY13-17  
CAGR – 9%**

Consumption (Rs.mn)



Average Trading Density (Rs./sft pm)



# High Street Phoenix – New Stores



# High Street Phoenix – New Stores



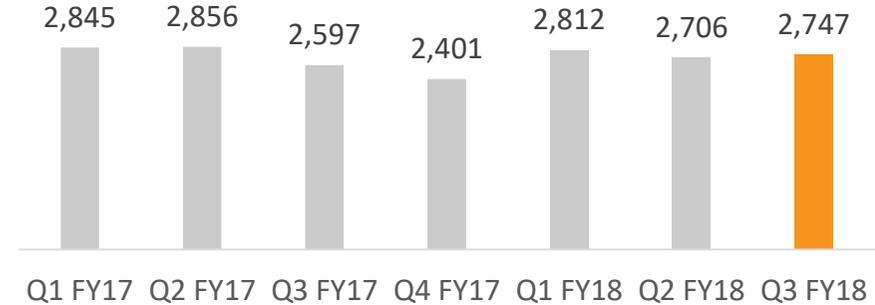
# High Street Phoenix – New Stores



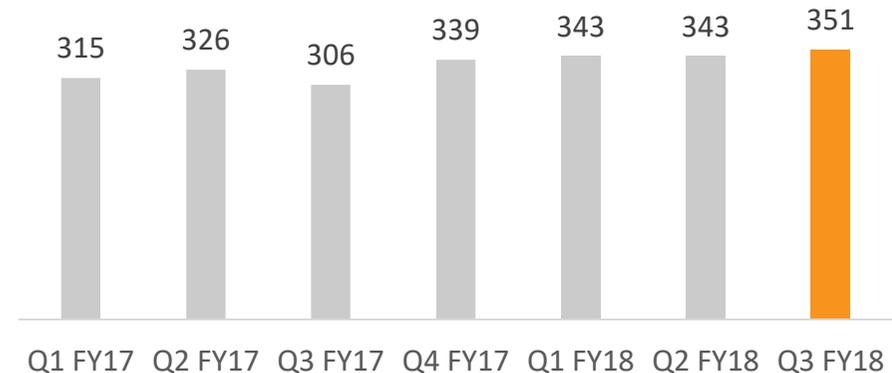


- Consumption in Chennai came in at Rs. 2,747 mn
- Consumption has stabilized and we expect growth on this base moving forward
- Category changes in the retail product mix have had a positive impact on our rental income from the property
- Rental rate reached an average of Rs. 132/sft pm while rental income was up 10% yoy in 9MFY18 at Rs. 1,037 mn
- EBITDA in Chennai continues to stay ahead of the rental income and came in at Rs. 1,154 mn in 9MFY18, up 19% yoy

### Consumption (Rs. mn)



### Rental Income (Rs. mn)



Note: PML owns 50.0% of CMDCPL and CMDCPL has been classified as an Associate of the Company effective 31 March 2017. Hence, it's income from operations and expenses (including taxes) have not been consolidated in PML's results

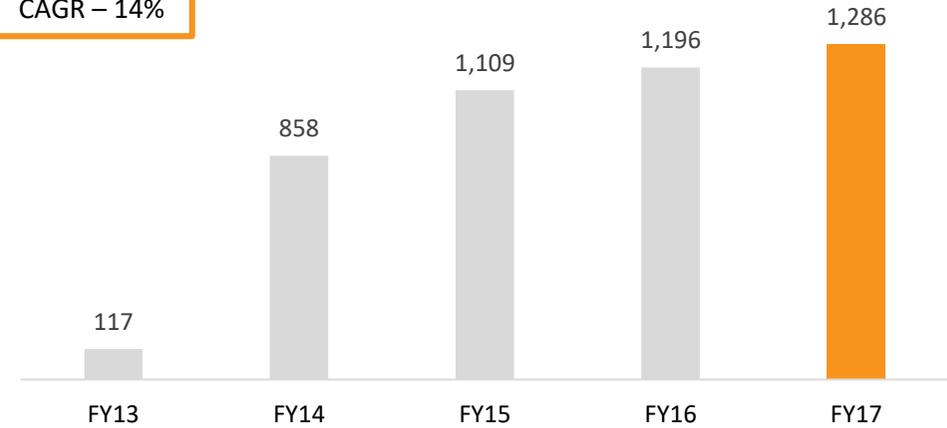
	Q3FY18	Q3FY17	% yoy growth	9MFY18	9MFY17	% yoy growth
<b>Rental Income (Rs. mn)</b>	<b>351</b>	<b>306</b>	<b>15%</b>	<b>1,037</b>	<b>947</b>	<b>10%</b>
Recoveries (CAM and other) (Rs. mn)	194	171	14%	599	554	8%
Total Income (Rs. mn)	545	477	14%	1,636	1,501	9%
<b>EBITDA (Rs. mn)</b>	<b>382</b>	<b>308</b>	<b>24%</b>	<b>1,154</b>	<b>970</b>	<b>19%</b>
EBITDA Margin (as % of Rental Income)	109%	101%		111%	102%	
Rental Rate (Rs./sft pm)	132	116	13%	128	119	7%
Consumption (Rs. mn)	2,747	2,597	6%	8,264	8,299	
Trading Density (Rs./sft pm)	1,540	1,636		1,530	1,619	
Trading Occupancy (%)	92%	91%		94%	92%	
Income from Residential Sales (Crest Tower C)	0	30		58	184	





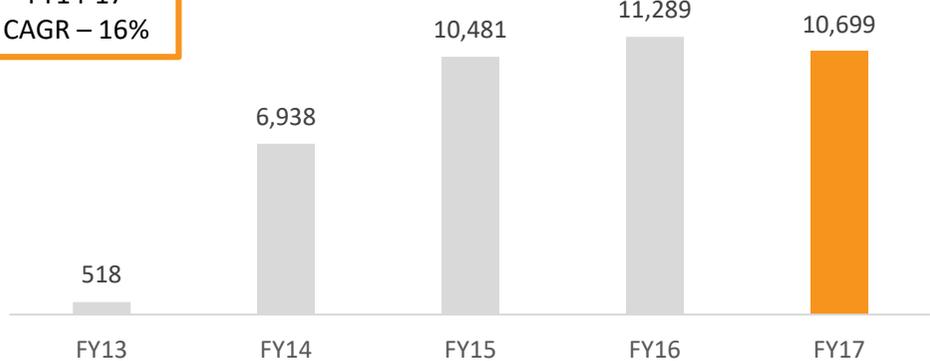
FY14-17  
CAGR – 14%

Rental Income (Rs.mn)

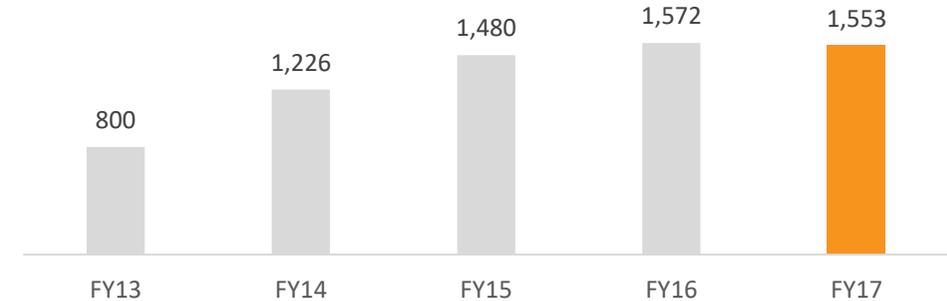


FY14-17  
CAGR – 16%

Consumption (Rs.mn)



