



SHEMAROO ENTERTAINMENT LIMITED

Q2/H1-FY18

Earnings Presentation

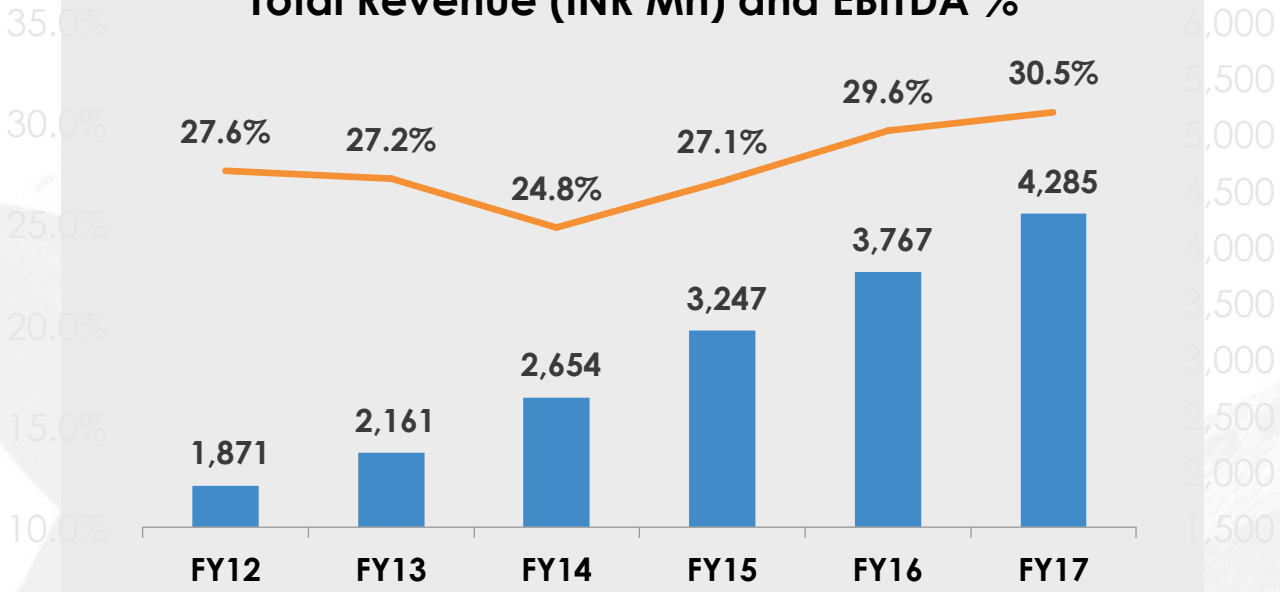


ABOUT SHEMAROO

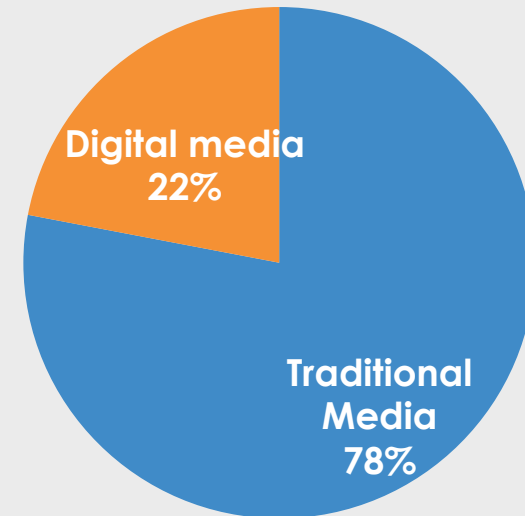


- Founded in 1962 as a book circulating library, today Shemaroo is a leading Indian content power house with a global reach, headquartered out of Mumbai and employs over 500 people
- The Company is one of the largest independent content aggregators with a library of more than 3,500 titles, which it distributes across various existing and emerging media platforms
- Identifying that movies have the longest shelf life for television and other media content, Shemaroo pioneered the movie library syndication business by acquiring movie titles from producers and distributing it to broadcasters and other media platforms
- Shemaroo has grown multi-fold over the years, developing excellent relationships across the media industry value chain, to become one of the largest organised players in a fragmented industry.

