



February 10, 2017

The DCS-CRD,
BSE Limited
Pheeroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

The Listing Manager,
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor
Plot No- 'C' Block, G Block
Bandra-Kurla Complex
Mumbai-400051

Ref: BSE Script Code: 533261; NSE Script Code: EROSMEDIA

Sub:- Earning Release for the Quarter ended December 31, 2016

Dear Sir(s),

Please find enclosed herewith earning release for the Quarter ended December 31, 2016 of Eros International Media Limited.

You are requested to take the above on record.

Thanking You

Yours faithfully,

For Eros International Media Limited

Dimple Mehta
VP – Company Secretary and Compliance Officer



Encl:- Earning Release for Quarter ended December 31, 2016

EROS INTERNATIONAL MEDIA LIMITED

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CIN No. L99999MH1994PLC080502



Eros International Media Ltd

Q3 & 9M FY2017 Earnings Presentation – February 10, 2017



Safe Harbour



Certain statements in this presentation concerning the future growth prospects are forward looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “forecasts”, “plans”, “prepares”, “projects” “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this presentation and include, but are not limited to, statements regarding the Company’s intentions, beliefs or current expectations concerning, among other things, the Company’s results of operations, financial condition, liquidity, prospects, growth, strategies, business development, the markets in which the Company operates, expected changes in the Company’s margins, certain cost or expense items as a percentage of the Company’s revenues, the Company’s relationships with theater operators and industry participants, the Company’s ability to source film content, the completion or release of the Company’s films and the popularity thereof, the Company’s ability to maintain and acquire rights to film content, the Company’s dependence on the Indian box office success of its films, the Company’s ability to recoup box office revenues, the Company’s ability to compete in the Indian film industry, the Company’s ability to protect its intellectual property rights and its ability to respond to technological changes, the Company’s contingent liabilities, general economic and political conditions in India, including fiscal policy and regulatory changes in the Indian film industry. By their nature, forward-looking statements involve known and unknown risk and uncertainty because they relate to future events and circumstances. Forward-looking statements speak only as of the date they are made and are not guarantees of future performance and the actual results of the Company’s operations, financial condition and liquidity, and the development of the markets and the industry in which the Company operates may differ materially from those described in, or suggested by, the forward-looking statements contained in these materials. The forward-looking statements in this presentation are made only as of the date hereof and the Company undertakes no obligation to update or revise any forward-looking statement, whether as a result of current or future events or otherwise, except as required by law or applicable rules.

Content



-  **Highlights at a Glance**
-  **Operational Highlights**
-  **Financial Highlights**
-  **5-Year Financial Snapshot**



Highlights at a Glance

Robust library monetization offsets demonetization impact on theatrical revenues



Figures in INR million	Q3 FY2017	Q3 FY2016	Growth %	9M FY2017	9M FY2016	Growth %
Revenues	3,358 mn	3,382 mn	(0.7)%	12,349 mn	13,288 mn	(7.1)%
EBIT	1,326 mn	667 mn	98.8%	3,108 mn	3,012 mn	3.2%
PAT (after minority)	1,019 mn	408 mn	149.8%	2,237 mn	1,876 mn	19.2%
Diluted EPS	10.69	4.31	148.0%	23.47	19.83	18.4%

- The marginal decrease in revenues is on account of a narrower film slate comprising 3 medium budget and 5 small budget films in Q3 FY2017 as compared to 1 high budget, 4 medium budget and 10 small budget films during the Q3 FY2016 offset by comparatively stronger catalogue revenues.
 - Films released included Rock On 2, Kahaani 2 (Overseas), Chaar Sahibzaade 2 (Punjabi), Double Feluda (Bengali)
- Strong performance driven by presales across all revenue streams and catalogue sales momentum – despite demonetization impacting theatrical revenues.



Operational Highlights



Commenting on the performance of Q3 & 9M FY2017, Mr. Sunil Lulla, Executive Vice Chairman & MD of Eros International Media Ltd. said,

“This quarter results gave us a chance to bring out the strength of our valuable library. In spite of demonetization move by the Government which had a temporary negative impact on theatrical revenues, we demonstrated our robust business model by bringing in strong contributions from catalogue sales across television and other distribution channels. Rock On 2 although impacted directly by the demonetization benefited from strong pre-sales in television and digital streams. Although the movies released during the quarter witnessed weak box office performances due to lack of footfalls, we firmly believe, that the demonetization step, in the longer term, will throw up a huge opportunity for us to strengthen our lead in corporatizing the Indian Media and Entertainment industry.

