Sun TV Network Limited

The Sun never sets in the South !

Disclaimer

Some of the statements made in this presentation are forward-looking statements and are based on the current beliefs, assumptions, expectations, estimates, objectives and projections of the Directors and Management of Sun TV Network Ltd. (STNL) about its business and the industry and markets in which it operates.

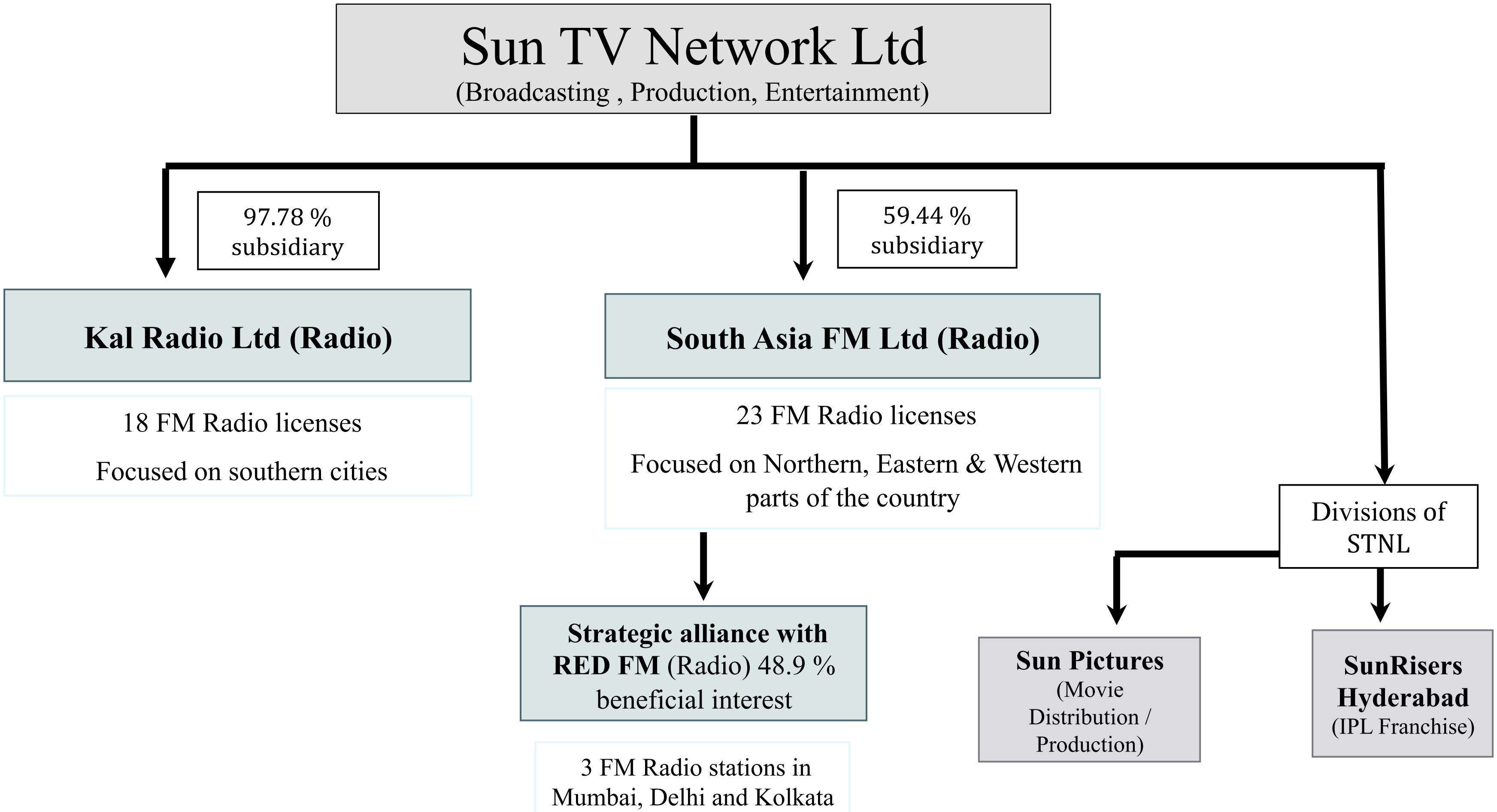
These forward-looking statements include, without limitation, statements relating to revenues and earnings. The words "believe", "anticipate", "expect", "intend", "estimate", "project" and similar expressions are also intended to identify forward-looking statements.

These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of STNL and are difficult to predict. Consequently, actual results could differ materially from those expressed or forecast in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, changes in the regulatory environment and other business and operational risk. STNL does not undertake to update these forward-looking statements to reflect events or circumstances that may arise after publication.

Sun TV Network Business Verticals

- Television Broadcasting
- FM Radio Broadcasting
- Movie Distribution/Production
- SunRisers – Hyderabad – IPL Franchise

Corporate Structure



Presence across genres in 4 States, 33 channels

State / Language Channels	Tamil Nadu / Tamil	Andhra Pradesh & Telangana / Telugu	Karnataka / Kannada	Kerala / Malayalam
General Entertainment	TV	GEMINI	UDAYA	SURYA
Movies	KTV	GEMINI MOVIES	UDAYA MOVIES	KIRAN
News	NEWS	GEMINI NEWS	UDAYA NEWS	
Music	MUSIC	GEMINI MUSIC	UDAYA MUSIC	SURYA MUSIC
Kids	CHUTTI TV	KUSHI TV	CHINTU	KOCHU TV
Comedy	ஆதித்யா	GEMINI COMEDY	UDAYA COMEDY	
High Definition	TV HD MUSIC HD KTV HD	GEMINI HD		
Life	SUN LIFE	GEMINI LIFE		
Action	SUN ACTION	GEMINI ACTION	SURIYAN	SURYA ACTION
Rest of India	TV RI			

India Overview

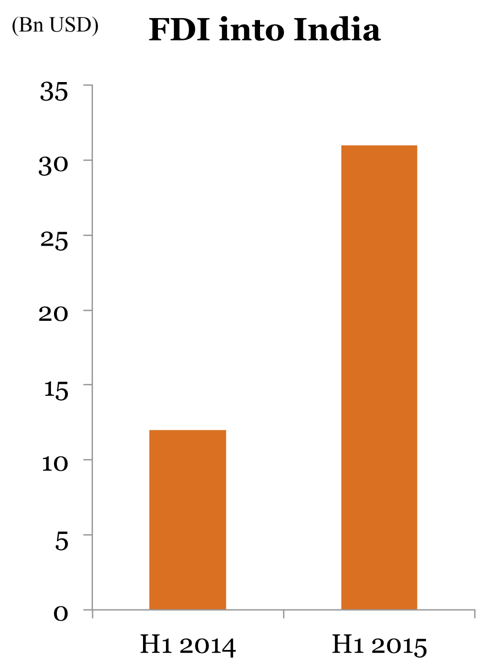
India: No. 1 investment destination globally

