

Investor Presentation

Q2 FY2019 Results



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.

Q2 & H1FY19 Highlights
Overview and Strategy
Financial Results
Business Performance
Annexure



Q2 & H1FY19 Highlights

Operational

- Retail consumption **increased by 14% yoy to Rs. 16.7 bn** in Q2FY19 while retail rental Income is **up 17% yoy in Q2FY19 at Rs. 2.4 bn**
- Retail EBITDA came in strong at **Rs. 2.2 bn, up 16% yoy for Q2FY19**
- **High Street Phoenix, PMC Mumbai & PMC Pune** were the top performing retail assets demonstrating strong consumption and rental Income growth
- H1FY19 Retail Rental income is **Rs. 4.8 bn, up 16% yoy, while EBITDA was up 15% to Rs. 4.5 bn**
- In H1 FY19, spent approximately Rs. 6,500 mn to acquire an under-construction retail asset in Lucknow and a 5.12-acre land parcel in **Thaltej, Ahmedabad**

Financial

- Q2 FY19 Consolidated Income from operations is **up 9% YoY to Rs. 4,047 mn**
- Q2 FY19 Consolidated Profit after tax & before OCI is **up 49% YoY to Rs.620 mn**
- **H1FY19 income from operations is up 7% to Rs. 8,179 mn while PAT is up 45% to Rs. 1,218 mn**
- Strong operational performance from retail, hospitality & commercial resulted in strong PAT growth in H1 FY19

Consumption*

Rs. 16.7 bn

14%

Retail Rental*

Rs. 2.4 bn

17%

EBITDA^

Rs. 1,982 mn

11%

PAT^

Rs. 620 mn

49%

^ Consumption and retail rental figures represent the overall performance for the operational retail portfolio of 5.90 msft

**Mr. Shishir Shrivastava, Joint Managing Director,
The Phoenix Mills Limited**

“Phoenix Mills, India’s largest Retail mall developer and operator, has delivered a strong Q2 and H1 FY2019 performance, with our portfolio of Retail malls continuing to deliver robust performance. Consumption was up 14% in Q2FY19 to Rs. 16.7 bn and Retail Rental Income was up 17% at Rs. 2,427 million.

Our Commercial, Hospitality and Residential businesses also had strong performance, contributing to total EBITDA of Rs. 3,935 million in H1, up 11% yoy, and Rs. 1,982 million in Q2FY19, up 11% yoy”

Our Retail portfolio expansion comprising 5 new malls is progressing well, and we are on track to increase our operational retail portfolio to 11-12 msft by FY23.

**Mr. Pradumna Kanodia, Director - Finance,
The Phoenix Mills Limited**

“At Phoenix Mills, we are focused on delivering superior financial performance, maintaining a strong balance sheet, and efficiently allocating capital, to create long-term shareholder value.

We had strong EBITDA and PAT performance for Q2 and H1, led by our Retail, Commercial & Hospitality businesses. Cash flows from operations remained strong, and our blended cost of borrowing remains at 9.15%.

I am pleased to share with you that during Q2, credit rating on the debt of Classic Mall Developers (Phoenix MarketCity Chennai) was upgraded to a “AAA rating” which is testament to our strong financial position and prudent gearing.

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Portfolio Overview

Retail Portfolio

Portfolio Size: 6mn sq ft

Own, develop and manage destination retail assets



High Street Phoenix, Mumbai



Phoenix MarketCity, Bangalore



Phoenix MarketCity, Chennai



Phoenix MarketCity, Mumbai



Phoenix MarketCity, Pune



Phoenix United, Lucknow



Phoenix United, Bareilly



Palladium, Chennai

Office Portfolio

Portfolio Size: 1.16 mn sq ft

Own and develop commercial assets to complement retail



Art Guild House, Mumbai



Phoenix House, Mumbai



Centrium, Mumbai



Paragon Plaza, Mumbai

Hospitality Portfolio

Portfolio Size: 588 keys

Own and develop marquee hospitality asset



St. Regis, Mumbai



Courtyard by Marriott, Agra

Residential Portfolio

Portfolio Size: 3.72 mn sq ft

Develop and sell residential assets in tier-1 cities



One Bangalore West & Kessaku



The Crest, Chennai

Diversified annuity revenue streams ensuring robust long term cashflow visibility

Our Annuity Income-Generating Portfolio

OPERATIONAL PORTFOLIO

MALL PORTFOLIO (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

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

HOTEL PORTFOLIO (588 KEYS)		
The St. Regis	Mumbai	395
Courtyard by Marriot	Agra	193

PORTFOLIO UNDER DEVELOPMENT

MALL PORTFOLIO (4.60 MSF)		
Phoenix MarketCity Wakad	Pune	1.0
Phoenix MarketCity Hebbal	Bengaluru	1.0
Phoenix MarketCity	Indore	1.1
Phoenix MarketCity	Lucknow	0.9
Palladium	Ahmedabad	0.6

OFFICE PORTFOLIO (1.12 MSF)		
Phoenix MarketCity, Pune (Viman Nagar)	Pune	0.70
Phoenix MarketCity	Chennai	0.42

Our Residential Development Portfolio

Kessaku



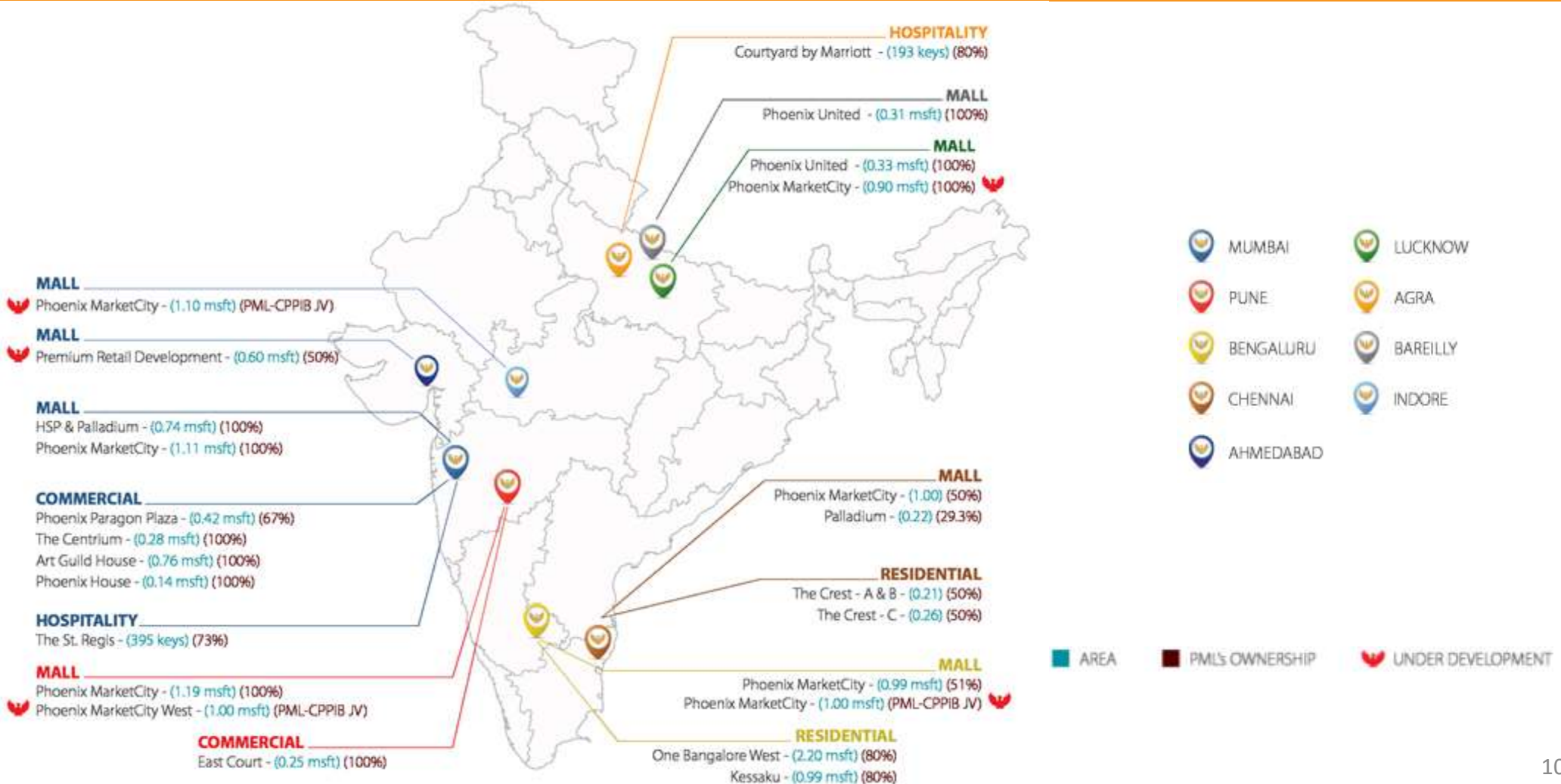
RESIDENTIAL PORTFOLIO

Project	Total Area (msf)	Area launched (msf)	Balance area (msf)
UNDER CONSTRUCTION			
One Bangalore West - Towers 6-9	0.97	0.2	0.72
Kessaku, Bengaluru	0.99	0.57	0.42
Total	1.96	0.82	1.14
COMPLETED			
One Bangalore West - Towers 1-5	1.23	1.23	0
Crest A,B,C	0.53	0.53	0
Total	1.76	1.76	0.00
Grand Total	3.72	2.58	1.14

One Bangalore West



Presence Across Key Gateway Cities in India



Annuity-led Business Model

- 90% of revenues from annuity-led businesses: Retail, Commercial and Hotel
- 10% of revenues from Residential development

Synergies from Mixed-use Development

- Retail-led mixed use developments, in tune with modern consumer lifestyles (work-life-play)
- Synergies of a sticky consumer base within the catchment area of our malls

Active Mall Management

- Attract right brand mix and locate them in right zones
- Partner with retailers to optimal consumption, rentals and growth
- Constantly upgrading the mall by changing the lights, flooring, décor, creating special zones.

'Go-to' Destination Malls

- Large format retail-led developments with focus on creating 'go-to' destinations for entertainment, shopping and dining
- Complete experience enables more time spent in the mall, driving higher consumption

Execution Capabilities

- Experienced management team with track record of successful execution
- Financial flexibility to execute marquee deals securing future growth

Under-construction asset update

- We have closed 5 acquisitions – land parcels in Pune, Bangalore and Ahmedabad, under-construction retail assets in Lucknow and Indore in the last 18 months
- These acquisitions take our **under-development retail leasable portfolio to c.4.6 million sft**
- We have further mixed-use development potential on most of these assets

Project	Partnership / owned	Land Size	Development Potential	Land Acquisition Cost	Comments
Pune	ISML – alliance with CPPIB (PML stake: 51%)	15 Acres	1.6 msf (1 msf retail)	Rs. 1.94 bn	PML's second MarketCity mall in Pune. Expect operations to commence during FY23
Bengaluru		13 Acres	1.8msf (1 msf retail)	Rs. 6.99 bn	PML's second MarketCity mall in Bengaluru. Expect operations to commence during FY23
Indore		19 Acres	1.1 msf retail	Rs. 2.58 bn	Acquired under-construction retail development. Expect operations to commence during FY21
Lucknow	100% owned	13.5 Acres	0.9 msf retail	Rs. 4.70 bn	Acquired under-construction retail development. Expect operations to commence during H2 FY20
Ahmedabad	50:50 alliance with BSafal group	5.2 Acres	0.6 msf retail	Rs. 3.40 bn	PML's third Palladium mall, after Mumbai & Chennai. 50:50 alliance with Ahmedabad-based BSafal group. Expect operations to commence during FY22

4.6 msf of strong cash-generating retail space to become operational between FY21 to FY23

Under-construction asset update

Project	Partnership / owned	Remarks
Wakad Pune	ISML – alliance with CPPIB (PML stake: 51%)	Construction expected to commence in Q4FY19. Update on Approvals: Environment clearance (EC) is currently in final stage; Consent To Establish (subject to EC approval) has already been obtained.
Hebbal Bengaluru		Construction expected to commence in Q4FY19. Update on Approvals: Environment clearance & BDA approval already in place. Await BBMP approval to commence construction.
Indore		Construction expected to commence in Q4FY19 Update on Approvals: Revalidation of previous approvals in process
Lucknow	100% owned	Construction is in progress, all requisite approvals are current & in place and the mall is expected to commence operations in H2 FY20
Thaltej Ahmedabad	50:50 alliance with BSafal group	Construction expected to commence in Q4FY19 Currently under design development and approval process.

Commercial asset update

Fountain Head Pune	Remarks
Tower 1	Leasable area: 0.16 msf - 74% area has been leased Revenue generation expected to commence from Q4FY19
Tower 2	Construction likely to commence in Q4FY19
Tower 3	Construction likely to commence in Q4FY19



Fountainhead Tower 1 - Front



Fountainhead Tower 1 - Side

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Q2 & H1FY19 Standalone P&L

EBITDA

Rs. 674 mn



PAT

Rs. 705 mn



(Rs. mn)	Q2 FY19	Q2 FY18	YoY % Change	H1 FY19	H1 FY18	YoY % Change
Income from operations	1,086	945	15%	2,178	1,926	13%
EBITDA	674	619	9%	1,362	1,259	8%
EBITDA Margin (%)	62%	66%		63%	65%	
Profit Before Tax and exceptional item	781	705	11%	1,228	1,123	11%
Profit after tax & before comprehensive income	705	631	12%	1,051	943	12%
Diluted EPS (Rs.)	4.59	4.11	12%	6.85	6.14	12%

Note: Q2FY18 PAT is higher than EBITDA on account of dividend of Rs. 383 mn received from Island Star Mall Developers Pvt. Ltd (PMC Bangalore) & Vamona Developers Pvt. Ltd (PMC Pune). The dividend income last year was Rs. 328 mn in Q2 FY18.