Total Revenue (INR Mn) and EBITDA %



FY17 Revenue Distribution (INR Mn)





Q2/H1-FY18 HIGHLIGHTS

Q2/H1-FY18 KEY FINANCIAL HIGHLIGHTS



Q2 FY18 performance (Consolidated):

- **Total Revenue***: INR 1,346 mn; 28.8% QoQ; 18.2% YoY
- **EBITDA**: INR 363 mn; 5.8% QoQ; 13.4% YoY
- **EBITDA Margin**: 26.97%; (585) bps QoQ; (112) bps YoY
- **Net Profit**: INR 187 mn; 17.6 % QoQ 23.8% YoY
- **Net Profit Margin**: 13.89%; (133) bps QoQ 63 bps YoY
- **Diluted EPS**: 6.88 INR /share

H1 FY18 performance (Consolidated):

- **Total Revenue***: INR 2,380 mn; 13.6% YoY
- **EBITDA**: INR 706 mn; 13.3% YoY
- **EBITDA Margin**: 29.53%; (11) bps YoY
- **Net Profit**: INR 346 mn; 18.1% YoY
- **Net Profit Margin**: 14.47%; 53 bps YoY
- **Diluted EPS**: 12.74 INR /share

* - Includes Other Income

DIVISIONAL BREAKUP (CONSOLIDATED):

INR Mn	Q2-FY18	Q2-FY17	YOY Growth	H1-FY18	H1-FY17	YOY Growth
Digital Media*	342	240	42.5%	627	441	42.2%
Traditional Media	1,002	896	11.8%	1,753	1,655	5.9%
Income from Operations	1,344	1,136	18.3%	2,380	2,096	13.5%