- India the top investment destination in H1 2015, beating China
- This is despite sharp decline in FDI into emerging markets
- FDI inflow has more than doubled over H1 2014 i.e. a growing trend

Top 10 destinations — H1 2015

Country	Capex ($bn)*
India	31
China	28
US	27
UK	16
Mexico	14
Indonesia	14
Vietnam	8
Spain	7
Malaysia	7
Australia	7

*Source: fDi Markets. *includes estimates; all figures rounded up from decimals*



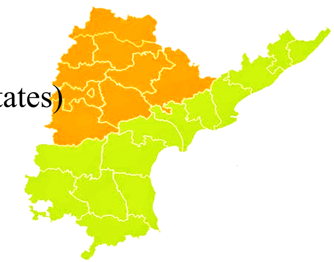
South Indian States have particularly strong fundamentals

Tamil Nadu

Area in Sq. Km (Rank):	130,058 (11)
Population (Rank):	72 mn (7)
Urbanization%:	48%
GDP in USD (Rank):	149 B (Top 5 states)
FDI Inflows ('00-'15) in USD:	17.9 B
Literacy Rate (%):	80.33
Language:	Tamil
Capital city:	Chennai
Official Government Website:	tn.gov.in

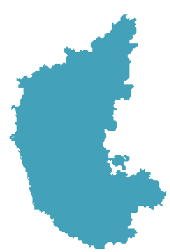
Andhra Pradesh + Telangana

Area in Sq. Km (Rank):	275,045 (4)
Population (Rank):	84.6 mn (5)
Urbanization%:	33%
GDP in USD (Rank):	145 B (Top 5 states)
FDI Inflows ('00-'15) in USD:	10.4 B
Literacy Rate (%):	67.03
Language:	Telugu
Capital city:	Hyderabad
Official Government Website:	ap.gov.in and telangana.gov.in



Karnataka

Area in Sq. Km (Rank):	191,791 (8)
Population (Rank):	61 mn (9)
Urbanization%:	39%
GDP in USD (Rank):	107 B (Top 10 states)
FDI Inflows ('00-'15) in USD:	17.5 B
Literacy Rate (%):	75.60
Language:	Kannada
Capital city:	Bangalore
Official Government Website:	karnataka.gov.in



Kerala

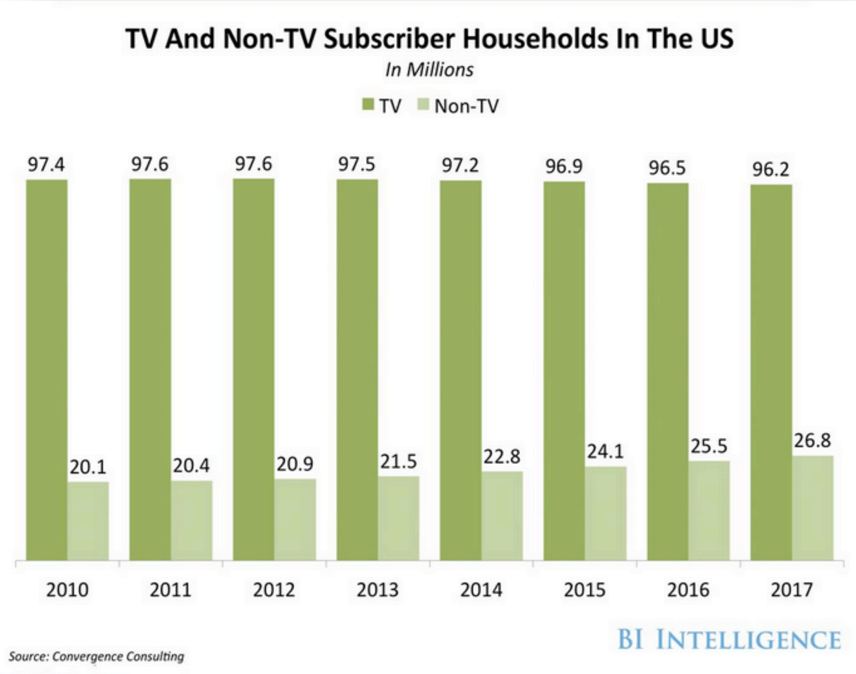
Area in Sq. Km (Rank):	38,863 (21)
Population (Rank):	33.4 mn (12)
Urbanization%:	48%
GDP in USD (Rank):	60 B (Top 15 states)
FDI Inflows ('00-'15) in USD:	1.2 B
Literacy Rate (%):	93.91
Language:	Malayalam
Capital city:	Thiruvananthapuram
Official Government Website:	kerala.gov.in

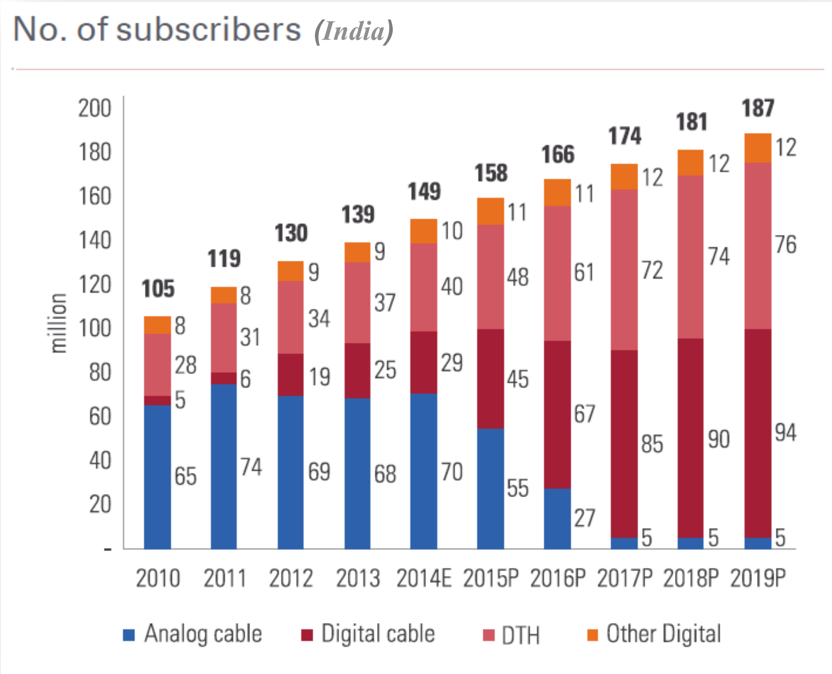
Source: Population, Urbanization% and Literacy data – Census 2011; GDP data – Planning Commission and Ministry of Statistics and Program Implementation; FDI Inflows data – Department of Industrial Policy and Promotion; Area, Language, Capital City and Govt. website data – Wikipedia

