

Date: February 2, 2017

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Fax: 022 – 2272 3121
Email: corp.relations@bseindia.com

To,
National Stock Exchange of India Limited
Exchange Plaza, 5th Floor, Plot No. C/1, G
Block, Bandra Kurla Complex, Bandra (East),
Mumbai- 400 051
Fax : 022- 2659 8237/ 38
Email: cmllist@nse.co.in

BSE Scrip Code: **539141**

NSE Symbol: **UFO**

Dear Sir / Ma'am,

Sub: Outcome of the Board Meeting held on February 2, 2017 – Financial Results for the quarter and nine months ended December 31, 2016

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the standalone and consolidated unaudited financial results of the Company for the quarter and nine months ended December 31, 2016, approved by the Board of Directors of the Company at its meeting held on February 2, 2017 alongwith the Limited Review Report issued by the Statutory Auditors of the Company on standalone and consolidated financial results for the quarter and nine months ended December 31, 2016.

We also enclose herewith press release on the said results of the Company.

The meeting commenced at 01:00 p.m. and concluded at 01:50 p.m.

Thanking you.

Yours faithfully,

For **UFO Moviez India Limited**



Sameer Chavan
Company Secretary
M. No.: F7211

Encl: a/a

Limited Review Report**Review Report to
The Board of Directors
UFO Moviez India Limited**

1. We have reviewed the accompanying statement of unaudited consolidated financial results of UFO Group comprising UFO Moviez India Limited ('the Company') and its subsidiaries (together, 'the Group') and its associates, for the quarter and nine months ended December 31, 2016 (the "Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. We report that the accompanying unaudited consolidated financial results for the corresponding quarter and nine months period ended December 31, 2015 are based on the management certified financial information and have not been subject to any review by us.
4. We did not review total assets of Rs. 14,394 lakhs as at December 31, 2016 and revenues of Rs. 3,220 lakhs and Rs. 8,602 lakhs for the quarter and nine months ended December 31, 2016 respectively, included in the accompanying unaudited consolidated financial results relating to certain subsidiaries, whose financial results and other financial information have been reviewed by the other auditors and whose reports have been furnished to us. Our conclusion on the unaudited consolidated financial results of the Group and its associates for the quarter and nine months ended December 31, 2016, in so far as it relates to such subsidiaries is based solely on the reports of the other auditors.
5. We did not review total assets of Rs. 9,248 lakhs as at December 31, 2016 and revenues of Rs. 0.04 lakhs and Rs. 0.41 lakhs for the quarter and nine months ended December 31, 2016 respectively, included in the accompanying unaudited consolidated financial results relating to nine subsidiaries, whose financial results and other financial information are based on management certified accounts provided to us. The unaudited consolidated financial results also include the Company's share of net profit of Rs. 118 lakhs and Rs. 461 lakhs for the quarter and nine months ended December 31, 2016 respectively, as considered in the unaudited consolidated financial results, in respect of five associates, whose financial results and other financial information have been furnished to us by the Management. Our conclusion on the unaudited consolidated financial results of the Group and its associates for the quarter and nine months ended December 31, 2016, in so far as it relates to such subsidiaries and associates is based solely on these accounts and information on such subsidiaries and associates as certified by management.



S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

UFO Moviez India Limited
Limited Review Report – December 2016

6. Based on our review conducted as above and on consideration of reports of other auditors on the unaudited separate quarterly financial results and on the other financial information of the components, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
7. Without qualifying our conclusion, we draw attention to note 5 to the Statement for a demand of Rs. 2,201 lakhs (excluding interest and penalty) received by the Company in the year ended March 31, 2016 for disallowance of CENVAT credit on equipment and which is more fully described therein. Based on legal opinion obtained, the Company is of the view that CENVAT credit should be available to it and is contesting this demand. Hence, no provision has been considered by the management in the unaudited consolidated financial results of the Group and its associates for the quarter and nine months ended December 31, 2016.

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004


per Govind Ahuja

Partner

Membership No.: 048966



Place: Mumbai

Date: February 02, 2017

Limited Review Report

**Review Report to
The Board of Directors
UFO Moviez India Limited**

1. We have reviewed the accompanying statement of unaudited standalone financial results of UFO Moviez India Limited ('the Company') for the quarter and nine months ended December 31, 2016 (the "Statement"). This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited standalone financial results prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Without qualifying our conclusion, we draw attention to note 5 to the Statement for a demand of Rs. 2,201 lakhs (excluding interest and penalty) received by the Company during the year ended March 31, 2016 for disallowance of CENVAT credit on equipment and which is more fully described therein. Based on legal opinion obtained, the Company is of the view that CENVAT credit should be available to it and is contesting this demand. Hence, no provision has been considered by the management in the unaudited standalone financial results of the Company for the quarter and nine months ended December 31, 2016.

