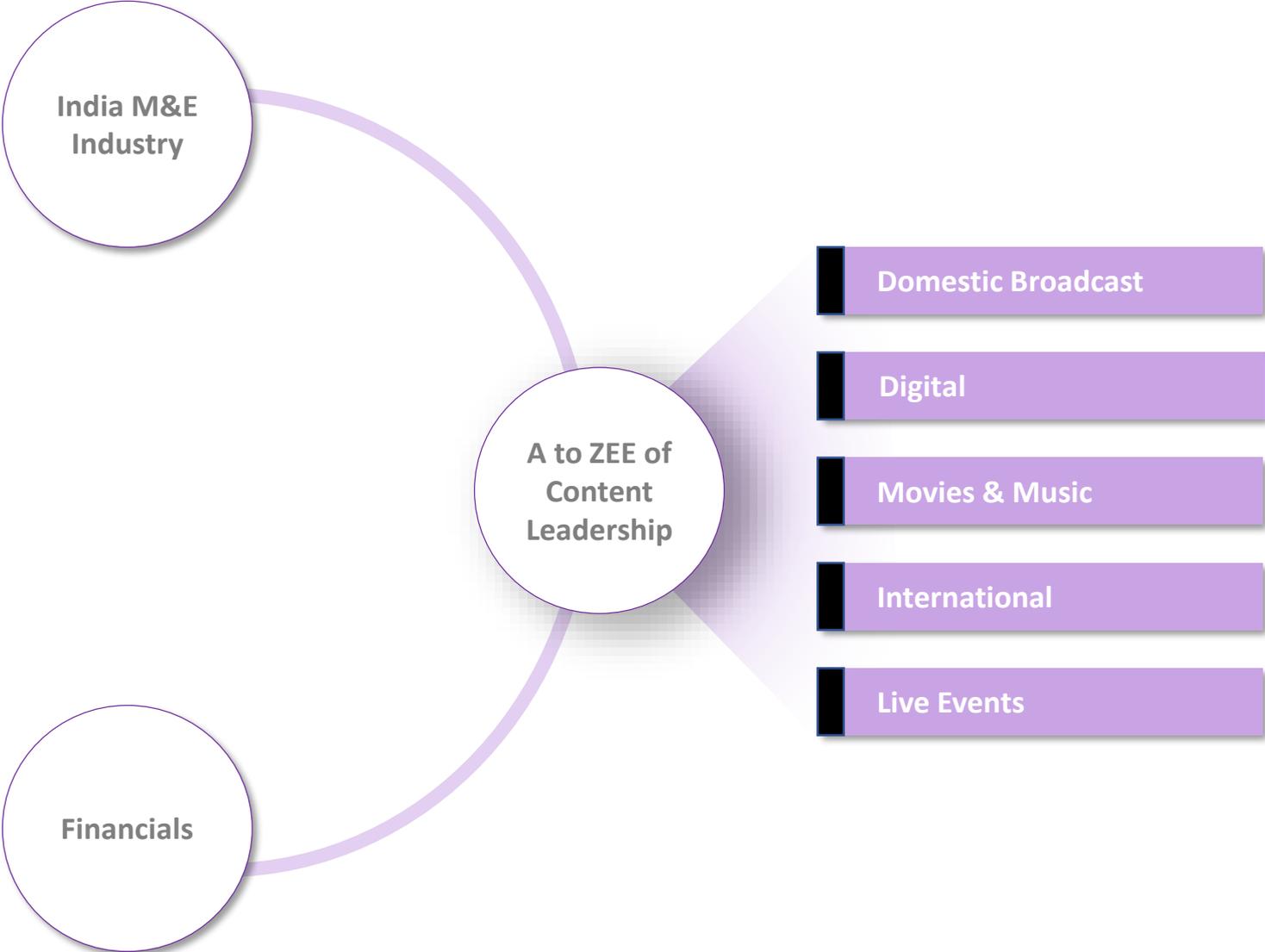




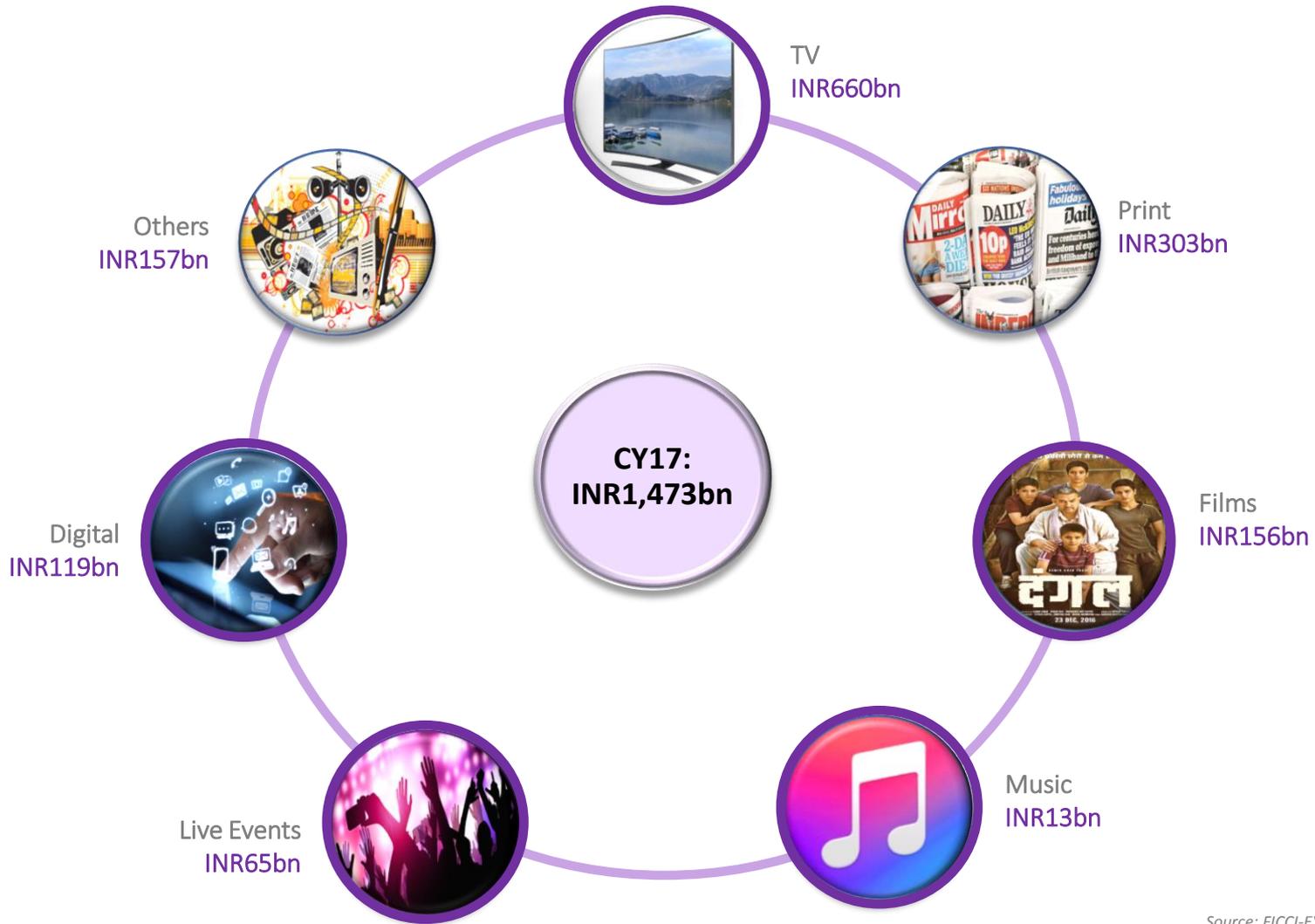
Extraordinary Together

Zee Entertainment

360° Entertainment Content Company

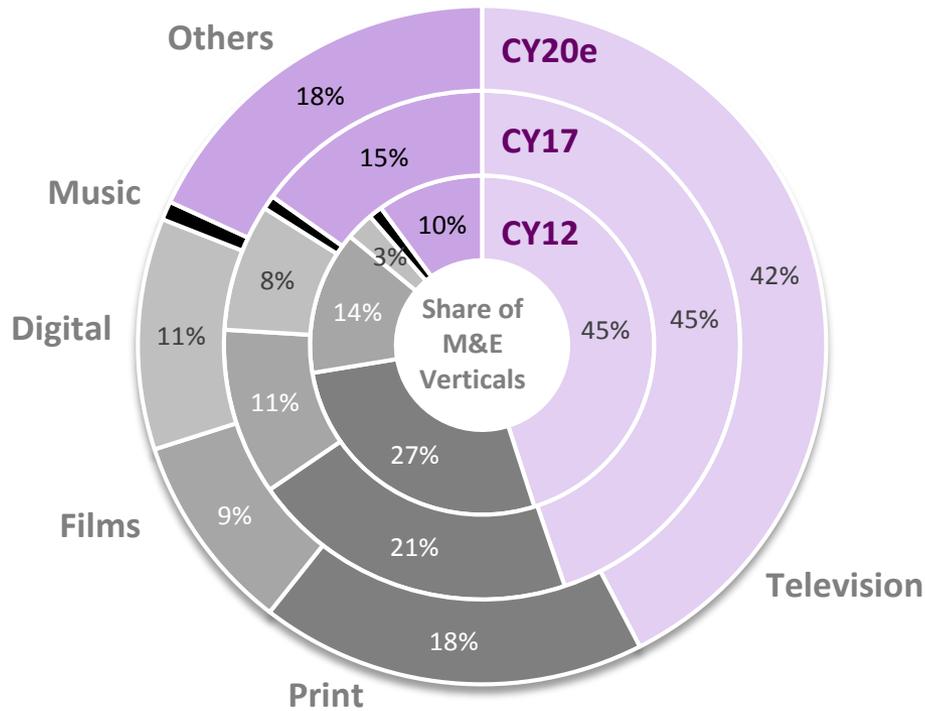


India Media & Entertainment Industry – An Overview



Source: FICCI-EY M&E Report 2018
* - Others include Radio, Animation, VFX, Gaming and OOH

