

PVR
CINEMAS

— CELEBRATING —



YEARS OF ENTERTAINMENT

INVESTOR UPDATE

Q4, FY 2017-2018

Disclaimer

Safe Harbor: - Some information in this report may contain forward-looking statements. We have based these forward looking statements on our current beliefs, expectations and intentions as to facts, actions and events that will or may occur in the future. Such statements generally are identified by forward-looking words such as “believe”, “plan”, “anticipate”, “continue”, “estimate”, “expect”, “may”, “will” or other similar words. A forward-looking statement may include a statement of the assumptions or bases underlying the forward-looking statement. We have chosen these assumptions or bases in good faith, and we believe that they are reasonable in all material respects. However, we caution you that forward-looking statements’ and assumed facts or basis almost always vary from actual results, and the differences between the results implied by the forward-looking statements and assumed facts or bases and actual results can be material, depending on the circumstances. You should also keep in mind that any forward-looking statement made by us in this report or elsewhere speaks only as of the date on which we made it. New risks and uncertainties come up from time to time, and it is impossible for us to predict these events or how they may affect us. We have no duty to, and do not intend to, update or revise the forward-looking statements in this report after the date hereof.

The risks and uncertainties relating to these statements include, but are not limited to, risks and uncertainties regarding fluctuations in earnings, our ability to manage growth, intense competition in multiplex business due to the entry of new players, including those factors which may affect our cost advantage, lack of good quality content, onset of new technologies such as DTH, IPTV and increasing penetration of Home-video, which may impact overall industry growth, wage increases in India, real estate costs increases, delay or failure In handover of properties from real estate developers, the success of our subsidiary companies, withdrawal of entertainment tax exemption granted by government and general economic conditions affecting our industry.

In light of these risks and uncertainties, any forward-looking statement made in this report or elsewhere may or may not occur and has to be understood and read along with this disclaimer.

Others: In this report, the terms “we”, “us”, “our”, “PVR”, “PVRL” or “the Company”, unless otherwise implies, refer to PVR Limited (“PVR Limited”) and its subsidiaries.

