



**THE PHOENIX
MILLS LIMITED**

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April 21, 2018

To,

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 Sirs,

We are enclosing herewith the Press Release issued by the Company titled 'Island Star Mall Developers Pvt. Ltd. Acquires Site in North Bengaluru for Retail Oriented Mixed-Use Development.'

We request you to kindly take the same on record.

Regards,

For **The Phoenix Mills Limited**


Company Secretary



Island Star Mall Developers Pvt. Ltd. Acquires Site in North Bengaluru for Retail Oriented Mixed-Use Development

Key Highlights:

- Island Star Mall Developers Pvt. Ltd. (ISMDPL), the strategic investment alliance owned by The Phoenix Mills Ltd. (PML) and Canada Pension Plan Investment Board (CPPIB), has announced the acquisition of a prime land parcel in Hebbal, Bengaluru for a total consideration of INR 6.50 billion (C\$130 million).
- The site has a development potential of approximately 1.81 million square feet. In initial phase, ISMDPL would develop at least 1 million square feet as premium retail development.
- This will be PML's second MarketCity mall in Bengaluru.

Mumbai, India/Toronto, Canada (April 21, 2018) – ISMDPL, a strategic investment alliance by PML and CPPIB, today announced that it has acquired a land in Hebbal, Bengaluru, for INR 6.5 billion (C\$130 million). The site, ISMDPL's second acquisition, is located in Hebbal, Bengaluru, with direct access from the National Highway 7 that connects Bengaluru city to the international airport. The site has development potential of approximately 1.81 million square feet. In the initial phase, ISMDPL would develop at least 1 million square feet as premium retail development.

Bengaluru is the fourth most populous city in India with its population expected to reach 14.8 million by 2030¹ from 8.5 million in 2011. It has the second largest office market in India with over 110 million square feet of occupied stock. Commencement of the new international airport in 2008 has transformed Northern Bengaluru into a growth corridor. The entire catchment area, over the last decade, has witnessed significant growth in office and residential absorption.

“Bengaluru is amongst the most preferred cities for retailers given the high percentage of the population in the working age group. The catchment area around Hebbal, the new site location, has seen the launch of over 40,000 residential units since 2014. Moreover, the area has an occupied office space of over 20 million square feet which translates to a working population of over 2.5 lakh. The catchment area also has one of the lowest per capita retail spaces in the city. In coming years, this micro market will witness a rapid rise in consumption levels and our second Phoenix MarketCity in Bengaluru will be a preferred retail, entertainment and commercial destination. With land parcel acquisitions in Pune, which is under development, and now in Bengaluru, the PML-CPPIB investment alliance has already committed significant portion of the total equity funds in ISDMPL within 12 months of forming the strategic alliance.” commented **Mr. Shishir Shrivastava, Joint Managing Director, The Phoenix Mills Limited.**

In April 2017, PML and CPPIB created ISMDPL as an investment alliance to develop, own and operate retail-led, mixed-use developments across India. ISMDPL holds Phoenix MarketCity Bengaluru, which was PML's contribution to the alliance and CPPIB invested INR 16.62 billion (C\$328 million) in multiple tranches, to own 49% stake in the alliance. In FY18, ISMDPL spent INR 1.82 billion to acquire a land parcel in Pune with a development potential of 1.8 million square feet.

¹ United Nations – World Urbanization Prospects - 2016



About Island Star Mall Developers Pvt. Ltd. (ISMDPL)

ISMDPL currently owns and operates a retail mall in Bengaluru known as Phoenix MarketCity, Bengaluru. In FY17, ISMDPL reported rental income of INR 1.1 billion (C\$21.8 million) and EBITDA of INR 1.1 billion (C\$21.8 million). In 9M FY18, ISMDPL has reported rental income of INR 0.95 billion (C\$18.8 million) (up 18% yoy) and EBITDA of INR 0.93 billion (C\$18.4 million) (up 16% yoy). In addition, ISMDPL has further potential to expand the existing mixed-use development.

About The Phoenix Mills Limited (PML)

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.

About Canada Pension Plan Investment Board (CPPIB)

Canada Pension Plan Investment Board (CPPIB) is a professional investment management organization that invests the funds not needed by the Canada Pension Plan (CPP) to pay current benefits on behalf of 20 million contributors and beneficiaries. In order to build a diversified portfolio of CPP assets, CPPIB invests in public equities, private equities, real estate, infrastructure and fixed income instruments. Headquartered in Toronto, with offices in Hong Kong, London, Luxembourg, Mumbai, New York City, São Paulo and Sydney, CPPIB is governed and managed independently of the Canada Pension Plan and at arm's length from governments. At December 31, 2017, the CPP Fund totalled C\$337.1 billion. For more information about CPPIB, please visit www.cppib.com or follow us on [LinkedIn](#) or [Twitter](#).

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