M&E Industry – An all-round growth story



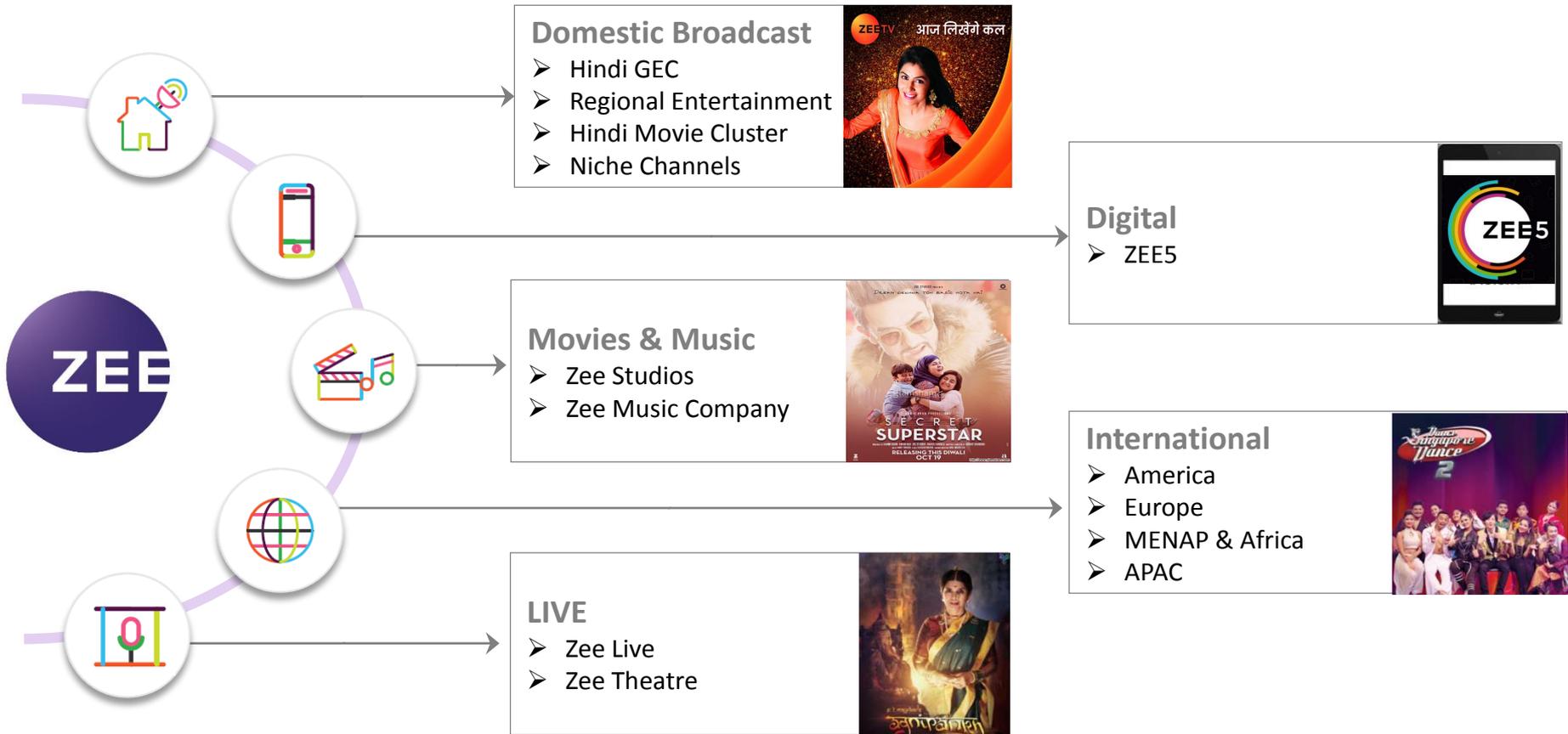
Category	CY12-17 CAGR	CY17-20e CAGR
Television	12.3%	9.8%
Print	6.2%	5.7%
Films	6.8%	12.0%
Digital	40.5%	24.9%
Music	4.2%	10.7%
Others*	22.0%	17.6%
M&E industry	12.4%	11.6%

Source: FICCI-EY M&E Report 2018; FICCI-KPMG M&E Report 2017
 * - Others include Radio, Animation, VFX, Gaming and OOH