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Screen Portfolio

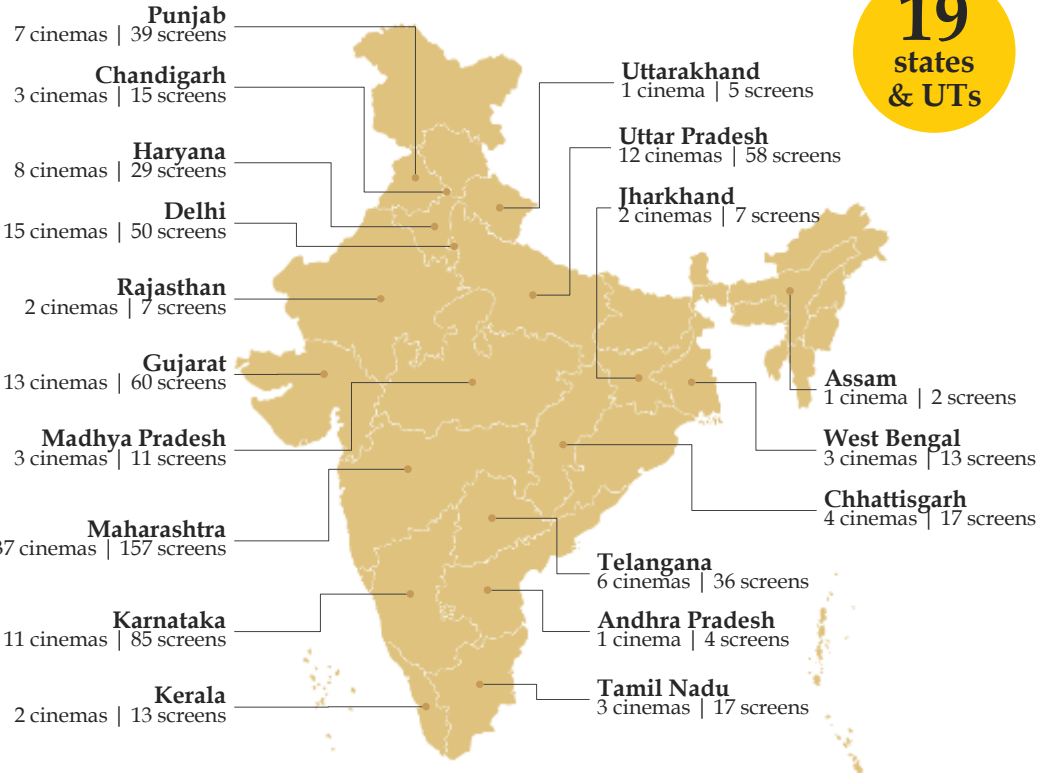
134
cinemas

625
screens

139k
seats

19
states
& UTs

51
cities



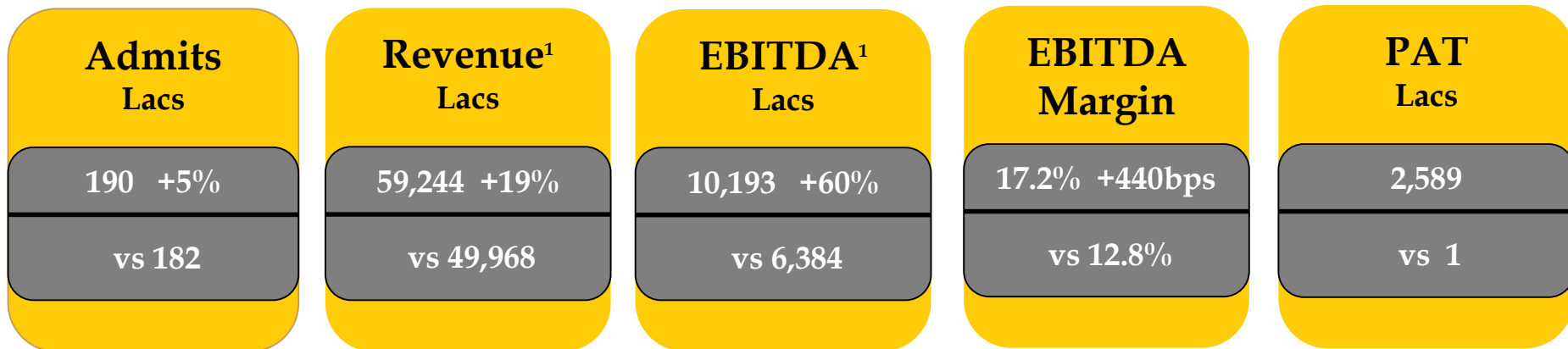
Screens by region

Region	Screens	% of total
North	203	32%
South	155	25%
West	245	39%
East	22	4%
Total	625	

