

**September 14, 2017**

**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: Press Release**

Dear Sir,

We are enclosing herewith the Press Release issued by the Company titled 'The Phoenix Mills Limited: a perfect proxy to India's urban lifestyle consumption story'.

Kindly take the same on your record.

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



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



## The Phoenix Mills Limited: a perfect proxy to India's urban lifestyle consumption story

**The Phoenix Mills' data on shopping behaviour serve as a reliable barometer of consumer sentiment.**

**Mumbai, September 14, 2017:** As India's largest mall owners and operators, The Phoenix Mills Limited (PML) is evolving into a trusted proxy for the consumption trends of India's urban middle class. India's retail infrastructure has come a long way and PML is at the vanguard of creating fully integrated recreational centres on a pan India basis. The company operates 8 malls, exceeding 6 million sq. ft. in total, across 6 Tier 1 cities across India. For FY2017, consumption spending at their malls exceeded Rs.58 billion (Rs. 5,800 crores, or US\$910m), up by 7% from the previous year. The growth was secular across multiple retail categories, including as high street fashion, electronics, toys & gifts, multiplexes and food & beverages. With such a large unmatched sample size and geographic diversity, PML's data on shopping behaviour can serve as a reliable barometer of consumer sentiment.

Beyond the FY2017 statistics, latest data show that consumption buoyancy continued well into the first quarter of FY2018. During the first three months ended on June 30, 2018, PML recorded an aggregate consumption of over Rs. 16 billion (Rs. 1,600 crore) across all its malls, an increase of 19% over the corresponding quarter of the previous year. While Phoenix MarketCity, Bengaluru reported the highest growth in consumption at 36%, Phoenix MarketCity Mumbai was a close second which reported 31% consumption growth.

While online shopping is a formidable part of retail growth story, consumptions at Phoenix malls across cities remain unaffected. Contrary to the popular notion that the consumers nowadays prefer to buy electronic goods mainly online, PML malls recorded upwards of 20% growth in electronics sales. Apparels & Fashion and Footwear, Bags & Accessories and Books, Toys, Gifts & Sports categories reported strong double-digit growth (mid-teens) during Q1FY2018.

"We are seeing first hand that urban consumers are rapidly evolving in their approach to purchasing decisions. Incremental discretionary spending on entertainment, dining out and life style shopping is witnessing a steady growth and our experience is living testimony to the fact that India's consumption story continues to thrive unabated." said **Atul Ruia, Joint Managing Director, The Phoenix Mills.**

A like to like comparison between the consumption data of June and July of 2017 with the consumption data of these corresponding two months of 2016 reveals that the consumption has grown by 12% y-o-y. Comparing June and July months data would give the correct picture as it includes consumption upswing due to seasons sale that took place in June this year while in 2016, the sale was in July. The urban lifestyle consumption is almost immune to key economic events, especially when they are expected to bring in greater economic benefits.

Interestingly, during and just after the demonetisation policy was put into effect in November 2016, the consumption at PML malls experienced a temporary dip and a very rapid recovery. Overall, not surprisingly, the consumption of premium brands largely remained unaffected. For December 2017, the month just after demonetisation was introduced, consumption still grew by 21% y-o-y and the aggregate consumption for the fourth quarter of Q3 FY2017 had grown by a respectable 10% Y-o-Y.

“Our Phoenix MarketCity, Mumbai property can serve as an interesting case study in how a new retail asset can be nurtured and transformed into an iconic centre with its own centrifugal force for spawning a new micro-market. Though the mall had a slow start in its formative first two years, today it houses over 250 plus global and domestic brands, 10 plus departmental stores, unique entertainment zones and one of the largest range of F&B options. In FY2017, MarketCity, Kurla reported the highest incremental growth in consumption as well as trading density amongst all Phoenix MarketCitys. We expect the rentals at this mall to soon touch rentals levels attained at our MarketCity malls at Pune and Bengaluru.” said **Shishir Shrivastava, Joint Managing Director**, The Phoenix Mills.

#### **About The Phoenix Mills Limited**

PML (*BSE: 503100 | NSE: PHOENIXLTD*) is a leading retail mall developer and operator in India with approximately 6.0 million square feet of retail space spread across 8 malls in 6 gateway cities of India. PML is the pioneer of retail-led, mixed-use developments in India and has developed over 17.5 million square feet spread across retail, hospitality, commercial, and residential asset classes.

#### **For further information, kindly contact:**

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