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004


per Govind Ahuja
Partner
Membership No.: 048966
Place: Mumbai
Date: February 02, 2017



UFO MOVIEZ INDIA LIMITED
STATEMENT OF UNAUDITED STANDALONE AND CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31 DECEMBER, 2016
(Rs. in Lakhs)

Sr. No.	Particulars	Standalone						Consolidated					
		Quarter ended		9 months ended		Year ended		Quarter ended		9 months ended		Year ended	
		31-Dec-16	30-Sep-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Mar-16	31-Dec-16	30-Sep-16	31-Dec-15	31-Dec-16	31-Dec-15	31-Mar-16
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income from operations												
	Net sales / income from operations	9,417	10,788	8,942	29,032	25,413	34,901	14,838	15,915	14,449	44,145	42,306	56,549
	Other operating income	10	14	26	45	57	57	26	39	27	88	59	457
	Total income from operations (net)	9,427	10,802	8,968	29,077	25,470	34,958	14,864	15,954	14,476	44,233	42,365	57,006
2	Expenses												
	(a) Cost of consumables and spares consumed	66	78	64	225	197	256	97	110	76	287	230	303
	(b) Purchases of digital cinema equipment and lamps	433	520	617	1,447	1,477	2,030	1,408	1,625	1,821	4,411	5,872	6,602
	(c) Changes in inventories	44	(44)	(100)	(6)	(27)	(157)	159	(160)	(144)	(133)	(95)	(58)
	(d) Advertisement revenue share	1,597	1,915	1,553	5,047	4,548	6,250	1,290	1,415	1,165	3,914	3,441	4,715
	(e) Virtual print fees sharing	117	311	178	642	410	642	1,747	2,051	1,819	5,643	5,441	7,336
	(f) Other operating direct cost	742	755	592	2,227	1,787	2,429	1,368	1,292	1,542	4,129	3,974	5,354
	(g) Employee benefits expense	1,860	1,614	1,367	4,873	3,857	5,351	2,303	1,994	1,754	6,083	5,006	6,882
	(h) Depreciation and amortisation expense	1,540	1,554	1,455	4,603	4,438	5,877	2,106	2,122	1,928	6,292	5,828	7,739
	(i) Other expenses	1,738	1,615	1,484	5,023	3,973	5,551	2,170	2,100	2,001	6,457	5,503	7,597
	Total expenses	8,137	8,318	7,210	24,081	20,660	28,229	12,648	12,549	11,962	37,083	35,200	46,470
3	Profit / (Loss) from operations before other income, finance costs (1-2)	1,290	2,484	1,758	4,996	4,810	6,729	2,216	3,405	2,514	7,150	7,165	10,536
4	Other income	77	1,355	88	1,637	1,409	1,490	127	137	188	531	521	674
5	Profit / (Loss) from ordinary activities before finance costs (3 + 4)	1,367	3,839	1,846	6,633	6,219	8,219	2,343	3,542	2,702	7,681	7,686	11,210
6	Finance costs	(166)	(178)	(224)	(528)	(776)	(977)	(252)	(263)	(327)	(790)	(1,096)	(1,404)
7	Profit / (Loss) from ordinary activities after finance costs	1,201	3,661	1,622	6,105	5,443	7,242	2,091	3,279	2,375	6,891	6,590	9,806
8	Tax expense	(424)	(827)	(567)	(1,692)	(1,500)	(2,144)	(760)	(1,376)	(836)	(2,757)	(2,118)	(3,459)
9	Net Profit / (Loss) for the period (7 + 8)	777	2,834	1,055	4,413	3,943	5,098	1,331	1,903	1,539	4,134	4,472	6,347
10	Share of profit / (loss) of associates	-	-	-	-	-	-	119	184	128	461	278	394
11	Minority interest	-	-	-	-	-	-	(91)	(61)	(64)	(229)	(176)	(394)
12	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (9 + 10 + 11)	777	2,834	1,055	4,413	3,943	5,098	1,359	2,026	1,603	4,366	4,574	6,347
13	Paid-up equity share capital (Face Value of Rs. 10 each)	2,760	2,760	2,618	2,760	2,618	2,750	2,760	2,760	2,618	2,760	2,618	2,750
14	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						41,397						48,897
15	Earnings per share of Rs. 10 each (for the quarters, not annualised):												
	(a) Basic	2.82	10.27	4.06	16.00	15.21	19.46	4.93	7.34	6.17	15.83	17.64	24.22
	(b) Diluted	2.82	10.27	3.89	16.00	14.53	18.74	4.93	7.34	5.90	15.83	16.85	23.33


