

# INOX LEISURE LIMITED



## QUARTERLY INVESTOR UPDATE Q4 & FULL YEAR FY15



## DISCLAIMER



*This presentation and the following discussion may contain “forward looking statements” by Inox Leisure Limited (“ILL” or the Company) that are not historical in nature. These forward looking statements, which may include statements relating to future results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of ILL about the business, industry and markets in which ILL operates.*

*These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond ILL’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements.*

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## DISCUSSION SUMMARY



- Q4 & FY15 RESULT HIGHLIGHTS
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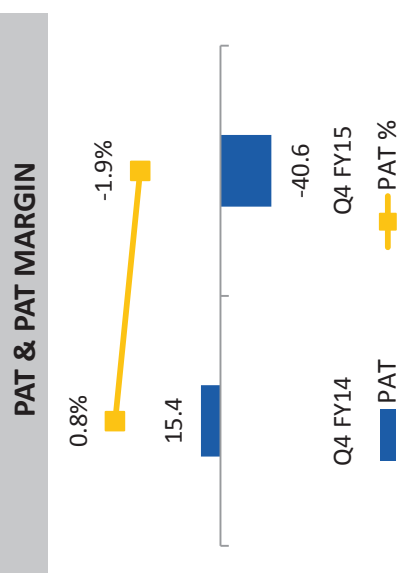
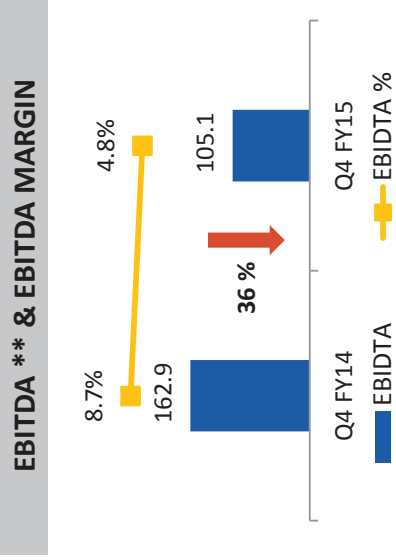
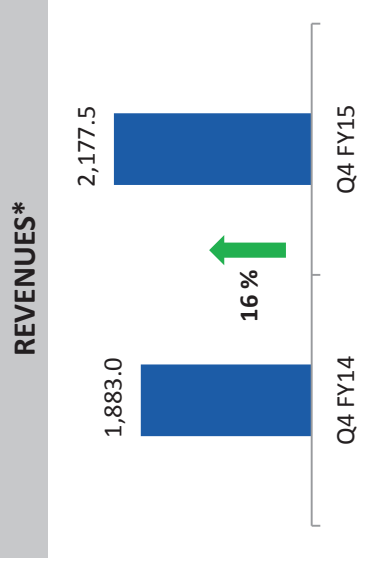


NOTE: Q4 FY15 & FY15 Figures include Satyam Cineplexes Ltd. which became wholly owned subsidiary of the company on 8<sup>th</sup> Aug 2014

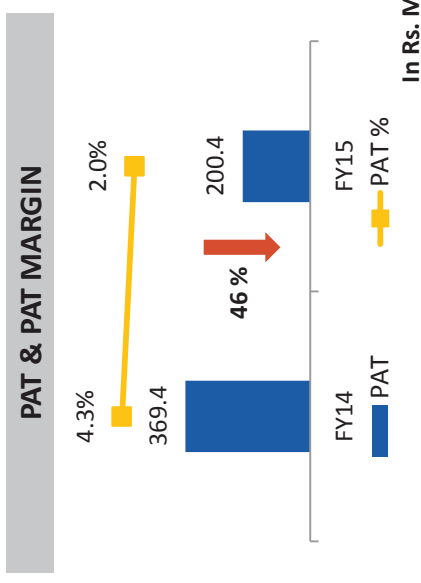
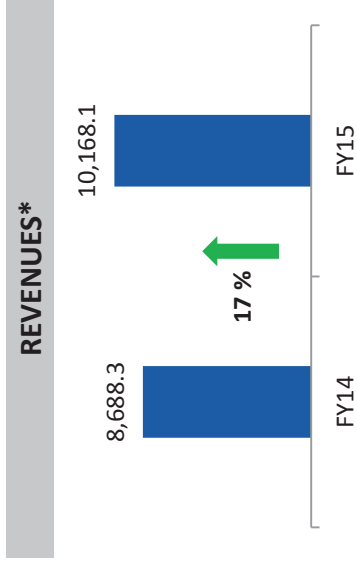
# Q4 & FY15 – RESULTS HIGHLIGHTS



