



SHEMAROO ENTERTAINMENT LIMITED

Q4-FY17/ FY17

Earnings Presentation

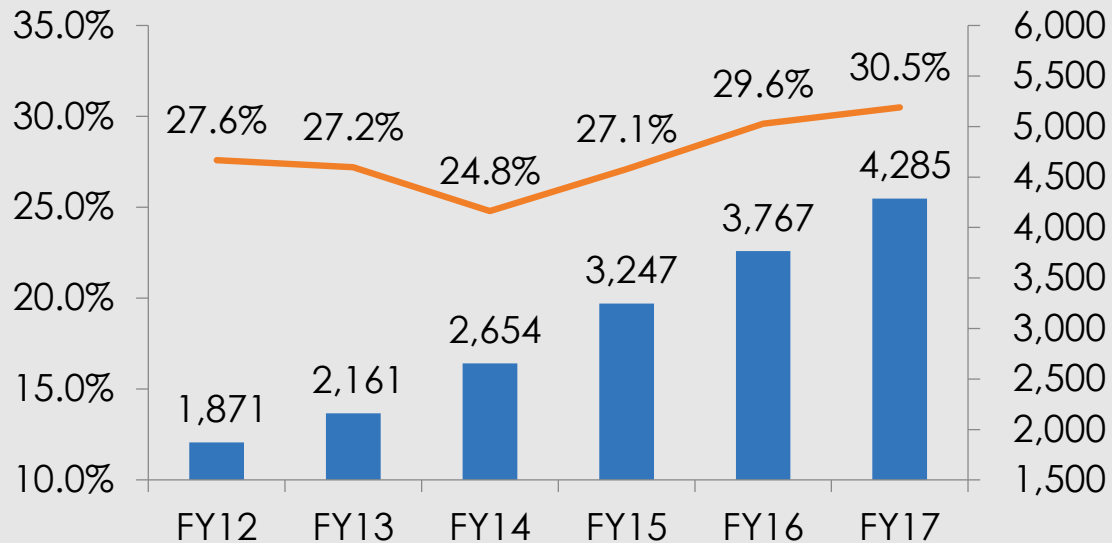


ABOUT SHEMAROO

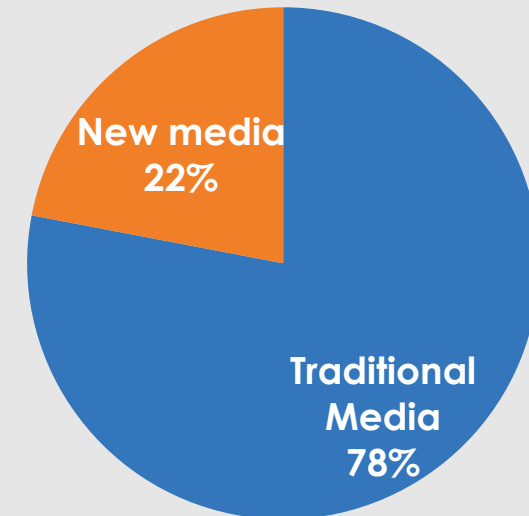


- Founded in 1962 as a book circulating library, today Shemaroo is a filmed entertainment content house headquartered out of Mumbai and employs over 500 people.
- The Company is one of the largest independent content aggregators with a library of more than 3,400 titles, which it distributes across various 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 multifold over the years by developing excellent relationships with multiple players in the media industry value chain, thereby becoming one of the largest organized players in a historically fragmented industry.

