PVR CINEMAS

CELEBRATING 500 SCREENS

INVESTOR PRESENTATION

August 2016

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, PVR Pictures Limited, PVR bluO Entertainment Ltd, PVR Leisure Limited, Zea Maize Pvt Ltd.

Company Overview

- India's largest cinema chain
- Leadership position in India with approx. 35% share of Hollywood Box Office and approx. 22% share of Bollywood Box Office
- 5 mn sq.ft of operational retail space, another 3 mn sq.ft under development

75[1] Million Guests

557[1] Screens

121 Theatres

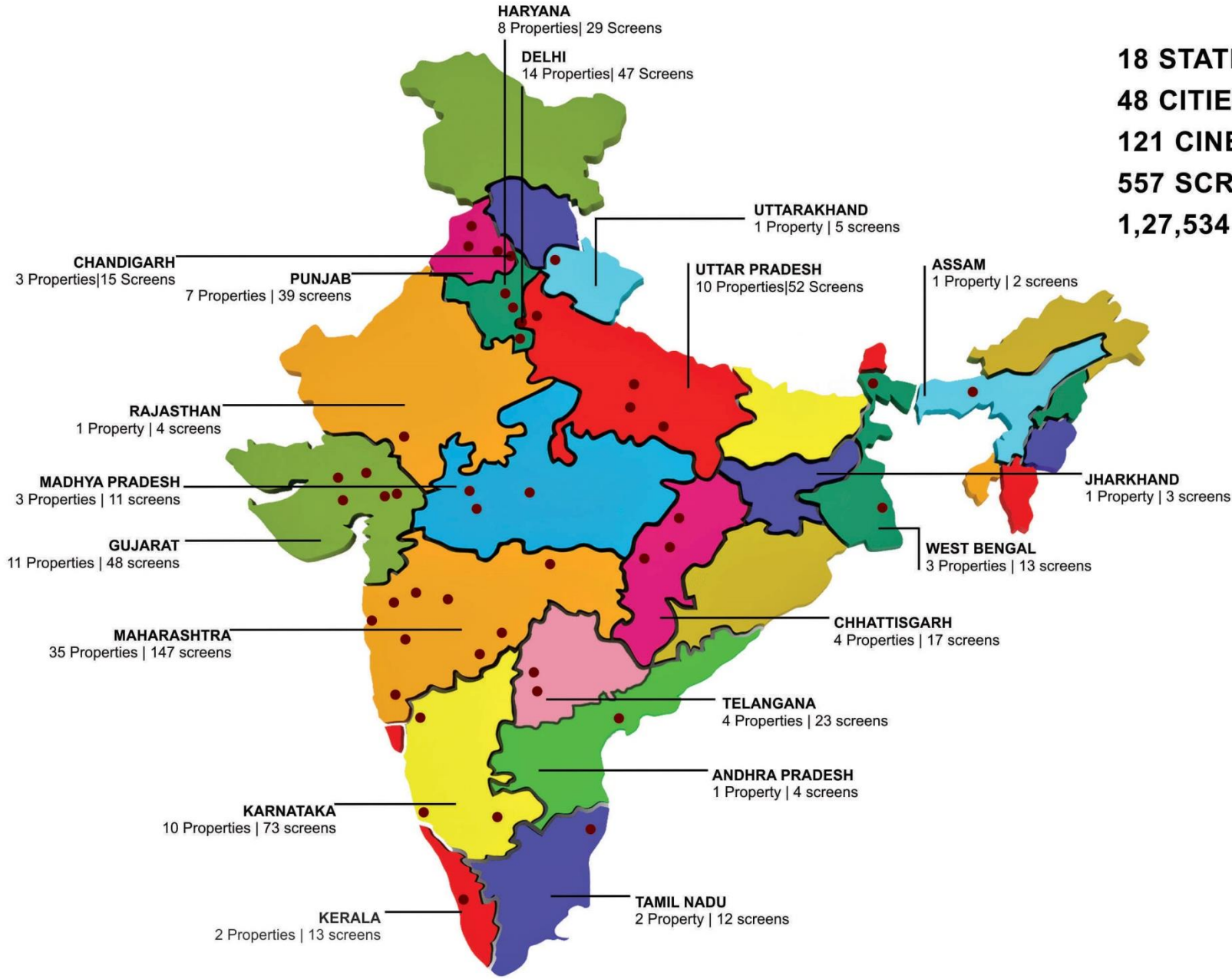
48 Cities

INR 18,971 million in revenue[2]

INR 3,582 million in EBITDA[2]

[1] Including DT Cinemas
[2] For FY15-16

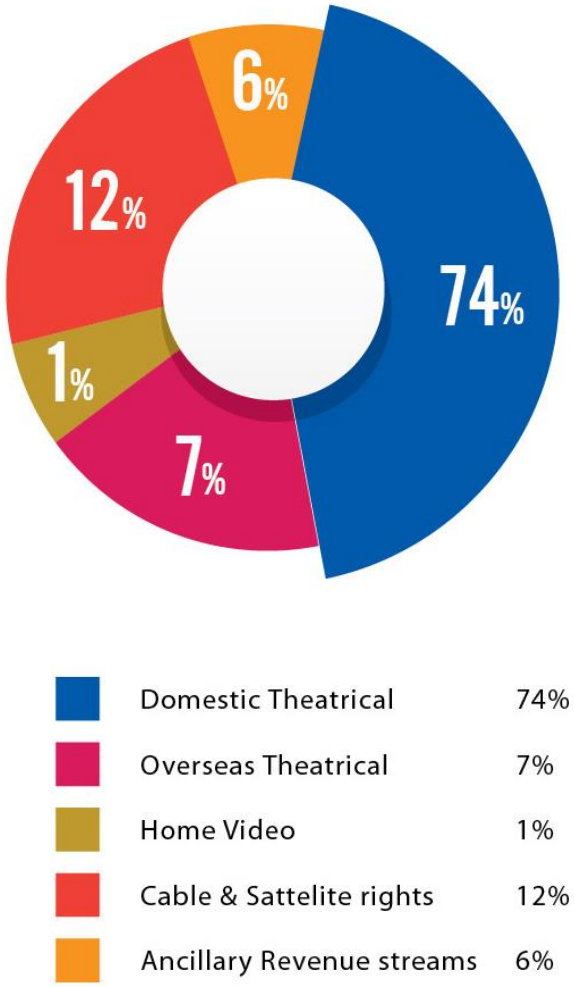
LARGEST MULTIPLEX CHAIN IN INDIA



18 STATES
48 CITIES
121 CINEMAS
557 SCREENS
1,27,534 SEATS

India – A High Growth Box Office Market

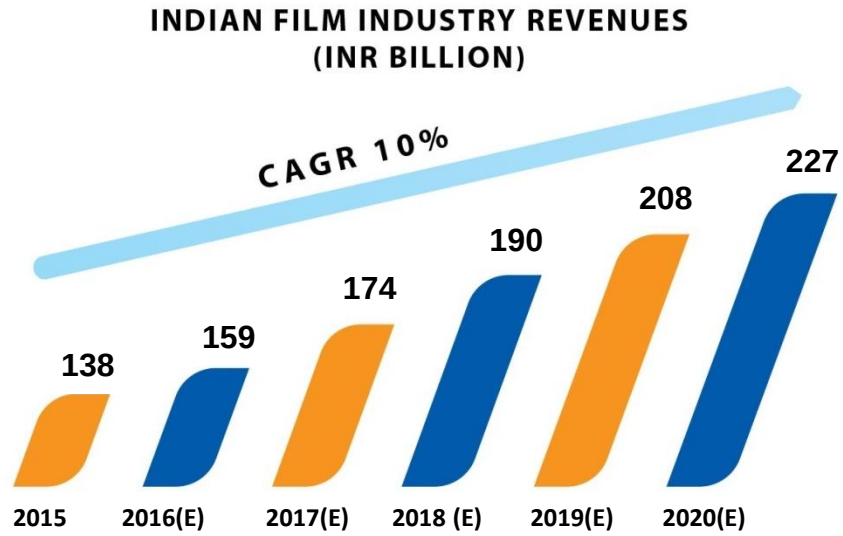
- Movie going is the number 1 entertainment option for people in India
- Largest number of movies released in the world (1,000 movie releases and over 1.93 billion movie goers annually) [1]
- Domestic box office collections contribute almost 3/4th of the film industry revenue[2]



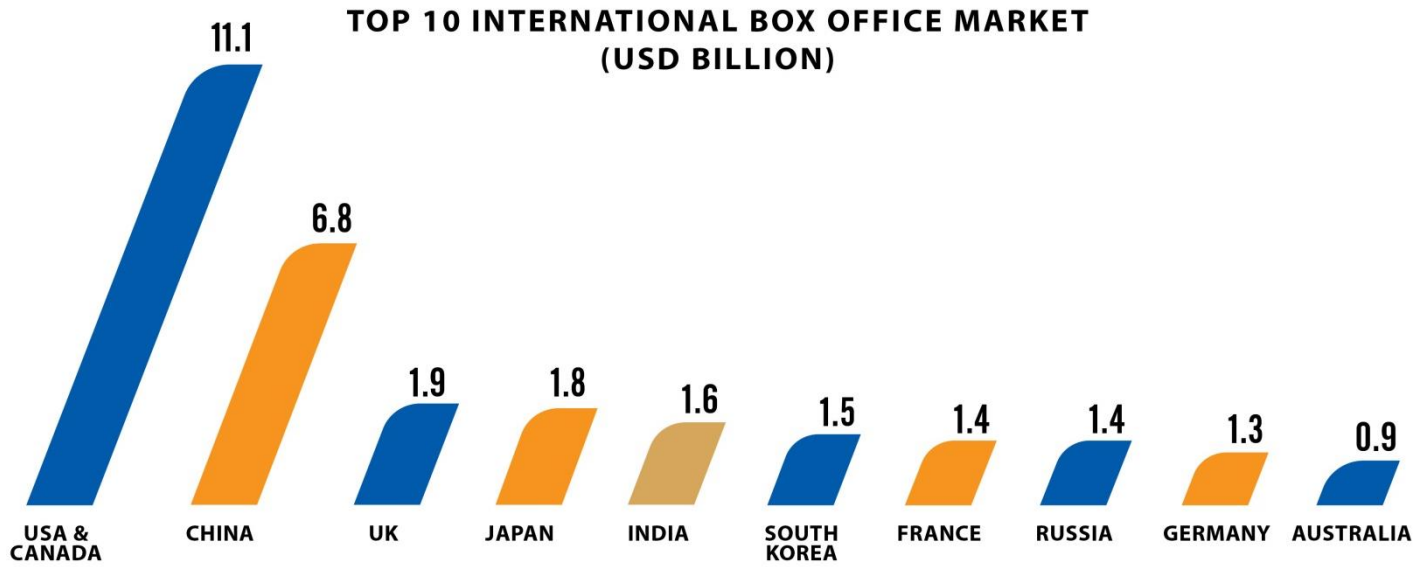
[1]CRISIL Research Report May, 2015
[2]KPMG FICCI Report 2016

