



IS NOW

prozone
intu 

- Prozone Intu has been jointly set up by Provogue Promoters and Intu Properties UK PLC
- The vision is to create, develop and manage world class mixed use developments and shopping centres
- The company is currently developing over 16 mn square feet in cities like Aurangabad, Nagpur, Coimbatore, Indore & Jaipur amongst others
- Intu Properties PLC is a FTSE 100 listed company and is amongst the top 20 REIT's in the world. 10 of their shopping centres feature in the top 25 centres in the UK



INDIA'S FIRST LISTED MULTINATIONAL REAL ESTATE COMPANY



PROZONE INTU PROPERTIES LIMITED

Result Update Q1 FY15

August – 2014

Discussion Outline

- Quarterly Business Update
- Financial Results
- Project Update
 - Aurangabad
 - Nagpur
 - Coimbatore
 - Indore



Quarterly Business Update

Update - Build & Lease Model

• Retail– Aurangabad Mall

- Q1 FY15 Rental Income has been flat on QoQ basis, whereas EBIDTA has increased by 47.3% on QoQ basis to Rs. 34.9 mn. EBIDTA Margins have improved due to cost rationalization. Positive Improvements are seen across all key parameters such as Retailer sales, Average Trading density, Footfalls as well as Traction in Leasing activity .
- **Q1 FY15 Retailer Sales** - Increased by 12.02 % from Rs. 375.1 Mn. to Rs. 420.2 Mn. on Y-o-Y basis.
- **Q1 FY15 Average Monthly Trading Density** - Increased by 9.57% from Rs. 241.0 to Rs. 264.0 on Y-o-Y basis,
- **Q1 FY15 Footfalls** - Increased by 1.02% from 15.7 lakh to 15.9 lakh on Y-o-Y basis.
- **New Stores & Leasing Update** – Addition of 2 stores during the quarter such as Donatos and Gym. Also 2 New stores (30,830 sq. ft.) in the Fit out stage – Decathlon & Wildcraft. Strong Traction seen in leasing activity as another 8 new stores are under discussion.

• Retail– Coimbatore Mall

- Leasing in progress for key anchor tenants. Agreement signed for Multiplex, LOI signed for a Fashion and Consumer Durable Retailer. In advance talks with Anchors for the Hypermarket & Department store, also with Mini Anchors in the Fashion space.
- Participated as Presenting Partner with RAI (Retailers Association of India) at the retail summit in Chennai in July 2014 wherein over 150 regional retailers across various categories had participated. RAI events provide us window to present our project to local retailers. Have received good interest from the Local Regional retailers . Based on strong response during the event, now in talks with certain key local/regional retailers for categories like local Saree, Jewelers and departmental stores.
- Design & Planning completed for the retail development. Infrastructure development work in progress.
- **Contract finalised and awarded to Gannon & Dunkerly. Contractor has mobilized and Construction started for the First phase of the Mall building. Mall expected to become operational in CY 2016.**

Quarterly Business Update

- **Update - Build & Sell Model**
- **Commercial– PTC Phase 1 – Aurangabad**
 - Overall 190,000 sq. ft. of Commercial Area launched in Phase 1 and ~93.6% is sold out.
 - Due to difficult Market conditions, collections have been sluggish, therefore Construction pace has been kept in line with the slow collections. Prozone Trade Centre (PTC) Phase 1 is expected to be delivered by Q4FY15.
- **Retail – Saral Bazar - Aurangabad**
 - A community street market concept which offers small shop spaces of 80-150 sq. ft. Phase 1 & 2 launched with over 30,000 sq. ft. and 68% is sold out. **Construction of Phase 1 has been completed and the shops are ready for possession. Customer handover process for interior fit out has commenced.**
- **Residential – Nagpur**
 - Construction of Sales Office, Sample Flat and site infrastructure has been completed. Main residential building excavation has started.
 - **Good Response to Project pre-Launch in Nagpur –** Total 321 Flats have already been sold till date with total Area booked - 5,67,063 sq. ft and Total Sales value worth Rs. 2044.1 mn. Bookings have been closed as of now, to open once the construction for the Residential Tower starts.
 - **Contract for residential towers awarded to NCCCL. Contractor has been fully mobilised and work has commenced on site. Main residential building construction has started.**
- **Residential – Coimbatore**
 - Civil work for Club House has been completed. Interior work for Show Flat completed. Infrastructure in advanced stage of completion
 - Project approvals are in progress and Project launch planned for January 2015 during the festive season of Pongal.
- **Residential – Indore**
 - Construction of Sales Office, Sample Flat, & Site Infrastructure completed. Club House work in progress. Project to be launched once all the approvals are received.