Traditional media expected to grow at a healthy pace along with **digital**

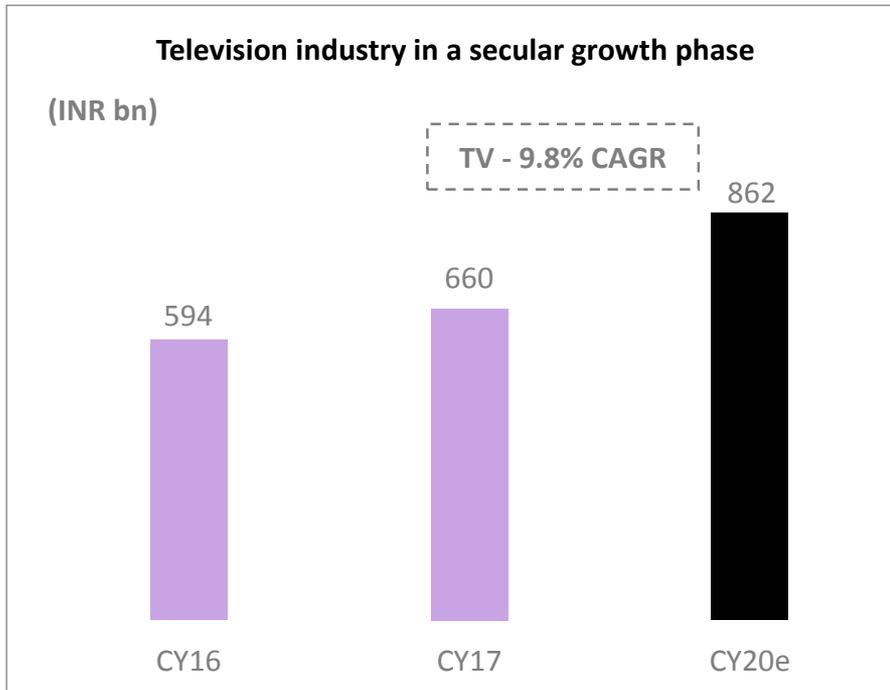
A to ZEE of Content Leadership



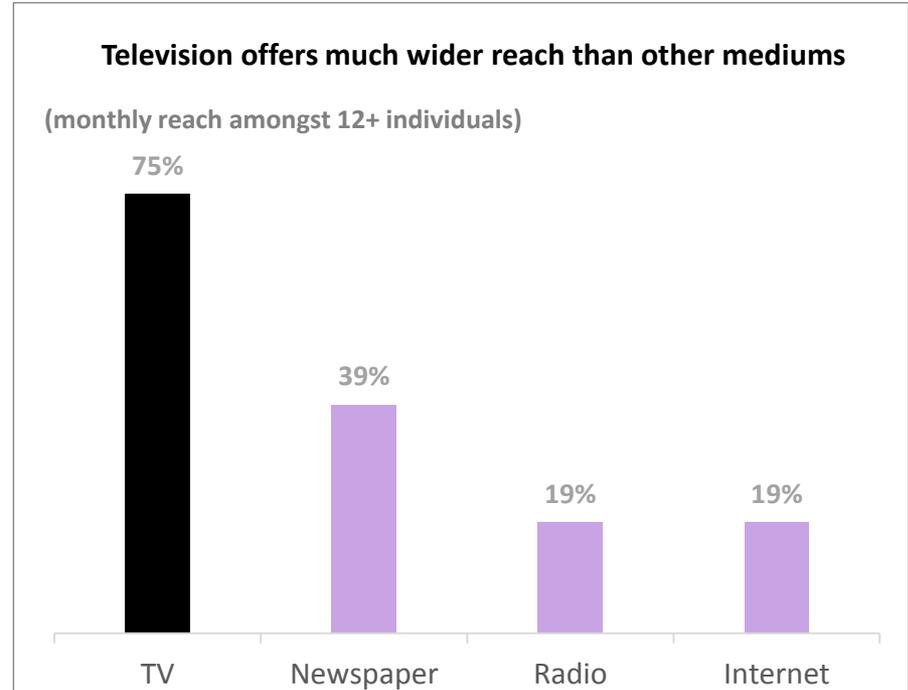


Domestic Broadcast

Television to continue on the growth trajectory



Source: FICCI-EY M&E Report 2018; FICCI-KPMG M&E Report 2017



Source: IRS 2017

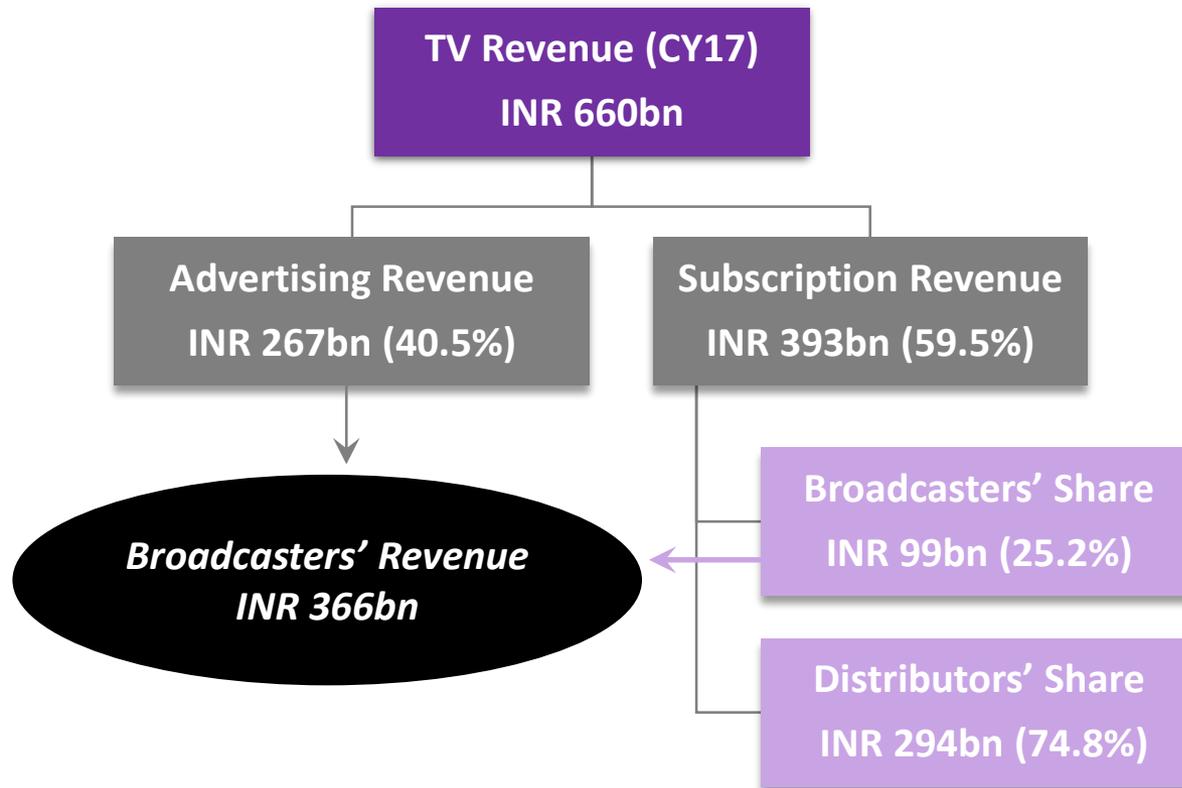


Low ARPU of ~US\$3/month makes television the most affordable medium of **entertainment**

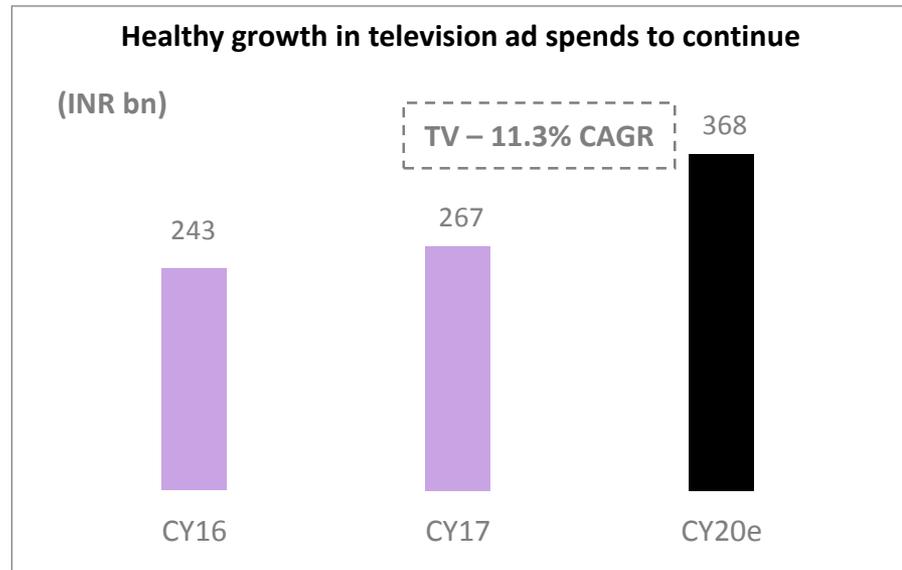
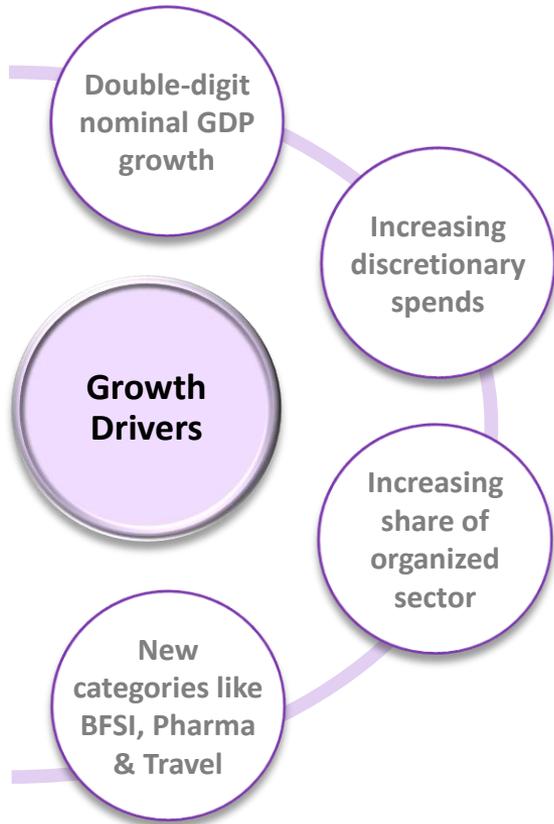
Rising income levels to drive TV **penetration**

Low time spent (225mins/day) on television offers room for **growth**

Television market – Revenue composition



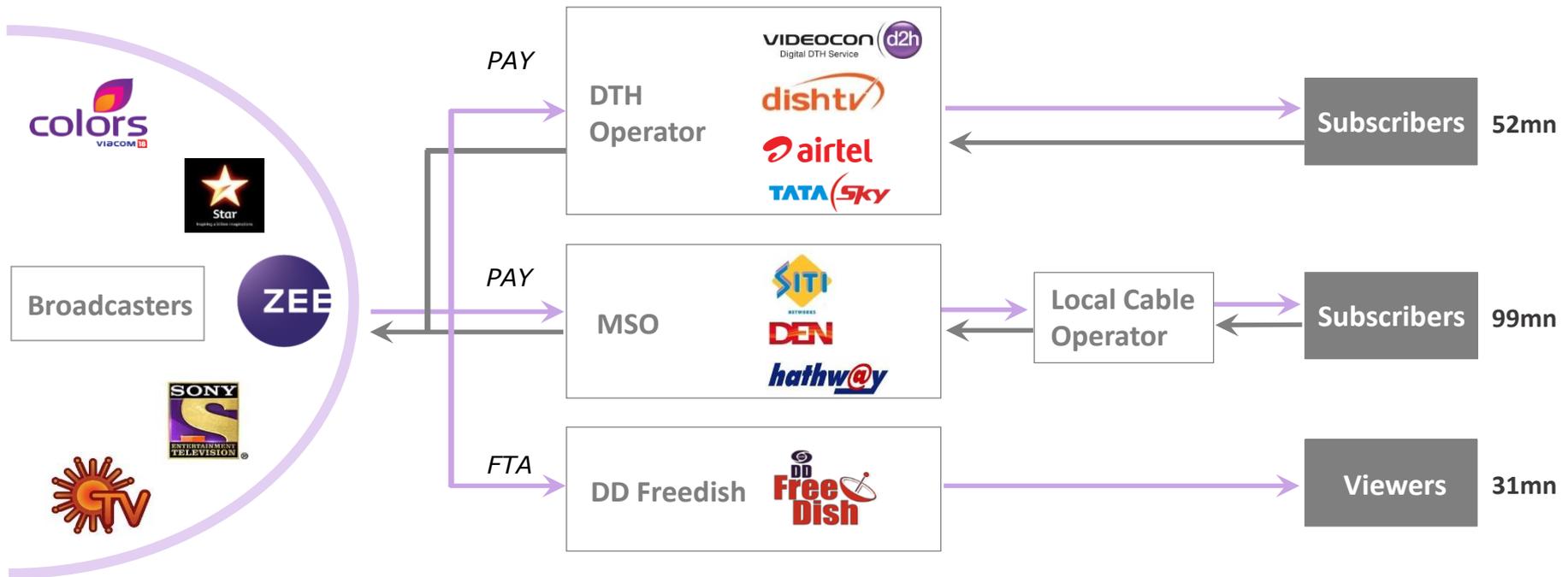
Strong growth in television ad spends to continue



Source: FICCI-EY M&E Report 2018

▶ Television will remain one of the most preferred medium for brand building given its reach

Television distribution value chain – A snapshot



Content flow —
Revenue flow —

Source: FICCI-EY M&E Report 2018



MSOs and DTH operators make bouquets consisting of channels of different **broadcasters**