As we look ahead, we are investing smartly for the longer term in-line with our portfolio approach across varied budgets and languages. Our strong industry-leading production slate of over 50 movies in CY2017 has gone through a stringent green-lighting process for many months.

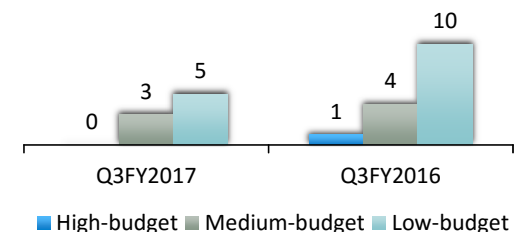
The upcoming line-up includes highly promising projects such as five films from Trinity, two Indo-China co-productions, a Shahrukh Khan film from Color Yellow, two sequels from our own IPs like Vicky Donor-2, Badlapur-2, Munna Michael starring Tiger Shroff, Chanda Mama Door Ke starring Sushant Singh, amongst others.”

Refocus on library monetization & strong presales ensures a profitable quarter

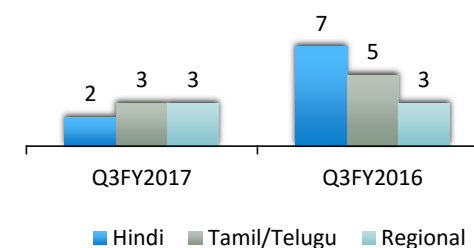


- Theatrical performances of movies such as Rock On 2, Kahaani 2 (Overseas), Chaar Sahibzaade 2 (Punjabi), Double Feluda (Bengali), received subdued response at the box-office primarily due to the temporary effects of the demonetization in India
 - The Company released a total of 8 films during the quarter (15 films in Q3 FY 2016). This was also due to holding back further releases in the quarter until the negative impact from demonetization subsides.
- Strong pre-sales strategy safeguarded overall performance – 65% of the total film slate cost in Q3 FY17 covered through satellite, overseas and theatrical pre-sales. Few of our films also benefitted from opportunistic pre-sales deals through our co-producers to Amazon which has made a big impact in India and further increased the underlying value of our library.
- In the second half of FY 16 we had held back catalogue revenues to bring about balance sheet efficiencies. In FY 17, we have significantly caught up with those sales with substantial revenues this quarter being contributed from catalogue monetization, given that we chose not to release further new films in the demonetization climate.
- **Diversified revenue mix**
 - Theatrical Revenues contributed – 35.5%, Overseas Revenues – 30.4% and Television & Others – 34.1% as a percentage of Income from Operations

Portfolio by Budget



Portfolio by Language



Solid Film Portfolio of 39 films released in 9M FY17

Hindi Films



Rock On 2 (Hindi)



Kahaani 2 (Overseas)



Dishoom (Hindi)



Baar Baar Dekho (Hindi)



Banjo (Hindi)



Happy Bhaag Jayegi (Hindi)



Housefull 3 (Hindi)



Ki and Ka (Hindi)

Regional Films



Chaar Sahibzaade 2 (Punjabi)



Marupadi (Malayalam)



Janata Garage (Telugu)



White (Malayalam)



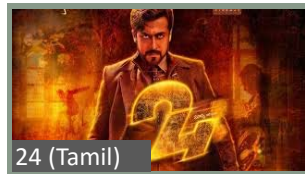
Idi (Malayalam)



& Zara Hatke (Marathi)



Double Feluda (Bengali)



24 (Tamil)



YZ (Marathi)



Sesh Sangbad (Bengali)

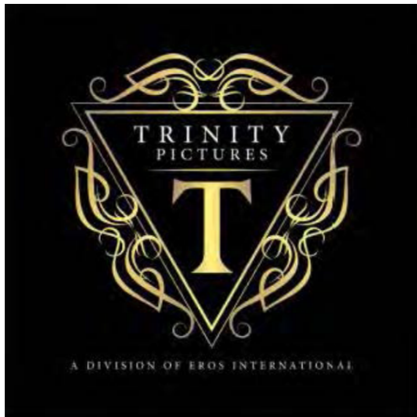


Kiriti O Kalo Bhromor (Bengali)