Standalone Balance Sheet

(Rs. mn)	As on Sep 30, 2018
Share capital	306
Reserves and surplus	26,408
Sub-Total	26,715
Minority interest	-
Non-current liabilities	8,533
Long-term borrowings	7,224
Other long-term borrowings	1,309
Current Liabilities	2,982
Short-term borrowings	937
Trade payables	165
Other current liabilities	1,880
Total	38,230

(Rs. mn)	As on Sep 30, 2018
Non-current assets	36,150
Tangible assets	6,506
Capital work in progress	1,060
Non-current investments	26,300
Long-term loans and advances	1,053
Deferred tax assets	168
Other non-current assets	1,064
Current assets	2,080
Trade receivables	120
Cash and cash equivalents	208
Short-term loans and advances	1,211
Current tax assets	185
Other current assets	356
Total	38,230

Q2 & H1FY19 Consolidated P&L

EBITDA

Rs. 1,982 mn

11%

PAT

Rs. 620 mn

49%

(Rs. mn)	Q2 FY19	Q2 FY18	YoY % Change	H1 FY19	H1 FY18	YoY % Change
Income from operations	4,047	3,706	9%	8,179	7,665	7%
Retail	2,839	2,557	11%	5,744	5,178	11%
Residential	243	238	2%	524	715	-27%
Commercial	161	153	5%	310	264	17%
Hospitality & Others	805	758	6%	1,602	1,508	6%
EBITDA	1,982	1,785	11%	3,935	3,545	11%
EBITDA Margin (%)	49%	48%	1 pps	48%	46%	2 pps
Profit after tax	562	300	87%	1,105	574	92%
PAT after minority interest & before other comprehensive income	620	417	49%	1,218	843	45%
PAT after minority interest & after other comprehensive income	820	864	-5%	1,710	1,344	27%
Diluted EPS (Rs.)	4.04	2.73	49%	7.92	5.50	45%

Consolidated Balance Sheet







(Rs. mn)	As on Sep 30, 2018
Share capital	306
Reserves and surplus	31,786
Sub-Total	32,093
Minority interest	10,745
Non-current liabilities	37,933
Long-term borrowings	33,695
Other long-term borrowings	3,645
Long-term provisions	594
Current Liabilities	18,769
Short-term borrowings	7,855
Trade payables	986
Other current liabilities	9,202
Short-term provisions	725
Total	99,541

(Rs. mn)	As on Sep 30, 2018
Non-current assets	82,224
Tangible assets	60,899
Capital work in progress	8,502
Non-current investments	3,711
Long-term loans and advances	5,238
Deferred tax assets	121
Other non-current assets	3,752
Current assets	17,317
Trade receivables	8,700
Cash and cash equivalents	716
Short-term loans and advances	4,987
Current tax assets	281
Other current assets	2,633
Total	99,541

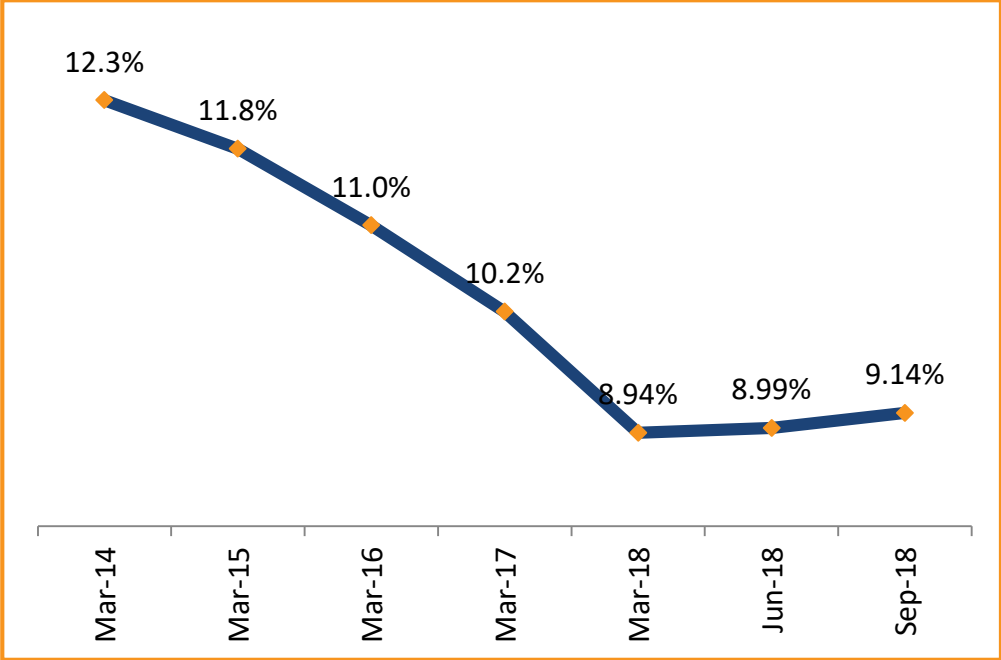
Debt Profile

- Average cost of borrowing up only slightly to 9.14%
- 97% of Debt is long-term. Long-term debt is primarily lease-rental discounting & CMBS
- Very modest debt maturities of Rs 2-3bn per year for the next 3 years
- Strong credit ratings maintained for all the SPV's, in the AAA to A- range. **PMC Chennai was upgraded to AAA during this quarter**; PML bank loan rated at A+; PMC Bangalore, PMC Pune & The St. Regis bank loan rated at A-
- FY18 interest coverage ratio at approx. 2.2x for the group with retail assets comfortably ahead
- HSP at interest coverage of 3.3x in FY18 ; PMC Chennai: 3.7x; PMC Bangalore: 3.1x; PMC Pune: 2.4x
- Improving rental income will further strengthen interest coverage ratios

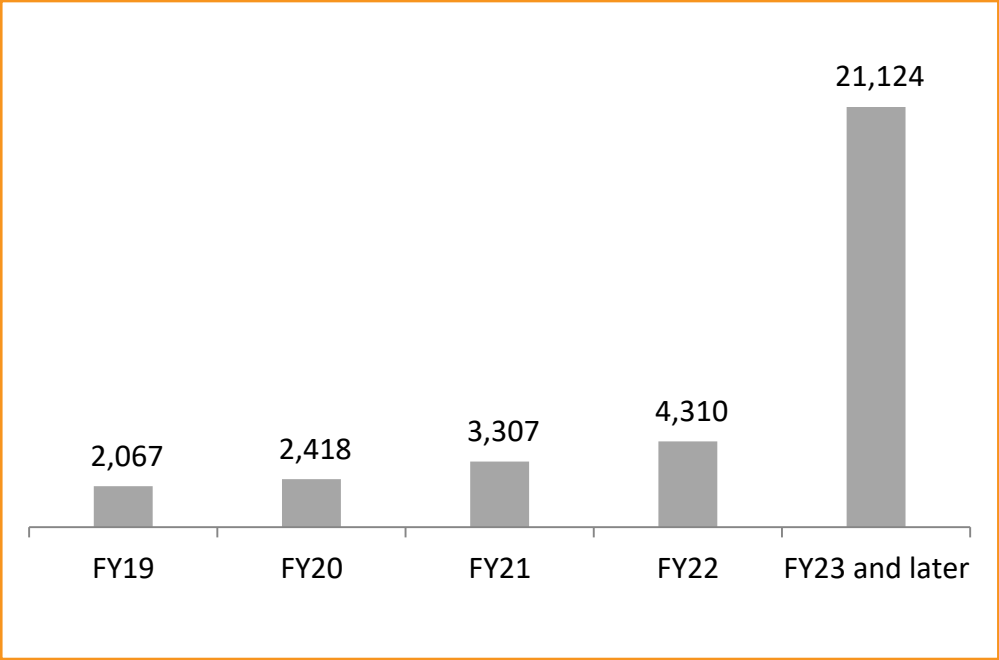
Status	Asset Class	Amount (Rs. mn)
Operational	Retail	33,462
	Hospitality	5,989
	Commercial	1,549
	Residential	1,480
	Sub-total	42,480
Under-development	Retail	2,670
Grand Total		45,150

Credit Ratings	Sep 30, 2018	Ratings Agency
PMC Chennai	AAA	
PML Standalone	A+	 
PMC Bangalore	A	
The St. Regis, Mumbai	A-	
PMC Pune	A-	

Effective cost of debt (%)



Debt Maturity Profile (Rs. mn)



Q2 FY19 Debt Across Subsidiaries

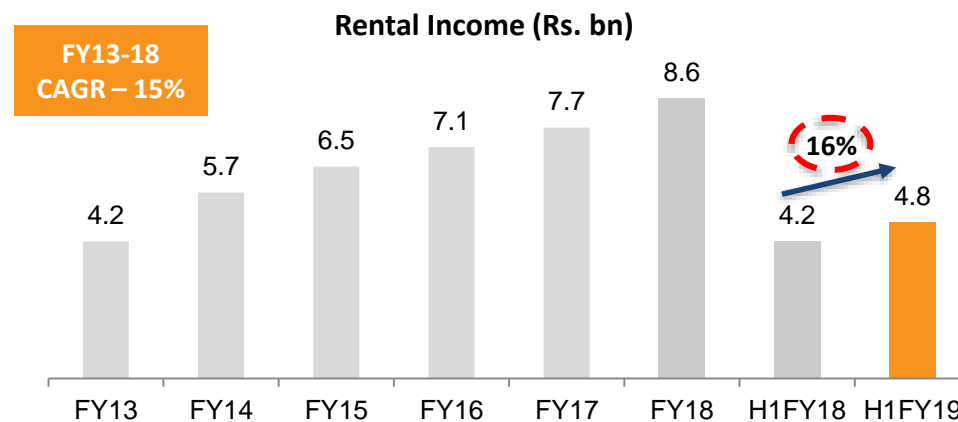
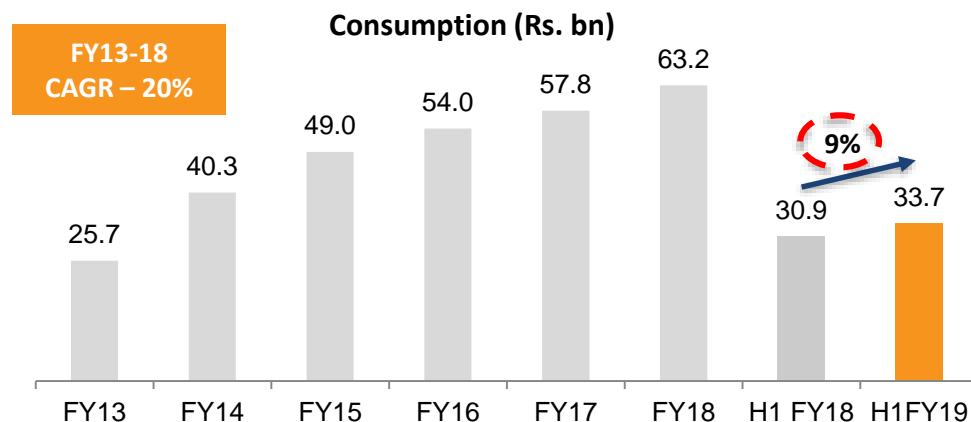
	Asset Type	SPV	Asset Name	PML Ownership	FY18 Debt (Rs. mn)	Q1FY19 Debt (Rs. mn)	Q2FY19 Debt (Rs.mn)
Operational	Retail & Mixed-Use	PML Standalone	High Street Phoenix, Mumbai	100%	7,174	9,263	9,254
		Classic Mall Development	Phoenix MarketCity, Chennai	50%	4,779	4,675	4,563
			The Crest C (Residential)				
		Vamona Developers	Phoenix MarketCity, Pune	100%	6,325	6,207	7,112
			East Court (Commercial)				
		Island Star Mall Developers	Phoenix MarketCity, Bangalore	51%	4,215	4,083	3,971
		Offbeat Developers	Phoenix MarketCity, Mumbai	100%	7,366	6,819	7,144
			Art Guild House (Commercial)				
			Centrium (Commercial)				
		Blackwood Developers	Phoenix United, Bareilly	100%	880	833	975
Under Development	Hotel & Residential	UPAL Developers	Phoenix United, Lucknow	100%	878	807	841
		Graceworks Realty & Leisure	Phoenix Paragon Plaza (Commercial)	67%	1,093	1,085	1,151
		Palladium Constructions	One Bangalore West & Kessaku (Residential)	80%	1,753	2,105	2,157
			Courtyard by Marriott, Agra (Hotel)*				
		Pallazzio Hotels & Leisure	The St. Regis, Mumbai	73%	5,685	5,438	5,312
Under Development	Retail	Destiny Hospitality	Phoenix Marketcity, Lucknow	100%	-	2,582	2,670
		Total			40,121	43,896	45,150

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Operational Update – Retail Portfolio

	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	271	295	259	315	352	144	130	77
Average Rental (Rs. psf)**	378	118	136	99	114	66	76	132
Trading Occupancy %**	98%	97%	96%	93%	95%	82%	91%	75%
Leased Occupancy %*	100%	100%	99%	99%	99%	90%	98%	88%



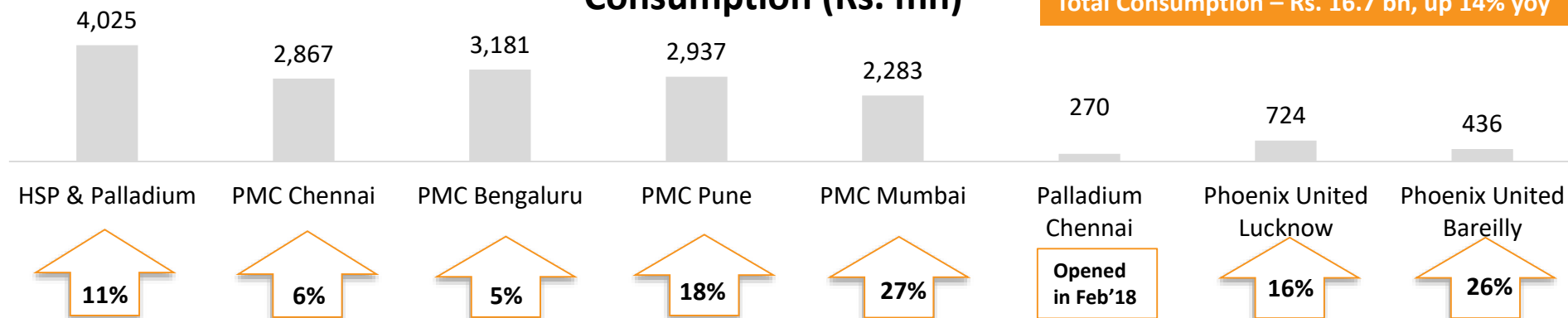
** Average for quarter ended Sep 2018 except Palladium Chennai where it is for H1FY19 * As of end-Sep 2018