Regulations in India prohibits content or platform **exclusivity**

ZEE reaches almost all C&S households through its bouquet of 37 **channels**

Drivers in place for sustained subscription revenue growth



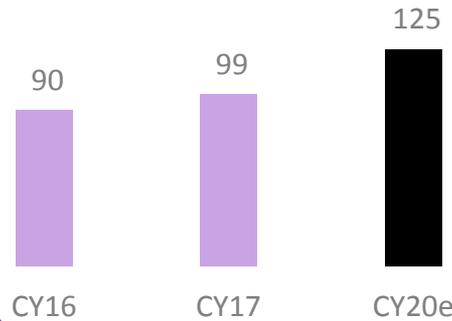
Digitization

Increase in transparency on account of digitization will help broadcasters in monetization

Increasing HD penetration

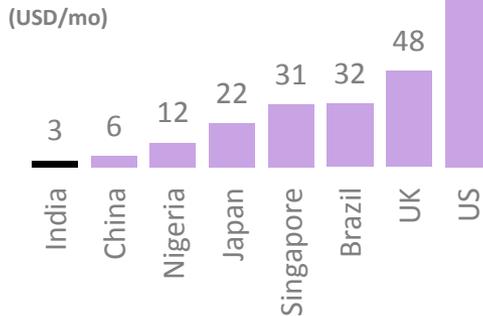
ARPU of HD packages is ~2x-3x of that of SD

Broadcasters' Subscription revenue (INR bn)

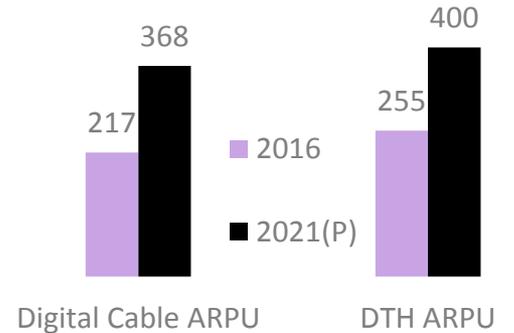


Source: FICCI-EY M&E Report 2018, FICCI-KPMG M&E Report 2017, OFCOM Market Report 2016

Low ARPU offers room for growth



ARPUs expected to increase



Completion of digitization could drive long awaited acceleration in ARPU growth

Complete entertainment portfolio



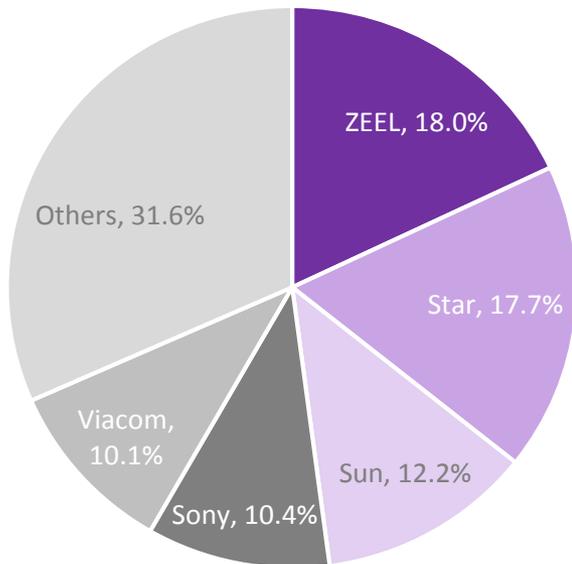
Hindi General Entertainment	Regional Entertainment	Hindi Movie Cluster	Regional Movies	Niche channels
Pay Hindi	HSM Regional	Pay Hindi Movie	Pay Movie	English Entertainment
FTA Hindi	South Regional	FTA Movie		English Movies
				Youth & Music

37 Channels across genres and languages

Steady improvement in viewership share

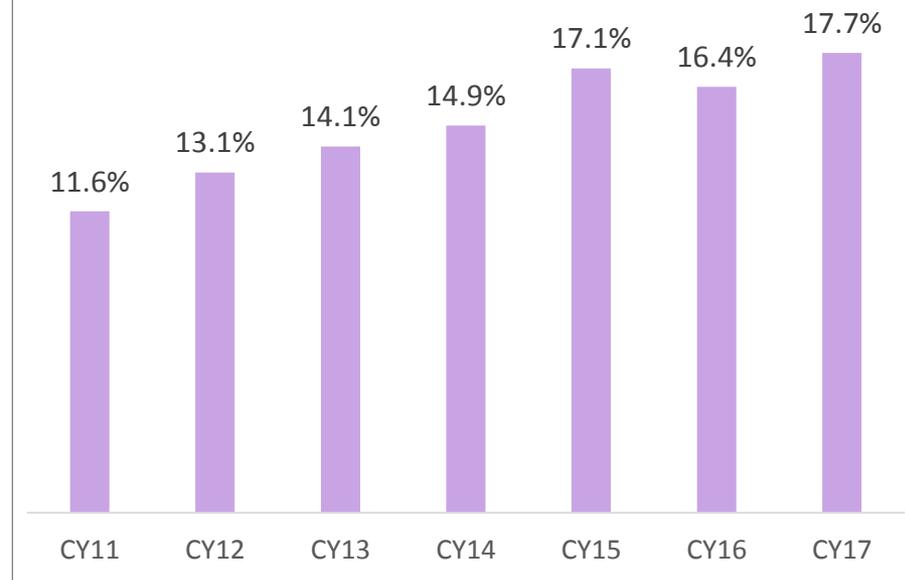


Network share across broadcasters, FY18



Network share excludes News and Sports channels

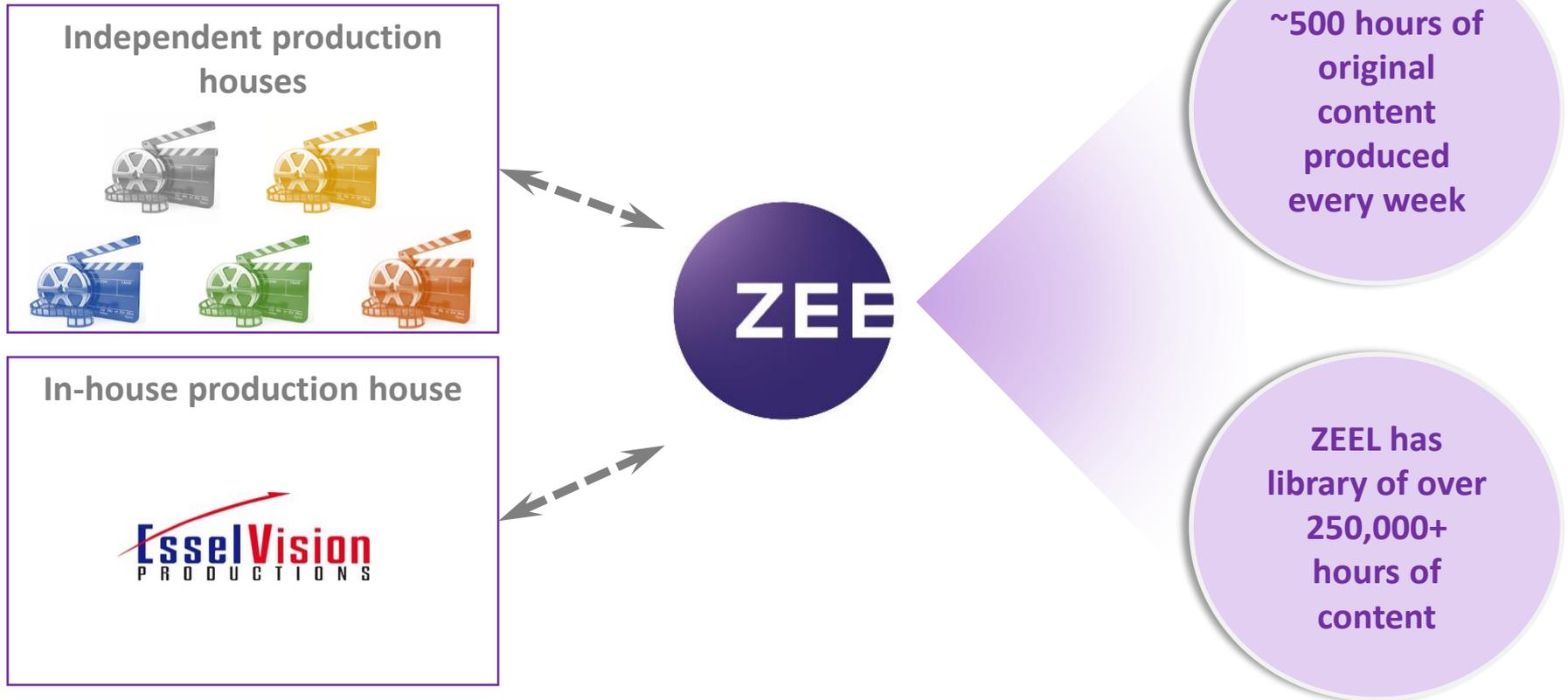
ZEEL has consistently increased its viewership share



Data as per TAM upto March 2015 and as per BARC from April 2015 onwards

 ZEEL has established strong market position across Hindi entertainment, Regional and **Movies**