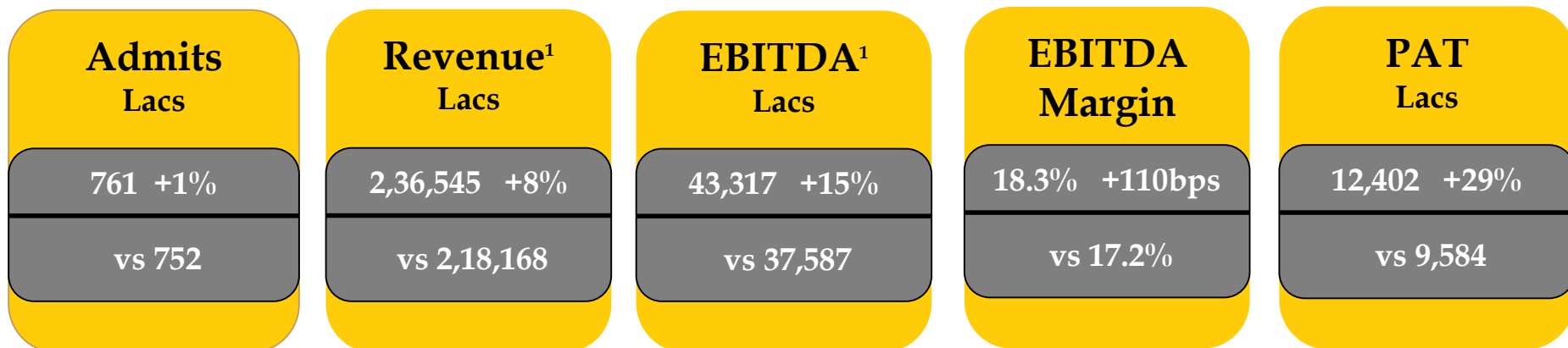
Premium Format Screens

Format	Screens
Gold Class	36
IMAX	7
4DX	7
PXL	4
Playhouse	4
Total	58

Key Numbers - Q4, FY 17-18 vs Q4, FY 16-17



Key Numbers - 12M, FY 17-18 Vs 12M, FY 16-17



[1] Revenue and EBITDA include other income

Consolidated Result Summary

Particulars (INR Lacs)	Q4, FY17-18	Q4, FY16-17	% Change	12M, FY17-18	12M, FY16-17	% Change
Income	59,244	49,968	19%	2,36,545	2,18,168	8%
Expenses	49,051	43,584	13%	1,93,228	1,80,581	7%
EBITDA	10,193	6,384	60%	43,317	37,587	15%
EBITDA Margin	17.2%	12.8%	440 bps	18.3%	17.2%	110 bps
Depreciation	3,939	3,628	9%	15,369	13,838	11%
EBIT	6,254	2,756	127%	27,948	23,749	18%
Finance Cost	2,100	2,156	-3%	8,371	8,058	4%
Share in net profit/ loss in JV	-33	0	-	-72	0	-
PBT before Exceptional item	4,121	600	587%	19,505	15,691	24%
Exceptional Item	0	-150	-	-59	-407	-
PBT after Exceptional item	4,121	450	816%	19,446	15,284	27%
Tax	1,532	449	241%	7,044	5,700	24%
PAT	2,589	1	-	12,402	9,584	29%
PAT Margin	4.4%	0.0%	440 bps	5.2%	4.4%	80 bps
EPS - Basic (INR)	5.61	-0.01	-	26.68	20.50	30%
EPS - Diluted (INR)	5.57	-0.01	-	26.57	20.50	30%

Standalone (Exhibition) Result Summary

Particulars (INR Lacs)	Q4, FY17-18	Q4, FY16-17	% Change	12M, FY17-18	12M, FY16-17	% Change
Income	57,288	48,301	19%	2,27,565	2,06,219	10%
Expenses	47,004	42,404	11%	1,86,054	1,70,774	9%
EBITDA	10,284	5,897	74%	41,511	35,445	17%
EBITDA Margin	18.0%	12.2%	580 bps	18.2%	17.2%	100 bps
Depreciation	3,773	3,232	17%	14,119	12,239	15%
EBIT	6,511	2,665	144%	27,392	23,206	18%
Finance Cost	2,095	2,140	-2%	8,335	7,997	4%
PBT before Exceptional item	4,416	525	741%	19,057	15,209	25%
Exceptional Item	0	-150	-	-59	-495	88%
PBT after Exceptional item	4,416	375	1078%	18,998	14,714	29%
Tax	1,599	363	340%	6,856	5,422	26%
PAT	2,817	12	-	12,142	9,292	31%
EPS - Basic (INR)	6.03	0.03	-	25.97	19.89	31%
EPS - Diluted (INR)	5.99	0.03	-	25.86	19.89	30%
Location	134	126	6%	134	126	6%
Screens	625	579	8%	625	579	8%
Seats	1,39,509	1,32,026	6%	1,39,509	1,32,026	6%
Footfalls (Lacs)	190	182	5%	761	752	1%
Occupancy %	31.5%	31.6%	-10 bps	31.3%	32.9%	-160 bps
ATP (INR)	209	190	10%	210	196	7%
SPH (INR)	87	78	12%	89	81	10%

Revenue Analysis



Revenue Analysis (Exhibition) : Q4, FY17-18

Particulars (INR Lacs)	Q4, FY17-18		Q4, FY16-17		% Change	
	Comp	Total	Comp	Total	Comp	Total
Net Box Office	25,357	31,240	23,050	26,460	10%	18%
Food & Beverages	12,647	15,710	11,220	12,849	13%	22%
Advertising	6,282	7,200	4,778	5,274	31%	37%
Convenience Income	1,174	1,446	1,304	1,472	-10%	-2%
Other Operating Income ¹	1,196	1,395	1,637	1,724	-27%	-19%
Total Operating Income	46,656	56,991	41,989	47,779	11%	19%
Other Income	297	297	522	522	-43%	-43%
Total	46,953	57,288	42,511	48,301	10%	19%

