Eros International Plc Reports First Quarter Fiscal Year 2018 Results

Eros Now paying subscribers at 3.7 million, up 27.6% versus last quarter
Operating Profit increases by 62.5%

Isle of Man–October 6, 2017: Eros International Plc (NYSE: EROS) ("Eros" or "the Company"), a leading global company in the Indian film entertainment industry, today reported its quarterly financial results for the three months ended June 30, 2017.

Key Highlights

- As of September 30, 2017, Eros Now paying subscribers increased to 3.7 million from 2.9 million as of June 30, 2017. This represents a quarter-over-quarter increase of 27.6%. Over that same period, registered users have grown to over 75 million.
- The Company's latest Hindi release "Newton" has been selected as India's official submission for the Best Foreign Language Film category at the US Academy Awards for 2018.
- A Class action lawsuit against Eros was dismissed with prejudice by the United States District Court for the Southern District of New York on September 25, 2017.
- Eros has approximately $115 million of cash on the balance sheet as of September 30, 2017.
- The Company extended and reduced its Revolving Credit Facility from $85 million to $53 million as of September 30, 2017.
- Consolidated revenue for the quarter ended June 30, 2017 decreased by 14.4% to $60.8 million from $71.1 million in the prior year period.
- Operating profit for the quarter ended June 30, 2017 increased by 62.5% to $11.7 million from $7.2 million in the prior year period.
- Adjusted EBITDA for the quarter ended June 30, 2017 decreased by 12.7% to $15.8 million from $18.1 million in the prior year period.
- Library monetization across distribution channels within India and internationally was strong during the quarter, and contributed to the Company's profitability and strong margins.
- Eros Now launches Canvas plex tablet with Micromax.
- Eros Now continues to grow its 10,000+ film library with latest content acquisition from Dharma Productions.
- Eros Now launches new app on the 4K Apple TV.
- Trinity, the Company's franchise studio division, released its first spy-kids genre film, *Sniff*, which received very positive reviews and critical acclaim.

A reconciliation of the non-GAAP financial measures discussed within this release to our GAAP operating results are included at the end of this release. See also "Non-GAAP Financial Measures."

Management Comments:

Jyoti Deshpande, Eros' Group Chief Executive Officer and Managing Director said:

Fiscal Year 2018 is off to a solid start with strong Revenue and EBITDA. We also delivered very strong growth at Eros Now, crossing 3.7 million paying subscribers, a growth of 28% over the previous quarter and now have over 75 million registered users as of September end. Much of our success is attributable to our focus on inhouse production and a well-balanced Hindi and regional film release strategy combined with robust library monetization across distribution channels within India and internationally. Last month, one of our recent releases, Newton, was chosen as India's official submission for the Best Foreign Language Film category at the upcoming US Academy Awards. In addition, we have a strong slate for the rest of Fiscal Year 2018. We continue to focus on sensibly budgeted films that are content driven and backed by pre-sales potential with lower reliance on box office success rather than big budget big star cast high profile films. This is reflected in our improving margins. Trinity Pictures, our franchise film label, continues to work on exciting projects including the two Indo-China co-productions and has begun work on over 20 new franchises which are in various stages of production and development.

India is now the second largest telecom industry in the world owing to exponential growth and data consumption, combined with huge investments made in the sector. Our Eros Now strategy has always been focused on mobile telecom operators, which is proving to be incredibly fruitful. Our partners Reliance Jio, Airtel, Idea Celluar, Vodafone, and others have been instrumental in helping us to capture an increasing connected consumer audience in India. As the sector grows, and connectivity further expands, Eros Now will continue to benefit.

Eros Now continues to reach new milestones and surpass expectations. We are very excited about the outstanding prospects of Eros Now as we experience transformational growth through the opportunities presented by the digital explosion in India by working closely with our telecom partners Reliance Jio, Airtel, Idea Cellular, Vodafone among others. As a leading Indian film studio with a market leading share in new release films and owner of a significant content library, we are uniquely positioned to take advantage of our first mover advantage. I am confident we will reach our Fiscal Year End 2018 target for paying subscribers in the range of 6-8 million.

We thank our shareholders for their continued support and we remain committed to delivering on our strategy and maintaining our market leadership position within the Indian filmed entertainment sector while we build and grow Eros Now to become the number-one OTT player.

Prem Parameswaran, Group Chief Financial Officer and President of North America also commented:

We posted solid financial results this quarter, despite modest output of only five films compared to 14 in the comparable period last year. We remain well-capitalized and able to deliver on our future film slate plans as well as fund growth of Eros Now. We have a strong balance sheet, with approximately $115 million of cash as of September 30, 2017. We are well positioned to achieve our year-end targets.