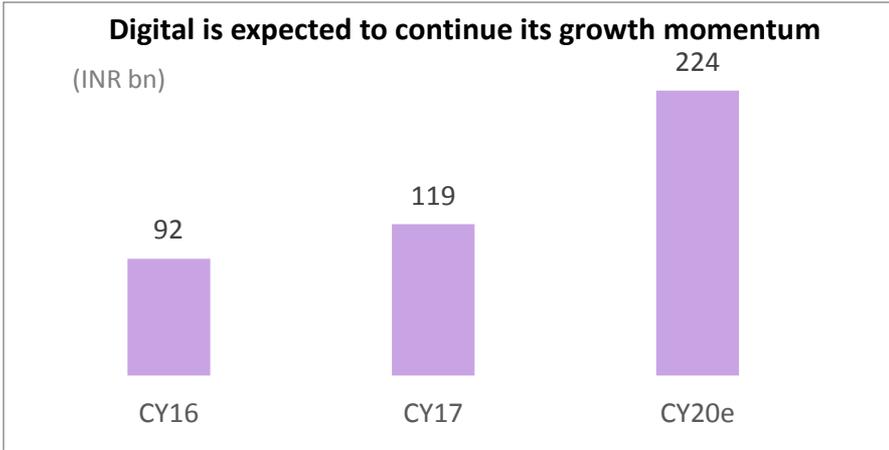
ZEEL - well entrenched in content eco-system



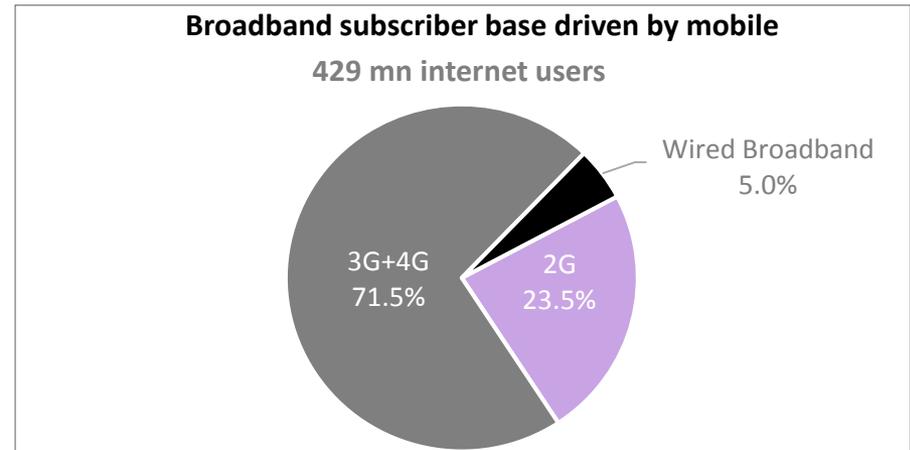
- Large number of small production houses with limited risk taking **ability**
- ZEEL engages closely with the producers right from the **conceptualization stage**
- Intellectual property right of the content lies with **ZEEL**



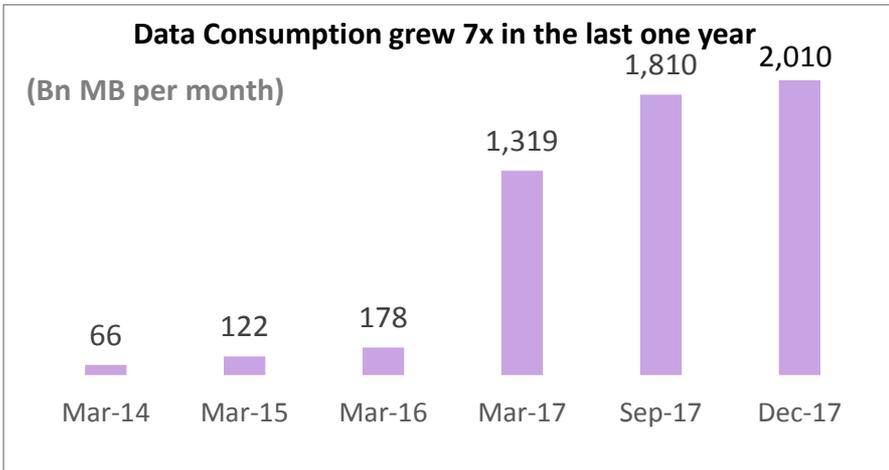
Digital



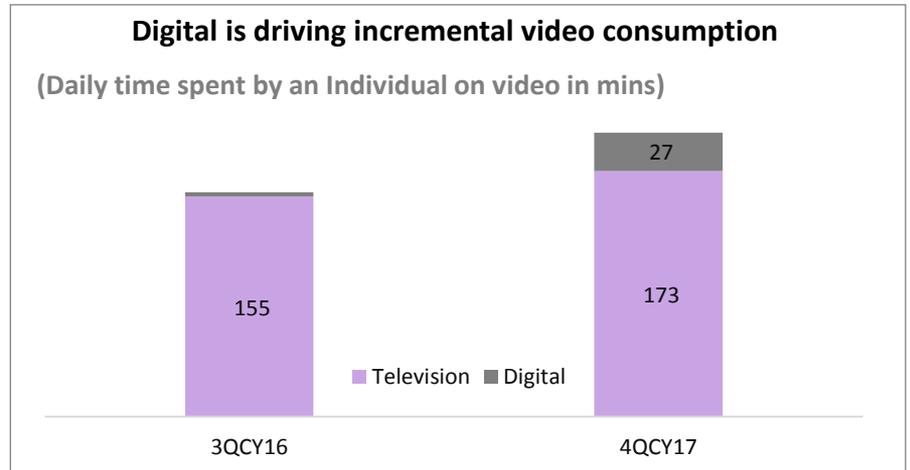
Source FICCI-EY M&E Report 2018



Source : TRAI Reports, IIFL Capital Research

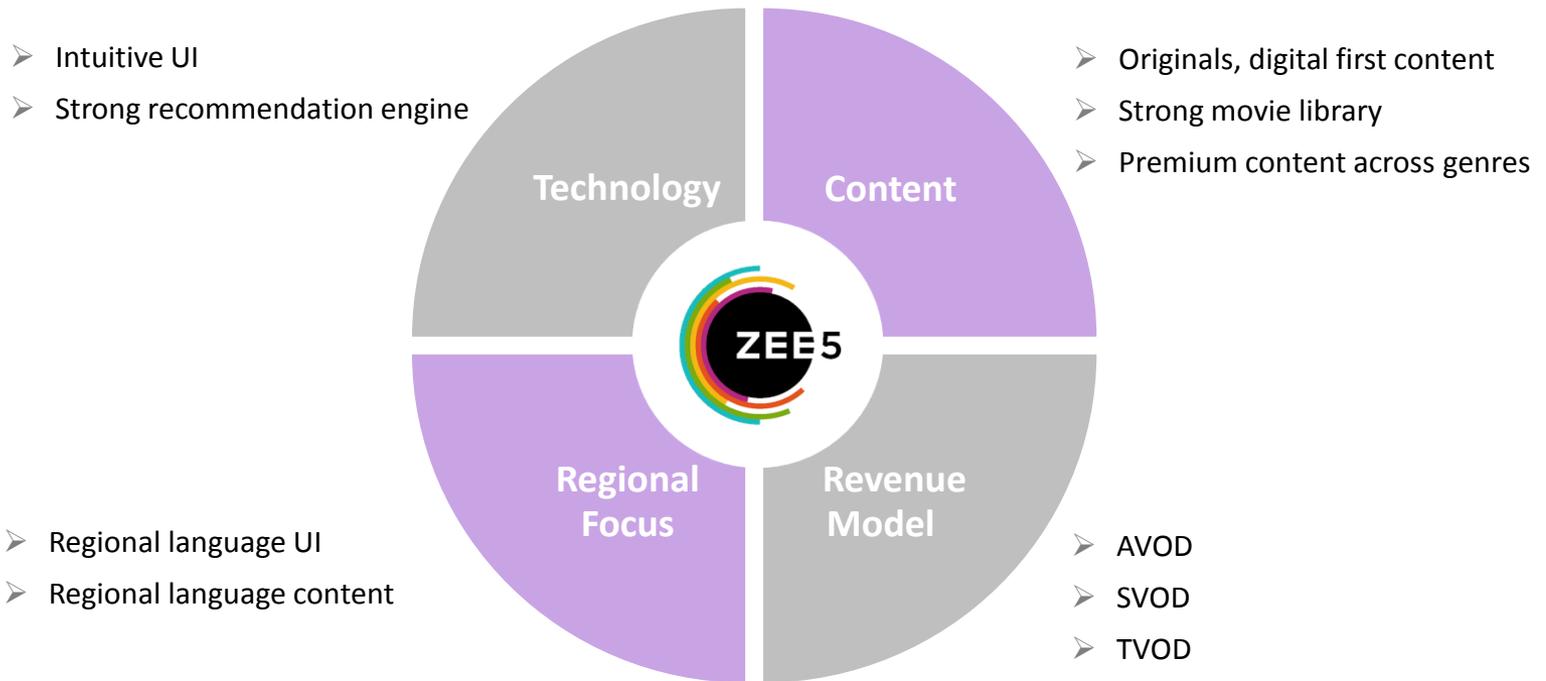


Source : TRAI Reports, IIFL Capital Research



Source : BARC, Reliance Jio Q3FY18 press release

ZEE5 – ZEE’s comprehensive digital offering



ZEE5 launched on 14th Feb with an **extensive campaign**

DittoTV and OZEE subscribers auto upgraded to the **new platform**

ZEE5 – An unrivalled content catalogue



ZEE5 launched with 100,000+ hours of content across languages and genres



Language

DISPLAY

CONTENT

- हिन्दी
Hindi
- English
English
- मराठी
Marathi
- తెలుగు
Telugu
- ಕನ್ನಡ
Kannada
- தமிழ்
Tamil
- മലയാളം
Malayalam

