UFO digital cinema

Date: August 2, 2016

To,
BSE Limited
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BSE Scrip Code: **539141**

To,
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Fax : 022- 2659 8237/ 38
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NSE Symbol: **UFO**

Dear Sir / Ma'am,

Sub: Analyst Presentation – Q1FY17 Conference Call

Pursuant to Regulation 46(2) of the SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, we enclose herewith a copy of the presentation to be made to the Analysts on Q1FY17 Results of the Company.

We request you to take note of the same.

Thanking you.

Yours faithfully,

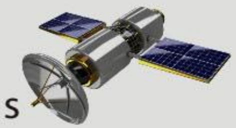
For **UFO Moviez India Limited**

S.S. Chavan

Sameer Chavan
Company Secretary
M. No.: F7211

Encl: a/a

Captive audience, customized content & audited displays are attracting a growing number of in-cinema advertisers wishing for better recall amongst audiences



Q1 FY17
Results Presentation

August 02, 2016

India's largest digital cinema distribution network and in-cinema advertising platform*

UFO
digital cinema
UFO Moviez India Limited

* in terms of number of screens.

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UFO Moviez at a Glance

India's Largest Digital Cinema Network and In-Cinema Advertising Platform

Indian Film Industry's Largest Content Distribution Highway	India's Largest In-cinema High Impact Advertising Platform
4,997* Digital Screens in India	**3,670** In Cinema Advertising Screens
~2.12 million Seating capacity per show	with an average weekly seating capacity of **~49 million**
Digitally Delivered **~ 415** Movies for **~1209** Distributors in Q1FY17	**1,198** Advertisers in Q1FY17
Across **1,928** Locations	Across **1,892** Locations

Data as on June 30, 2016

* Nepal forms a part of the Indian Film Territory, hence the # of digital screens includes 116 screens in Nepal

UFO's Innovative Solution for Analog Cinema Market

UFO digital cinema

Analog Cinema Era beset with Issues…

- ✗ Staggered release
- ✗ Poor distribution
- ✗ Piracy leakage
- ✗ Lower box office collections
- ✗ Damaged reels

… UFO's Innovative Solution

Satellite Delivery of Cinema

Satellite

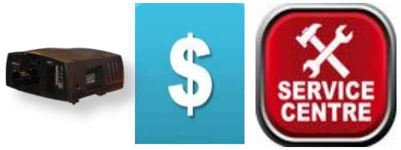
Pan India movie release through satellite transfer

Exhibitor

- ✓ Low cost
- ✓ Immediate
- ✓ Flexible

'Solution provider', not 'Product provider'

Solution



End to end technology solution to accelerate uptake

Exhibitor

- ✓ End to end
- ✓ Reliable
- ✓ Greater monetization

In-cinema Advertising proposition

Viewers

Connect cinema audience with advertisers

Government of India	Johnson & Johnson
Honda Motorcycle	Google
Coca Cola	Vodafone
ICICI Pru Life	HDFC Bank

Advertisers

- ✓ Pan-India reach
- ✓ Single reliable platform
- ✓ Transparent

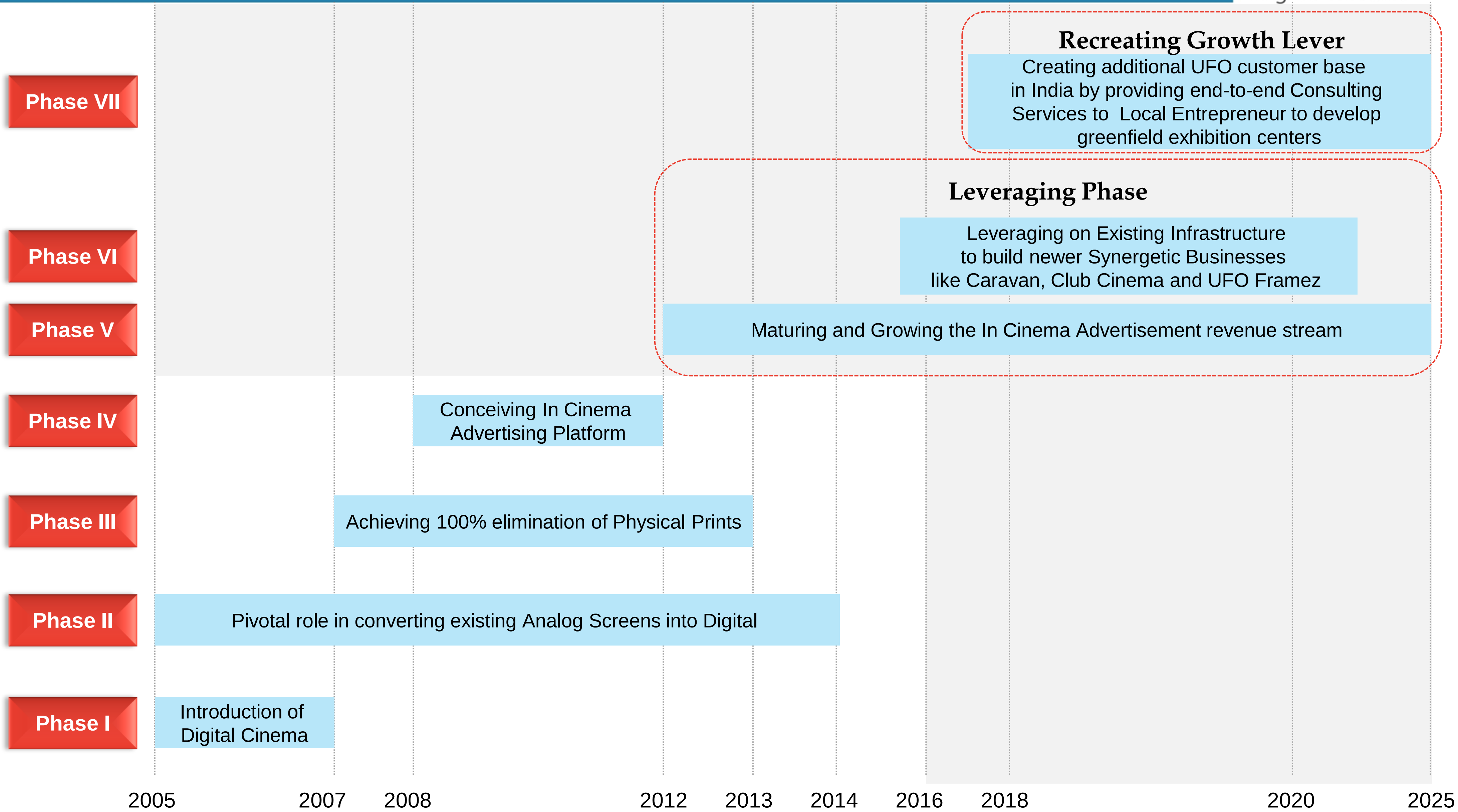
Philosophy – Value Creation Across the Value Chain

UFO digital cinema

Digitization has redefined film economics by enabling pan-India releases on day one and improving viewing experience. Aggregated ad inventory across a fragmented exhibitor base has created a unique ad platform with high effectiveness and reach.