* Nomenclature of New Media has now been changed to Digital Media

KEY OPERATIONAL HIGHLIGHTS

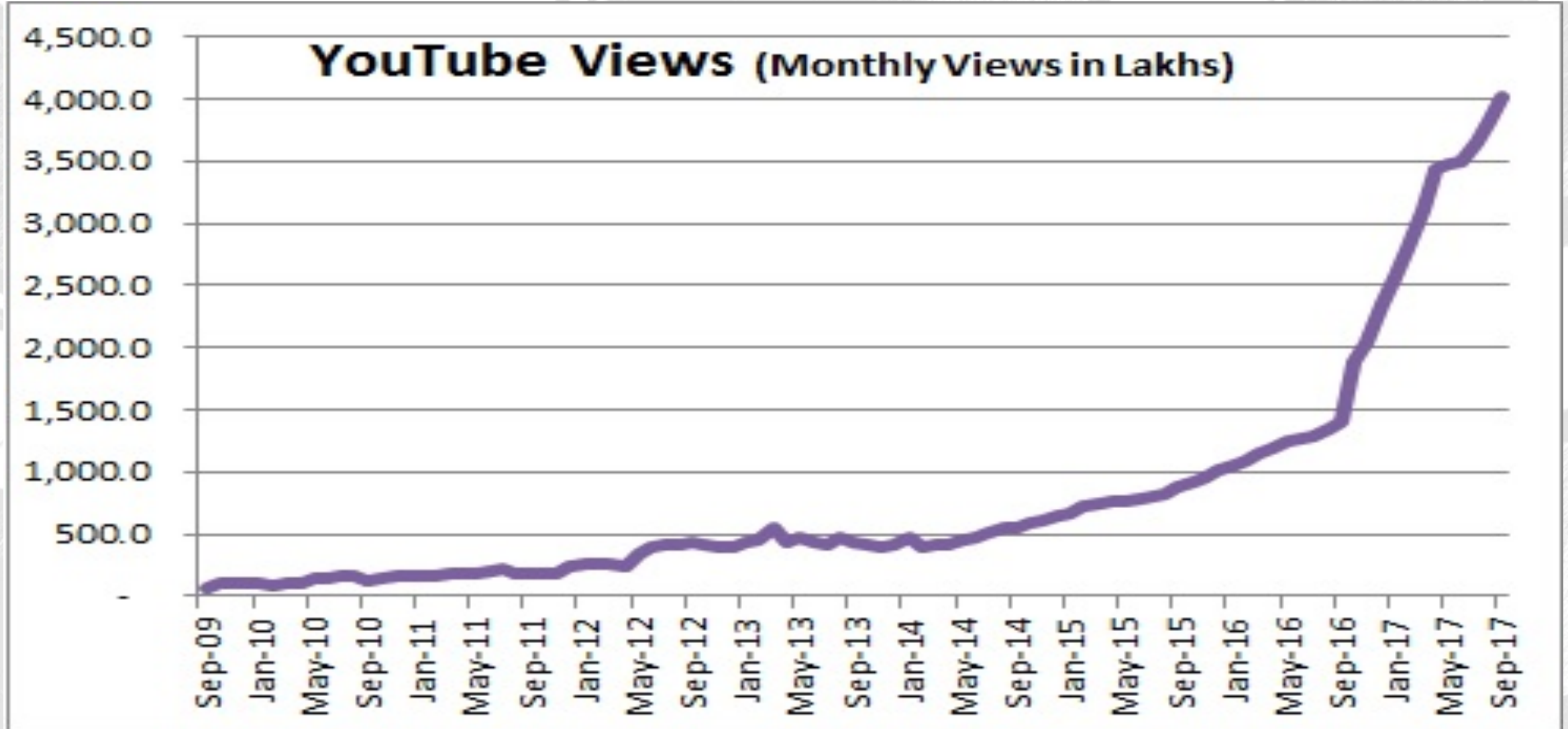


- Licensed and monetized the live feed of Lalbaugcha Raja on Mobile, DTH & Internet platforms
- Signed a content deal with Etisalat
- Crossed 2 Bn cumulative views on our YouTube channel 'ShemarooENT'
- Crossed 5 Mn subscribers on our YouTube channel 'FilmiGaane'
- Some brands have pulled their advertising out from YouTube since some of their ads were shown next to hateful and offensive content. As a result, YouTube has implemented stricter brand safety guidelines and therefore stopped monetizing certain videos
- Shemaroo won the CMO Asia's Social Media and Digital Excellence Award, Singapore2017 for "Best Use of Twitter" for its digital campaign on Twitter, #FilmiGaaneAntakshar

KEY OPERATIONAL HIGHLIGHTS



YouTube Monthly Views Graph till September 2017:



Q2-FY18 CONSOLIDATED INCOME STATEMENT (IndAS)



Particulars (INR Mn.)	Q2-FY18	Q1-FY18	Q-o-Q	Q2-FY17	Y-o-Y
Revenue from Operations	1,344	1,036	29.73%	1,136	18.31%
Other Income	2	9	(77.78)%	3	(33.33)%
Total Revenue	1,346	1,045	28.80%	1,139	18.17%
Total Expenses	983	702	40.03%	819	20.02%
EBITDA	363	343	5.83%	320	13.44%
EBITDA Margin (%)	26.97%	32.82%	(585) bps	28.09%	(112) bps
Depreciation	13	12	8.33%	11	18.18%
Finance Cost	84	81	3.70%	74	13.51%
PBT	266	250	6.40%	235	13.19%
Tax	78	90	(13.33)%	90	(13.33)%
PAT	188	160	17.50%	145	29.66%
Minority Interest & Share of profit/ (loss) in associate company	(1)	(1)	NA	6	(116.67)%
PAT after adjustments	187	159	17.61%	151	23.84%
PAT Margin (%)	13.89%	15.22%	(133) bps	13.26%	63 bps
Diluted EPS	6.88	5.86	17.41%	5.54	24.19%

H1-FY18 CONSOLIDATED INCOME STATEMENT (IndAS)



Particulars (INR Mn.)	H1-FY18	H1-FY17	Y-o-Y
Revenue from Operations	2,380	2,096	13.55%
Other Income	11	6	83.33%
Total Revenue	2,391	2,102	13.75%
Total Expenses	1,685	1,479	13.93%
EBITDA	706	623	13.32%
EBITDA Margin (%)	29.53%	29.64%	(11) bps
Depreciation	25	21	19.05%
Finance Cost	165	142	16.20%
PBT	516	460	12.17%
Tax	167	183	-8.74%
PAT	349	277	25.99%
Minority Interest & Share of profit/ (loss) in associate company	(3)	16	(118.75)%
PAT after adjustments	346	293	18.09%
PAT Margin (%)	14.47%	13.94%	53 bps
Diluted EPS	12.74	10.76	18.40%

H1-FY18 CONSOLIDATED BALANCE SHEET (IndAS)



Equity and Liabilities (INR Mn.)	H1-FY18
Shareholders Fund	
Share Capital	272
Other Equity	4,394
Total Equity	4,666
Non Current Liabilities	
Long Term borrowings	69
Deferred tax liabilities	60
Long term provisions	8
Total Non-Current Liabilities	137
Current Liabilities	
Short Term Borrowings	2,402
Trades payables	344
Other Financial Liabilities	2
Other Current Liabilities	3
Short Term Provisions	296
Total Current Liabilities	3,047
Total	7,850

Assets (INR Mn.)	H1-FY18
Non Current Assets	
Fixed Assets	
Tangible Assets	334
Intangible assets	11
Non Current Investments	155
Long Term Loan and Advances	105
Other Financial Assets	3
Other Non Current Assets	18
Total Non-Current Assets	626
Current Assets	
Inventories	5,618
Trade Receivables	1,245
Cash and cash equivalents	28
Short Term loan and advances	108
Prepayments	11
Other Current Assets	214
Total Current Assets	7,224
Total	7,850

DIGITAL MEDIA*



Shemaroo was one of the early Indian media companies to syndicate its library in the high growth digital media platforms, thereby gaining early mover advantage

- The company caters to all types of revenue models like pay per transaction, subscription, advertisement supported (free to consumer) etc.
- Due to its large library ownership Shemaroo has the ability to slice and dice content and package it in different ways that are more suited for the digital media platforms.