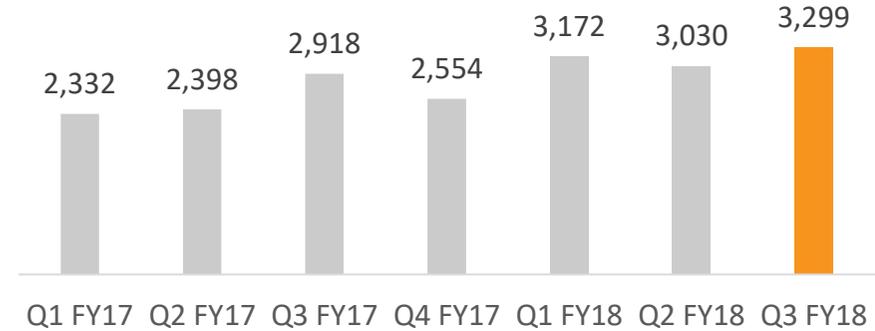
Average Trading Density (Rs./sft pm)



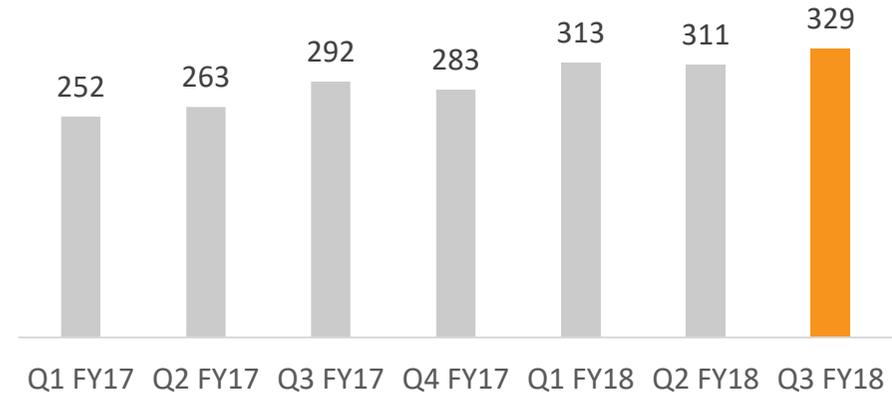
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- PMC Bangalore in its sixth year of operations continues to demonstrate market leading growth across categories
- 9MFY18 Consumption was up 24% yoy to Rs. 9,501 mn and Q3 FY18 consumption was up 13% yoy at Rs. 3,299 mn
- Strong consumption growth is also translating into superior financial performance at the asset
- Rental income was up 18% yoy at Rs. 953 mn in 9MFY18 and up 13% yoy at Rs. 329 mn in Q3 FY18
- Similarly, EBITDA was up 16% yoy to Rs. 929 mn in 9MFY18 & 11% in Q3FY18

### Consumption (Rs. mn)



### Rental Income (Rs. mn)

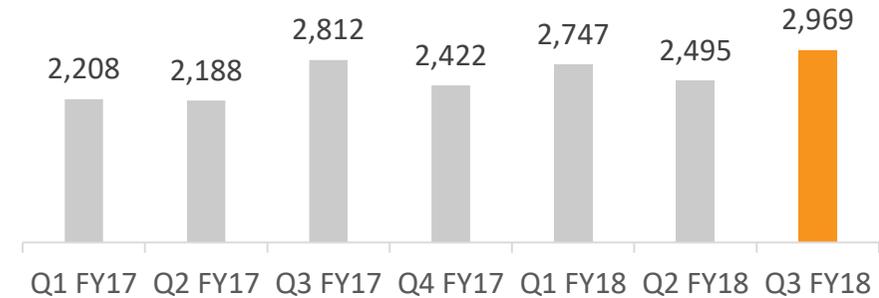


	Q3FY18	Q3FY17	% yoy growth	9MFY18	9MFY17	% yoy growth
<b>Rental Income (Rs. mn)</b>	<b>329</b>	<b>292</b>	<b>13%</b>	<b>953</b>	<b>807</b>	<b>18%</b>
Recoveries (CAM and other) (Rs. mn)	176	153	15%	504	456	11%
Total Income (Rs. mn)	504	444	14%	1,457	1,263	15%
<b>EBITDA (Rs. mn)</b>	<b>303</b>	<b>273</b>	<b>11%</b>	<b>929</b>	<b>802</b>	<b>16%</b>
EBIDTA Margin (as % of Rental Income)	92%	94%		98%	99%	
Rental Rate (Rs./sft pm)	116	107	8%	115	101	14%
Consumption (Rs. mn)	3,299	2,918	13%	9,501	7,645	24%
Trading Density (Rs./sft pm)	1,767	1,599	10%	1,754	1,441	22%
Trading Occupancy (%)	95%	93%		92%	89%	

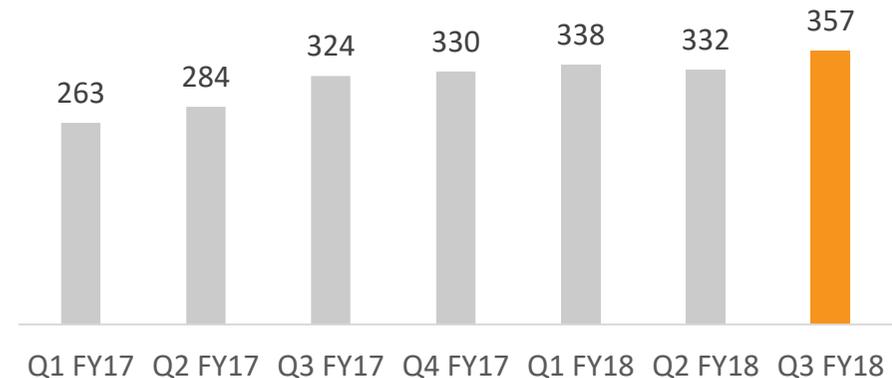


- 9MFY18 Consumption was at Rs. 8,211 Mn, up 14% yoy and Q3 FY18 consumption was at 2,969 Mn, up 6%
- Rental Income for 9MFY18 grew 18% yoy to 1,026 Mn and for Q3 FY18 grew 10% yoy to 357 Mn
- Sustained consumption and rental growth has contributed to robust EBITDA growth of 16% for 9MFY18
- Occupancy levels are expected to move up by 50,000 sq. ft. approx. upon fit-out area becoming operational in Q4 FY18