	UFO Proposition	Stakeholder Impact
Exhibitors	• Enable digitization of screens – Provides installation, investment and maintenance services for digital cinema systems – Receive fresh / “first-day first-show” content – Access to almost all films released historically • Effectively monetize ad inventory	• Content variety clubbed with high quality viewing experience • Higher theatrical revenues given day and date release • Operational flexibility & simplicity • Ad revenue upside
Content Owner / Distributor	• Pan-India release • Fully secure, encrypted signal • Pay per show model • Low cost distribution even for under-served smaller markets	• Increased box office revenues • Reduced piracy • Reduced distribution costs
Advertisers	• Aggregate ad inventory in 3,670 screens (including 318 D-Cinema screens); seating capacity of ~1.75 million viewers per show across India as on June 30, 2016 • Centralized scheduling • Flexible and customizable ad platform	• Growing usage by advertisers – Targeted advertising – High impact medium – Transparency – Multi-language flexibility

Our Vision


Recreating Growth Lever
Creating additional UFO customer base in India by providing end-to-end Consulting Services to Local Entrepreneur to develop greenfield exhibition centers
Leveraging Phase
Leveraging on Existing Infrastructure to build newer Synergetic Businesses like Caravan, Club Cinema and UFO Framez
Maturing and Growing the In Cinema Advertisement revenue stream
Phase VII
Phase VI
Phase V
Phase IV
Conceiving In Cinema Advertising Platform
Phase III
Achieving 100% elimination of Physical Prints
Phase II
Pivotal role in converting existing Analog Screens into Digital
Phase I
Introduction of Digital Cinema
2005
2007
2008
2012
2013
2014
2016
2018
2020
2025

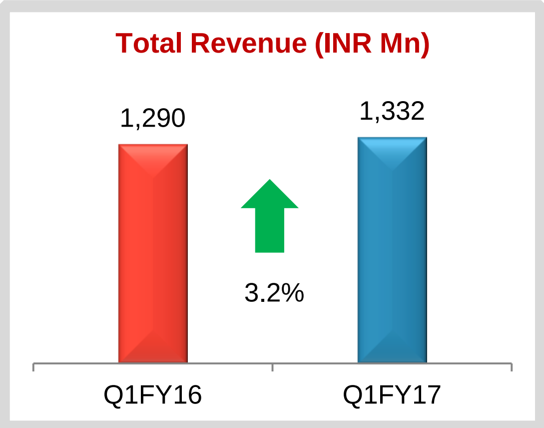
Shareholder Value Creation

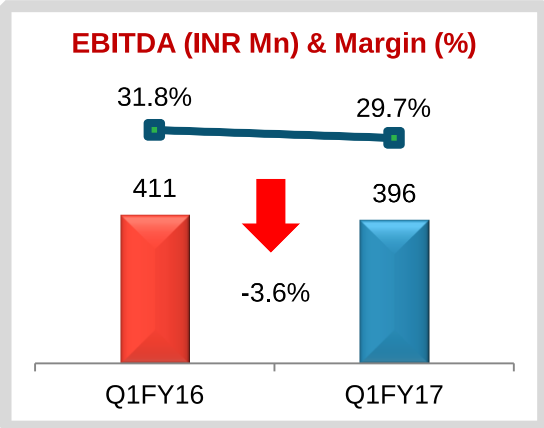
Capital Intensity	Initial high capital intensity over; poised to generate higher revenues with lower incremental capex.
Capital Efficiency	Network Effect and Operational Efficiencies lead to increasing RoCE.
Capital Allocation	Intent to grow only in synergistic businesses with low content risk.
Capital Distribution	Intent to distribute ≥ 25% of PAT annually.

