



SHEMAROO ENTERTAINMENT LIMITED

Q3/9M-FY18

Earnings Presentation

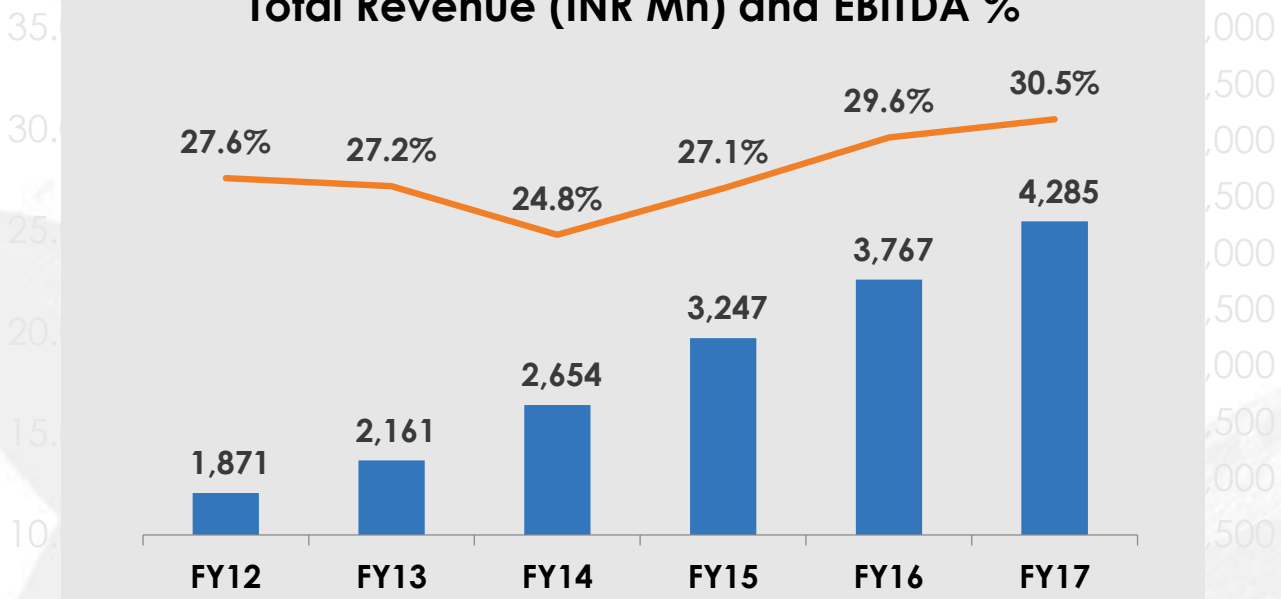


ABOUT SHEMAROO

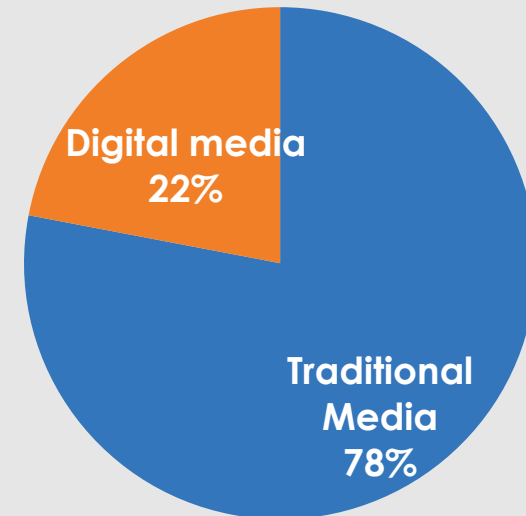


- Founded in 1962 as a book circulating library, today Shemaroo is a leading Indian content power house with a global reach, headquartered out of Mumbai and employs over 500 people
- The Company is one of the largest independent content aggregators with a library of more than 3,500 titles, which it distributes 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)





Q3/9M-FY18 HIGHLIGHTS

Q3/9M-FY18 KEY FINANCIAL HIGHLIGHTS



Q3 FY18 performance (Consolidated):