India – A High Growth Box Office Market

- Industry is projected to grow @ 10% CAGR in next 5 years



Source: KPMG FICCI Report 2016

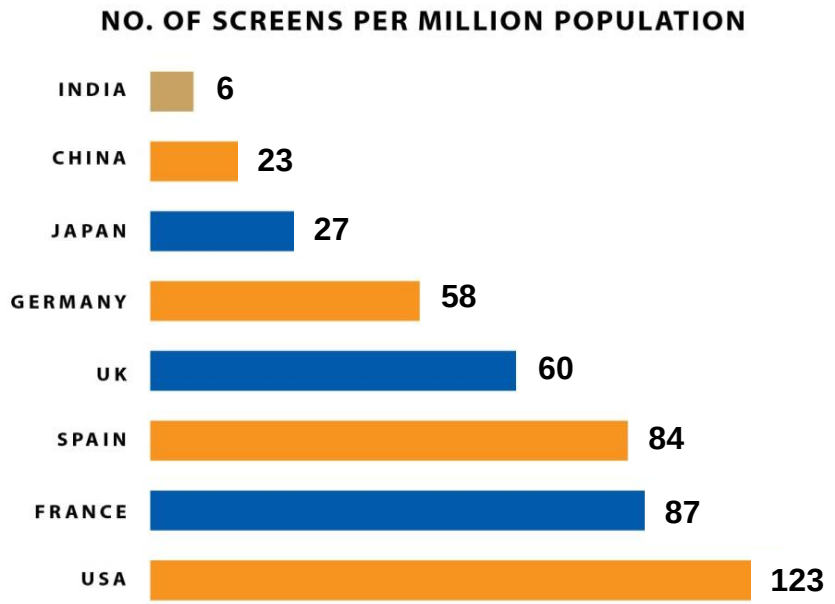


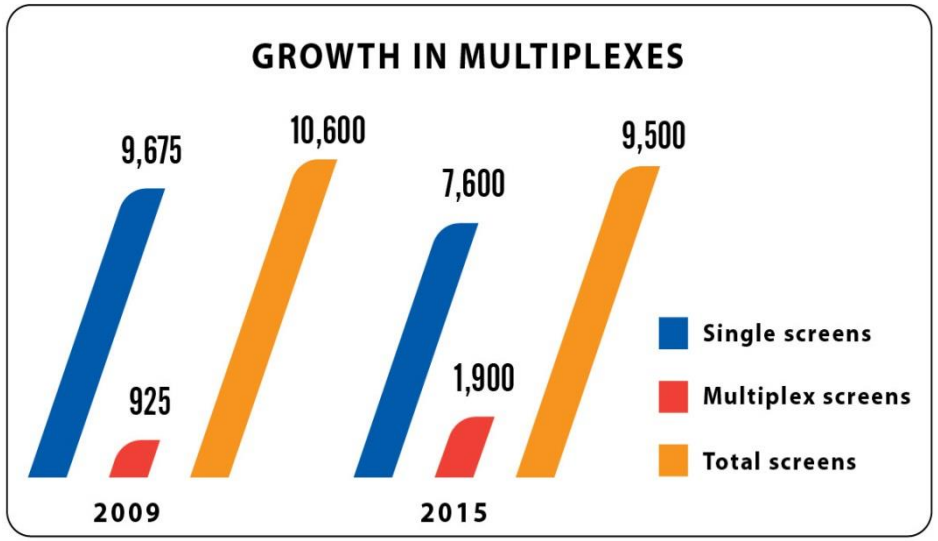
Source: MPAA Theatrical Market Statistics Report 2015

- 6th Largest movie market in the world

India – A High Growth Box Office Market

- Under screened market with huge potential for growth

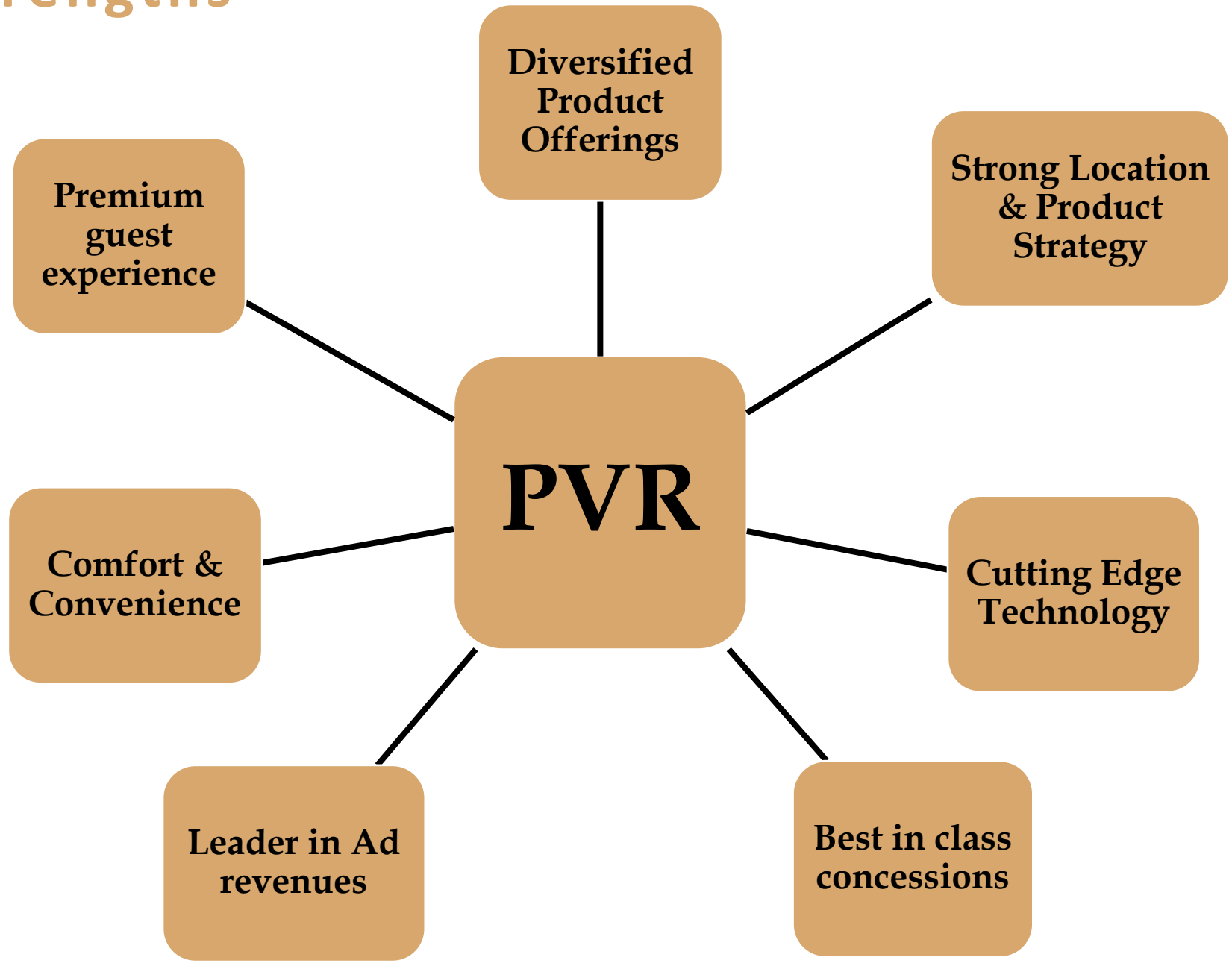




Source: CRISIL Research Report May, 2015

- Modern day Multiplexes are growing & single screens are shutting down

Our Key Strengths



Diversified Product Offerings

PVR Director's Cut	▪ 7 Star movie experience along with fine dining ▪ One of a Kind movie experience	**4 Screens**
PVR CINEMAS GOLD CLASS	▪ Luxurious comfortable Reclining seats ▪ Gourmet menu with live kitchen ▪ Intended for an audience who desire a great, exclusive experience	**28 Screens**
PVR PREMIERE	▪ Premium seating ▪ 7.1 Dolby Surround System ▪ 4k digital projection with 3D screens	**119 Screens**
PVR CINEMAS	▪ Comfortable seating, with wider legroom ▪ Mainstream cinema with latest amenities	**386 Screens**
PVR TALKIES	▪ Caters to Tier 2 & Tier 3 markets ▪ Hygienic environment with basic facilities	**20 Screens**

Total 557 Screens

Strong Location and Product Strategy

- "A+ Site" real estate locations providing competitive advantage
- Anchor tenant in more than 50% of top 20 Malls in India
- 5 mn sq.ft. of existing real estate with another 3 mn signed for future rollout
- Opened 52 screens in FY15-16, acquired 32 screens of DT Cinemas (29 operational screens and 3 upcoming screens) and expect to add 65[1] screens in FY16-17

[1] 14 Screens have already been added till 5th Aug, 2016

Cutting Edge Technology

DIGITAL SCREENS

- 100% Digital Screens using 4K and 2K DCI compliant projectors

4DX Technology

- Revolutionary cinematic experience stimulating all five senses

Playhouse

- Dream world for kids with child themed colorful wall art
- Bean bag sitting sets and Audi slider & handpicked kids menu

IMAX

- Largest IMAX installations in India – 4 IMAX screens

PVR ICON

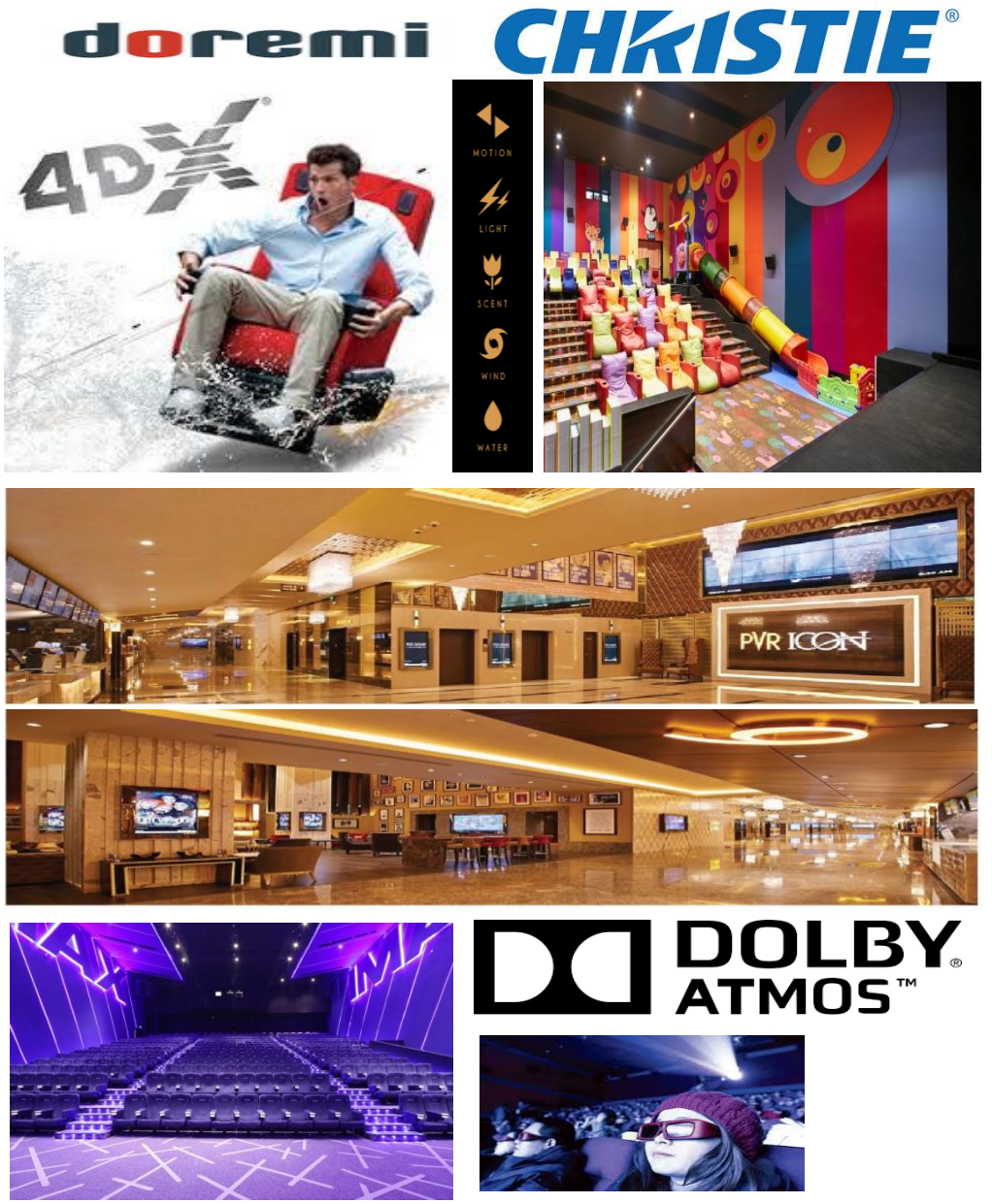
- Magnificent lobby space with interactive kiosks and large video walls
- Best technology and premium experience

3D Technology

- Highest 3D installations in India
- All properties are 3D enabled

DOLBY ATMOS

- Largest partnership with Dolby Atmos in India



Highest Admissions Per Screen Across The Globe

Cinema Chains	ADMISSIONS (000)	SCREENS	ADMISSIONS PER SCREEN (000)
PVR[1]	**69,600**	**516**	**135**
US & MEXICO MARKET			
Regal[2]	217,000	7,307	30
AMC[2]	197,000	5,426	36
Cinemark[2]	264,000	5,840	45
Carmike[2]	59,100	2931	20
Cinepolis[3]	116,900	3,000	39
ASIA MARKET			
Major- Thailand[3]	29,718	610	49
CGV- Korea[3]	101,000	833	121
EUROPEAN MARKET			
Cineworld- UK[3]	82,900	1875	44
Odeon and UCI Cinemas-UK[3]	78,500	2,227	35