Financial Results: Consolidated Income Statement

Rs. Mn.	Q1 FY15	Q4 FY14	QoQ %	Q1 FY14	YoY %
Sale of commercial Units	8.5	53.8	(84.2)%	29.6	(71.3)%
Sale of services	52.8	62.7	(15.8)%	57.3	(7.9)%
Other operating Income	28.7	25.2	13.9%	28.6	0.3%
Total Income from operations	90.1	141.8	(36.5)%	115.5	(22.0)%
EBITDA w/o Other Income	32.5	48.7	(33.3)%	6.8	377.9%
EBITDA Margin	36.0%	34.3%		5.9%	
Other Income	16.6	12.8	29.7%	20.6	(19.4)%
EBITDA	49.1	61.5	(20.2)%	27.3	79.9%
EBITDA Margin	54.5%	43.4%		23.6%	
Depreciation	(41.4)	(49.9)		(56.2)	
Interest	(41.8)	(42.3)		(45.7)	
Profit before tax	(34.1)	(30.8)		(74.6)	
PAT after minority interest	(17.9)	(12.9)		(48.5)	

Result Update -

- **Total Income has decreased by 36.5 % on QoQ basis to Rs. 90.1 mn mainly on account of Revenue Recognized for the sale of Units in PTC Phase 1 & Saral Bazar during the previous quarter Total EBITDA has been increased by 20.2% on a QoQ basis to Rs. 49.1 mn .**
- **Total Rental Income (Sale of services) has decreased by 15.8% on a QoQ basis, as there was reconciliation with the Brands during the last quarter and restated accordingly. Post adjustments, the Rental Incomes have been flat on a QoQ basis.**
- **EBIDTA Margins have improved by ~1100 bps on QoQ basis mainly due to Cost rationalization.**
- Note-
- Sale of Services represent rent income and CAM Income received from Aurangabad Mall.
- Sale of Commercial Units represent Revenues recognized from the Build & Sell model
- Other Income constitutes Interest & Dividend Income on Investments, and gain on sale of current investments

Retail Update – Aurangabad Mall



Retail Update – Aurangabad Mall

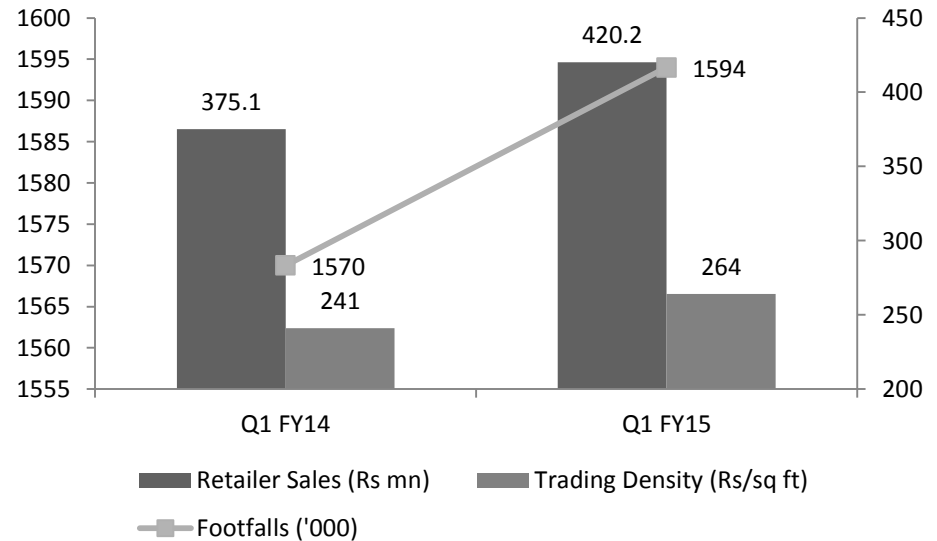


Mall Matrix

Key Operating Parameters	Q3FY14
Gross Leasable Area (sq.ft.)	680,189
Current Leasing Status	79%
Current Occupancy Status	78%
Number of Stores Signed	110
Retailer Sales (Rs. Mn.)	420.2
Average Monthly Trading Density (Rs/sqft)	264.0
Footfalls (Mn.)	1.59