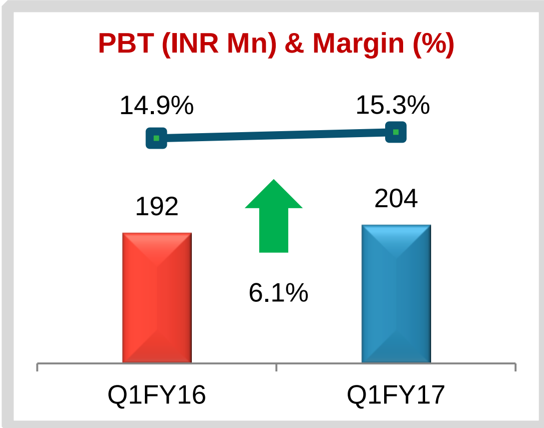
Financial and Operating Highlights

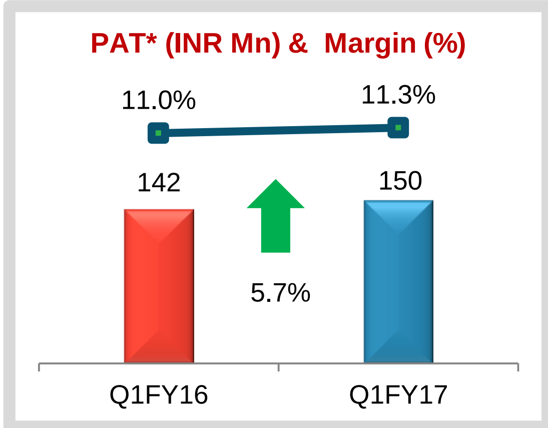
Financial Highlights

Consolidated, excluding VDSPL**









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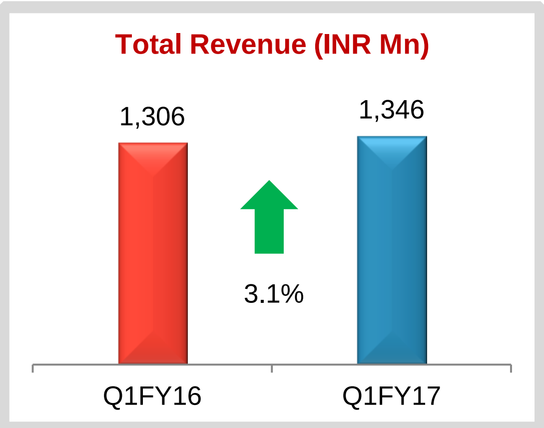
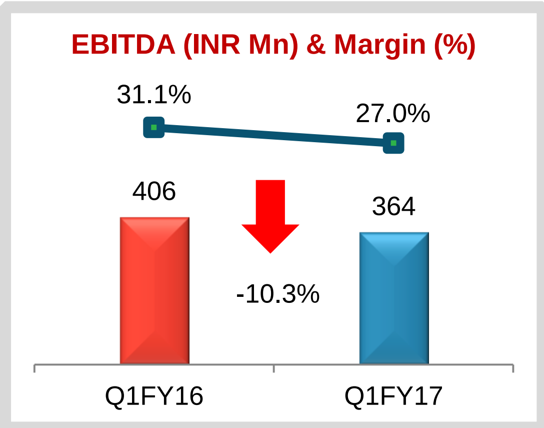
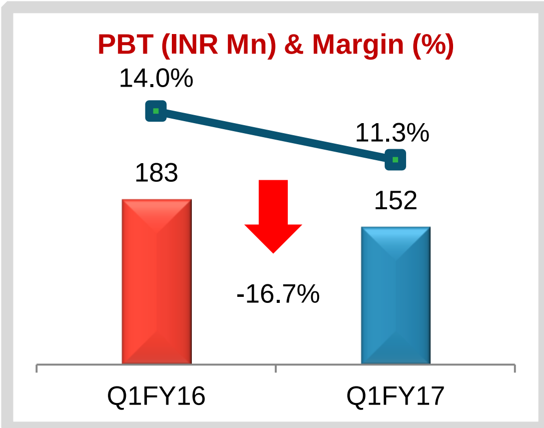
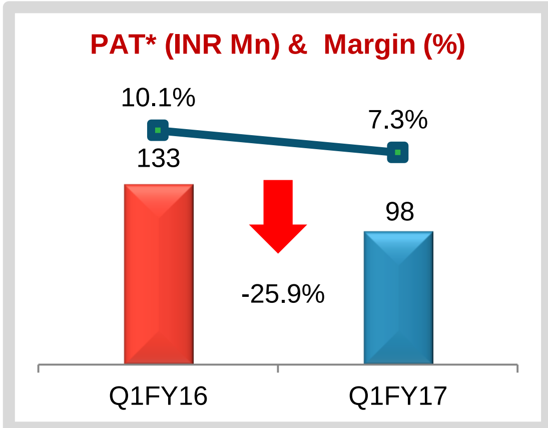








*PAT after Minority Interest

**VDSPL includes Caravan Talkies and Club Cinema businesses

Driving Wide Spread Release of Movies on UFO Network

UFO digital cinema

Top 10 Hindi

Release Date	Movie	# of Screens
3-Jun	HOUSEFULL 3	2,725
29-Apr	BAAGHI	2,683
15-Apr	F A N	2,545
13-May	AZHAR	2,000
17-Jun	UDTA PUNJAB	1,993
1-Apr	KI & KA	1,905
20-May	SARBJIT	1,663
27-May	VEERAPPAN	1,566
6-May	1920 LONDON	1,548
10-Jun	TE3N	1,408

Top 10 Telugu

Release Date	Movie	# of Screens
8-Apr	SARDAAR GABBARSINGH	982
22-Apr	SARRAINODU	887
20-May	BRAHMOTSAVAM	826
6-May	SUPREME (DON'T SOUND HORN)	443
3-Jun	A...AA(ANASUYA RAMALINGAM V/S. ANAND VIHARI)	433
6-May	24	338
15-Apr	EEDO RAKAM - AADO RAKAM	329
17-Jun	NANI GENTLEMAN	328
27-May	RAYUDU	262
13-May	BICHAGADU	257

Top 10 Tamil

Release Date	Movie	# of Screens
15-Apr	THERI	494
6-May	24	373
20-May	MARUTHU	273
27-May	IDHU NAMMA AALU	238
22-Apr	VETRIVEL	179
29-Apr	MANITHAN	153
3-Jun	IRAIVI	126
13-May	KO-2	117
1-Apr	DARLING 2	105
3-Jun	VELAINNU VANTHUTTA VELLAKARAN	101

Top 10 Marathi

Release Date	Movie	# of Screens
29-Apr	SAIRAT	709
27-May	LAAL ISHQ	269
24-Jun	EKK ALBELA	208
24-Jun	GANVESH	195
8-Apr	VRUNDAVAN	194
1-Apr	RANGAA PATANGAA	176
3-Jun	LALBAUGCHI RANI	172
10-Jun	CHEATER	153
22-Apr	BHO BHO	153
17-Jun	PINDADAAN	109

# of screens reflects the # of screens the movie released on UFO network across the lifetime of the Movie

Continued…

Driving Wide Spread Release of Movies on UFO Network

UFO digital cinema

Top 10 Kannada

Release Date	Movie	# of Screens
29-Apr	CHAKRAVYUHA	203
10-Jun	JAGGU DADA	192
8-Apr	JAI MARUTHI 800	149
13-May	STYLE KING	132
27-May	APOORVA	124
24-Jun	JIGARTHANDA	121
27-May	KARVVA	110
24-Jun	LAKSHMANA	110
6-May	AKIRA	104
20-May	UTURN	81

Top 10 Malayalam

Release Date	Movie	# of Screens
8-Apr	JACOBINTE SWARGARAJYAM	205
1-Apr	KING LIAR	171
20-May	KAMMATIPAADAM	143
6-May	JAMES AND ALICE	122
27-May	SCHOOL BUS	121
22-Apr	LEELA	109
13-May	VALLEEM THETTI PULLEEM THETTI	100
27-May	YODHAAV	84
20-May	HAPPY WEDDING	79
20-May	AADUPULIYATTAM	71

Top 10 Punjabi

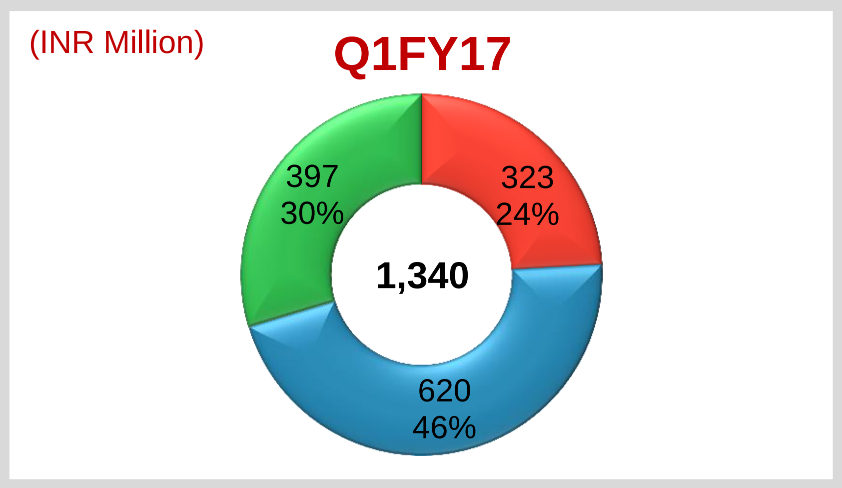
Release Date	Movie	# of Screens
24-Jun	SARDAARJI 2	281
20-May	KAPTAAN	210
6-May	ZORAWAR	208
27-May	SAADEY CM SAAB	198
22-Apr	VAISAKHI LIST	170
8-Apr	SAKA-NANKANA SAHIB DE SHAHEED	123
3-Jun	VAAPSI	95
1-Apr	CANADA DI FLIGHT	75
10-Jun	ONCE UPON A TIME IN AMRITSAR	68
10-Jun	RAI ABDULLAH DULLA BHATTI	65