Recent Operational Highlights

- Five films were released in Q1 Fiscal Year 2018 of which one was high budget, one was medium budget and three were low budget films as compared to 14 films in Q1 Fiscal Year 2017, of which three were high budget, two were medium budget and nine were low budget films. This is in line with the Eros strategy of developing its own intellectual property by partnering with both Indian talent and International film companies that offer strategic benefits.

- Sarkar 3 (Hindi), Oru Kidayin Karunai Manu (Tamil), and regional slate comprising Tujhae majha me, Posto and Aake were the main revenue contributing films during the quarter. Pre-sales and catalogue sales continued in the period and contributed to profitability and strong margins.

- Eros has a compelling film slate planned for Fiscal Year 2018, including films such as Shubh Mangal Savdhan, Newton, Bhavesh Joshi, Happy Bhaag Jayegi 2, Mukkebaaz, Chanda Mama Door Ke, and Soorma to name a few Hindi films. In addition, Eros has a number of Tamil, Telugu, Punjabi, Bengali, Marathi and Malayalam films that we look forward to releasing during the year.

- Eros Now has exceeded 75 million registered users worldwide across APP, WAP and Web.

- Eros Now has reached 3.7 million paying subscribers as of September 30, 2017, an increase of 27.6% over the previous quarter.

- Eros' platform agnostic strategy continues with Eros Now entering into new deals that cover the entire spectrum from OEM to broadband companies to significant platform service providers, all of which provide direct customer interface for Eros Now. Eros Now entered into deals with Micromax, Opera and Foxxum. Subscribers as of June 30, 2017 do not include contribution from these deals.

Eros Now and Partnerships

Eros Now holds rights to more than 10,000 films, of which approximately 5,000 films are owned in perpetuity, and across Hindi and regional languages.

Eros Now has secured the licensing rights to two of Dharma's latest releases, Badrinath Ki Dulhania and Ok Jaanu, along with other catalogue films, including Shah Rukh Khan starring blockbusters Kuch Kuch Hota Hai, Kabhi Khushi Kabhie Gham, Kal Ho Na Ho, Kabhi Alvida Naa Kehna and Duplicate. Eros Now has acquired the global digital distribution rights for these films for all territories outside of India on a non-exclusive basis.

Eros Now currently has 10 original shows under production slated to be released over Fiscal Year 2018 and Fiscal Year 2019. The genres span across comedies, drama, mythological dramas, thrillers as well as satires. We aim to break away from the norms of content that is typically viewed during a linear experience by breaking boundaries in the stories we tell and the scale in which they are shot. At least 50% of Eros' shows have been conceptualized by its writers' rooms across Trinity and Eros Now.

Eros Now continues to focus on numerous partnerships spanning OEMs, Telco's and broadband providers. Eros Now further expands reach with the co-creation of the Micromax Canvas plex content-packed tablet. Through this association consumers receive a one year subscription to Eros Now, enabling them to stay entertained on the go. Eros Now also has an association with Opera and Foxxum that will ensure Eros Now will be downloadable on smart devices from Toshiba, Sharp, Hisense, Sony, Samsung and Panasonic and others via their respective app stores which are operated under brands serviced by Opera and Foxxum. Eros Now also launched the new App on the 4K generation Apple TVs.

In order to make its streaming titles available to a wider audience, Eros Now will soon be deploying its videos with Hindi subtitles. This will make the service accessible to customers with hearing challenges as well as be an avenue for people in the rural areas to improve literacy skills. Using neural networks and leveraging Google's speech API, Eros Now will auto generate these subtitles or close captions for all their videos.

The Company's goal is to create value from its films and monetize the IP beyond the traditional channels. The official movie game of Munna Michael (endless running game), Shubh Mangal Saavdhan (match 3 game) and Sniff (adventure game with exciting mysteries to solve) were launched and have exceeded more than one million downloads. The Munna Michael and Shubh Mangal Saavdhan games are available on Google Play, iOS Appstore and other third party app stores like Opera and 9Apps. The Sniff game is available on Google Play and other third party app stores like Opera and 9Apps.

Eros International Plc Financial Highlights:

(dollars in millions)	**Three Months Ended June 30, 2017**		
	2017	**2016**	**% change**
Revenue	60.8	71.1	(14.4)%
Gross profit	25.9	23.1	12.1%
Operating profit	11.7	7.2	62.5%
Adjusted EBITDA[(1)]	15.8	18.1	(12.7)%

[(1)] Reconciliations of the non-GAAP financial measures discussed within this release to our GAAP operating results are included at the end of this release. See also "Non-GAAP Financial Measures."