## Q4 FY15 YoY ANALYSIS



## FY15 YoY ANALYSIS



Note: \* Revenue from Operations, \*\* EBITDA Excl. Other Income

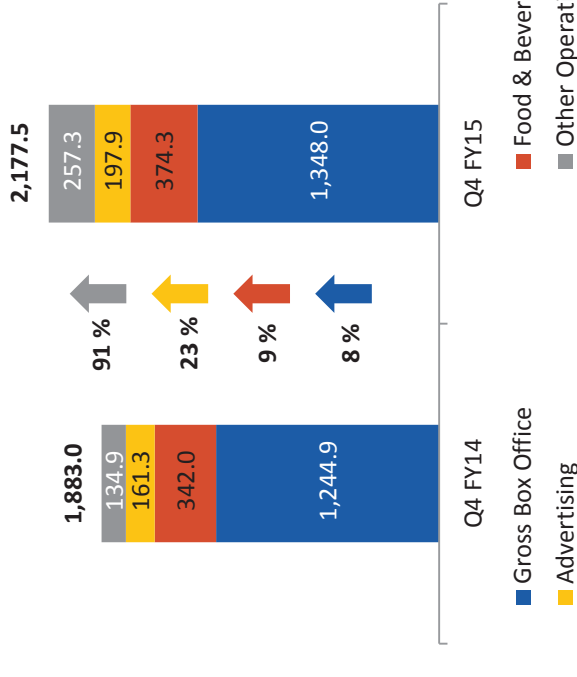
In Rs. Mn

# Q4 & FY15 – REVENUE ANALYSIS



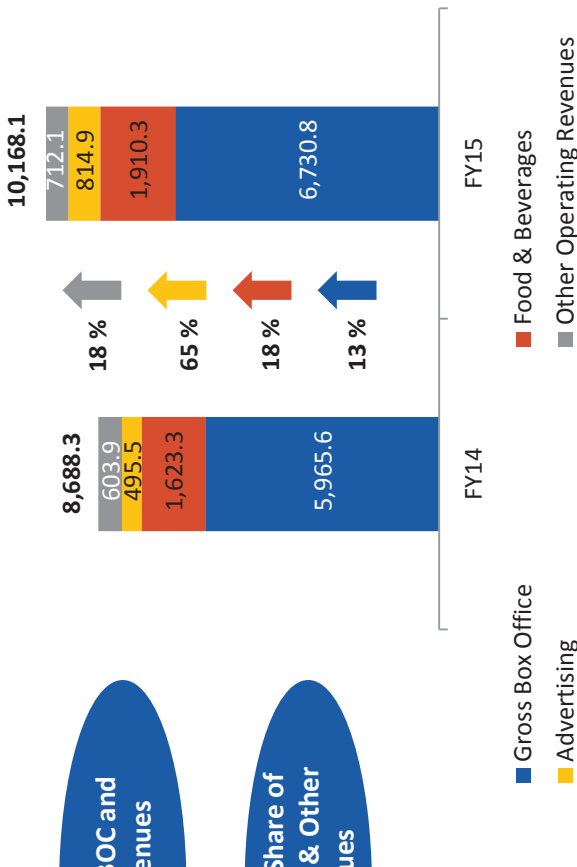
## Q4 FY15 YoY ANALYSIS

### REVENUES\* BREAKUP



## FY15 YoY ANALYSIS

### REVENUES\* BREAKUP



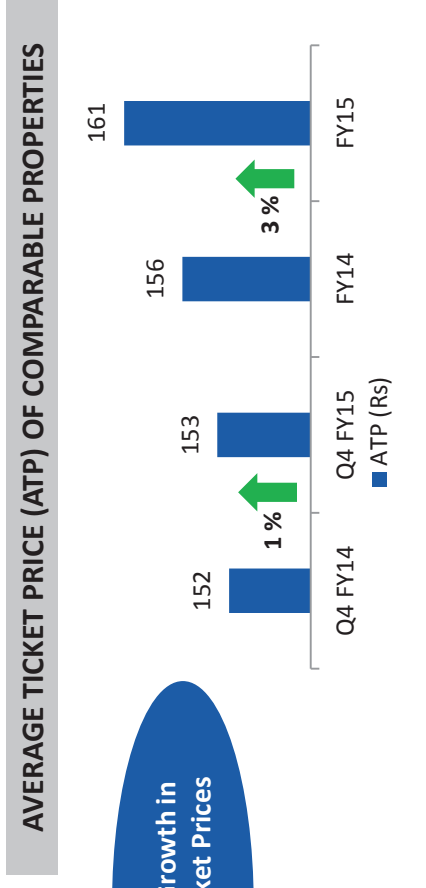
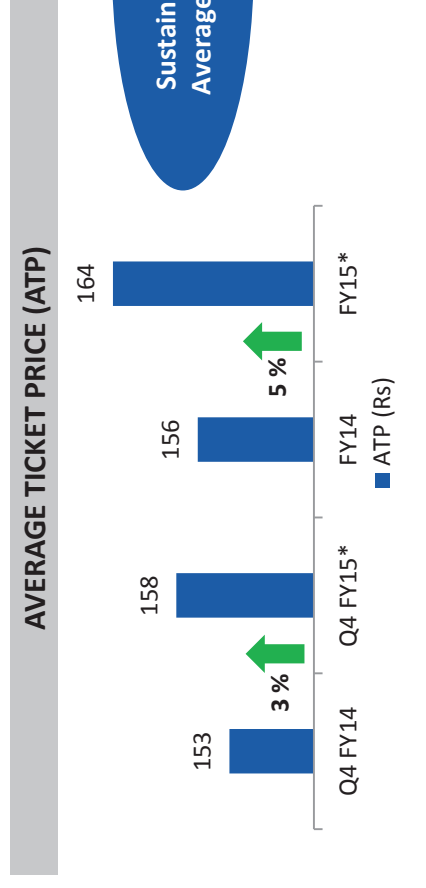
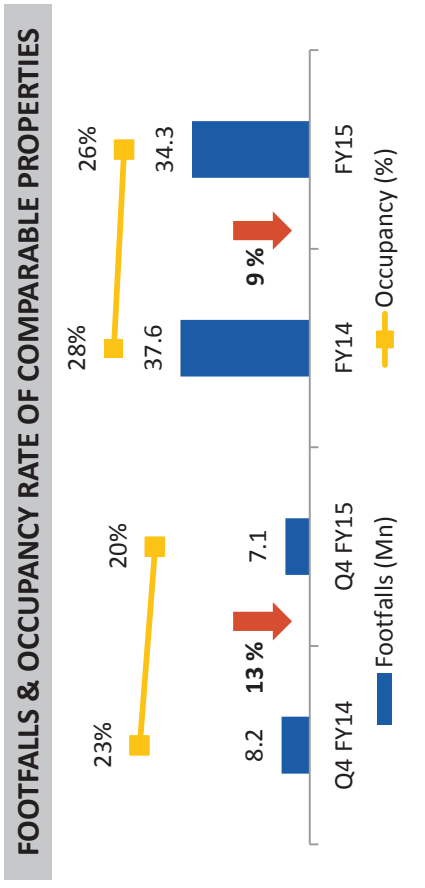
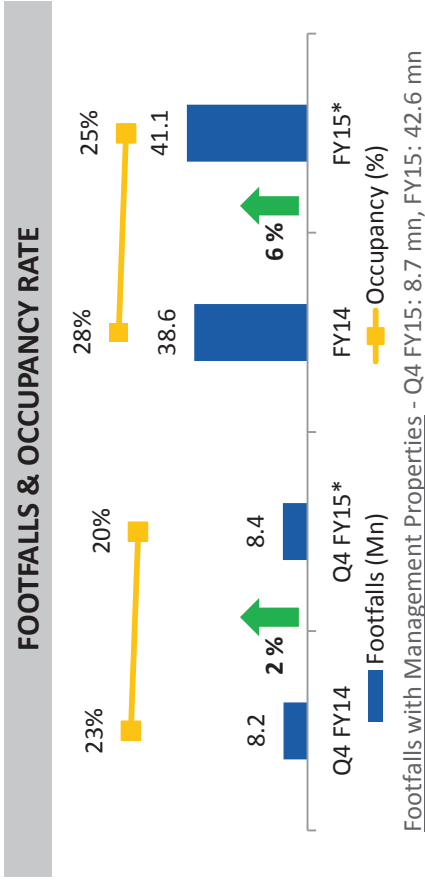
% Share	Q4 FY14	Q4 FY15
Gross Box Office	66.1%	61.9%
Food & Beverages	18.2%	17.2%
Advertising	8.6%	9.1%
Other Operating Revenues	7.2%	11.8%

% Share	FY14	FY15
Gross Box Office	68.7%	66.2%
Food & Beverages	18.7%	18.8%
Advertising	5.7%	8.0%
Other Operating Revenues	7.0%	7.0%

Note: \* Revenue from Operations

In Rs. Mn

# Q4 & FY15 – KEY OPERATIONAL METRICS

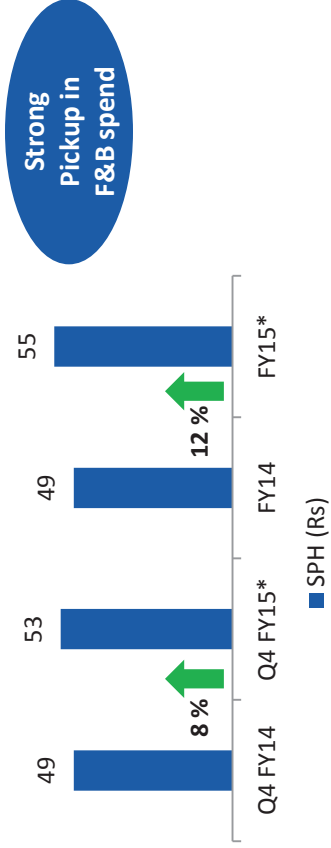


Note: All the above charts exclude managed properties.