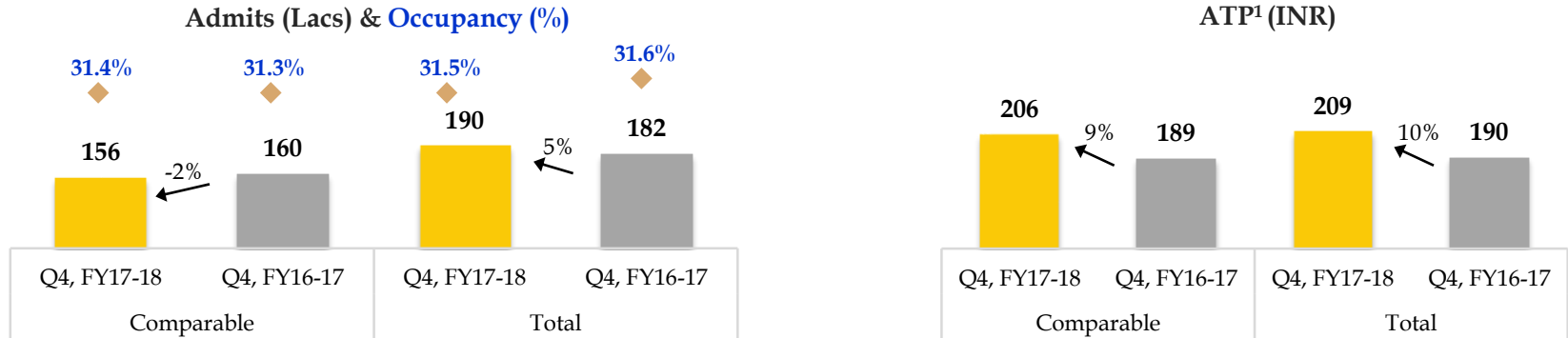
[1] Other operating income in Q4, FY16-17 included government subsidy of INR 762 lacs provided by various state governments. In the current quarter, this component has not been accounted for on account of lack of clarity on refund mechanism for the tax exemptions under GST regime.

Revenue Analysis (Exhibition) : 12M, FY17-18

Particulars (INR Lacs)	12M, FY17-18		12M, FY16-17		% Change	
	Comp	Total	Comp	Total	Comp	Total
Net Box Office	89,848	1,24,806	87,663	1,12,564	2%	11%
Food & Beverages	43,480	60,766	42,896	55,054	1%	10%
Advertising	22,617	29,486	19,389	24,502	17%	20%
Convenience Income	4,146	5,971	4,501	5,815	-8%	3%
Other Operating Income	4,706	5,514	5,930	6,426	-21%	-14%
Total Operating Income	1,64,797	2,26,543	1,60,380	2,04,361	3%	11%
Other Income	1,022	1,022	1,858	1,858	-45%	-45%
Total	1,65,819	2,27,565	1,62,238	2,06,219	2%	10%

[1] Other operating income for 12M, FY17 includes govt. subsidy of INR 3,721 lacs provided by various state govt. In current FY this component has not been accounted for post Q1 (in which INR 1,367 lacs was accrued till 30 June 2017) on account of lack of clarity on refund mechanism for the tax exemptions under GST regime

Box Office : Q4, FY17-18 vs Q4, FY16-17



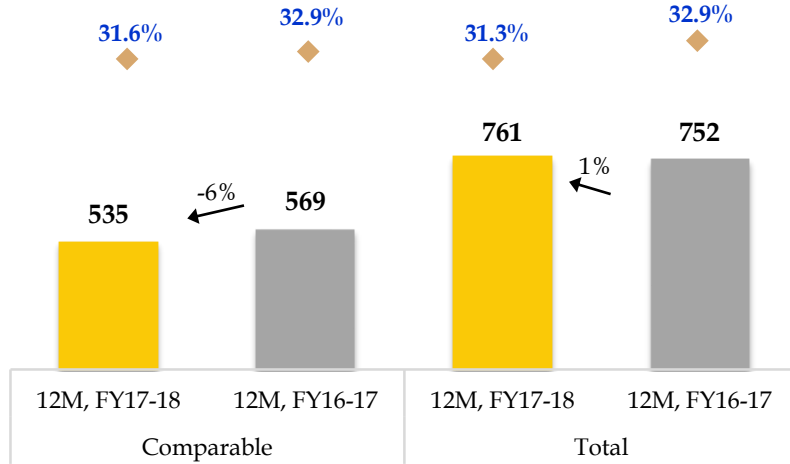
Key factors for decline in Q4 admits

- **Dispute between digital service providers and producers in South India:** Admits were impacted in South India on account of strike by the South Indian film producers in March 2018, owing to dispute in the VPF charges between service providers and producers. While the Malayalam, Kannada and Telugu producers called off the strike in the first week of March, the Tamil Film Producers' Council's strike continued for over 45 days. On account of this the Q4 admits in key South Indian cities were down by 21% y-o-y.
- **Non release of Padmaavat in certain states:** Admits in MP, Rajasthan, and Gujarat were impacted due to non-release of Padmaavat in these states, as a result of which, Q4 admits were lower by 20% y-o-y.
- Excluding the impact of the above two factors, the comparable admit growth would have been 8% as against -2%