Mall Update -

- 2 new stores opened in Q1 FY15 – Donatos & ABS Fitness Gym.
- Fit out for 2 stores – Wildcraft & Decathlon in progress. Total Area under Fit out stage – 30,830 sq. ft.
- Retailer Sales & Average Monthly Trading Density increased by 12.02 % and 9.57 % respectively on Y-o-Y basis.

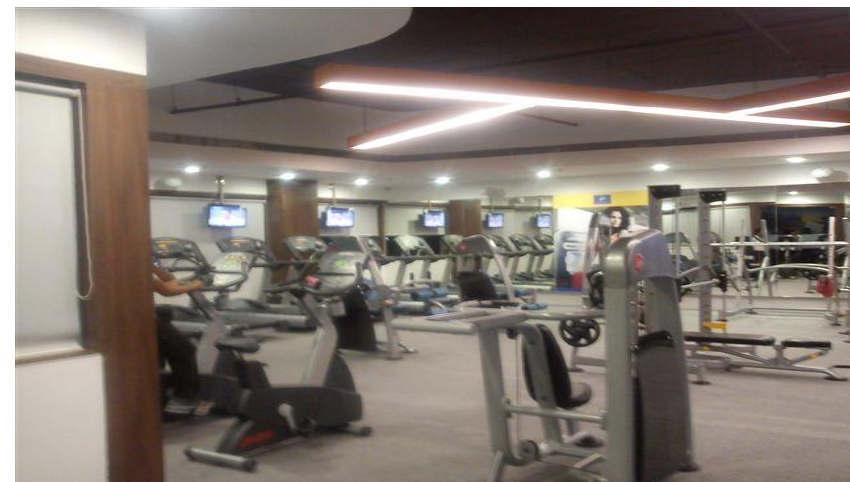


New Stores Opened in Q1 FY15 - Aurangabad Mall

DONATOS



GYM



Brand Partners - Aurangabad Mall



Financial Snapshot – Aurangabad Mall

Operational Details (Rs. Mn.)	Q1 FY15	Q4 FY14	QoQ %	Q1 FY14	YoY %
Area Leased (sq. ft.)	525,654	529,568		5,19,000	
% Occupancy	78%	78%		76.4%	
Rental Income	40.0	58.7**	(31.9)%	44.4	(9.9)%
Recoveries (CAM & Other)	46.1	30.2	52.6%	46.1	0.0%
Total Income	86.1	88.9	(3.1)%	90.5	(4.9)%
EBIDTA	34.9	23.7	47.3%	27.2	28.3%
EBIDTA Margin % (as % of Rental Income)	87.5%	40.3%		61.3%	
EBIDTA Margin % (as % of Total Income)	40.5%	26.6%		30.0%	

- ** Rental Income has decreased by 31.9% on a QoQ basis. This is mainly due to the one time reconciliation done with the Brands and accordingly the Rental Income and CAM income have been restated during Q4 FY14. Post adjustment, **Overall the Rentals for the Mall have been flat on a QoQ basis.**
- **EBIDTA Margins have increased on almost 1400 bps on a QoQ basis mainly due to reduction in overall expenses.**
- 2 New stores are in Fit out stage equivalent to 30,830 sq. ft. which would get added during Q2 FY15, Thus improving the overall occupancy for the mall.

