



Prime Focus.

Q4 & FY13 Results Presentation



Safe Harbor

Certain statements in this document may be forward-looking statements. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward-looking statements. Prime Focus will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



Management's Message

Commenting on Prime Focus' Q4 & FY2013 results, Mr. Ramki Sankaranarayanan, CEO of Prime Focus Limited said:

"Following a challenging nine months, we have delivered strong performance in Q4, with growth in revenues and profits reappearing in our financials. Last year, we focused on investing in infrastructure, building strong relationships, optimizing delivery capabilities and rationalizing global cost structures. We now look forward to delivering expansion across verticals on a constant resource base in FY14.

Today, we deliver best-in-class 3D conversion and VFX services to the foremost Hollywood studios and deliver Media CLOUD based ERP & Technology Infrastructure to manage assets and workflows for global media companies. We have attracted growth capital from such marquee investors as Standard Chartered Private Equity and AID Capital that recognize the significant value in our business model. We are also engaging with Big 4 audit firm Deloitte to support our transition into a globally-recognized brand in the media and entertainment space."



Key Business Segments

2D-3D conversion market for new Hollywood releases: \$ 200-250 million annually

Leading from the front in the global 2D to 3D Conversion Business

Estimated market size for library of convertible films: \$ 1.8-3.4 billion

VFX market: \$ 2.5 billion annually

One of the largest VFX facilities in India for servicing domestic and international studios

Prime Focus

Estimated market size between USD 4.6-5.6 billion

CLEAR™ Media
CLOUD based
ERP &
Technology
Infrastructure &
Digital Services



Q4 & FY2013 Financial Highlights (Consolidated)

Q4 FY2013 Highlights

- ❖ Revenues at ₹ 1,969.0 million, up 4% yoy, 9% qoq
- ❖ EBITDA at ₹ 577.2 million, up 3% yoy, 96% qoq
- ❖ Profit Before Tax* at ₹ (150.0) million

FY2013 Highlights

- ❖ Revenues at ₹ 7,621.6 million
- ❖ EBITDA at ₹ 1,752.8 million
- ❖ Profit Before Tax* stood at ₹ (566.7) million

- Q4FY13 includes exceptional item from provision and write off of debtors amounting to Rs. 253.8 mn. Previously, Q3FY13 had an exceptional item from revaluation loss of Rs. 822.8 mn on redemption of FCCBs of USD 55 million on December 13, 2012.
- Depreciation during Q4 FY13 includes Rs. 100 mn relating to amortization of intangible assets (Rs.50mn pertaining to each of FY2012 and 13).