### Consumption (Rs. mn)



### Rental Income (Rs. mn)



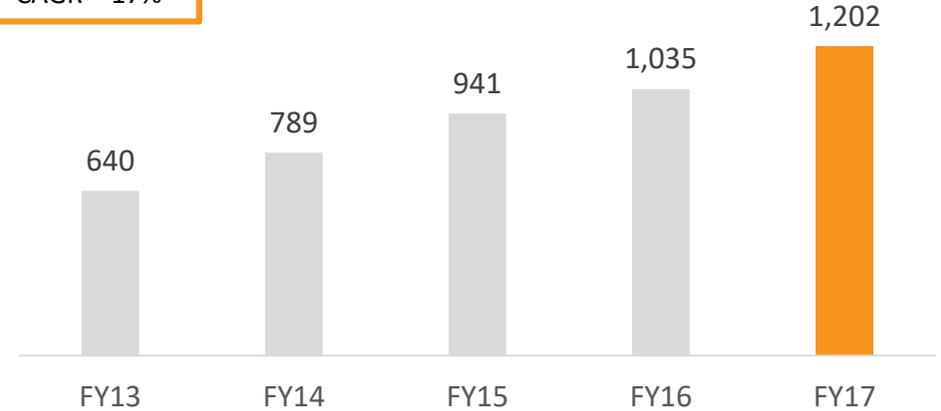
	Q3FY18	Q3FY17	% yoy growth	9MFY18	9MFY17	% yoy growth
<b>Rental Income (Rs. mn)</b>	<b>357</b>	<b>324</b>	<b>10%</b>	<b>1,026</b>	<b>872</b>	<b>18%</b>
Recoveries (CAM and other) (Rs. mn)	207	190	9%	634	565	12%
Total Income (Rs. mn)	564	514	10%	1,660	1,437	16%
<b>EBITDA (Rs. mn)</b>	<b>312</b>	<b>293</b>	<b>7%</b>	<b>926</b>	<b>798</b>	<b>16%</b>
EBITDA Margin (as % of Rental Income)	87%	90%		90%	92%	
Rental Rate (Rs./sft pm)	110	102	8%	106	101	5%
Consumption (Rs. mn)	2,969	2,812	6%	8,211	7,208	14%
Trading Density (Rs./sft pm)	1,340	1,307	2%	1,249	1,241	1%
Trading Occupancy (%)	91%	91%		91%	83%	





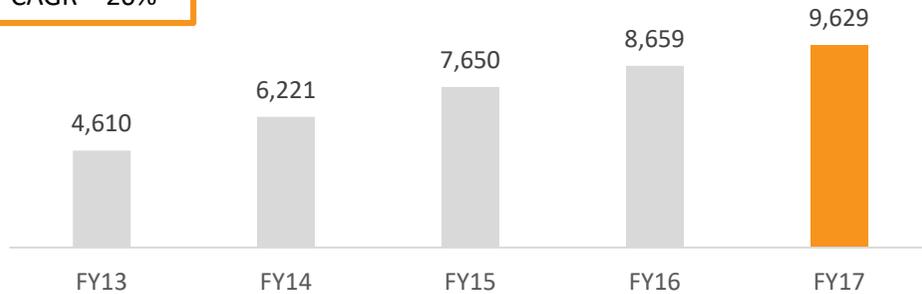
FY13-17  
CAGR – 17%

Rental Income (Rs.mn)

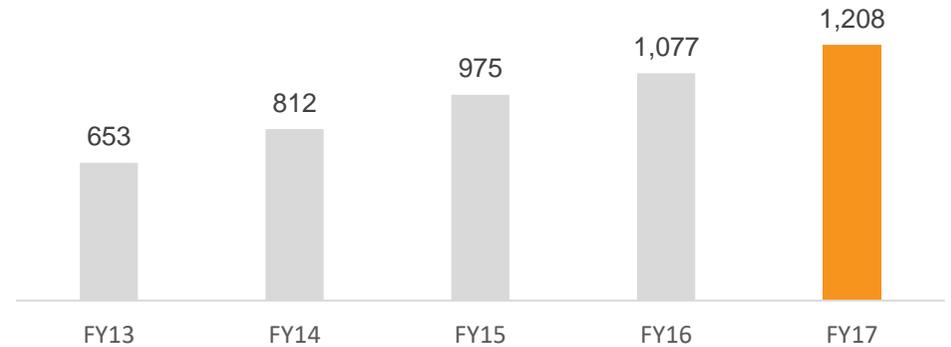


FY13-17  
CAGR – 20%

Consumption (Rs.mn)

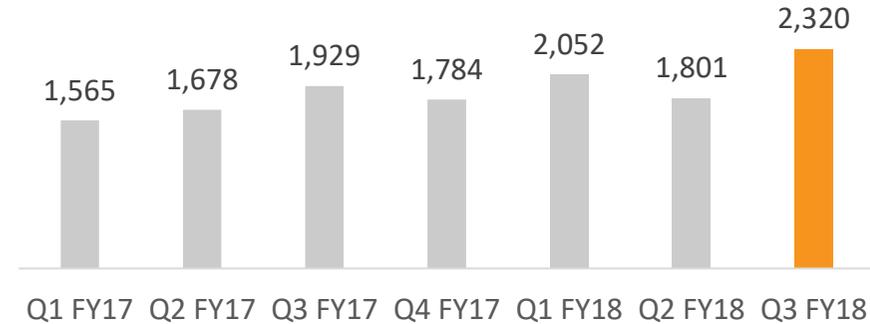


Average Trading Density (Rs./sft pm)

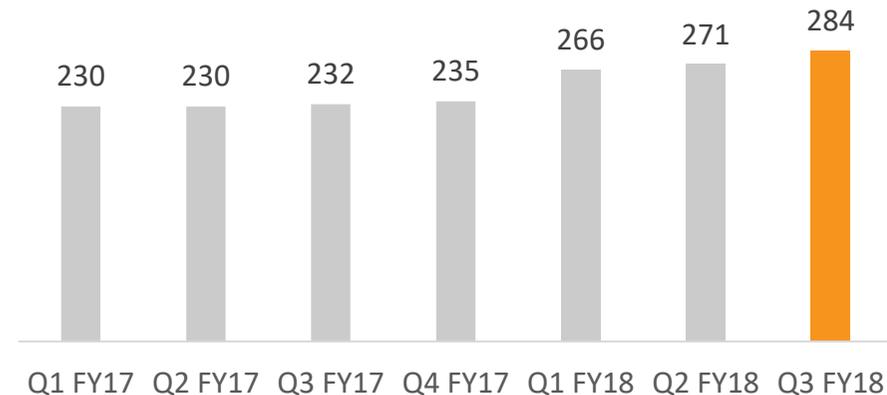


- PMC Kurla continues its successful turnaround story
- Consumption at PMC Kurla was up 19% yoy at Rs. 6,173 mn in 9MFY18 and up 20% at Rs. 2,320 mn in Q3FY18
- Rental Income of Rs. 821 Mn in 9MFY18, up 19% yoy and Rs. 284 Mn in Q3FY18, up 23%
- PMC Mumbai is performing at a consistent Trading Density close to Rs. 1,183 pspm (Rs. 1,059 for 9MFY18)
- Consumption growth has also resulted in improved EBITDA performance at the centre. EBITDA for 9MFY18 was up 27% yoy to Rs. 704 mn

### Consumption (Rs. mn)



### Rental Income (Rs. mn)



	Q3FY18	Q3FY17	% yoy growth	9MFY18	9MFY17	% yoy growth
<b>Rental Income (Rs. mn)</b>	<b>284</b>	<b>232</b>	<b>23%</b>	<b>821</b>	<b>691</b>	<b>19%</b>
Recoveries (CAM and other) (Rs. mn)	147	175		<b>431</b>	<b>459</b>	
Total Income (Rs. mn)	432	407	6%	<b>1,252</b>	<b>1,150</b>	<b>9%</b>
<b>EBITDA (Rs. mn)</b>	<b>231</b>	<b>253</b>		<b>704</b>	<b>554</b>	<b>27%</b>
EBITDA Margin (as % of Rental Income)	81%	109%		<b>86%</b>	<b>80%</b>	
Rental Rate (Rs./sft pm)	96	82	17%	93	82	13%
Consumption (Rs. mn)	2,320	1,929	20%	6,173	5,173	19%
Trading Density (Rs./sft pm)	1,183	1,032	15%	1,059	943	12%
Trading Occupancy (%)	91%	87%		91%	86%	