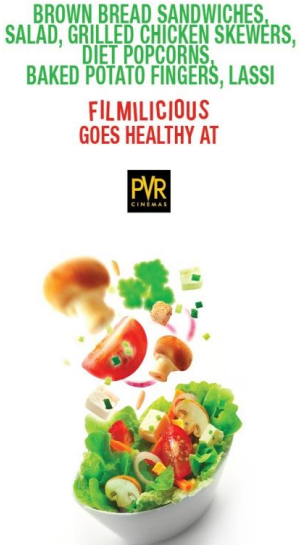
[1] Figures are for FY 2016

[2] Figures are for CY 2015

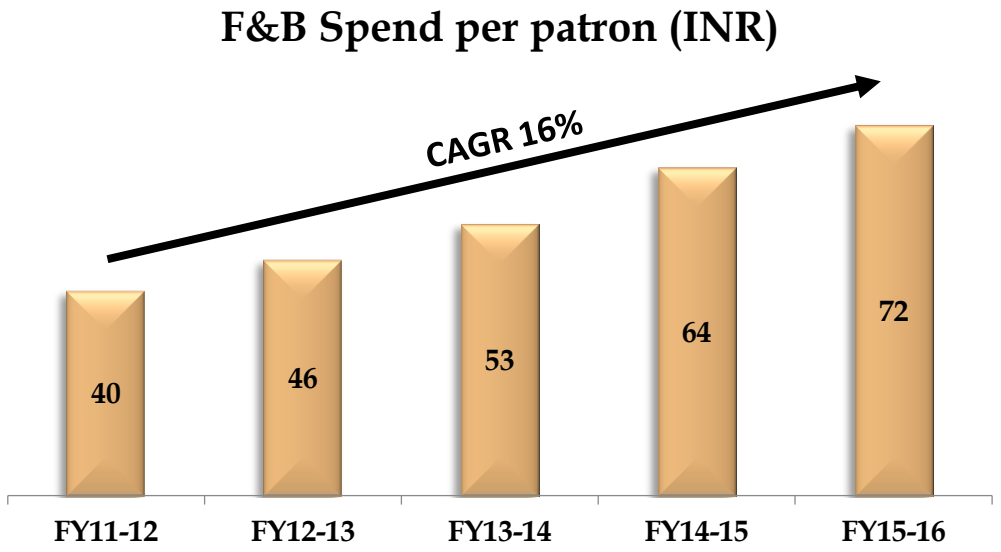
[3] Figures are for CY 2014

Best in Class Concessions

- Enhanced F&B offerings



- Highest F&B spend per patron

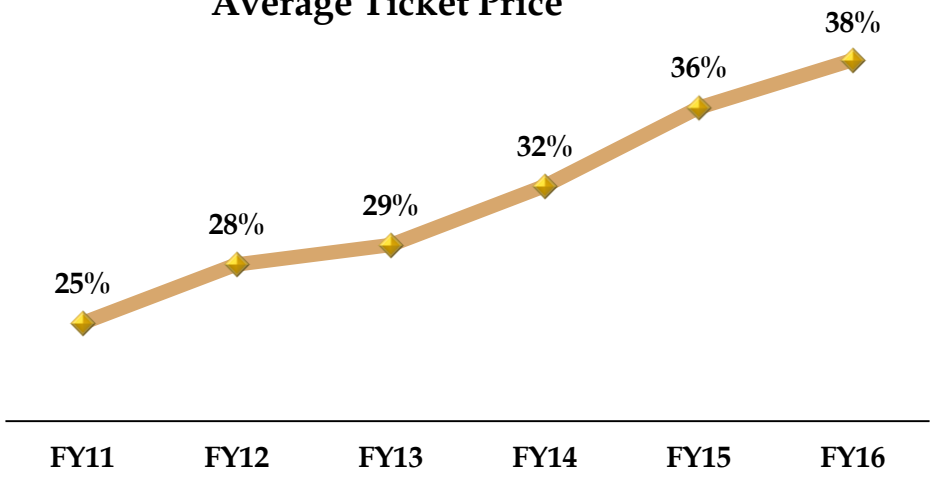


Best in Class Concessions

- Huge potential for growth

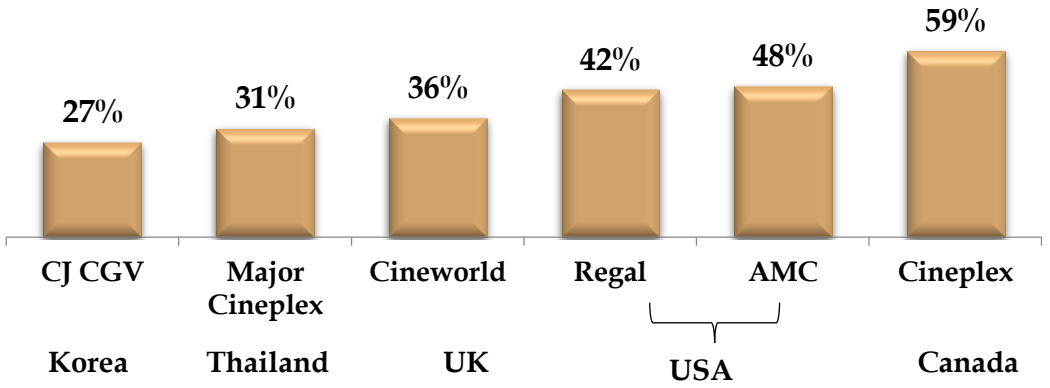
PVR

F&B Spend Per Head as a % of Average Ticket Price



International Chains

F&B Spend Per Head as a % of Average Ticket Price



Data: Company Financials (12 months CY15)

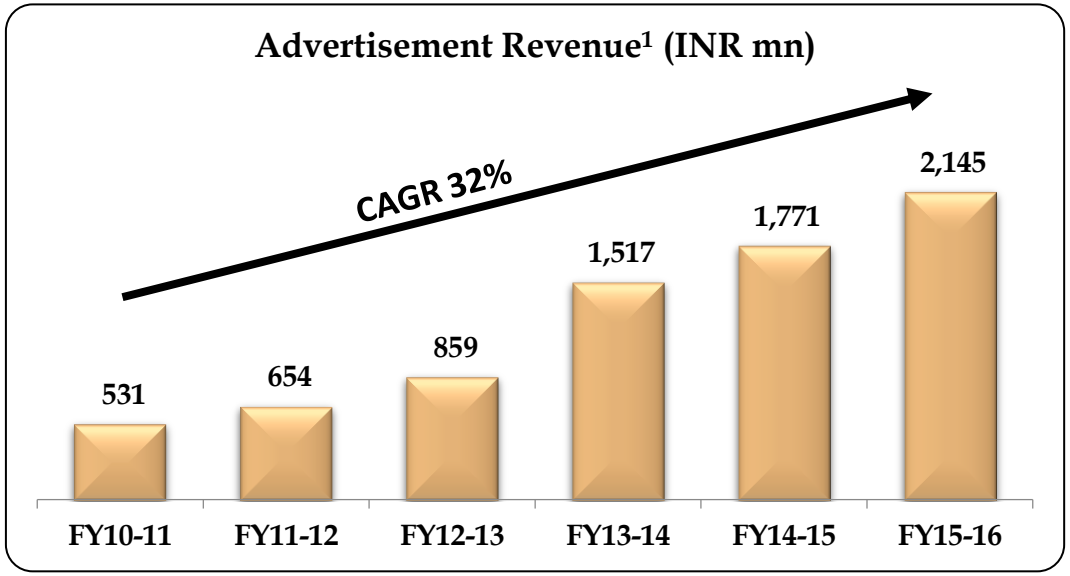
Strong Same Store Growth

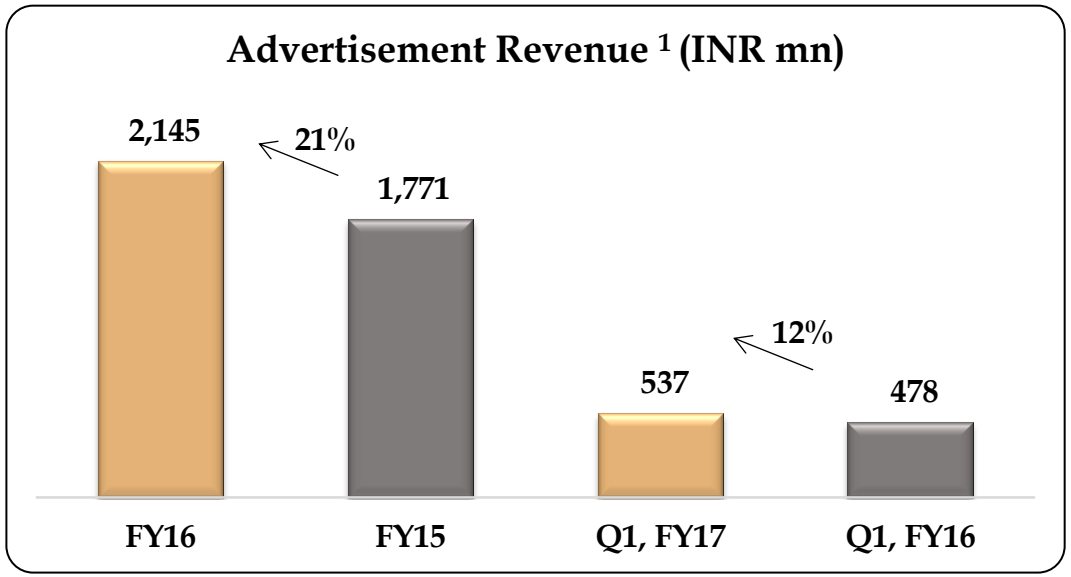
Quarter Ended	Admits	ATP	Gross Box Office	SPH	Gross F&B
June'16	1%	5%	6%	4%	5%
Mar'16	18%	9%	27%	17%	35%
Dec'15	-1%	9%	8%	12%	11%
Sept'15	14%	4%	18%	10%	24%
June'15	16%	5%	21%	16%	32%

5 consecutive quarters of impressive same store growth

Leader in Advertisement Revenues

- Premium brand recognition leading to pricing premium
- Partnership with multiple brands across sectors
- Advertisement revenues 2X of the nearest competitor