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

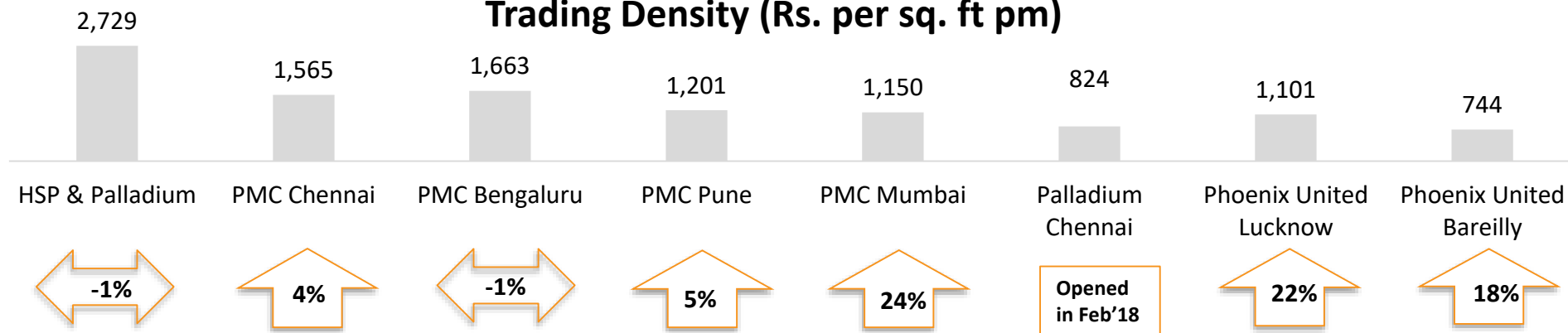
Q2 FY19 – Retail Key Highlights

Consumption (Rs. mn)

Total Consumption – Rs. 16.7 bn, up 14% yoy



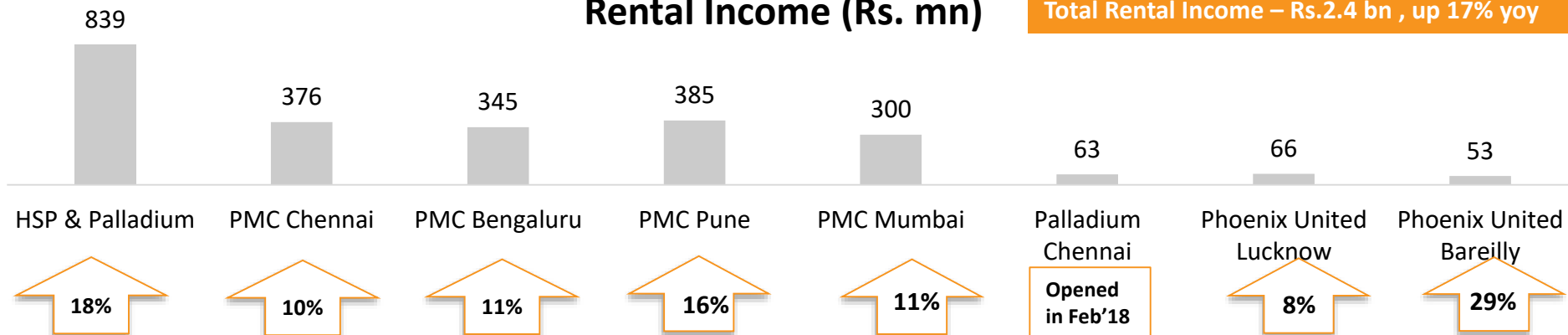
Trading Density (Rs. per sq. ft pm)



Q2 FY19 – Retail Key Highlights

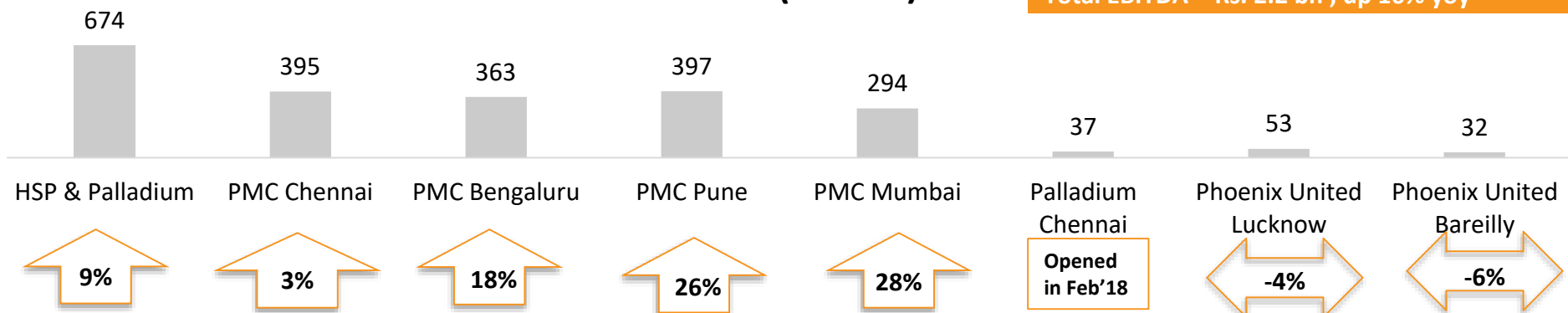
Rental Income (Rs. mn)

Total Rental Income – Rs.2.4 bn , up 17% yoy



EBITDA (Rs. mn)

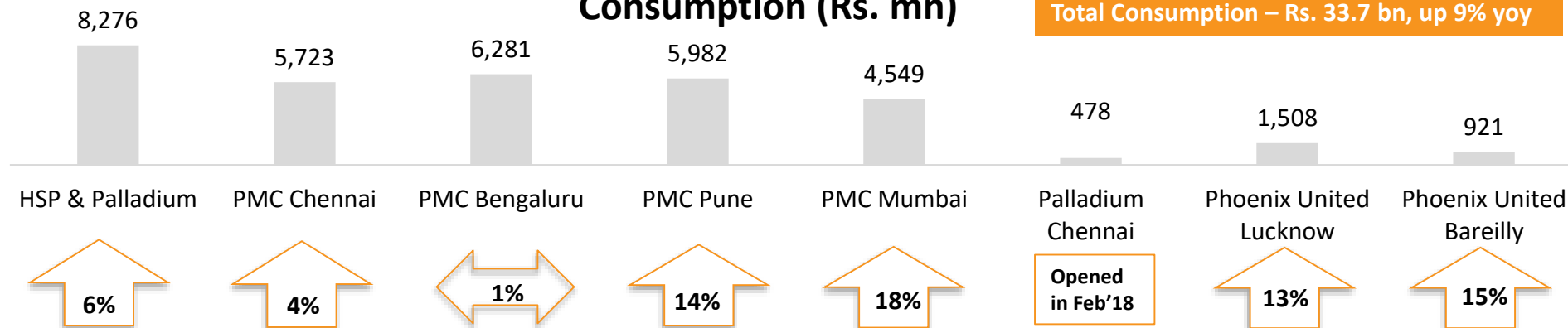
Total EBITDA – Rs. 2.2 bn , up 16% yoy



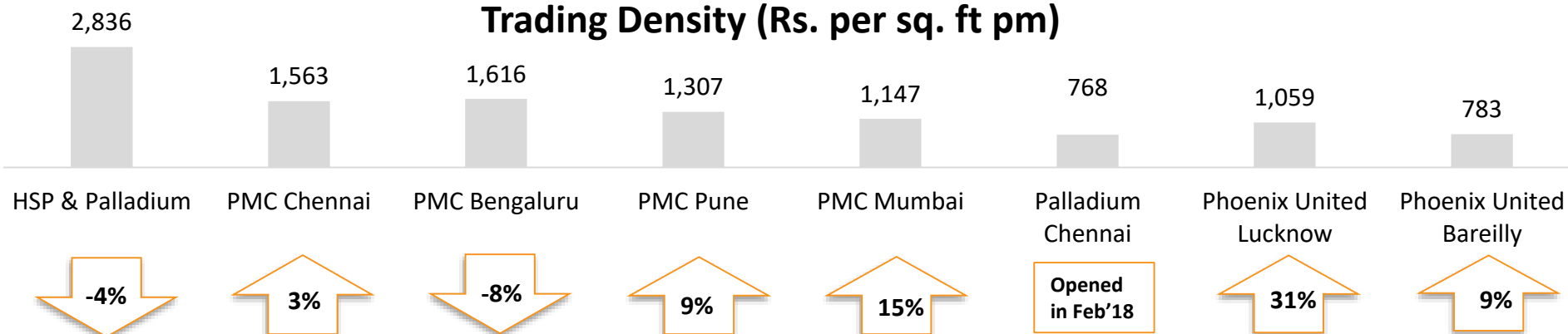
H1 FY19 – Retail Key Highlights

Consumption (Rs. mn)

Total Consumption – Rs. 33.7 bn, up 9% yoy



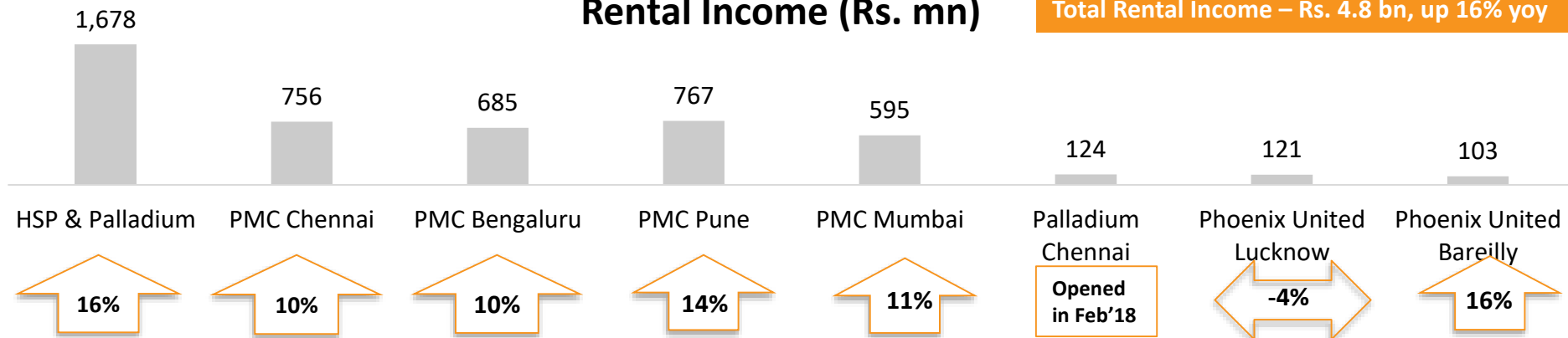
Trading Density (Rs. per sq. ft pm)



H1 FY19 – Retail Key Highlights

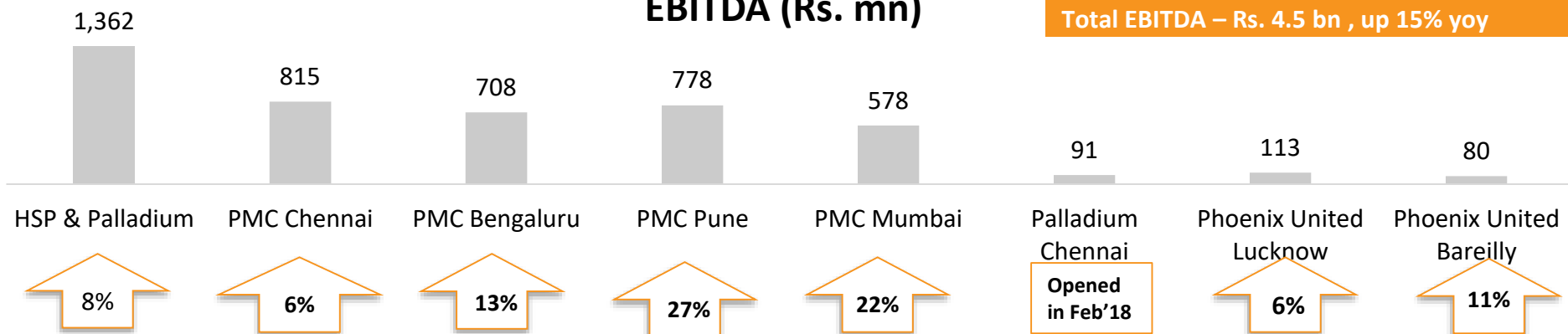
Rental Income (Rs. mn)

Total Rental Income – Rs. 4.8 bn, up 16% yoy



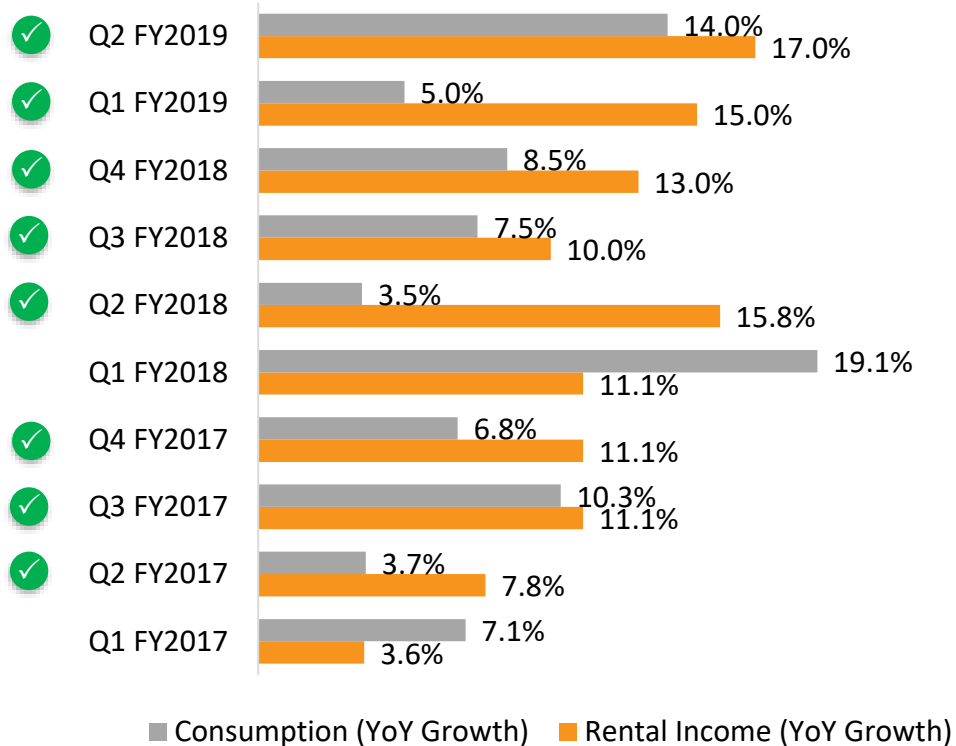
EBITDA (Rs. mn)