Financial Results for the Three Months Ended June 30, 2017

Revenue

In the three months ended June 30, 2017, the Eros film slate was comprised of five films of which one was high budget, one was medium budget and three were low budget as compared to 14 films in the three months ended June 30, 2016, of which three were high budget, two were medium budget and nine were low budget.

In the three months ended June 30, 2017, the Company's slate of five films comprised of one Hindi film, one Tamil film and three regional films as compared to the same period last year where its slate of 14 films comprised five Hindi films, five Tamil films and four regional films.

For the three months ended June 30, 2017, revenue decreased by 14.4% to $ 60.8 million, compared to $71.1 million for the three months ended June 30, 2016.

For the three months ended June 30, 2017, aggregate theatrical revenues decreased by 36.9% to $23.6 million from $37.4 million for the three months ended June 30, 2016, mainly due to a lower number of films, especially high and medium budget Hindi films. Theatrical revenues in the three months ended June 30, 2016 comprised revenues from Ki & Ka, Housefull 3, 24, Sardar Gabbar Singh in comparison to a slate with fewer films in the three months ended June 30, 2017 with Sarkar 3, Oru Kidayin Karunai Manu and Posto.

For the three months ended June 30, 2017, aggregate revenues from television syndication decreased by 11.2% to $17.4 million from $19.6 million for the three months ended June 30, 2016, mainly due to lower new release television revenues partially offset by catalogue revenues.

For the three months ended June 30, 2017, the aggregate revenues from digital and ancillary increased by 40.4% to $19.8 million from $14.1 million for the three months ended June 30, 2016 primarily on account of contribution from Eros Now and catalogue revenues.

Three months ended	**High**	**Medium**	**Low**	**Total**
June 30, 2017	1	1	3	5
June 30, 2016	3	2	9	14

Revenue from India decreased by 40.5% to $25.4 million in the three months ended June 30, 2017, compared to $42.7 million in the three months ended June 30, 2016 mainly due to lower theatrical revenues associated with fewer films released in the quarter ended June 30, 2017.

Revenue from Europe increased by 114.4% to $9.6 million in the three months ended June 30, 2017, compared to $4.5 million in the three months ended June 30, 2016. This was on account of higher catalogue sales partially offset by lower theatrical revenues associated with fewer films released in the quarter ended June 30, 2017.

Revenue from North America decreased by 85.7% to $0.2 million in the three months ended June 30, 2017, compared to $1.4 million in the three months ended June 30, 2016 mainly due to lower theatrical revenues associated with fewer films released in the quarter ended June 30, 2017.

Revenue from the rest of the world increased by 14.2% to $25.7 million in the three months ended June 30, 2017, compared to $22.5 million in the three months ended June 30, 2016. This was due to higher catalogue sales partially offset by lower theatrical revenues associated with fewer films released in the quarter ended June 30, 2017.

Cost of sales

For the three months ended June 30, 2017, cost of sales decreased by 27.1% to $35 million compared to $48 million in the three months ended June 30, 2016. The decrease was mainly due to lower amortization costs, lower marketing, advertising and distribution costs associated with fewer films released in the quarter ended June 30, 2017.

Gross profit

For the three months ended June 30, 2017, gross profit increased by 12.1% to $25.9 million, compared to $23.1 million in the three months ended June 30, 2016. As a percentage of revenues, the Company's gross profit margin was 42.5% in the three months ended June 30, 2017, compared to 32.5% in the three months ended June 30, 2016. This was mainly due to lower cost of sales linked to film mix and contribution from high margin catalogue revenues.

EBIT (Non- GAAP)

For the three months ended June 30, 2017, EBIT increased by 10.9 % to $10.2 million compared to $9.2 million in the three months ended June 30, 2016. This was mainly due to lower cost of sales linked to film mix and contribution from high margin catalogue revenues.

Adjusted EBITDA (Non- GAAP)

For the three months ended June 30, 2017, Adjusted EBITDA decreased by 12.7% to $15.8 million compared to $18.1 million in the three months ended June 30, 2016 due to fewer theatrical releases in the quarter partially offset by strong catalogue sales.

Administrative costs

For the three months ended June 30, 2017, administrative costs decreased by 10.8% to $14.2 million compared to $15.9 million for the three months ended June 30, 2016 mainly due to decrease in share based compensation.