Sardar Gabbar Singh (Telugu)

Trinity Pictures – Building franchises and not just films



- Trinity's first franchise film *Sniff – I Spy*, a superhero film directed by Amole Gupte slated for 5th May release. Comics, Gaming, Merchandise and Animation extensions in place
 - *Sniff* comics to be distributed by Diamond Comics, first comic to be published in February
 - *Sniff Arcade Game* in partnership with Viaan Studios will be launched as a mobile game
 - A tie-up with Imagica for licensing the *Sniff* merchandise
 - Animation Series for digital/television in partnership with Green Gold post film release
 - 3 brands already on board for in-film integration
- In pre-production and casting for 5 other franchises, 3 of which will enter production in 2017. These include 2 Indo-China productions:
 - Live action bilingual (Hindi & Tamil) elephant film directed by Prabhu Solomon
 - Ace director Krish's buddy cop film, shot in Hindi and Tamil simultaneously
 - Two Indo-China co-productions; Kabir Khan's travel drama, *The Zookeeper* & Siddharth Anand's cross-cultural romantic comedy, *Love in Beijing*
- Trinity Writers Room has completed development on 15 other franchises and 80 film concepts and while not all of these will turn into films in the next 3 years, plans are underway to develop some of them into comic /novels etc.

Higher focus on own IP creations



Colour Yellow Production

Eros & Aanand L Rai's joint production entity

Various movie titles with Aanand L Rai and joint production entity Colour Yellow Production

- Aanand Rai's **directorial venture** starring Shah Rukh Khan
- **Shubh Mangal Savdhaan** by South director RS Prasanna
- Anurag Kashyap's **Mukkebaz** and **Manmarziyaan**
- Rahul Sankalya's **Nimmo**
- Mudassar Aziz and Navdeep Singh's **project**
- Malayalam film **Moothon**

Announces largest slate by any Indian studio in CY17



50+
Films

40+
Directors

8
Languages



Tiger Shroff, Nawazuddin Siddiqui and Sabbir Khan's action-packed musical *Munna Michael* with Next Gen Sushant Singh Rajput' and Nawazuddin Siddiqui's space odyssey *Chandamama Door Ke* with Next Gen Rahul Dholakia and Sabbir Khan's next projects, including *Make in India* with Next Gen. Homi Adajania and Sriram Raghavan's *Badlapur 2* in association with Maddock films.

Vikram Motwane's vigilante drama *Bhavesht Joshi*, starring Harshvardhan Kapoor, with Phantom Films Sequel to hit political thriller drama *Nayak - Nayak 2* with Soham Rock Star Entertainment

Much-awaited 3rd instalment of the Sarkar franchise, Ram Gopal Varma's *Sarkar 3* with Alumbra Films

Other promising films include Sujoy Ghosh's *Reunion* and Raj & DK's *Farzi* amongst others

More than 25 releases across Bengali, Marathi, Tamil, Telugu, Malayalam and Punjabi

- **9 Bengali Films**, including Soumitra Chatterjee's *Posto* with Windows
- **5 Malayalam Films**, including Maqtro Pictures' *C/O Saira Banu* starring Manju Warriar
- Exciting Line-up of **5 Tamil Films** including films directed by Manikandan & Venkat Prabhu.
- **4 Marathi Films** with Everest Talkies, including Hemant Dhome's *Baghtos Kay Mujra Kar* and Prakash Kunte's *sequel to Coffee ani Barach Kahi*
- **2 Punjabi Films** with Baweja Movies, including Harry Baweja's *Guru Tegh Bahadur & Jaita*
- **2 Telugu Films** with Idream Production

Eros India participates in the long term value creation of ErosNow⁽¹⁾



ErosNow has over 2 million paid subscribers worldwide⁽²⁾



5,000
Film Rights

250,000
Audio Tracks

13
Indian music labels
providing music
content

55 MILLION +
Registered users
across WAP, APP &
Web⁽²⁾

135 COUNTRIES
Global footprint of
Users



The most-anticipated 4G digital platform in India



Largest market share of mobile subscribers in India



One of India's largest telecom companies



Third largest market share of mobile subscribers in India



Only Indian OTT platform to penetrate into the growing Malaysian market



Micromax, second largest handset manufacturer in India



India's largest mobile payments and commerce platform



Note: (1) ErosNow is Eros International Plc's, OTT platform (2) Paying subscribers means any subscriber who has made a valid payment to subscribe to a service that includes the Eros Now service either as part of a bundle or on a standalone basis, either directly or indirectly through a telecom operator or OEM in any given month be it through a daily, weekly or monthly billing pack, as long as the validity of the pack is for at least one month.

