



Press Release

GVK sells its 10% residual stake in Bangalore Airport to Fairfax India for Rs. 1290 Crore

- **Transaction expected to be completed by early July 2017**
- **Airport sector will continue to remain a key focus area for GVK**

Hyderabad, 2nd June, 2017: GVK Power and Infrastructure Ltd has announced its decision to sell its residual stake of 10% in Bangalore International Airport Limited (“BIAL”), held through its subsidiary, Bangalore Airport Infrastructure Developers Private Limited, (“BAIDPL”) to Fairfax India Holdings Corporation (“Fairfax India”) for a consideration of Rs 1,290 Crore (approximately \$200 million). The transaction is expected to be completed by early July 2017. The proceeds of this sale are to be used for further reducing the debt obligations of GVK.

In March 2017, GVK closed a deal which was signed during March 2016 with Fairfax India to sell a 33% stake in BIAL. It had retained a 10% stake and the management of BIAL.

Dr. G V K Reddy, Founder Chairman & Managing Director of GVK while speaking on the development said, “Notwithstanding this sale, the Airports sector will continue to be a core focus area for GVK. We had entered BIAL in 2010 when the airport was going through a tough phase as the capacity was severely constrained. Over the last seven years, we have worked very hard to transform BIAL into a world-class airport. The airport is now ready for another phase of expansion with a new runway and a new terminal to be constructed. However, we have decided to part ways with BIAL as deleveraging is top priority.”

“Our immediate focus will now be on Mumbai and Navi Mumbai airports and on selectively evaluating privatisation opportunities. The reduced debt burden gives us flexibility and releases management bandwidth to focus on these projects. Capacity optimisation and real estate development will be the key focus areas for the existing Mumbai airport. Having won the bid for the Navi Mumbai airport, we are excited to deliver yet another world-class airport. The Government’s focus on developing the aviation sector also presents attractive growth opportunities and we are evaluating these,” said Dr. Reddy.

“I would like to thank the Government of Karnataka, the Government of India, AAI and all the stakeholders for working closely with GVK over the last seven years in creating a world class airport that will continue to keep pace with the growing demand of Bengaluru in the coming years. We also wish the incoming shareholder, Fairfax India, the very best in maintaining the momentum to take the airport to even greater heights,” he added.



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 many projects in generation. It is also the first company in India to develop a six-lane road project under the PPP model and has around 1500 lane km expressway projects under operations. GVK owns and operates India's first brownfield airport - Chhatrapati Shivaji International Airport, Mumbai and plans to grow in the airport sector globally. In addition, GVK continues to grow in the life sciences and hospitality businesses.

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