Digital Media Presence

Internet and OTT

- Shemaroo has agreements with various internet video platforms like YouTube, Hotstar, Reliance Jio, Apple iTunes, Google Play, YuppTV, etc.

Mobile Value Added services (MVAS) / Mobile Internet

- The company has agreements with major telecom operators, namely Airtel, Vodafone, Idea, etc.
- Shemaroo distributes imagery, videos, full songs, live streaming etc. under MVAS through both operator branded portals as well as its own branded portals

Internet

YouTube

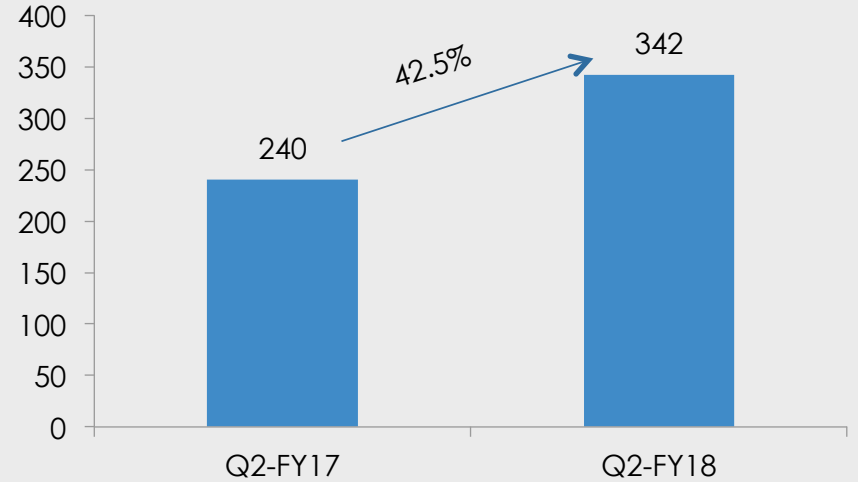
Hotstar

MVAS

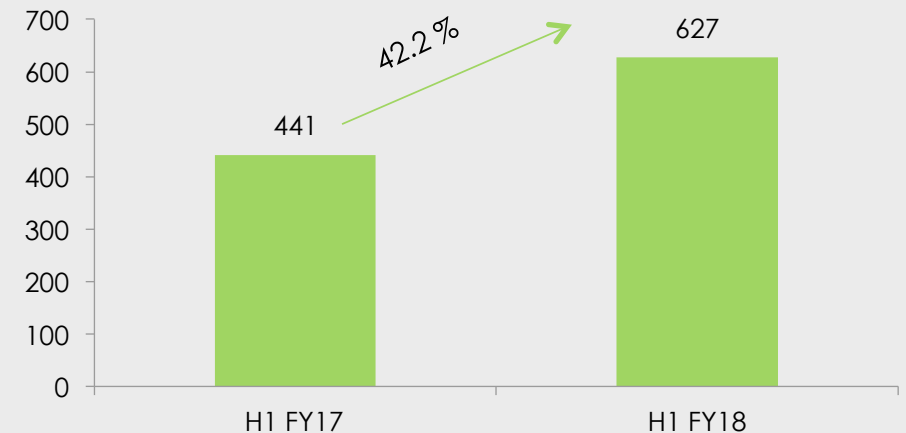
Airtel

Vodafone

Q2 FY18 Digital Media Performance



H1 FY18 Digital Media Performance



* Nomenclature of New Media has now been changed to Digital Media

TRADITIONAL MEDIA



Traditional Media Includes – Television Syndication, Home Entertainment, and Others

Television Syndication:

- Shemaroo has a diverse content library which it syndicates rights to various Satellite Channels, Cable & Terrestrial Networks
- Considering the vast and diverse library of Shemaroo, it can be easily assumed that most broadcasting channels would have some content syndicated from Shemaroo at sometime or the other.