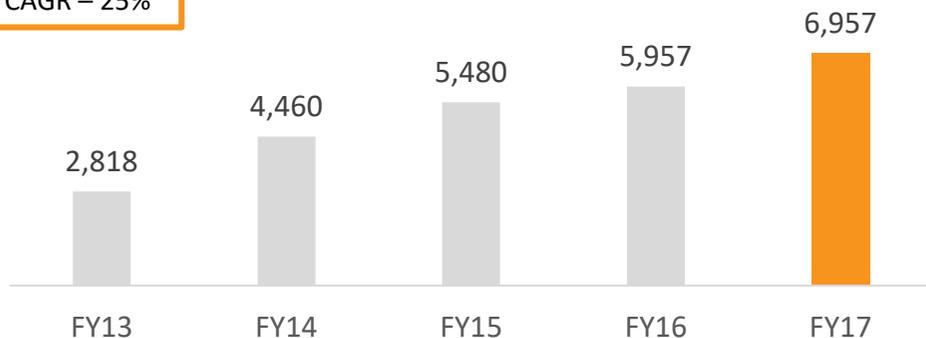
Commercial space at Kurla, Mumbai is now rent generating and shown in the commercial section





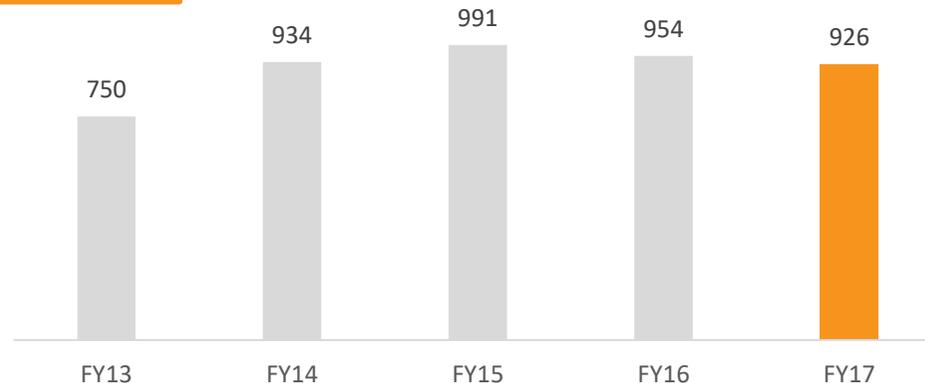
**FY13-17  
CAGR – 25%**

Consumption (Rs.mn)

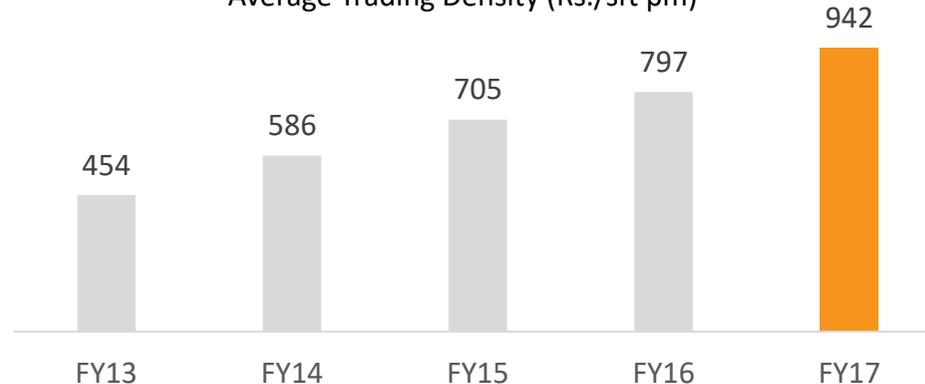


**FY13-17  
CAGR – 5%**

Rental Income (Rs.mn)



Average Trading Density (Rs./sft pm)



# Palladium Chennai

- Palladium Chennai became operational on 13<sup>th</sup> Oct 2017 with launch of H&M
- H&M, Shoppers Stop are currently operational; other units currently under fit-out
- Grand Opening on Feb 17, 2018

0.22 Million Sq. Ft.  
Total Leasable Area  
13<sup>th</sup> Oct 2017  
Operations Begin











## Deal Overview

- i. Acquired approx. 15 acres of land parcel, located behind Hotel Sayaji in Wakad Pune, for Rs. 182 cr in August 2017
- ii. Total development potential of 1.8 mn sft
- iii. Phase I to have a retail development of 1 msft; Balance potential (0.8 msf) to be developed at a later date
- iv. Mall will house a contemporary mix of family entertainment zones, multiplexes, large-format departmental stores, inline stores and fine dining options

## Project Update

- i. Initial plans sanctioned by Municipal Corporation on Jan 2<sup>nd</sup>, 2018
- ii. TDR purchase of 3 lakh sq. ft. TDR locks in 1msf potential for Retail development

## Location Dynamics

- Current mall in Viman Nagar serves the CBD of Kharadi and surrounding residential areas of Kalyani Nagar, Boat Club, Koregaon Park and neighbouring towns such as Ahmednagar
- Wakad is almost 23 km away from PMC Pune with strategic and easy access to:
  - Commercial areas such as Hinjewadi, Baner and Aundh
  - Residential areas such as Wakad, Baner, Aundh, Balewadi extending up to Kothrud in South West of Pune
- Strong Commercial catchment of 25 mn sft in Hinjewadi (19 msf and expanding) and Aundh/Baner (6 msf and expanding)
- Very dense residential population of middle to high income group
- Over the coming years, both our malls combined will be able to cater to the entire Pune region and surrounding towns.

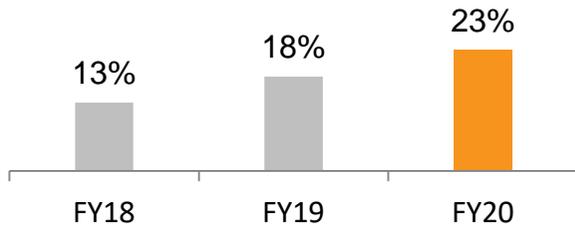


Wakad, Pune is a retail-led mixed use development with development potential of 1.8 msft including retail component of 1.0 msft

# Renewal Schedule (% of total leasable area)

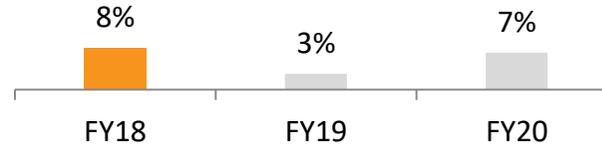
### HSP & Palladium

54% of leasable area for renewal over next 3 years



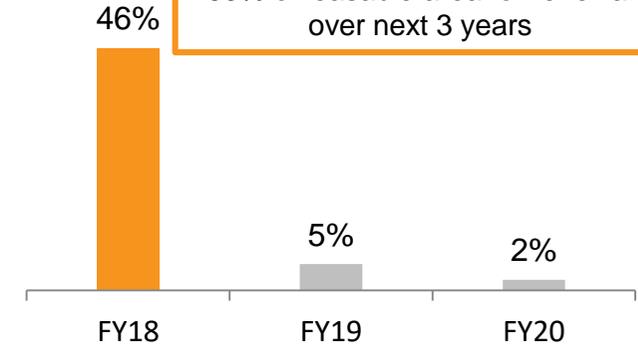
### PMC Bangalore

18% of leasable area for renewal over next 3 years



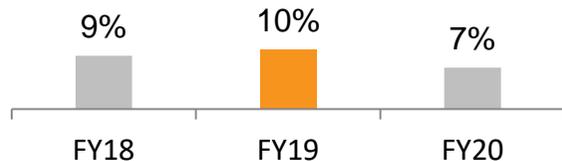
### PMC Chennai

53% of leasable area for renewal over next 3 years



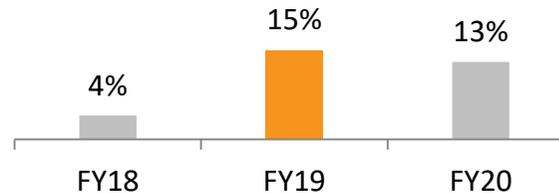
### PMC Mumbai

26% of leasable area for renewal over next 3 years



### PMC Pune

32% of leasable area for renewal over next 3 years



#### Renewal/re-leasing done in FY17

- 40% of leasable area in PMC Mumbai
- 45% of leasable area in PMC Bangalore
- 21% of leasable area in HSP & Palladium