Television Broadcasting in India

Indian broadcasting market has tremendous growth potential

- Pay TV in India witnessing strong growth and is likely to keep growing organically, since it is only at 60% penetration[1]
- Bucking the stagnant / declining trend in linear pay TV in developed nations





1 – Number of Pay TV households in India – 149 Mn, Number of total households in India as per Census 2011 – 248 Mn

Source: US Pay TV subscriber data from Business Insider; India data from KPMG's report on Indian Entertainment Industry released at FICCI FRAMES 2015

TV Revenues driven by Advertising and Subscription

2015P (India)		2019P (India)
TV Advertising spends Rs 175 bn	❖ Accounts for ~ 40% of total ad-spends in India driven by Hindi & Regional ad-spends ❖ Entertainment genre continues to be the largest ad spend driver followed by news and sports ❖ Emergence of "Targeted advertising" through Niche channels	TV Advertising spends Rs 299 bn
TV Distribution market Rs 369 bn	❖ Currently revenues concentrated with last mile ❖ Digitalization will ensure broadcasters to claim their legitimate share in the near future ❖ Alternate distribution platforms to fuel growth → DTH, CAS, HITS, IPTV ❖ Overseas subscription → continues to offer a huge untapped growth opportunity	TV Distribution market Rs 676 bn

Regional Broadcasters all set to benefit from increasing focus of national advertisers on India's rising rural consumption and from digitalization of TV distribution space

Source: KPMG / FICCI Media Report 2015

South India TV Broadcasting growing at rapid clip

Enviable Viewership Share

- South Indian Channels accounted for ~30 -32 % share of total viewership

Fast growing Ad market

- Addressable ad market pegged at Rs ~60 billion, growing at a fast pace
- South Indian Channels enjoy significant share of total ad revenues
- Regional TV in the South strongly backed by Regional / Local advertisers along with National advertisers

Large Subscription Revenue Potential

- South India has over ~60 mn households, with C&S penetration of 83%
- Digitization to enhance addressability of distribution market – a strong fillip to total subscription revenues

Source: KPMG / FICCI Media Report 2015, Market Estimates

Overview of individual South Indian markets
(Sun Network is well distributed across these 5 states)

Tamil Nadu

Total Households: 17.7 Mn

C&S Households (Penetration): 15.9 Mn (90%)

Major Active Tamil Channels: 42

- GEC: 16
- Movies: 6
- Music: 7
- News: 9
- Others: 4

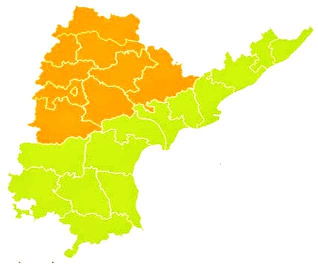
Andhra Pradesh & Telangana

Total Households: 20.9 Mn

C&S Households (Penetration): 14.8 Mn (71%)

Major Active Telugu Channels: 41

- GEC: 8
- Movies: 4
- Music: 3
- News: 19
- Others: 7



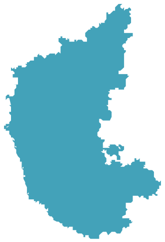
Karnataka

Total Households: 13.5 Mn

C&S Households (Penetration): 9.9 Mn (73%)

Major Active Kannada Channels: 23

- GEC: 8
- Movies: 1
- Music: 2
- News: 9
- Others: 3



Kerala

Total Households: 8.1 Mn

C&S Households (Penetration): 7.1 Mn (88%)

Major Active Malayalam Channels: 26

- GEC: 8
- Movies: 4
- Music: 4
- News: 8
- Others: 2

Source: Total Households, C&S Households and C&S Penetration – *KPMG / FICCI Indian Media and Entertainment Industry Report 2015 /Television - Market Estimates*;
Number of channels – TAM Panel, 2014

Sun TV Network's TV Broadcasting Business: Present

Dominant Leadership in South Indian TV market…

- Largest TV Network in South India; also the largest regional TV Network in India
  - Sun TV is the most watched channel in India today[1]
  - Largest in South India by penetration, viewership & ad revenues[2]
  - Dominant market share in each of the states
  - Airs assortment of fiction and non-fiction content mixed with movies across channels

All India Aggregate Weekly Viewership [1]

Rank	Channel Name	Weekly ratings sum (000's)
1.	**Sun TV**	**1,151,458**
2.	Star Plus	804,448
3.	Colors	682,442
4.	Zee Anmol	652,737
5.	Zee TV	649,798

Source: 1 - BARC Ratings for All India (Urban + Rural India),for the week ending October 23 2015 (4+ individuals); 2 – BARC Ratings for South India, mid October 2015

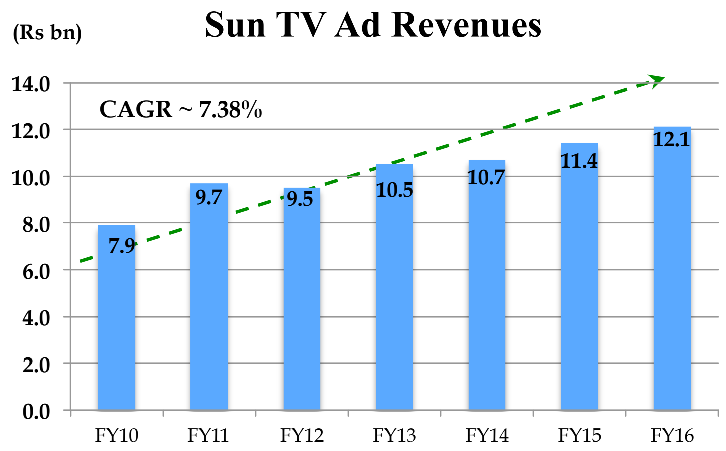
…Achieved Through Sound Business Practices

- **Committed to staying ahead of the curve**
  - **Innovation and leadership**
    - One of the first Regional GE channels in country to adopt HD
    - Forged early partnerships with OEMs to pre-load Sun TV app on their devices
  - **Segmenting the addressable market, ahead of digitization**
    - Established presence across key Pay TV genres that are likely to grow – Eg: Kids, Comedy, Action
  - **Investments in state of the art technology**
- **Strategic and Long-term Content Partnerships**
  - Exclusive contracts with leading content producers; an ecosystem that is fiercely loyal
  - A formidable movie library with perpetual and exclusive rights
- **Prudent Business Practices**
  - Tight control on content costs; extremely conservative on leverage
  - Unique business model that mitigates risks

Strident Growth in Advertising Revenues…

- Advertising Revenue
  - TV remains the medium of choice for large advertisers in India
  - Increasing trends of higher ad spends in the South, driven by high per-capita income in South India
  - Leading to consistent year-on-year growth for Sun TV's Ad Revenue over last five fiscals