Subscription Based Services:

- In partnership with major DTH and Cable operators, Shemaroo has launched subscription-based, ad-free content services across various genres like Movies, Devotion, Comedy and Regional

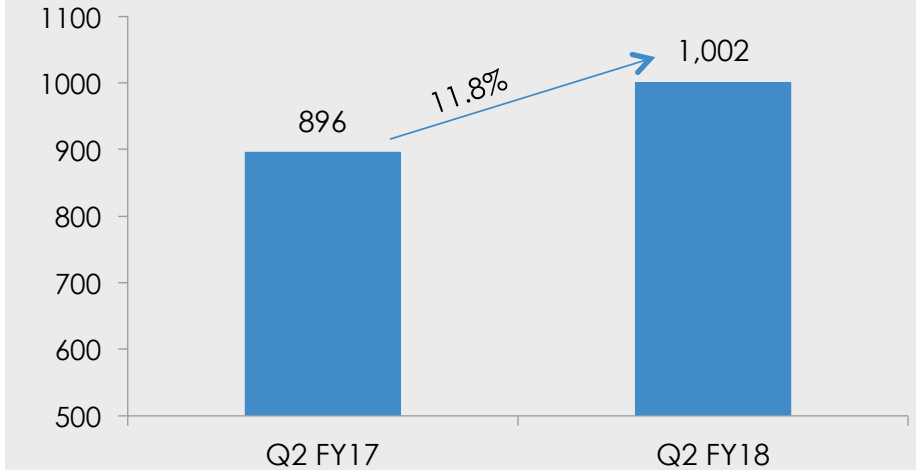
Home Entertainment:

- The Home Entertainment business has helped Shemaroo to garner the legacy of becoming a nationwide well known and accepted brand
- Has successfully migrated from one content format to another (Video VHS to VCD to DVD to Blu-Ray)

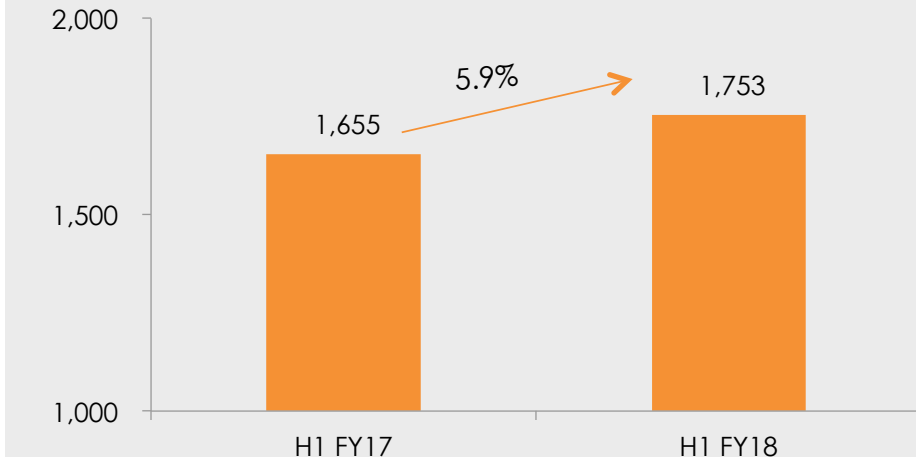
Other Media:

- Shemaroo also distributes its contents to other media platforms like Airborne rights for In-flight entertainment, Overseas, International Film festivals, etc.
- The company has a market presence in USA, UK, Canada, UAE, Australia, East Europe, Singapore and North Africa

Q2 FY18 Traditional Media Performance



H1 FY18 Traditional Media Performance



HISTORICAL CONSOLIDATED INCOME STATEMENT (iGAAP)



Particulars (INR Mn)	FY13	FY14	FY15	FY16	FY17
Revenue from Operations	2,147	2,646	3,234	3,751	4,255
Other Income	14	13	13	16	30
Total Revenue	2,161	2,659	3,247	3,767	4,285
Total Expenses	1,574	2,003	2,366	2,675	2,980
EBITDA	587	657	881	1,092	1,305
EBITDA Margin (%)	27.16%	24.71%	27.13%	28.99%	30.46%
Depreciation	30	30	37	37	43
Finance Cost	183	192	212	228	323
PBT	374	435	632	827	939
Tax	128	165	222	307	342
PAT	247	270	410	520	597
Share of profit/ (loss) in associate company	(11)	1	(1)	1	18
PAT after adjustments	236	272	409	521	615
PAT Margin (%)	10.92%	10.23%	12.60%	13.89%	13.93%
Diluted EPS	12.42	13.68	17.35	19.18	22.62

HISTORICAL CONSOLIDATED BALANCE SHEET (iGAAP)