Total EBITDA – Rs. 4.5 bn , up 15% yoy



Rental Growth outpacing Consumption Growth

Rental growth > Consumption growth in 8 of the last 10 quarters

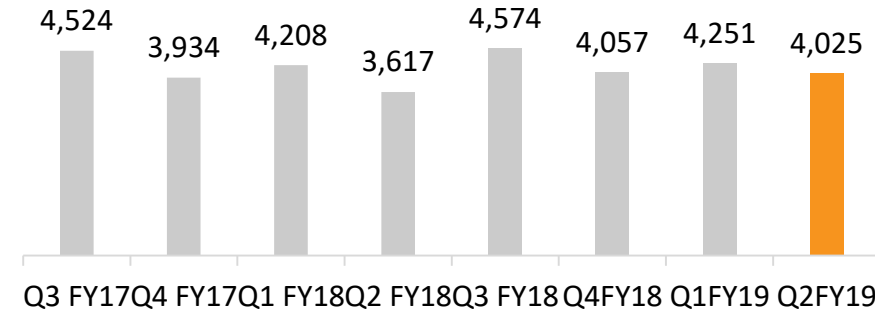


Key Drivers

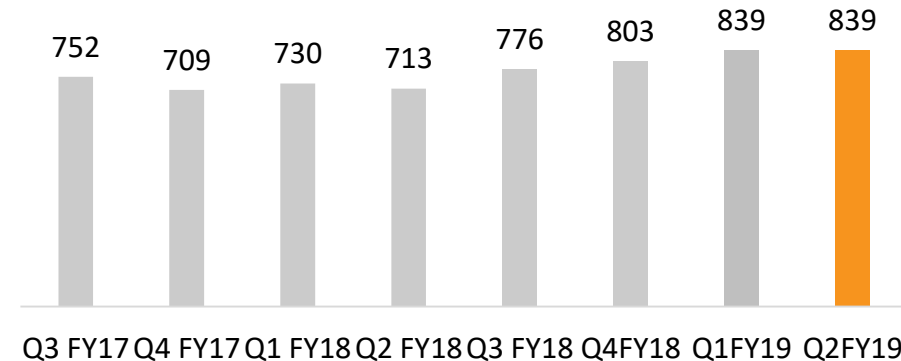
- Malls located at prime city-centric locations with strong residential and commercial catchments, designed by internationally renowned architects
- Malls provide a complete offering with the right entertainment, F&B and shopping mix
- Deliver a “WOW” experience with strong focus on art, aesthetics, and fragrance architecture
- Curate the best brands and category mix, and manage this actively across retail centers
- Growth in rental income in last few quarters reflects the positive impact of the category mix changes undertaken across retail centers

- Strong rental Income at Rs. 839 mn, up 18% yoy
- Trading Density for Q2 FY19 is at Rs. 2,935 pspm, down 1% yoy
- Consumption of Rs. 4,025 mn in Q2 FY19, up 11% yoy;
- Strong Consumption and Rental income driven by category churns and introduction of new brands done in previous quarter
 - Revamped the F&B offering of the mall by introduction of new concept restaurants
 - Hosted concerts by leading artists at Universal Square

Consumption (Rs. mn)



Rental Income (Rs. mn)



High Street Phoenix & Palladium Mall

	Q2 FY19	Q2 FY18	% yoy growth	H1 FY19	H1 FY18	% y-o-y growth
Rental Income (Rs. mn) ^	839	713	18%	1,678	1,443	16%
Recoveries (CAM and other) (Rs. mn)	247	232	6%	500	483	3%
Total Income (Rs. mn)	1,086	945	15%	2,178	1,926	13%
EBITDA (Rs. mn)	674	619	9%	1,362	1,259	8%
EBITDA Margin (as % of Rental Income)	80%	87%		81%	87%	

Rental Rate (Rs./sft pm) ^	378	351	8%	383	349	10%
Consumption (Rs. mn)	4,025	3,617	11%	8,276	7,825	6%
Trading Density (Rs./sft pm)	2,729	2,765		2,836	2,939	
Trading Occupancy (%)	97%	86%		96%	87%	

^ Rental Income & Rental rate is including Commercial Offices

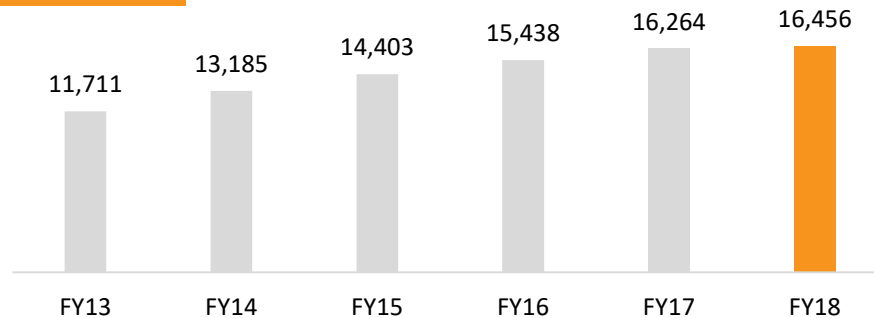


High Street Phoenix & Palladium Mall



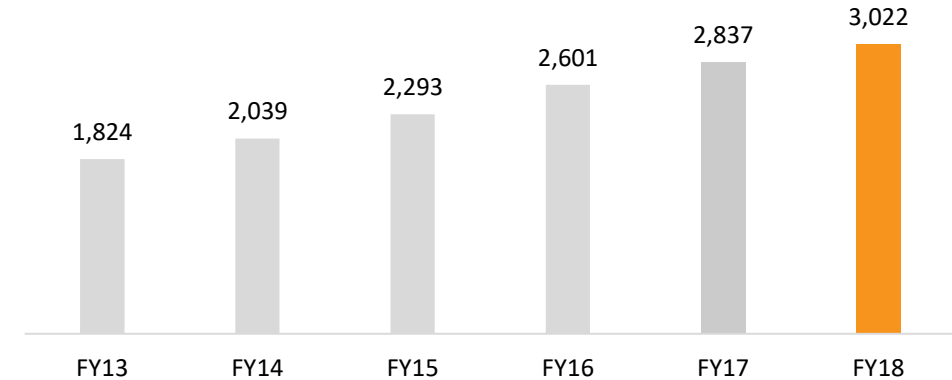
**FY13-18
CAGR – 7%**

Consumption (Rs.mn)

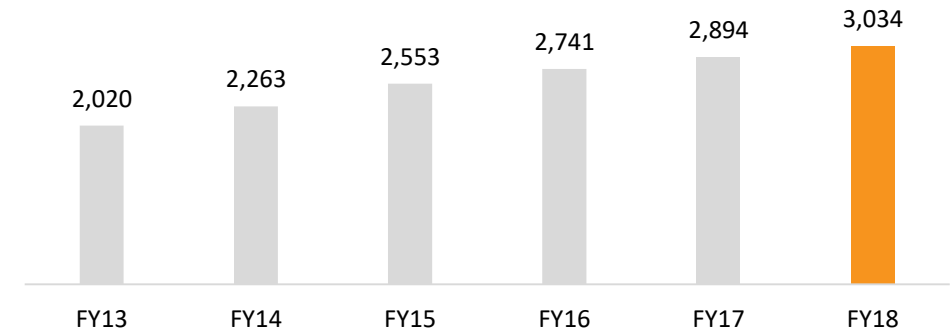


**FY13-18
CAGR – 11%**

Rental Income (Rs.mn)



Average Trading Density (Rs./sft pm)



Universal Square – New Event Space at HSP



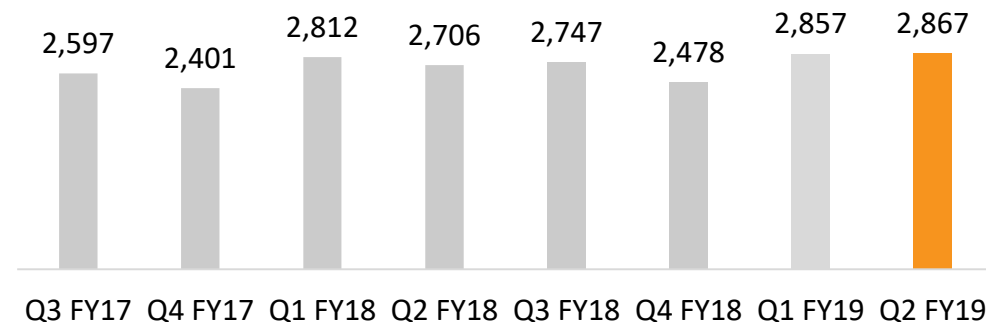
Universal Square – New Event Space at HSP



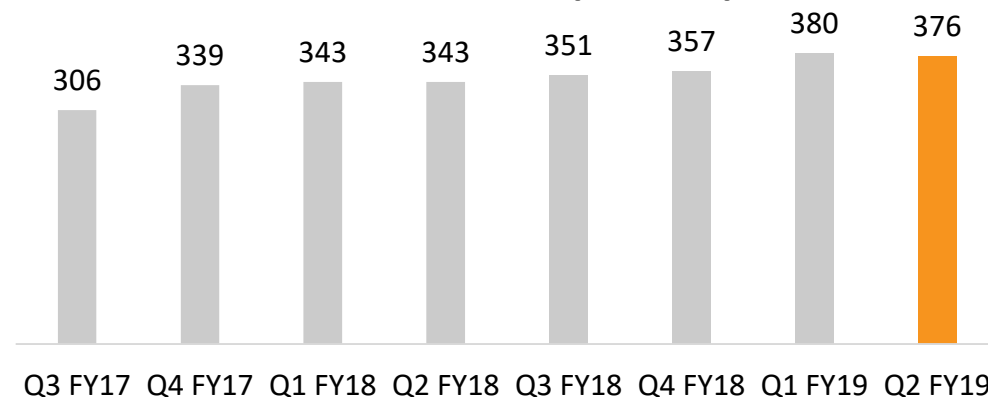
Rekha Bhardwaj Live in concert on 26th Oct 2018

- Category changes in the retail product mix have had a positive impact on our rental income from the property
- Consumption growth was at 6% while rental income growth was 10% for the quarter
- EBITDA for the quarter came in at Rs. 395 mn, up 3% yoy
- Rental rate achieved an average of Rs. 137 per sq.ft pm for Q2, up 7% yoy

Consumption (Rs. mn)



Rental Income (Rs. mn)



Note: PML owns 50.0% of CMDCL and CMDCL 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

	Q2 FY19	Q2 FY18	% yoy growth	H1 FY19	H1 FY18	% yoy growth
Rental Income (Rs. mn)	376	343	10%	756	686	10%
Recoveries (CAM and other) (Rs. mn)	193	192	1%	394	405	
Total Income (Rs. mn)	570	535	6%	1,150	1,091	5%
EBITDA (Rs. mn)	395	383	3%	815	771	6%
EBITDA Margin (as % of Rental Income)	105%	112%		108%	112%	

Rental Rate (Rs./sft pm)	136	127	7%	137	126	9%
Consumption (Rs. mn)	2,867	2,706	6%	5,723	5,518	4%
Trading Density (Rs./sft pm)	1,565	1,498	4%	1,563	1,524	3%
Trading Occupancy (%)	96%	94%		96%	95%	1%

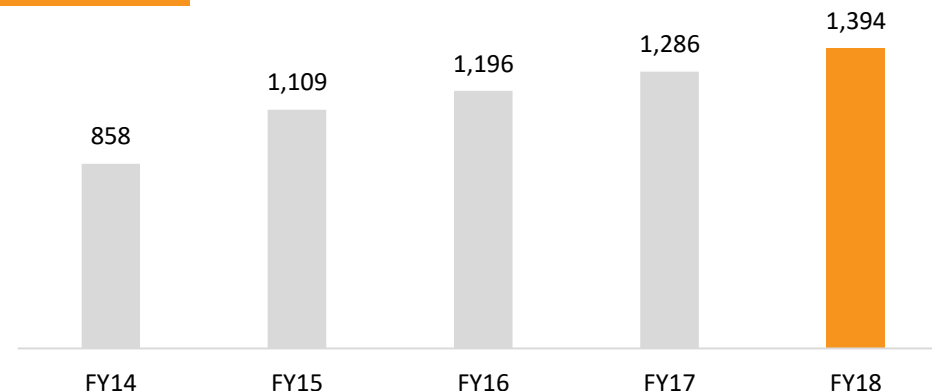
Income from Residential Sales (Crest Tower C)	26	32		26	59	
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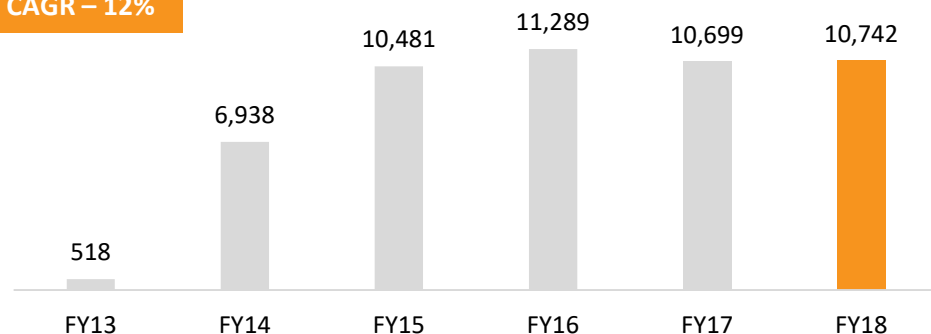
**FY14-18
CAGR – 13%**

Rental Income (Rs.mn)

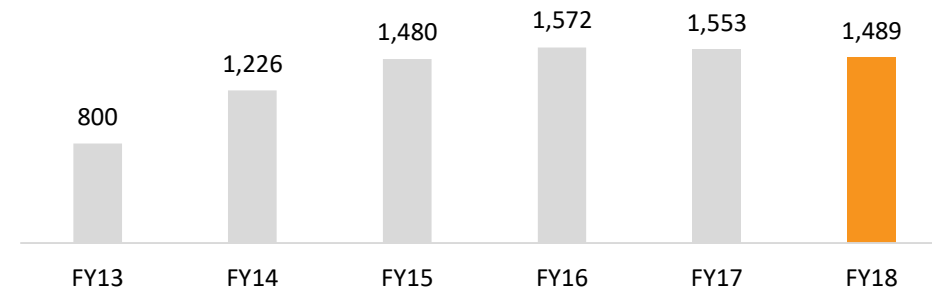


**FY14-18
CAGR – 12%**

Consumption (Rs.mn)