#### Upcoming major renewals in next 3 years

- 54% of leasable area at HSP & Palladium
- 53% of leasable area at PMC Chennai

- Premium and upscale, large-scale residential developments
- Product design, quality and location in or around mixed-use destinations have established the projects as market leaders
- **Expect substantial free cash flows from residential projects in the coming years:**
  - Cash flows from sold inventory sufficient to cover construction cost to complete project
  - Selling prices for the projects more than doubled in the last 5 years (CAGR of 18-20% over the last 5 years) while constructions costs have increased by only c5-10%
  - Residual inventory (both ready and under-construction) at current prices represents significantly higher profit margins
- **Bengaluru (One Bangalore West and Kessaku):** Commenced handover of flats in OBW Towers 1-5; Execution at OBW Tower 6 is progressing well
- **Chennai (The Crest):** Construction completed in Tower A,B and C; Occupation Certificate for the towers received

One Bangalore West and Kessaku



The Crest



Residential portfolio to aid in significant free cash flow generation

Project Name (operational)	Saleable area (msf)			Area Sold (msf)	Sales Value (Rs. mn)	Average Selling Price (Rs. psf)	Collections (Rs. mn)	Revenue recognized (Rs. mn)	
	Total Area	Area launched	Balance Area					in Q3 FY18	Cumulative
One Bangalore West, Bangaluru	2.20	1.48	0.72 <sup>##</sup>	1.19	11,546	9,684	10,528	242	9,922
Kessaku, Bengaluru	0.99	0.57	0.42	0.22	3,340	15,183	2,353	86	1,610
The Crest, Chennai	0.94	0.53	0.41	0.43	3,762	8,833	3,446	0	3,513
<b>Total</b>	<b>4.13</b>	<b>2.58</b>	<b>1.55</b>	<b>1.84</b>	<b>18,649</b>	<b>10,145</b>	<b>16,327</b>	<b>328</b>	<b>15,044</b>

<sup>##</sup> Note that of the nine towers in One Bangalore West (OBW), only Towers 1-6 have been launched

## Key highlights

- Q3 FY18 collections were at Rs. 239 mn

Tower	Saleable Area (msf)	Launched	Sold
Tower 1-5	1.23	1.23	1.06
Tower 6	0.26	0.26	0.13
Tower 7-9	0.72	Not Launched	-
<b>Total</b>	<b>2.20</b>	<b>1.48</b>	<b>1.19</b>

	Q3FY18	Q3FY17	Q2FY18
Saleable Area for 9 Towers (msf)	2.20	2.20	2.20
Cumulative Sale Value (Rs. mn)	11,546	11,198	11,340
Cumulative Sale Volume (msf)	1.19	1.17	1.18
Cumulative Collections (Rs. mn)	10,528	9,507	10,393
Average Realization (Rs./sft)	9,684	9,549	9,627

## Project Update

Occupation Certificate (OC) for Towers 1-5 received



	Q3FY18	Q3FY17	Q2FY18
Saleable Area (msf)	0.99	0.99	0.99
Cumulative Sale Value (Rs. mn)	3,340	3,193	3,340
Cumulative Sale Volume (msf)	0.22	0.21	0.22
Cumulative Collections (Rs. mn)	2,353	1,763	2,308
Average Realization (Rs./sft)	15,183	15,378	15,181

### Project Update

SORA, NIWA, MIZU, FAIA & ZEFA – RCC works completed. Pergola structural steel work in progress.



Kessaku Elevation



Above Terrace Work in Progress



Kessaku Proposed Elevation



Kessaku Current Elevation



Kessaku Façade Actual



	Q3FY18	Q3FY17	Q2FY18
Saleable Area (msf)	0.53	0.53	0.53
Cumulative Sale Value (Rs. mn)	3,762	3,464	3,636
Cumulative Sale Volume (msf)	0.43	0.40	0.41
Cumulative Collections (Rs. mn)	3,446	3,190	3,387
Average Realization (Rs./sft)	8,833	8,760	8,780

Note: Crest Towers A and B are a part of a separate subsidiary, Classic Housing Projects Pvt Ltd., while Crest Tower C forms a part of Classic Mall Development Co. Pvt. Ltd.



- Own and operate Grade A commercial, rent-generating space of approx. 1 msf in prime locations in Mumbai
- Currently 83% of the available area has been leased to Tier 1 clients – ensures quality catchment and stable rental income
- Commercial centres fit in with our philosophy of an integrated work-life balance and are a great complement to retail centres
- Clear priority to add to the existing commercial portfolio on account of future development of additional available FSI at our malls at Pune, Bangalore, Chennai

Art Guild House, Mumbai



Commercial Portfolio complements Retail Portfolio and adds to our annuity income stream

Project Name	Total Area (msf)	Area Sold (msf)	Net Leasable Area (msf)	Area Leased (msf)	Average Rate (Rs./sq.ft)
Phoenix House	0.14	-	0.14	0.13	110 <sup>^</sup>
Centrium	0.28	0.18	0.10 <sup>#</sup>	0.09	91
Art Guild House	0.76	0.21 <sup>@</sup>	0.55 <sup>@</sup>	0.47	94
Phoenix Paragon Plaza	0.24	0.05	0.19	0.12	101
<b>Total</b>	<b>1.42</b>	<b>0.45</b>	<b>0.98</b>	<b>0.81</b>	<b>97</b>

- AGH reported Rental Income of Rs. 162 Mn for 9M FY18
- 85% of available leasable area in AGH has been leased

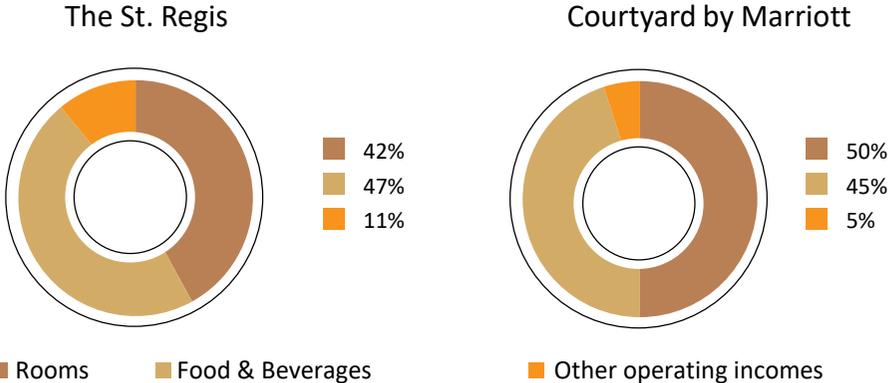


<sup>@</sup>Total Area sold is 0.38 msf out of which PML owns 0.17 msf – this area is also counted in area available for lease

<sup>^</sup>Rental Income from Phoenix House is part of Standalone results      <sup>#</sup>Area owned by PML