- **Total Revenue***: INR 1,328 mn; (1.3)% QoQ; 15.3% YoY
- **EBITDA**: INR 360 mn; (0.8)% QoQ; 12.5% YoY
- **EBITDA Margin**: 27.11%; 14 bps QoQ; (67) bps YoY
- **Net Profit**: INR 178 mn; (4.8)% QoQ 23.6% YoY
- **Net Profit Margin**: 13.40%; (49) bps QoQ 90 bps YoY
- **Diluted EPS**: 6.55 INR /share

9M FY18 performance (Consolidated):

- **Total Revenue***: INR 3,719 mn; 14.3% YoY
- **EBITDA**: INR 1,066 mn; 13.2% YoY
- **EBITDA Margin**: 28.66%; (30) bps YoY
- **Net Profit**: INR 524 mn; 19.9% YoY
- **Net Profit Margin**: 14.09%; 66 bps YoY
- **Diluted EPS**: 19.29 INR /share

* - Includes Other Income

DIVISIONAL BREAKUP (CONSOLIDATED):

INR Mn	Q3-FY18	Q3-FY17	YOY Growth	9M-FY18	9M-FY17	YOY Growth
Digital Media	331	235	40.8%	958	676	41.7%
Traditional Media	995	900	10.6%	2,748	2,554	7.6%
Income from Operations	1,326	1,135	16.8%	3,706	3,230	14.7%