Net finance costs

For the three months ended June 30, 2017, net finance costs increased by 68.6% to $5.4 million, compared to $3.2 million in the three months ended June 30, 2016 mainly due to lower income from financing activities and increased borrowing costs.

Income tax expense

For the three months ended June 30, 2017, income tax expenses increased by 15.4% to $3 million, compared to $2.6 million in the three months ended June 30, 2016. Effective income tax rates were 24.4% and 18.3% for June 30, 2017 and June 30, 2016, respectively excluding non-deductible share-based payment charges and gain/loss on fair valuation of derivative liabilities. The change in effective rate principally reflects a change in the mix of the profits earned from taxable and non- taxable jurisdictions.

Net Income

For the three months ended June 30, 2017, net income decreased by 47.1% to $1.8 million, compared to $3.4 million in the three months ended June 30, 2016.

Trade Receivables

As of June 30, 2017, Trade Receivables increased to $243.4 million from $226.8 million as of March 31, 2017 mainly due to higher catalogue sales in this quarter. Catalogue sales have payment terms that sometimes extend up to a year. The Company collected over $30 million of trade receivables post June 30, 2017.

Net Debt

As of June 30, 2017, net debt increased to $165.7 million from $157.6 million as of March 31, 2017.

Conference Call

The Company will host a conference call on Friday, October 6, 2017, at 8:30 AM Eastern Standard Time.

To access the call please dial 646 254 3366 or 877 280 2296 from the United States, or +44(0)20 3427 1907 or +44(0)80 0279 5736 from outside the U.S. The conference call I.D. number is **6596872**. Participants should dial in 5 to 10 minutes before the scheduled time.

A replay of the call can be accessed through October 13, 2017 by dialing 719 457 0820 or 888 203 1112 from the U.S., or +44(0)20 7984 7568 or +44(0)80 8101 1153 from outside the U.S. The conference call I.D. number is **6596872**. The call will be available as a live webcast, which can be accessed at Eros' Investor Relations website. A replay of the webcast recording will be available until October 5, 2018.

Non-GAAP Financial Measures

Net Income

The Company uses the term Net Income, as the International Financial Reporting Standards ("IFRS") define the term as synonymous with profit for the period.

Adjusted EBITDA

In addition to the results prepared in accordance with IFRS provided in this release, the Company uses Adjusted EBITDA. The company uses Adjusted EBITDA along with other IFRS measures to evaluate operating performance. Adjusted EBITDA is defined by the Company as net income before interest expense, income tax expense and depreciation and amortization (excluding amortization of capitalized film content and debt issuance costs) adjusted for impairments of available-for-sale financial assets, profit/loss on held for trading liabilities (including profit/loss on derivatives) share based payments and transaction costs related to equity transactions.

Adjusted EBITDA, as used and defined by us, may not be comparable to similarly-titled measures employed by other companies and is not a measure of performance calculated in accordance with GAAP. Adjusted EBITDA should not be considered in isolation or as a substitute for operating income, net income, cash flows from operating investing and financing activities, or other income or cash flow statement data prepared in accordance with GAAP. Adjusted EBITDA provides no information regarding a company's capital structure, borrowings, interest costs, capital expenditures and working capital movement or tax position. However, our management team believes that Adjusted EBITDA is useful to investors in evaluating our results of operations because this measure:

• is widely used by investors to measure a company's operating performance without regard to items excluded from the calculation of such, term, which can vary substantially from company to company depending upon accounting methods and book value of assets, capital structure and the method by which assets were acquired, among other factors;
• help investors to evaluate and compare the results of our operations from period to period by removing the effect of our capital structure from our operating structure; and
• is used by our management team for various other purposes, including presentations to our board of directors, as a basis for strategic planning and forecasting.

See the supplemental financial schedules for a reconciliation of Adjusted EBITDA to Net Income.

Cautionary Statement Concerning Forward-Looking Statements

Some of the information presented in this press release and in related comments by Eros' management contains forward-looking statements. In some cases, these forward-looking statements are identified by terms and phrases such as "aim," ''anticipate,'' ''believe,'' "feel," "contemplate," ''intend,'' ''estimate,'' ''expect,'' ''continue,'' ''should,'' ''could,'' ''may,'' ''plan,'' ''project,'' ''predict,'' ''will,'' "future," "goal," "objective," and similar expressions and include references to assumptions and relate to Eros' future prospects, developments and business strategies. Similarly, statements that describe Eros' strategies, objectives, plans or goals are forward-looking statements and are based on information available to Eros as of the date of this press release. Forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant statement. Such risks and uncertainties include a variety of factors, some of which are beyond Eros' control, including but not limited to market conditions and economic conditions. Information concerning these and other factors that could cause results to differ materially from those contained in the forward-looking statements is contained under the caption "Risk Factors" in Eros' Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission. Eros undertakes no obligation to revise the forward-looking statements included herein to reflect any future events or circumstances, except as required by law. Eros' actual results, performance or achievements could differ materially from the results expressed in, or implied by, these forward-looking statements.