Total Revenue (INR Mn) and EBIDTA %



FY17 Revenue Distribution (In %)





Q4 / FY17 HIGHLIGHTS

Q4/FY17 KEY FINANCIAL HIGHLIGHTS



Q4-FY17 performance (Consolidated):

- **Total Income***: INR 993 mn; (13.08)% QoQ; (3.50)% YoY
- **EBITDA**: INR 323 mn; 0.62% QoQ; (4.72)% YoY
- **EBITDA Margin**: 32.53%; 467 bps QoQ; (41) bps YoY
- **PAT after Adjustments**: INR 138 mn; (4.82)% QoQ (16.36)% YoY
- **Net Profit Margin**: 13.89%; 120 bps QoQ (216) bps YoY
- **Diluted EPS**: 5.07 INR /share

FY17 performance (Consolidated):

- **Total Income***: INR 4,255 mn; 13.75% YoY
- **EBITDA**: INR 1,305 mn; 19.51% YoY
- **EBITDA Margin**: 30.46%; 147 bps YoY
- **PAT after Adjustments**: INR 615 mn; 18.04% YoY
- **Net Profit Margin**: 13.93 %; 4 bps YoY
- **Diluted EPS**: 22.62 INR /share

* - Includes Other Income

DIVISIONAL BREAKUP (STANDALONE):

INR Mn	Q4 – FY 2017	Q4 – FY 2016	YOY Growth	FY 2017	FY 2016	YOY Growth
New Media	248	177	40.1%	923	635	45.4%
Traditional Media	697	851	(18.1)%	3,224	3,113	3.6%
Income from Operations	945	1,028	(8.1)%	4,147	3,748	10.6%