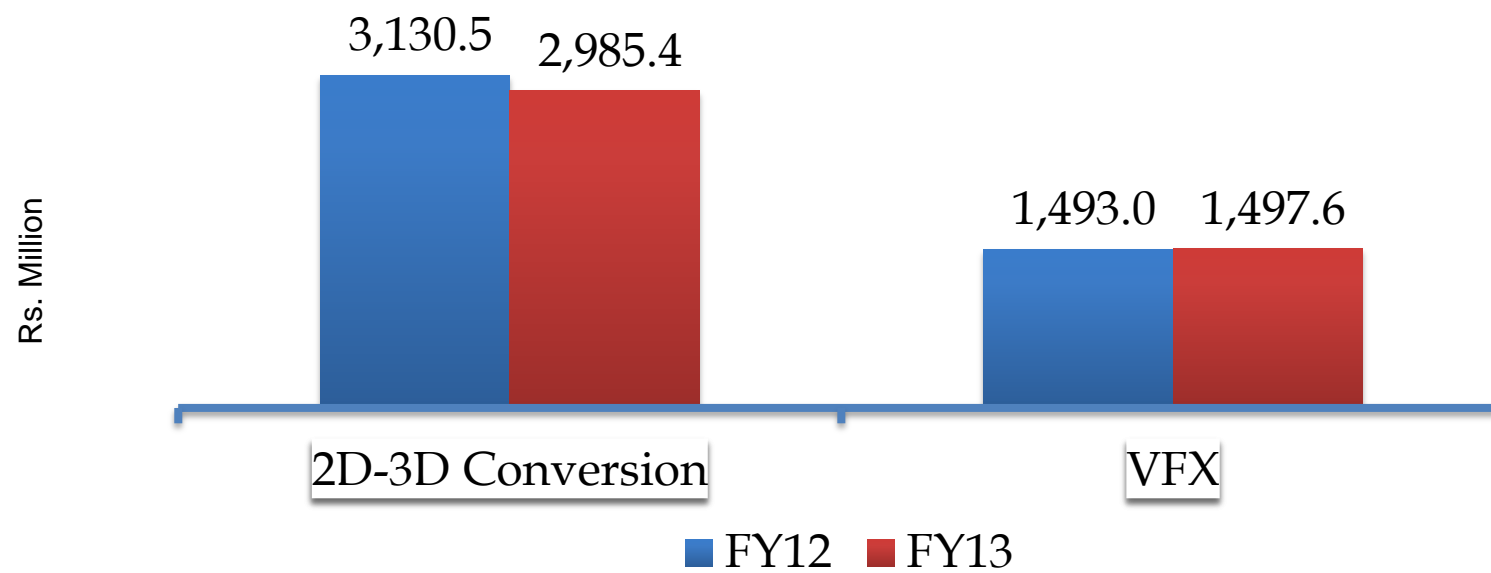
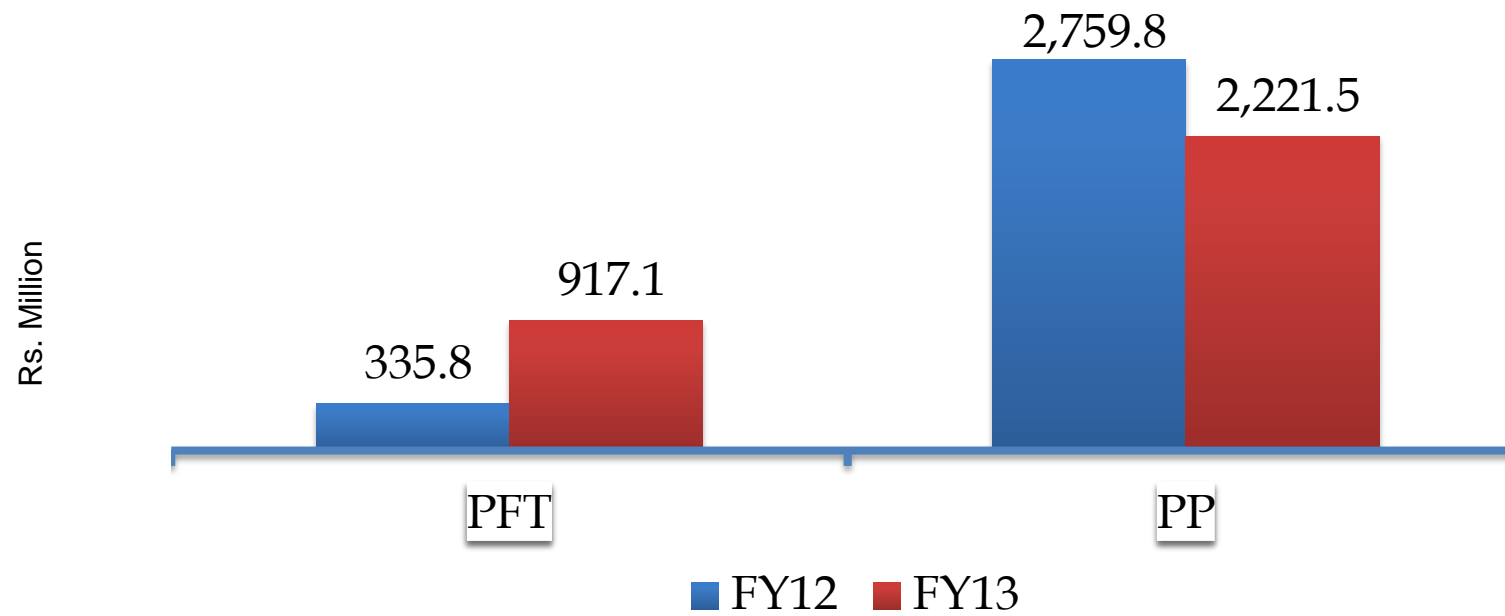


Financial Overview (Consolidated)