Seasonality

The Groups' financial position and results of operations for any period fluctuate due to film release schedules. Film release schedules take account of holidays and festivals in India and elsewhere, competitor film releases and sporting events.

About Eros International, Plc

Eros International Plc (NYSE: EROS) is a leading global company in the Indian film entertainment industry that acquires, co-produces and distributes Indian films across all available formats such as cinema, television and digital new media. Eros International Plc was the first Indian media company to list on the New York Stock Exchange. Eros International has experience of over three decades in establishing a global platform for Indian cinema. The Company has a competitive advantage through its extensive and growing movie library comprising of over 3,000 films, which include Hindi, Tamil, and other regional language films for home entertainment distribution. Eros International has built a dynamic business model by combining the release of new films every year with the exploitation of its film library. The company also owns the rapidly growing OTT platform Eros Now. For further information please visit: www.erosplc.com

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EROS INTERNATIONAL PLC
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Note	June 30, 2017	March 31, 2017
		(in thousands)	
ASSETS			
Non-current assets			
Property, plant and equipment		10,319	10,354
Goodwill		4,992	4,992
Intangible assets — trade name		14,000	14,000
Intangible assets — content	6	891,819	904,628
Intangible assets — others		4,039	4,360
Available-for-sale financial assets		29,693	29,613
Trade and other receivables	1	8,568	11,443
Income tax receivable		993	1,051
Restricted deposits		361	335
Deferred income tax assets		112	112
Total non-current assets		**$ 964,896**	**$ 980,888**
Current assets			
Inventories		$ 330	$ 214
Trade and other receivables	1	280,500	242,762
Current income tax receivable		229	253
Cash and cash equivalents		114,717	112,267
Restricted deposits		7,012	6,981
Total current assets		**402,788**	**362,477**
Total assets		**$ 1,367,684**	**$ 1,343,365**
LIABILITIES			
Current liabilities			
Trade and other payables		$ 100,931	$ 120,082
Acceptances	3	8,968	8,935
Short-term borrowings	2	190,643	180,029
Current income tax payable		8387	7,055
Total current liabilities		**$ 308,929**	**$ 316,101**
Non-current liabilities			
Long-term borrowings	2	$ 89,801	$ 89,841
Other long - term liabilities		5,229	5,349
Derivative financial instruments		12,370	12,553
Deferred income tax liabilities		37,564	35,973
Total non-current liabilities		**$ 144,964**	**$ 143,716**
Total liabilities		**$ 453,893**	**$ 459,817**
EQUITY			
Share capital	4	$ 31,882	$ 31,877
Share premium		400,155	399,686
Reserves		446,772	436,997
Other components of equity		(48,080)	(48,118)
JSOP reserve		(15,985)	(15,985)
Equity attributable to equity holders of Eros International Plc		**$ 814,744**	**$ 804,457**
Non-controlling interest		99,047	79,091
Total equity		**$ 913,791**	**$ 883,548**
Total liabilities and shareholder's equity		**$ 1, 367,684**	**$ 1,343,365**

EROS INTERNATIONAL PLC
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands, except share and per share data)

	Note	Three Months Ended June 30, 2017	Three Months Ended June 30, 2016
Revenue	8	**$ 60,832**	**$ 71,095**
Cost of sales		(34,955)	(48,010)
Gross profit		**25,877**	**23,085**
Administrative cost		(14,186)	(15,905)
Operating profit		**11,691**	**7,180**
Financing cost		(5,818)	(3,854)
Finance income		434	661
Net finance cost		(5,384)	(3,193)
Other (losses)/gains	9	(1,523)	2,032
Profit before tax		**4,784**	**6,019**
Income tax		(2,986)	(2,580)
Profit for the period		**$ 1,798**	**$ 3,439**
Attributable to:			
Equity holders of Eros International Plc		$ (1,327)	$ 1,987
Non-controlling interest		3,125	1,452
		$ 1,798	**$ 3,439**
Earnings per share (cents)			
Basic earnings per share	7	(2.2)	3.4
Diluted earnings per share		(2.3)	3.1

