

The Phoenix Mills Limited and Canada Pension Plan Investment Board Acquire Site to Develop High-Quality Retail Destination

Land Parcel in Pune, India Acquired for INR 1.61 Billion through Island Star Mall Developers

Key Highlights:

- Island Star Mall Developers Pvt. Ltd. , the strategic investment platform owned by The Phoenix Mills Ltd. (PML) and Canada Pension Plan Investment Board, has announced the acquisition of a land parcel in Wakad, Pune, for INR 1.61 billion (C\$32.0 million).
- The acquired land has a development potential of approximately 1.6 million square feet, of which approximately 1 million square feet is planned as premium retail development.
- This will be PML's second MarketCity mall development in Pune.

Mumbai, India/Toronto, Canada (August 14, 2017) – Island Star Mall Developers Pvt. Ltd (ISMDPL), a strategic investment platform owned by The Phoenix Mills Limited (PML) and Canada Pension Plan Investment Board (CPPIB), today announced that it has acquired a land parcel in Pune for a total consideration of INR 1.61 billion (C\$32.0 million). The site is the platform's first acquisition and is located in Wakad, Pune, near Hinjewadi Junction, off the Mumbai-Pune bypass. The acquired land has a potential developable area of approximately 1.6 million square feet, which will allow for a planned premium retail development of approximately 1 million square feet.

"The West of Pune is one of the fastest developing residential and commercial hubs in Pune and yet lacks large-scale retail, entertainment, and food and beverage options under one roof. We are excited to have found an ideal land parcel in Wakad where we will develop our second Phoenix MarketCity in the city. With the existing Phoenix MarketCity in East Pune and the new site in West Pune, PML's malls will be the shopping and entertainment destinations of choice for the residents of Pune. We look forward to working with CPPIB to acquire or develop additional high-quality retail assets across India's top cities," commented Mr. Atul Ruia, Jt. Managing Director, The Phoenix Mills Limited.

Pune is the eighth largest city in India with a population of 5.75 million. The city is a key education and employment hub, and home to a number of large manufacturing and information technology companies. The proposed new mall will be the largest retail destination in West Pune and will cater to the burgeoning middle-to-high income population spread across key residential and commercial areas. The site is situated in an attractive catchment northwest of Pune city that is experiencing strong housing demand.

"This acquisition helps deliver on our strategy of expanding our Indian retail portfolio with Phoenix Mills, an aligned, best-in-class partner. Pune's attractive demographic and economic growth profile combined with an undersupplied retail market makes this an ideal location for a high-quality retail and entertainment destination and is well suited to CPPIB's long-term investment horizon. We look forward to expanding our platform with Phoenix Mills across other cities," said Andrea Orlandi, Managing Director, Head of Real Estate Investments – Europe, CPPIB.

In April 2017, PML and CPPIB created ISMDPL as an investment platform to develop, own and operate retail-led, mixed-use developments across India. ISMDPL holds Phoenix MarketCity Bengaluru, which was PML's contribution to the platform and CPPIB agreed to invest up to approximately INR 16 billion (C\$330 million) in multiple tranches, to own up to a 49% stake in the platform. To date, CPPIB has invested INR 7.2 billion (C\$145 million) in ISMDPL and owns 30% in the platform.

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

ISMDPL owns and operates a retail mall in Bengaluru known as Phoenix MarketCity, Bangalore. In addition, ISMDPL also has additional development 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 June 30, 2017, the CPP Fund totalled C\$326.5 billion. For more information about CPPIB, please visit www.cppib.com or follow us on [LinkedIn](#) or [Twitter](#).

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