PFL

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May 31, 2016

To,
The National Stock Exchange of India
Listing Department,
Exchange Plaza,
BandraKurla Complex
Bandra East,
Mumbai - 400 051
Fax Nos.: 26598237 / 26598238

To,
BSE Limited
Listing Department,
PhirozeJeejebhoy Towers,
Dalal Street,
Mumbai - 400 001
Fax Nos.:22723121/2037/2039

**Ref: Scrip Code: BSE – 532748/NSE - PFOCUS**

**Sub: Press Release**

Dear Sir/ Madam,

Kindly find attached herewith the Press Release by Prime Focus Limited.

Kindly take the same on record and acknowledge receipt.

Thanking you.

**Yours Faithfully,**
**For Prime Focus Limited**

**Parina Shah**
**Company Secretary**

**Encl: as above**

# Prime Focus Ltd

**Press Release**

**BSE: 532748**
**NSE: PFOCUS**

## 12 months ending Mar'16 Revenues & EBITDA at Rs 19 bn & Rs 3.3 bn

**EBITDA margin moves closer to mid-term target of 20%+**

**Mumbai, May 31, 2016:** Prime Focus Limited (PFL), the global leader in media and entertainment industry services, declared its audited financial results for the quarter and the financial year (nine months) ending March 31, 2016 on May 30, 2016. During the year, DNEG received global acclaim via its 2nd consecutive Oscar win for *Ex Machina* and the Company delivered robust growth in revenue, operating EBITDA and cash flows on the back of synergies from the ongoing phased integration and consolidation of facilities worldwide. Consolidated Revenue and EBITDA for trailing twelve months ending March 31, 2016 (TTM) is at Rs 19,010 mn and Rs 3,259 mn respectively as compared to Rs 13,044 mn and Rs 1,782 mn for the previous comparable period.

### Key financial highlights

**FY16* – nine months ending March 31, 2016 (Consolidated Audited financials)**

- Revenue at Rs 13,828 mn, up 27% YoY from Rs 10,894 mn in the same period in FY15, driven by 26% & 31% growth in Creative and Tech/Tech Enabled services businesses, respectively
- Creative services and Tech/Tech Enabled services comprise 75% & 17% of the total segmental revenues, respectively
- EBITDA from operations for the period at Rs 2,397 mn (EBITDA margin of 17.3%) compared to Rs 1,551 mn in the same period in FY15 – up 55% YoY; on track towards the 20%+ targeted margins
- Depreciation for the period at Rs 2,007 mn as compared to Rs 1,422 mn, up largely on account of the new facilities
- PBT for the period at Rs (1,183) mn compared to Rs (963) mn in the same period of the previous year; exceptional expenses for the period at Rs 835 mn driven by planned closure of Singapore operations
- PAT for the period at Rs (1,085) mn compared to Rs (785) mn in same period last year
- Continued focus on deleveraging - recently sold non-core real estate assets for US$20mn+, proceeds from which were utilized largely towards reduction of debt
- Planned monetization of stake in Digital Domain to further help de-leverage the group over and above the operating cash flows

(*FY16 comprises of nine month period from July 1, 2015 to March 31, 2016)

**Quarter ending March'16 (Consolidated)**

- Revenue for the quarter up 11% to Rs 4,657 mn compared to Rs 4,205 mn in the corresponding quarter ending March-15

- Creative and Tech/Tech Enabled services contributed 74% & 17% of total segmental revenues, respectively
- EBITDA from operations at Rs 829 mn compared to Rs 1,051 mn in the same period last year. EBITDA Margin at 17.8% compared to 25.0% in the quarter ending March-15
- PBT at Rs (906) mn compared to Rs 114 mn in quarter ending March-15, exceptional expenses for the period at Rs 653 mn
- PAT for the period is at Rs (801) mn compared to Rs (203) mn in same period last year