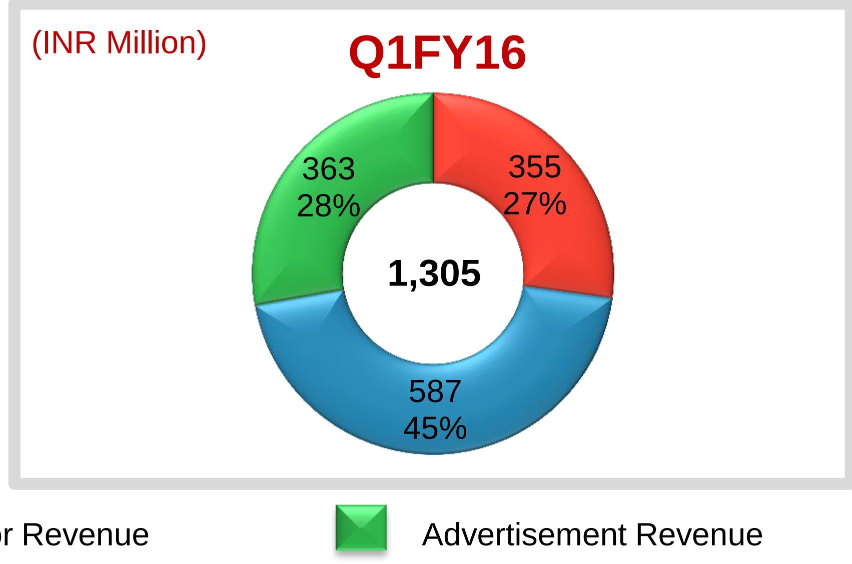
Top 10 Bengali

Release Date	Movie	# of Screens
27-May	PRAKTAN	115
15-Apr	POWER	83
15-Apr	SHANKHACHIL	56
13-May	CINEMAWALA	29
10-Jun	NIYOTI	23
17-Jun	SHORORIPU	16
10-Jun	PARABAS	13
10-Jun	SUVORATRI	10
3-Jun	CLAPSTICK	8
24-Jun	GAME PLAN	6

# of screens reflects the # of screens the movie released on UFO network across the lifetime of the Movie

Consolidated Revenue Mix



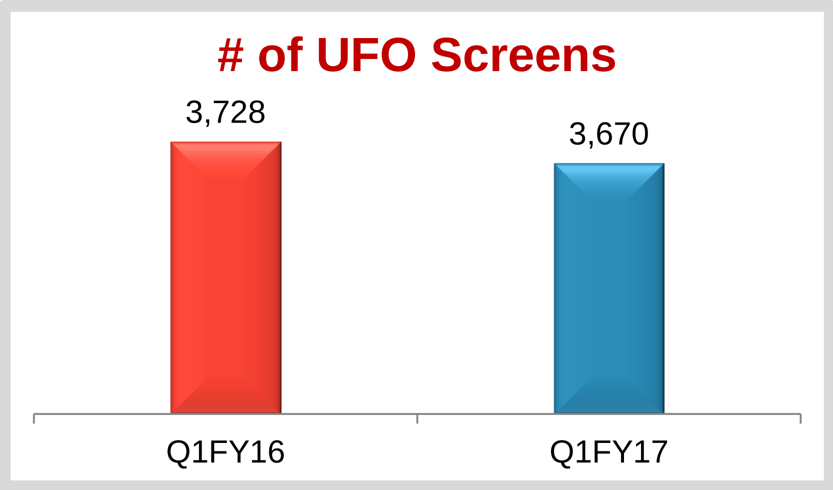


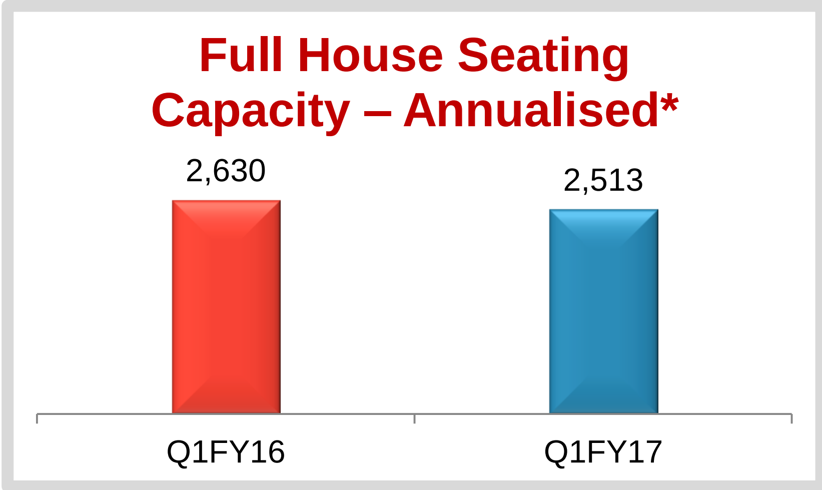
(INR Million)	Q1FY17	Q1FY16	Growth
Advertisement revenue	397	363	9.5%
Virtual Print Fees - E-Cinema	230	228	0.7%
Virtual Print Fees - D-Cinema	375	344	9.3%
Lease rental income - E-Cinema	108	94	15.7%
Lease rental income - D-Cinema	41	42	-1.8%
Other Operating Revenues	35	46	-26.5%
Total Sale of Services	**1,186**	**1,117**	**6.2%**
Total Sales of Products	**154**	**188**	**-18.1%**
Revenue from operations	**1,340**	**1,305**	**2.7%**