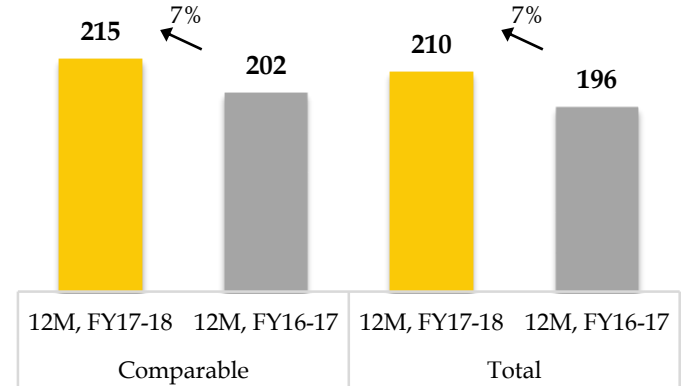
[1] ATP includes 3D Glasses upcharge

Box Office : 12M, FY17-18 vs 12M, FY16-17

Admits (Lacs) & **Occupancy (%)**



ATP¹ (INR)



[1] ATP includes 3D Glasses upcharge

Box Office Analysis – Top 5 Movies

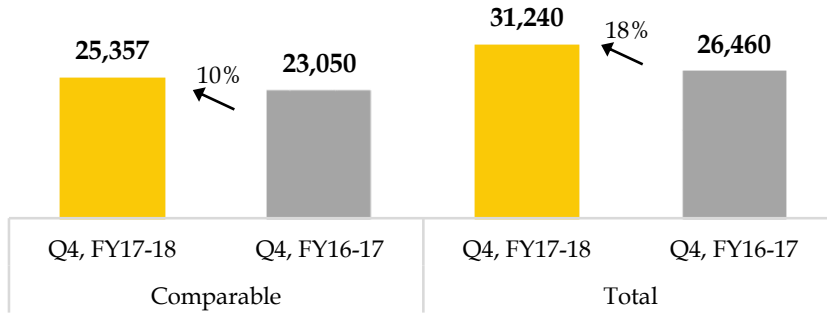
Q4, FY 18			
Movie	Admits (Lacs)	Occupancy (%)	NBOC (INR Lacs)
Padmaavat	40	46.9%	7,515
Sonu Ke Titu Ki Sweety	18	39.4%	2,772
Raid	14	36.9%	2,030
Padman	11	32.7%	1,811
Tiger Zinda Hai	11	24.2%	1,597
Total top 5	94	38.0%	15,726

Q4, FY 17			
Movie	Admits (Lacs)	Occupancy (%)	NBOC (INR Lacs)
Dangal	23	38.7%	3,223
Badrinath Ki Dulhania	18	36.4%	2,433
Jolly LLB 2	18	36.7%	2,495
Raees	15	35.4%	2,473
Kaabil	12	35.2%	1,868
Total top 5	87	36.7%	12,492

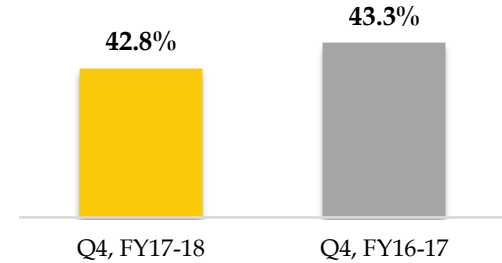
- Top 5 movies contributed 52% to Gross Box Office in Q4, FY17-18 with an occupancy of 38%

Net Box Office & Film Hire : Q4, FY17-18 vs Q4, FY16-17

Net Box Office (INR Lacs)

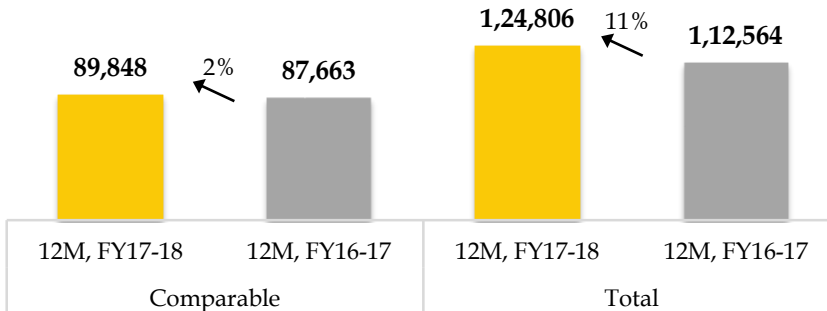


Film Hire (% of net)