EROS INTERNATIONAL PLC
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME/(LOSS)
(Amounts in thousands, except share and per share data)

	Three Months Ended June 30,	
	2017	**2016**
Profit for the period	**$ 1,798**	**$ 3,439**
Other comprehensive loss:		
Items that will be subsequently reclassified to profit or loss		
Exchange differences on translating foreign operations	(398)	(3,263)
Reclassification of the cash flow hedge to the statement of operations, net of tax	187	201
Total other comprehensive loss for the period	$ (211)	$ (3,062)
Total comprehensive income for the period, net of tax	**$ 1,587**	**$ 377**
Attributable to:		
Equity holders of Eros International Plc	$ (1,288)	$ (512)
Non-controlling interest	2,875	889

EROS INTERNATIONAL PLC
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in thousands, except share and per share data)

		Three Months Ended June 30,	
	Note	**2017**	**2016**
Cash flows from operating activities:			
Profit before tax		$ 4,784	$ 6,019
Adjustments for:			
Depreciation		263	210
Share based payment		5,189	6,023
Amortization of intangible film and content rights		32,012	36,938
Amortization of other intangibles assets		369	694
Other non-cash items	10	1,482	(678)
Net finance costs		5,384	3,193
Gain on sale of available for sale financial asset		—	(58)
(Profit)/Loss on sale of property		4	—
Changes in trade and other receivables		(21,810)	(37,628)
Changes in inventories		5	4
Changes in trade and other payables		6,318	9,027
Cash generated from operations		34,000	23,744
Interest paid		(5,948)	(4,993)
Proceeds from refund of income taxes, net		98	151
Net cash generated from operating activities		**$ 28,150**	**$ 18,902**
Cash flows from investing activities:			
Proceeds from sale of available for sale investments		—	288
Purchases of property, plant and equipment		(107)	(790)
Proceeds from/(investment in) restricted deposits held with banks		(31)	(187)
Purchase of intangible film right and content rights		(35,037)	(17,089)
Purchase of other intangible assets		—	(13)
Interest received		890	461
Net cash used in investing activities		**$ (34,285)**	**$ (17,330)**
Cash flows from financing activities:			
Proceeds from issue of shares by subsidiary		—	1
Proceeds from disposal of Subsidiary shares		448	—
Proceeds from short-term debt		20,327	13,688
Repayment of short-term debt		(9,744)	(13,908)
Proceeds from long-term debt		—	1,497
Repayment of long-term debt		(3,067)	(2,674)
(Repayment of)/Proceeds from short term debt with maturity less than three months (net)		(192)	3,600
Net cash generated from financing activities		**$ 7,772**	**$ 2,204**
Net increase in cash and cash equivalents		**1,637**	**3,776**
Effect of exchange rate changes on cash and cash equivalents		813	(2,937)
Cash and cash equivalents, beginning of period		112,267	182,774
Cash and cash equivalents, end of period		**$ 114,717**	**$ 183,613**

Supplemental Financial Data

1. TRADE AND OTHER RECEIVABLES

	As at	
	June 30, 2017	March 31, 2017
	(in thousands)	
Trade accounts receivables	$ 243,408	$ 226,822
Other receivables	43,702	25,683
Prepaid charges	880	277
Accrued revenues	1,078	1,423
Trade and other receivables	**$ 289,068**	**$ 254,205**
Current trade and other receivables	280,500	242,762
Non-current trade and other receivables	8,568	11,443
	$ 289,068	**$ 254,205**

2. BORROWINGS

An analysis of long-term borrowings is shown in the table below.

			As at	
	Nominal Interest Rate	Maturity	June 30, 2017	March 31, 2017
			(in thousands)	
Asset backed borrowings				
Vehicle Loan	10.0% - 12.0%	2017-21	$ 269	$ 325
Term Loan	BPLR+1.8% - 2.75%	2017	-	1,264
Term Loan	BPLR+2.75%	2017-18	124	466
Term Loan	BPLR+2.85%	2019-20	5,222	5,776
Term Loan	BPLR+2.55% - 3.4%	2020-21	11,104	11,945
Term Loan	MCLR+3.45%	2021-22	14,657	14,603
			$ 31,376	$ 34,379
Retail bond	6.5%	2021-22	$ 64,969	$ 62,672
Revolving facility	LIBOR +7.5% and Mandatory Cost	2017-18	85,000	85,000
Other borrowings	10.5%	2021-22	5,602	5,853
			$ 155,571	$ 153,525
Nominal value of borrowings			$ 186,947	$ 187,904
Cumulative effect of unamortized costs			(1,423)	(1,665)
Installments due within one year			(95,723)	(96,398)
Long-term borrowings — at amortized cost			**$ 89,801**	**$ 89,841**

Bank prime lending rate ("BPLR") and Marginal Cost based lending rate ("MCLR") is the Indian equivalent to LIBOR. Asset backed borrowings are secured by fixed and floating charges over certain Group assets.