KEY OPERATIONAL HIGHLIGHTS

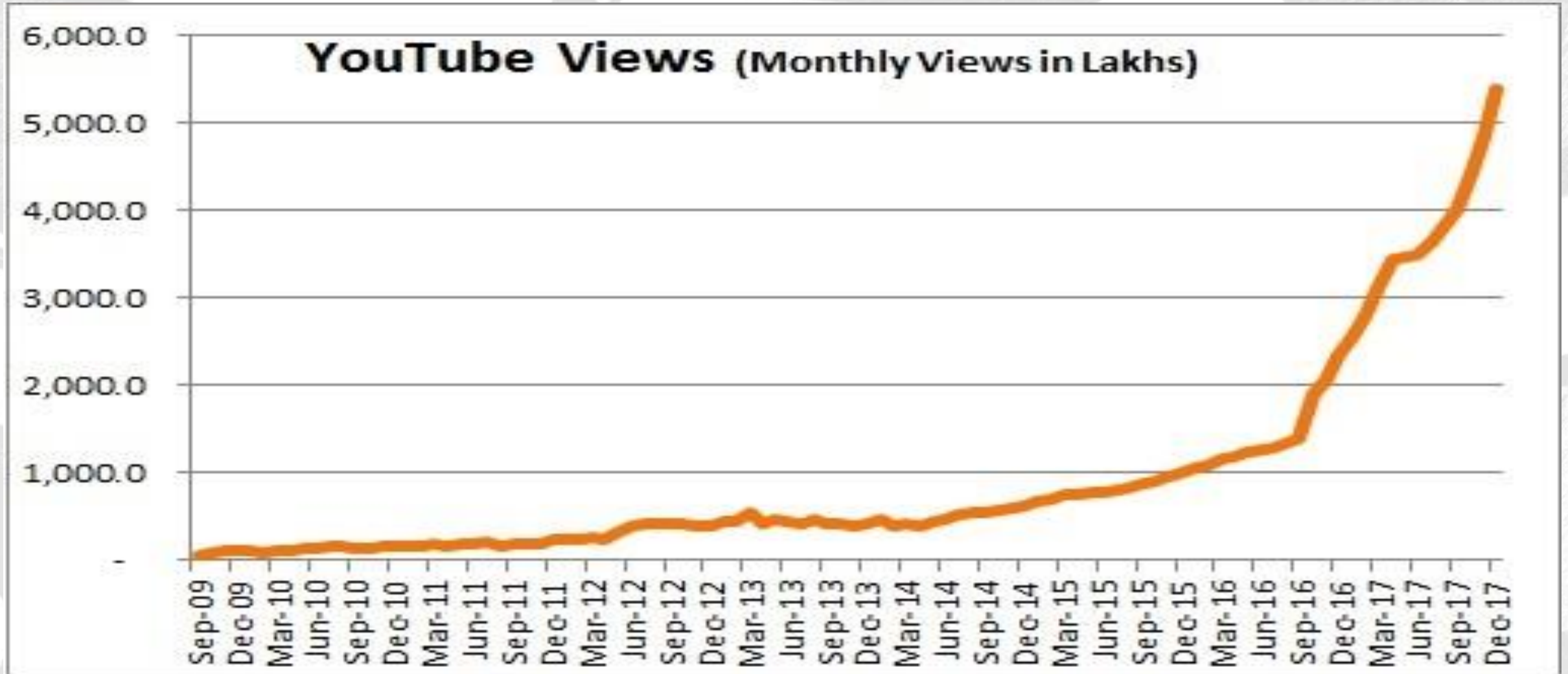


- Signed a content deal with Vuclip.
- Signed a content deal with Spuul.
- Tata Sky 'Marathi Cinema' service launched on 14th Dec 2017.
- Crossed 3 bn cumulative views on our YouTube channel 'FilmiGaane'.
- Crossed 5 mn subscribers on our YouTube channel 'ShemarooEnt'.
- Some brands have pulled their 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 the overall monetisation of content on YouTube has been impacted.

KEY OPERATIONAL HIGHLIGHTS



YouTube Monthly Views Graph till December 2017:



Q3-FY18 CONSOLIDATED INCOME STATEMENT (IndAS)



Particulars (INR Mn)	Q3-FY18	Q2-FY18	Q-o-Q	Q3-FY17	Y-o-Y
Revenue from Operations	1,326	1,344	(1.34)%	1,135	16.83%
Other Income	2	2	-	17	(88.24)%
Total Revenue	1,328	1,346	(1.34)%	1,152	15.28%
Total Expenses	968	983	(1.53)%	832	16.35%
EBITDA	360	363	(0.83)%	320	12.50%
EBITDA Margin (%)	27.11%	26.97%	14 Bps	27.78%	(67) Bps
Depreciation	13	13	-	11	18.18%
Finance Cost	71	84	(15.48)%	83	(14.46)%
PBT	276	266	3.76%	226	22.12%
Tax	96	78	23.08%	84	14.29%
PAT	180	188	(4.26)%	142	26.76%
Minority Interest & Share of profit/ (loss) in associate company	(2)	(1)	(100)%	2	(200)%
PAT after adjustments	178	187	(4.81)%	144	23.61%
PAT Margin (%)	13.40%	13.89%	(49) Bps	12.50%	90 Bps
Comprehensive Income	0	0	-	0	-
Total Profit including Comprehensive Income(Net of tax)	178	187	(4.81)%	144	23.61%
Diluted EPS	6.55	6.88	(4.80)%	5.31	23.35%

9M-FY18 CONSOLIDATED INCOME STATEMENT (IndAS)



Particulars (INR Mn.)	9M-FY18	9M-FY17	Y-o-Y
Revenue from Operations	3,706	3,230	14.74%
Other Income	13	23	(43.48)%
Total Revenue	3,719	3,253	14.33%
Total Expenses	2,653	2,311	14.80%
EBITDA	1,066	942	13.16%
EBITDA Margin (%)	28.66%	28.96%	(30) Bps
Depreciation	38	31	22.58%
Finance Cost	236	225	4.89%
PBT	792	686	15.45%
Tax	264	267	(1.12)%
PAT	528	419	26.01%
Minority Interest & Share of profit/ (loss) in associate company	(4)	18	(122.22)%
PAT after adjustments	524	437	19.91%
PAT Margin (%)	14.09%	13.43%	66 Bps
Comprehensive Income	0	0	-
Total Profit including Comprehensive Income(Net of tax)	524	437	19.91%
Diluted EPS	19.29	16.07	20.04%