In Cinema Advertising Performance

In Cinema Advertisement Operating Parameter

in Million Seats

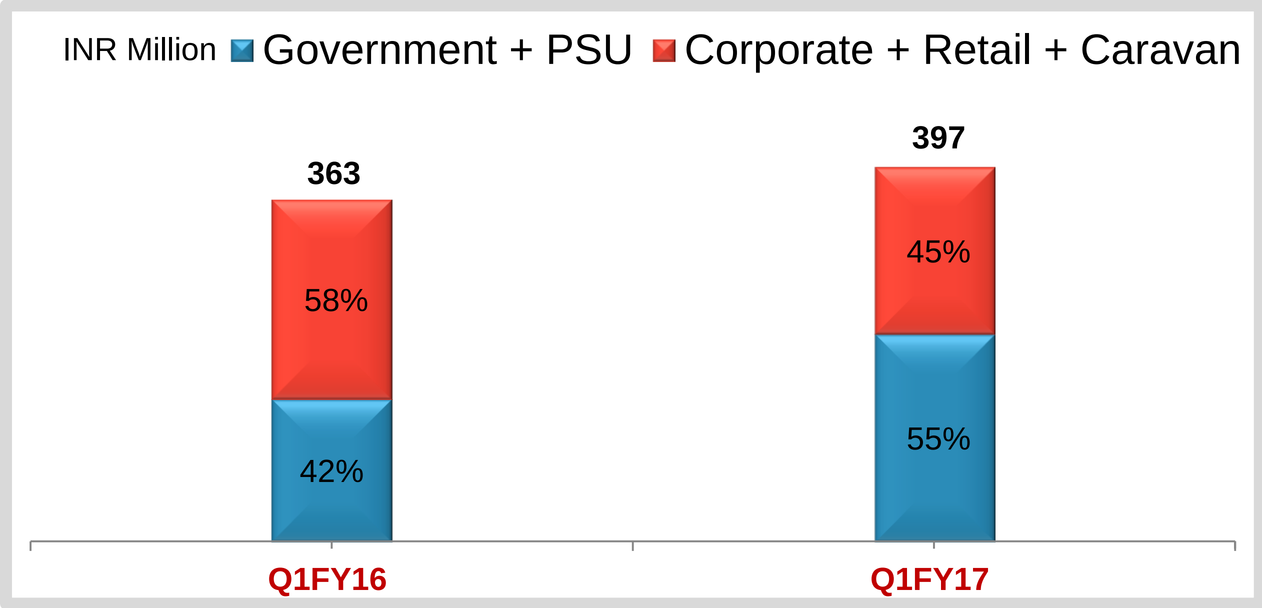




Q1FY17	Top 50 Cities		Rest of India	
	Multiplex	Single	Multiplex	Single
# of UFO Screens	367	484	512	2,307
Full House Seating Capacity – Per Show All Screens	96,055	303,129	142,342	1,203,481
Seating Capacity Per Screen Per Show	262	626	278	522
*Full House Seating Capacity Annualised (in Million Seats)	138	437	205	1,733

*Full house seating capacity – Annualised is calculated by multiplying full house seating capacity per show x 4 shows a day x 30 days x 12 months

Advertisement Revenue Analysis



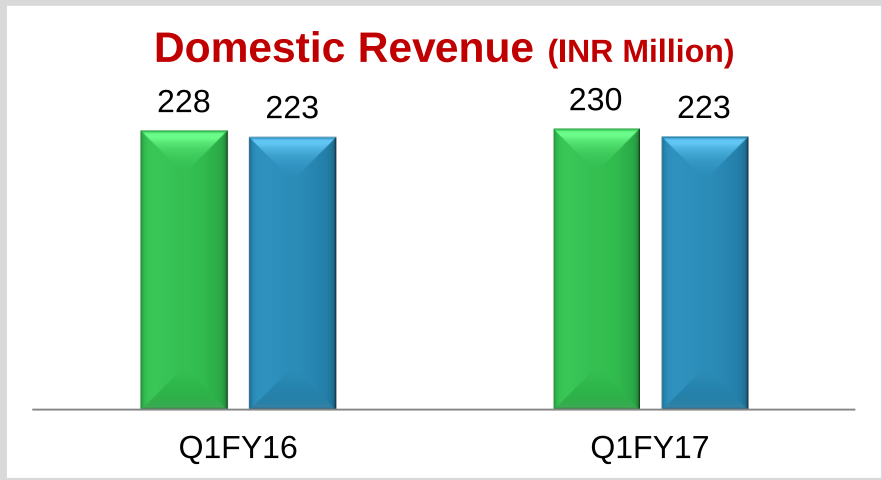
In Cinema Advertisement	Q1FY17	Q1FY16
Ad Revenue / Screen for the period (Avg) (Rs.)	104,292	93,098
Average # of minutes sold / show / Ad Screen	3.97	3.81
# of In Cinema Advertising Clients	1,198	876

Average # of minutes sold / show / Ad Screen is calculated by dividing total # of advertisement minutes sold by average # of Screens with Ad Rights during the period
Average # of Advertising Screens = (Sum of # of Opening Advertisement Screens and # of Closing Advertisement Screens) / 2