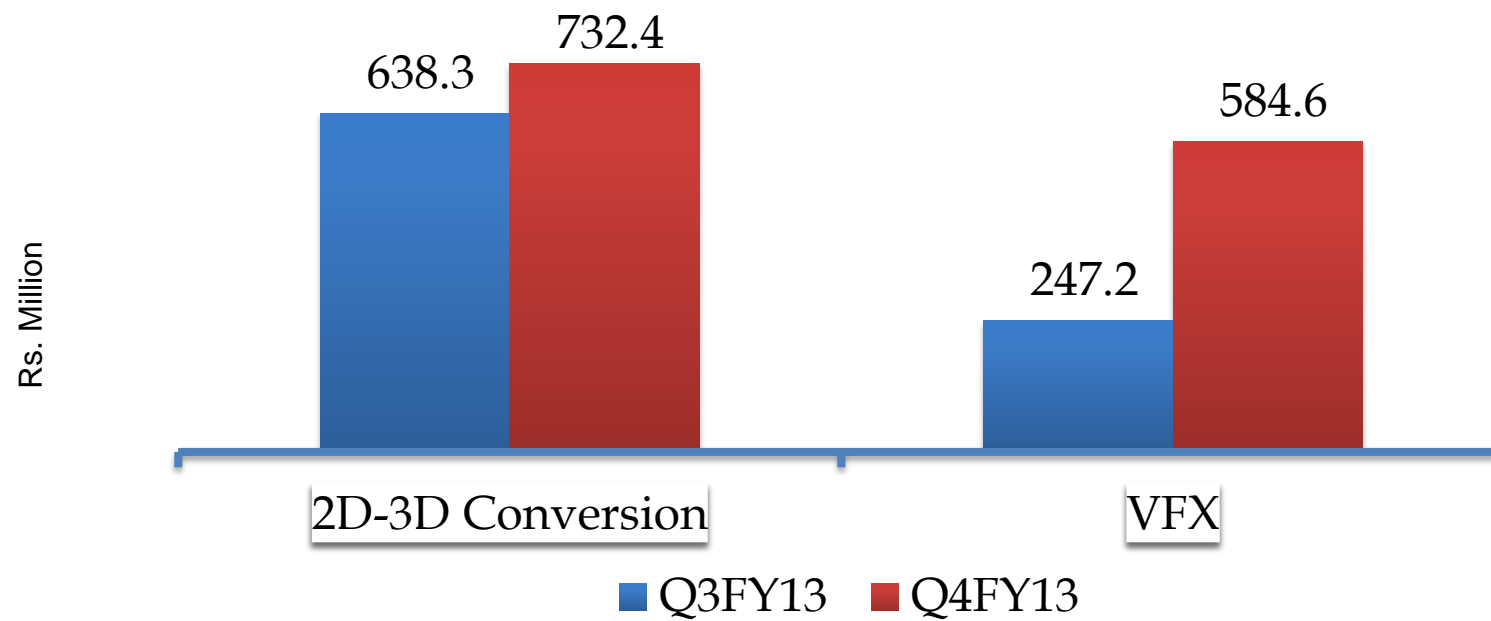
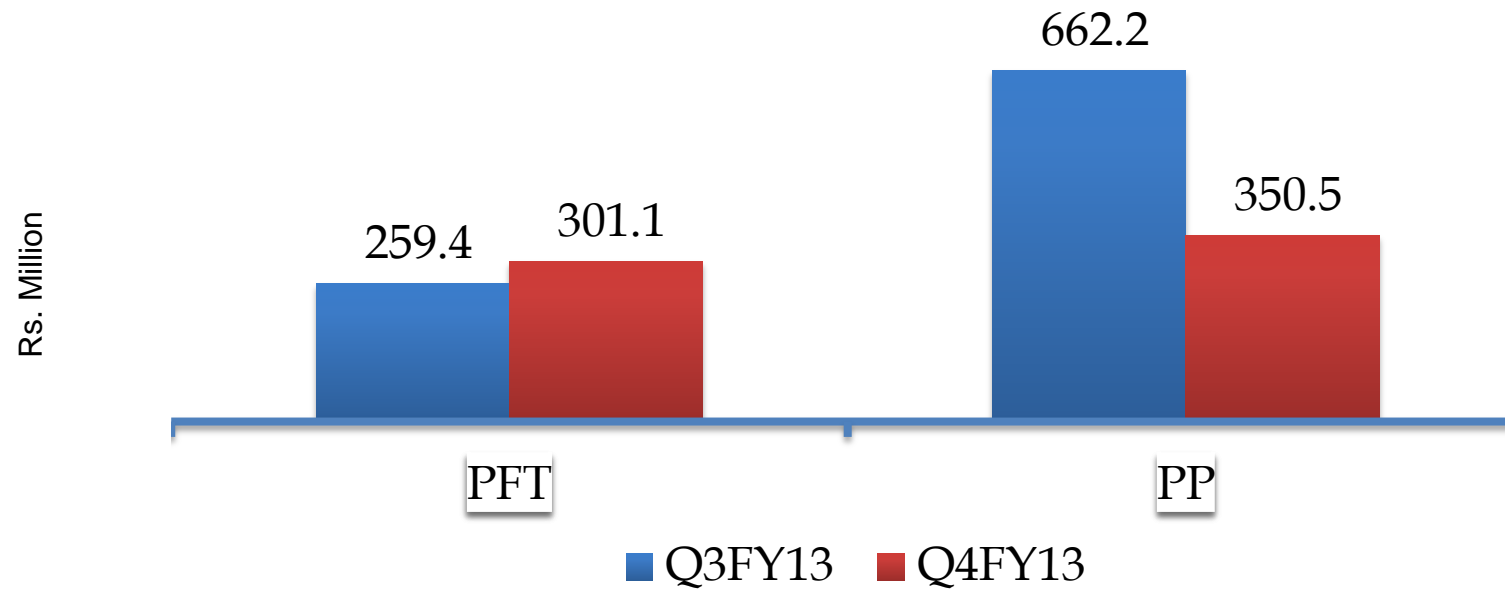
Profit & Loss Statement