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

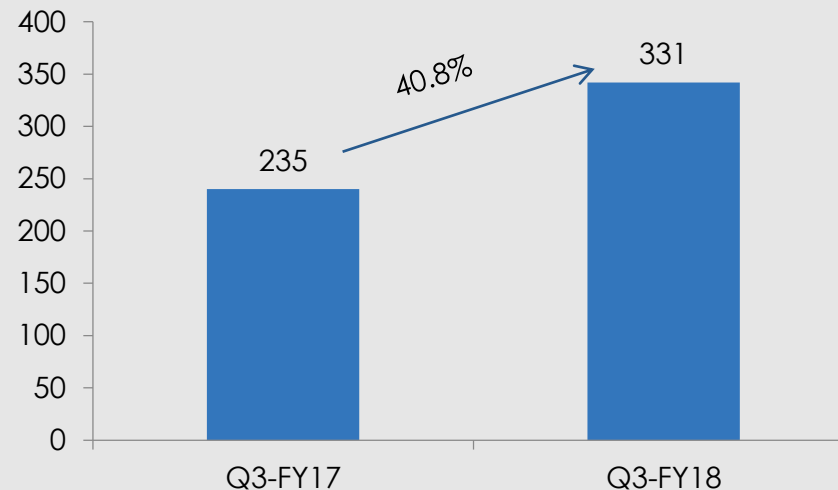
Hotstar

MVAS

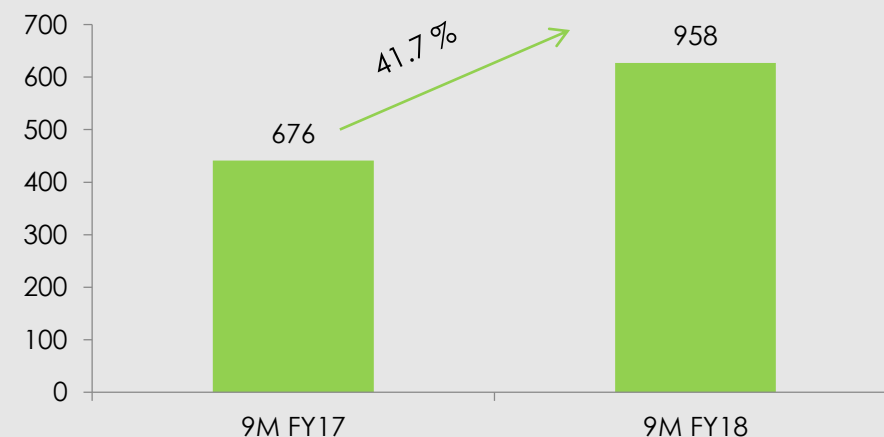
Airtel

Vodafone

Q3 FY18 Digital Media Performance



9M FY18 Digital Media Performance



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

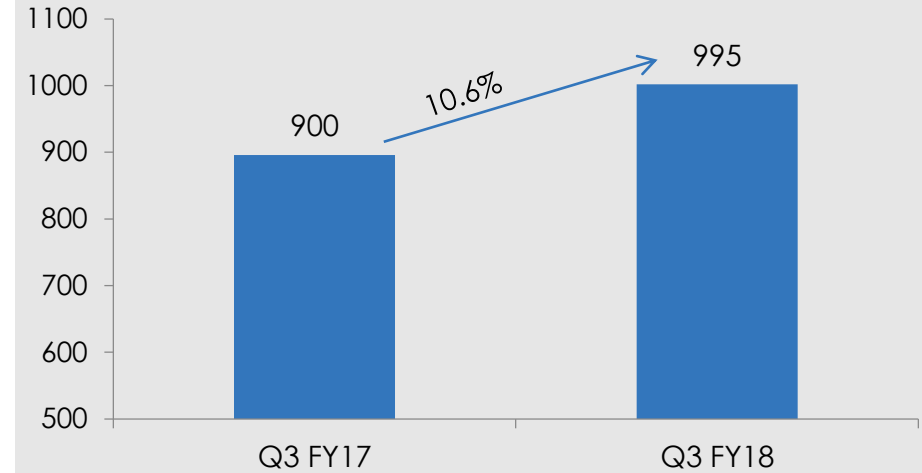
Home Entertainment:

- 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)