Why is Eros a Market Leader ?

- 2000+ unique and compelling film library
- Established, multi-channel global distribution network across 50+ countries
- Dominant market share of Indian films globally
- Portfolio strategy of over 50 films a year across budgets and languages
- Diversified revenue streams and pre-sales strategies mitigate risk and promote cash flow generation
- Progressive adoption of changing technology with the Eros Now digital strategy
- Strong and- experienced management team with deep relationships with Indian film industry



Financial Highlights

Q3 & 9M FY2017

Abridged Consolidated P&L – Q3 & 9M FY2017



Rs. in Million

Particular	Q3 FY2017	Q3 FY2016	9M FY2017	9M FY2016
Total Income	3,358	3,382	12,349	13,288
Direct Cost	1,514	1,973	7,052	8,428
Other Expenses	518	742	2,189	1,848
EBIT	1,326	667	3,108	3,012
<i>EBIT Margins (%)</i>	39.5%	19.7%	25.2%	22.7%
Interest	119	81	320	272
Profit Before Tax	1,207	586	2,788	2,740
PAT (after Minority)	1,019	408	2,237	1,876
<i>PAT Margins (%)</i>	30.3%	12.1%	18.1%	14.1%
Diluted EPS (Rs.)	10.69	4.31	23.47	19.83

Financial Overview and Discussion

Total Income

- In 9M FY2017, Total Income stood at Rs. 12,349 million (Rs. 13,288 million in 9M FY2016)
 - Revenues during the period were driven by worldwide releases of Hindi films such as Rock On 2, Kahaani 2 (overseas), Dishoom, Baar Baar Dekho, Banjo, Happy Bhaag Jayegi, Housefull 3, Ki and Ka and regional films such as, Sardaar Gabbar Singh (Telugu), 24 (Tamil), Janatha Garage (Telugu), Happy Wedding (Malayalam), Chaar Sahibzaade2 (Punjabi) etc. across theatrical, overseas and satellite revenues, reinforcing the portfolio and film mix strategy
- In Q3 FY2017, Total Income stood at Rs. 3,358 million (Rs. 3,382 million in Q3 FY2016) registering a marginal de-growth of 0.7%. The quarterly revenues are not strictly comparable due to the differences in film mix. In Q3 FY2017, only 3 medium & 5 low budget films were released as against 1 high budget, 4 medium & 10 low budget movies in Q3 FY2016. Moreover, the demonetization drive impacted theatrical performances of movies released during the quarter which was offset by strong contributions from catalogue sales.

EBIT

- In 9M FY2017, EBIT increased by 3.2% to Rs. 3,108 million (Rs. 3,012 million in 9M FY2016)
 - Direct Costs during 9M FY2017 stood at Rs. 7,052 million, including Rs. 3,741 million of content amortization
- In Q3 FY2017, EBIT increased by 98.8% to Rs. 1,326 million (Rs. 667 million in Q3 FY2016) and EBIT margin increased from 19.7% to 39.5%
 - Direct Costs during Q3 FY2017 stood at Rs. 1,514 million, including Rs. 697 million of content amortization

Financial Overview and Discussion

PAT

- In 9M FY2017, Profit after tax (after minority) was at Rs. 2,237 million (Rs. 1,876 million in 9M FY2016)
 - PAT Margins stood at 18.1% as compared to 14.1%, due to margin enhancements coming from revenue mix being skewed towards high margin catalogue revenues.
- In Q3 FY2017, Profit after tax (after minority) was at Rs. 1,019 million (Rs. 408 million in Q3 FY2016)
 - PAT Margins stood at 30.3% as compared to 12.1% due to higher EBIT margin and lower effective tax rate of (20.7% as compared to 35.6% in the corresponding quarter)