Equity and Liabilities (INR Mn.)	FY15	FY16	FY17
Shareholders Fund			
Share Capital	272	272	272
Reserves and Surplus	2,902	3,377	3,994
Net worth	3,174	3,649	4,266
Minority Interest		(8)	(32)
Non Current Liabilities			
Long Term borrowings	3	229	125
Deffered tax liabilities	68	67	67
Long tem provisions	5	7	9
	76	303	201
Current Liabilities			
Short Term Borrowings	1,054	1,544	2,616
Trades payables	165	105	195
Other Current Liabilities	339	395	316
Short Term Provisions	77	139	246
	1,635	2,183	3,373
Total	4,885	6,127	7,808

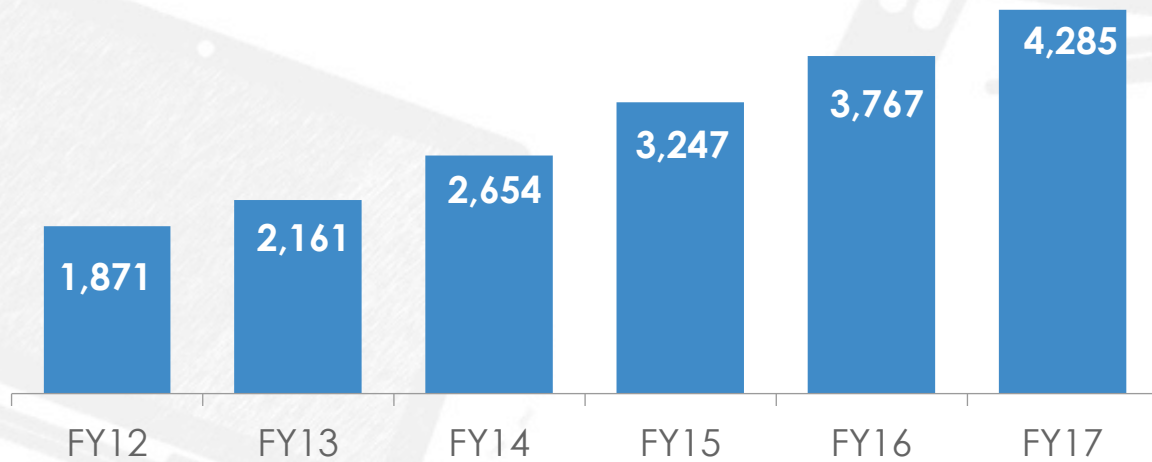
Assets (INR Mn.)	FY15	FY16	FY17
Non Current Fixed Assets			
Fixed Assets			
Tangible Assets	287	285	337
Intangible assets	8	11	10
Capital WIP	-	14	-
Total Fixed Assets	295	310	347
Non Current Investments	168	81	72
Long Term Loan and Advances	71	65	72
Trade receivables	-	-	-
Other Non Current Assets	1	28	19
	240	485	510
Current Assets			
Inventories	2,887	3,876	5,004
Trade Receivables	1,268	1,069	1,914
Cash and cash equivalentents	25	19	19
Short Term loan and advances	170	13	3
Other Current Assets	-	665	358
Total	4,885	6,127	7,808

HISTORICAL CONSOLIDATED FINANCIAL CHARTS



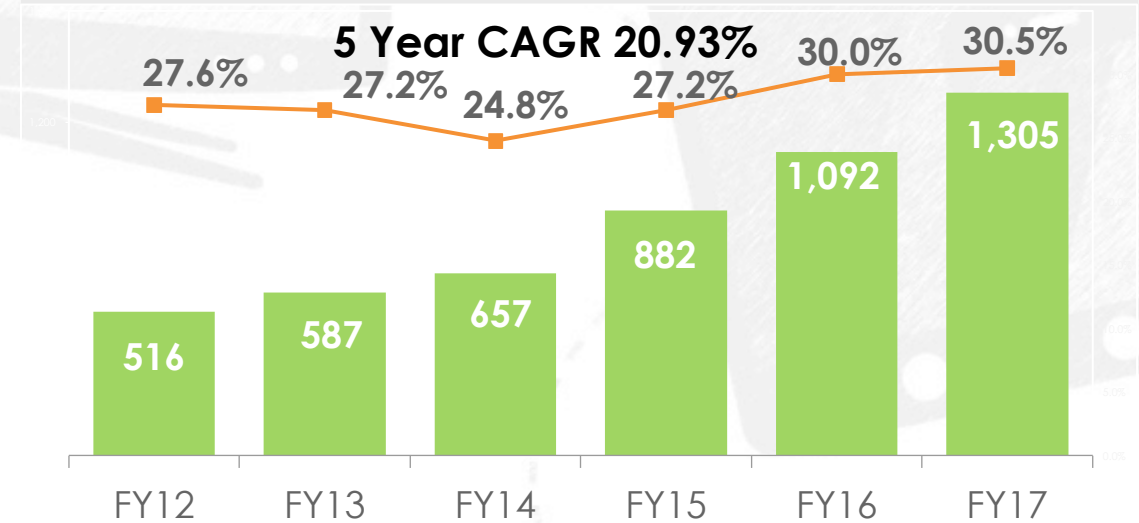
Total Income (INR Mn)