(₹ million)	Q4 FY13	Q3FY13	% Q-o-Q Variance	Q4 FY12	FY13	FY12	% Y-o-Y Variance
Revenues	1,969.0	1,806.8	9.0%	1,891.3	7,621.6	7,719.1	(1.3)%
Personnel Cost	873.0	925.6	(5.7)%	982.7	3,849.6	3628.1	6.1%
Other Expenditure	518.8	586.8	(11.6)%	347.3	2,019.2	1,876.7	7.6%
Total Expenditure	1,391.8	1512.4	(8.0)%	1,330.0	5,868.8	5,504.8	6.6%
EBITDA	577.2	294.4	96.1%	561.3	1,752.8	2,214.3	(20.8)%
EBITDA Margin (%)	29.3	16.3	-	29.7	23.0	28.7	-
Exch. Loss/(Gain)	30.09	(41.2)	-	(36.4)	(67.5)	(145.4)	(53.6)%
Depreciation	353.3	227.5	55.3%	238.9	998.9	711.4	40.4%
Interest	109.4	122.9	(10.9)%	120.0	418.3	347.6	20.3%
Exceptional Items - Expenditure / (Income)	253.8	822.8	(69.2)%	-	1,076.6	28.9	-
Profit Before Tax	(150.0)	(829.2)	-	264.7	(566.7)	1,328.0	-
Profit After Tax	124.4	(632.8)	-	209.2	(203.1)	992.5	-

Segmental Overview - YoY



Segmental Overview - QoQ



Business Updates for PFL in FY13

Standard Chartered Group on board as a strategic partner, PE fund issuance used to redeem FCCB's. PFL is one of the few companies to successfully repay FCCB without changing the terms of the engagement

- Funds raised from Standard Chartered Group - \$ 70 mn - via a mix of Equity and Debt. The fund raise helped Prime Focus successfully redeem its FCCBs of \$ 79 mn in December 2012 as per the original terms of issuance.
- Standard Chartered Private Equity subscribed to 36,549,990 equity shares of PFL on a preferential basis for an aggregate amount of \$ 35 million at a price of Rs. 51.75 per equity share.
- The company also issued INR-denominated Non-Convertible Debentures (NCDs) on a private placement basis, equivalent of \$ 35 million, to Standard Chartered Private Equity (Mauritius) Limited. The zero-coupon, unsecured NCDs, are redeemable half at the end of the fifth and sixth years.