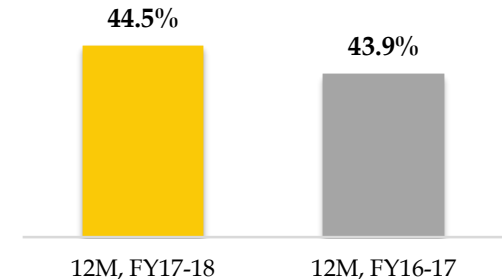


Net Box Office & Film Hire : 12M, FY17-18 vs 12M, FY16-17

Net Box Office (INR Lacs)

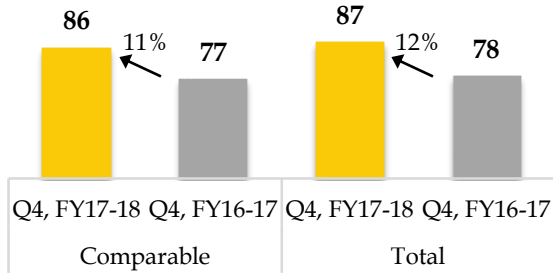


Film Hire (% of net)

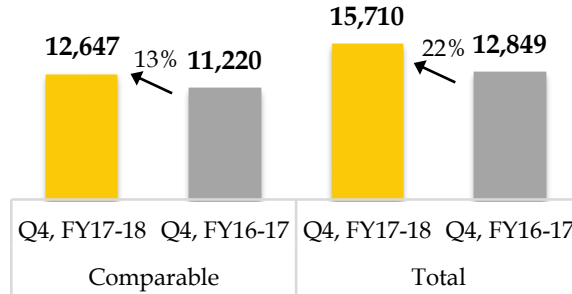


F&B : Q4, FY17-18 vs Q4, FY16-17

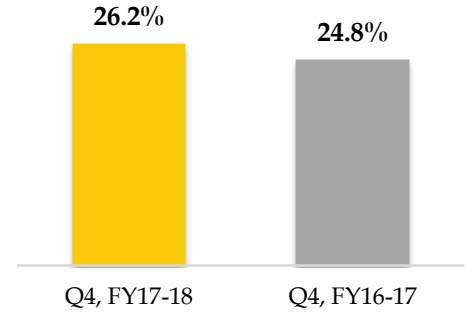
SPH (INR)



Net F&B Revenue (INR Lacs)

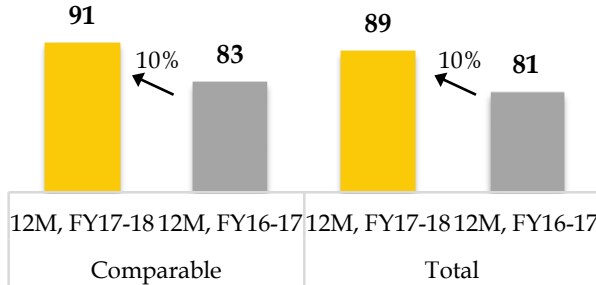


COGS (% of net)

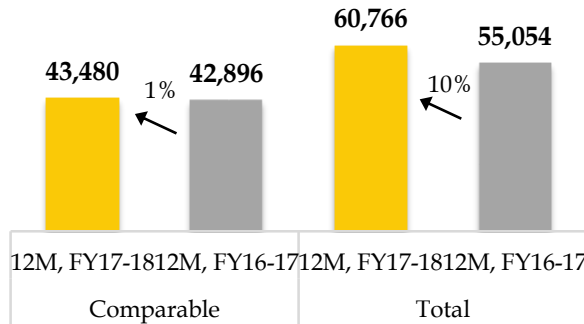


F&B : 12M, FY17-18 vs 12M, FY16-17

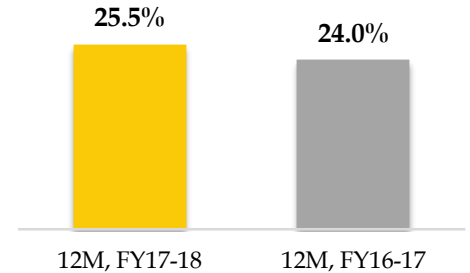
SPH (INR)