**Key operational highlights for the quarter**

**Prime Focus World (PFW)**

- DNEG bagged 2nd Consecutive Oscar for Best Visual Effects in *Ex Machina* following its last year's win for *Interstellar*
- As part of the planned Integration, post successful launch of its facilities in Vancouver earlier this year, DNEG shut down its operations in Singapore during the quarter, resulting in chunky one-time exceptional costs
- Key projects delivered during the quarter include movies like *Captain America: Civil War* and *Batman V Superman: Dawn of Justice,* amongst others
- The Order Book for PFW is at its strongest ever - On-going projects include *The Mummy, Wonder Woman, Fast 8, Inferno, Jason Bourne, Geostorm, Fantastic Beasts and Where to Find them, Star Trek Beyond, Justice League Part-1* among several others

**Prime Focus Technologies (PFT)**

- Launched DAX® Production Cloud which allows clients to use one software for all dailies and post servicing workflows in the production supply chain
- Launched Industry-First Promo Versioning Automation Module for Adobe Premiere Pro CC which will significantly reduce manual operations
- Extended CLEAR™ Operations Cloud to Amazon Web Services by launching Amazon Optimizer which promises to reduce the cost of transcoding for broadcasters and content owners, while increasing efficiencies
- Signed a Media Asset Management deal with Global Eagle Entertainment (GEE), under which CLEAR Media ERP Suite will automate inflight entertainment supply chain

**Commenting on the results, Mr. Namit Malhotra, Founder, Executive Chairman and Global CEO, Prime Focus Ltd said:** FY16 was a year of strong progress for Prime Focus as we continued to successfully unlock synergies from the transformational deals across all our three businesses – creative, technology and India FMS. Not only did we see global acclaim via our second consecutive Oscar, we have also delivered accelerated growth in revenue and margins with bulk of our integration efforts now behind us. In our Tech/Tech Enabled business, we unveiled exciting new features for our flagship CLEAR Media ERP suite and continued to add

new clients. We look forward to FY17 with optimism and expect strong growth in revenue and significant expansion in EBITDA on the back of the integration and consolidation initiatives executed in FY16. We continue to focus on generating significant increase in cash flows and look at alternate solutions through sale of non-core assets to de-leverage the group.

**About Prime Focus Limited**

Prime Focus Limited (PFL), the world's largest independent integrated media services powerhouse, employs over 6,000 professionals in 16 cities across 4 continents and 7 time zones. We provide end-to-end creative services (visual effects, stereo 3D conversion and animation), technology products & services (Media ERP Suite and Cloud-enabled media services), production services (equipment rental) and post-production services (Digital Intermediate, digital lab and picture post) to Studios and the Broadcast and Advertising industries.

In 2014 Prime Focus World merged with award-winning visual effects company Double Negative, one of the world's foremost providers of VFX; and Reliance MediaWorks merged their global film and media services business with Prime Focus Limited. Double Negative has won three Academy Awards® for its VFX work in recent years – for Ex Machina (2015), Interstellar (2014) and Inception (2010).

Prime Focus is behind groundbreaking technologies such as View-D™ (stereoscopic 2D to 3D conversion), CLEAR™ (Hybrid Cloud technology enabled Media ERP Suite) and Primetime Emmy® award-winning DAX Digital Dailies®. Leveraging our Global Digital Pipeline and pioneering WorldSourcing delivery model, we partner with content creators at every stage of the process, ensuring creative enablement, workflow efficiencies and cost optimization.

Listed on the BSE and NSE of India, Prime Focus has operations in Bangalore, Beijing, Cape Town, Chandigarh, Delhi, Goa, Hyderabad, Johannesburg, Kolkata, London, Los Angeles, Mumbai, New York, Toronto and Vancouver.

**For more details: www.primefocus.com**

**For any investor relations query please contact:**


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| **Alok Gupta**<br>**Prime Focus Limited**<br>Phone: +91 8879360082<br>Email: alok.gupta@primefocus.com | **Nisha Kakran/ Seema Shukla**<br>**Four-S Services Pvt Ltd**<br>Phone: : +91 7718811182/+91 124 4251441<br>Email: nisha.kakran@four-s.com<br>seema@four-s.com |


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