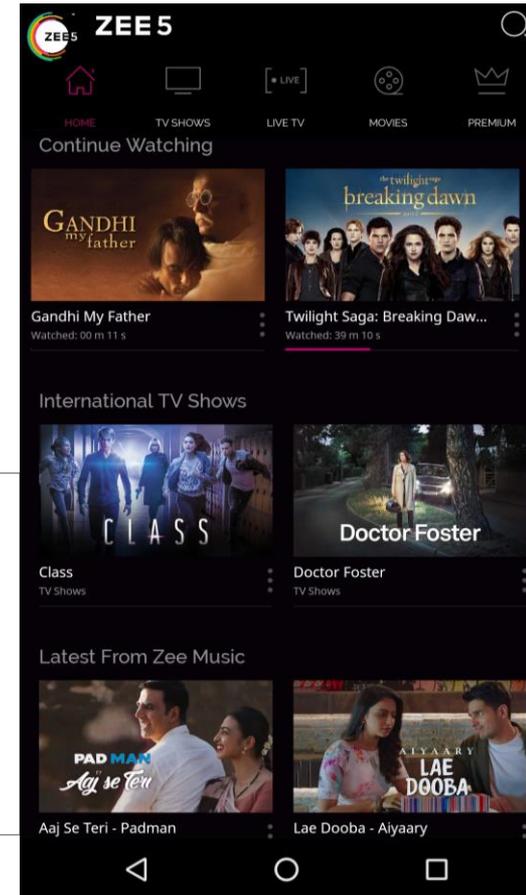
DONE

UI/UX Innovations

- Flexibility to choose display in 11 languages
- Option to choose content from 12 languages
- Voice search for seamless search experience

Technology Customizations

- Multiple CDN for smooth streaming experience
- Option to download content to memory card for offline viewing
- Progressive Web App (PWA) for an 'app like' experience on web browser



ZEE5 is the only entertainment app in India to offer **voice search**

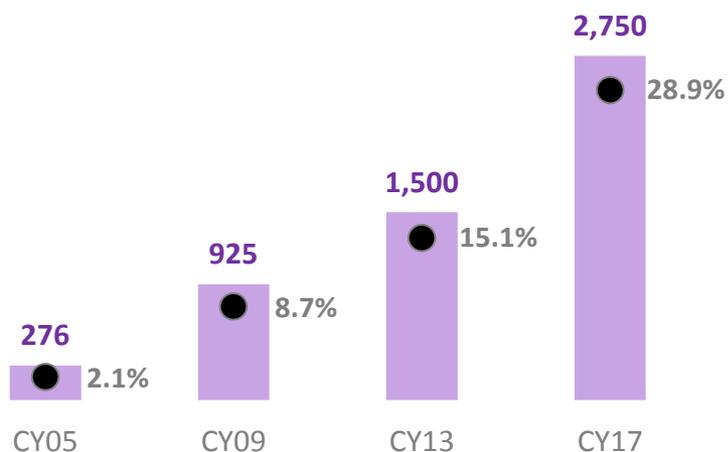


Movies and Music

Rising penetration of multiplexes bodes well for movie producers

Number of Multiplex screens

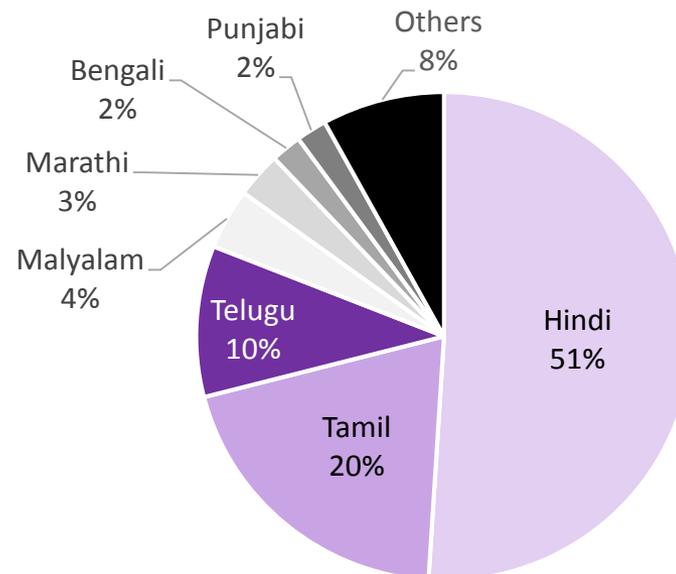
Multiplex screens as % of overall screens



FICCI-EY M&E Report 2018

- **Exhibition space** is getting organized which along with digital delivery of movies has increased transparency in the business
- **Digital delivery** has increased number of screens on which movie is simultaneously released
- **Digital rights** is becoming an important revenue stream for movie producers

Regional movies gaining traction in INR142bn Indian movie industry



- **Regional Cinema** is gaining popularity – Tamil, Telugu, Marathi, Punjabi language movies becoming popular
- **Collections** of popular movies are going up while niche movies are also finding an audience



SCRIPT DRIVEN

- Strong story-line
- Low dependence on star cast
- Complete involvement in all aspects of production

ACROSS BUDGETS, ACROSS LANGUAGES

- Portfolio approach to movie making
- Focus on low to mid budget movies
- Good mix of regional and Hindi movies

PROFIT SHARING WITH KEY TALENT

- Engaging key talent on profit sharing
- Reduces financial impact of unsuccessful movies
- Talent cost could make or break a movie

LEVERAGE PRESENCE ACROSS VERTICALS

- Backward integration in movies offer significant synergies because we are buyers of various movie rights
- Allows a 360^o promotion of movies



Zee Studios plans to make 10-12 movies a year which entails working capital investments of ~**INR1.5bn**

One of the leading movie production studios in India



Hindi Movies



Regional Movies

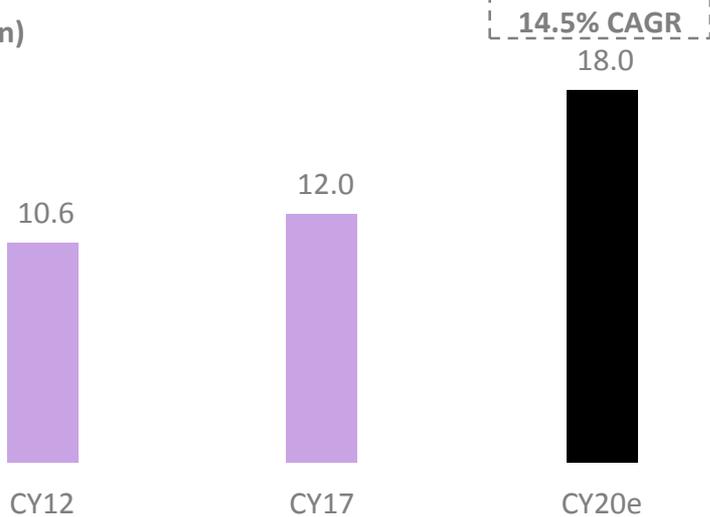


Zee Music Company – rapidly building its catalogue



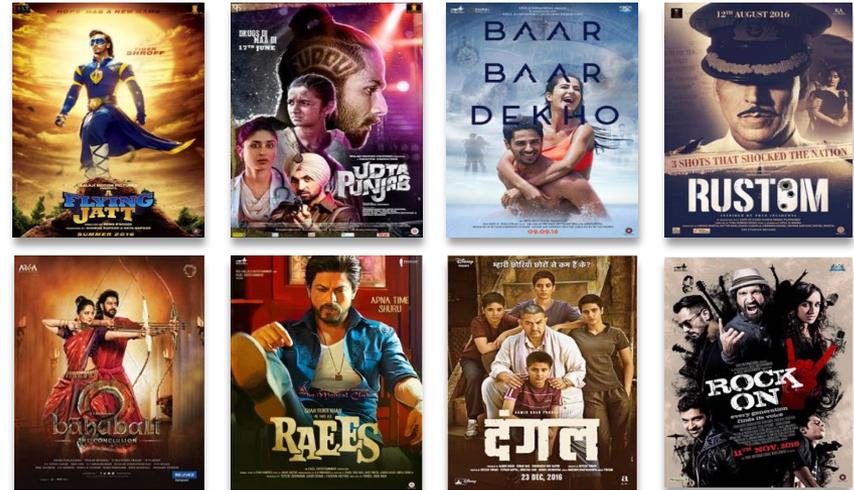
Digital consumption of music is driving music industry's growth

(INR bn)



Source: FICCI-EY M&E Report 2018

Recently acquired Music titles



Digital contributes upto 70% of the revenues of music labels

Zee Music Company (ZMC) is building a strong portfolio in regional markets like Punjabi, Telugu, Gujarati, Kannada and Bengali alongside Hindi

