



UFO Moviez Q3FY17 results out, ad revenue grows 5.2 per cent Y-o-Y to Rs 427 million

UFO Moviez, one of India's largest digital cinema distribution networks and in-cinema advertising platforms in terms of number of screens, has announced its financial results for the quarter and nine months ended December 31, 2016.

In the quarter ended December 31, 2016, UFO Moviez's consolidated revenues grew by 2.5 per cent to Rs 1,488 (Q3FY16 – Rs 1,452) million. EBITDA stood at Rs 434 (Q3FY16 – Rs 449) million, PBT at Rs 209 (Q3FY16 – Rs 238) million and PAT at Rs 136 (Q3FY16 – Rs 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.

During the 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 demonetise high denomination currency notes is a positive step to bolster the economy in the long run,” said Sanjay Gaikwad, Founder and Managing Director of UFO Moviez. “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 demonetisation 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,” he added.

“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 of UFO Moviez. “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-monetisation 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,” he added.