Analysis of short-term borrowings

	Nominal interest rate (%)	As at June 30, 2017	As at March 31, 2017
		(in thousands)	
Asset backed borrowings			
Export credit bill discounting and overdraft	BPLR+1-3.5%	$ 39,465	$ 41,687
Export credit and overdraft	LIBOR+3.5%	22,981	24,572
Other Short-term loan	13-14.3%	9,502	5,396
Term Loan	MCLR+4.25%	4,416	4,943
		$ 76,364	$ 76,598
Unsecured borrowings			
Other Short-term loan	10.20%	11,413	—
Other Short-term loan	12 - 14%	7,143	7,033
Installments due within one year on long-term borrowings		95,723	96,398
Short-term borrowings - at amortized cost		**$ 190,643**	**$ 180,029**

Fair value of the long-term borrowings as at June 30, 2017 is $154,751 (March 31, 2017: $ 155,923). Fair values of long-term financial liabilities except retail bonds have been determined by calculating their present values at the reporting date, using fixed effective market interest rates available to the Companies within the Group. As at June 30, 2017, the fair value of retail bond amounting to $43,968 (March 31, 2017: $43,416) has been determined using quoted prices from the London Stock Exchange (LSE). Carrying amount of short-term borrowings approximates fair value.

3 ACCEPTANCES

	As at June 30, 2017	As at March 31, 2017
	(in thousands)	
Payable under the film financing arrangements	$ 8,968	$ 8,935
	$ 8,968	$ 8,935

Acceptances comprise of credit availed from financial institutions for payment to film producers for film co-production arrangement entered by the group. The carrying value of acceptances are considered a reasonable approximation of fair value

4. ISSUED SHARE CAPITAL

	Number of Shares	GBP
Authorized		
A ordinary shares of 30p each at June 30, 2017 and March 31, 2017	83,333,333	25,000

Allotted, called up and fully paid	Number of Shares A Ordinary 30p Shares	Number of Shares B Ordinary 30p Shares	USD (in thousands)
As at March 31, 2016	**32,949,314**	**24,960,654**	30,793
Issue of shares on April 1, 2016	1,750	—	1
Issue of shares on July 29, 2016	20,813	—	8
Issue of shares in August, 2016	387,613	—	153
Issue of shares in September, 2016	2,107,010	—	825
Issue of shares in October, 2016	98,500	—	36
Issue of shares in November, 2016	117,963	—	45
Issue of shares in December, 2016	14,580	—	6
Transfer of B Ordinary to A Ordinary share	5,581,272	(5,581,272)	—
Issue of shares of in January, 2017	4,200	—	2
Issue of shares of in February, 2017	17,437	—	5
Issue of shares of in March, 2017	11,750	—	3
As at March 31, 2017	**41,312,202**	**19,379,382**	**$ 31,877**
Issue of shares on May 11, 2016	**12,000**	—	**5**
Transfer of B Ordinary to A Ordinary share	**5,500,000**	**(5,500,000)**	—
As at June 30, 2017	**46,824,202**	**13,879,382**	**$ 31,882**

On May 11, 2017, the Company issued 12,000 shares entered into an exit agreement with an employee pursuant to which the Board approved a grant of 12,000 ‘A’ ordinary share awards with Nil exercise price and a fair market value of $10.8 per share.

On 15 May 2017 and 23 May 2017, permitted Class B shares aggregating to 2,500,000 and 3,000,000 Class B shares respectively, were converted into Class A shares. This was effected through the cancellation of 5,500,000 Class B shares and subsequent issuance of the equivalent amount of Class A shares.

As at June 30, 2017, none of the awards were forfeited.

