

Date: 04th July, 2013

CHANNEL NINE ENTERTAINMENT LTD.(CNEL)

Stock Performance Details

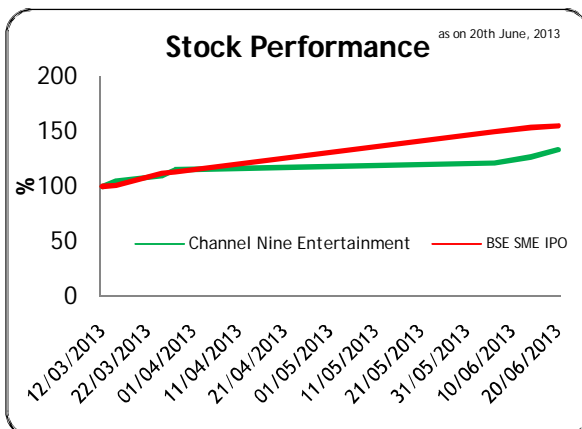
Current Price	: Rs. 38.55[^]
Face Value	: Rs. 10 per share
52 wk High / Low	: Rs. 38.55 / Rs. 26.25
Total Traded Volumes	: 6,000 shares [^]
Market Cap	: Rs. 59.9 crore [^]
Sector	: Movies & Entertainment
EPS (FY13)	: Rs. 0.14 per share
P/E (TTM)	: 0.00 (x) [^]
P/BV (TTM)	: 2.65 (x) [^]
Financial Year End	: 1 st April - 31 st March
BSE Scrip Name	: CNEL
BSE Scrip Code	: 535142

[^]as on 04th July, 2013

Shareholding Details - March 2013

Particulars	Shareholding	
	Nos.	(%)
Promoter & Promoter Group Holding	31,95,600	20.58
Total Institutional Holdings (FIIs & DIIs)	2,40,000	1.55
Public Holdings	1,20,90,800	77.87
Total	1,55,26,400	100.00

Performance on the Bourses



FY13 Analyst's Review

- Channel Nine Entertainment Ltd. (CNEL) reported an increase of over 900% y-o-y in Net Sales on a standalone basis and stood at Rs. 26 million for FY13 as compared Rs. 2.5 million for FY12. For 6M FY13, Net Sales stood at Rs. 10.5 million.
- Despite a sharp increase in topline, due to cost pressure on the raw material front, CNEL reported an Operating Loss of Rs. 0.8 million for FY13 as compared to an Operating Profit of Rs. 2 million in FY12. For 6M FY13, it reported an Operating Loss that stood at Rs. 0.5 million. However, if Other Operating Income is considered then the profit reported at an operational level stands at Rs. 4.5 million for FY13 as compared to Rs. 1.9 million reported in FY12
- CNEL reported a Net Profit of Rs. 1.3 million for FY13 as compared to Rs. 0.7 million for FY12, thus marking an increase of 85% on a y-o-y basis. This appears to be on account of higher topline and other operating income reported in FY13. However, despite a y-o-y increase in Net Profit, its bottomline margins stood at 5% for FY13 and 28% for FY12 on account of a higher base in FY13 versus FY12. For 6M FY13, it reported a Net Profit of Rs. 0.9 million.
- Fixed assets for FY13 increased by 92% and stood at Rs. 70 million as against Rs. 36.9 million for FY12.
- Cash and Bank balances increased by over 3,000% and stood at Rs. 6.5 million for FY13 as compared to Rs. 0.2 million for FY12.
- Short Term loans and advances stood at Rs. 104.4 million for FY13 as compared to Rs. 8.2 million for FY12. The same increased by over 1,100% for the period under review.
- As the company raised funds by listing on the BSE SME Exchange its share capital has increased in FY13 as compared to FY12 to the extent of the stake sale by promoters.

Financial Snapshot

Particulars	Standalone Financials (Rs. In Millions)			
	6M FY 2013	FY 2013	FY 2012	y-o-y (%)
Income Statement				
Net Sales / Income from Operations	10.5	26.0	2.5	940.0
Other Operating Income	3.5	5.4	-	-
Total Income from Operations	14.0	31.4	2.5	1,156.0
Expenses				
Cost of material consumed	10.3	25.6	-	-
Employee Benefit Expenses	0.2	0.4	0.1	344.4
Administrative, Manufacturing, Selling & Other Expenses	0.5	0.8	0.4	78.6
EBIDTA	3.02	4.5	1.9	128.4
Depreciation & Amortization	1.7	2.8	1.0	180.0
Finance Costs / Interest Expense	0.04	0.04	-	-
Other Income	0.0	0.0	0.0	-
Profit After Tax (PAT)	0.9	1.3	0.7	85.7
Key Ratios - Income Statement				
EBIDTA Margin (%)	21.6	14.3	78.8	-
PAT Margins (%)	6.4	4.1	28.0	-
Adjusted EPS	-	0.14	1.43	-

Source : Capitaline Database; Company Financials

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Disclosure

Each member of the team involved in the preparation of this report, hereby affirms that there exists no conflict of interest.



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