Language	Ad market size (Rs bn)
Tamil	30.0
Telugu	20.0
Kannada	6.0
Malayalam	4.0
Total	**60.0**

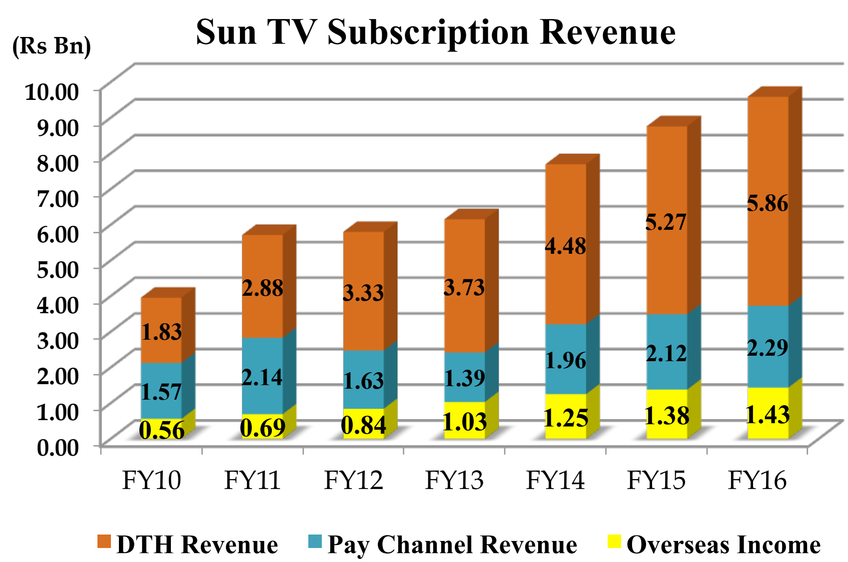


…As well as in Subscription Revenues

Over 60% share of Subscription revenue from South India accrues to Sun TV Network

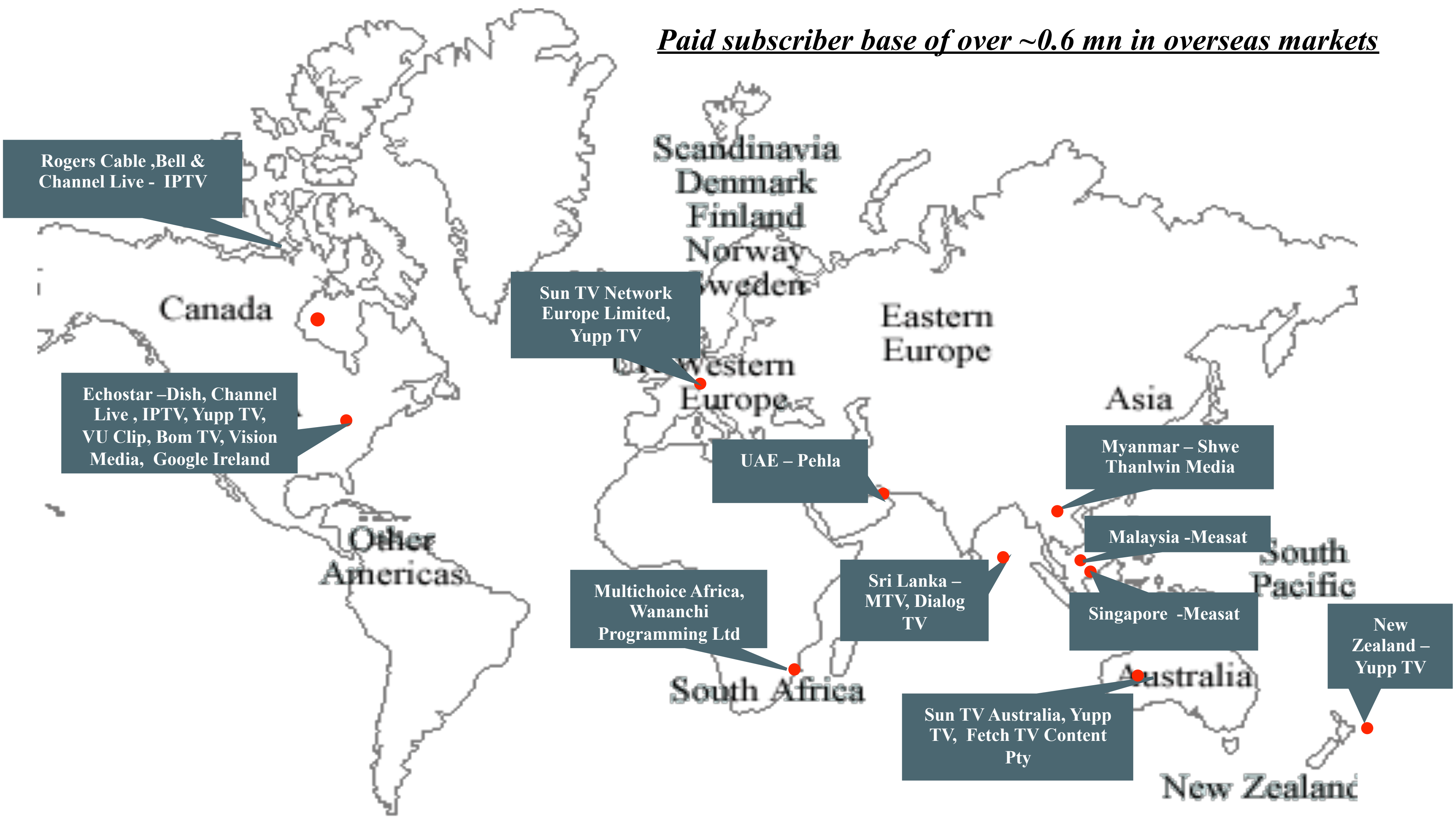
- DTH penetration is increasing at rapid pace
- Revenue opportunities from the South Indian diaspora in overseas markets being further tapped

Language	Households (mn)	Television households (mn)	C&S households (mn)
Tamil	17.7	16.4	15.9
Telugu	20.9	15.1	14.8
Kannada	13.5	10.0	9.9
Malayalam	8.1	7.6	7.1
Total	**60.2**	**49.1**	**47.7**



Source: KPMG / FICCI Indian Media and Entertainment Industry Report 2015 /Television - Market Estimates