Theatrical Revenues

Theatrical revenues from Distributors

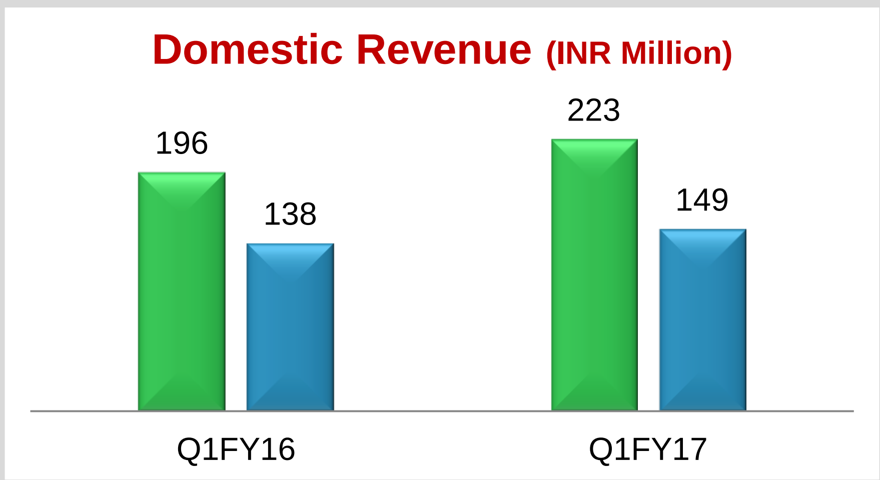
E – Cinema - VPF

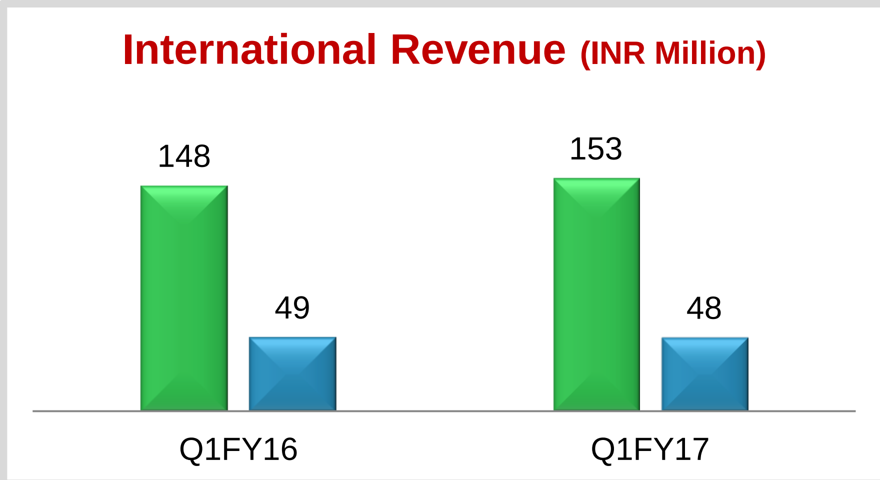


Gross Revenue

Net Revenue

D – Cinema - VPF





Domestic includes revenues generated from screens in Nepal

Net Revenue = Gross Revenue less Revenue Share with the Exhibitors

Operating Parameter – VPF Revenue India

# of Screens *	Q1FY17	Q1FY16
E – Cinema	3,509	3,504
D – Cinema	1,488	1,461
Total	4,997	4,965

* Average # of Screens as on June 30, 2016

VPF Revenue / Screen (Average**) (in Rs.)	Q1FY17	Q1FY16
E – Cinema Gross	65,165	64,674
E – Cinema Net	63,367	63,282
D – Cinema Gross	149,549	133,159
D – Cinema Net	100,116	93,629

**Average # of Screens = (Sum of # of Opening Screens and # of Closing Screens) / 2

Operating Parameter – VPF Revenue International

Number of Screens	Q1FY17	Q1FY16
Total	902	850

* Average # of Screens as on June 30, 2016

VPF Revenue / Screen (Average**) (in Rs.)	Q1FY17	Q1FY16
D – Cinema Gross	171,409	175,405
D – Cinema Net	54,283	57,642

Total number of Screens includes Middle East and Israel only
**Average # of Screens = (Sum of # of Opening Screens and # of Closing Screens) / 2

Progress of Caravan Talkies

Q1FY17 Update

- 91 Caravans were operational during the quarter in 91 Districts in 6 States
- Caravan revenues during Q1FY17 stood at Rs. 12.4 million

IMRB Research

- IMRB conducted a research on Caravan Talkies to assess the efficacy of the medium and effectiveness of the activity across villages, below are the findings:
  - Great business opportunity for Caravan Talkies as it operates in villages that lack regular sources of entertainment
    - Mobile Internet and TV penetration is very low
    - There are no avenues of big screen entertainment
  - Awareness of Caravan Talkies – 85%
  - Likeability of Caravan Talkies – 4.4 out of 5
  - Average headcount per show per van – 226
  - High brand/activation recall

Strategic Initiatives

- Additional revenue monetisation through Static Overlay Advertising during the movie and Live Activations
- Improved transparency with GPS tracking across all vans
- V-Sat installation across multiple villages in one cluster for on-time advertising and content delivery on the fly
- On board technical support to minimize technical failures

Outlook

- Efforts to improve revenues have further intensified, Caravan Talkies is expected to cash breakeven in H2FY17
- Caravan Talkies will be non-operational in Q2FY17 due to monsoons

Financial Performance

Consolidated Results

(INR Million)	Q1FY17	Q1FY16	Growth
Revenue from Operations	**1,340**	**1,305**	**2.7%**
Other Income	**6**	**1**	**603.6%**
Total Revenue	**1,346**	**1,306**	**3.1%**
Total Expenses	**982**	**900**	**9.1%**
EBITDA	**364**	**406**	**-10.3%**
Depreciation and Amortisation	206	192	7.7%
EBIT	**158**	**214**	**-26.4%**
Finance Cost	28	41	-32.5%
Finance Income	22	10	132.6%
PBT	**152**	**183**	**-16.7%**
Tax	62	55	14.6%
PAT	**90**	**128**	**-30.1%**
Profit from Associates	16	9	85.9%
Minority Interest	8	4	74.6%
PAT, Profit from Associates & Minority Interest	**98**	**133**	**-25.9%**
Basic EPS	**3.56**	**5.12**	**-30.4%**

Consolidated Expenditure Analysis

Expenses as a % of Total Revenue	Q1FY17	Q1FY16
1) Total Operating Direct Cost	**43.3%**	**43.3%**
Key Operating Direct Cost Components		
i) Advertisement revenue share payment	*9.0%*	*8.8%*
ii) VPF D-Cinema share payment to D-Cinema Exhibitors	*13.7%*	*12.4%*
iii) Purchase of Equipment, Lamps and Spares	*9.2%*	*11.8%*
2) Employee Benefit Expenses	**13.3%**	**12.4%**
3) Other Expenses (SG&A)	**16.3%**	**13.3%**
Total Expenses	**73.0%**	**68.9%**
EBITDA Margin	**27.0%**	**31.1%**
EBITDA Margin excluding VDSPL*	**29.7%**	**31.8%**

*VDSPL includes Caravan Talkies and Club Cinema businesses

Financial Performance excluding VDSPL

UFO digital cinema

Reconciliation to EBITDA excluding VDSPL**

(INR Million)	Q1FY17	Q1FY16	Growth
Reported EBITDA Including VDSPL	**364**	**406**	**-10.3%**
Margin	*27.0%*	*31.1%*	
VDSPL EBITDA Loss	32	5	
EBITDA Excluding VDSPL	**396**	**411**	**-3.6%**
Margin	*29.7%*	*31.8%*	

Reconciliation to PAT excluding VDSPL**

(INR Million)	Q1FY17	Q1FY16	Growth
Reported PAT* Including VDSPL	**98**	**133**	**-25.9%**
Margin	*7.3%*	*10.1%*	
VDSPL PAT Loss	52	9	
PAT Excluding VDSPL	**150**	**142**	**5.7%**
Margin	*11.3%*	*11.0%*	

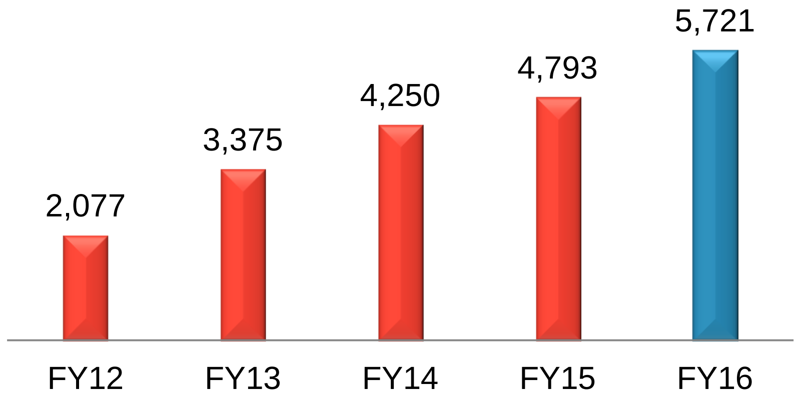
*PAT after Minority Interest
**VDSPL includes Caravan Talkies and Club Cinema businesses

