



Press Release

UFO Moviez Reports Q3FY17 Results

Advertisement Revenue Grows 5.2% Y-o-Y to Rs. 427 Mn
EBITDA at ₹434 Mn & PAT at ₹136 Mn

Mumbai, February 02, 2017: UFO Moviez India Limited, India's largest digital cinema distribution network and in-cinema advertising platform in terms of number of screens, today, announced its financial results for the quarter and nine months ended December 31, 2016.

Financial Highlights:

Quarter ended December 31, 2016

Consolidated revenues grew by 2.5% to ₹1,488 (Q3FY16 - ₹1,452) million. EBITDA stood at ₹434 (Q3FY16 - ₹449) million. PBT stood at ₹209 (Q3FY16 - ₹238) million and PAT stood at ₹136 (Q3FY16 - ₹160) million.

Excluding new businesses (VDSPL), the consolidated Theatrical and In-Cinema Advertisement business delivered Revenue growth of 2.5% to ₹1,473 (Q3FY16 - ₹1,437) million, EBITDA stood at ₹453 (Q3FY16 - ₹476) million, PBT stood at ₹252 (Q3FY16 - ₹274) million and PAT stood at ₹179 (Q3FY16 - ₹197) million.

Advertisements revenues grew 5.2% to ₹427 (Q3FY16 - ₹406) million. Average advertisement minutes sold per show per screen stood at 3.88 (Q3FY16 - 4.36) minutes during the quarter.

Nine Months ended December 31, 2016

Consolidated revenues improved by 4.2% to ₹4,433 (9MFY16 - ₹4,254) million. EBITDA grew 2.8% to ₹1,354 (9MFY16 - ₹1,317) million, PBT increased by 4.6% to ₹689 (9MFY16 - ₹659) million and PAT stood at ₹437 (9MFY16 - ₹457) million.

Excluding new businesses (VDSPL), the consolidated Theatrical and In-Cinema Advertisement business delivered Revenue growth of 4.3% to ₹4,401 (9MFY16 - ₹4,220) million, EBITDA grew by 4.7% to ₹1,423 (9MFY16 - ₹1,359) million, PBT grew 14.0% to ₹823 (9MFY16 - ₹722) million and PAT was higher 9.7% to ₹571 (9MFY16 - ₹520) million.

Advertisement revenue grew 20.5% to ₹1,341 (9MFY16 - ₹1,112) million. Average advertisement minutes sold per show per screen increased to 4.32 (9MFY16 - 3.97) minutes during the nine months ended December 31, 2016.

“We believe that the decision to demonetize high denomination currency notes is a positive step to bolster the economy in the long run,” said **Sanjay Gaikwad, Founder and Managing Director**. *“In the short-term, the media and entertainment sector is one of the most adversely impacted sectors. In this challenging environment, UFO demonstrated resilience and delivered growth in advertisement revenues. While demonetization has slowed down growth in the second half of fiscal 2017 making it difficult to achieve our advertisement growth target, we are extremely confident of delivering on our long term growth plans.”*

“This is a positive set of results, both operationally and financially given the difficult market conditions, highlighting the strength of our business model,” said **Kapil Agarwal, Joint Managing Director**. *“Advertisement revenues achieved mid-single digit growth despite extreme pressure across sectors and dented advertising spends. We believe that the impact is transitory and the early signs of recovery are already visible. Going forward, re-monetization along with the implementation of GST are expected to drive overall economic growth and UFO is well positioned to benefit from higher advertising spending by the Government, Corporates and Hyperlocal advertisers.”*

About Us

UFO Moviez India Limited (BSE Code: 539141; NSE Code: UFO) is India's largest digital cinema distribution network and in-cinema advertising platform in terms of number of screens. UFO operates India's largest satellite-based, digital cinema distribution network using its UFO-M4 platform, as well as India's largest D-Cinema network. As on December 31, 2016, UFO's global network, along with subsidiaries and associates, spans 6,674 screens worldwide, including 5,052 screens across India and 1,622 screens across the Middle East, Israel, Mexico and the USA.

UFO's digitization and delivery model has been a key driver of extensive digitization of Indian cinemas and has enabled wide-spread, same day release of movies across India. UFO adds value to all stakeholders in the movie value chain, spanning movie producers, distributors, exhibitors and the cinema-going audience. UFO provides value to movie producers and distributors by reducing distribution costs, providing reach to a wide network, providing a faster method of delivery of content and reducing piracy through encryption and other security measures. We provide value to movie exhibitors throughout India by providing access to first day release of movies on our digital platform. Audiences benefit from faster access to new movie releases and a consistently high quality viewing experience.

UFO has created a pan India, high impact in-cinema advertising platform with generally long-term advertising rights to 3,737 screens, with an aggregate seating capacity of approximately 1.74 million viewers and a reach of 1,911 locations across India, as on December 31, 2016. UFO's in-cinema advertising platform enables advertisers to reach a targeted, captive audience with high flexibility and control over the advertising process. UFO's in-cinema advertising platform also allows small exhibitors who otherwise are not able to effectively monetise their advertising inventory due to their limited scale and reach to receive a greater share of advertisement revenue than they are able to using traditional advertising methods.

Safe Harbour

This document, except for the historical information, may contain forward looking statements indicating future performance or results, financial or otherwise. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward looking statements as may be required from time to time on the basis of subsequent developments and events.

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