5 Year CAGR 18.03 %



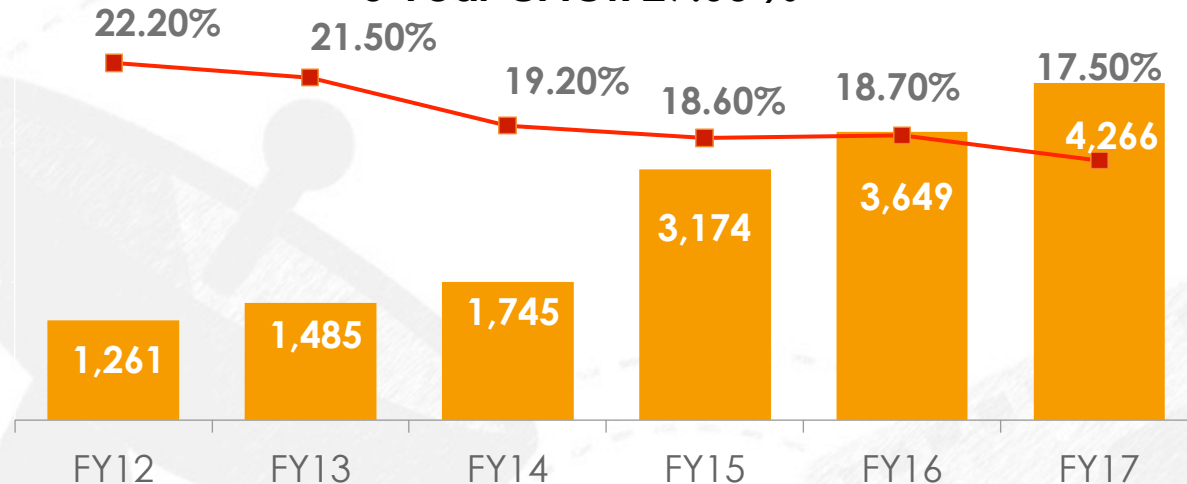
EBITDA (INR Mn) and EBITDA Margin (%)

5 Year CAGR 20.93%



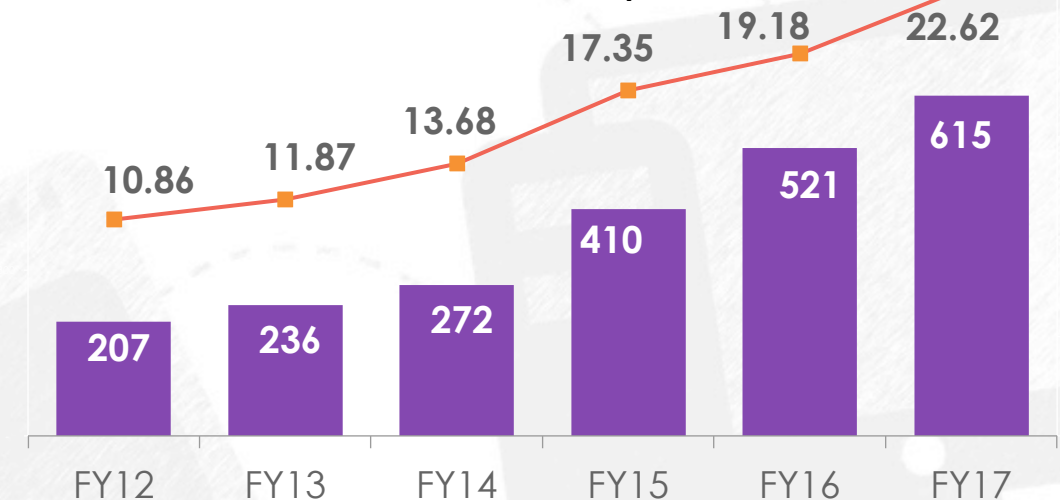
Net Worth (INR Mn) and RoCE (%)