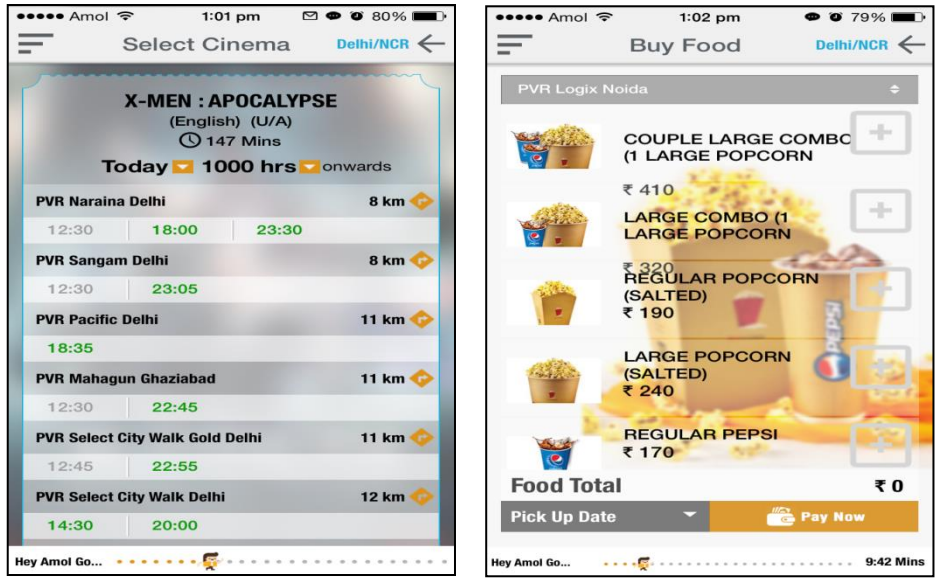


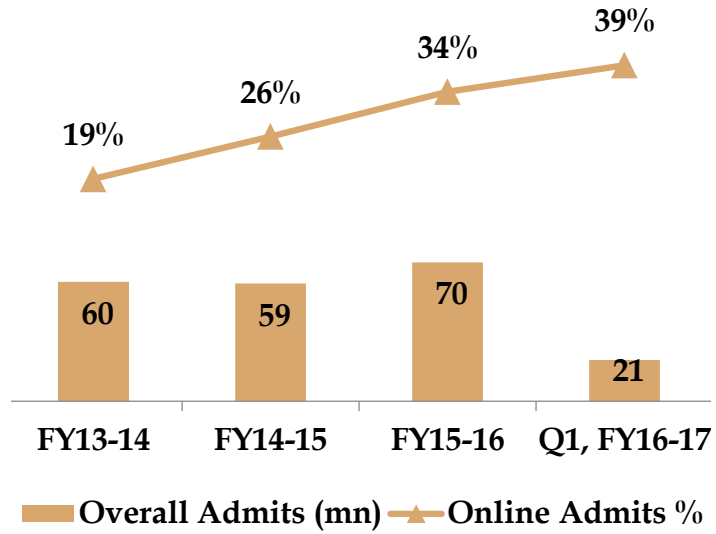
[1] Consolidated

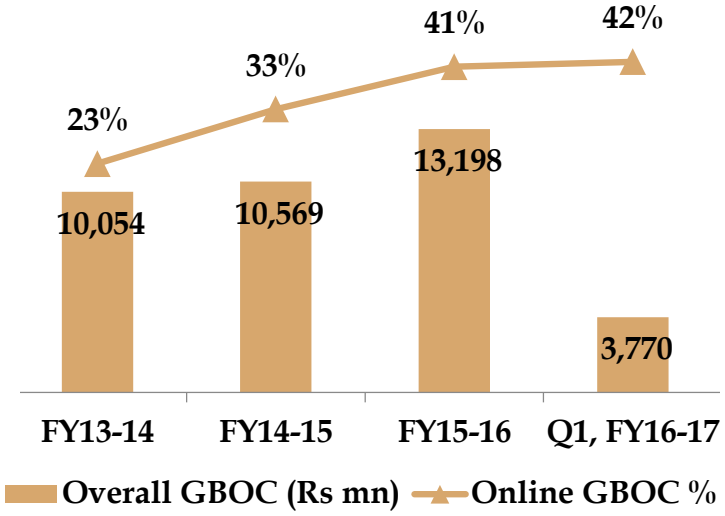
Comfort and Convenience – Rising Online Penetration

- Online ticket booking is extremely convenient, saves time and make cinemas more accessible to consumers
- PVR's own mobile app allows consumers to select movie, cinema, time slot, seat and also pre order food and beverages
- Rising online penetration will continue to boost convenience fee revenue and footfalls

Tied up with BookMyShow, Paytm & Justdial to leverage growth in online penetration





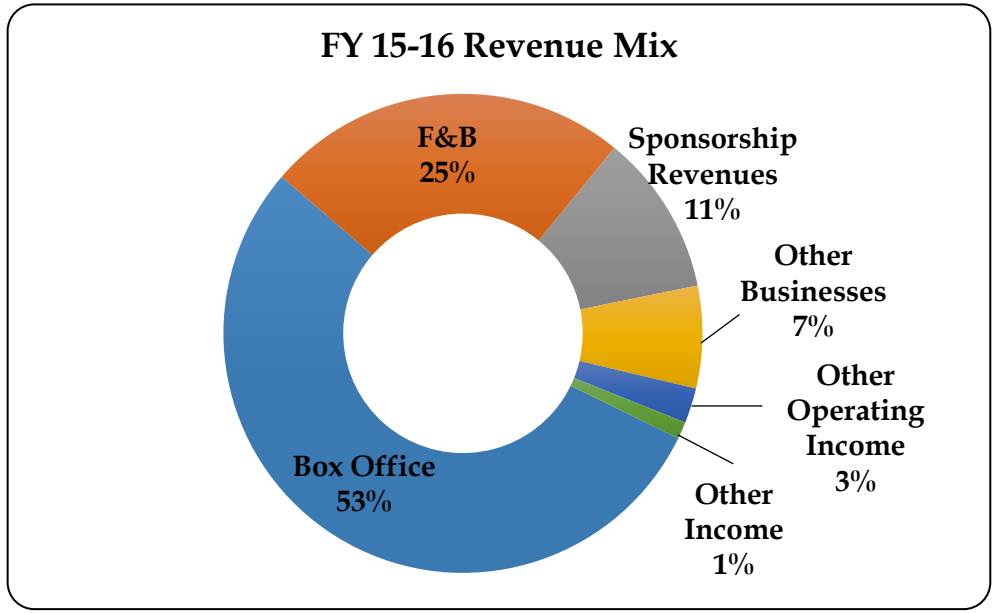


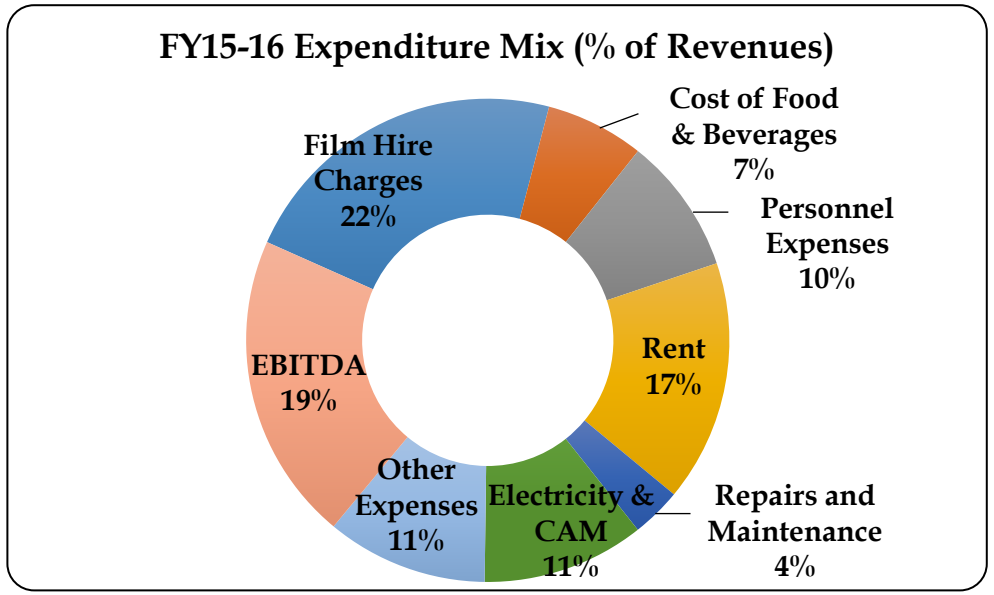
Q1, FY16-17 Performance Snapshot - Consolidated

Particulars (INR mn)	Q1[1]		
	FY 2016-17	FY 2015-16	Growth
Income	5,702	4,860	17%
Expenses	4,536	3,754	21%
Operating Profit	**1,167**	**1,107**	**5%**
Operating Profit Margin	**20.5%**	**22.8%**	**-2.3%**
Other Income	63	25	151%
EBITDA	**1,230**	**1,132**	**9%**
EBITDA Margin	**21.3%**	**23.2%**	**-1.9%**
Depreciation	331	267	24%
EBIT	**899**	**865**	**4%**
Finance Cost	192	218	-12%
PBT before Exceptional item	**707**	**647**	**9%**
Exceptional Item[2]	(26)	(33)	-21%
PBT after Exceptional item	**681**	**615**	**11%**
Tax	249	175	42%
PAT	**432**	**439**	**-2%**

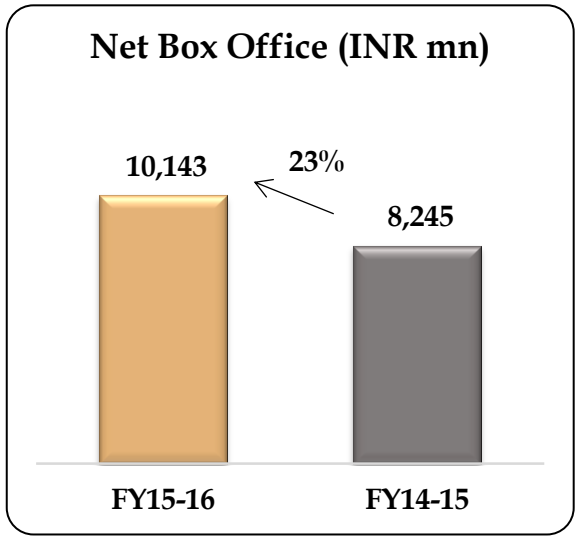
[1] With effect from 1st April, 2016 PVR has adopted new accounting standard "Ind-AS". The financial results summary for the period ended 30 June 2015 is prepared in accordance with Ind-AS

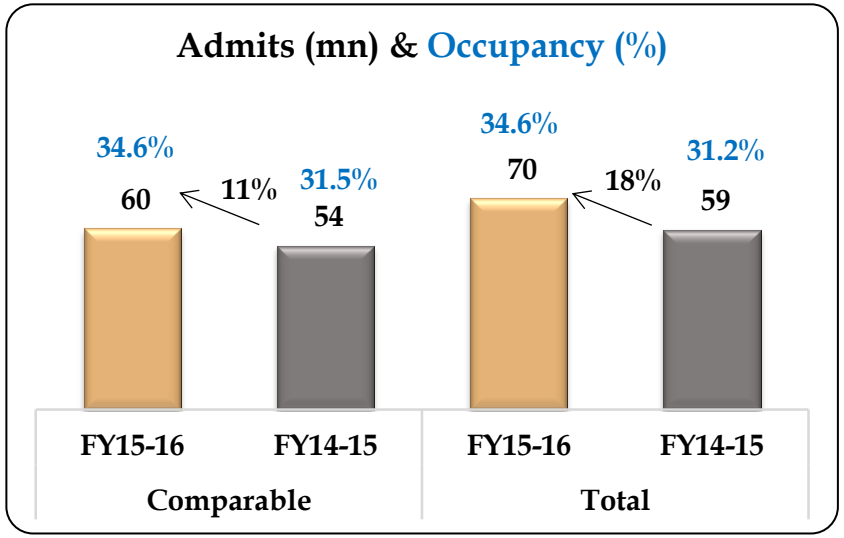
[2] Exceptional items in financial results includes write-off of assets on discontinuance of operations at a property and expenses related to DT acquisition

