Prime Focus Ltd

Press Release **BSE: 532748**

Prime Focus' Q4'FY14 consolidated revenues up 20% YoY; 12 months FY14 consolidated revenues up 10% YoY

New businesses (Creative+Technology services) generate ~80% of total revenues

Mumbai, May 12, 2014: Prime Focus Limited, the global leader in media and entertainment services, today reported consolidated revenues of Rs 8,349mn for the 12 months ending March 31, 2014, an increase of 10% YoY and EBITDA of Rs.2,132mn, an increase of 17% YoY. The robust growth was driven by ~100% YoY increase in revenues from technology services and steady growth in creative services business.

Key financial highlights

12M'FY14* (Consolidated) *(*The company has extended its financial year to 15 months ending June 2014)*

- Consolidated revenues up 10% YoY to reach Rs 8,349mn
- EBITDA up 17% YoY to reach Rs 2,132mn with margin of 25.5%
- EBITDA (ex FX impact) up 5% YoY to reach Rs 1,840mn with margin of 22.0%
- PBT at Rs 563mn compared to a loss of Rs 567mn in 12M'FY13
- Net profit at Rs 331mn compared to a loss of Rs 203mn in 12M'FY13

Q4'FY14 (Consolidated)

- 20% YoY growth in revenues to reach Rs 2,366mn, driven by growth in all business segments with PFT revenues up 72% YoY
- EBITDA at Rs 424mn and at Rs 514mn (ex FX impact) with margin of 21.7%.
- PBT of Rs 9mn for the quarter versus PBT loss of Rs 150mn YoY
- Loss of Rs 72mn for the quarter compared to Rs 124mn PAT in Q4FY13 due to non-cash reversal of Deferred tax during the quarter

Key operational highlights for the quarter

Prime Focus World (PFW)

- Key projects delivered including recent Hollywood blockbuster *The Amazing Spiderman 2, Noah, Iceman and Indigenous*
- New project win of *Transformers: Age of extinction.* On-going projects include *Sin City 2, Edge of Tomorrow, The Gunman, Seventh Son, Into the Storm, etc.*

Prime Focus Technologies (PFT)

- Strategic expansion into North America with acquisition of DAX, the creator of Primetime Emmy award winning Digital Dailies
- New product launches:
    - DAX BOX, a DVR-like device to stream HD content at home, office or theatre

  - CLEAR Production Hub, a cloud application that fosters automation of production pipeline
  - DAX Mobile for iPhone, an iDailies® service for iPhone app available for TV and Feature content producers
- Continues to service leading M&E clients in Indian like Star, Zee, Disney, A&E Networks, etc., while winning new clients abroad (South Africa's largest broadcaster)
- Raises ~Rs. 450mn through optionally convertible debentures (OCDs) to retire debt and sustain growth momentum

Prime Focus Limited

- Bollywood – delivered key projects like *Jai Ho, Gunday*, etc. Upcoming and new project wins include *Kochadaiyaan, Humshakals, Heropanti, Bang Bang*, etc.
- New facility opened in Goa and expansion of Mumbai facility

Recent Awards and recognitions:

  - FICCI BAF Awards'14: 24 series - Best TV Series (India); Lego Animation Series - Best Animation TV Series (International)
  - PFT restored Associated Press Archive Digitisation wins Focal International Award 2014.
  - Chairman of the company, Naresh Malhotra, honored by Dadasaheb Phalke Academy for his immense contribution to and excellence in the video and films industry
  - PFW Founder and CEO Namit Malhotra nominated to Board of Governors of International 3D Society
  - Prime Focus Ltd partners FICCI FRAMES 2014, Asia's biggest media and entertainment industry event to co-present all tracks (Film, Broadcast, Digital)

Commenting on results Mr. Ramki Sankaranarayanan, CEO, Prime Focus Ltd said

"In line with our strategy, both VFX and PFT have continued to demonstrate strong growth to offset the reduction in the traditional Post business. Our Hollywood VFX revenue has grown over 40% on a YoY basis. PFT's has nearly doubled its revenue and delivered a margin growth of 300 basis points. We will continue to press ahead with our strategy and look forward to delivering a solid FY 15. "

About Prime Focus Limited:

Prime Focus Limited, a global leader in media and entertainment industry services employs over 4,300 professionals in 14 cities across 4 continents and 6 time zones. We provide end-to-end creative and technical services including visual effects, stereo 3D conversion, video/audio post-production, media asset management, Digital Intermediate, versioning and adaptation, and equipment rental to the Film, Broadcast, Advertising and Media industries. Prime Focus is also behind path breaking technologies like CLEAR™ (Hybrid Cloud technology enabled Media ERP platform) and View-D™ (stereoscopic 2D to 3D conversion). Leveraging our Global

Digital Pipeline and pioneering delivery model WorldSourcing® we partner content creators at every stage of the process ensuring work flow efficiencies, cost optimization and creative enablement. Listed on the BSE and NSE of India, Prime Focus has operations in Los Angeles, New York, Vancouver, London, Johannesburg, Mumbai, Bangalore, Chandigarh, Delhi, Kolkata and Hyderabad.

For more details please visit: primefocusltd.com

For any investor relations query please contact:

Alok Gupta **Prime Focus Limited** Phone: +91 8879360082 Email: alok.gupta@primefocusworld.com	**Pooja Dokania/ Seema Shukla** **Four-S Services Pvt Ltd** Phone: : +91 9920063991/+91 124 4241441 Email: pooja.dokania@four-s.com seema@four-s.com

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