Average Trading Density (Rs./sft pm)



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

Palladium Chennai

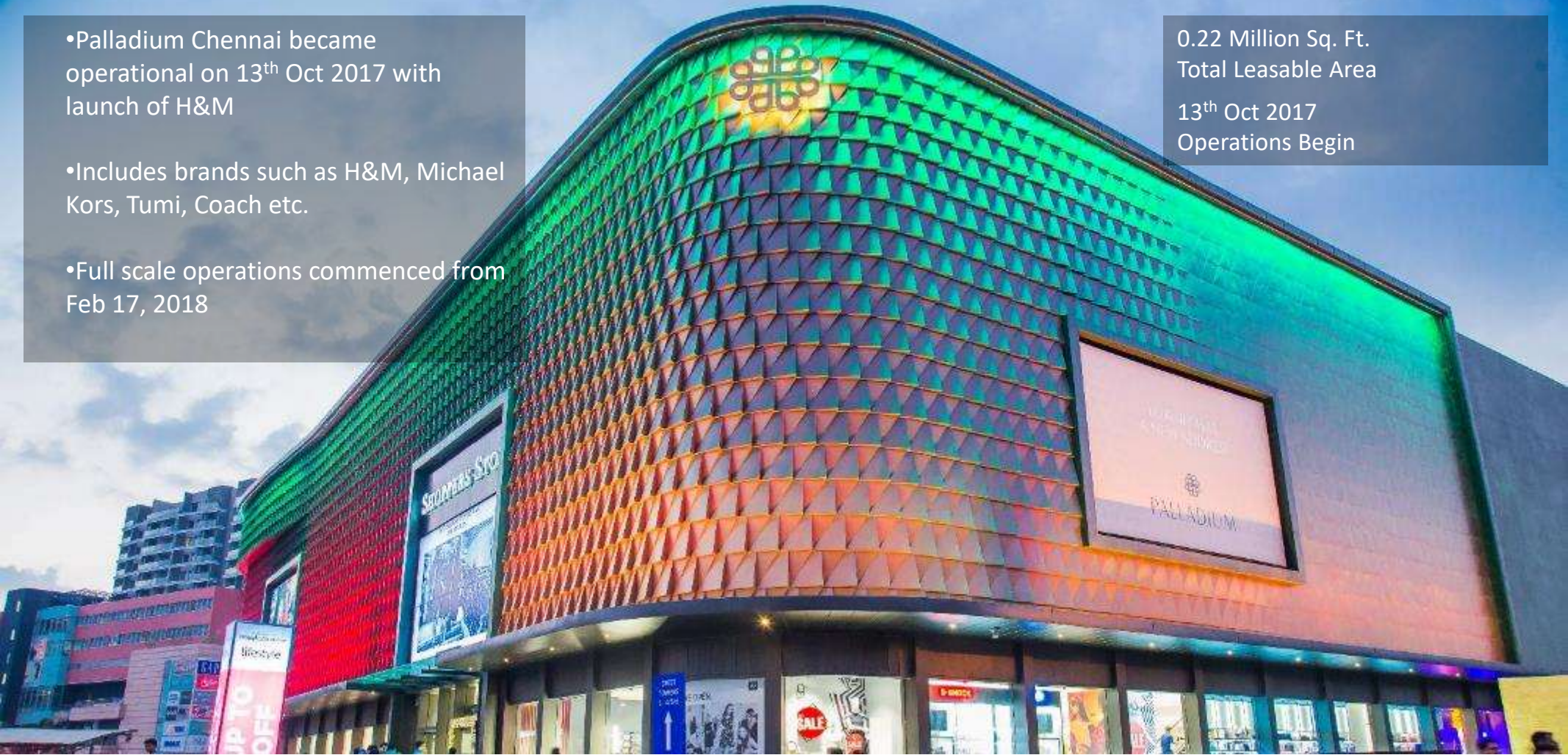
- Palladium Chennai became operational on 13th Oct 2017 with launch of H&M

- Includes brands such as H&M, Michael Kors, Tumi, Coach etc.

- Full scale operations commenced from Feb 17, 2018

0.22 Million Sq. Ft.
Total Leasable Area

13th Oct 2017
Operations Begin



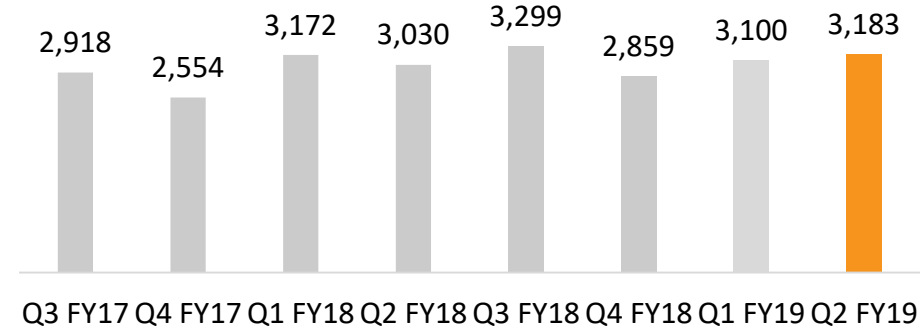
	H1FY19
Rental Income (Rs. mn)	124
Recoveries (CAM and other) (Rs. mn)	63
Total Income (Rs. mn)	186
EBITDA (Rs. mn)	91
EBITDA Margin (as % of Rental Income)	73%

Rental Rate (Rs./sft pm)	132
Consumption (Rs. mn)	478
Trading Density (Rs./sft pm)	768
Trading Occupancy (%)	71

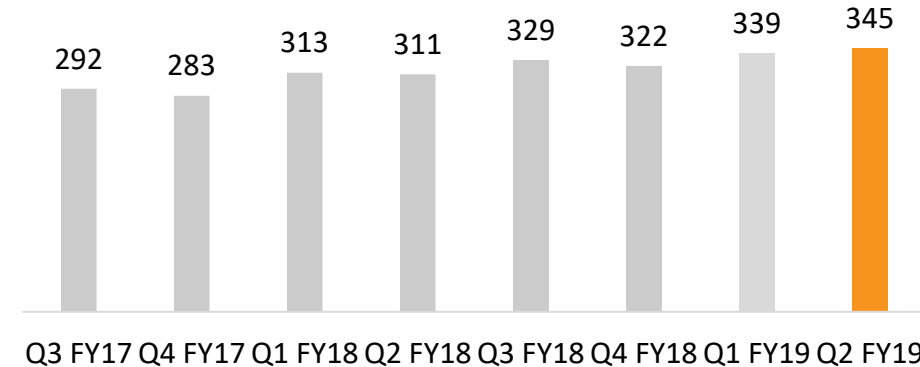


- PMC Bangalore showed robust performance with rental income at Rs. 345 mn, up 11% yoy
- Consumption grew 5% yoy to rs. 3,183 mn
- Improved operational performance has translated into EBITDA growth of 18% at Rs. 363 mn
- Consumption growth during H1FY19 is muted on account of ongoing Metro construction in front of the mall

Consumption (Rs. mn)



Rental Income (Rs. mn)



Phoenix MarketCity Bangalore

	Q2 FY19	Q2 FY18	% yoy growth	H1 FY19	H1 FY18	% yoy growth
Rental Income (Rs. mn)	345	311	11%	685	624	10%
Recoveries (CAM and other) (Rs. mn)	174	164	6%	345	328	5%
Total Income (Rs. mn)	520	475	9%	1,030	953	8%
EBITDA (Rs. mn)	363	307	18%	708	626	13%
EBITDA Margin (as % of Rental Income)	105%	98%		103%	100%	

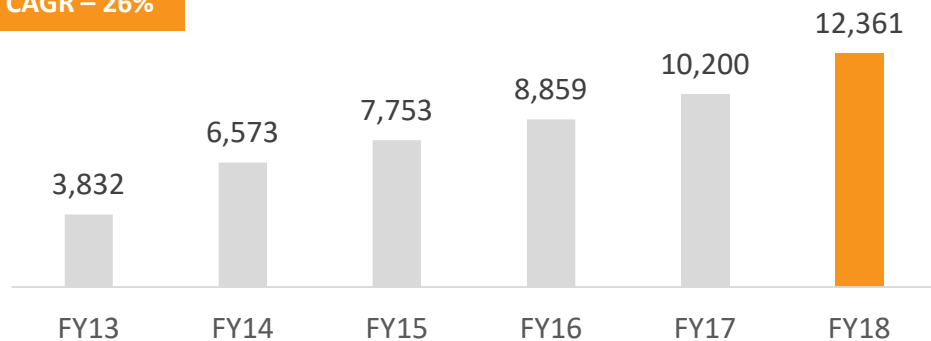
Rental Rate (Rs./sft pm)	118	114	3%	117	115	2%
Consumption (Rs. mn)	3,181	3,030	5%	6,281	6,202	1%
Trading Density (Rs./sft pm)	1,663	1,686		1,616	1,748	
Trading Occupancy (%)	97%	91%		97%	90%	8%





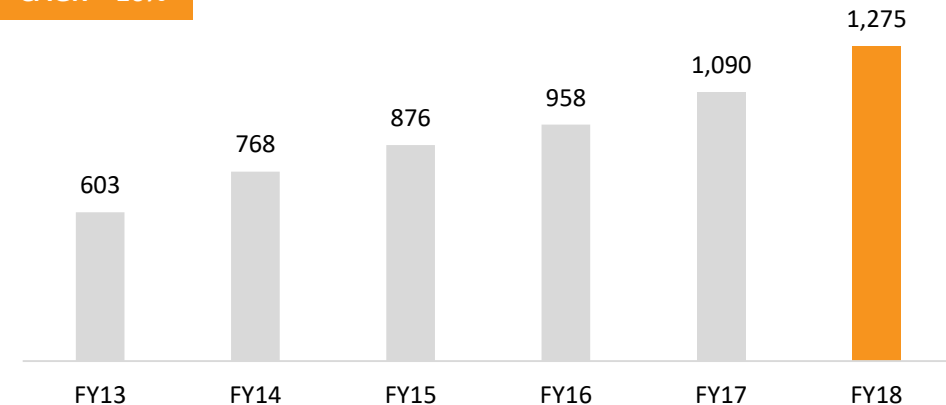
**FY13-18
CAGR – 26%**

Consumption (Rs.mn)

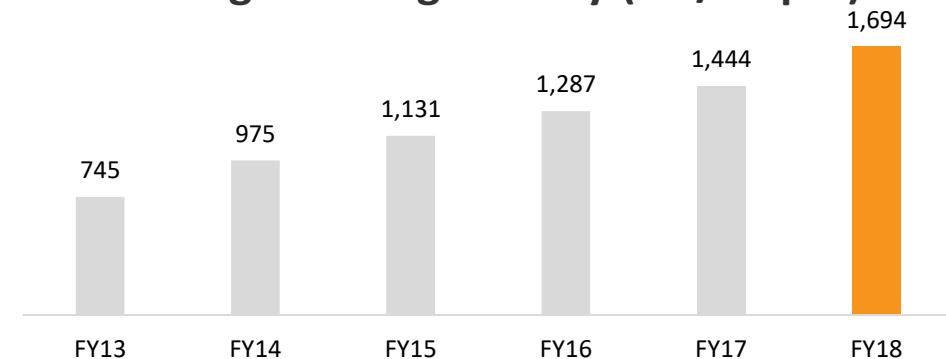


**FY13-18
CAGR – 16%**

Rental Income (Rs.mn)

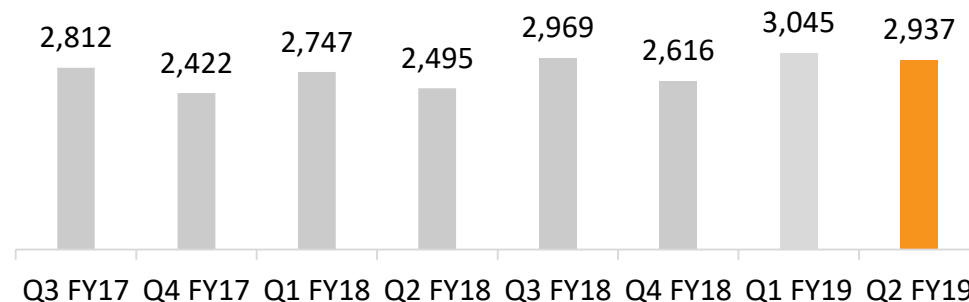


Average Trading Density (Rs./sft pm)

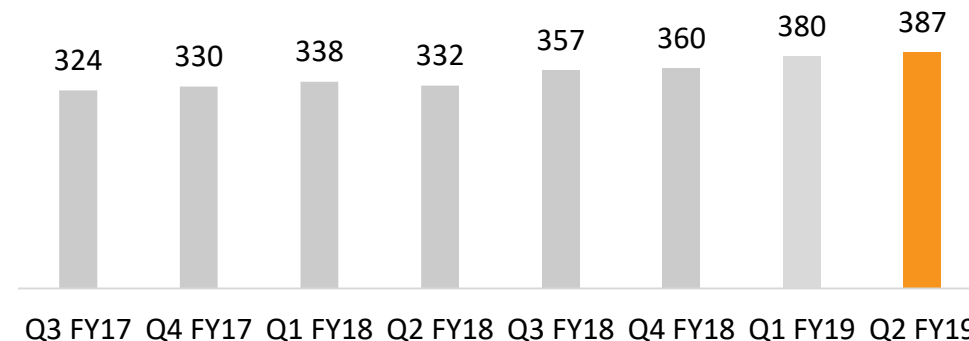


- PMC Pune had a strong operating performance and achieved a trading density of Rs. 1,320 psf pm, up 16% yoy
- Q2 FY19 Consumption was at Rs. 2,937 mn, up 18% yoy
- Consumption growth translated into rising rental income, rental income for Q2FY19 was Rs. 385 mn, up 16% yoy
- Rapidly increasing consumption and sustained rental growth has contributed to robust yoy EBITDA growth of 26% yoy in Q2 FY19, at Rs. 397 mn

Consumption (Rs. mn)



Rental Income (Rs. mn)