5 Year CAGR 27.60 %

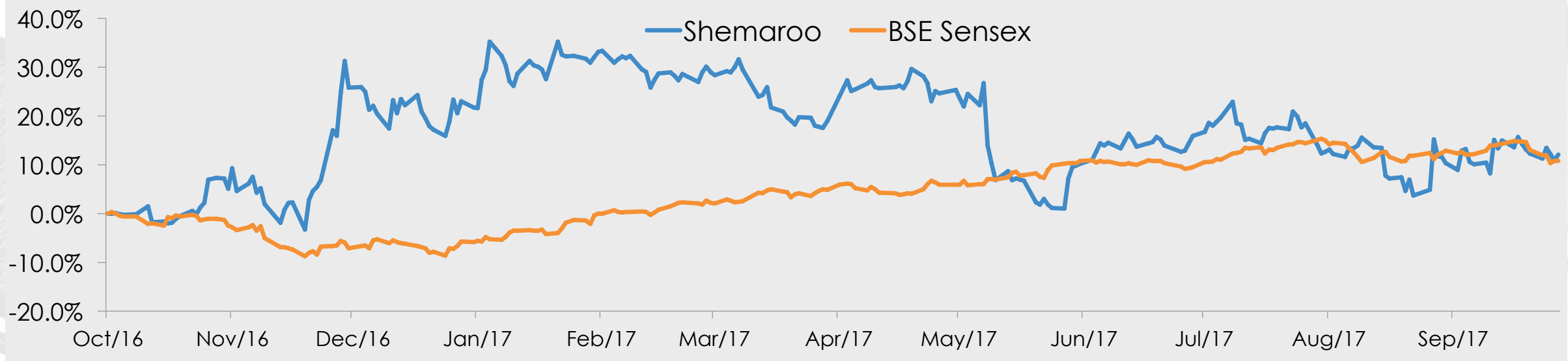


PAT (INR Mn) and EPS

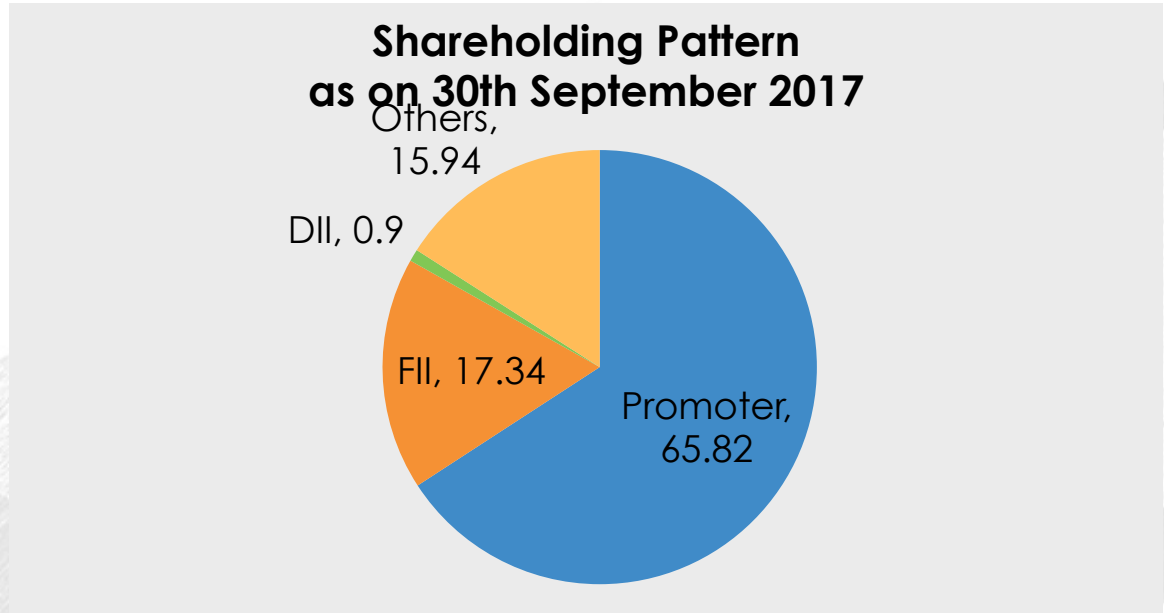
5 Year CAGR 24.33 %



CAPITAL MARKET



Price Data (As of 30th September, 2017)		INR
Face Value		10
Market Price		356.1
52 Week H/L		439/297
Market Cap (INR Mn)		9,679.6
Equity Shares Outstanding (Mn)		27.18
1 Year Avg. Trading Volume ('000)		16.72



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