Expanding Global Footprint aiding Subscription revenues

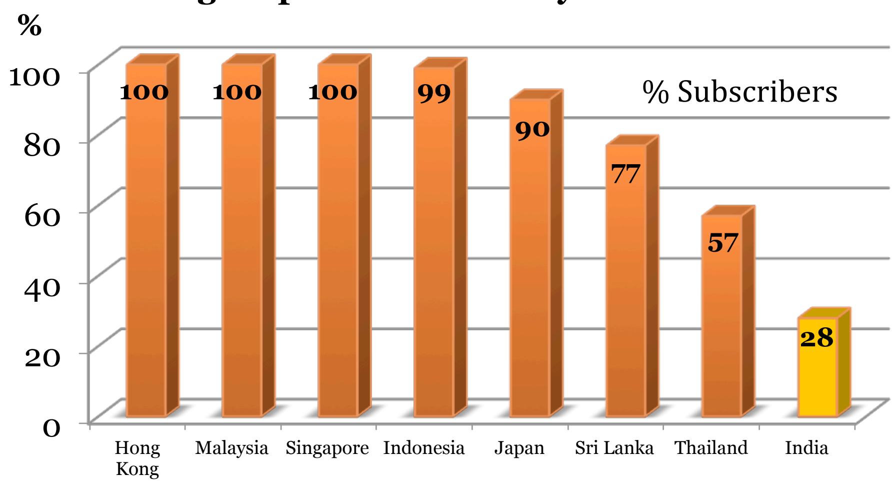


Sun TV Network’s TV Broadcasting Business: Future

Subscription Revenues will be key driver of growth

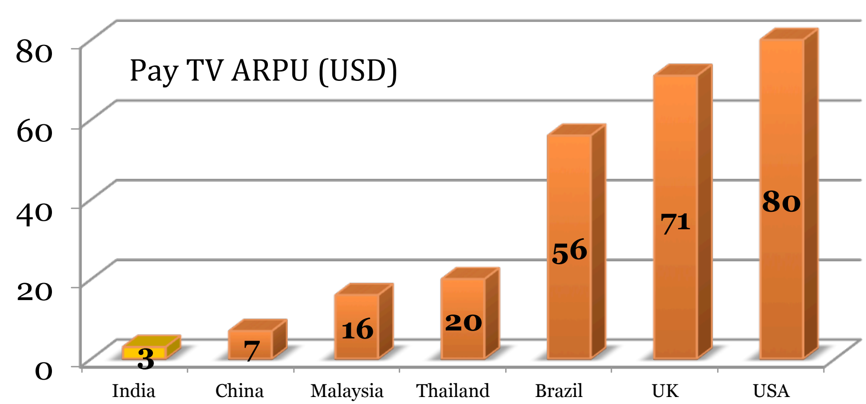
- In mature South Indian Markets, twin opportunities: Digitization + Growth in Pay TV ARPUs
  - Digitization will grow the addressable TV audience, improving subscription revenue realization
  - India's Pay TV ARPU among lowest in the world; Increase in ARPUs will further reduce dependence on advertising, ensuring growth even in times of wider economic stagnation

Digital penetration of Pay TV subscribers



Source: Credit Suisse report titled, India Media Sector, dated April 16, 2013

India's pay TV ARPU less than most countries'



Source: PWC-CII Media Industry report

Mandatory Digitization will provide fillip to subscription revenues

- Government of India has mandated digitization of TV distribution systems in India with the following timelines

Phase	Cities Covered	Deadline for digitisation	Estimated homes	
			Total	South
1	**4 Metros** (New Delhi, Mumbai, Kolkata, Chennai)	30/10/2012	~ 12 mn	Chennai ~ 2 mn
2	**38 Cities** (Population > 1Mn)	31/03/2013	~ 22 mn	Bangalore /Mysore / Hyderabad / Vizag / Coimbatore ~ 4 mn
3	**Other Urban Areas**	31/12/2015	~ 32 mn	~ 14 mn
4	**Rest of India**	31/12/2016	~ 73 mn	~ 28 mn
		Total	**~139 mn**	**~ 48 mn**

Source: Ministry of Information Broadcasting / Market estimates

- Mandatory Digitization legislation is a disruptive upside; could treble Pay TV revenues in the near future
- Phase I and II completed with reasonable success – primary impact on Hindi speaking markets
- Phase III partially implemented and Phase IV extended to be completed on or before 31 Dec 2016.

Source: KPMG / FICCI Indian Media and Entertainment Industry Report 2015 /Television - *Market Estimates*

F M Radio Broadcasting

India's Largest FM Radio Network

- **Two subsidiaries**
  - Kal Radio Limited and South Asia FM Limited
- **49 stations operational**
  - 7 stations under Brand Suryan FM in Tamil Nadu
  - 42 stations under Brand Red FM in the Rest of India
- **Strong Revenues from the Metro stations**
  - Metro stations account for 50% of total Radio Revenues
- **Well poised in mini metros**
  - Future growth to be driven by mini metros

India's Largest FM Radio Network
With a Pan India Footprint

49 FM Radio Stations in all important cities and towns in India

India's Largest FM Radio Network

With a Pan India Footprint – 49 Stations

Tamil Nadu, Andhra Pradesh & Telangana - 13

- Chennai
- Coimbatore
- Hyderabad
- Madurai
- Pondicherry
- Rajahmundry
- Tirupati
- Tirunelveli
- Trichy
- Tuticorin
- Warangal
- Vizag
- Vijayawada

Karnataka & Kerala - 9

- Bangalore
- Cochin
- Gulbarga
- Kannur
- Kozhikode
- Mangalore
- Mysore
- Thrissur
- Trivandrum

West - 10

- Ahmedabad
- Aurangabad
- Jaipur
- Jodhpur
- Mumbai - 2
- Nagpur
- Nasik
- Pune
- Rajkot

North & East - 17

- Allahabad
- Asansol
- Bhopal
- Bhubaneswar
- Delhi
- Gangtok
- Guwahati
- Indore
- Jabalpur
- Jamshedpur
- Kanpur
- Kolkata
- Lucknow
- Shillong
- Siluguri
- Srinagar
- Varanasi

Sun TV Network's Radio Broadcasting Business
Well poised to exploit the Radio Renaissance

- **Increasing share of Radio in total ad pie**
  - Current share of Radio in total ad pie at ~ 4.5% compared to global average of ~8%
- **Cost effective medium**
  - SMEs and local advertisers to drive growth
- **Share of regional advertisers to increase**
  - Share to increase from current ~ 40% to global average of ~ 60%
- **Phase III to facilitate penetration into tier II & tier III cities**
  - Increased national reach, Mumbai II, Jodhpur, Srinagar & a few more are being added.
- **Positive regulatory reforms to further accelerate growth**
  - Content restrictions to be liberalized
  - Ownership of multiple licenses in same city
  - Infrastructure sharing between stations

Sun TV Network Business Verticals - A Recap

- **TV Broadcasting**
  - India's No 1 TV Broadcaster
- **F M Radio Broadcasting**
  - India's largest private FM player
- **Movie Distribution / Production**
  - One of India's largest Corporate Movie Distribution / Production houses
- **SunRisers – Hyderabad – IPL Franchise**
  - An opportunity to blend the India's most loved and watched Game of "Cricket" with Media & Entertainment.
  - Winners of IPL 2016 Season.