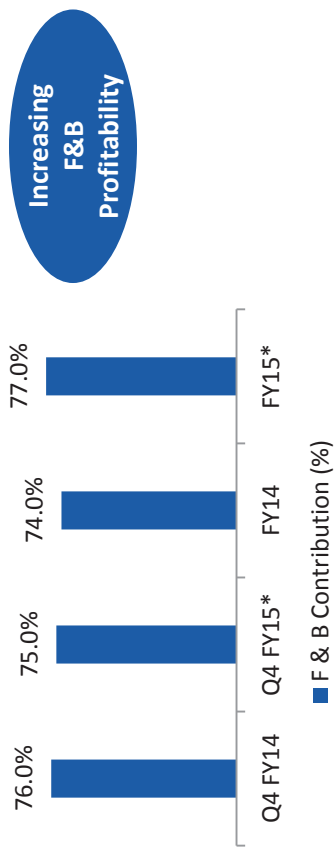
# Q4 & FY15 – KEY OPERATIONAL METRICS



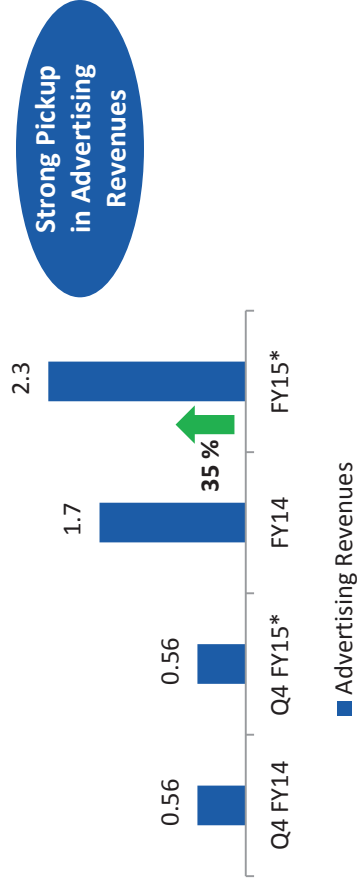
## FOOD & BEVERAGES – SPEND PER HEAD (SPH)



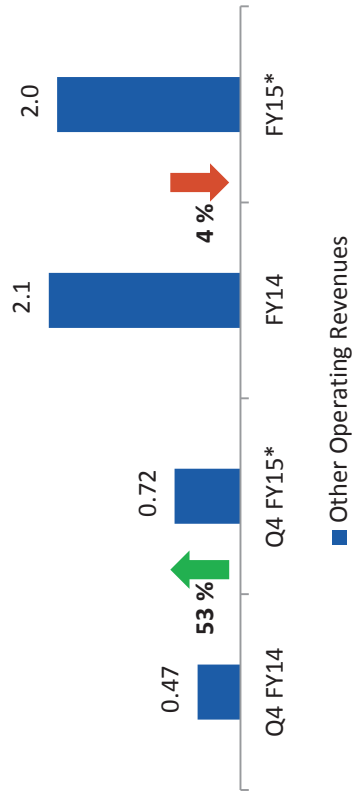
## FOOD & BEVERAGES – CONTRIBUTION (%)



## ADVERTISING REVENUES PER OPERATING SCREEN



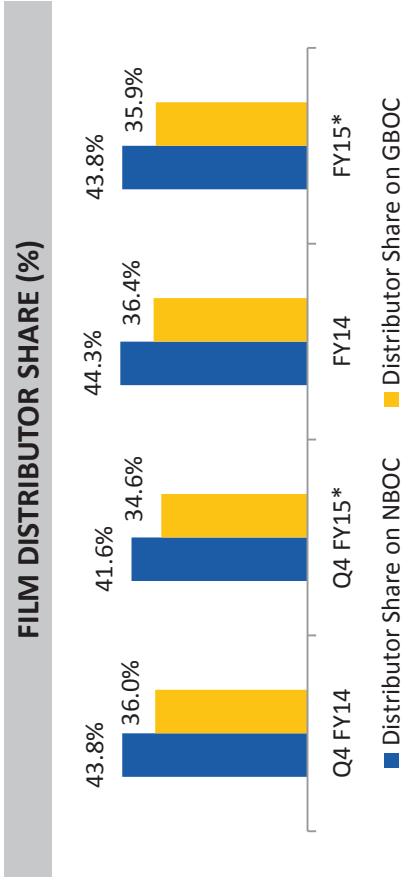
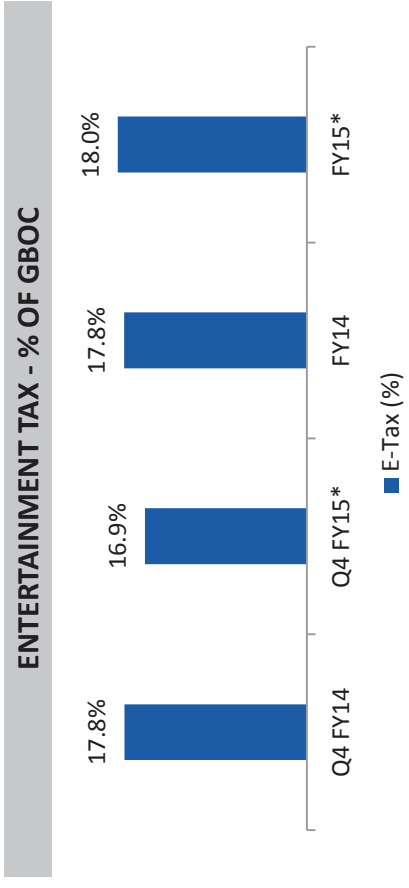
## OTHER OPERATING REVENUES PER OPERATING SCREEN



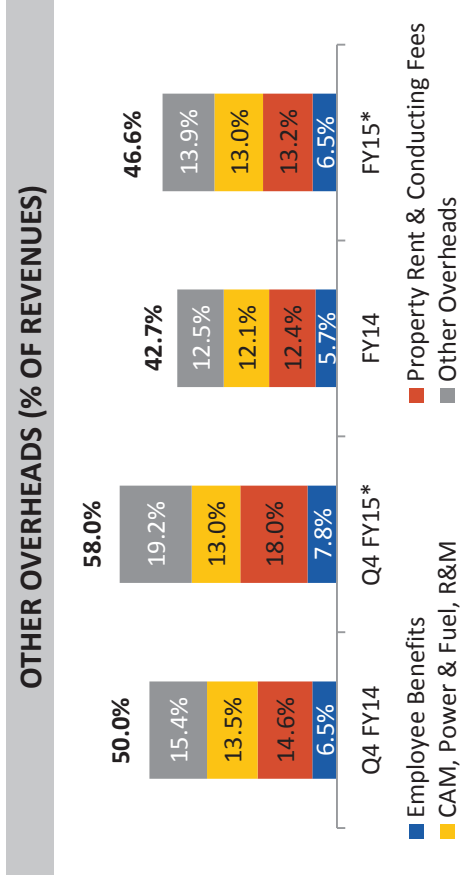
Note: For FY15 number of screens are 355 (excluding management)

In Rs. Mn

# Q4 & FY15 – KEY OPERATIONAL METRICS



Entertainment Tax	Properties	Screens	Seats	Average Residual Period
Full Tax	81	315	83,844	
Exempted	10	40	10,202	2 years



NBOC (Net Box Office Collections) , GBOC (Gross Box Office Collections)



# FY15 BALANCE SHEET UPDATE



Particulars	FY14	FY15
<b>Total of Shareholder funds</b>	<b>3,909.0</b>	<b>6,761.9</b>
Share Capital	961.5	961.6
Reserves & Surplus	4,444.4	6,126.9
Interest in Inox Benefit Trust, at cost	-1,496.9	-326.7
<b>Total Debt</b>	<b>2,421.7</b>	<b>2,411.9</b>
Other Non-Current Liabilities	571.5	347.9
<b>Total Sources of Funds</b>	<b>6,902.2</b>	<b>9,521.7</b>
Goodwill on Consolidation *	-	1,652.1
<b>Fixed Assets</b>	<b>6,346.6</b>	<b>6,681.1</b>
Other Non-Current Assets	1,475.6	1,859.7
Current Assets	758.6	1,022.2
Less: Current Liabilities	1,678.7	1,693.3
<b>Net Current Assets</b>	<b>-920.0</b>	<b>-671.2</b>
<b>Total Assets</b>	<b>6,902.2</b>	<b>9,521.7</b>

\* Reflects the impact of Acquisition of Satyam Cineplexes Ltd.