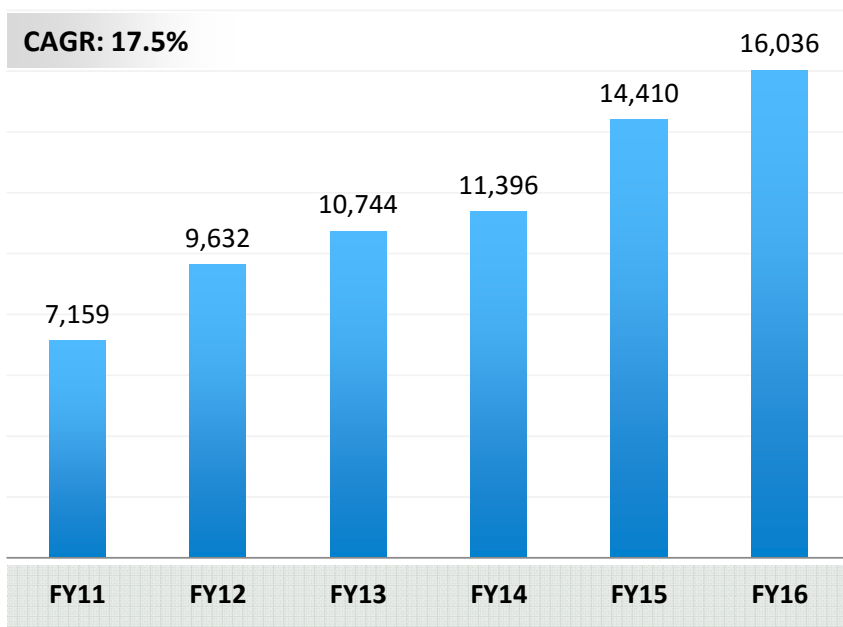
Historical Financial Snapshot

Strong Financial Track-record

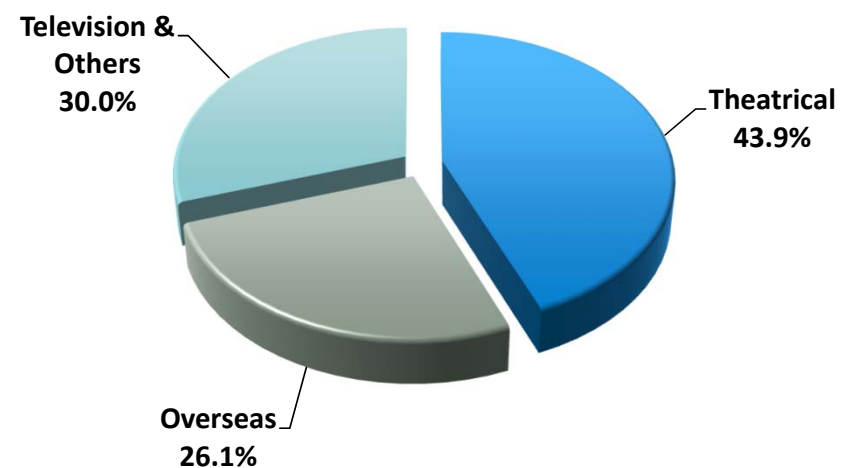


Diversified Revenue Mix

Revenues (Rs. million)



