



Press Release

UFO Moviez Reports Q2FY17 Results

Advertisement Revenue Grows 50.4% Y-o-Y; Delivers Record Quarterly Sales of ₹517 Mn
EBITDA Grows 20.3% Y-o-Y to ₹556 Mn; Margin Expands 388 Basis Points
PAT Higher by 23.1% Y-o-Y to ₹203 Mn

Mumbai, November 08, 2016: 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 half year ended September 30, 2016.

Financial Highlights:

Quarter ended September 30, 2016

Consolidated revenues improved by 6.9% to ₹1,599 (Q2FY16 - ₹1,497) million. EBITDA grew 20.3% to ₹556 (Q2FY16 - ₹463) million. EBITDA margin expanded 388 basis points to 34.8% (Q2FY16 - 30.9%). PBT increased by 37.4% to ₹328 (Q2FY16 - ₹239) million and PAT grew 23.1% to ₹203 (Q2FY16 - ₹165) million.

Excluding new businesses (VDSPL), the consolidated Theatrical and In-Cinema Advertisement business delivered Revenue growth of 6.9% to ₹1,596 (Q2FY16 - ₹1,493) million, EBITDA increased by 21.5% to ₹574 (Q2FY16 - ₹472) million, PBT grew 43.7% to ₹367 (Q2FY16 - ₹256) million and PAT was higher 33.3% to ₹242 (Q2FY16 - ₹181) million.

Advertisements achieved record sales of ₹517 (Q2FY16 - ₹344) million, higher by 50.4%. Average advertisement minutes sold per show per screen grew to 5.15 (Q2FY16 - 3.85) minutes during the quarter.

Half Year ended September 30, 2016

Consolidated revenues improved by 5.1% to ₹2,945 (H1FY16 - ₹2,802) million. EBITDA grew 6.0% to ₹920 (H1FY16 - ₹868) million, PBT increased by 13.9% to ₹480 (H1FY16 - ₹421) million and PAT grew 1.3% to ₹301 (H1FY16 - ₹297) million.

Excluding new businesses (VDSPL), the consolidated Theatrical and In-Cinema Advertisement business delivered Revenue growth of 5.2% to ₹2,928 (H1FY16 - ₹2,783) million, EBITDA grew by 9.8% to ₹970 (H1FY16 - ₹883) million, PBT grew 27.5% to ₹571 (H1FY16 - ₹448) million and PAT was higher 21.2% to ₹392 (H1FY16 - ₹324) million.

Advertisement revenue grew 29.4% to ₹914 (H1FY16 - ₹707) million. Average advertisement minutes sold per show per screen increased to 4.52 (H1FY16 - 3.83) minutes during the half year ended September 30, 2016.

“We are pleased to report record quarterly Advertisement revenues of ₹517 million,” said Kapil Agarwal, Joint Managing Director. “Successful execution of our strategy has resulted in improvement in advertisement inventory utilization to 5.15 minutes per screen per show during the quarter. Theatrical business also performed quiet well on the back of increase in number of movies. The benefits from operating leverage were clearly visible which augmented the overall profitability profile of the Company.”

“Looking ahead, we expect continued momentum in advertisement revenues on the back of a robust film slate,” said Sanjay Gaikwad, Founder and Managing Director. “Our focus on expanding and strengthening client relationships in both Enterprise and Government verticals are yielding results. The hyperlocal advertising initiative UFO Framez is also witnessing steady improvement, which we believe is a healthy sign. The outlook looks quiet robust and we are well underway in meeting our 30% full year advertisement growth target.”

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 September 30, 2016, UFO's global network, along with subsidiaries and associates, spans 6,730 screens worldwide, including 5,055 screens across India and 1,675 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 3,748 screens, with an aggregate seating capacity of approximately 1.76 million viewers and a reach of 1,906 locations across India, as on September 30, 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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