Note 1 - Recoveries Include CAM as well as Other Charges such as HVAC, Electricity & Water Charges

Aurangabad Mall - Events



Summer camp – Creative Activities



Summer camp – Creative Activities



Movie Promotion – “Lai Bhari”



Movie promotion “Lai Bhari”

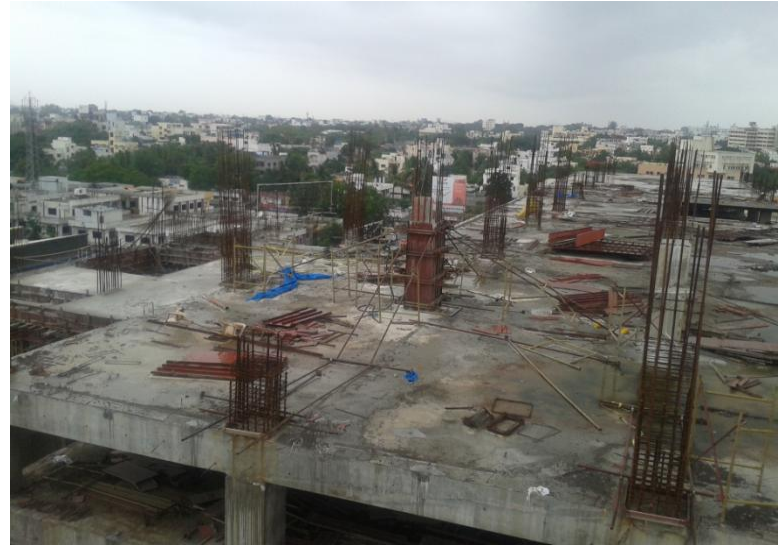
Commercial Update – Aurangabad PTC Phase 1

Prozone Trade Center (PTC) Phase 1	Q1 FY15
Total Area Launched (sqft)	190,528
Total Units Launched (No)	117
Total Area Sold (sqft)	184,484
% Total Area Booked	96.8%
Avg. Sale Rate per sqft (Rs)	3,270
Total Sale Value (Rs. Mn.)	589.0
Amount Collected (Rs. Mn.)	203.7
Revenue Recognized (Rs. Mn.)	546.9
Total Project Cost (Rs. Mn.)	246
Estimated Project Completion Date	Q4FY15



- **Prozone Trade Centre (PTC) Phase 1**
 - Construction of Prozone Trade Centre (PTC) Phase 1 of ~190,000 sq ft is in progress and is expected to be completed by Q4FY15.
 - Total expected income from PTC Phase 1 is ~Rs 629 Mn., out of which 96.8% area is already sold.
 - Due to Sluggish market conditions, Collections have been slow, therefore Construction pace has been kept in line with the slow collections. However, Remobilization of contractor is completed and Civil Works of 4th Floor in progress
 - Expect Cash inflows of ~Rs. 385 Mn. to be generated by Q4 FY15.

Commercial Update – Aurangabad PTC Phase 1



Commercial Update – Aurangabad PTC Phase 1



Retail Update – Aurangabad – Saral Bazar

Saral Bazar Phase 1+2	Q1 FY15
Total Carpet Area Launched (sqft)	31,749
Total Units Launched (No)	325
Total Carpet Area Booked (sqft)	21,495
% Total Area Sold	68%
Avg. Sale Rate per sqft (Rs)	14,839
Total Sale Value (Rs. Mn.)	318.9
Amount Collected (Rs. Mn.)	119.6
Revenue Recognized (Rs. Mn.)	299.5
Total Project Cost (Rs. Mn.)	66.1
Estimated Project Completion Date	Q3FY15



- **Saral Bazaar** - A community street market concept which offers small shop spaces of 80-150 sqft.
- Total expected income from Saral Bazaar Phase 1 & 2 is ~Rs 466.7 Mn., out of which 68% area is already sold.
- Phase 1 shops are ready for possession. Customer handover process for interior fit out has commenced.
- **Post delivery OF Phase 1, Marketing Activity planned in Q2 FY15. Estimated Phase 2 completion by Q4FY15.**

Retail Update – Aurangabad – Saral Bazar

Ready Units



Ready Units



Project update – Nagpur

- Location –

- Prozone Palms is strategically located just off Wardha Road, a prime residential location at Nagpur.
- It is in close proximity to the MIHAN (Multi-modal International Cargo Hub and Airport at Nagpur) airport.