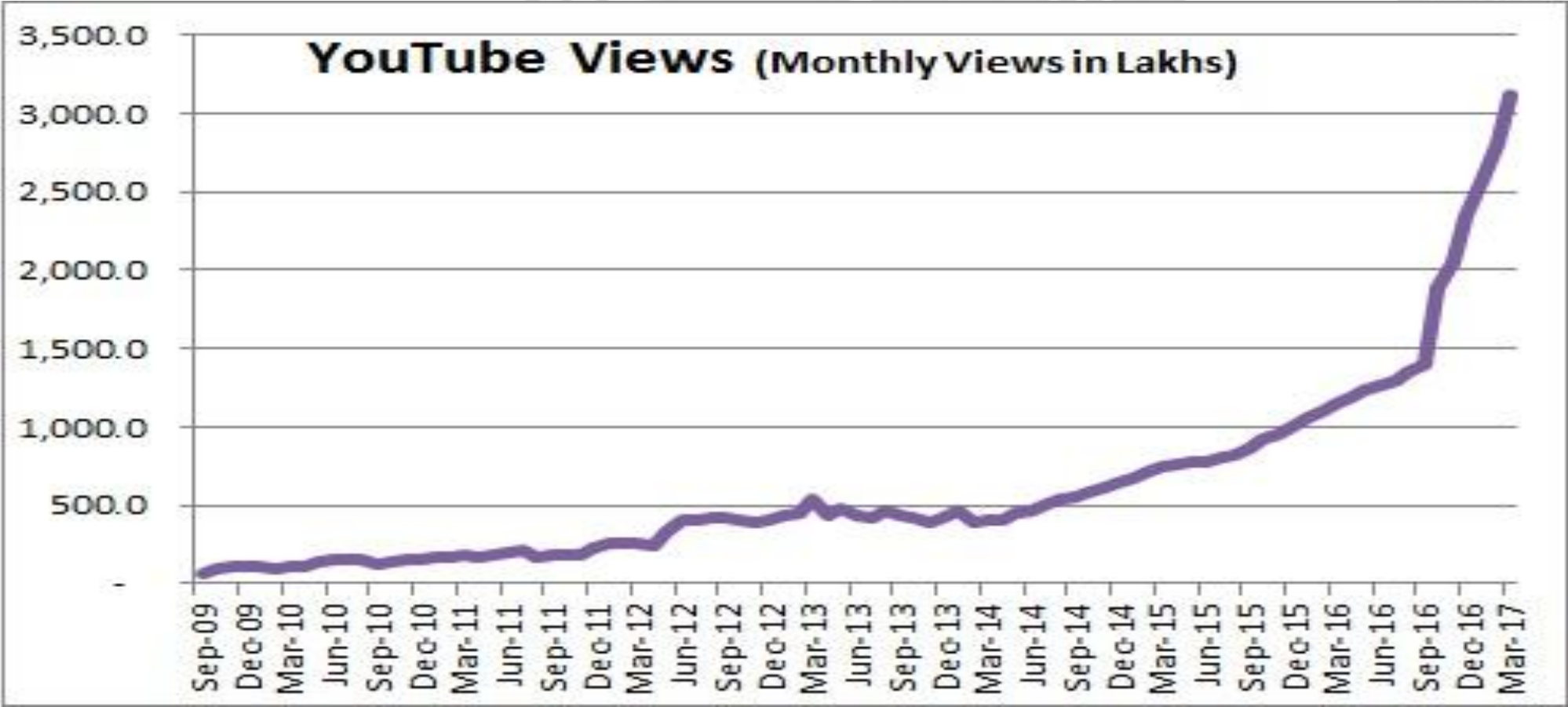
KEY OPERATIONAL HIGHLIGHTS



- Traditional Media business was affected until the better half of the quarter due to continued slowdown in ad spends post demonetization, although this effect has normalised to larger extent in Q1FY18
- Renewed deal and also signed a further content deal with Reliance Jio
- Crossed 2 million subscribers on our YouTube channel 'Filmi Gaane'
- Crossed 5 lakh subscribers on our YouTube channel 'Shemaroo Movies'
- There is a significant spike in overall YouTube views in Q3 & Q4 due to Reliance Jio's free data offering and aggressive data pack offerings by most operators. However, the company cannot comment on the sustainability of this growth, and the subsequent translation to revenue
- Punjabi & Gujarati regional language Services launched with Videocon d2h in Jan 2017
- Shemaroo's digital campaign on Twitter, #FilmiGaaneAntakshari, won the prestigious 'India Digital Awards' organized by Internet and Mobile Association of India (IAMAI) in the category of Social Media Marketing Campaign and the 'Gold Abby' at the Goa Fest 2017 organized by The Advertising Club Bombay and Advertising Agencies Association of India

KEY OPERATIONAL HIGHLIGHTS

YouTube Monthly Views Graph till March 2017:



Q4 FY17 CONSOLIDATED FINANCIAL HIGHLIGHTS



Particulars (INR Mn.)	Q4 FY17	Q3 FY17	Q-o-Q	Q4 FY16	Y-o-Y
Revenue from Operations	986	1,135	(13.13)%	1,029	(4.18)%
Other Income	7	17	(58.82)%	0	100%
Total Revenue	993	1,152	(13.80)%	1,029	(3.50)%
Total Expenses	670	831	(19.37)%	690	(2.90)%
EBITDA	323	321	0.62%	339	(4.72)%
EBITDA Margin (%)	32.53%	27.86%	467 Bps	32.94%	(41) Bps
Depreciation	11	11	0.00%	10	10.00%
Finance Cost	99	83	19.28%	72	.37.50%
PBT	213	227	(6.17)%	257	(17.12)%
Tax	75	84	(10.71)%	97	(22.68)%
PAT	138	143	(3.50)%	160	(13.75)%
Minority Interest & Share of profit/ (loss) in associate company	0	2	(100)%	5	(100)%
PAT after adjustments	138	145	(4.82)%	165	(16.36)%
PAT Margin (%)	13.89%	12.59%	120 Bps	16.03%	(216) Bps
Diluted EPS	5.07	5.35	(5.23)%	6.05	(16.21)%

FY17 YEARLY CONSOLIDATED FINANCIAL HIGHLIGHTS



Particulars (INR Mn.)	FY17	FY16	Y-o-Y
Revenue from Operations	4,255	3,751	13.44%
Other Income	30	16	87.50%
Total Revenue	4,285	3,767	13.75%
Total Expenses	2,980	2,675	11.40%
EBITDA	1,305	1,092	19.51%
EBITDA Margin (%)	30.46%	28.99%	147 bps
Depreciation	43	37	16.22%
Finance Cost	323	228	41.67%
PBT	939	827	13.54%
Tax	342	307	11.40%
PAT	597	520	14.81%
Minority Interest & Share of profit/ (loss) in associate company	18	1	NA
PAT after adjustments	615	521	18.04%
PAT Margin (%)	14.35%	13.89%	46 bps
Diluted EPS	22.62	19.18	17.92%