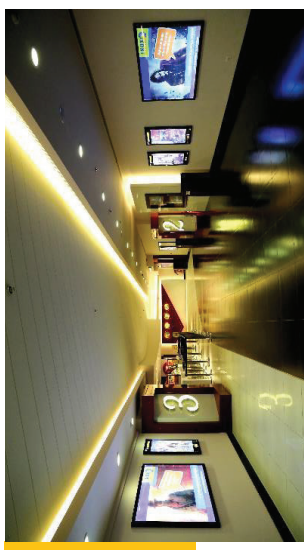
OWNED PROPERTIES						
City / Property	State	Screens	Seats	Total Area (sq ft)	Multiplex Area (sq ft)	
Pune	Maharashtra	4	1,316	140,229	53,189	
Vadodara	Gujarat	4	1,318	109,452	48,622	
Nariman Point, Mumbai	Maharashtra	5	1,323	40,131	40,131	
Jaipur	Rajasthan	2	787	26,392	26,392	
Swabhumi, Kolkata	West Bengal	4	1,022	46,204	46,204	
Anand	Gujarat	3	624	27,871	27,871	
Corporate Office	Maharashtra	-	-	16,000	-	
<b>Total</b>		<b>22</b>	<b>6,390</b>	<b>406,279</b>	<b>242,409</b>	

Owned properties in prime locations enable savings in lease expense, thereby boosting EBITDA

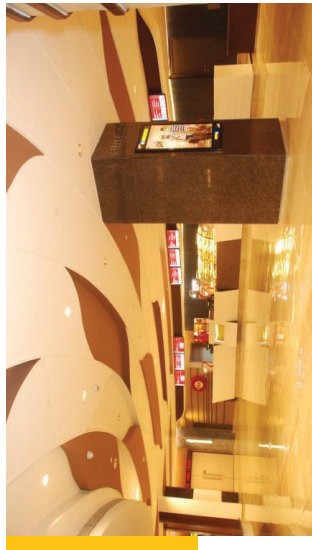
Key Balance sheet Ratios		
	FY14	FY15
<b>Debt : Equity</b>	<b>0.6</b>	<b>0.4</b>
<b>Return on Equity (ROE)</b>	<b>10.3%</b>	<b>3.8%</b>
<b>Return on Capital Employed (ROCE)</b>	<b>11.5%</b>	<b>6.1%</b>

ROE: PAT/Avg. Equity, ROCE: EBIT/Avg. Capital Employed [(Capital Employed = Equity + Total Debt)