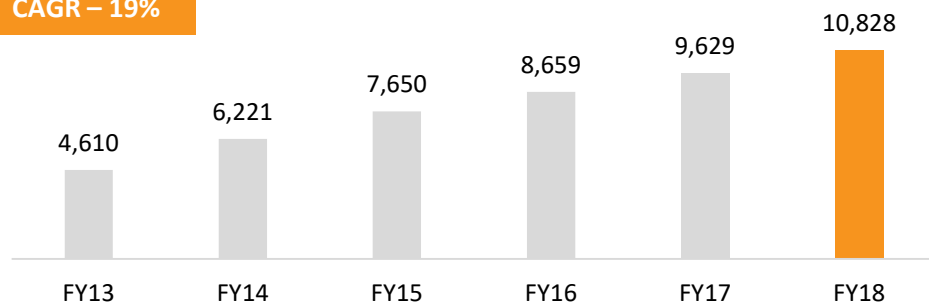
	Q2 FY19	Q2 FY18	% yoy growth	H1 FY19	H1 FY18	% yoy growth
Rental Income (Rs. mn)	385	332	16%	767	670	15%
Recoveries (CAM and other) (Rs. mn)	176	209		408	427	
Total Income (Rs. mn)	561	541	4%	1,175	1,096	7%
EBITDA (Rs. mn)	397	306	26%	778	614	27%
EBITDA Margin (as % of Rental Income)	103%	92%		101%	92%	
Rental Rate (Rs./sft pm)	114	102	11%	113	103	9%
Consumption (Rs. mn)	2,937	2,495	18%	5,982	5,242	14%
Trading Density (Rs./sft pm)	1,293	1,142	13%	1,307	1,203	9%
Trading Occupancy (%)	95%	91%		96%	91%	





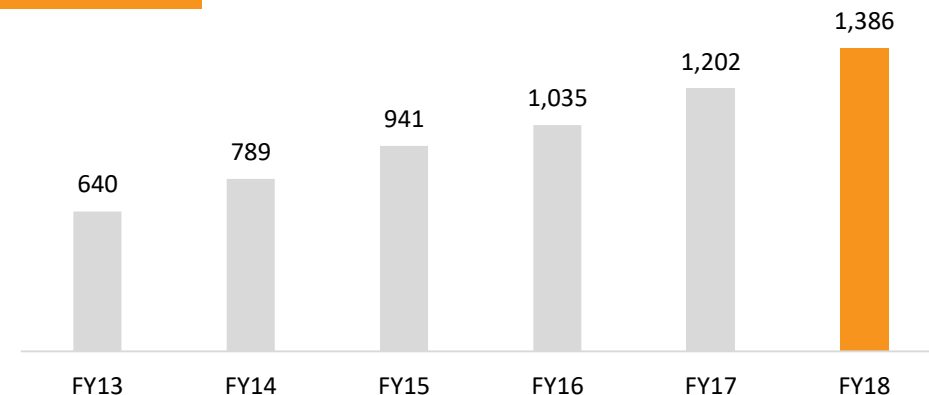
**FY13-18
CAGR – 19%**

Consumption (Rs.mn)

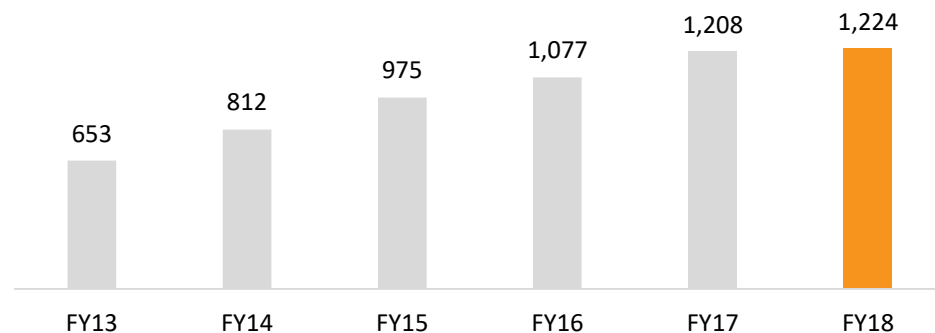


**FY13-18
CAGR – 17%**

Rental Income (Rs.mn)

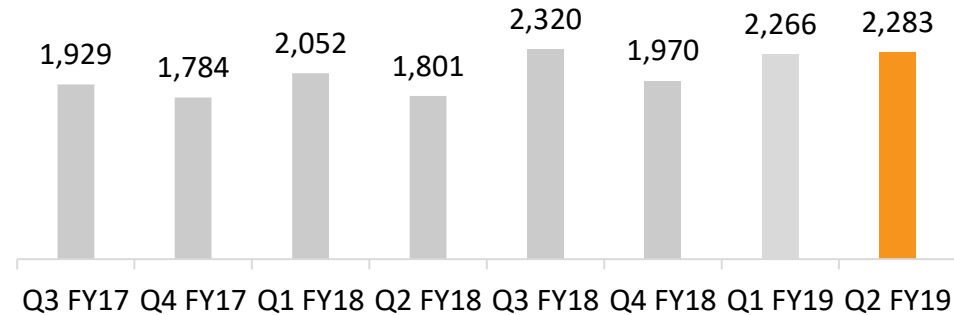


Average Trading Density (Rs./sft pm)

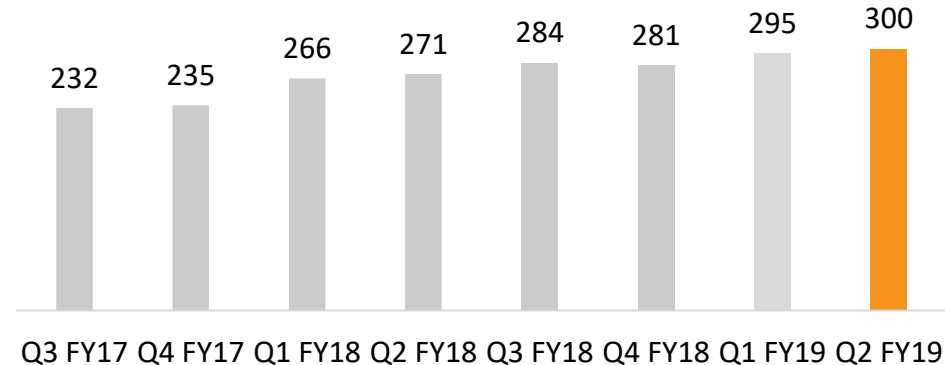


- PMC Mumbai continues its strong performance and has firmly established itself as a premium destination mall
- Consumption at PMC Mumbai was up 27% yoy at Rs. 2,283 mn in Q2 FY19
- Rental Income of Rs. 300 Mn in Q2 FY19, up 11% yoy
- PMC Mumbai reported a healthy trading density of Rs. 1,150 psf pm
- Consumption growth has resulted in a strong EBITDA Margin of 98% at the centre. EBITDA for Q2 FY19 was up 28% yoy to Rs. 294 mn

Consumption (Rs. mn)



Rental Income (Rs. mn)



	Q2 FY19	Q2 FY18	% yoy growth	H1 FY19	H1 FY18	% yoy growth
Rental Income (Rs. mn)	300	271	11%	595	537	11%
Recoveries (CAM and other) (Rs. mn)	178	139	28%	361	284	27%
Total Income (Rs. mn)	478	410	17%	956	820	17%
EBITDA (Rs. mn)	294	230	28%	578	473	22%
EBITDA Margin (as % of Rental Income)	98%	85%		97%	88%	

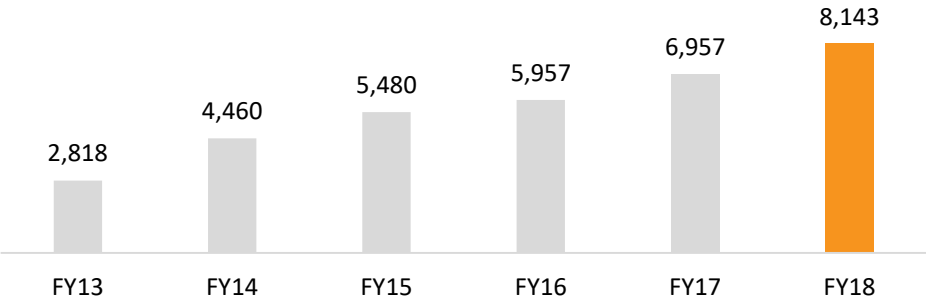
Rental Rate (Rs./sft pm)	99	92	8%	98	91	8%
Consumption (Rs. mn)	2,283	1,801	27%	4,549	3,853	18%
Trading Density (Rs./sft pm)	1,150	927	24%	1,147	996	15%
Trading Occupancy (%)	93%	91%		93%	90%	





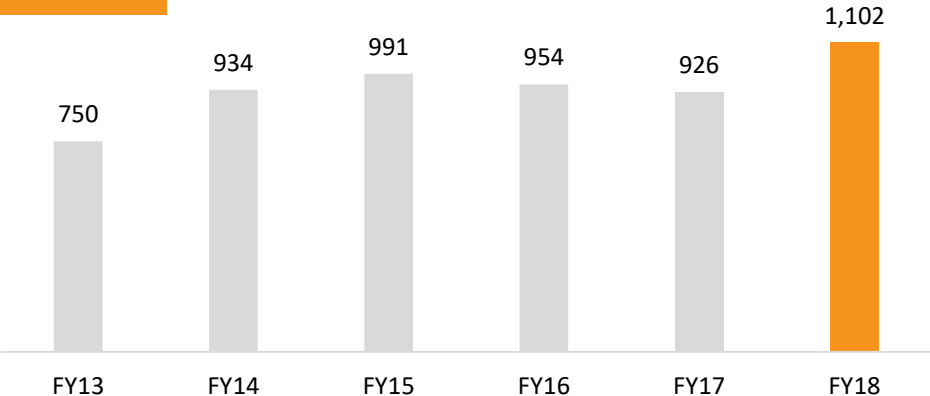
FY13-18
CAGR – 24%

Consumption (Rs.mn)

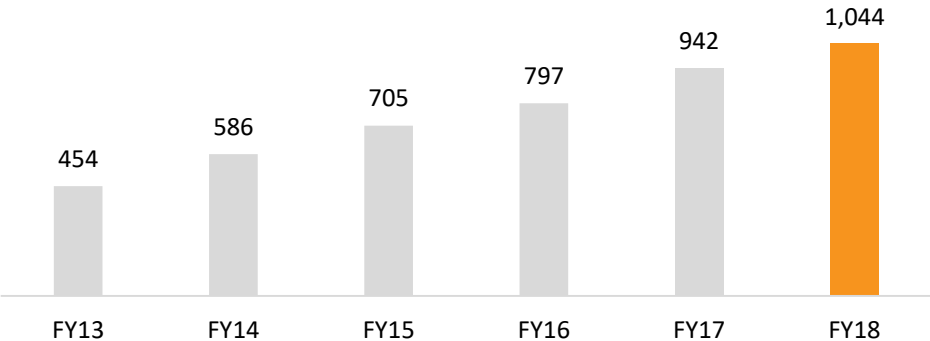


FY13-18
CAGR – 8%

Rental Income (Rs.mn)



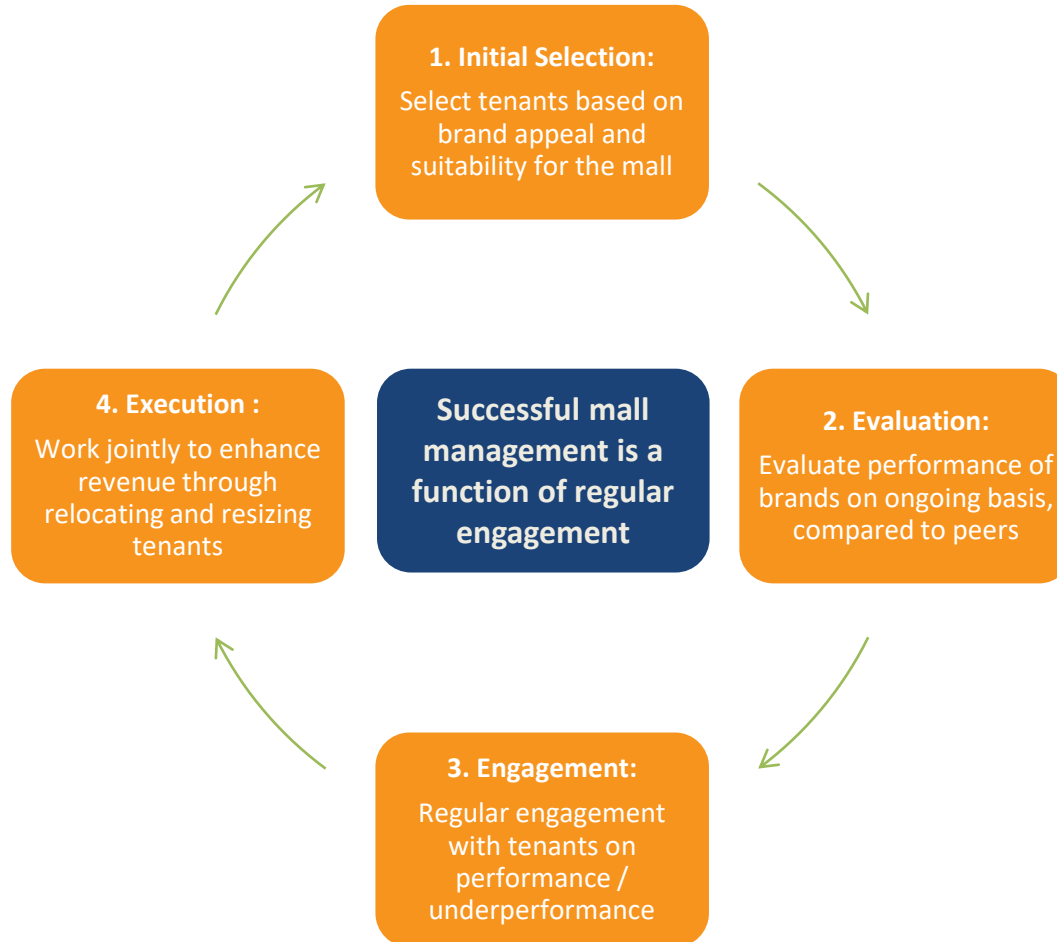
Average Trading Density (Rs./sft pm)