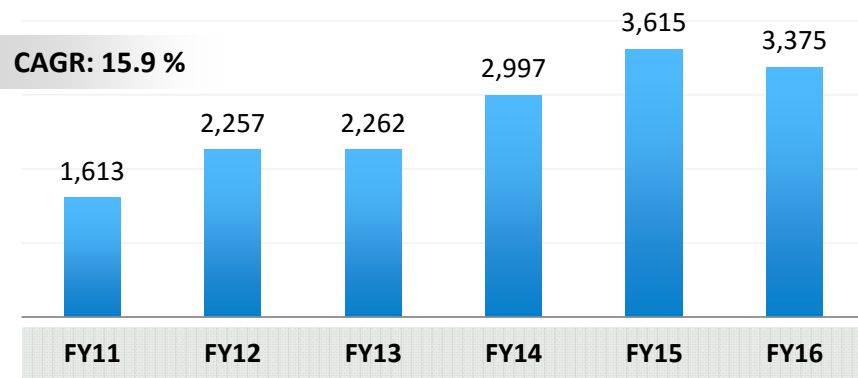
Revenue Break-up FY2016



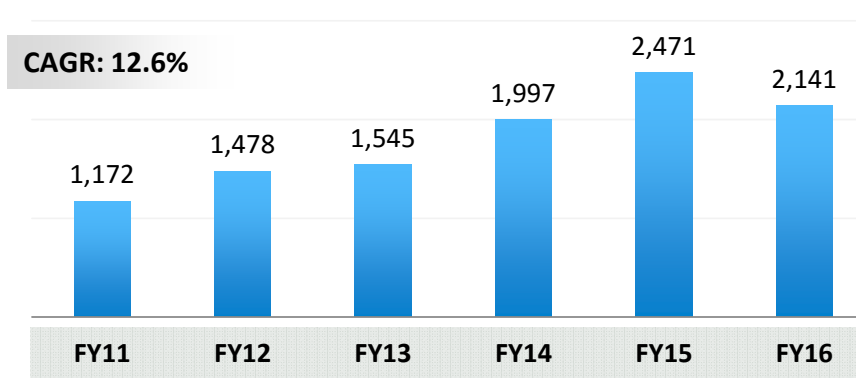
Consistent Profit Growth



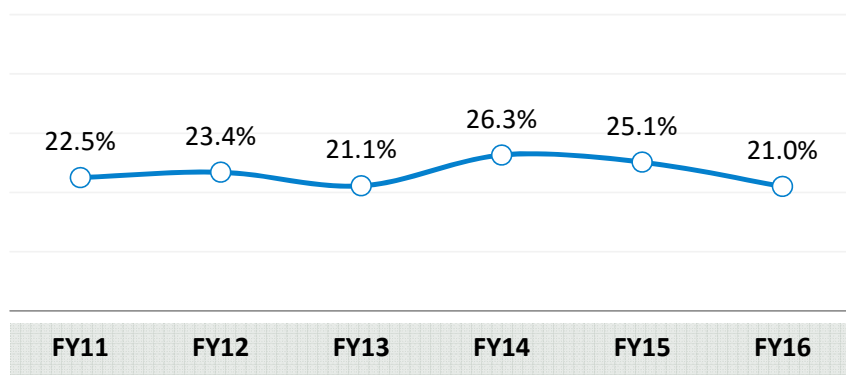
EBIT (Rs. Mn)



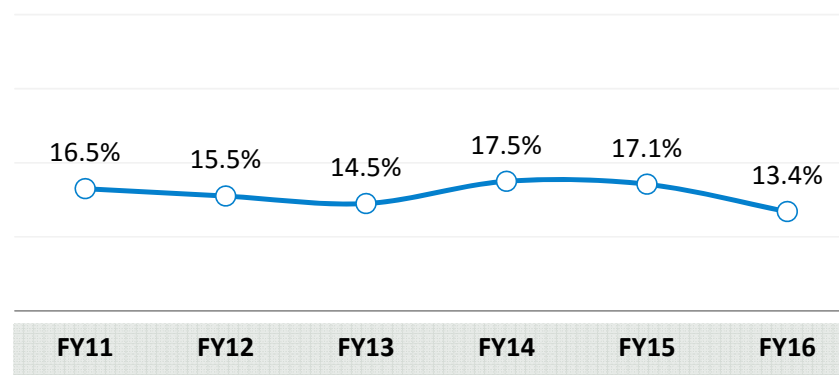
PAT (Rs. Mn)



EBIT Margin (%)



PAT Margin (%)



About Us



Eros International Media Ltd

Eros International Media Ltd. (BSE Script Code: 533261; NSE Script Code: EROSMEDIA) is a leading global company in the Indian film entertainment industry that acquires, co-produces and distributes Indian films across all available formats such as cinema, television and digital new media. Eros International is part of Eros International Plc, which became the first Indian media Company to raise capital and be listed on the New York Stock Exchange. Eros International has experience of over three decades in establishing a global platform for Indian cinema. The company has a competitive advantage through its extensive and growing movie library comprising of over 2,000 films, which include Hindi, Tamil, and other regional language films for home entertainment distribution. Eros International has built a dynamic business model by combining the release of new films every year with the exploitation of its film library. For further information please visit: www.erosintl.com

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Thank You