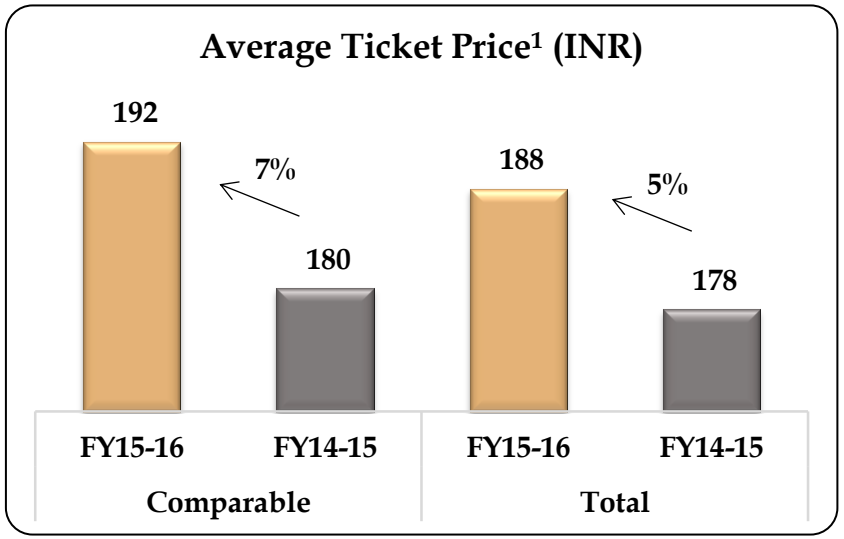




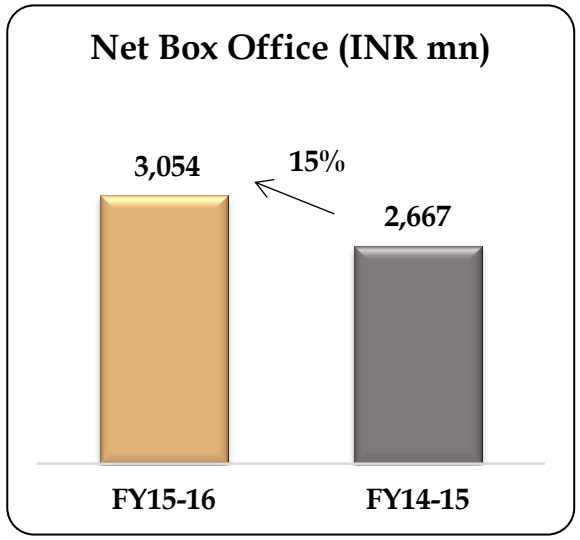
Box Office Performance – FY 2015-16

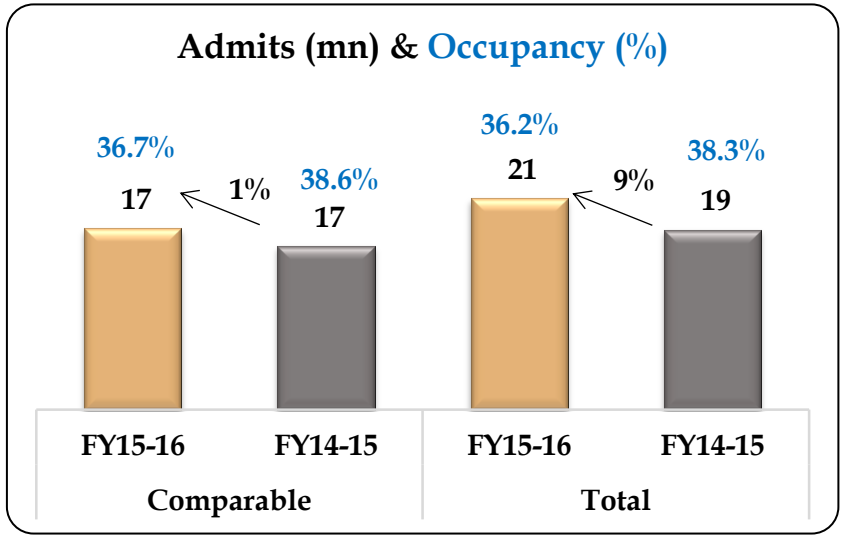


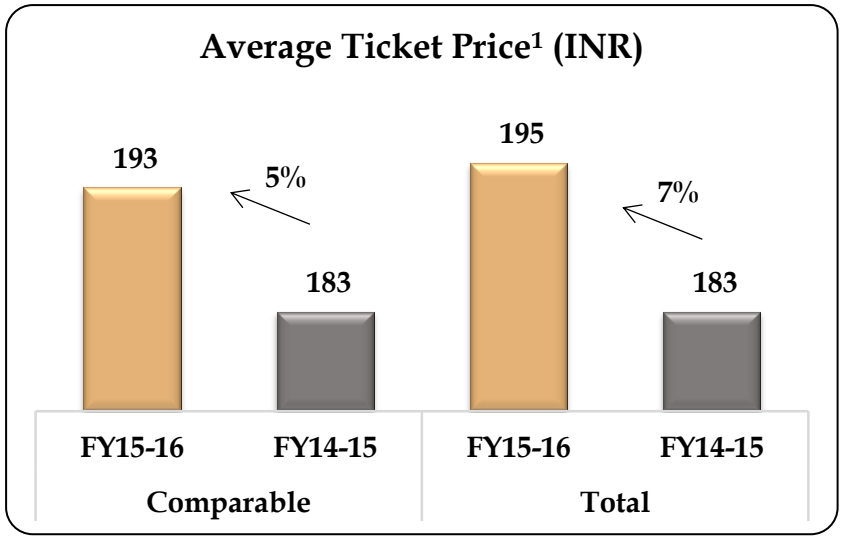




Box Office Performance – Q1, FY 2016-17

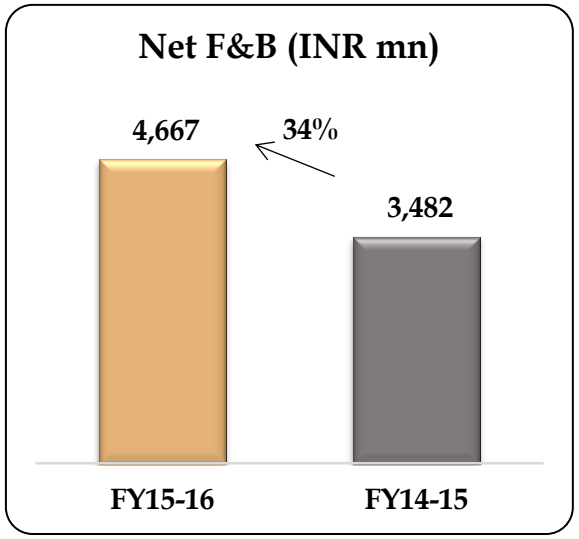


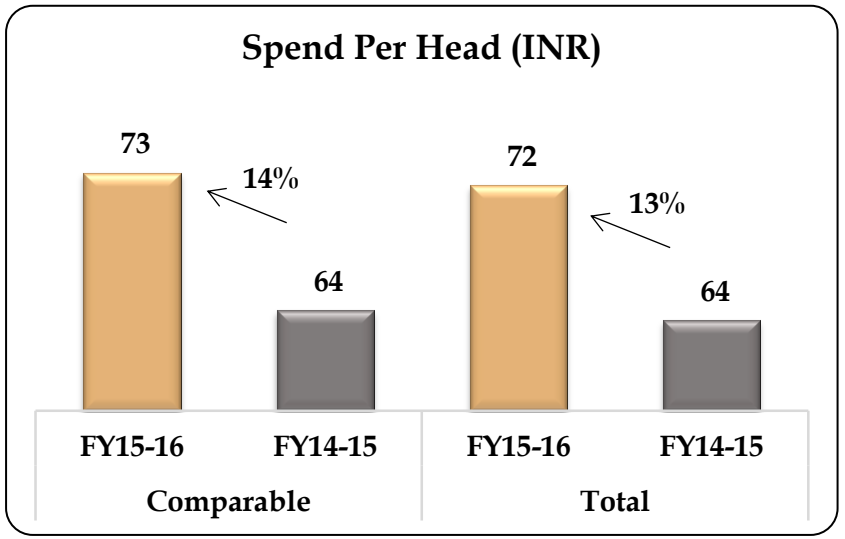


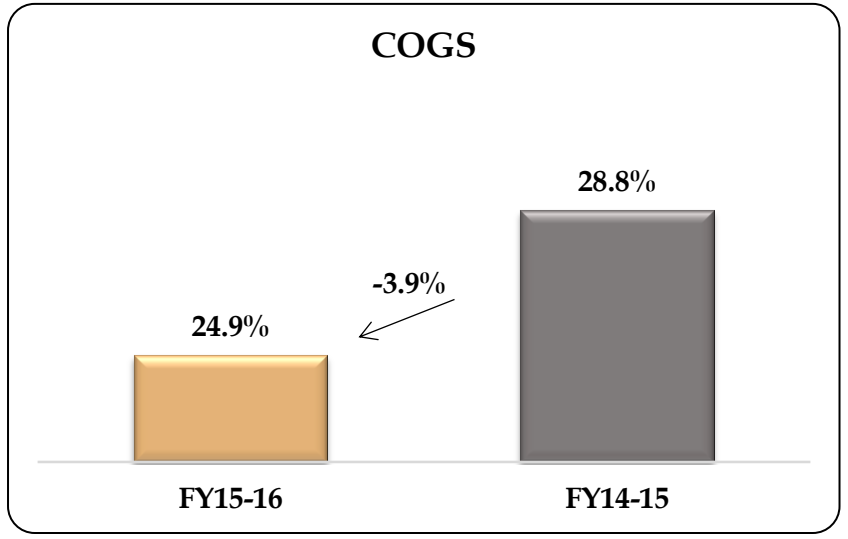


[1] ATP includes 3D Glasses upcharge

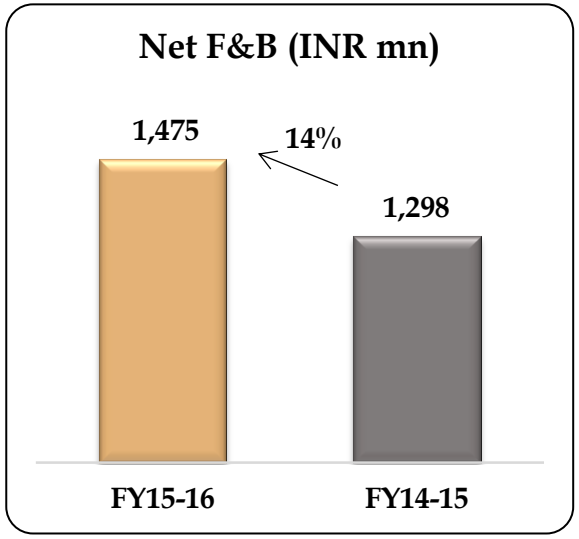
F&B Performance – FY 2015-16

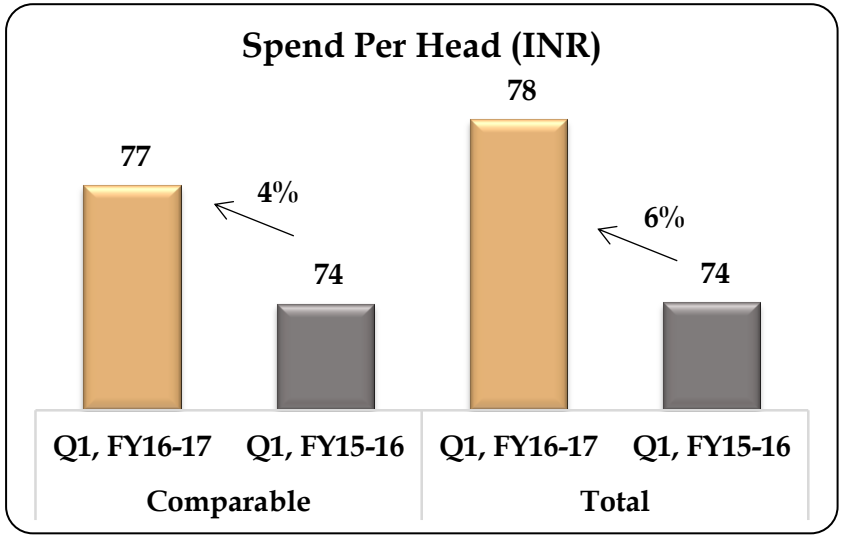


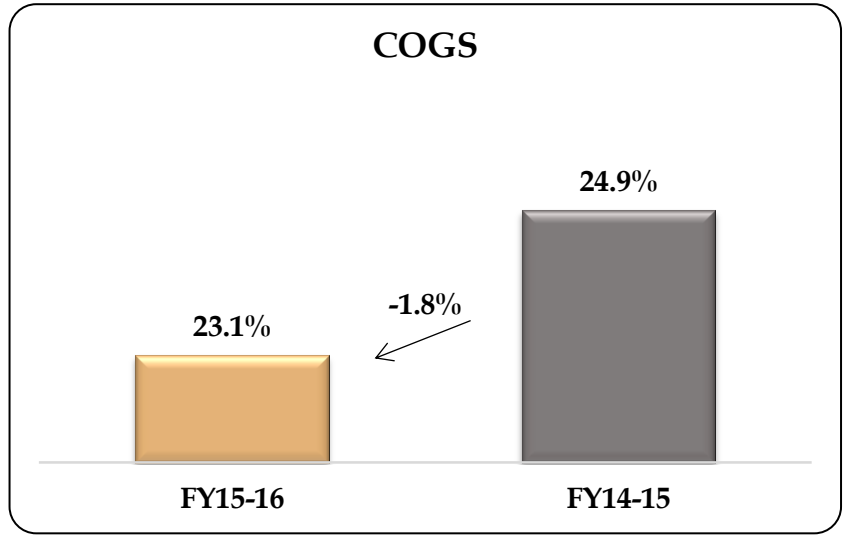




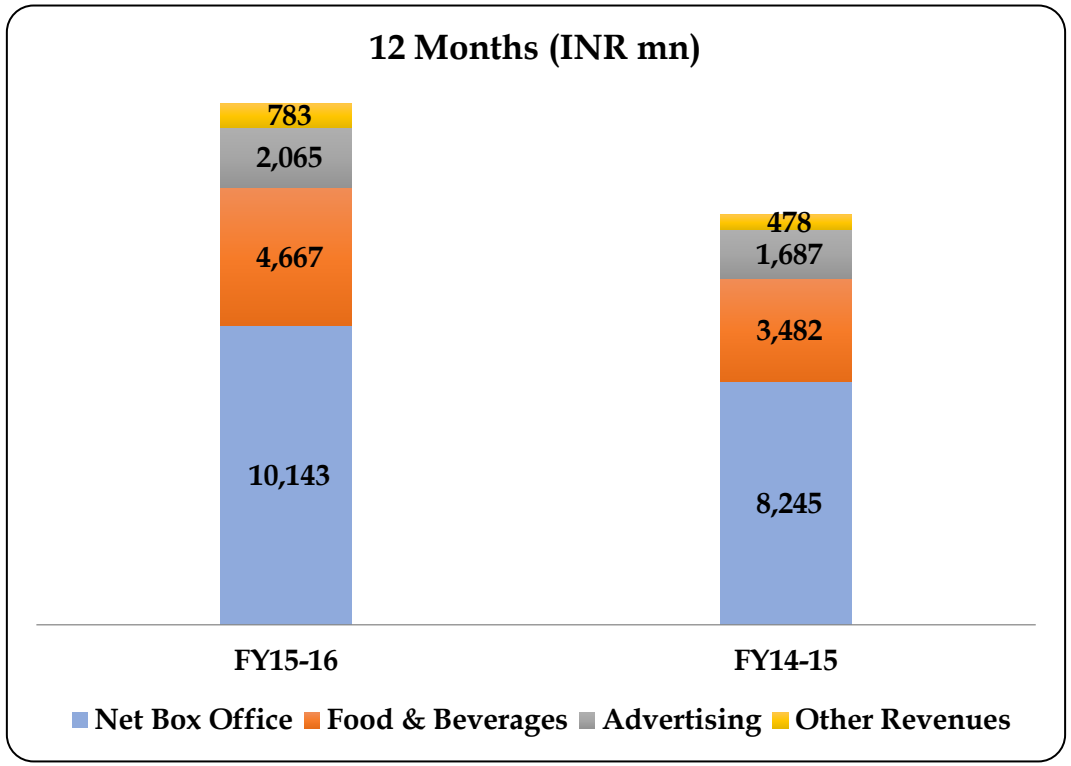
F&B Performance – Q1, FY 2016-17

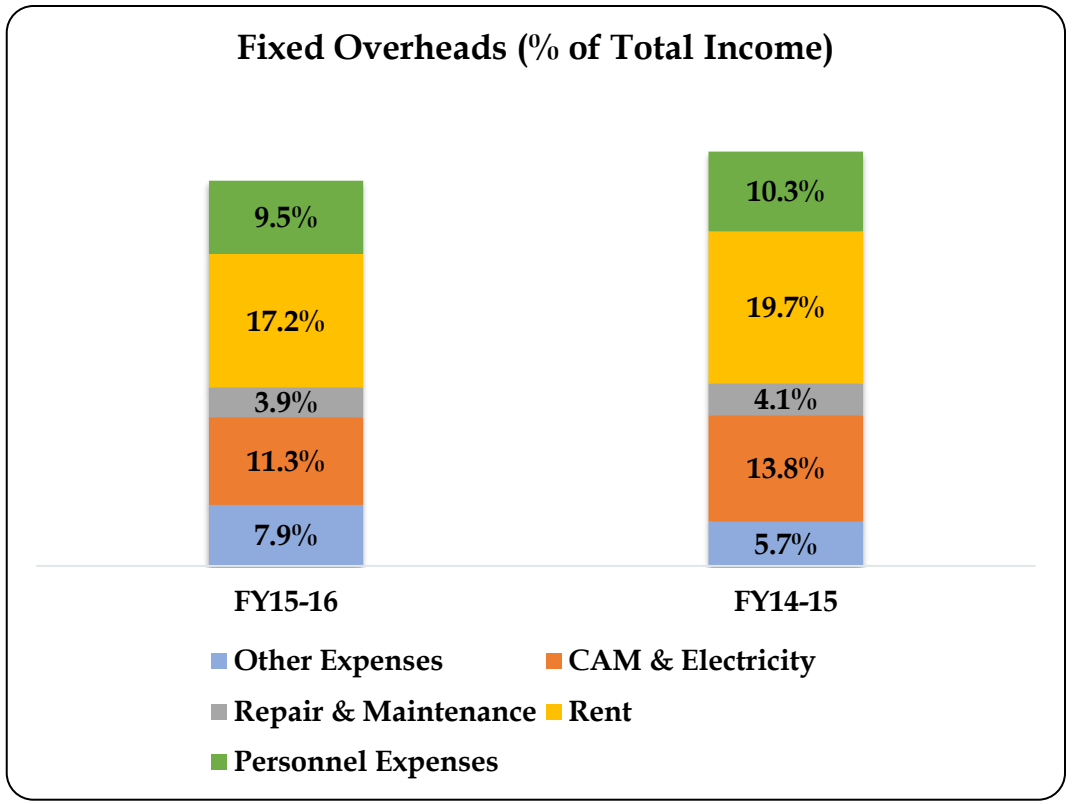




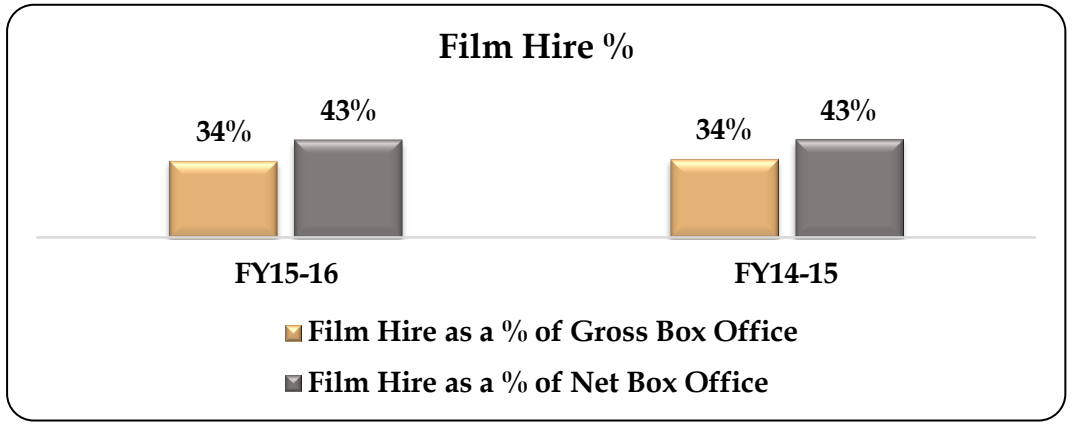


Revenue & Expenditure Analysis – FY15-16





% Share	FY15-16	FY14-15
Net Box Office	57.4%	59.3%
Food & Beverages	26.4%	25.1%
Advertising	11.7%	12.1%
Other Revenues	4.4%	3.4%



ROCE Analysis - As on 31st Mar, 2016

1. Properties > 2 years - Stabilized
2. Properties < 2 years – Yet to Stabilize
3. Properties under construction

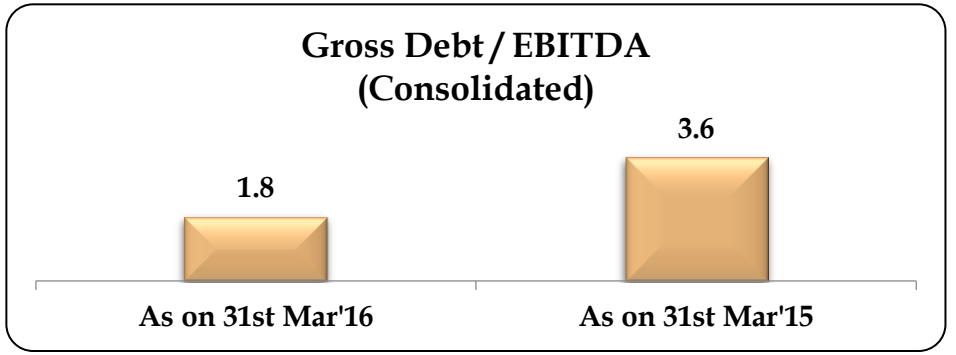
Particulars (INR Lacs)	Net Capital Employed	Revenue	Property Level		After Allocation of Corporate Overheads	
			EBIT	ROCE	EBIT	ROCE
Properties > 2 years (A)	90,222	172,307	28,117	31.2%	21,632	24.0%
Properties < 2 years (B)	20,253	17,402	2,183	10.8%	1,668	8.2%
Operational Properties Total (A+B)	**110,474**	**189,709**	**30,300**	**27.4%**	**23,300**	**21.1%**
Properties under construction (C)	17,121					
Grand Total (A+B+C)	**127,595**	**189,709**	**30,300**	**23.7%**	**23,300**	**18.3%**
Cash and Cash Equivalents (D)	**31,814**					
Company Total (A+B+C+D)	**159,409**	**189,709**	**30,300**	**19.0%**	**23,300**	**14.6%**

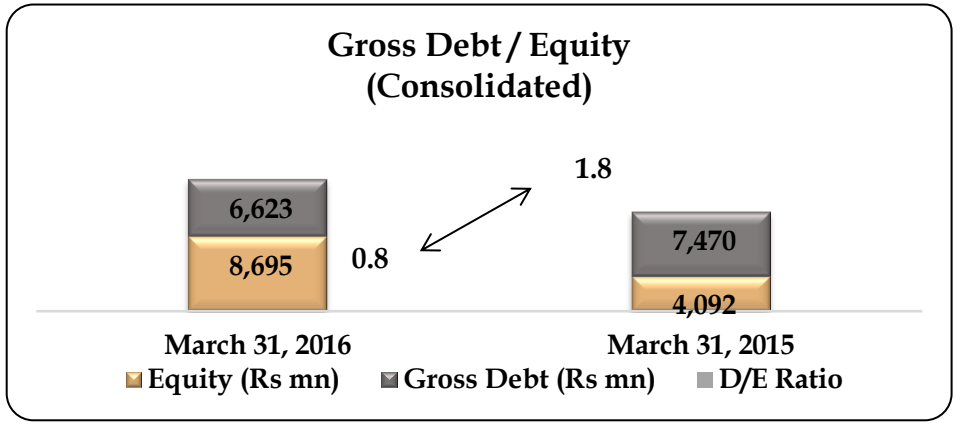
[1] Net Capital Employed is as on 31st Mar, 2016 . Net Capital Employed = Shareholders' funds + Debt + Non current liabilities