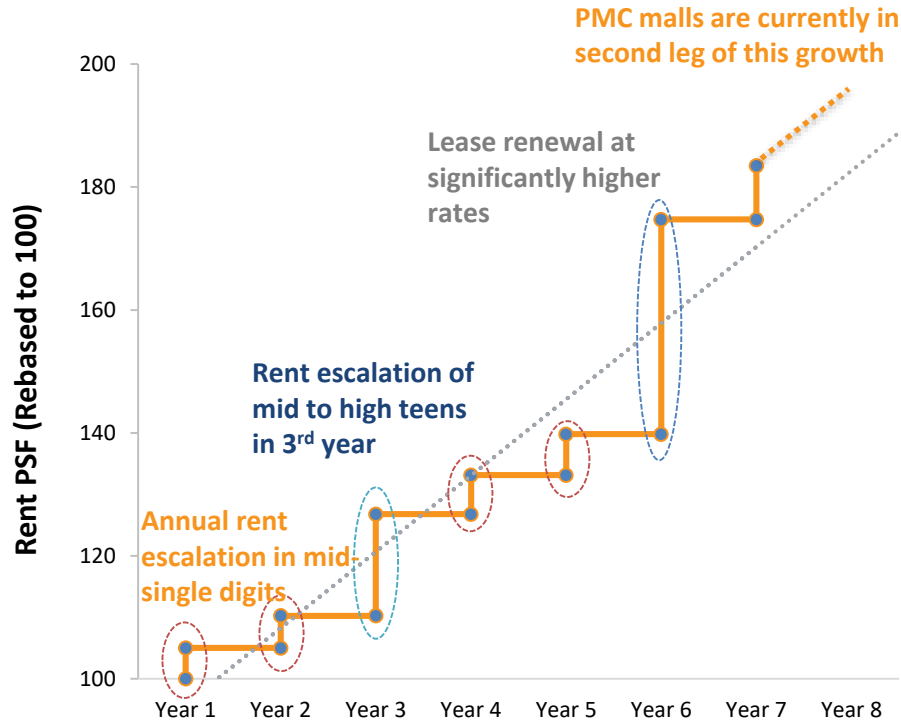
Phoenix Festival Season 2018

- The Phoenix Festival offers enticing deals on shopping, F&B and hosts various exciting events
- The Phoenix Festival is one of a kind shopping festival covering everything from fashion, food and entertainment, spanning over the next three months
- Resonating with the festive vibe, malls will be hosting music concerts, themed events and parties to spruce up the consumer experience





Revenue Cycle of a Mall



Majority of retail lease agreements at PML pay higher of minimum guarantee (MG) rents and revenue share (% of consumption)

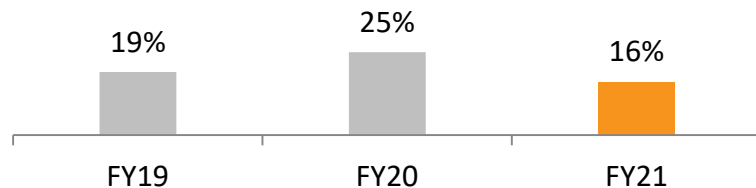
Generally MG escalates by mid-double digits at the end of 3 years and mid-to-high single digits annually in the interim

Typically a lease is renewed at the end of 5th year and the renegotiated MG / revenue share is significantly higher

Renewal Schedule (% of total leasable area)

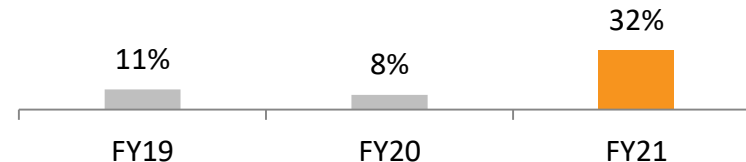
60% of leasable area for renewal over next 3 years

HSP & Palladium



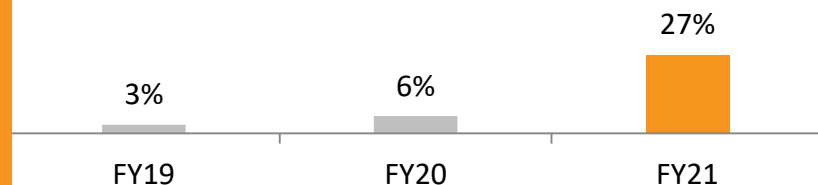
51% of leasable area for renewal over next 3 years

PMC Mumbai



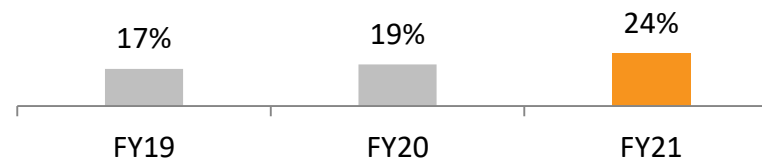
36% of leasable area for renewal over next 3 years

PMC Bangalore



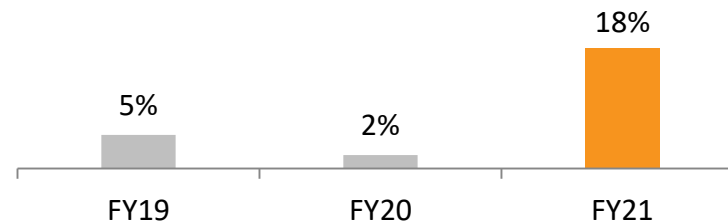
60% of leasable area for renewal over next 3 years

PMC Pune



25% of leasable area for renewal over next 3 years

PMC Chennai



Long Term Sustainable Growth Delivered Through The Cycle

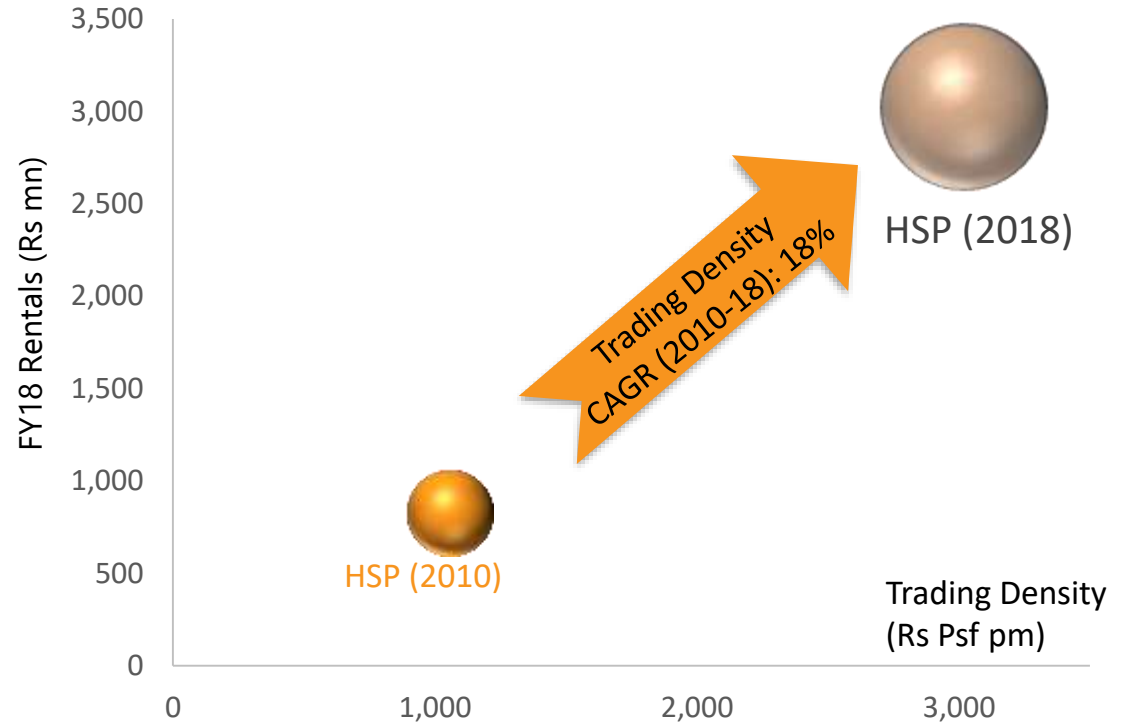
- ❖ In 2010, trading density and consumption at High Street Phoenix was at Rs 1,055 psf pm and Rs 4,371 mn, respectively → today, has grown over >3x since 2010
- ❖ All MarketCity malls are in similar position (in terms of trading density) as HSP was in 2010; poised to follow similar growth path as HSP over next few years

Marketcity Malls Poised to follow HSP's growth path

	Trading density (psf)	Rental (INR mn)	Consumption (INR mn)
HSP – 2010	1,055	827	4,371
HSP (FY18)	3,034	3,022	16,456
HSP growth (FY10 – 118)	2.88x	3.65x	3.76x
PMC Mumbai (FY18)	1,044	1,102	8,143
PMC Pune (FY18)	1,224	1,386	10,828
PMC Bangalore (FY18)	1,694	1,275	12,361
PMC Chennai (FY18)	1,489	1,394	10,742

MarketCity malls to follow similar growth trajectory at HSP & Palladium

Bubble size represents consumption



Marketcity Malls are attractively poised to exhibit similar long-term growth as HSP

Operational Update – Commercial Portfolio

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 [^]
Centrium	0.28	0.18	0.10 [#]	0.10	91
Art Guild House	0.76	0.21 [@]	0.55 [@]	0.47	94
Phoenix Paragon Plaza	0.42	0.05	0.37	0.12	99
Total	1.60	0.45	1.16	0.81	

- Art Guild House has a trading occupancy of 79% as of Sept 2018
- H1FY19 income from Art Guild House came in at Rs. 230 mn

@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

[^]Rental Income from Phoenix House is part of Standalone results [#]Area owned by PML

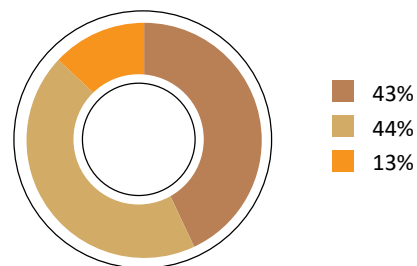


Hospitality Portfolio: Steadily Strengthening

- 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

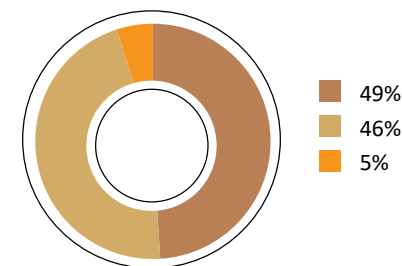
	ST. REGIS, MUMBAI	COURTYARD BY MARRIOTT, AGRA
Keys	395	193
FY18 Occupancy (%)	76	65
FY18 ARR (Rs.)	11,405	3,811
FY18 Revenue (Rs. million)	2,879	360
Number of Restaurants	10	4
Banqueting Space (sq. ft.)	42,500	23,315

The St. Regis



■ Rooms ■ Food & Beverages

Courtyard by Marriott



■ Other operating incomes

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 (%)#	77%	65%
Average room rent (Rs. / room night)#	11,084	3,811



The St. Regis, Mumbai

- 79% room occupancy in Q2 FY19 vs 72% in Q2FY18
- 14% EBITDA growth in H1 FY19 over same period last year
- Improved ADR in H1 FY19 vs same period last year

Courtyard by Marriott, Agra

- Total Revenue was at Rs. 56 mn
- Q1 FY19 room occupancy at 65% at with ARR of Rs. 3,811

The St. Regis, Mumbai

	Q2 FY19	Q2 FY18	% yoy growth	H1 FY19	H1 FY18	% yoy growth
Revenue from Rooms (Rs. mn)	306	274	12%	600	546	10%
Revenue from F&B and Banqueting (Rs. mn)	294	279	5%	589	569	4%
Other Operating Income (Rs. mn)	67	66	1%	139	127	10%
Total Income (Rs. mn)	668	620	8%	1,329	1,242	7%
Operating EBITDA (Rs. mn)	248	207	20%	490	430	14%
<i>Occupancy (%)</i>	<i>79%</i>	<i>72%</i>	<i>7 pps</i>	<i>77%</i>	<i>72%</i>	<i>5 pps</i>
<i>ARR (Rs.)</i>	<i>10,874</i>	<i>10,662</i>	<i>2%</i>	<i>11,084</i>	<i>10,700</i>	<i>4%</i>



Courtyard by Marriott, Agra

	Q2 FY19	Q2 FY18	H1 FY19	H1 FY18
Revenue from Rooms (Rs. mn)	36	29	62	56
Revenue from F&B and Banqueting (Rs. mn)	32	32	59	66
Other Operating Income (Rs.mn)	0	4	3	7
Total Income (Rs. mn)	68	65	124	130
<i>Occupancy (%)</i>	<i>58%</i>	<i>59%</i>	<i>53%</i>	<i>55%</i>
<i>ARR (Rs.)</i>	<i>3,031</i>	<i>2,812</i>	<i>3,106</i>	<i>2,951</i>



Residential Portfolio: High Margin, Cash Flow Business

- 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):** Handover of flats in OBW Towers 1-5 in progress; 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

Operational Update – Residential Portfolio

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 Q2 FY19	Cumulative
One Bangalore West, Bengaluru	2.20	1.48	0.72 ^{##}	1.26	12,529	9,954	11,456	243	11,163
Kessaku, Bengaluru	0.99	0.57	0.42	0.25	3,757	15,268	2,481	0	1,694
The Crest, Chennai	0.53	0.53	0.00	0.44	3,853	8,736	3,646	74 [^]	3,683
Total	3.72	2.58	1.14	1.95	20,139	10,350	17,584	316	16,258

^{##} Note that of the nine towers in One Bangalore West (OBW), only Towers 1-6 have been launched

Key Highlights

- Total sales during H1FY19 was Rs. 862 mn
- Rs. 597 mn of revenue recognized during H1FY19
- Total collections during the six months ended 30th Sept 2018 were Rs. 705 mn