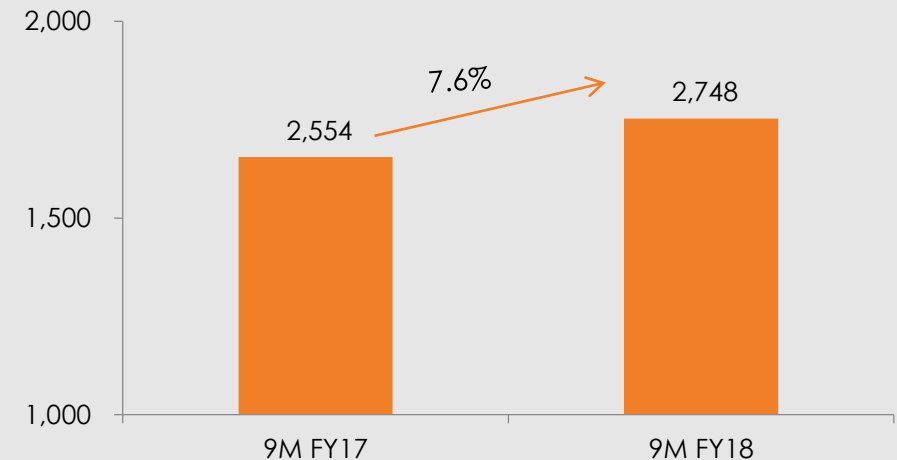
Other Media:

- 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

Q3 FY18 Traditional Media Performance



9M 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%	14.35%
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

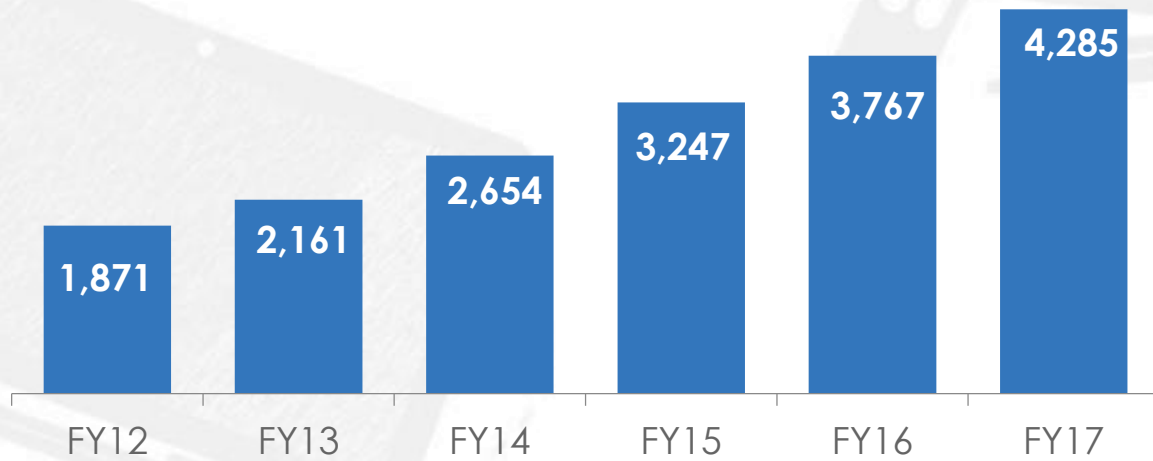
Assets (INR Mn.)	FY15	FY16	FY17
Non Current Fixed Assets			
Fixed Assets			
Tangible Assets	287	285	337
Intangible assets	8	11	10
Capital WIP	-	14	-
Total Fixed Assets	295	310	347
Non Current Investments	168	81	72
Long Term Loan and Advances	71	65	72
Trade receivables	-	-	-
Other Non Current Assets	1	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