- Project Size –

- Prozone Palms township is being developed in 2 phases and Phase 1 of the same is spread over 11 acres of land with 20,01,608 sq. ft. of saleable area.
- Prozone Palms offers 14-storey towers with a total of 1,176 flats with a wide range of luxurious 2 BHK, 3 BHK & 4 BHK apartments meticulously planned for spacious living.

- Premium Clubhouse Infrastructure –

- Club Palms, spread over 4 acres, which offers one of the finest clubbing experiences through a wide gamut of luxurious amenities
- e.g. kids play area, meditation centre, aroma garden, therapeutic walk, multipurpose court, swimming pool, jacuzzi, barbeque pavilion, outdoor dining plaza, jogging/cycling track, amphitheatre etc.

Project update – Nagpur

- Residential update –
 - Construction of Sales Office, Sample Flat and site infrastructure has been completed.
 - Civil work has been completed for Club house and for major structures in landscape area.
 - **Contract for residential towers awarded to NCCCL. Contractor has been fully mobilised and Construction work has commenced on site.**
 - Bookings have been closed as of now, would start further bookings during the festival season of Navratri (Sep).
- Pre Launch Response –
 - **Good Pre-Launch Response –** Despite Slowdown and weak Economic environment, the project has witnessed good response in sales traction due to better construction activity with upfront built up of the club house at the site.
 - **Have sold Total 321 Units till date. Total Area booked till date is 5,67,063 sq. ft.**
- Retail update -
 - Design development work for Nagpur retail is in progress. Pre-Concept has been finalized and Concept design is being developed.
 - Pre-leasing with Retailers have been initiated as well as Project Approvals are in process.

Residential Update – Nagpur

Sales Office & Show Flat



Residential Update – Nagpur

Club House & Infrastructure Work in Progress



Residential Update – Nagpur

Club House & Infrastructure Work in Progress



Residential Update – Nagpur

Contractor Mobilization & Excavation Work



Project update – Coimbatore

• Location –

- Prozone land parcel is Located on the Sathyamangalam road a.k.a. the IT Corridor of Coimbatore.
- Site has main access via National Highway No 209 providing excellent connectivity to the site.

• Project Size –

- Retail development to have 664,000 sq ft of GLA spread over 2 phases.
- Prozone Palms township is being developed in single phase and is spread over 11 acres of land with 15,12,000 sq. ft. of saleable area.
- Prozone Palms phase 1 offers 18-storey towers with a total of 1088 flats with a wide range of luxurious 2 BHK, 3 BHK & 4 BHK apartments meticulously planned for spacious living.

• Premium Clubhouse Infrastructure –

- Club Palms, spread over 4 acres, which offers one of the finest clubbing experiences through a wide gamut of luxurious amenities
- e.g. kids play area, meditation centre, aroma garden, therapeutic walk, multipurpose court, swimming pool, jacuzzi, barbeque pavilion, outdoor dining plaza, jogging/cycling track, amphitheatre etc.



Project updates - Coimbatore

- Retail Update –
 - **Contract finalised and awarded to Gannon & Dunkerly. Contractor has mobilized and Construction of main building has commenced.**
 - Agreement for Multiplex signed & security deposit received. Agreement signed for Multiplex, LOI signed for a Fashion and Consumer Durable Retailer.
 - Leasing for Anchor & mini anchors in progress - Good traction seen from several Anchor Tenants during recent participation at the India Retail Forum (IRF). Agreements for key anchors are at advanced stages of finalization.
 - In the environment where real estate debt is difficult come by, we have managed to get Bank debt sanction of Rs 1800 mn. at competitive rate of 13.75% due to our strong balance sheet.
 - Mall commencement is expected in CY 2016.
- Residential Update -
 - Marketing office and Show flat has been completed and made operational.
 - Club House - Civil work has been completed.
 - Site Infrastructure work - Major Civil work completed and Infrastructure in advanced stage of completion.
 - Project approvals are in progress and Project launch planned for January 2015 during the festive season of Pongal.

Retail Update – Coimbatore



Retail Development Work in progress



Residential Update – Coimbatore



Sales & Marketing Office , Show Flat



Residential Update – Coimbatore



Club House & Infrastructure Work in Progress



Project update – Indore

- Location –

- Prozone Palms is situated on Kanadia Road, a prime residential location at Indore.
- Well connected by Bypass road, proposed RE-2, it is strategically located within a 5 min drive from high end residential areas like Saket & Gulmohar.



