

# Channel Nine Entertainment Ltd.

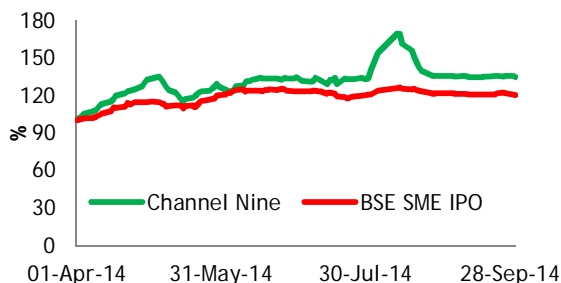
## Movies & Entertainment

December 31, 2014

<b>CMP</b>	₹ 445.0
BSE Code	535142
BSE ID	CNEL
52wk High/Low (₹)	524.97/56.06
Average Volume (3M) <sup>§</sup>	9,760
Market Cap (₹ Crore)	1,036.4

Shareholding - Sep 2014	No.	%
Promoters	31,95,600	20.58
FII's	0	0.00
DII's	0	0.00
Public & Others	1,23,30,800	79.42

**Stock Chart** As on September 30, 2014



Common Size Analysis (%)	H1 FY15	H2 FY14
Cost of Material/TR	61.4	77.5
Employee Cost/TR	3.5	2.7
Other Expenses/TR	11.4	0.5
Interest Cost/TR	0.0	0.0

Valuation Ratios	
P/E (TTM) (x)	0.00
P/BV (TTM) (x)	33.84
EPS (H1 FY15)	₹ 0.05

Financial Ratios	%
EBIDTA Margin	23.7
PAT Margin	6.1
Impact Cost <sup>^</sup>	--

Financials and Ratios are on Standalone basis

TR stands for Total Revenue

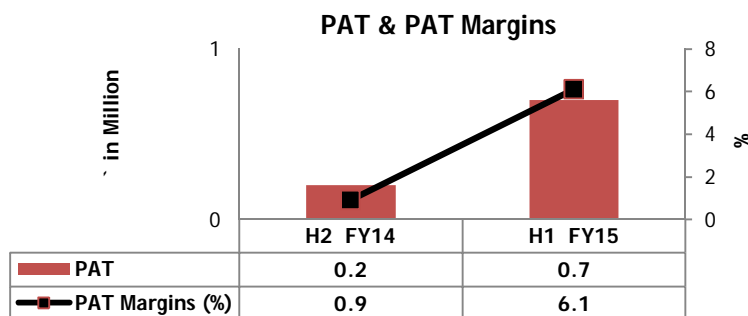
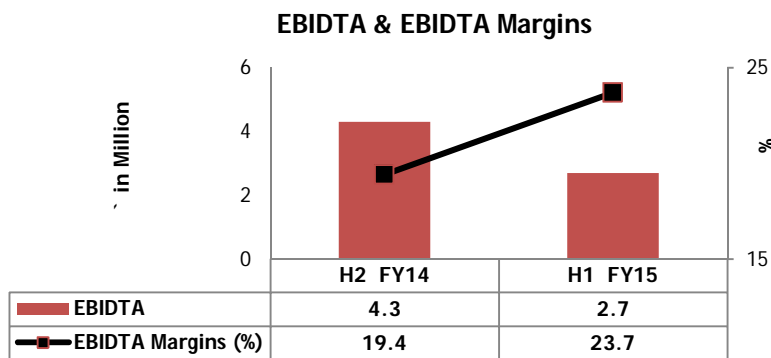
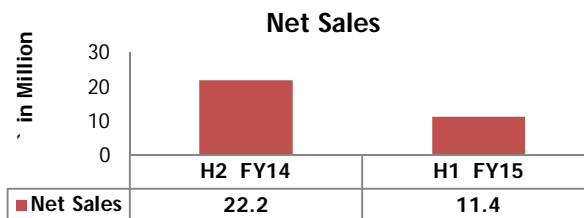
TTM stands for trailing twelve months

<sup>^</sup>Source: BSE, for December, 2014

§ - Average Volumes (Total Shares traded) for 3 Months

### H1 FY15 Analyst's Review

- Net Sales stood at Rs. 11.4 million for the six months ended 30th September, 2014 as compared to Rs. 22.2 million for the six months ended 31<sup>st</sup> March, 2014 which is a decrease of 48.6% for the period under review.
- Channel Nine Entertainment reported an Operating Profit of Rs. 2.7 million for H1 FY15 as compared to Rs. 4.3 million for H2 FY14 mainly on account of a lower Topline coupled with Other Expenses which stood higher on an absolute basis as well as a percentage of Net Sales for the period under review.
- Net Profit stood at 0.7 million for H1 FY15 as against 0.2 million for H2 FY14. The increase in Net Profit is mainly on account of lower Depreciation Cost incurred for the period under review. EBIDTA and PAT Margin for H1 FY15 stood at 23.7% and 6.1% respectively.
- The Company informed the bourses on 11<sup>th</sup> November, 2014 regarding the Rights Issue of 77,63,200 Equity Shares on right basis to the existing equity shareholders of the Company in ratio of one Rights Equity Share for every two Equity Share held.



## Financial Snapshot

Particulars	Standalone Financials (` In Millions)		
	H1 FY 2015	H2 FY 2014	h-o-h (%)
<b>Income Statement</b>			
<b>Net Sales / Income from Operations</b>	11.4	22.2	-48.6
<b>Expenses</b>			
Change in Inventories	7.0	17.2	-59.3
Employee Benefit Expenses	0.4	0.6	-33.3
Administrative, Manufacturing, Selling & Other Expenses	1.3	0.1	1,200.0
<b>EBIDTA</b>	<b>2.7</b>	<b>4.3</b>	<b>-37.2</b>
Depreciation & Amortization	2.1	4.0	-47.5
Finance Costs / Interest Expense	0.0	0.0	0.0
Other Income	0.0	0.0	0.0
<b>Profit After Tax (PAT)</b>	<b>0.7</b>	<b>0.2</b>	<b>250.0</b>
<b>Key Ratios - Income Statement</b>			
EBIDTA Margin (%)	23.7	19.4	-
PAT Margins (%)	6.1	0.9	-
<b>Adjusted EPS</b>	<b>0.05</b>	<b>0.01</b>	<b>-</b>

Source: Capitaline Database; Company Financials

## About Us

**LOTUS KNOWLWEALTH (LKW)** is a **Knowledge** based company that commenced business in 1990. LKW is engaged primarily in **CAPITALMARKET RESEARCH STRATEGY & ADVISORY services**.

**GURUKSHETRA.com** is an online initiative of LKW that focuses on Personal Finance and Financial Literacy while **theIPOguru.com** is its premier Portal that tracks IPO's.

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## Disclosure

This report has been prepared for the BSE Investor Protection initiative and all the data for this report has been sourced primarily from publicly available documents and information. LKW asserts that it makes no Investment Recommendation through the medium of this Report.

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