# Q4 FY15 – NEW PROPERTIES OPENED



**City Centre  
Bhilwara  
9th Jan 2015  
3 Screens  
664 Seats**



**Jyoti Mall  
Kurnool  
23rd Feb 2015  
3 Screens  
888 Seats**

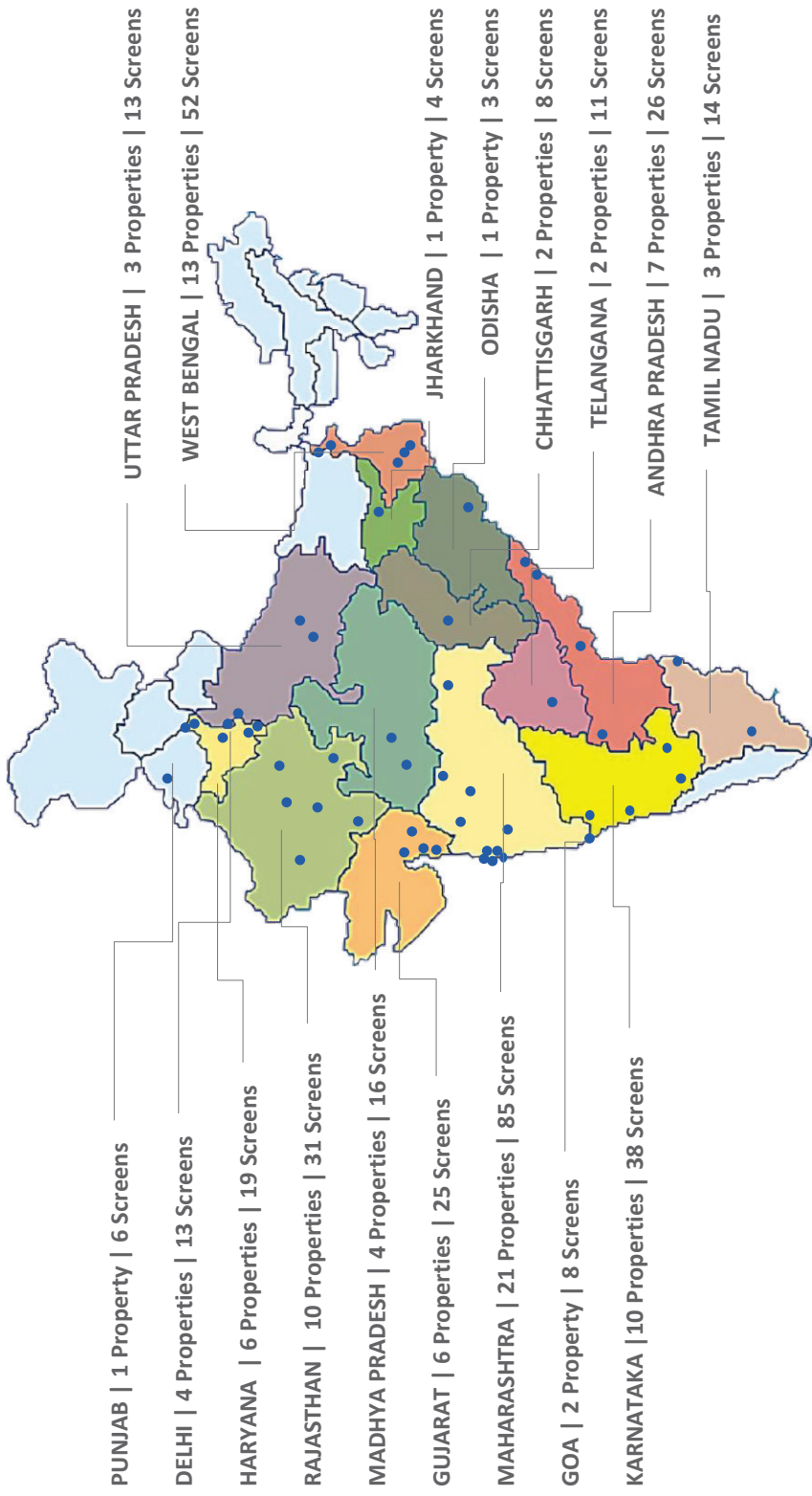


**City Square Mall  
Ajmer  
8th Mar 2015  
3 Screens  
884 Seats**



**Margao  
Goa  
31st Mar 2015  
4 Screens  
904 Seats**

# PAN INDIA PRESENCE



17

States

52

Cities

96

Locations

372

Screens

98,782

Seats

# NEW SCREENS PIPELINE



**RACING TOWARDS 557 SCREENS**

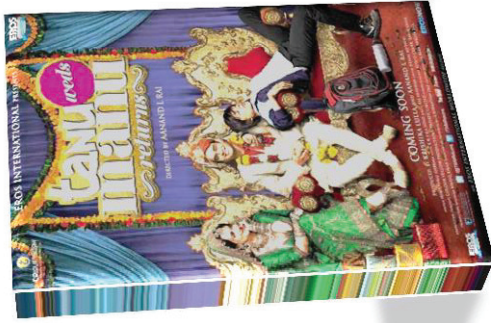
FY16 – PIPELINE		
Locations	Screens	Seats
Vadodara	3	583
Pune	2	66
Jorhat (Management)	2	274
Bhiwadi (Management)	4	754
Goa	4	1,020
Rajkot	3	450
Kolhapur	4	918
Aurangabad	3	961
Howrah	3	850
Vadodara	3	600
Thrissur	6	1,390
Bangalore	3	388
Cuttack	4	836
Chennai	8	1,700
Bangalore	5	1,328
<b>Total</b>	<b>57</b>	<b>12,118</b>

**FY15**  
**372 SCREENS**  
**98,782 SEATS**

**PIPELINE**  
**POST FY16**  
**128 SCREENS**  
**27,333 SEATS**

**TARGET**  
**557 SCREENS**  
**138,233 SEATS**

## CONTENT PIPELINE – MAY 2015



### Tanu Weds Manu Returns

Release Date: 22<sup>nd</sup> May 2015

Cast: R Madhvan, Kangana Ranaut, Dhanush

Director: Aanand L Rai

Banner: Eros International



### POLTERGEIST (3D)

Release Date: 22<sup>nd</sup> May 2015

Cast: Sam Rockwell, Jared Harris, Saxon Sharbino

Director: Gil Kenan

Banner: Metro-Goldwyn-Mayer  
Ghost House Pictures  
Vertigo Entertainment



### Tomorrowland

Release Date: 22<sup>nd</sup> May 2015

Cast: George Clooney, Britt Robertson

Director: Brad Bird

Banner: Walt Disney Pictures



### Welcome to Karachi

Release Date: 29<sup>th</sup> May 2015

Cast: Jacky Bhagnani, Arshad Warsi, Lauren Gottlieb

Director: Ashish R Mohan

Banner: Pooja Entertainment  
India Ltd.

Actual release dates may vary.

## CONTENT PIPELINE – JUNE 2015



### **Dil Dhadakne Do**

Release Date: 5th Jun 2015  
Cast: Farhan Akhtar, Ranveer Singh, Priyanka Chopra, Anushka Sharma, Anil Kapoor  
Director: Zoya Akhtar  
Banner: Excel Entertainment  
Junglee Pictures  
Mirchi Movies Limited



### **Hamari Adhuri Kahani**

Release Date: 12th Jun 2015  
Cast: Emran Hashmi, Vidya Balan, Raj Kumar Yadav  
Director: Mohit Suri  
Banner: Vishesh Films  
Fox Star Studios



### **Jurassic World (3D)**

Release Date: 12th Jun 2015  
Cast: Chris Pratt, Judy Greer, Bryce Dallas Howard, Irfan Khan  
Director: Colin Trevorrow  
Banner: Legendary Pictures  
Amblin Entertainment



### **ABCD 2**

Release Date: 19th Jun 2015  
Cast: Varun Dhavan, Shraddha Kapoor, Prabhu Deva, Lauren Goutlieb  
Director: Remo Dsouza  
Banner: Utv Motion Pictures  
Walt Disney Pictures

Actual release dates may vary.

## CONTENT PIPELINE – JUL 2015



### Terminator Genisys

Release Date: 3rd Jul 2015  
Cast: Emilia Cameron, Arnold Schwarzenegger, Jai Courtney  
Director: Alan Taylor  
Banner: Skydance Productions



### Bajrangi Bhaijaan

Release Date: 16th Jul 2015  
Cast: Salman Khan  
Director: Kabeer Khan  
Banner: Vishesh Films  
Eros International



### Ant Man (3D)

Release Date: 24th Jul 2015  
Cast: Evangeline Lilly, Paul Rudd, Corey Stoll  
Director: Peyton Reed  
Banner: Marvel Studios



### The Fantastic Four (3D)

Release Date: 31st Jul 2015  
Cast: Kate Mara, Jamie Bell, Miles Teller  
Director: Josh Trank  
Banner: 20th Century Fox  
Marvel Entertainment

Actual release dates may vary.

## CONTENT PIPELINE – AUG 2015



### Mission Impossible 5

Release Date: 7th Aug 2015  
Cast: Tom Cruise, Jeremy Renner, Jessica Chastain  
Director: Christopher Mc Quarrie  
Banner: Skydance Productions  
Bad Robot Productions



### The Man from U.N.C.L.E.

Release Date: 14th Aug 2015  
Cast: Henry Cavill, Hugh Grant, David Beckham  
Director: Guy Ritchie  
Banner: Davis Entertainment  
Wigram Productions



### Brothers

Release Date: 14th Aug 2015  
Cast: Akshay Kumar, Siddharth Malhotra, Jackie Shroff, Jackqline Fernandez  
Director: Karan Malhotra  
Banner: Drama Productions



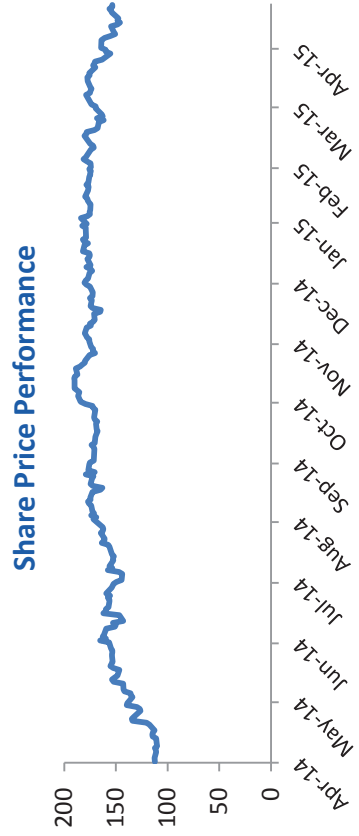
### Phantom

Release Date: 28th Aug 2015  
Cast: Saif Ali Khan Katrina Kaif  
Director: Kabir Khan  
Banner: Nadiadwala Grandson Entertainment

Actual release dates may vary.