UFO MOVIEZ INDIA LIMITED
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Corporate Identity Number: L22120MH2004PLC285453 • **Email:** corporate@ufomoviez.com • **Website:** www.ufomoviez.com

NOTES:

1. This statement is as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per recognition and measurement principles of Accounting Standard - 25 Interim Financial Reporting notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 as amended through the Companies (Accounting Standards) Amendment Rules, 2016.
2. The above standalone and consolidated results of UFO Moviez India Limited ('the Company') and its subsidiaries, associates (collectively referred to as "the Group") have been reviewed by Audit Committee of the board and taken on record at the Meeting of the Board of Directors held on February 02, 2017.
Statutory auditors have carried out Limited Review on the standalone and consolidated financial results for the quarter and nine months period ended December 31, 2016. The figures for consolidated financial results of the Group for the quarter and nine months period ended December 31, 2015 have not been subject to limited review by the statutory auditors.
3. The Group is primarily engaged in the business of Digital Cinema Services and the financial results reflect the result of this business segment, which is the primary segment in accordance with the requirement of Accounting Standard 17 on Segment Reporting.
4. During the quarter ended September 30, 2016, the Board of Directors of the Company approved scheme of arrangement involving amalgamation of four of its wholly owned subsidiaries including step down subsidiaries namely Southern Digital Screenz India Private Limited (SDS), V N Films Private Limited, Edridge Limited and UFO International Limited as per Sections 391 to 394 and Section 100 to 103 of the Companies Act, 1956 read with Notified Section 52 of Companies Act, 2013 and other applicable provisions of the Companies Act, 1956/2013, (collectively referred to as "the Scheme") from appointed date of April 1, 2016, for V N Films Private Limited, Edridge Limited and UFO International Limited and July 1, 2016 for SDS.
During the quarter ended December 31, 2016 the Company has filed the Scheme with Bombay High Court on October 4, 2016. The shareholders approved the scheme of arrangement in court convened extraordinary general meeting held on January 16, 2017. The Scheme will be effective subject to the approval of the High Court/National Company Law Tribunal and regulators of the overseas entities.
5. During the year ended March 31, 2016, the Company has received an order from the Commissioner of Service Tax Mumbai ('the Order') which includes demand for Rs. 2,201 lakhs, excluding interest and penalty, on account of disallowance of CENVAT Credit on Capital Goods (Digital Cinema Equipments) claimed by the Company for the period April 2008 to March 2014 as the possession of the equipments is not with the Company. Based on legal opinion obtained, the Company is of the view that these equipments are used for providing taxable output services and hence should be entitled to avail CENVAT credit and is therefore contesting this demand. The Company believes that its position is likely to be upheld in the appellate process and accordingly no provision has been considered necessary in these financial results.
The statutory auditors have included a matter of emphasis paragraph in respect of this matter in their auditors report on the standalone and consolidated financial statements for the year ended March 31, 2016 and limited review report on the standalone and consolidated financial results for the quarter and nine months ended December 31, 2016.
6. The total managerial remuneration for the previous year ended March 31, 2016 in respect of managing director and joint managing director, after including perquisite value of employees stock options of the Company exercised by them as determined as per Income Tax Act, 1961 (difference between the exercise price of the employee stock options and the market price of the shares on the date of exercise of the options) was in excess of the limits specified under section 197 read with schedule V of the Companies Act, 2013 by Rs. 1,583 lakhs.
Given that this amount has not been paid or incurred by the Company during the previous year(s) and it is not a perquisite paid in cash. During the quarter ended June 30, 2016, the Company has filed an application to the Central Government for the waiver of this excess remuneration. Pending the approval from the Central Government no adjustments have been made to these financial results.
The statutory auditors have included a matter of emphasis paragraph in respect of above matter in their auditors report on the standalone and consolidated financial statements for the year ended March 31, 2016.
7. Subsequent to the quarter ended December 31, 2016, the Company has obtained the shareholders' approval through post ballot, for the revision in managerial remuneration for the managing and joint managing director payable from April 1, 2016 till the end of their respective contracts. Consequently, during the quarter ended December 31, 2016, the Company has recorded additional managerial remuneration amounting to Rs. 212.5 lakhs of which Rs. 175 lakhs pertains to earlier quarters.
8. Previous year/period figures have been regrouped / reclassified, where necessary, to conform to current period classification.