- Own and operate marquee hospitality properties in Mumbai and Agra managed by best-in-class global operator, Marriott
- The St. Regis, Mumbai and Courtyard by Marriott, Agra are established as the best performing hotels in their respective categories
- We expect The St. Regis Mumbai to sustain its strong performance given the limited supply of luxury hotels in South Mumbai and growing demand from business travellers and tourists
- We propose to consolidate ownership at Courtyard by Marriott, Agra and merge asset with Palladium Construction to optimize taxation structure, reduce debt and improve operating efficiencies
- Stable assets with self-sustaining and growing operating cash flows

	ST. REGIS, MUMBAI	COURTYARD BY MARRIOTT, AGRA
Keys	395	193
FY17 Occupancy (%)	72	57
FY17 ARR (₹)	10,594	4,336
FY17 Revenue (₹ million)	2,520	323
Number of Restaurants	10	4
Banqueting Space (sq. ft.)	42,500	23,315



Continuously delighting our patrons with the best in-class service



	The St. Regis, Mumbai	Courtyard by Marriott, Agra
Keys	395	193
Restaurants & Bar	10	4
Occupancy (%)#	76%	73%
Average room rent (Rs. / room night) #	12,217	4,686



## The St. Regis, Mumbai

- Q3 FY18 room occupancy at 76% at an ADR of Rs. 12,217
- In Q3 FY18, ARR grew 8% yoy and Total Income grew 11% yoy

## Courtyard by Marriott, Agra

- Total Revenue was up 6% yoy driven by higher F&B and Banquet revenue (up 10% yoy)
- Q3 FY18 room occupancy at 73% at with ARR of Rs. 4,686

#For Q3 FY18

## **The St. Regis, Mumbai**

- The St. Regis continues to set new performance benchmarks in the industry with stellar industry-leading growth rates
- During 9M, the hotel operated at an occupancy of 73% (vs. 70% last year) and ARR of Rs. 11,222 (up 11% yoy)
- This resulted in higher room revenue of Rs. 869 mn, up 14% yoy
- Higher room occupancy and better expense management has also helped improve operating profit by 20% yoy to Rs. 717 mn for 9MFY18

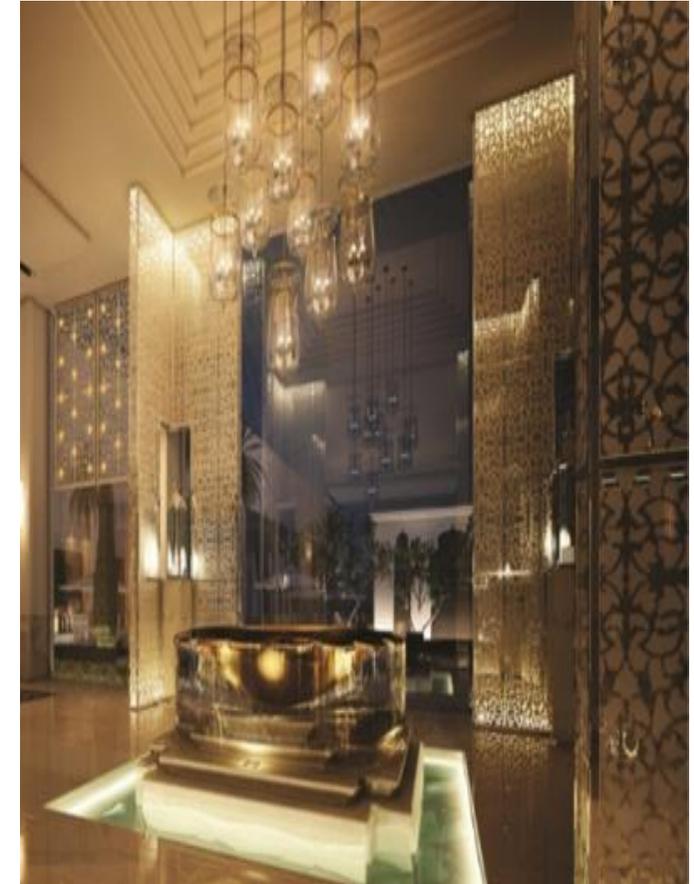
## **Courtyard by Marriott, Agra**

- Courtyard by Marriott, Agra reported strong occupancy in 9M FY18. Occupancy improved from 51% to 61% in H1
- The property saw weakness in the average ARRs with 9M ARRs at Rs. 3,636, down 11% yoy
- Revenue from rooms was up 7% yoy to Rs. 116 mn in 9M FY18
- Revenue from F&B and banqueting remained strong at Rs. 116 mn, up 18% yoy

	Q3FY18	Q3FY17	% yoy growth	9MFY18	9MFY17	% yoy growth
Revenue from Rooms (Rs. mn)	323	307	5%	869	759	14%
Revenue from F&B and Banqueting (Rs. mn)	357	320	12%	926	848	9%
Other Operating Income (Rs. mn)	87	65	34%	214	184	16%
<b>Total Income (Rs. mn)</b>	<b>767</b>	<b>691</b>	<b>11%</b>	<b>2,008</b>	<b>1,790</b>	<b>12%</b>
<b>Operating EBITDA (Rs. mn)</b>	<b>287</b>	<b>250</b>	<b>14%</b>	<b>717</b>	<b>598</b>	<b>20%</b>
<i>Occupancy (%)</i>	<i>76%</i>	<i>79%</i>		<i>73%</i>	<i>70%</i>	
<i>ARR (Rs.)</i>	<i>12,217</i>	<i>10,666</i>	<i>15%</i>	<i>11,222</i>	<i>10,134</i>	<i>11%</i>

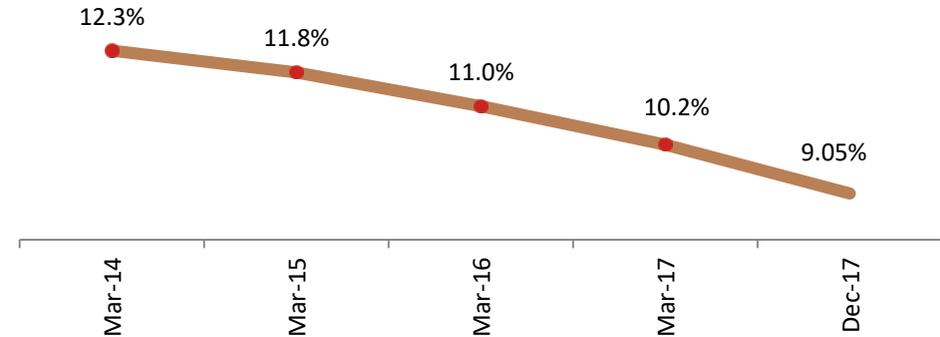


	Q3FY18	Q3FY17	% yoy growth	9MFY18	9MFY17	% yoy growth
Revenue from Rooms (Rs. mn)	59	59	1%	116	108	7%
Revenue from F&B and Banqueting (Rs. mn)	50	45	10%	116	98	18%
Other Operating Income (Rs.mn)	5	4	29%	13	11	18%
<b>Total Income (Rs. mn)</b>	<b>114</b>	<b>108</b>	<b>6%</b>	<b>245</b>	<b>217</b>	<b>13%</b>
<i>Occupancy (%)</i>	<i>73%</i>	<i>71%</i>		<i>61%</i>	<i>51%</i>	
<i>ARR (Rs.)</i>	<i>4,686</i>	<i>4,809</i>		<i>3,636</i>	<i>4,074</i>	