NEW MEDIA

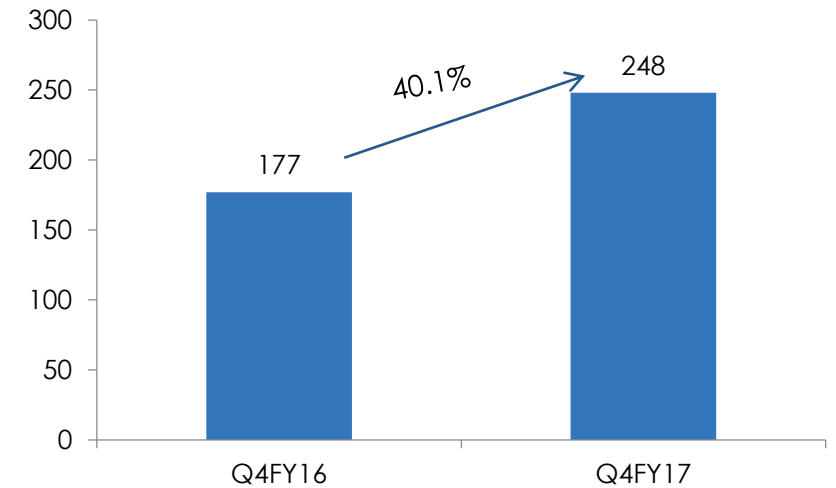


Shemaroo was one of the early Indian media companies to syndicate its library in the high growth new media platforms, thereby gaining first mover advantage

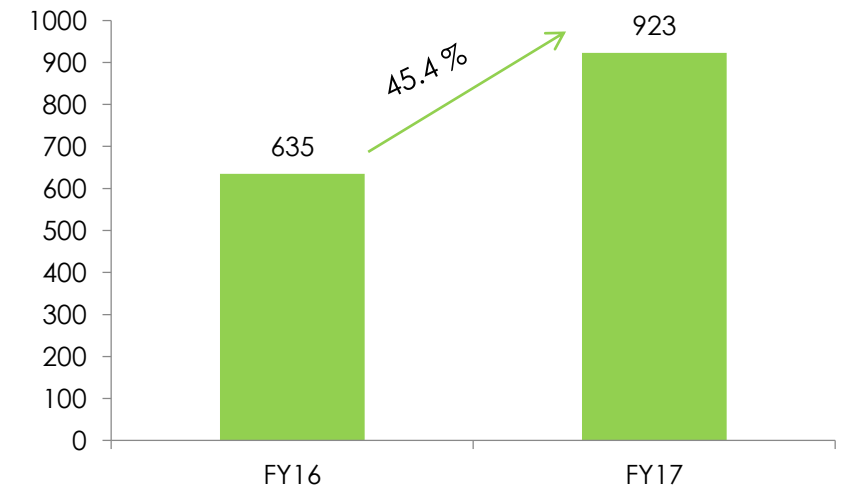
- The company caters to all types of revenue models like pay per transaction, subscription, advertisement supported (free to consumer) etc.
- Due to its large library ownership Shemaroo has the ability to slice and dice content and package it in different ways that are more suited for the new media platforms

New Media Presence		
Internet	Mobile Value Added services (MVAS) / Mobile Internet	Other New Media Platforms
• Shemaroo has agreements with various internet video platforms like YouTube, Hotstar, Hooq, Apple iTunes, Google Play etc.	• The company has entered into agreements with major telecom operators, namely Airtel, Vodafone, Reliance Communication, Idea, etc. • Shemaroo distributes imagery, videos, full songs, etc. under MVAS through both operator branded portals as well as its own branded portals.	• Shemaroo also distributes its content through other platforms like Interactive services, IPTV, etc.