Financials

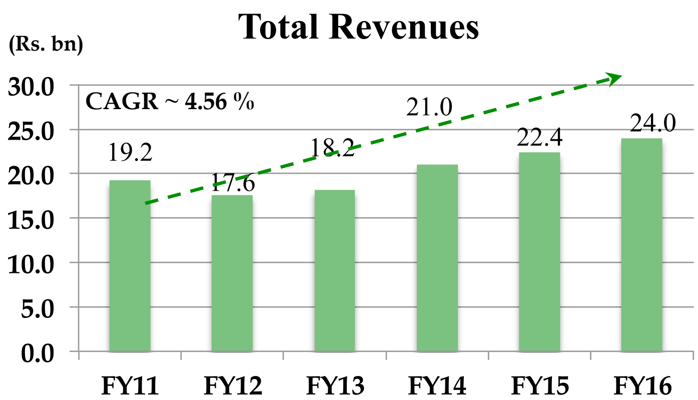
Standalone Financial Summary - Audited

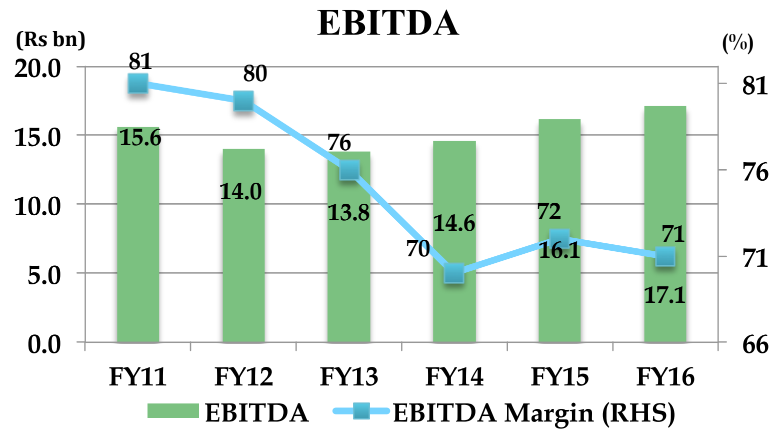
(Rs Crores)	FY 2015 - 16	FY 2014 - 15	FY 2013 – 14	FY 2012 – 13	FY 2011 – 12	FY 2010 – 11
Advertising Revenue	**1,210.71**	1,136.09	1,067.04	1,049.67	945.42	970.20
Telecast Fees	**110.03**	114.64	127.34	143.61	163.96	153.74
Subscription (Analogue + DTH + Overseas)	**958.84**	875.72	769.45	615.10	579.93	571.26
Other Revenues**	**124.40**	117.17	132.95	9.24	68.06	228.51
Total Revenues	**2,403.98**	2,243.62	2,096.78	1,817.62	**1,757.37**	**1,923.71**
Total Income	**2,511.27***	2,331.45	2,175.99	1,872.64	**1,831.57**	**1,970.50**
E B I T D A	**1,708.48**	1,614.21	1,461.71	1,376.89	1,400.67	1,557.89
E B I T D A %	**71 %**	72 %	70 %	76 %	80 %	81 %
PROFIT AFTER TAXES	**867.25***	737.23	716.96	683.34	694.65	772.22
P A T %	**35 %**	32 %	33 %	36 %	38 %	39 %
E P S in Rs. (FV Rs.5.00)	**22.01***	18.71	18.19	17.34	17.63	19.60
Capital Employed	**3,530.58**	3,401.76	3,197.77	2,921.29	2,679.01	2,426.69

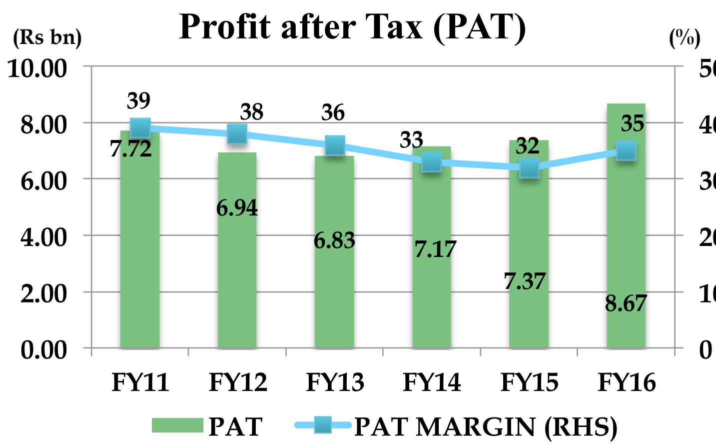
*** Other Revenues includes income from IPL.*

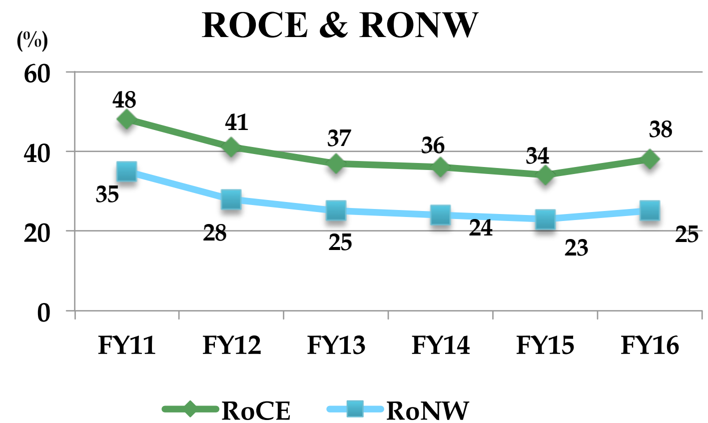
** Includes Extraordinary amount of Rs 17.97 Crs & EPS of Re. 0.46 per share*

Standalone Financials









FY12 – Impacted by one time income from the film Enthiran and reorganization of TN analog cable network & FY14 – Impacted by first year IPL losses
FY16 – PBIT includes extraordinary amount of Rs. 17.97 crs.