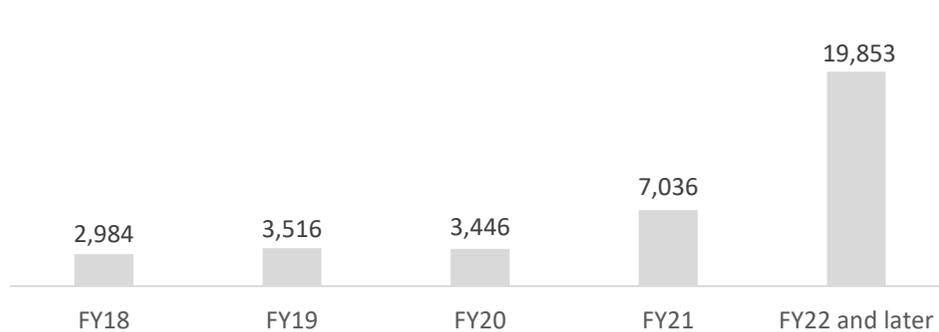


- Cost of debt down over 200 bps in 17 months
- FY17 interest coverage ratio at approx. 2x for the group with retail assets comfortably ahead
- HSP at interest coverage of 3.2x; PMC Chennai: 3.7x; PMC Bangalore: 2.9x; PMC Pune: 2.4x
- Chennai CMBS rated at AA+; PML bank loan rated at A+; ISML bank loan rated at A-
- Issued Commercial Papers for Rs. 750 mn at the rate of 7.2%
- Cost of debt at Jan'18 end stands at 8.99%

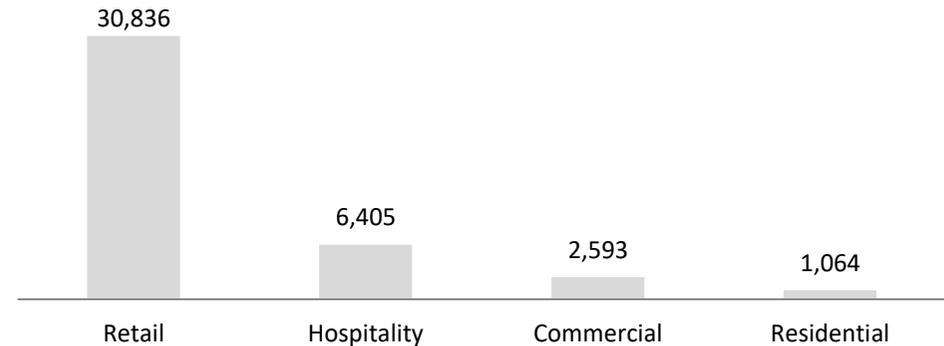
**Effective cost of debt (%) has been trending down**



**Debt Maturity (in INR mn)**



**Q3 FY18 Gross Debt breakup (in INR mn)**



76% of debt in retail-led SPVs – refinancing of debt at lower rates to improve cash flows

Asset Type	SPV	Asset Name	PML Ownership	Q3 FY18 Debt (Rs. mn)
Retail & Mixed-Use	PML Standalone	High Street Phoenix, Mumbai	100%	8,078
	Classic Mall Development	Phoenix MarketCity, Chennai	50%	4,891
		The Crest C		
	Vamona Developers	Phoenix MarketCity, Pune	100%	5,968
		East Court		
	Island Star Mall Developers	Phoenix MarketCity, Bangalore	70%	4,227
	Offbeat Developers	Phoenix MarketCity, Mumbai	100%	6,701
		Art Guild House		
		Centrium		
	Blackwood Developers	Phoenix United, Bareilly	100%	1,582
UPAL Developers	Phoenix United, Lucknow	100%	902	
Graceworks Realty & Leisure	Phoenix Paragon Plaza	67%	1,079	
Palladium Constructions	One Bangalore West & Kessaku (Residential) Courtyard by Marriott, Agra (Hotel)*	80%	1,714	
Hotel	Pallazzo Hotels & Leisure	The St. Regis, Mumbai	73%	5,755
<b>Total</b>				<b>40,898</b>

\*Merger of Gangetic Hotels to Palladium Construction approved in October 2017 – Debt of Gangetic Hotels transferred to Palladium Constructions

Note: PML owns 50.0% of CMDCPL and CMDCPL has been classified as an Associate of the Company effective 31 March 2017. Hence, its income from operations, expenses (including taxes) and borrowings have not been consolidated in PML's results.

## Value Accretive Stake Acquisitions in FY18 mark the completion of minority buyouts

Subsidiary	Stake Purchased (%)	Amount paid for stake purchase (Rs. mn)	Previous Stake (%)	Effective Current Stake
Vamona	13.41%	1,135	86.59%	100%
Offbeat	16.41%	911	83.59%	100%
Alliance	38.26%	254	36.74%	100%*
Classic Mall	1.81%	249	48.19%	50%
Graceworks	22.67%	100	77.33% <sup>+</sup>	100% <sup>+</sup>
<b>Total</b>		<b>2,650</b>		

\* The Phoenix Mills Ltd. And its group entity, Phoenix Hospitality Company Pvt. Ltd., together own 100% of Alliance. PML effectively owns 75% and Promoters own the balance 25% stake in Alliance.

<sup>+</sup> The Phoenix Mills Ltd. And its group entity, Phoenix Hospitality Company Pvt. Ltd., together own 100% of Graceworks. PML effectively owns 66.69% and Promoters own the balance 33.31% in Graceworks.

Note: PML owns 50.0% of CMDCPL and CMDCPL has been classified as an Associate of the Company effective 31 March 2017. Hence, it's income from operations and expenses (including taxes) have not been consolidated in PML's results

## PML's shareholding in subsidiaries – Progressive Stake Acquisitions

Subsidiary	Development Name	2010	Dec 2017
Offbeat Developers	Phoenix MarketCity, Mumbai	24%	100%
Vamona Developers	Phoenix MarketCity, Pune	59%	100%
Classic Mall	Phoenix MarketCity, Chennai	31%	50%
Gangetic Hotels	Courtyard by Marriott, Agra	21%	100%
Pallazzo Hotels	The St. Regis, Mumbai	53%	73%
Alliance	Fountainhead, Pune	58%	100%
Classic Housing	Crest A, B	34%	50%
Island Star	Phoenix MarketCity, Bangalore	28%	70%*
Palladium Construction	One Bangalore West & Kessaku	70%	100%
Big Apple Real Estate (BARE)	Phoenix United – Lucknow, Bareilly	73%	100%
Graceworks Realty & Leisure	Phoenix Paragon Plaza, Mumbai	44%	67%

\* Owned 100% equity stake till March 2017; effective April 2017, Island Star is now a part of the platform with CPPIB

## Rational capital deployment to acquire majority stakes in operating assets

Note: PML owns 50.0% of CMD CPL and CMD CPL has been classified as an Associate of the Company effective 31 March 2017. Hence, its income from operations and expenses (including taxes) have not been consolidated in PML's results

- PML and CPPIB have formed a strategic investment platform to acquire, develop, and operate prime, retail-led developments across India
- CPPIB will invest approximately Rs. 1,600 cr through multiple tranches in Island Star Mall Developers Pvt. Ltd., a subsidiary of The Phoenix Mills Ltd.
- CPPIB has infused Rs. 724 cr initially and owns 30% stake in Island Star; CPPIB will further increase stake to 49% through multiple tranches for total investment of approx. Rs. 1,600 cr
- PML will manage all development and operational assets in the platform
- Further growth in PML CPPIB Partnership: Purchased land parcel in Pune with potential developable area of c.1.8 mn sq ft for Rs. 1.82 billion