Q4 FY17 Revenue (INR Mn)



FY17 Revenue (INR Mn)



TRADITIONAL MEDIA



Traditional Media Vertical Includes – Broadcast Syndication, Home Entertainment and Others

Broadcast Syndication:

- Shemaroo acquires content on perpetual or aggregated basis and then syndicates its library to Broadcasting channels.
- Shemaroo has a diverse content library, which it syndicates rights to various broadcasting channels.

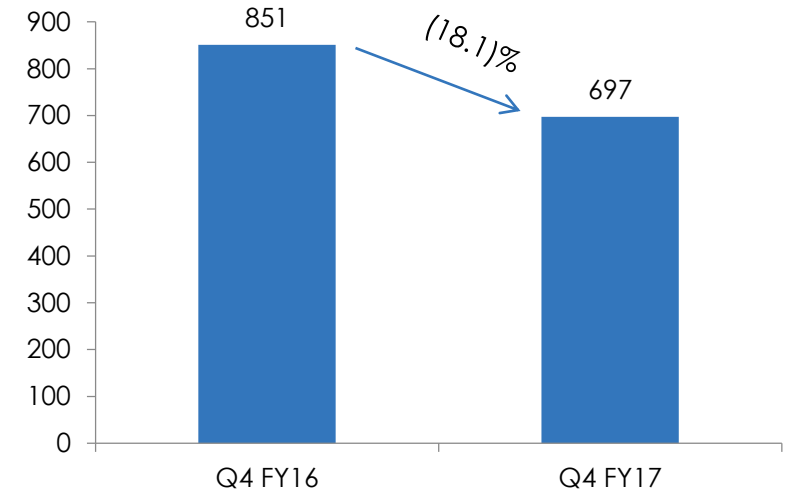
Home Entertainment:

- The legacy Home Entertainment business vertical of Shemaroo has helped it to become a nationwide well known and accepted brand.
- Over the last few years the trend in the Home Entertainment industry has been migrating from physical to digital formats which is how the company is also positioning itself

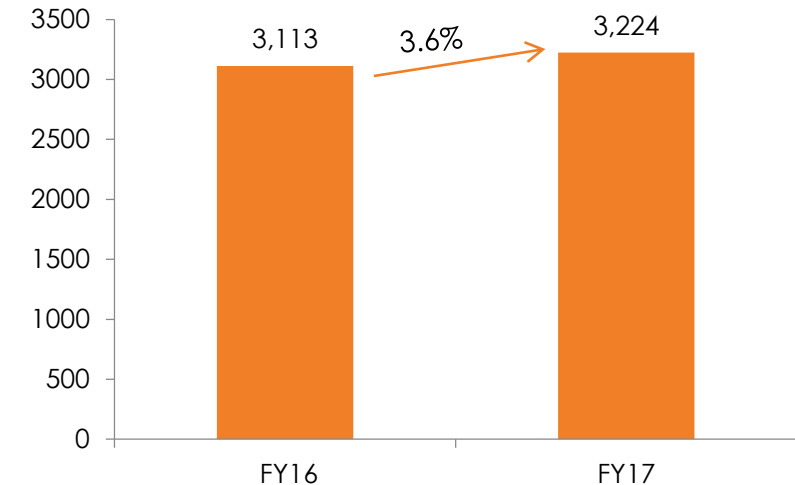
Other Media:

- Shemaroo also distributes its contents to other media platforms like Airborne rights for in-flight entertainment, International Film festivals, overseas etc.

Q4 FY17 Revenue (INR Mn)



FY17 Revenue (INR Mn)



HISTORICAL CONSOLIDATED INCOME STATEMENT



Particulars (INR Mn.)	FY13	FY14	FY15	FY16	FY17
Revenue from Operations	2,147	2,646	3,234	3,751	4,225
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



Equity and Liabilities (INR Mn.)	FY14	FY15	FY16	FY17
Shareholders Fund				
Share Capital	199	272	272	272
Reserves and Surplus	1,546	2,902	3,377	3,994
Net worth	1,745	3,174	3,649	4,266
Minority Interest			(8)	(32)
Non Current Liabilities				
Long Term borrowings	101	3	229	125
Deffered tax liabilities	85	68	67	67
Long tem provisions	6	5	7	9
	192	76	303	201
Current Liabilities				
Short Term Borrowings	1,411	1,054	1,544	2,616
Trades payables	306	165	105	195
Other Current Liabilities	380	339	395	316
Short Term Provisions	89	77	139	246
	2,186	1,635	2,183	3,373
Total	4,123	4,885	6,127	7,808