[2] EBIT for the year FY 15-16

Consolidated Balance Sheet

Particulars (INR mn)	March 31, 2016	March 31, 2015
Total Shareholder funds	**8,695**	**4,092**
Share Capital	467	415
Reserves & Surplus	8,228	3,677
Minority Interest & Others	**401**	**383**
Total Debt[1]	**6,623**	**7,470**
Other Non Current Liabilities	222	94
Total Sources of Funds	**15,941**	**12,039**
Net Fixed Assets	**10,655**	**9,408**
Long-term loans and advances	3,175	3,075
Deferred tax assets	42	-
Other Non Current Assets	251	237
Cash & Cash Equivalents[2]	3,181	261
Current Assets	1,845	1,308
Less: Current Liabilities	3,209	2,249
Net Current Assets	**(1,364)**	**(942)**
Total Assets	**15,941**	**12,039**





Return on Equity (INR Lacs)	March 31, 2016	March 31, 2015
Shareholders Equity[3]	90,959	44,751
Average Shareholders Equity – (A)	67,855	
Consolidated PAT after Minority Interest– (B)	11,873	
ROE (B/A)	**17.5%**	

[1] Current Portion of Long Term Liabilities has been added to Total Debt

[2] Money lying in Escrow Account relating to DT acquisition has been reclassified from Non Current Assets to Cash & Cash Equivalents

[3] Shareholders Equity = Shareholders Funds + Minority Interest

GST - Game changer for the Exhibition Industry

- GST will replace the multiciplity of taxes such as Entertainment Tax, VAT and Service Tax with one single GST rate
- Will benefit from reduction in effective indirect tax rate
- Input tax credit will be available for set off against the output tax liability *(Service tax paid today on Rent, CAM, electricity, Security, Housekeeping etc is not available for set off against output liability of Entertainment tax and VAT)*
- GST rate is expected to be in between 18% - 20%

Ticket Sales
(Positive Impact)

The entertainment tax of 27% will reduce to GST rate

2% to 2.5% impact on margin

F&B Sales
(Negative Impact)