Annexure

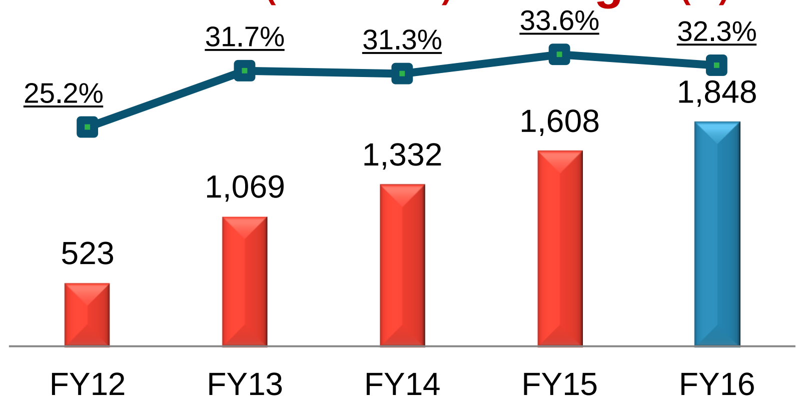
Financial Highlights – 5 Years

UFO digital cinema

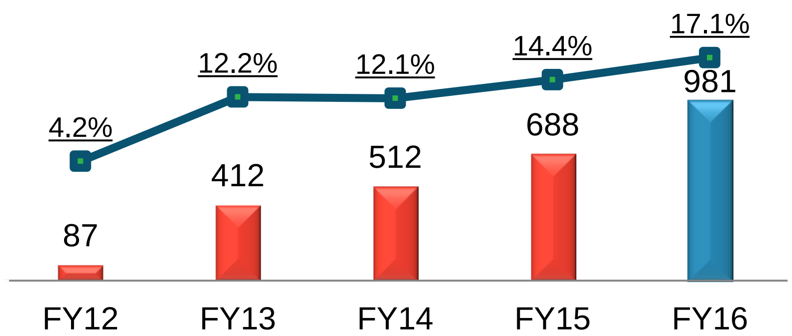
Total Revenue (INR Million)



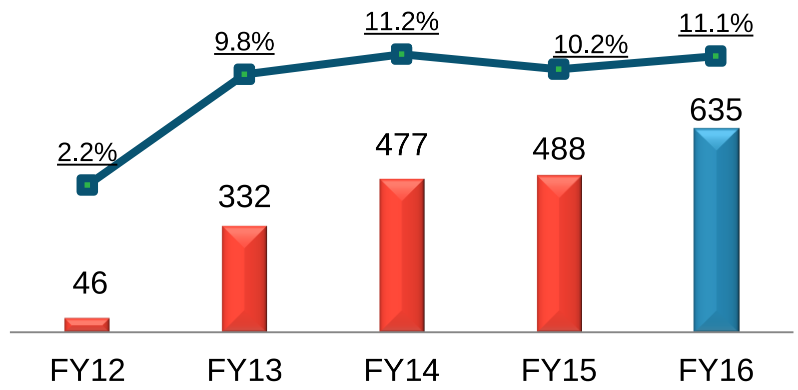
EBITDA (INR Million) & Margin (%)



PBT (INR Million) & Margin (%)



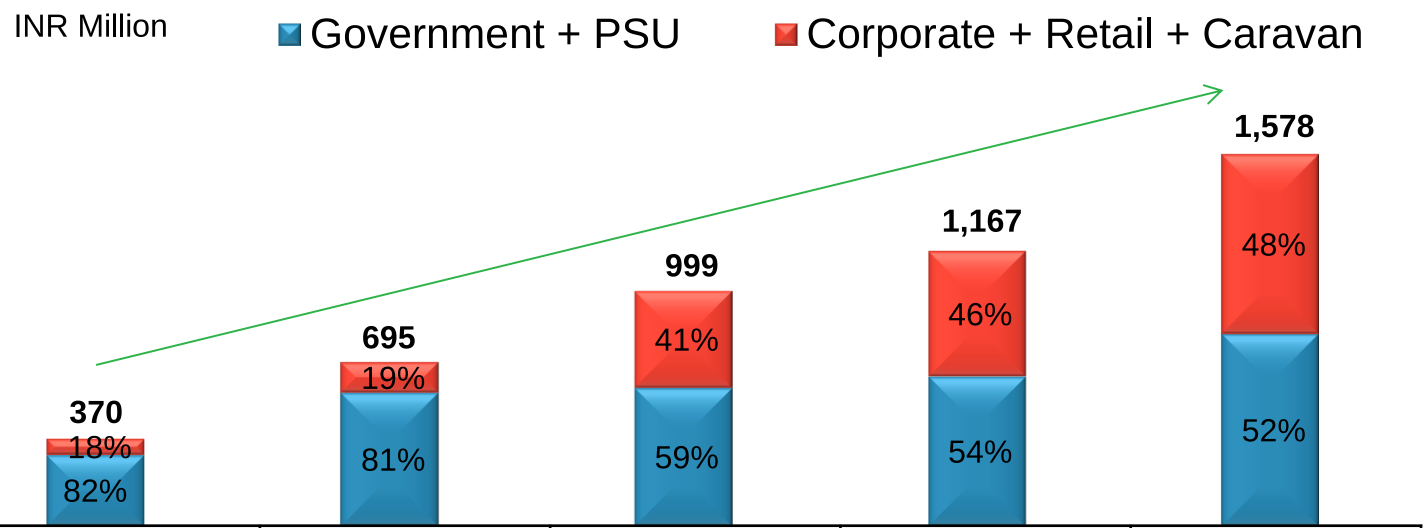
PAT* (INR Million) & Margin (%)