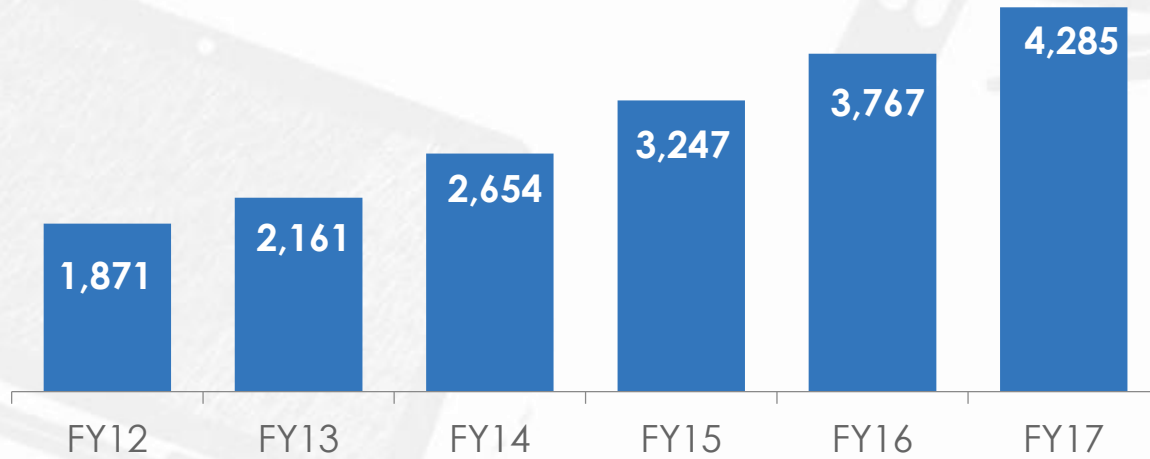
Assets (INR Mn.)	FY14	FY15	FY16	FY17
Non Current Fixed Assets				
Fixed Assets				
Tangible Assets	332	287	-	-
Intangible assets	9	8	-	-
Intangible assets under development	-	-	-	-
Total Fixed Assets	341	295	311	347
Non Current Investments	89	168	81	72
Long Term Loan and Advances	61	71	65	72
Trade receivables	-	-	-	-
Other Non Current Assets	1	1	28	19
	151	240	485	510
Current Assets				
Inventories	2,005	2,887	3,876	5,004
Trade Receivables	1,405	1,268	1,069	1,914
Cash and cash equivalents	9	25	19	19
Short Term loan and advances	190	170	13	3
Other Current Assets	22	-	665	358
Total	4,123	4,885	6,127	7,808