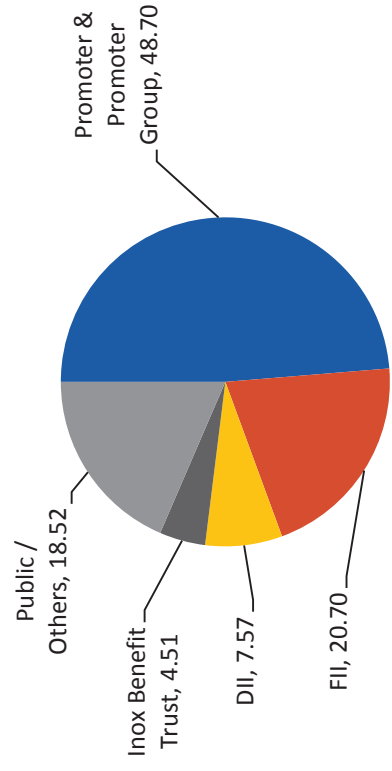


# SHAREHOLDING STRUCTURE



Market Data	As on 22.05.15 (BSE)
Market capitalization (Rs Mn)	14,815.9
Price (Rs.)	153.6
No. of shares outstanding (Mn)	96.5
Face Value (Rs.)	10.0
52 week High-Low (Rs.)	197.3 – 122.6

## % Shareholding – Mar 2015



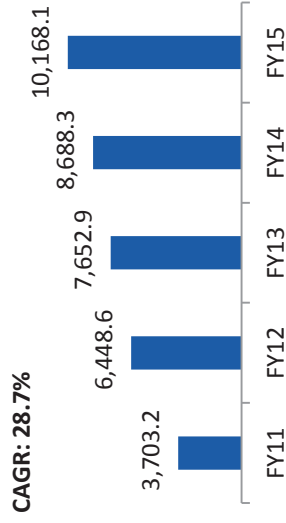
Key Institutional Investors at Mar-15	% Holding
Kuwait Investment Authority	4.73%
Macquarie Asia	4.27%
Goldman Sachs India	4.25%
ICICI Prudential MF	3.33%
Government Pension Fund Global	2.49%
Morgan Stanley	1.93%
AADI Financial Advisors LLP	1.49%
Tata MF	1.04%

Source: BSE \* Shares held under Inox Benefit Trust reflect the Treasury Shares

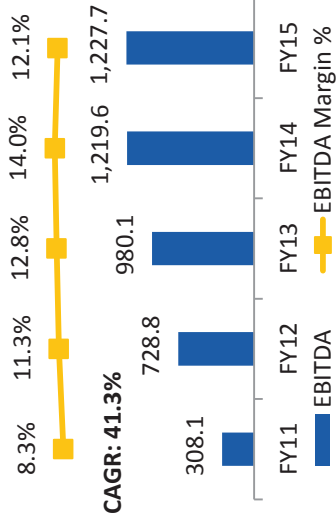
# FINANCIAL SUMMARY – LAST 5 YEARS



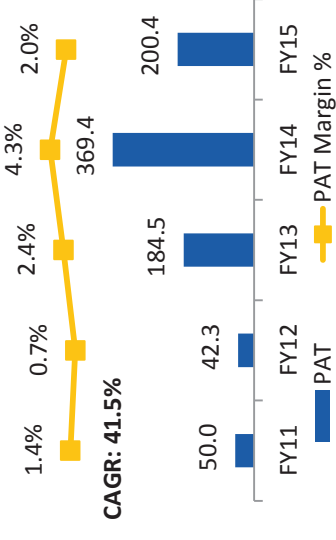
## REVENUES



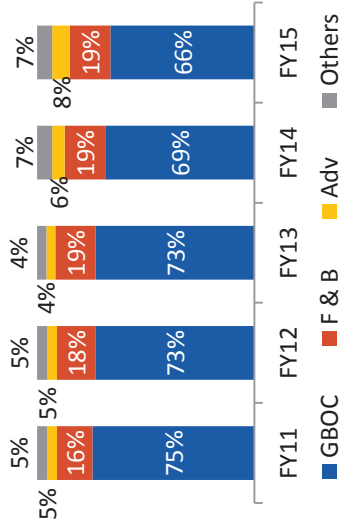
## EBITDA & EBITDA MARGIN



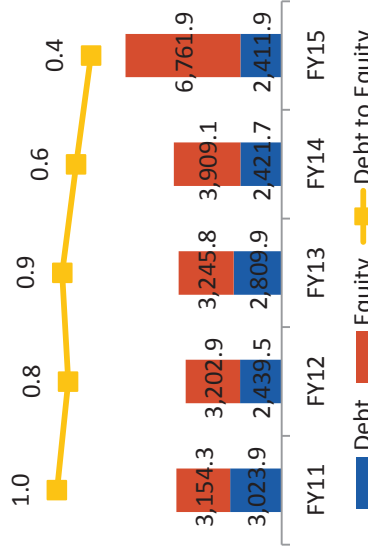
## PAT & PAT MARGIN



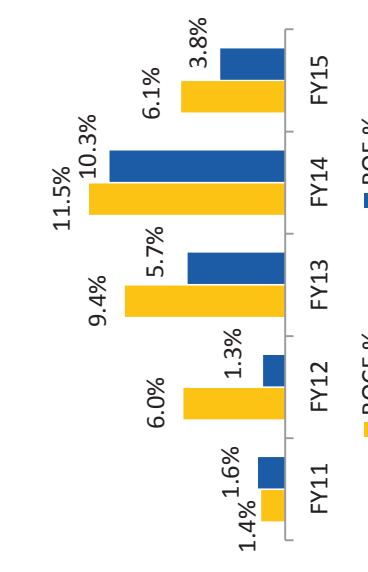
## REVENUES - SEGMENT BREAKUP



## LEVERAGE ANALYSIS



## RETURN METRICS



ROE: PAT/Avg. Equity, ROCE: EBIT/Avg. Capital Employed [(Capital Employed = Equity + Total Debt)]

# ANNEXURE

# DETAILED FINANCIALS

## CONSOLIDATED P&L STATEMENT



Particulars (In Rs Mn)	Q4 FY15	Q4 FY14	YoY %	Q3 FY15	QoQ %	FY15	FY14	YoY %
<b>Revenue from Operations</b>	<b>2,177.5</b>	<b>1,883.0</b>	<b>15.6%</b>	<b>3,007.6</b>	<b>-27.6%</b>	<b>10,168.1</b>	<b>8,688.3</b>	<b>17.0%</b>
Entertainment Cost	227.6	221.2	2.9%	381.2	-40.3%	1,214.5	1,060.7	14.5%
Exhibition Cost (Distributor Share)	477.5	463.6	3.0%	753.7	-36.6%	2,493.2	2,234.9	11.6%
Food & Beverages Cost	103.5	92.3	12.1%	135.8	-23.8%	495.5	466.4	6.2%
Employee Benefits Expense	169.9	123.3	37.8%	189.9	-10.5%	658.2	495.7	32.8%
Property Rent, Conducting Fees and Common Facility Charges	466.3	356.4	30.8%	466.7	-0.1%	1,757.8	1,372.2	28.1%
Other Expenses	627.6	463.5	35.4%	617.2	1.7%	2,321.2	1,838.8	26.2%
<b>EBITDA</b>	<b>105.1</b>	<b>162.9</b>	<b>-35.5%</b>	<b>463.1</b>	<b>-77.3%</b>	<b>1,227.7</b>	<b>1,219.6</b>	<b>0.7%</b>
<b>EBITDA Margin %</b>	<b>4.8%</b>	<b>8.7%</b>	<b>-382 bps</b>	<b>15.4%</b>	<b>-1057 bps</b>	<b>12.1%</b>	<b>14.0%</b>	<b>-196 bps</b>
Depreciation & Amortisation	181.0	127.7	41.8%	204.4	-11.4%	758.4	506.9	49.6%
Other Income	26.0	60.6	-57.1%	41.0	-36.6%	82.7	89.5	-7.6%
Finance Cost	82.7	62.0	33.4%	124.9	-33.7%	386.1	276.3	39.7%
Exceptional Items	1.0	3.9	-98.7%	-	-	6.0	3.9	53.8%
<b>PBT</b>	<b>-133.6</b>	<b>30.0</b>	<b>-545.7%</b>	<b>174.8</b>	<b>-175.9%</b>	<b>159.9</b>	<b>521.9</b>	<b>-69.4%</b>
Tax Expense	-93.0	14.6	-736.3%	31.9	-391.7%	-40.5	152.6	-126.5%
<b>PAT</b>	<b>-40.6</b>	<b>15.4</b>	<b>-364.4%</b>	<b>143.0</b>	<b>-127.8%</b>	<b>200.4</b>	<b>369.4</b>	<b>-45.8%</b>
<b>PAT Margin %</b>	<b>-1.9%</b>	<b>0.8%</b>	<b>-268 bps</b>	<b>4.8%</b>	<b>-658 bps</b>	<b>2.0%</b>	<b>4.3%</b>	<b>-228 bps</b>
Earnings Per Share (EPS)	-	0.2	-	0.2	-	2.36	4.86	-51.4%

