



Eros International reinforces positive business fundamentals and provides detailed response to strongly refute anonymous allegations

London, UK, November 2, 2015 – Eros International Plc (NYSE: EROS) (“Eros” or “the Company”), a leading global company in the Indian film entertainment industry, today provided a detailed response to the anonymous campaign that is spreading false and malicious information about the Company to negatively impact the Company’s stock price. Eros offered the following statement:

“In the past two weeks, there has been a vicious campaign to damage the credibility of Eros International by spreading false rumors and misinformation regarding its business with an objective to create panic amongst the investor community. No new facts about the Company have come to light since the filing of the FY2015 financials or its Q1 FY2016 financials at which time the market sentiment was extremely positive.”

The Company added:

“We are confident in our business fundamentals and we will be announcing our Q2 FY2016 results in the first half of November. Our credibility and reputation are of paramount importance. **Our Audit Committee has engaged the U.S. law firm Skadden, Arps, Slate, Meagher & Flom LLP to conduct an independent internal review** and also to advise us on related matters.

Let us now address the principal allegations, the Company’s receivables and the ErosNow registered users, which we believe are the two most material points for our long-term shareholders.

a) Increase in receivables

The Company’s revenues from FY2014 to FY2015 increased by 20.7% (from \$235 million in FY2014 to \$284.2 million in FY2015). On its own, this increase in revenues accounts for approximately \$50 million of the overall increase in receivables. Additionally, in FY2015 the Company disclosed that it had renegotiated and given extended payment terms to customers amounting to \$31.2 million of receivables. The increase in revenues combined with receivables having extended payment terms, substantially explains the jump in overall receivables from FY2014 to FY2015. As at March 31, 2015, \$6 million of the Company’s total receivables were over twelve months old and \$160.5 million of receivables (including \$31.2 million of renegotiated contracts) were not due. Detailed disclosure as of FY2015 on receivables is covered on page F-27 of the Company’s most recent Form 20F.

The Company’s accounting principles are in line with IFRS as issued by the IASB. The Company’s receivables balance is expected to be approximately 50-55% of revenues by end of FY2016, which is in line with other global content companies.

The Company’s library and new releases bundled together generates significant revenues and for many years the Company has been contracting with customers around the world for licensing of its’ content. The Company’s UAE subsidiary owns all the international rights to its library. As demand for Indian film content increases in geographies outside of India, the Company has increased its revenues in these new markets and done so in a profitable and consistent manner. A corner stone strategy that has propelled the Company’s dominance in international markets including Japan, Taiwan, South Korea, Russia, Africa, Poland and Indonesia has been to create preferred partnerships with select parties. Once a partner has