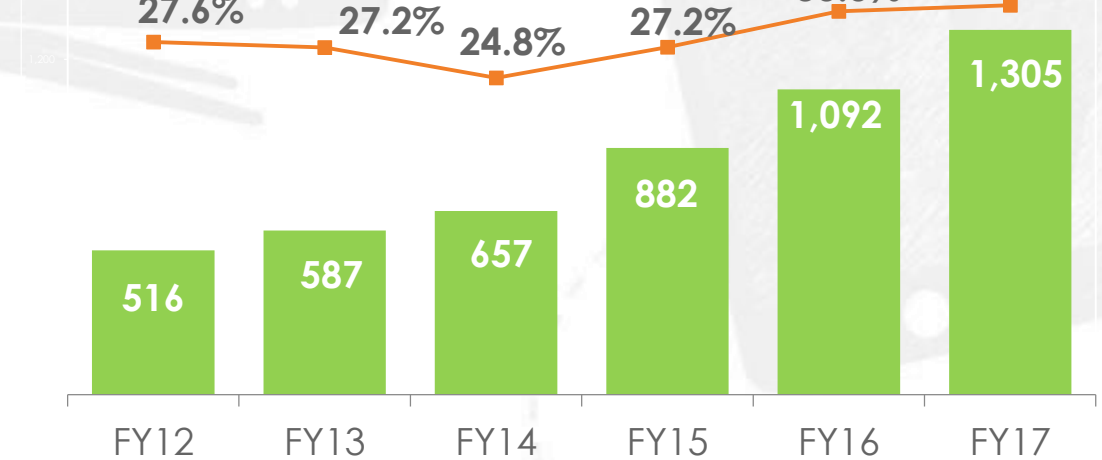
Total Income (INR Mn)

5 Year CAGR 18.03 %



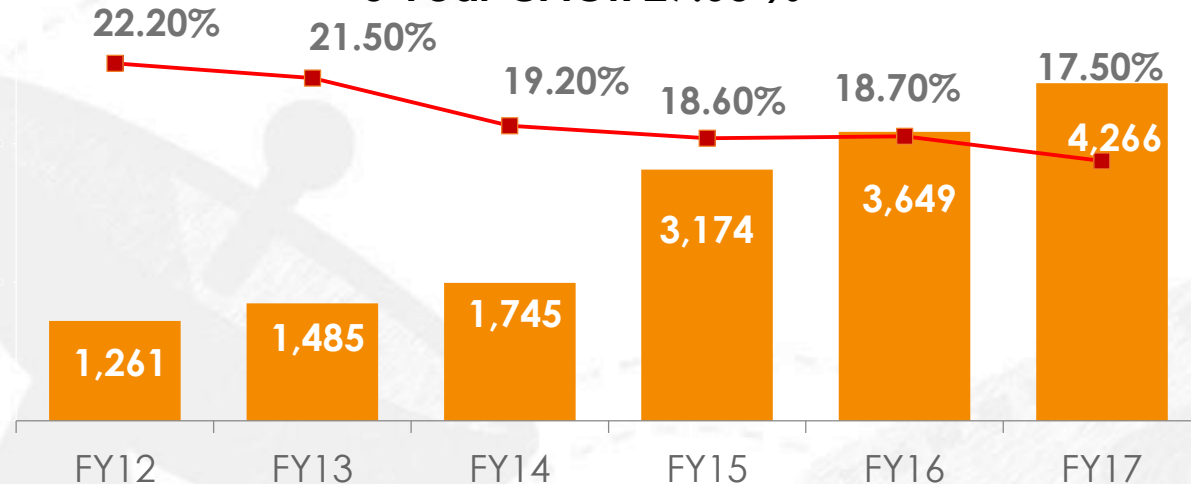
EBITDA (INR Mn) and EBITDA Margin (%)