- Project Size –

- Prozone Palms township is being developed in 2 phases and Phase 1 of the same is spread over 11 acres of land with 23,61,662 sq. ft. of saleable area.
- Prozone Palms phase 1 offers 18-storey towers with a total of 1574 flats with a wide range of luxurious 2 BHK, 3 BHK & 4 BHK apartments meticulously planned for spacious living.

- Premium Clubhouse Infrastructure –

- Club Palms, spread over 4 acres, which offers one of the finest clubbing experiences through a wide gamut of luxurious amenities
- e.g. kids play area, meditation centre, aroma garden, therapeutic walk, multipurpose court, swimming pool, jacuzzi, barbeque pavilion, outdoor dining plaza, jogging/cycling track, amphitheatre etc.

Project update – Indore

- Residential update –
 - Infrastructure development work in progress.
 - Marketing Office and Sample Flat Civil structure and Interiors work completed.
 - Access road as well as Site Infrastructure completed.
 - Club House Civil structure completed and Interiors work is in progress.
 - Project Launch to take place post Approvals in place and Club house is completed.



Residential Update – Indore



Sales Office



Sample Flat



Sales Office



Sample Flat

Residential Update – Indore



Landscape & Boundary wall



Club House & Swimming Pool



Access Road



Kids play area & Landscape

THANK YOU



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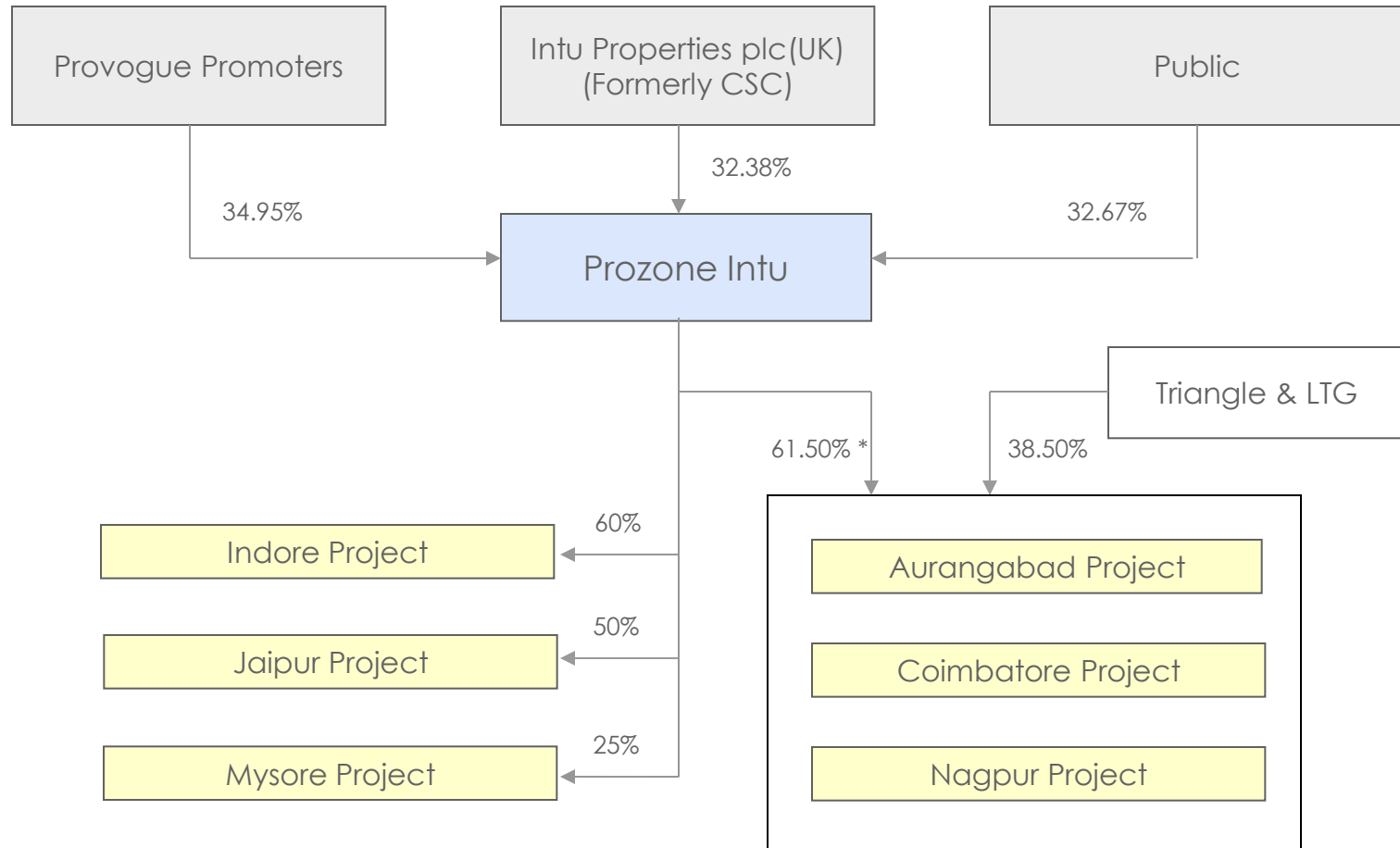
Website: www.dickensonir.com

