



Press Release

GVK signs binding agreements with ADIA, PSP Investments and NIIF for an investment of Rs. 7,614 crore in its airports holding company

A landmark transaction for GVK with several strategic benefits

Allows for significant deleveraging

Accelerates value unlocking at MIAL and development of NMIAL

Hyderabad, October 27, 2019: GVK Power & Infrastructure Limited (NSE: GVKPIL, BSE: 532708) ("**GVKPIL**") today announced that its subsidiaries, GVK Airport Developers Limited ("**GVKADL**") and GVK Airport Holdings Limited ("**GVKAHL**" or the "Company") (collectively "**GVK**"), have entered into definitive agreements with subsidiaries of the Abu Dhabi Investment Authority ("**ADIA**"), Public Sector Pension Investment Board ("**PSP Investments**") supported by its global airports platform, AviAlliance, and with National Investment & Infrastructure Fund ("**NIIF**") (each an "**Investor**" and collectively "**Investors**"), whereby the Investors will make an aggregate investment of INR 7,614 crore, into GVK AHL ("**Transaction**").

GVKAHL, is the holding company of Mumbai International Airport Limited ("**MIAL**") and engaged in the business of developing, operating and managing the Chhatrapati Shivaji Maharaj International Airport ("**CSMIA**") and development of Navi Mumbai International Airport ("**NMIA**") through MIAL's subsidiary Navi Mumbai International Airport (Private) Limited ("**NMIAL**").

Proceeds from the Transaction will be used by GVK to primarily retire debt obligations of its holding companies significantly and fund the purchase of additional shares in MIAL by GVK AHL, from Bidvest and ACSA in accordance with the Right of First Offer already exercised by GVK AHL.



With this Transaction, MIAL and NMIAL will also benefit from the backing of global infrastructure investors as both airports embark on the next growth phase that would lead to unlocking significant value through real estate development in MIAL and the development of the NMIA.

As per the terms of the proposed Transaction, upon completion, GVK AHL will have four shareholders – GVK ADL, ADIA, PSP Investments and NIIF.

Dr. GVK Reddy will continue as Executive Chairman and Mr. G V Sanjay Reddy as Managing Director in both MIAL and NMIAL. Mr. Krishna R. Bhupal will continue as the Director of MIAL and also Executive Director of NMIAL. Both airports will continue to be branded as GVK Airports. Upon completion of the Transaction, GVK ADL will hold 20.9% in GVK AHL and the balance will be equally shared between the Investors.

The Transaction closure is subject to satisfactory completion of closing conditions including regulatory / third party approvals and lender consents. Citigroup Global Markets India Private Limited are the exclusive financial advisors and Cyril Amarchand Mangaldas are the legal advisors to GVK for the transaction.

Dr. GVK Reddy, Founder and Chairman, GVK, commenting on this development said, "We are delighted to welcome ADIA, PSP Investments and NIIF as shareholders in GVK AHL. Together, we will continue with our endeavors to create world-class infrastructure and a strong aviation hub that will provide the impetus for growth and development of Mumbai and India. We will now accelerate our efforts for developing the Navi Mumbai International Airport, monetizing MIAL's real estate assets and building an even stronger airports business. This transaction validates the Government of India's efforts to attract global investors into the country."



About GVK

GVK is a leading Indian conglomerate with presence across energy, airports, transportation, hospitality and life sciences. GVK set up India's first independent power plant and has other power projects in generation. It was also the first company in India to develop a six-lane toll road project under the PPP mode. GVK manages and operates India's first brownfield airport – the Chhatrapati Shivaji Maharaj International Airport, Mumbai and has also won the mandate to build and operate India's largest Greenfield airport at Navi Mumbai. In addition, GVK continues to grow in the life sciences and hospitality businesses. GVK EMRI (Emergency Management and Research Institute) is a pioneer in Emergency Management Services in India. As a not-for-profit organization operating in the Public Private Partnership mode, GVK EMRI is the world's largest Emergency Service Provider with a presence across 16 States and two Union Territories in India.

About ADIA

Since 1976, the Abu Dhabi Investment Authority has been prudently investing funds on behalf of the Government of Abu Dhabi with a focus on long-term value creation. ADIA manages a global investment portfolio that is diversified across more than two dozen asset classes and sub-categories.

About PSP Investments

The Public Sector Pension Investment Board (PSP Investments) is one of Canada's largest pension investment managers with \$168 billion of net assets under management as of March 31, 2019. It manages a diversified global portfolio composed of investments in public financial markets, private equity, real estate, infrastructure, natural resources and credit investments. Established in 1999, PSP Investments manages net contributions to the pension funds of the federal Public Service, the Canadian Forces, the Royal Canadian Mounted Police and the Reserve Force. Headquartered in Ottawa, PSP Investments has its principal business office in Montréal and offices in New York, London and Hong Kong.



About AviAlliance

AviAlliance is one of the world's leading private industrial airport investors. Drawing on its long years of experience in financing, developing and operating airports, the company has built up an attractive and well-balanced portfolio of shareholdings. It has stakes in the airports of Athens, Budapest, Düsseldorf, Hamburg and San Juan (Puerto Rico). AviAlliance is a wholly-owned subsidiary of PSP Investments.

About NIIF

NIIF is a fund manager that invests in infrastructure and related sectors in India. An institution anchored by the Government of India, NIIF is a collaborative investment platform for international and Indian investors with a mandate to invest equity capital in domestic infrastructure. NIIF benefits from its association with the Government yet is independent in its investment decisions being majority owned by institutional investors and managed professionally by a team with experience in investments and infrastructure. NIIF aims to make commercial investments in the sector at scale. NIIFL manages over USD 4 billion of capital commitments across three funds, each with its distinct investment strategy. The funds have investment mandates to invest in infrastructure assets and related businesses that are likely to benefit from the long-term growth trajectory of the Indian economy.

For further information, please contact:

Ram Mankekar
+91 9967631946
022-66852041
ram.mankekar@gvk.com

Gautam Gupte
Avian WE
+91 9637100875
gautam@avianwe.com