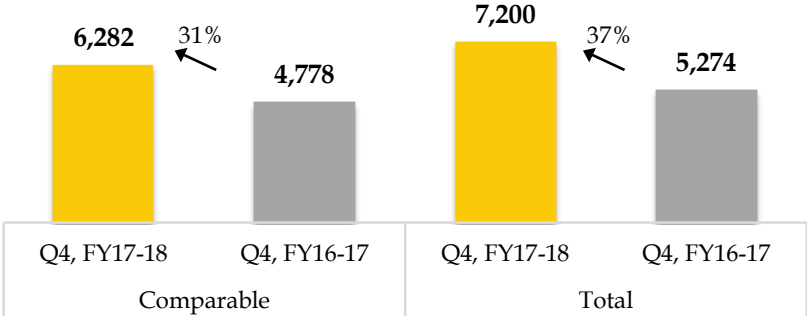
Net F&B Revenue (INR Lacs)



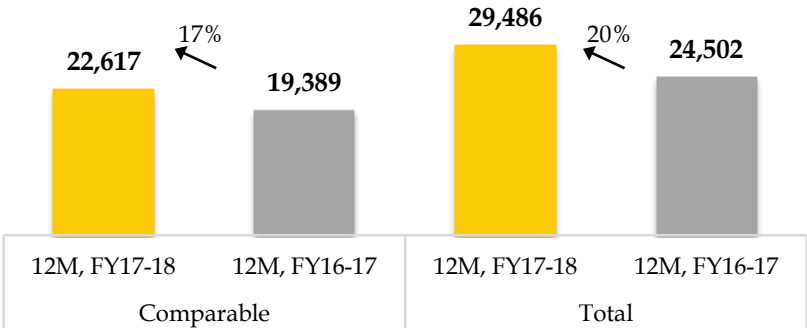
COGS (% of net)



Sponsorship Revenues: Q4, FY17-18 Vs Q4, FY16-17



Sponsorship Revenues: 12M, FY17-18 vs 12M, FY16-17



Expenditure Analysis : Q4, FY17-18 vs Q4, FY16-17

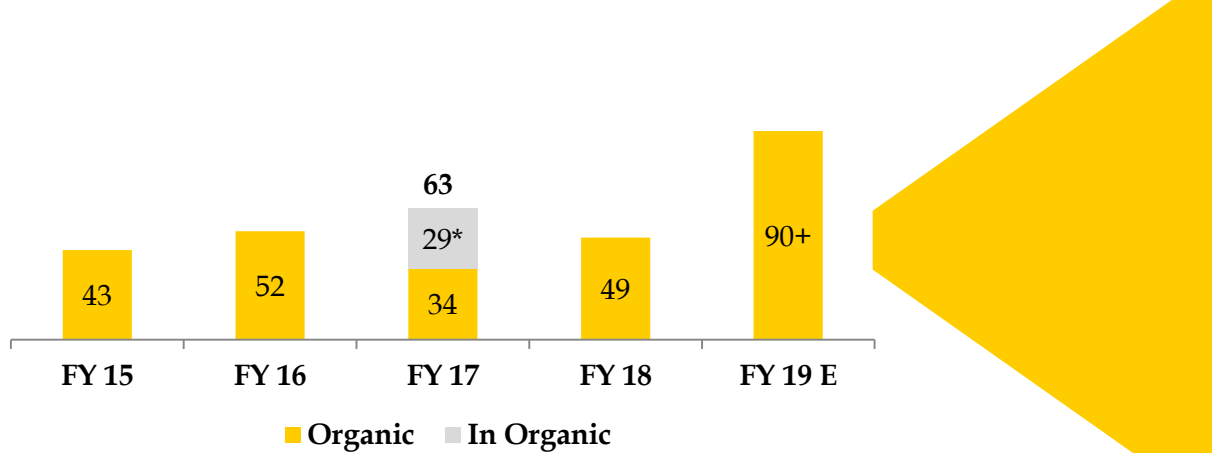
Particulars (INR Lacs)	Q4, FY17-18		Q4, FY16-17		% Change	
	Comp	Total	Comp	Total	Comp	Total
Personnel Expenses ⁽¹⁾	5,502	6,260	4,529	4,996	21%	25%
Rent	8,662	10,574	8,457	9,752	2%	8%
Repair & Maintenance	2,206	2,661	2,270	2,521	-3%	6%
CAM & Electricity	4,716	6,020	4,904	5,663	-4%	6%
Other Expenses ⁽²⁾	3,455	4,016	4,475	4,836	-23%	-17%
Total	24,541	29,531	24,636	27,768	0%	6%