VAT of 8% will increase to GST rate

-1.5% to -2.0% impact on margin

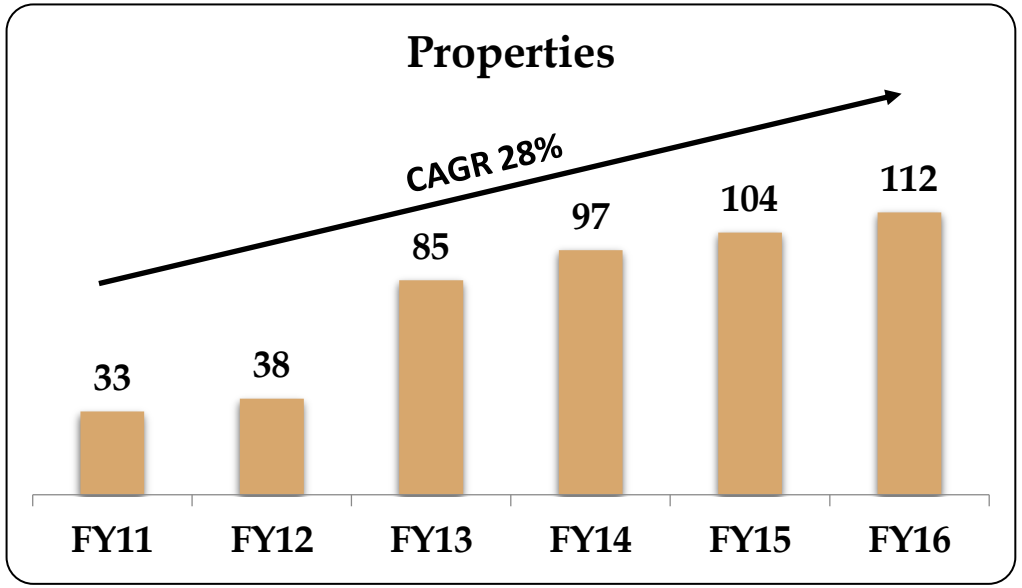
Expenses
(Positive Impact)

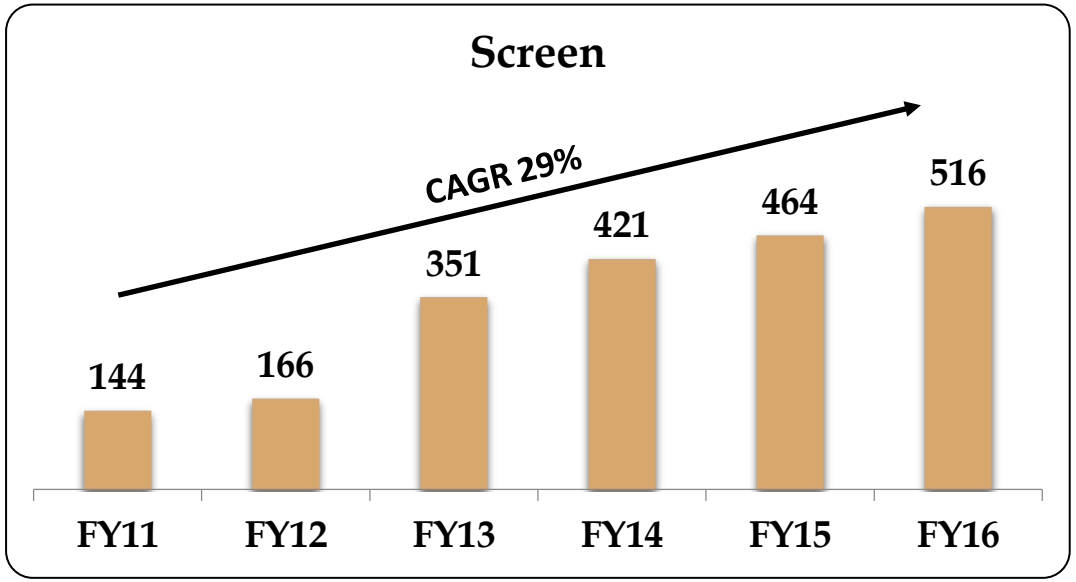
Tax Credit available on most of the expenses

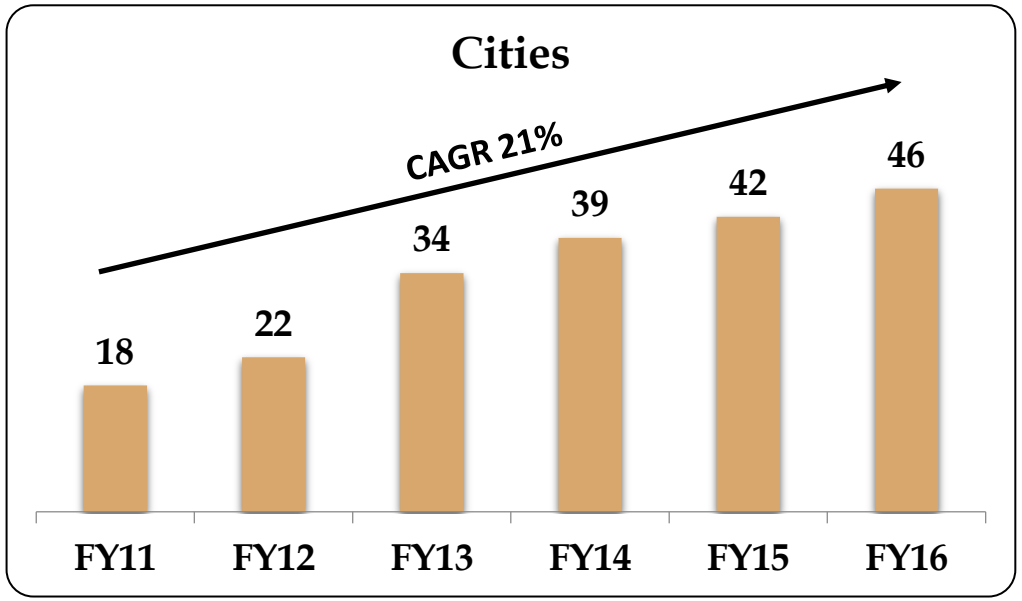
3.0% to 3.6% impact on margin

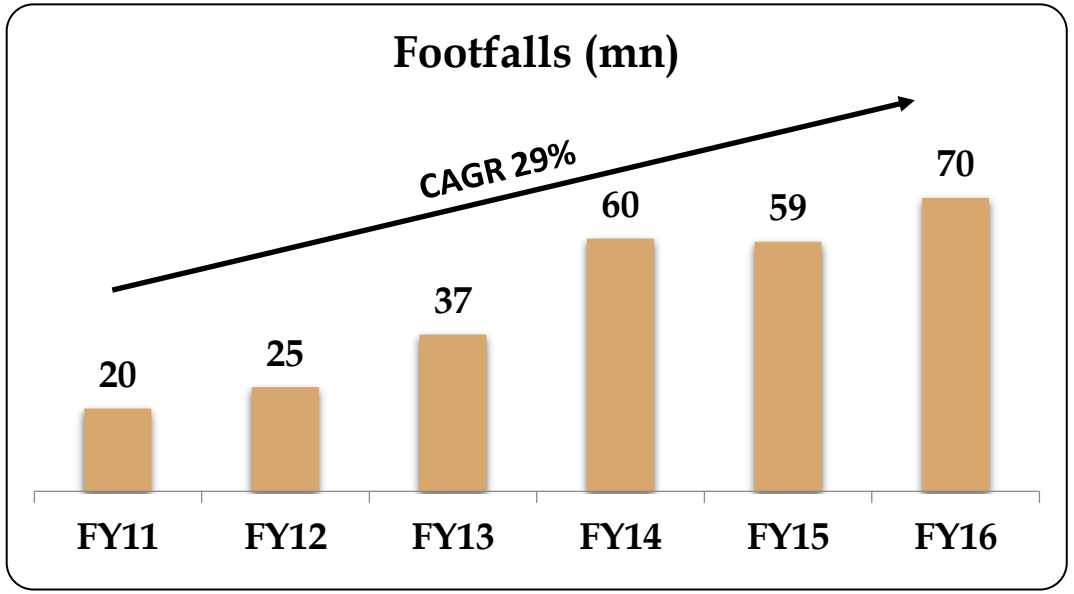
Overall impact on EBITDA Margin expected to be 3.5% - 4.0%