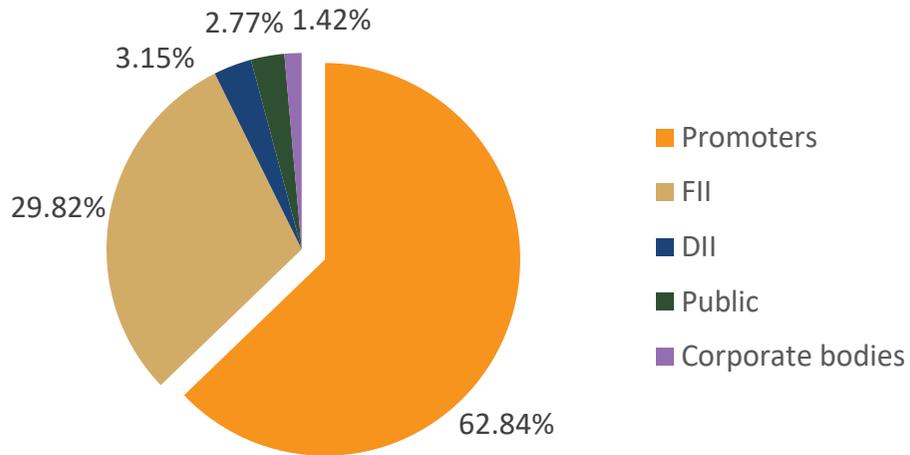
## Transaction details

Enterprise value (Island Star)	Approx. Rs. 2,200 cr
Pre-money Equity Value	Approx. Rs. 1,700 cr
Post-money Equity Value	Approx. Rs. 3,300 cr
Rentals (FY17)	Rs. 109 cr
EBITDA (FY17)	Rs. 109 cr

*“We believe that India will be a leading source of global growth in the coming decades and there will continue to be attractive investment opportunities for CPPIB. We look forward to expanding our venture with Phoenix Mills, an experienced retail operator and well-aligned partner”*

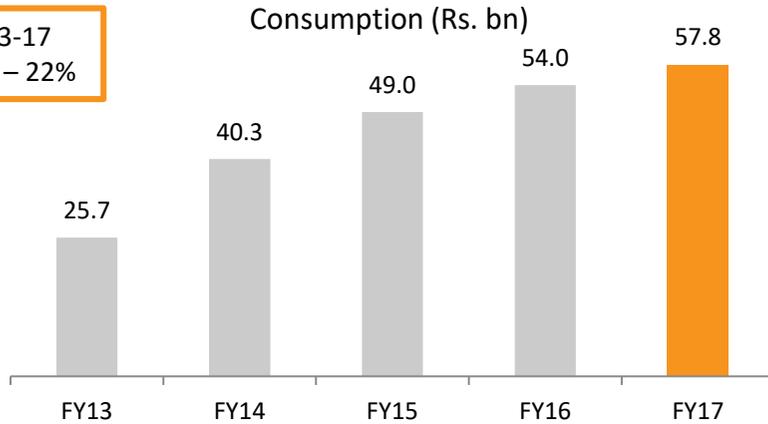
*CPPIB, April 2017*

Shareholding Pattern

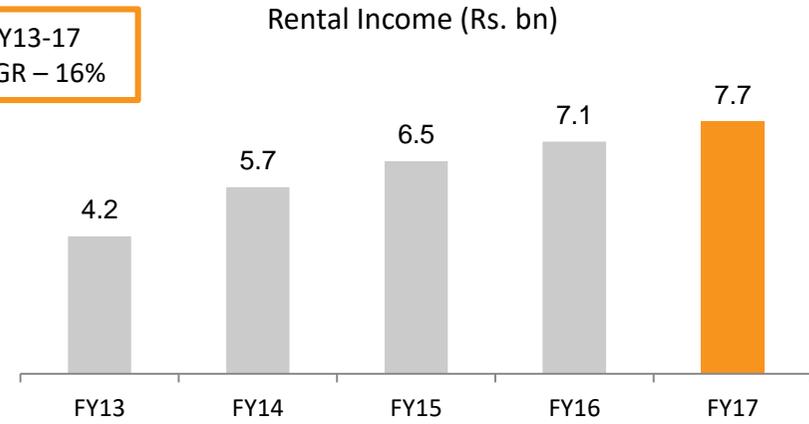


Key Institutional Investors	% Shareholding
Nordea Bank	11.10%
Fidelity Investment Trust	4.46%
Schroder	2.37%
Van Eck	1.36%
Reliance Capital	1.31%
Mondrian	1.13%

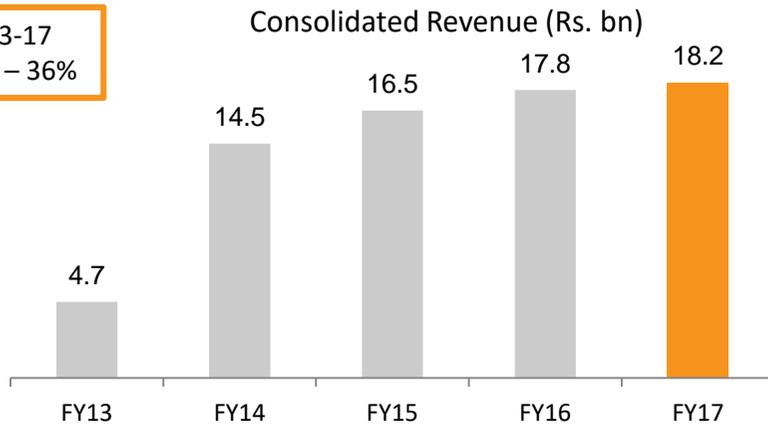
FY13-17  
CAGR – 22%



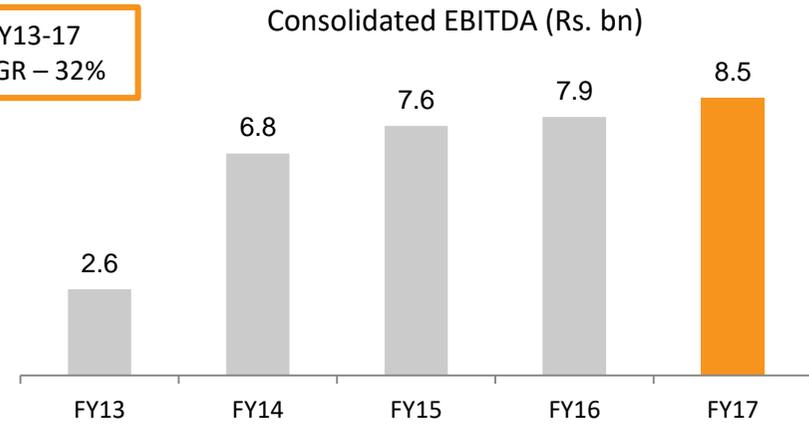
FY13-17  
CAGR – 16%



FY13-17  
CAGR – 36%



FY13-17  
CAGR – 32%





Revenue of INR 18.2 bn  
FY13-17 CAGR of 40%



EBITDA of INR 8.5bn  
FY13-17 CAGR of 34%



PAT at INR 1.7bn, up 29% yoy



Consumption of over INR 58 bn  
FY13-17 CAGR of 22%



Retail rental income of INR 7.7 bn  
FY13-17 CAGR of 16%



Rental EBITDA at INR 7.2 bn, up  
10% yoy



Interest coverage ratio\* of  
2.0x, up from 1.78x in FY16



Net debt to equity ratio at 1.58x



Avg. cost of debt at 10.2% for  
Mar'17, further moved down  
to 9.3% in Sep'17

\* ICR computed at EBITDA by Interest



For more information on the Company,  
its projects and services please log on to  
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