# DETAILED FINANCIALS

## CONSOLIDATED BALANCE SHEET



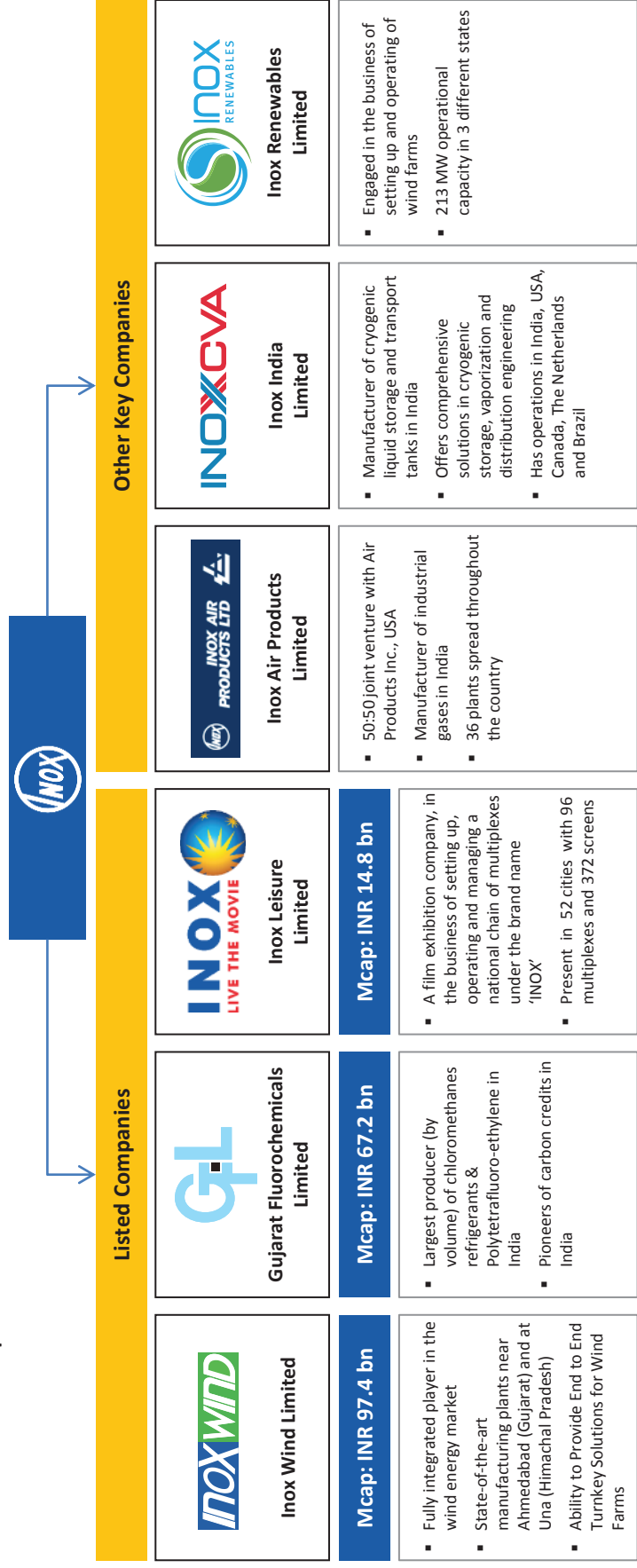
Particulars (In Rs Mn)	FY15	FY14	Particulars (In Rs Mn)	FY15	FY14
<b>Share Holders' Funds:</b>			Goodwill on Consolidation	1,652.1	-
Equity Share Capital	961.6	961.5	<b>Non-Current Assets:</b>		
Reserves and Surplus	6,127.0	4,444.4	Fixed Assets (Incl. CWIP)	6,681.1	6,346.6
Interest in Inox Benefit Trust	-326.7	-1,496.9	Non-Current Investments	7.1	9.8
<b>Total of Shareholder Funds</b>	<b>6,761.9</b>	<b>3,909.0</b>	Long-Term Loans and Advances	1,813.0	1,443.3
<b>Non-Current Liabilities:</b>			Other Non-Current Assets	39.6	22.5
Long Term Borrowings	2,005.1	2,148.3	<b>Total Non-Current Assets</b>	<b>8,540.8</b>	<b>7,822.3</b>
Deferred Tax Liabilities (Net)	243.2	290.0	<b>Current Assets:</b>		
Other Long Term Liabilities	43.3	240.1	Current Investments	64.1	27.3
Long Term Provisions	61.3	41.3	Inventories	75.9	85.9
<b>Total of Non-Current Liabilities</b>	<b>2,352.9</b>	<b>2,719.8</b>	Trade Receivables	623.2	334.2
<b>Current Liabilities:</b>			Cash and Bank Balances	134.4	165.6
Short-Term Borrowings	147.0	88.8	Short-Term Loans and Advances	106.8	127.6
Trade Payables	892.6	720.5	Other Current Assets	17.7	18.1
Other Current Liabilities	905.6	932.2	<b>Total Current Assets</b>	<b>1,022.2</b>	<b>758.6</b>
Short-Term Provisions	155.0	210.6	<b>Total Assets</b>	<b>11,215.0</b>	<b>8,580.9</b>
<b>Total of Current Liabilities</b>	<b>2,100.2</b>	<b>1,952.1</b>			
<b>Total Equity &amp; Liabilities</b>	<b>11,215.0</b>	<b>8,580.9</b>			

# GROUP OVERVIEW

## STRONG PEDIGREE



- Strong legacy of more than 80 years.
- Diversified businesses across industrial gases, engineering plastics, engineering plastics, refrigerants, chemicals, cryogenic engineering, renewable energy and entertainment sectors.
- More than 8,000 employees at more than 100 business units across India.
- Distribution network spread across more than 50 countries around the world.



Strong sponsorship of Inox Group - Recognized and Trusted Corporate Group

## COMPANY OVERVIEW BRIEF PROFILE



### BUSINESS OVERVIEW

- Inox Leisure Limited (ILL), incorporated in 1999, is the 2<sup>nd</sup> largest multiplex operator in India.
- ILL is a part of Inox Group which is diversified across industrial gases, engineering plastics, refrigerants, chemicals, cryogenic engineering, renewable energy and entertainment sectors.
- ILL currently operates 96 properties (372 screens and 98,782 seats) located in 52 cities across India, being the only multiplex operator having such a diverse presence across pan India.
- The company accounts for 23% share of the multiplex screens in India and 7- 8% share of the domestic box office collections.
- The company has aggressively scaled up through organic and inorganic expansion over last decade growing from 2 properties – 8 screens in FY03 to 96 properties – 372 screens in FY15, virtually adding on an average 3 screens every month over the last decade.