ZMC acquired 50% of the music rights released over the last 3 years



International – Serving diaspora and local audience



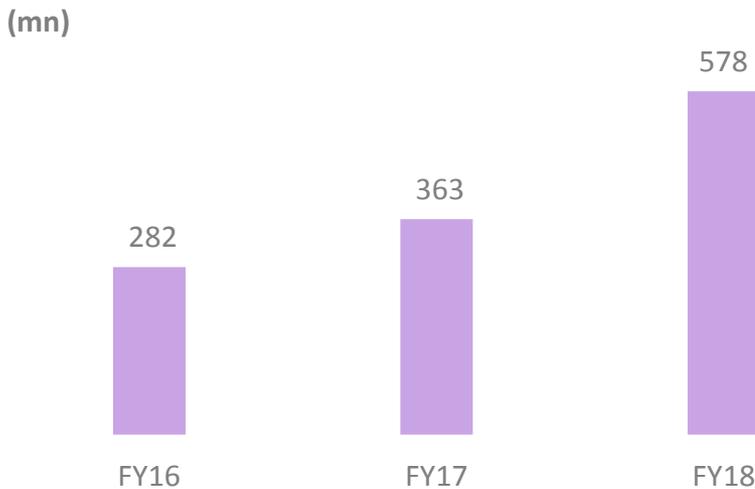
Presence in 170+ countries with reach of 578mn

39 international channels with 13 channels in 9 non-Indian languages

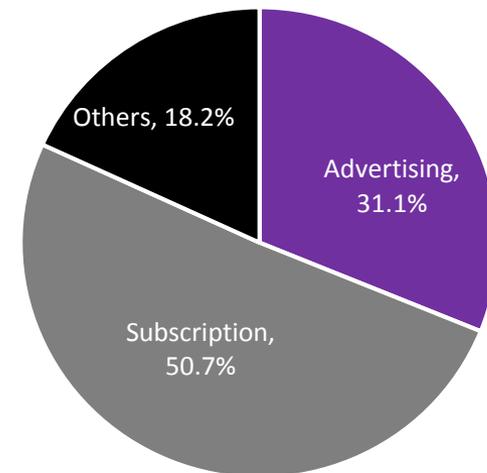
Serves South Asian Diaspora as well as local audience in select countries

Gradually expanding in markets with affinity for Indian content

Increasing reach of ZEE's international portfolio



FY18 International revenues – INR 7,683mn



A strong global presence

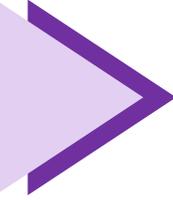


39 International Channels

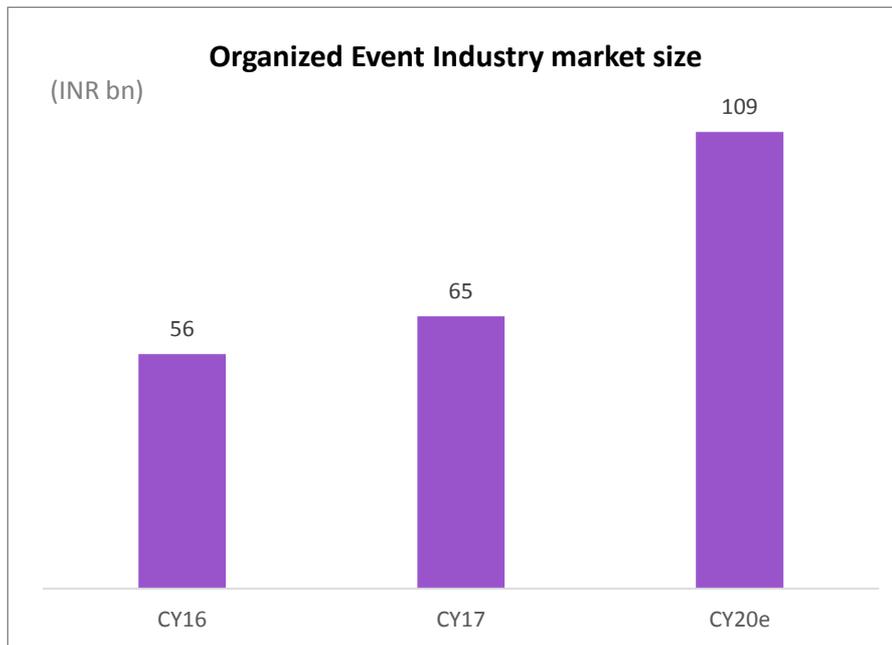
13 Local Language Channels



* - Logos relate to ZEE's channels catering to local audience



Live Events – A growth opportunity

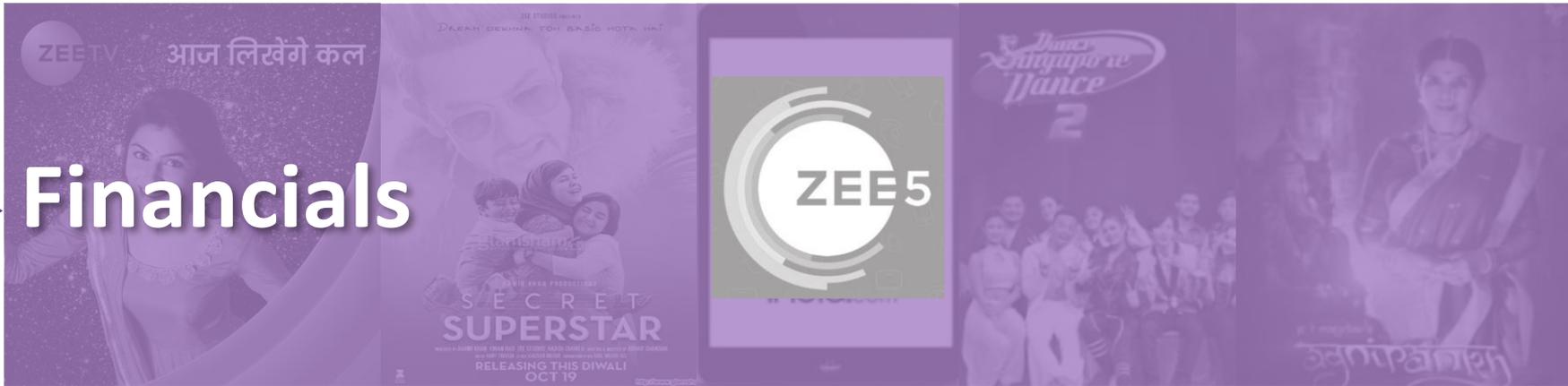
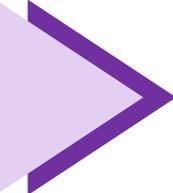


Source: FICCI-EY M&E Report 2018



India is opening up to ticketed live events which presents a growth opportunity

Zee Live is dedicated to all forms of live entertainment for different kinds of events including **Festivals, Theatre, and Concerts**