Expenditure Analysis : 12M, FY17-18 vs 12M, FY16-17

Particulars (INR Lacs)	12M, FY17-18		12M, FY16-17		% Change	
	Comp	Total	Comp	Total	Comp	Total
Personnel Expenses ⁽¹⁾	19,676	24,198	17,206	20,522	14%	18%
Rent	29,439	40,535	29,464	37,824	0%	7%
Repair & Maintenance	6,775	9,219	6,888	8,839	-2%	4%
CAM & Electricity	17,329	25,631	17,587	24,080	-1%	6%
Other Expenses ⁽²⁾	12,588	15,420	14,503	16,914	-13%	-9%
Total	85,808	1,15,003	85,648	1,08,179	0%	6%

Property opening outlook FY2018-19

Distribution of screens



* Acquired DT Cinemas

FY 19 to witness significant uptick in screen roll-out

- 23 Screens ready awaiting licenses
- 53 Screens under fit-out & expected to be completed in next 5-8 months
- 50-60 Screens expected to be handed over for fit out in FY 19

Tier Wise	Screens
Tier I	40+
Tier II	29+
Tier III	21+
Total	90+

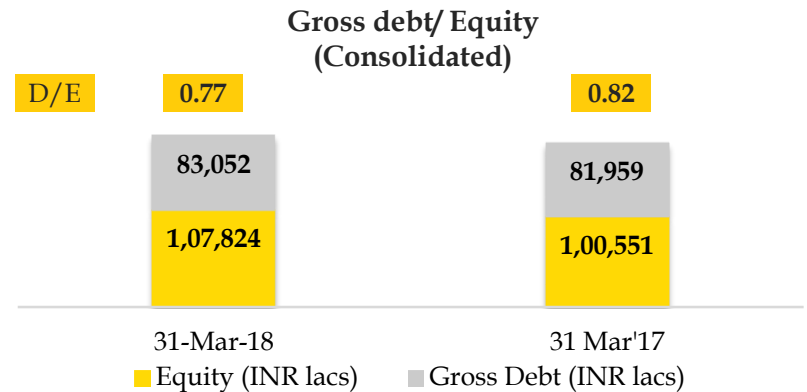
Region Wise	Screens
North	34+
East	4+
West	11+
South	41+
Total	90+

Balance Sheet and ROCE Analysis



Consolidated Balance Sheet

Particulars (INR Lacs)	31 Mar '18	31 Mar '17
Total Shareholder funds	1,07,617	1,00,551
Equity share capital	4,674	4,674
Other equity	1,02,943	95,877
Total Debt	83,052	81,959
Long Term Borrowings	73,069	69,450
Short Term Borrowings	9,983	12,508
Other Non Current Liabilities	1,060	801
Total Sources of Funds	1,91,729	1,83,311
Fixed Assets	1,69,381	1,61,425
Financial assets	23,204	17,939
Other Non Current Assets	12,499	15,166
Cash & Cash Equivalentents	3,378	3,078
Current Assets	26,422	24,961
Less: Current Liabilities	43,155	39,258
Net Current Assets	-16,733	-14,297
Total Assets	1,91,729	1,83,311



Particulars (INR Lacs)	31 Mar '18	31 Mar '17	Change
Total Gross Debt	83,052	81,959	1,093
Cash & Cash Equivalentents	3,378	3,078	300
Net Debt	79,674	78,881	793

Business turns free cash flows positive, entire capex funded through internal accruals

ROCE Analysis – Standalone

Particulars (Rs Lacs)	Screens	Net Capital Employed	Revenue	EBIT	ROCE
Screen Operational > 2 years (A)	538	1,15,705	2,13,030	26,749	23.1%
Screen Operational < 2 years (B)	87	20,335	14,535	643	3.2%
Operational Screens Total (A+B)	625	1,36,040	2,27,565	27,392	20.1%
Screens under construction (C)		11,509			
Grand Total (A+B+C)		1,47,549	2,27,565	27,392	18.6%
Goodwill on DT Cinemas (D)		34,600			
Cash/ Long term investments (E)		8,245			
Company Total (A+B+C+D+E)		1,90,394	2,27,565	27,392	14.4%

Net Capital Employed is calculated as Total Assets less Current liabilities excluding short term borrowings & current maturities of long term borrowings

THANK YOU