### KEY STRENGTHS

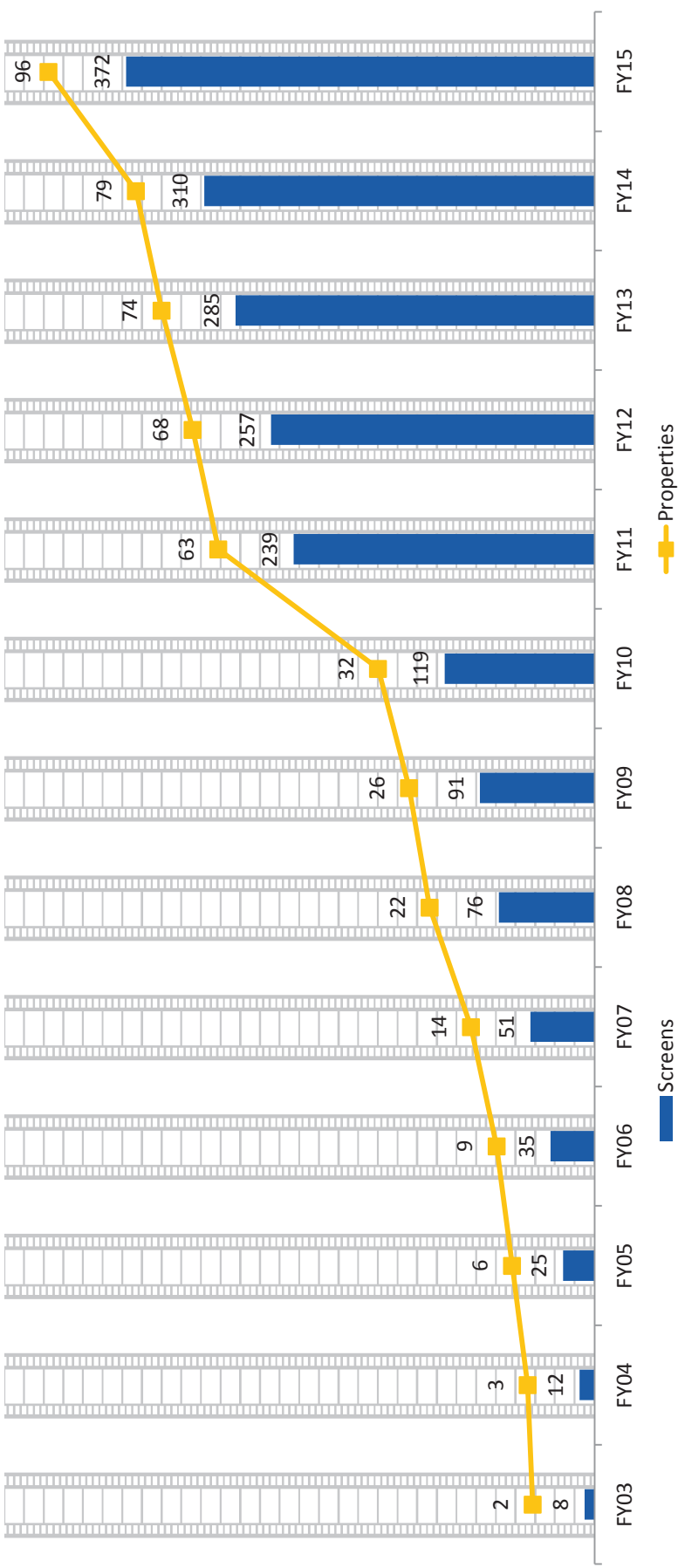
- One of the largest multiplex chains in India.
- Most diversified distribution of multiplexes in India and the only multiplex operator to have presence in more than 50 cities.
- Premium multiplex properties, state of the art technology and unmatched service and ambience.
- Strong partnerships with more than 50 leading Indian and Global brands, offering high growth potential for advertising and other ancillary revenues.
- Strong management team and recognized and trusted corporate group.

### STRONG FINANCIALS

- Consolidated Revenues, EBITDA and PAT were Rs 10,168.1 mn, Rs 1,227.7 mn and Rs 200.4 mn in FY15 having grown at CAGR of 29%, 41% and 42% over FY11 to FY15.
- Robust operating performance driven by rising footfalls, high ticket prices, highly profitable F&B service, focus on other operating income.
- Strong balance sheet with gross debt of Rs 2,411.9 mn, net debt of Rs 2,277.5 mn and equity of Rs 6,761.9 mn in FY15 with a D/E ratio of 0.4x.

## COMPANY OVERVIEW

### TRACK RECORD OF AGGRESSIVE EXPANSION



**ON AN AVERAGE ADDITION OF 3 SCREENS EVERY MONTH OVER THE LAST DECADE**

Note: Includes Acquisition of 1) 89 Cinemas in FY08, 2) Fame India in FY11, 3) Satyam Cineplexes in FY15



# COMPANY OVERVIEW

## PAN INDIA PRESENCE

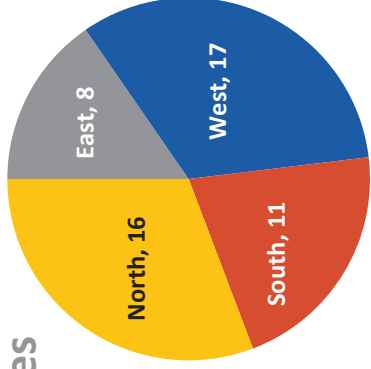


Well Diversified  
Distribution of  
Multiplexes  
across India

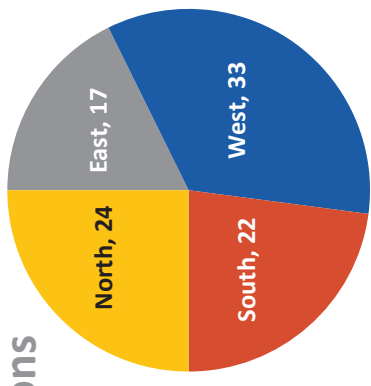
Access to  
Wide Variety of  
Regional Content

Lower Dependency  
on Hindi and English  
Content

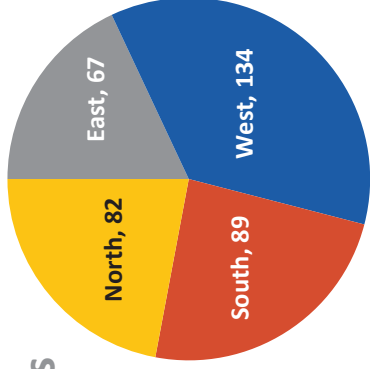
52 Cities



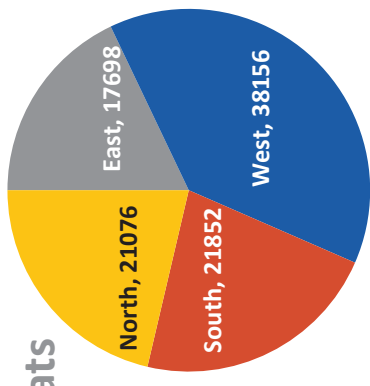
96 Locations



372 Screens



98,782 Seats



# COMPANY OVERVIEW

## STRONG BRAND PARTNERSHIPS



BFSI	FMCG	CONSUMER DURABLES	AUTOMOBILES	GEC	ECOMMERCE & TELECOMM.	OTHERS

**FOR FURTHER QUERIES:**



**THANK YOU**



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