ANNEXURE

About Us: Executive Summary

- Vision: To become India's leading developer / manager of high quality shopping centers in emerging urban cities pan-India, incorporating mixed-use developments to facilitate the business model.
- Prozone Intu has attracted investments from major institutional investors, notably the Triangle Fund (anchored by Old Mutual Group, South Africa) and the Lewis Trust Group (the River Island promoter's family fund) into step-down subsidiaries for three projects in Aurangabad, Coimbatore and Nagpur.
- The business harnesses Intu Properties plc (previously Capital Shopping Centres plc 'CSC') input and experience as UK's largest retail real estate developer combined with Provogue (India) Ltd's in-depth knowledge of the Indian retail market.
- The company has a strong balance sheet, large land bank fully paid, a planned pipeline of projects and a strong domestic execution team.
- First mall in Aurangabad is trading well and is widely acclaimed by retailers and the shopping public as a regional destination for its forward-looking design and high quality facilities.
- Following a thorough incubation period, the company is poised for growth and anticipates unlocking significant value to its shareholders.

About Us: The Holding Structure



* - Through wholly owned subsidiary company at Singapore

The Demerger

- On 10th February 2012, the Bombay High Court approved the demerger of Prozone Enterprises Private limited from Provogue (India) Limited. The demerger was in the ratio of 1:1 and the shares were given to the shareholders of Provogue (India) Limited
- Prozone Enterprises Pvt. Ltd.,[PEPL] pursuant to the same court scheme. The amalgamation of Prozone into PCSC was with exchange ratio of 313 : 75 and accordingly CSC, being shareholder of PEPL was allotted shares in PCSC.
- Listed on BSE and NSE on 12 Sep, 2012
- BSE: 534675 | NSE: PROZONECSC | ISIN: INE195N01013 | BLOOMBERG: PROZONE:IN
- Total outstanding shares; 152.6 million of face value Rs 2 each
- Current Market Capitalization: Rs 3906.6 mn. (as of 10th May 2013)

Name	%
Provogue Promoter Group	34.95%
CSC	32.38%
Public	32.67%
Total	100%

About Us – Intu Properties Plc

Formerly: Capital Shopping Centres Group Plc (CSC)

- UK's largest retail real estate player
- One of the UK's top100 companies, listed in London and Johannesburg with current asset valuation of £7 billion
- Over 35 years global real estate development and asset management experience
- More than 16 mn sqft of retail space; 320 million customer visits a year
- India entry through an investment in Prozone Enterprises Pvt Limited in 2007
- CSC has recently changed its name & now its known as Intu Properties Plc (Intu)
- Intu now owns 32,38% of Prozone Intu
- Intu's Chief Executive and Senior Director are represented on the Board of Prozone Intu Ltd