Robust Growth

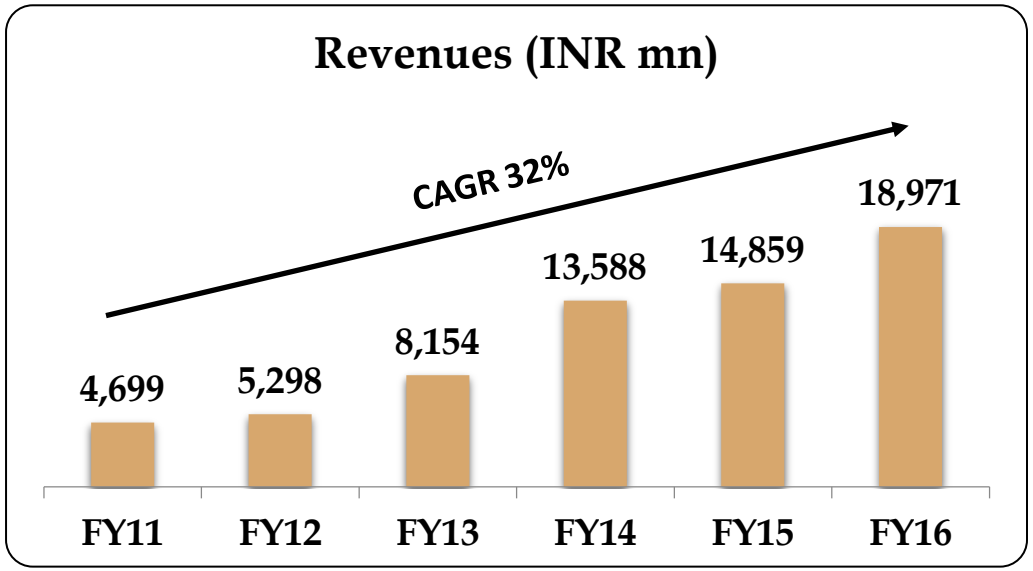


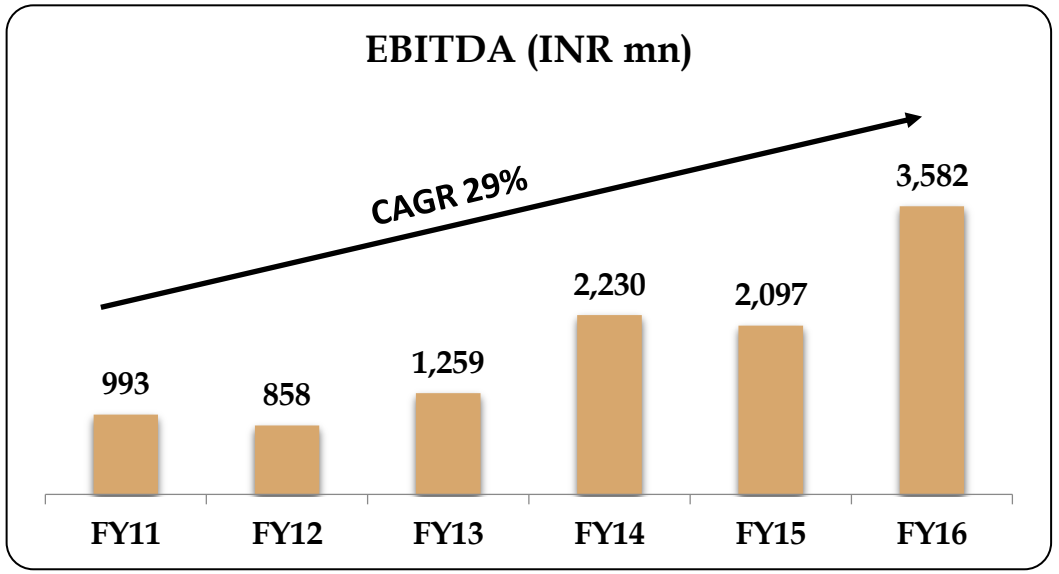


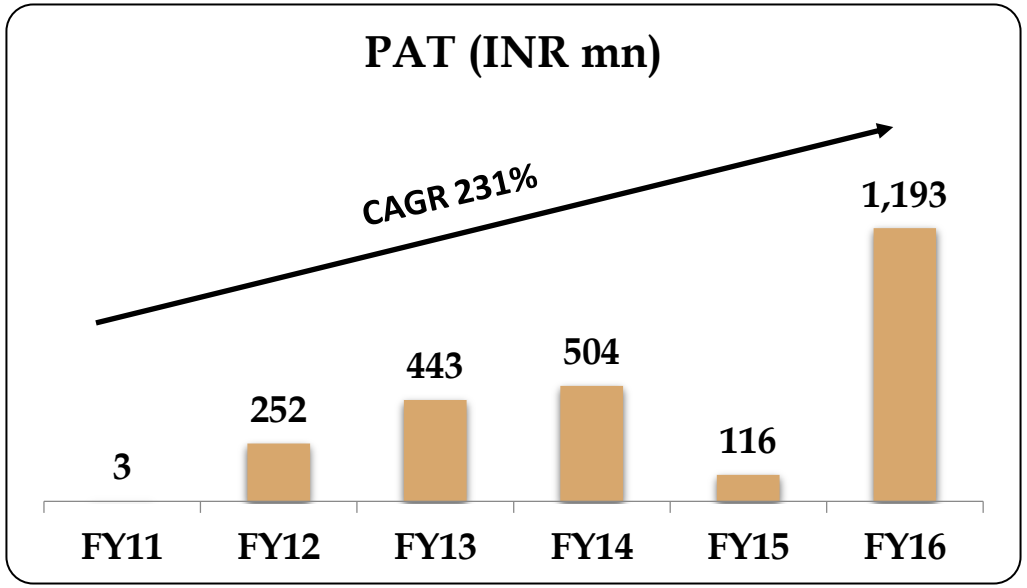




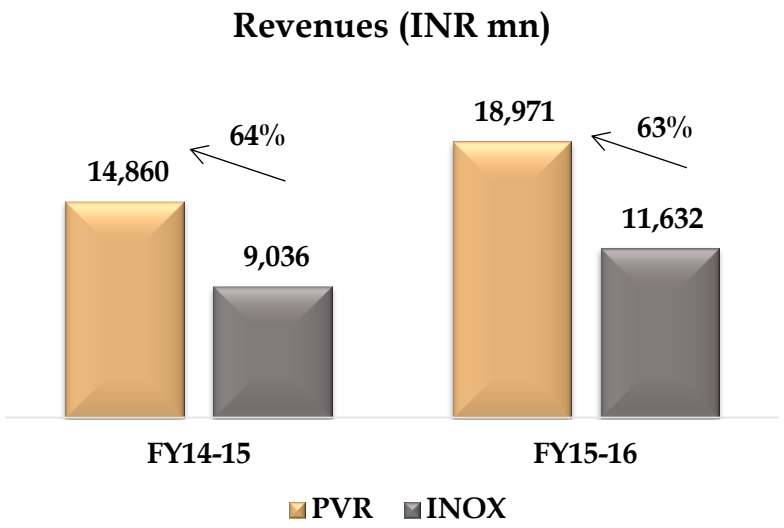
Strong Financial Performance

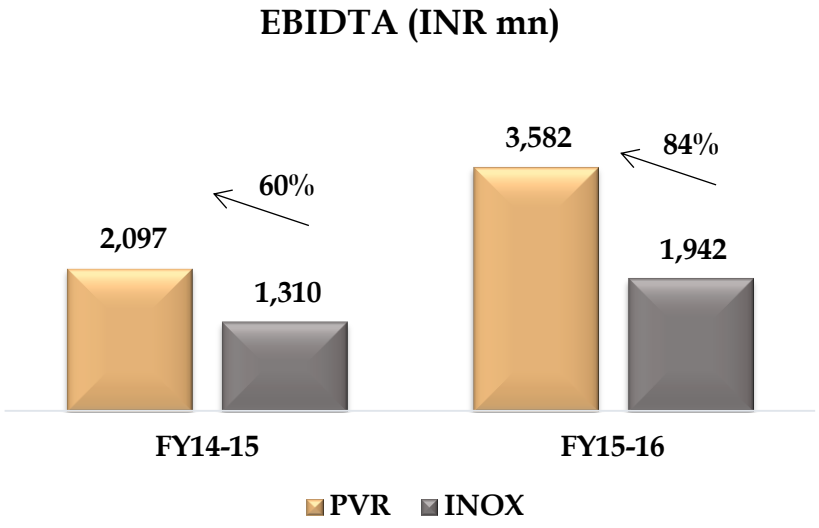


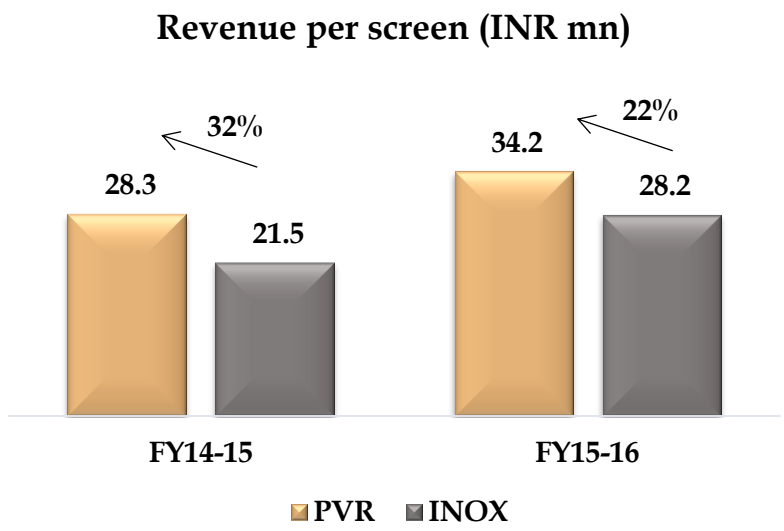


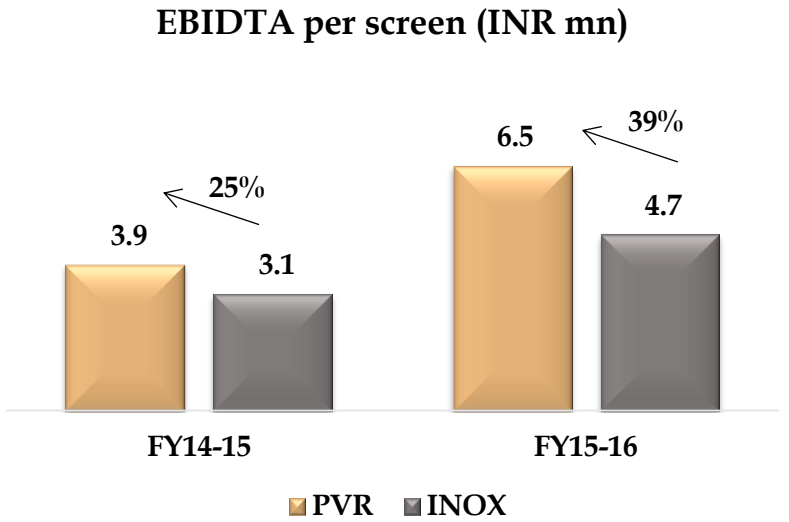


Superior Financial Performance vs Competition



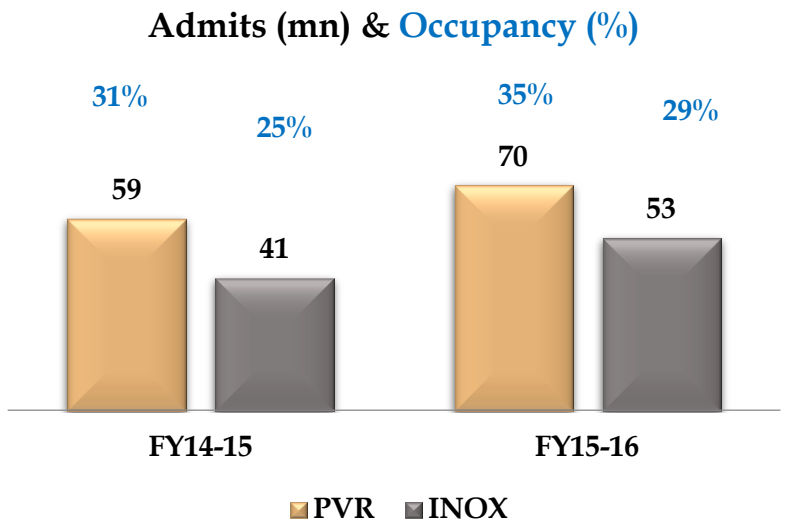


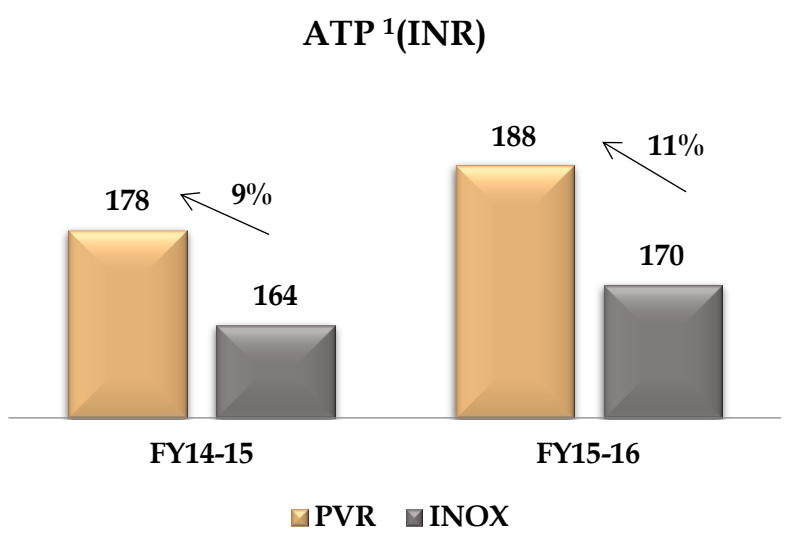


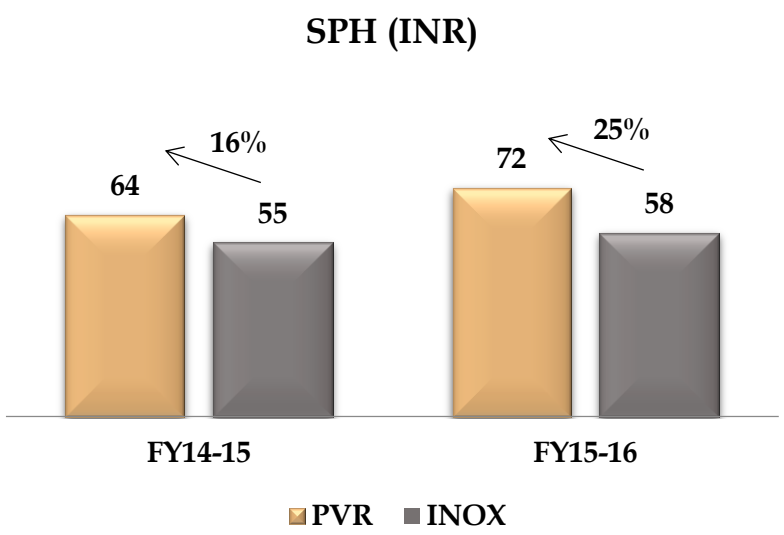


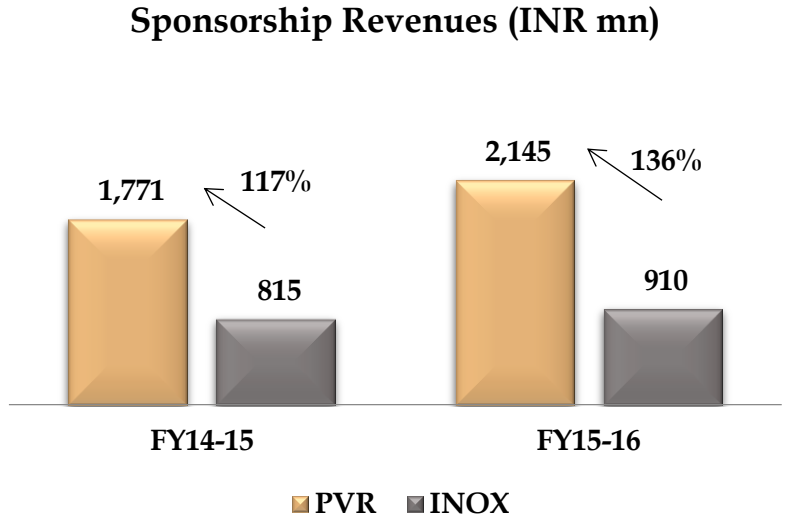
PVR outperforms the industry

Superior Operating Performance vs Competition









PVR outperforms the industry

[1] PVR ATP includes 3D Glasses upcharge

THANK YOU !