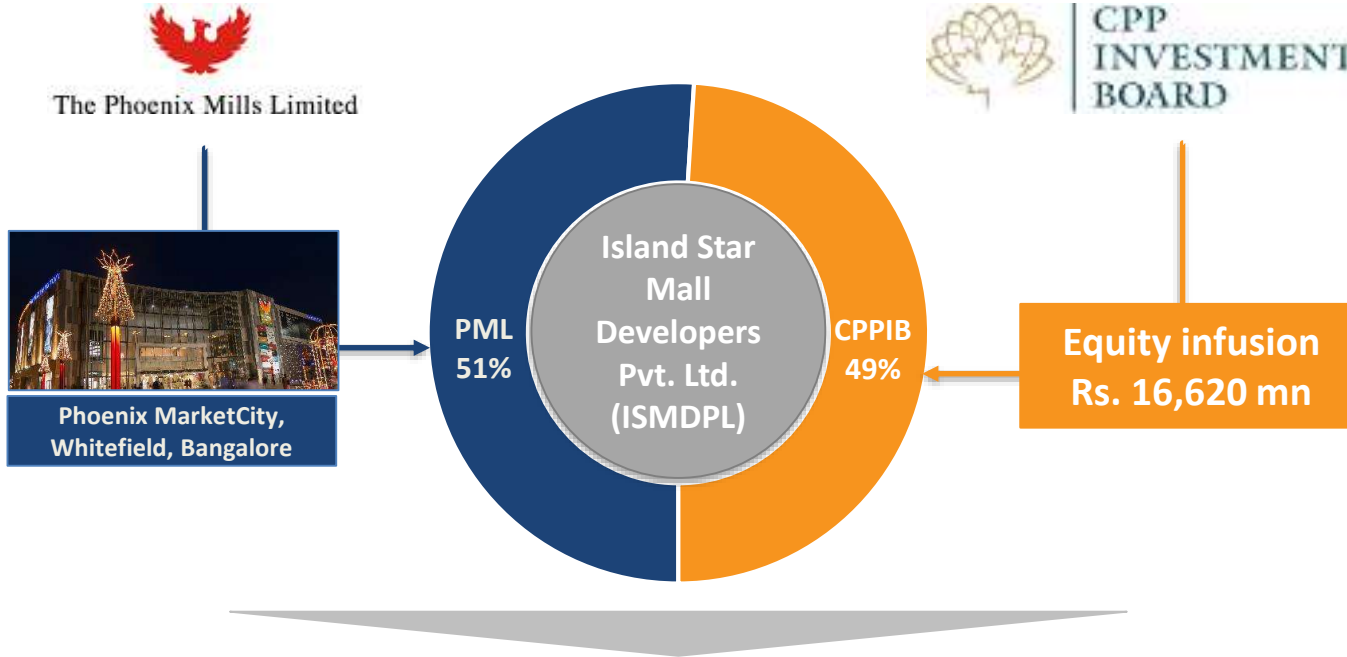


[^] Not Consolidated in reported financials

Q2 FY19 Highlights
Overview and Strategy
Financial Results
Business Performance
Annexure



Strategic Alliance with CPPIB



- Established strategic platform in April 2017 for retail-led, mixed use developments in India
 - PML contributed its existing Phoenix MarketCity Mall, Whitefield, Bangalore valued at Rs. 17 bn
 - CPPIB contributed Rs. 16.6 bn
- PML manage all development and operational assets in the platform
- With Wakad (Pune), Hebbal (Bengaluru) and Indore acquisition PML committed majority of equity infused by CPPIB

Malls Under Development	Wakad, Pune	Hebbal, Bengaluru	Indore
Land Size (acres)	15	13	19
Land Cost (Rs. Mn)	1,940	6,930	2,335
Development Potential (msf)	1.8 (Incl. TDR)	1.8 (Excl. TDR)	1.9
Retail (msf)	1	1	1.1

Phoenix MarketCity Wakad, Pune - Concept



Land acquisition at Wakad, Pune (Aug 2017)

Deal Overview		Wakad, Pune
Land Size (acres)	15	
Location	Behind Hotel Sayaji	
Acquisition Cost – Land + TDR (Rs. Mn)	2,360	
Development Potential (msf)	1.8 (incl. purchase of TDR)	
- Phase 1: Retail (msf)	1.0	
- To be developed later	0.8	
Concept	A contemporary mix of family entertainment zones, multiplexes, large-format departmental stores, inline stores and fine dining options	
Project Update		
<ul style="list-style-type: none">TDR purchase of 3.7 lakh sq. ft. TDR locks in 1msf potential for Retail development		

Site Location:

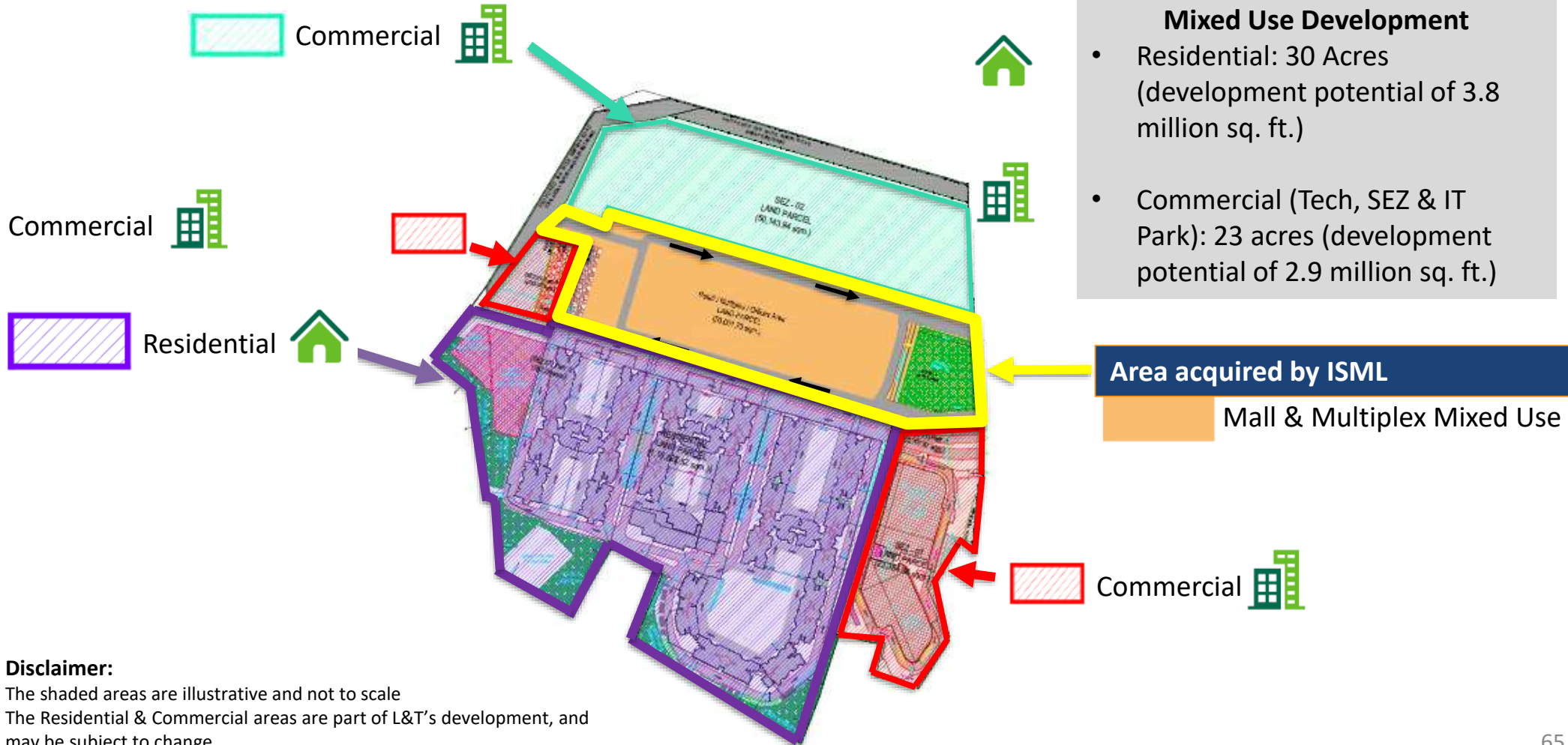
<https://goo.gl/maps/ZdXVLEfP9R82>

Location Dynamics

- Current mall in Viman Nagar serves the CBD of Kharadi and surrounding residential areas of Kalyani Nagar, Boat Club, Koregaon Park and neighboring 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.

PML-CPPIB alliance has the mandate to acquire, develop & operate prime, retail-led developments across India

Land acquisition at Hebbal, Bangalore (Apr 2018)



Land acquisition at Hebbal, Bangalore (Apr 2018)

Deal Overview	Hebbal, Bangalore
Land Size (acres)	13
Location	Next to L&T Raintree Boulevard residential
Acquisition Cost (Rs. Mn)	6,990
Development Potential (msf)	1.8 (Excl. TDR)
- Phase 1: Retail (msf)	1.0
- To be developed later	0.8
Concept	A contemporary mix of family entertainment zones, multiplexes, large-format departmental stores, inline stores and fine dining options

Location Dynamics

- Current mall in Whitefield serves the eastern parts of Bengaluru city
- Hebbal is almost 19 km away from PMC Bangalore with strategic and easy access to key commercial & residential areas
- Strong operational Commercial catchment of ~11 mn sft in vicinity
- Dense residential population with capital values in the range of Rs. 10,000+
- Over the coming years, both our malls combined will be able to cater to the key micro markets in Bengaluru.

Site Location:

<https://goo.gl/maps/GFszmFym5mw>

Acquisition of Under-Construction Mall at Indore



Phoenix Marketcity Indore is a 1.1 msft retail development at Mumbai-Agra National Highway, MR 10, Indore

Acquisition of Under-Construction Mall at Indore

Deal Overview

- i. Acquired 19 acres of land parcel for Rs. 2,335 mn. (land and under-construction retail development) in an e-auction
- ii. The retail development has GLA of approx. 1.1 msf
- iii. Development will be as part of our retail alliance with CPPIB

Project Update

- i. 80% of the RCC work is complete
- ii. Phoenix Marketcity Indore is expected to begin operations in late FY21

Location Dynamics

- Indore is an underserved market with appetite for a 1 msft. high quality retail, F&B and entertainment destination
- New growth in Retail, Entertainment & Housing is taking place along the Mumbai Agra National Highway (Grand Bhagwati Hotel, Premium Residential projects such as DLF Garden City, Grand Exotica etc.)
- Pithampur (Indore SEZ built over 1,038 acres) is only 28 km away from the site and consists of many national and international companies
- Retail hub of Madhya Pradesh with consumers from feeder towns such as Ujjain, Dewas, Sehore, Ratlam etc.

Site Location:

<https://goo.gl/maps/qCRcMaBCoQH2>

Land acquisition at Thaltej, Ahmedabad – Overview



Premium retail development with GLA of approx. 0.6 msf located at Thaltej on the Sarkhej-Gandhi (SG) Highway

Deal Overview

- i. PML has entered into a 50:50 alliance with Ahmedabad based BSafal group
- ii. The alliance has acquired 5.16 acres of land, located at Sarkhej-Gandhi (SG) Highway, at Rs. 2.3 bn
- iii. The alliance will develop a premium retail development of 0.6 msft in first phase
- iv. PML will design, lease and manage the asset, and earn a fee for these activities

Location Dynamics

- Sarkhej Gandhinagar (SG) Highway road is the key growth corridor of the city
- This area includes prime affluent residential and commercial catchments such as Vastrapur, Prahlad Nagar, Bodakdev, Jodhpur, Navrangpura, Ambawadi, Satellite Road
- During 2017, 86% of the office market supply in Ahmedabad was added in this micro market along SG Highway

Site Location:

<https://goo.gl/maps/SRmhgknb2Xy>

Acquisition of Under-Construction Mall at Lucknow



Phoenix Marketcity Lucknow is an approx. 1 msft retail development, with a proposed store count of 300, spread over four levels

Acquisition of Under-Construction Mall at Lucknow

Deal Overview

- i. Acquired 13.5 acres of land, with an under construction (structure is 90% ready) retail development via an auction for Rs. 4,530 mn.
- ii. The retail development has GLA of approx. 0.9 msf
- iii. This development is 100% owned by PML

Project Update

- i. 90% of the RCC work is complete
- ii. Phoenix Marketcity Lucknow is expected to begin operations during FY21

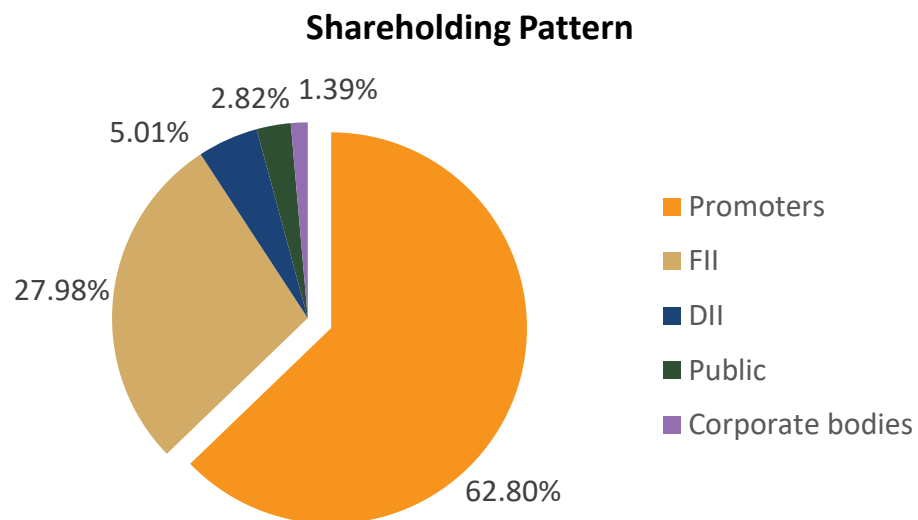
Location Dynamics

- Gomti Nagar has emerged as an exclusive growth corridor of the city, with reputed companies, schools and world class infrastructure in its vicinity
- IT City – a 100 acre integrated development is merely 5 minutes away from the site
- Organizations in Gomti Nagar close to the site include TCS, SONY, NTPC, BHEL, HCL Technologies, UNICEF etc.
- Site is also close to key landmarks in the city such as Taj, Lucknow, L'ecole Du Monde, Amity University, the High Court of Lucknow among other prestigious educational and government institutions

Site Location:

<https://goo.gl/maps/oLPEMYDsacE2>

Shareholding Pattern as on 30 Sept 2018



Sr. No	Top Institutional Investors	% Shareholding
1	Nordea Bank	8.55%
2	Schroder	2.98%
3	Fidelity	2.64%
4	TT Funds	2.31%
5	Reliance Mutual Fund	1.97%
6	Van Eck	1.50%
7	Vanguard	1.20%
8	Mondrian	1.14%
9	UTI Mutual Fund	1.00%
10	Emerging Markets Fund	0.80%



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