CONSOLIDATED FINANCIAL CHARTS

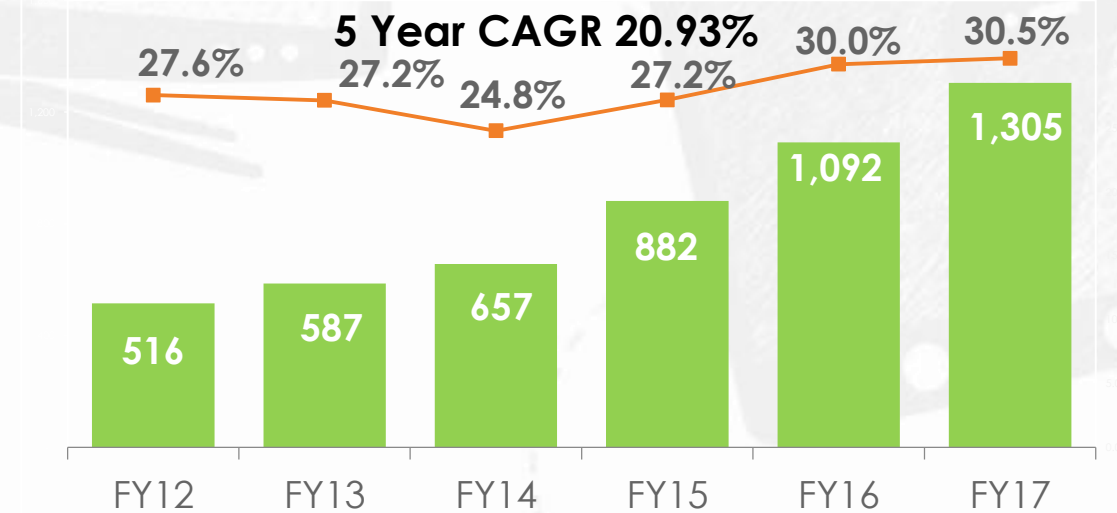


Total Income (INR Mn)

5 Year CAGR 18.03 %

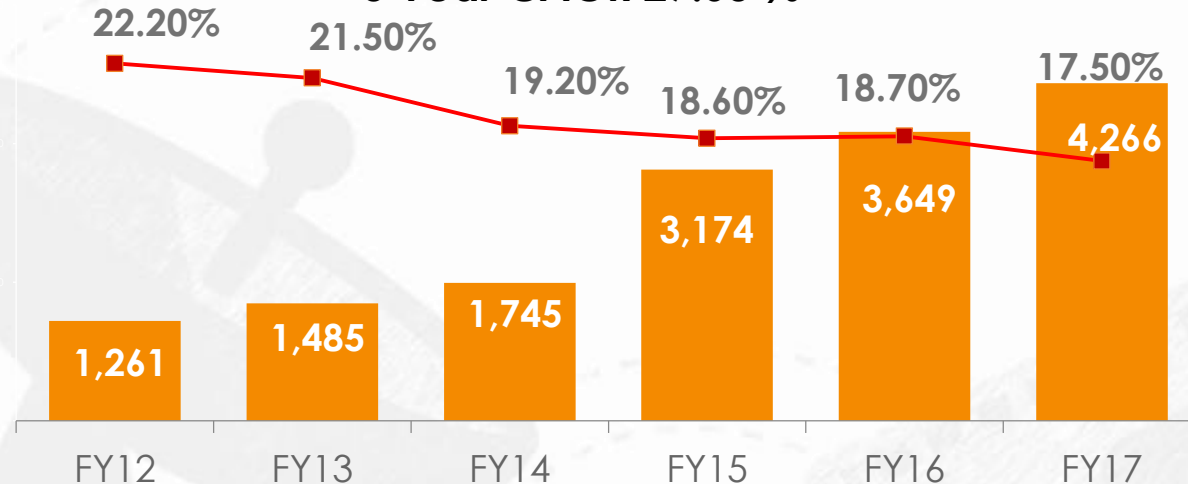


EBITDA (INR Mn) and EBITDA Margin (%)



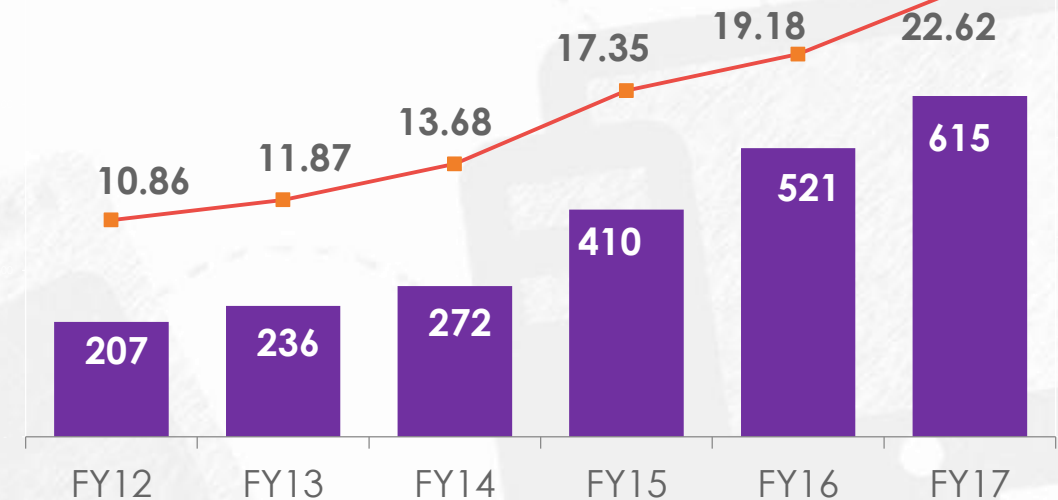
Net Worth (INR Mn) and RoCE (%)