5 Year CAGR 20.93%



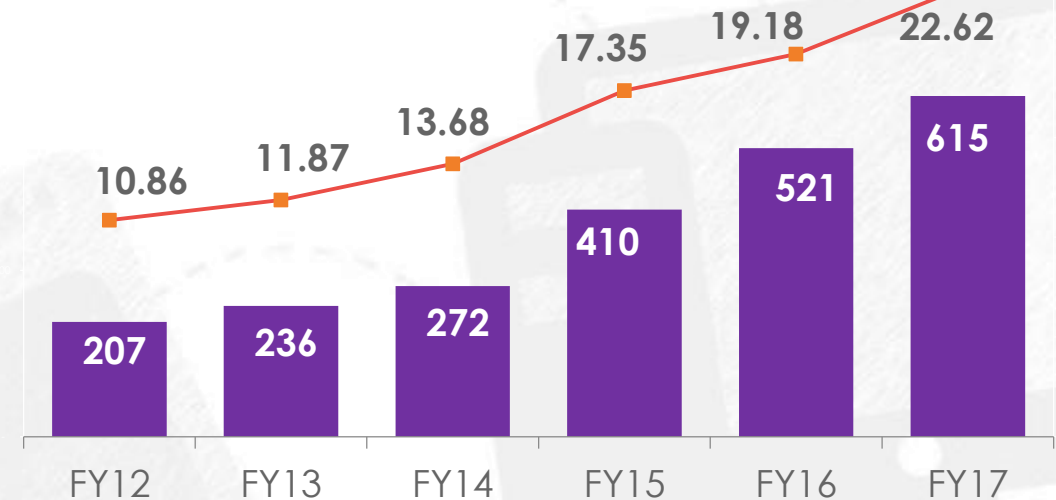
Net Worth (INR Mn) and RoCE (%)

5 Year CAGR 27.60 %

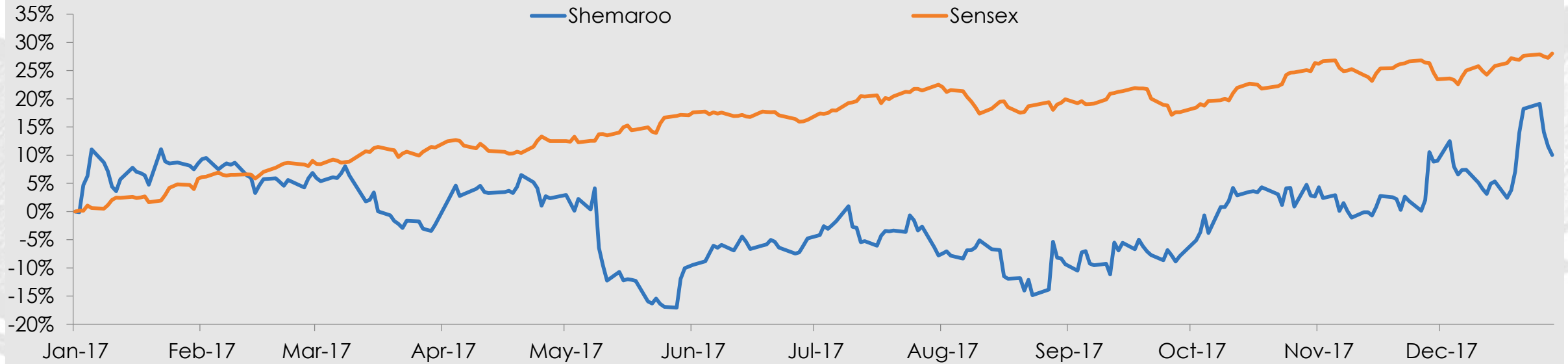


PAT (INR Mn) and EPS

5 Year CAGR 24.33 %



CAPITAL MARKET

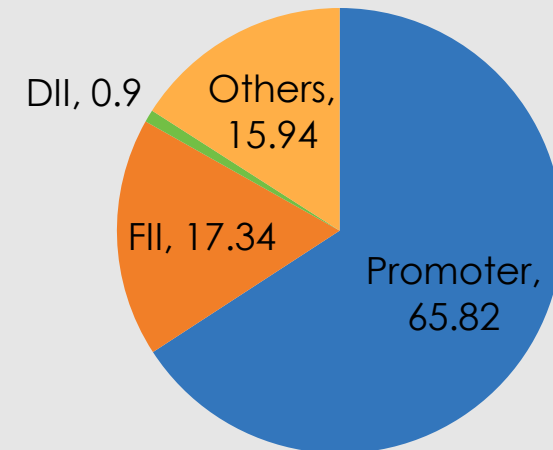


Price Data (As of 31st December, 2017)

INR

Face Value	10
Market Price	425.55
52 Week H/L	478.6/316.55
Market Cap (INR Mn)	11,567.4
Equity Shares Outstanding (Mn)	27.18
1 Year Avg. Trading Volume ('000)	31.80

Shareholding Pattern as on 31st December 2017



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