Metrocentre, Gateshead, UK



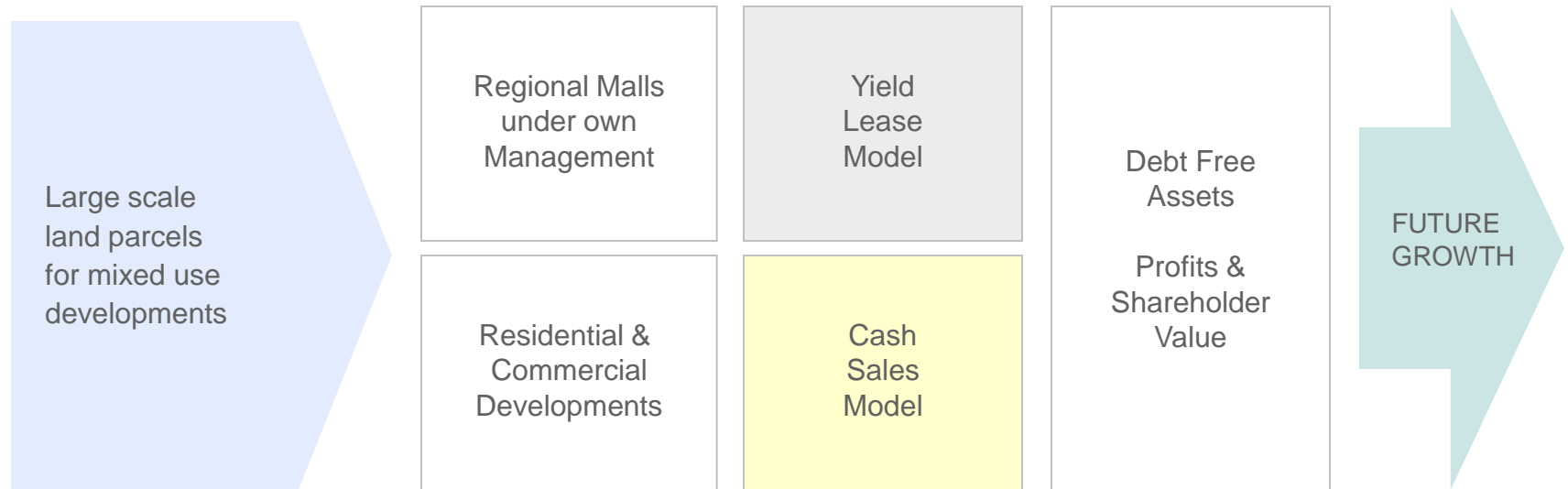
Lakeside, Thurrock, UK

About Us: Business Summary (As at Mar 2013)

	Project Status	1st Phase Completion	Prozone Stake%	Retail	Residential	Commercial	Balance FSI	Total Area msf
Aurangabad	Open	2010	61.5%	741,000	-	818,000	-	1.56
Coimbatore	On Site	2015	61.5%	664,000	1,512,000	360,000	899,000	3.44
Indore	On Site	2015	60%	-	2,361,000	-	2,182,000	4.54
Nagpur	On Site	2015	61.5%	675,000	1,584,000	360,000	1,635,000	4.25
Jaipur	Planning	2017	50%	-	1,500,000	-	1,276,000	2.78
Mysore	Planning	2017	25%	-	1,216,000	-	-	1.22
TOTAL				2,080,000	8,173,000	1,538,000	5,992,000	17.79

Note - Land bank is fully paid

Prozone Intu Business Strategy



- Locations selected in high growth corridors within city limits
- Execute high quality retail assets at the right price and the right time
- Develop and sell mixed-use assets to facilitate retail investments

Prozone Intu – Revenue Recognition Policy

- **Build & Sell Model – Percentage of Completion Method**
 - Threshold of Construction Cost – Minimum 25% of the Construction cost to be incurred .
 - Land & TDR cost is not included in computing the Percentage of Project Completion for recognizing revenue.
 - Revenue is recognized either on execution of an agreement or a letter of allotment.
 - Minimum 25% LOI or Agreement signed
 - Minimum 10% of the Receipt payment received.
- **Build & Lease Model – Accounting Standard (19) - Leasing**
 - Income earned by way of leasing or renting out of commercial premises is recognised as income in accordance with Accounting Standard 19 on “Leases” (AS 19). Initial direct costs are recognised as expense on accrual basis in Profit and Loss Account.

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