5 Year CAGR 27.60 %

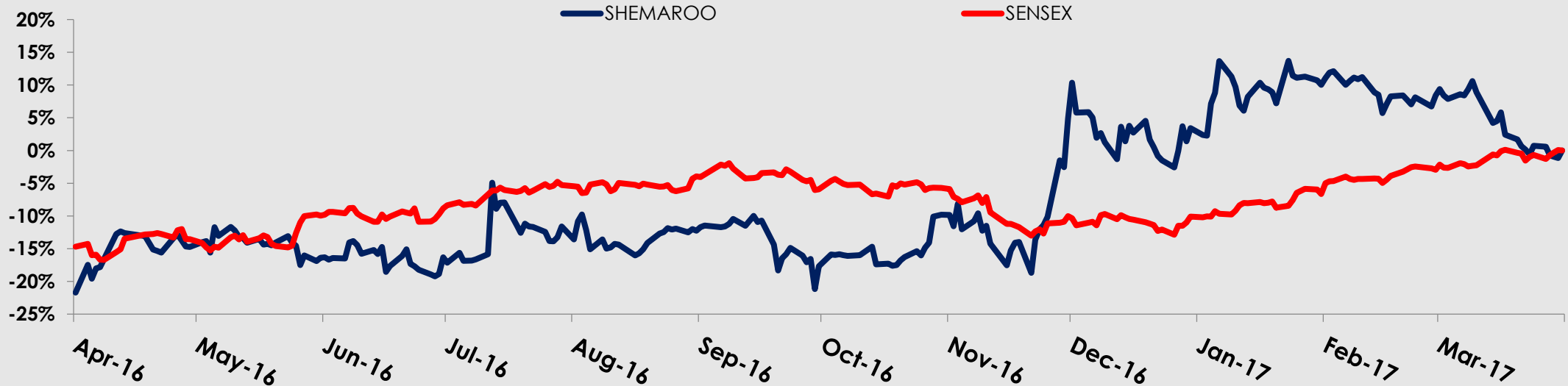


PAT (INR Mn) and EPS

5 Year CAGR 24.33 %



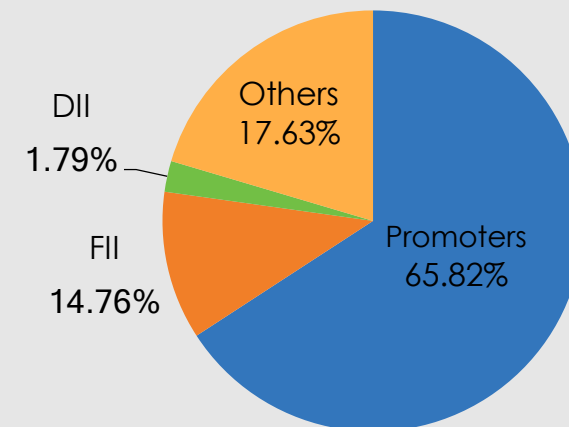
CAPITAL MARKET DATA



Price Data (As of 31st March, 2017)

	INR
Face Value	10
Market Price	377.5
52 Week H/L	439/294
Market Cap (INR Mn)	10,268
Equity Shares Outstanding (Mn)	27.18
1 Year Avg. Trading Volume ('000)	64.55

Shareholding Pattern as on 31st March 2017



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