Deloitte Haskins & Sells appointed as Statutory Auditors

- The Board of Directors at the meeting held on May 30, 2013 have recommended the appointment of M/s. Deloitte Haskins & Sells, Chartered Accountants as the statutory auditors of the company, subject to approval of the shareholders at the ensuing Annual General Meeting of the company.

Business Updates for PFL in FY13

Planned investment in China JV for exploring China market

- To further grow in a new and potentially very large market, Prime Focus has announced a joint venture with AID Capital Partners Group and local partner Zhejiang Jingqi Wenhua Chuanbo Company Limited to offer visual effects and 3D conversion services to the movie industry in the Greater China area.

Overview on the opportunity in China*

- China has become the 2nd largest film market in the world overtaking Japan. RMB 16.8 bn Gross Box Office (GBO) collections in China in 2012, up 35%, with 50% of GBO from domestic films.
- 700 films produced in 2012, 900 films expected to be produced in 2013 to deliver RMB 22 bn GBO.
- In 2012, 36 films were produced in 3D, 5% of the year's releases, contributing RMB 6.7 bn or 40% to GBO.
- Of these 36 films, eight were domestic films that delivered GBO of RMB 1.8 bn with five films recording GBO of over RMB 100 mn each.
- During 2013, 10 local 3D films expected to be produced with estimated GBO of over RMB 4 bn.
- At the end of 2012, aggregate number of cinema screens in China were 13,100, with 70% being 3D screens.
- Typically film budgets in China are in the range of \$ 20-40 mn, with 20% allocation to post-production spend. Currently, Chinese movies are being converted to 3D on budgets of \$ 1-2 mn.

* Market estimates



Business Updates for PFW in FY13

AID Partners Capital values PFL's subsidiary Prime Focus World at \$ 250 million

- AID Partners Capital Limited, a private equity firm focused on buyout opportunities and expansion capital primarily in media and entertainment sector has valued Prime Focus World NV (PFW), a 100% subsidiary of Prime Focus Limited, at \$ 250 million. AID Partners brings in-depth knowledge of and commitment to the growth of the entertainment industry in Asia.
- The Hong Kong-based private equity firm has invested \$ 10 million in optionally convertible preference shares of PFW, which are convertible into 4% of PFW's equity.
- AID Partners has also recently acquired 100% stake in HMV Asia and also invested in Legendary Pictures.

3D animation foray with a multi-million euro deal with a leading European toy manufacturer

- PFL has been contracted by a leading European toy manufacturer for a 20 episode deal to deliver 3D animation content for a children's TV series.
- Under this contract, Prime Focus World, PFL's fully-owned subsidiary, will deliver 22 minutes of 3D animation on a monthly basis. The contract will be executed over a two year period from the company's facilities located in London and Mumbai.



PFW - 3D & VFX work delivered in FY13



Total Recall grossed \$ 198 mn

- Delivered 400 Visual Effects shots for 'Total Recall' in partnership with lead VFX vendor Double Negative.
- Production budget of \$ 125 million.



MIB 3 collected \$ 624 mn

- MIB 3 ranks #27 in overall 3D movie grosses .
- PFL successfully handled entire 3D conversion of this film that had production budget of \$ 225 million.



Frankenweenie grossed \$ 67 mn

- Collaborated with Walt Disney Pictures and legendary director Tim Burton to convert Frankenweenie to stereo 3D.
- Production budget of \$ 39 million.



Dredd grossed \$ 36 mn

- Partnered 'Dredd' from concept art and pre-production through to VFX.

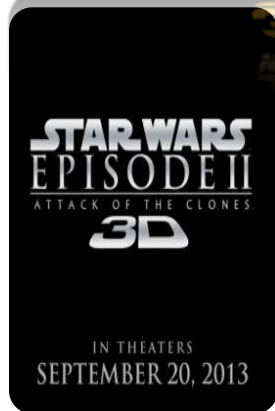
Source – Box Office Mojo

PFW - 3D & VFX work delivered in FY13



Successfully delivered 3D Star Wars Episode 2 and 3

- Star Wars: Episode I - The Phantom Menace (in 3D) collected \$534 million at the box office when it was released in February 2012.