5. SHARE BASED COMPENSATION PLANS

The compensation cost recognized with respect to all outstanding plans and by grant of shares, which are all equity settled instruments, is as follows:

	Three months ending June 30, 2017	Three months ending June 30, 2016
	(in thousands)	
IPO India Plan	$ 370	$ 649
JSOP Plan	615	905
Option award scheme 2012	101	253
2014 Share Plan	259	571
2015 Share Plan	36	102
Other share option awards	1,568	141
Management scheme (staff share grant)	2,240	3,402
	$ 5,189	**$ 6,023**

6. INTANGIBLE CONTENT ASSETS

	Gross Content Assets	Accumulated Amortization	Content Assets
		(in thousands)	
As at June 30, 2017			
Film and content rights	$ 1,448,676	(831,159)	617,517
Content advances	268,987	-	268,987
Film productions	5,315	-	5,315
Non-current content assets	**$ 1,722,978**	**(831,159)**	**891,819**
As at March 31, 2017			
Film and content rights	$ 1,430,523	$ (796,058)	$ 634,465
Content advances	266,232	—	266,232
Film productions	3,931	—	3,931
Non-current content assets	$ 1,700,686	$ (796,058)	$ 904,628

7. EARNINGS PER SHARE

	Three months ended June 30,			
	2017		2016	
	Basic	Diluted	Basic	Diluted
	(in thousands, except share and per share data)			
Earnings attributable to the equity holders of the parent	$ (1,327)	$ (1,327)	$ 1,987	$ 1,987
Potential dilutive effect related to share based compensation scheme in subsidiary undertaking	—	(123)	—	(167)
Adjusted earnings attributable to equity holders of the parent	$ (1,327)	(1,450)	$ 1,987	$ 1,820
Number of shares				
Weighted average number of shares	60,628,345	60,628,345	57,998,564	57,998,564
Potential dilutive effect related to share based compensation scheme	—	1,221,584	—	1,048,454
Adjusted weighted average number of shares	60,628,345	61,849,929	57,998,564	59,047,018
Earnings per share				
Earnings attributable to the equity holders of the parent per share (cents)	(2.2)	(2.3)	3.4	3.1

The above table does not split the earnings per share separately for the ‘A’ ordinary 30p shares and the ‘B’ ordinary 30p shares as there is no variation in their entitlement to participate in undistributed earnings.

8. BUSINESS SEGMENTAL DATA

Revenues are presented based on customer location:

	Three months ended June 30,	
	2017	2016
	(in thousands)	
Revenue by customer's location		
India	$ 26,999	$ 43,921
Europe	1,226	3,461
North America	1,169	2,697
Rest of the world	31,438	21,016
Total Revenue	**$ 60,832**	**$ 71,095**

	Three months ended June 30,	
	2017	2016
	(in thousands)	
Revenue by group's operation		
India	$ 25,368	$ 42,749
Europe	9,566	4,462
North America	180	1,408
Rest of the world	25,718	22,476
Total Revenue	**$ 60,832**	**$ 71,095**

9. OTHER (LOSSES)/GAINS

	Three months ended June 30,	
	2017	2016
	(in thousands)	
Gain on sale of available for sale financial assets	—	58
Net foreign exchange gain/(loss)	(1,702)	4,018
Loss on sale of Fixed Assets	(4)	—
Net gains/(losses) on held for trading financial liabilities	183	(2,044)
	$ (1,523)	$ 2,032

The net gains/(losses) on held for trading financial liabilities in the three months ended June 30, 2017 and 2016, respectively, principally relate to derivative instruments not designated in a hedging relationship.

10. NON-CASH EXPENSE/(INCOME)

Significant non-cash expenses except loss on sale of assets, share based compensation, depreciation, derivative interest and amortization were as follows:

	Three months ended June 30, 2017	Three months ended June 30, 2016
	(in thousands)	
Net gains on held for trading financial liabilities	$ (183)	$ 2,044
Provisions for trade and other receivables	—	132
Unrealized foreign exchange (gain)/loss	1,665	(2,854)
	$ 1,482	**$ (678)**

11. NON GAAP-FINANCIAL MEASURES

Adjusted EBITDA (Non-GAAP)

	Three months ended June 30, 2017	Three months ended June 30, 2016
	(in thousands)	
Net income (GAAP)	$ 1,798	$ 3,439
Income tax expense	2,986	2,580
Net finance costs	5,384	3,193
Depreciation	263	210
Amortization(1)	369	694
EBITDA (Non-GAAP)	10,800	10,116
Share based payments(2)	5,189	6,023
Gains on sale of available – for – sale financial assets	—	(58)
Net losses/(gains) on held for trading financial liabilities	(183)	2,044
Adjusted EBITDA (Non-GAAP)	**15,806**	**$ 18,125**

(1) Includes only amortization of intangible assets other than intangible content assets.
(2) Consists of compensation costs recognized with respect to all outstanding plans and all other equity settled instruments.