*PAT after Minority Interest

Advertisement Revenue – 5 Years

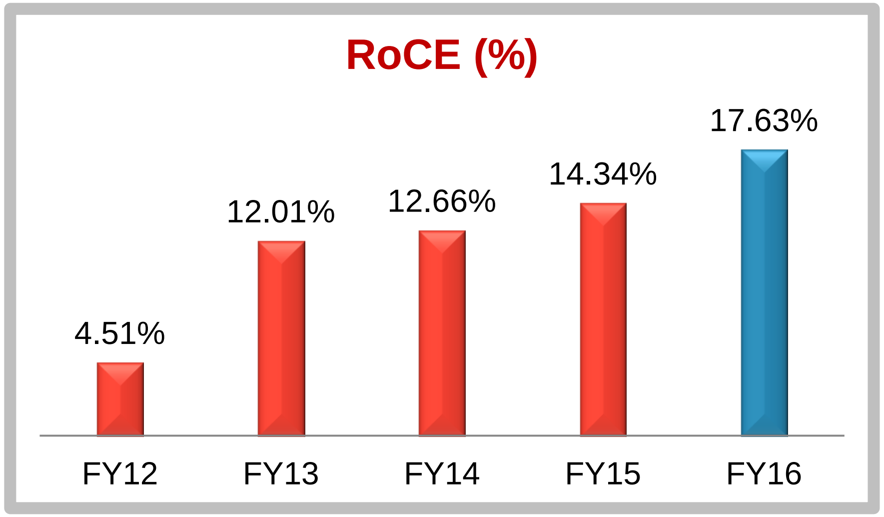
FY12 – FY16
Revenue CAGR 44%

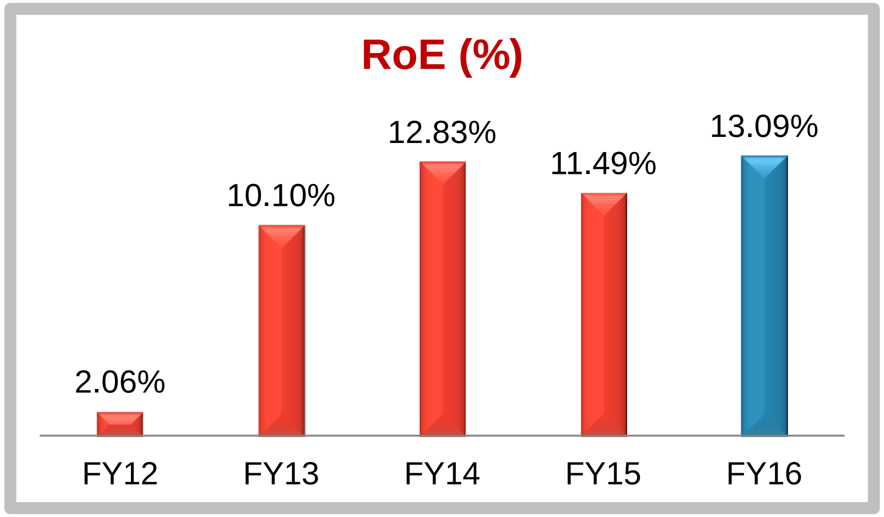


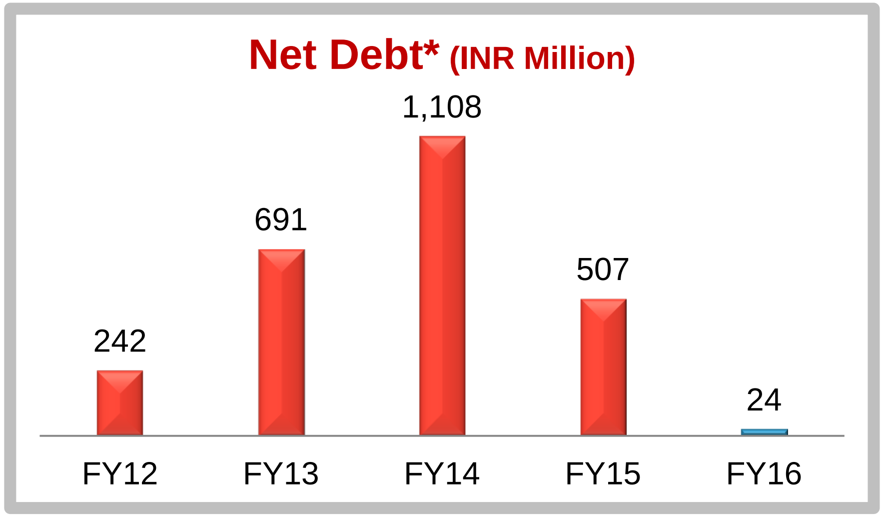
	FY12	FY13	FY14	FY15	FY16
# of Screens with Ad Rights	2,647	3,071	3,592	3,784	3,713
Annual Ad Revenue / Screen (Avg) (INR)	159,089	243,081	299,711	316,346	410,275
# of minutes sold / show / Ad Screen	1.66	2.46	3.25	3.36	4.15

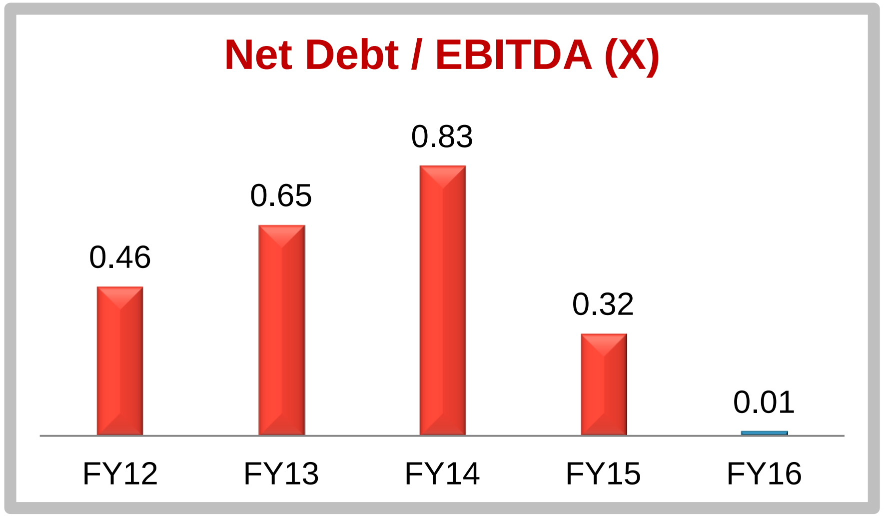
# of minutes sold / show / Ad Screen is calculated by dividing total # of advertisement minutes sold by average # of advertisement screens during the period
Average # of Advertising Screens = (Sum of # of Opening Advertisement Screens and # of Closing Advertisement Screens) / 2

Key Financial Parameters









*Net Debt = Total Debt less Cash and Cash Equivalents

RoCE = EBIT/Average (Networth + Long Term Debt + Short Term Debt + Current Maturing Long Term Debt + Minority Interest)

RoE = PAT after Minority Interest / Average Networth

Shareholding

(% of Total # of shares)	June 30, 2016
Promoters	28.86%
Foreign Venture Capital Investors	19.03%
FII	5.70%
DII	15.91%
Corporate Bodies	7.14%
Foreign Bodies	10.79%
Others	12.57%
Total # of Shares	**27,600,801**

Marquee Institutional Investors*

SBI Mutual Fund
Reliance Capital Asset Management
Max Life Insurance
DSP Blackrock
Wellington International Management
Grandeur Peak Global Advisors
Nomura Singapore
Union KBC Asset Management
Bharti Axa Life Insurance
Aviva Life Insurance

* As on July 31, 2016

About Us

UFO Moviez India Limited

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 June 30, 2016, UFO's global network, along with subsidiaries and associates, spans 6,672 screens worldwide, including 4,997 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 3,670 screens, with an aggregate seating capacity of approximately 1.75 million viewers and a reach of 1,892 locations across India, as on June 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.

Visit us at www.ufomoviez.com. For further details, contact:

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