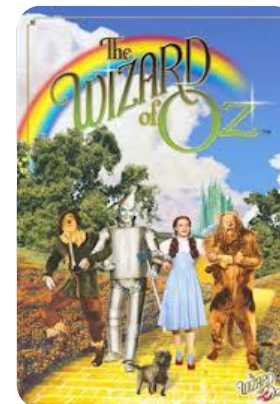
SEPTEMBER 20, 2013
IN THEATERS

OCTOBER 11, 2013
IN THEATERS

The Last Stand



- Collaborated with Lionsgate to provide VFX work for Arnold Schwarzenegger's first leading role since 2003.
- The movie released on Jan 18, 2013.



Wizard of Oz

- Collaborated with Warner Bros to provide 2D-3D conversion for The Wizard of Oz home release.

Source – Box Office Mojo

Current projects by PFW

The Great Gatsby collects \$ 206 mn at the box office

- Produced by Warner Bros. on a budget of \$ 105 million, released on May 10, 2013.
- Prime Focus delivered 150 VFX shots and 100 2D to 3D conversion shots .
- Directed by Baz Luhrmann, starring Leonardo DiCaprio, Joel Edgerton, Tobey Maguire and Carey Mulligan.



White House Down

- Prime Focus is currently collaborating with Columbia Pictures, on White House Down directed by Roland Emmerich, starring Channing Tatum, Jamie Foxx, Maggie Gyllenhaal and Richard Jenkins.
- Estimated production budget of \$ 150 million, U.S. release on June 28, 2013.



World War Z

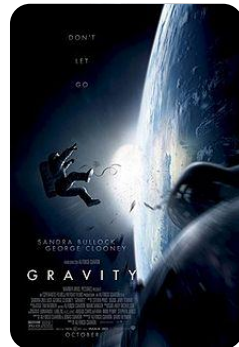
- Prime Focus is working on this Paramount Pictures' production starring Brad Pitt, Mireille Enos, James Badge Dale and David Morse.
- Estimated production budget of \$ 175 million.
- Releases on June 21, 2013 in the US and UK.



Source – Box Office Mojo

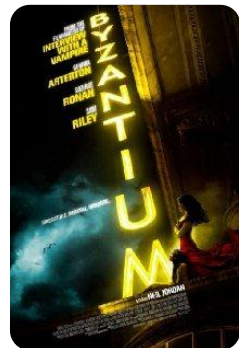


Current projects by PFW



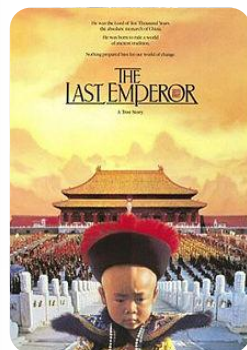
Gravity

- Working with Warner Bros. Pictures on this production starring Sandra Bullock and George Clooney.
- Estimated production budget of \$ 80 million. Release date October 04, 2013 in the U.S.



Byzantium

- Delivered atmospheric VFX work/animation shots for Demarest Films' Byzantium, a vampire film starring Gemma Arterton.
- US release on June 28, 2013.



The Last Emperor

- Delivered 3D conversion of nine-time academy award-winning film The Last Emperor (1987).
- The Last Emperor in 3D premiered at the Festival de Cannes 2013 and received praise from its writer and director Bernardo Bertolucci.
- The Last Emperor is expected to be screened at a film festival in China later this year where Prime Focus intends to launch its China JV.

Current projects by PFW

The Seventh Son

- Prime Focus is collaborating on this Warner Bros. film directed by Sergey Bodrov and starring Ben Barnes, Jeff Bridges and Julianne Moore.
- Release date October 18, 2013.

2 Guns

- Working with Universal Pictures on this film starring Mark Wahlberg and Denzel Washington.
- US release on August 02, 2013. Production budget of \$ 90 million (estimated).

About Time

- Working with Universal Pictures on Richard Curtis' latest project, 'About Time'. A classic Curtis romantic comedy, with added time travel.
- U.K. release on September 6, 2013.

I, Frankenstein

- Working with Lionsgate, on a comic book adaptation, from Director/Writer Stuart Beattie that sees Frankenstein's monster caught up in an all-out, centuries old war between two immortal clans.