For and on behalf of the Board of Directors
of UFO Moviez India Limited




Kapil Agarwal
Joint Managing Director

Place of signature: Mumbai
Date: February 02, 2017



UFO MOVIEZ INDIA LIMITED



Press Release

UFO Moviez Reports Q3FY17 Results

Advertisement Revenue Grows 5.2% Y-o-Y to Rs. 427 Mn
EBITDA at ₹434 Mn & PAT at ₹136 Mn

Mumbai, February 02, 2017: UFO Moviez India Limited, India's largest digital cinema distribution network and in-cinema advertising platform in terms of number of screens, today, announced its financial results for the quarter and nine months ended December 31, 2016.

Financial Highlights:

Quarter ended December 31, 2016

Consolidated revenues grew by 2.5% to ₹1,488 (Q3FY16 - ₹1,452) million. EBITDA stood at ₹434 (Q3FY16 - ₹449) million. PBT stood at ₹209 (Q3FY16 - ₹238) million and PAT stood at ₹136 (Q3FY16 - ₹160) million.

Excluding new businesses (VDSPL), the consolidated Theatrical and In-Cinema Advertisement business delivered Revenue growth of 2.5% to ₹1,473 (Q3FY16 - ₹1,437) million, EBITDA stood at ₹453 (Q3FY16 - ₹476) million, PBT stood at ₹252 (Q3FY16 - ₹274) million and PAT stood at ₹179 (Q3FY16 - ₹197) million.

Advertisements revenues grew 5.2% to ₹427 (Q3FY16 - ₹406) million. Average advertisement minutes sold per show per screen stood at 3.88 (Q3FY16 - 4.36) minutes during the quarter.

Nine Months ended December 31, 2016

Consolidated revenues improved by 4.2% to ₹4,433 (9MFY16 - ₹4,254) million. EBITDA grew 2.8% to ₹1,354 (9MFY16 - ₹1,317) million, PBT increased by 4.6% to ₹689 (9MFY16 - ₹659) million and PAT stood at ₹437 (9MFY16 - ₹457) million.

Excluding new businesses (VDSPL), the consolidated Theatrical and In-Cinema Advertisement business delivered Revenue growth of 4.3% to ₹4,401 (9MFY16 - ₹4,220) million, EBITDA grew by 4.7% to ₹1,423 (9MFY16 - ₹1,359) million, PBT grew 14.0% to ₹823 (9MFY16 - ₹722) million and PAT was higher 9.7% to ₹571 (9MFY16 - ₹520) million.

Advertisement revenue grew 20.5% to ₹1,341 (9MFY16 - ₹1,112) million. Average advertisement minutes sold per show per screen increased to 4.32 (9MFY16 - 3.97) minutes during the nine months ended December 31, 2016.

*“We believe that the decision to demonetize high denomination currency notes is a positive step to bolster the economy in the long run,” said **Sanjay Gaikwad, Founder and Managing Director**. “In the short-term, the media and entertainment sector is one of the most adversely impacted sectors. In this challenging environment, UFO demonstrated resilience and delivered growth in advertisement revenues. While demonetization has slowed down growth in the second half of fiscal 2017 making it difficult to achieve our advertisement growth target, we are extremely confident of delivering on our long term growth plans.”*

*“This is a positive set of results, both operationally and financially given the difficult market conditions, highlighting the strength of our business model,” said **Kapil Agarwal, Joint Managing Director**. “Advertisement revenues achieved mid-single digit growth despite extreme pressure across sectors and dented advertising spends. We believe that the impact is transitory and the early signs of recovery are already visible. Going forward, re-monetization along with the implementation of GST are expected to drive overall economic growth and UFO is well positioned to benefit from higher advertising spending by the Government, Corporates and Hyperlocal advertisers.”*

About Us

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 December 31, 2016, UFO's global network, along with subsidiaries and associates, spans 6,674 screens worldwide, including 5,052 screens across India and 1,622 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 3,737 screens, with an aggregate seating capacity of approximately 1.74 million viewers and a reach of 1,911 locations across India, as on December 31, 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.

Safe Harbour

This document, except for the historical information, may contain forward looking statements indicating future performance or results, financial or otherwise. These forward looking statements are based on certain expectations, assumptions, anticipated developments and other factors which are not limited to, risk and uncertainties regarding fluctuations in earnings, market growth, intense competition and the pricing environment in the market, ability to maintain and manage key customer relationship and supply chain sources and those factors which may affect our ability to implement business strategies successfully, namely changes in regulatory environments, political instability and new or changed priorities of the trade. The Company, therefore, cannot guarantee that the forward looking statements made herein shall be realized. The Company, based on changes as stated above, may alter, amend, modify or make necessary corrective changes in any manner to any such forward looking statement contained herein or make written or oral forward looking statements as may be required from time to time on the basis of subsequent developments and events.

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

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