ROCE = PBIT/Average Capital Employed; RONW = PAT/ Average Net worth

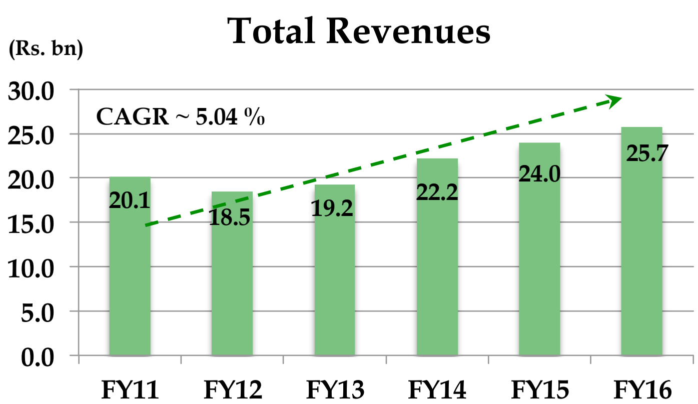
Consolidated Financial Summary - Audited

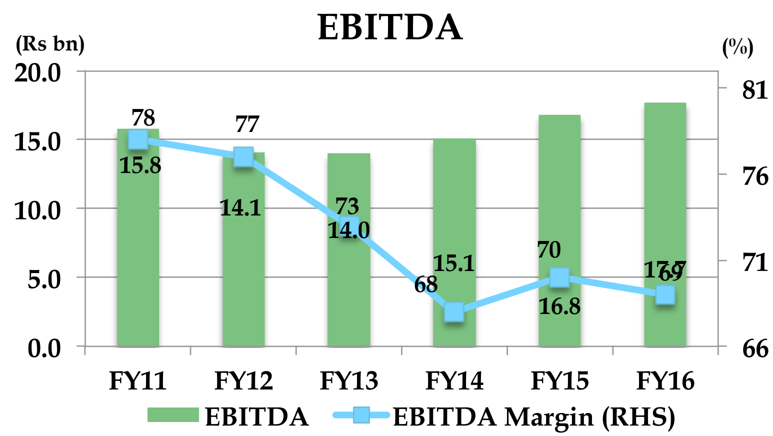
(Rs Crores)	FY 2015 - 16	FY 2014 - 15	FY 2013 – 14	FY 2012 – 13	FY 2011 – 12	FY 2010 – 11
Advertising Revenue	**1,380.51**	1,289.35	1,194.38	1,155.46	1,029.42	1,053.18
Telecast Fees	**110.03**	114.64	127.34	143.61	163.96	153.74
Subscription (Analogue + DTH + Overseas)	**958.84**	875.72	769.45	615.10	587.20	578.03
Other Revenues**	**120.40**	115.67	132.45	8.83	66.14	228.51
Total Revenues	**2,569.78**	2,395.38	2,223.62	1,923.00	**1,847.17**	**2,013.46**
Total Income	**2,698.38***	2,494.29	2,310.23	1,995.21	**1,926.72**	**2,062.16**
E B I T D A	**1,774.20**	1,677.24	1,508.04	1,409.14	1,414.35	1,577.86
E B I T D A %	**69 %**	70 %	68 %	73 %	77 %	78 %
PROFIT AFTER TAXES	**913.38***	782.04	748.01	709.56	692.91	769.76
P A T %	**34 %**	31 %	32 %	36 %	36 %	37 %
E P S in Rs. (FV Rs.5.00)	**23.18***	19.84	18.98	18.01	17.62	19.53
Capital Employed	**3,814.11**	3,518.80	3,255.39	2,939.05	2,668.45	2,419.75

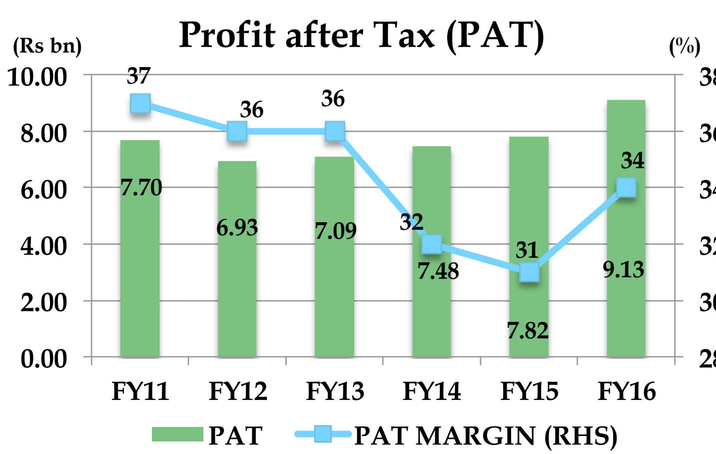
*** Other Revenues include income from IPL.*

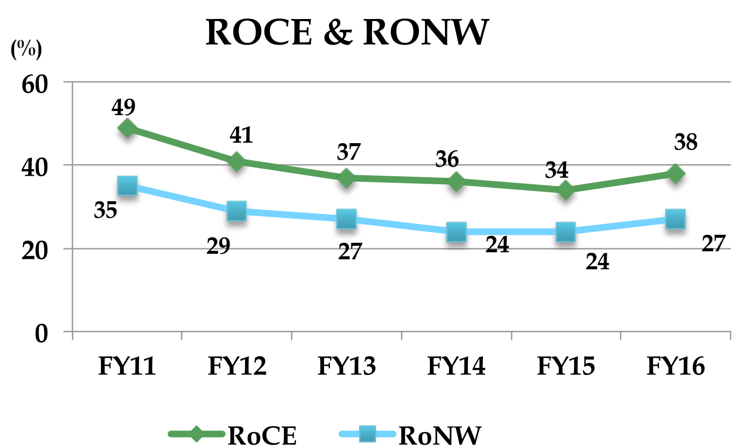
** Includes Extraordinary amount of Rs. 17.97 Crs & EPS of Re. 0.46 per share*

Consolidated Financials







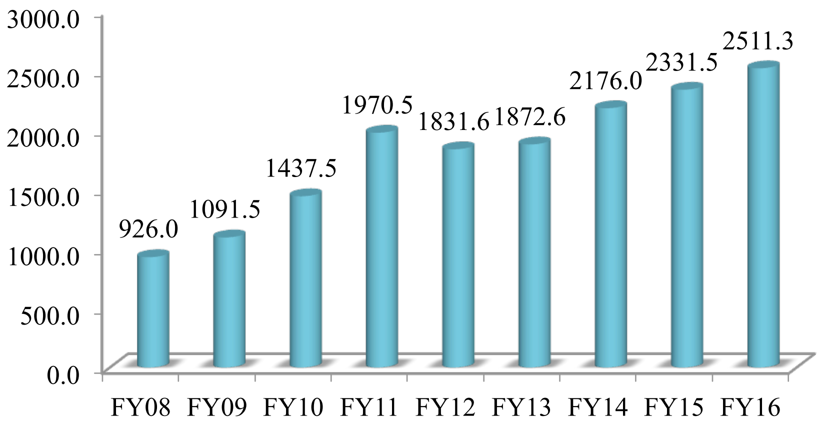


FY12 – Impacted by one time income from the film Enthiran and reorganization of TN analog cable network & FY14 – Impacted by first year IPL losses
FY16 – PBIT includes extraordinary amount of Rs. 17.97 crs.