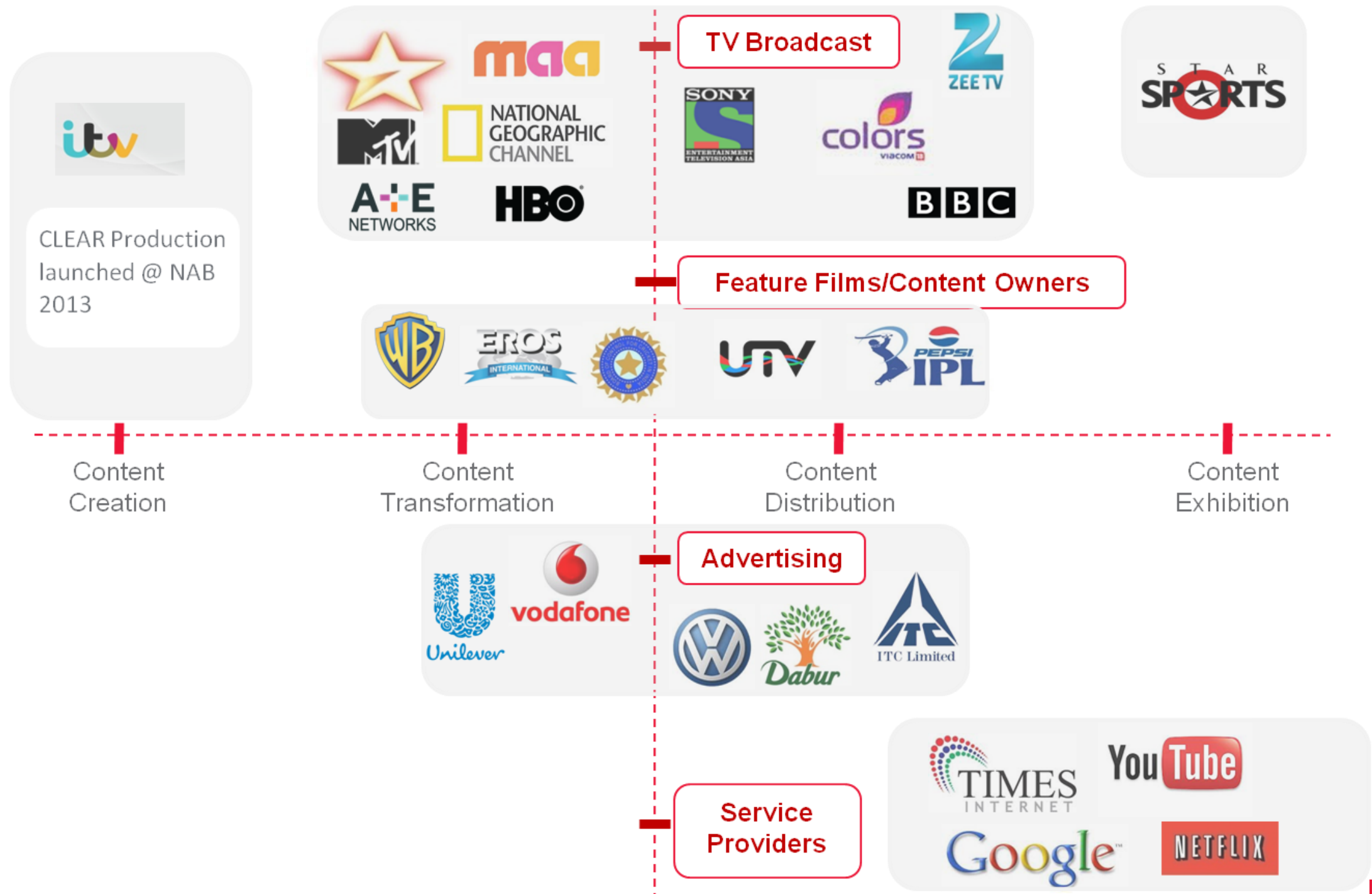


PFT Overview

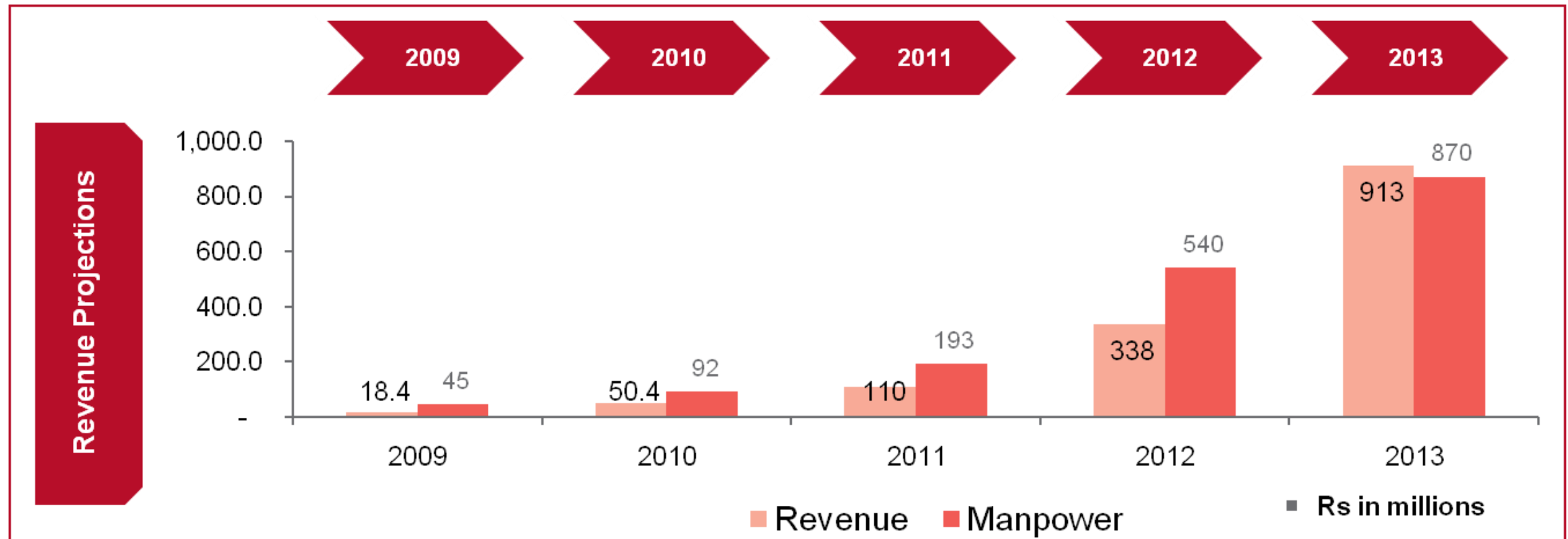
- PFT brings together a unique blend of Media and IT skills, delivers innovative technology and services solutions over **Media CLOUD based ERP & Technology Infrastructure** to manage assets and workflows for global media companies.
- CLEAR™, a Prime Focus IP, is the world's first and most established **Hybrid Cloud Platform** offering CLEAR™, a secure solution for concurrent file-based new-media, content management, channel, distribution & delivery and library operations.
- CLEAR™ helps drive **creative enablement, enhance efficiencies** and explore new **monetization** opportunities for Content companies.



PFT continues to increase its service portfolio with CLEAR Media Cloud Infrastructure



PFT Updates



Proven Technology delivering value

Content under management – Video Hours

Syndication & VoD fulfillment - Files

Episodes of TV content

Subtitling and captioning – Video Hours

FY 2012

150,000

5 million

48,600

12,600

FY 2013

300,000

10 million

80,500

15,000



PFT – Significant new client wins in Q4 FY13

- Working with one of the world's leading multinational media companies headquartered in California, for content operations and asset management on CLEAR Platform in a 5 year deal
- Signed a 5 Year deal with a soon to be launched TV channel for content operations powered by CLEAR Hybrid Platform.
- Providing Content Transfer Powered by CLEAR Cloud to a leading network of regional news and entertainment based satellite TV channels in India.
- Multi-year deal for content localization services for serving global audience with an Indian media and entertainment company, owned by a multinational media group.



About Prime Focus Limited (PFL):

Prime Focus (BSE code: 532748, NSE: PFOCUS, ISIN: INE367G01038) is a global visual entertainment services group that provides creative and technical services to the film, broadcast, and advertising market. The group offers a genuine end-to-end solution from pre-production to final delivery – including visual effects, 2D to 3D conversion, video and audio post production, equipment hire, multi-platform content operations solutions and digital distribution.

Prime Focus employs 4,500 people with state-of-the-art facilities throughout the key markets of North America, UK and India. Using its 'Worldsourcing' business model, Prime Focus provides a network that combines global cost advantages, resources and talent pool with strong relationships and a deep understanding of the local markets.

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Thank You.

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