ROCE = PBIT/Average Capital Employed; RONW = PAT/ Average Net worth

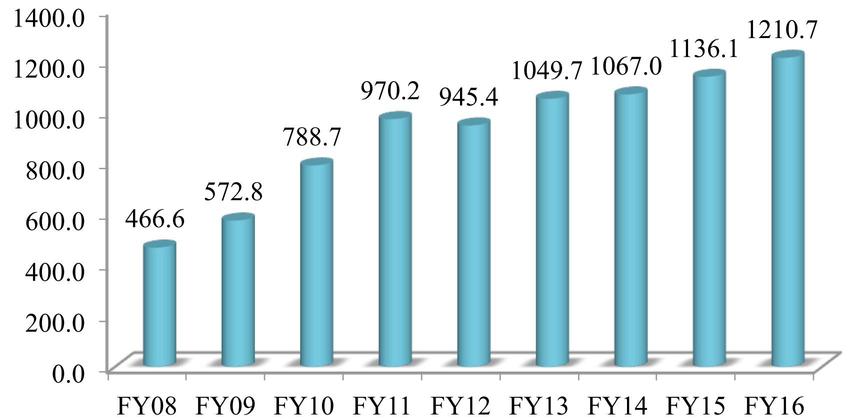
The Journey since FY 2007 - 08

Total Income grew at CAGR of 13.28 %

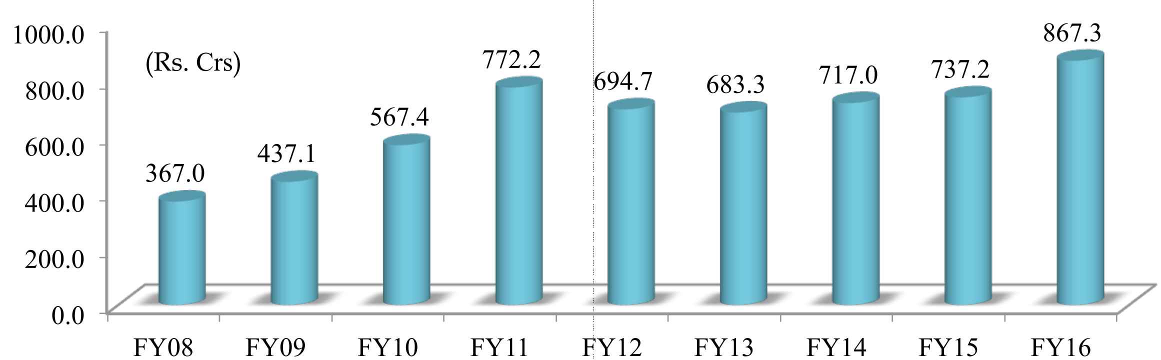


Advertising Income grew at CAGR of 12.66%

(Rs. Crs)



PAT grew at CAGR of 11.35%

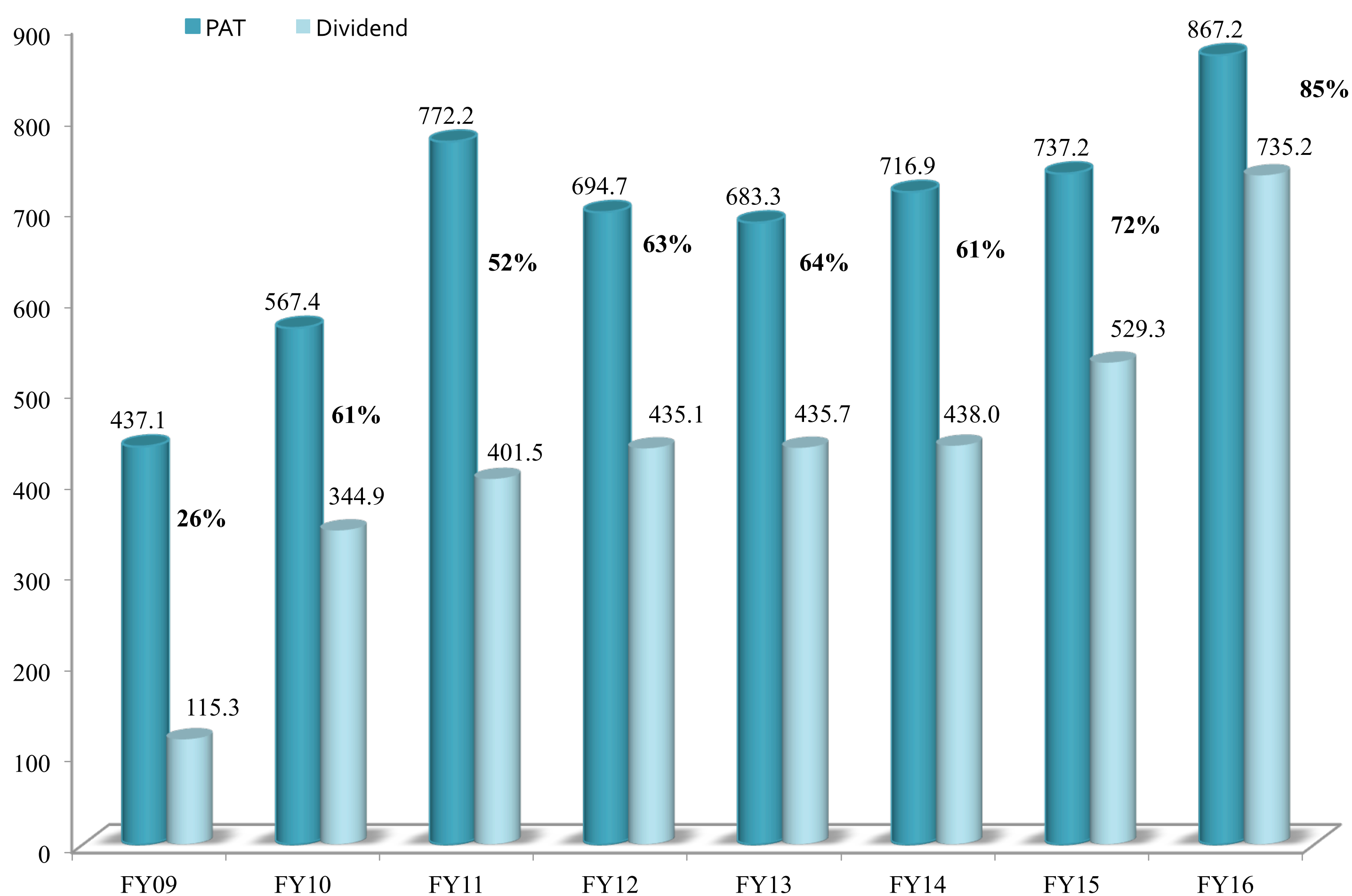


FY12 – Impacted by one time income from the film Enthiran and reorganization of TN analog cable network & FY14 – Impacted by first year IPL losses

Shares of the Company were listed on 24 April 2006 in NSE and BSE

Dividend Payout %

Rs. Crs



Dividend Payout = Dividend + Dividend Distribution Tax

Thank You