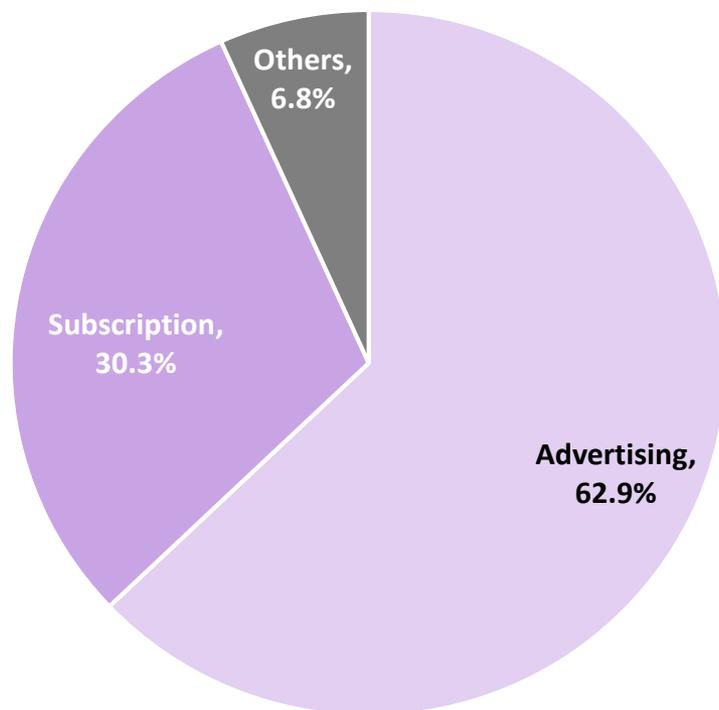


Financials

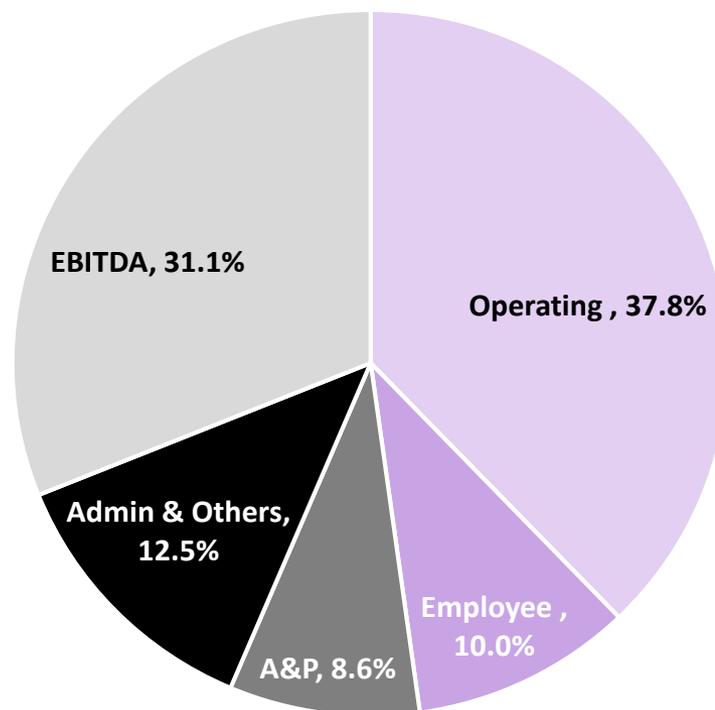
FY18 revenue and costs breakdown



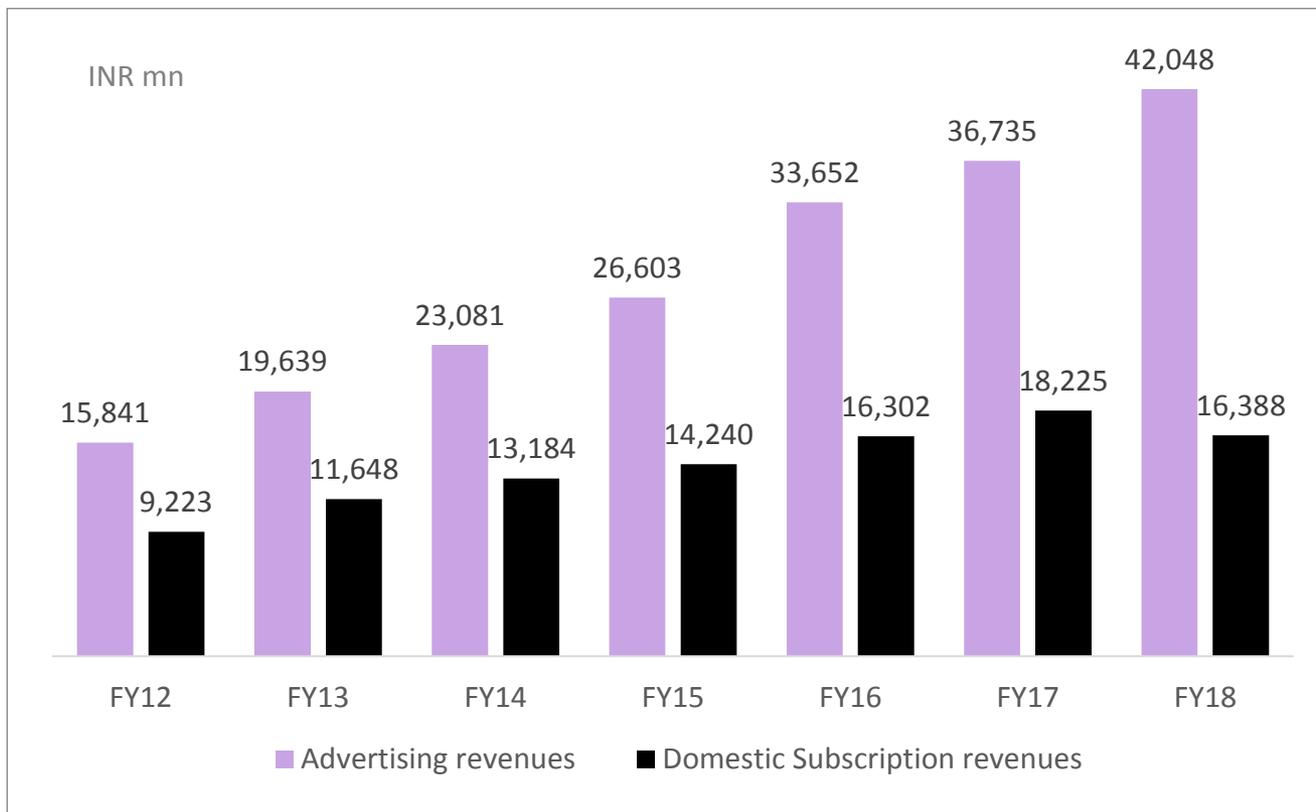
Revenue breakdown – INR66,857 mn



Costs breakdown – INR46,095 mn

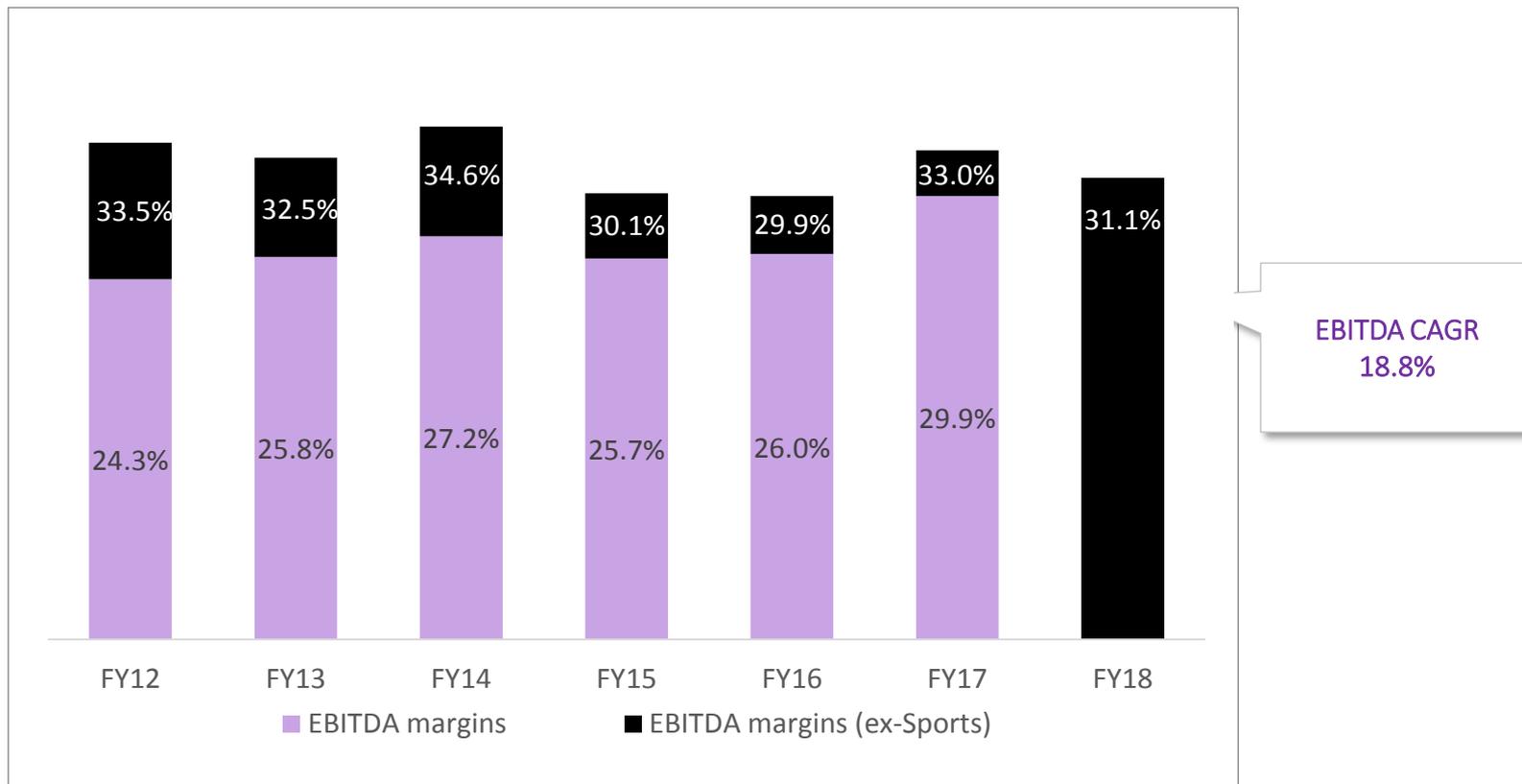


Strong growth in advertising and subscription revenues



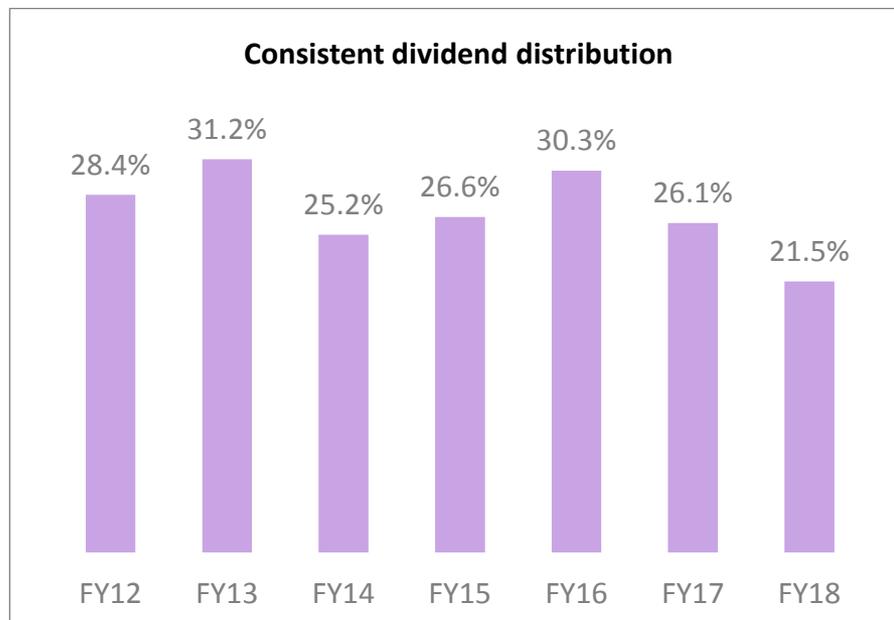
**ZEE divested its sports business reflected in FY18 domestic subscription revenues*

Strong and consistent profitable growth

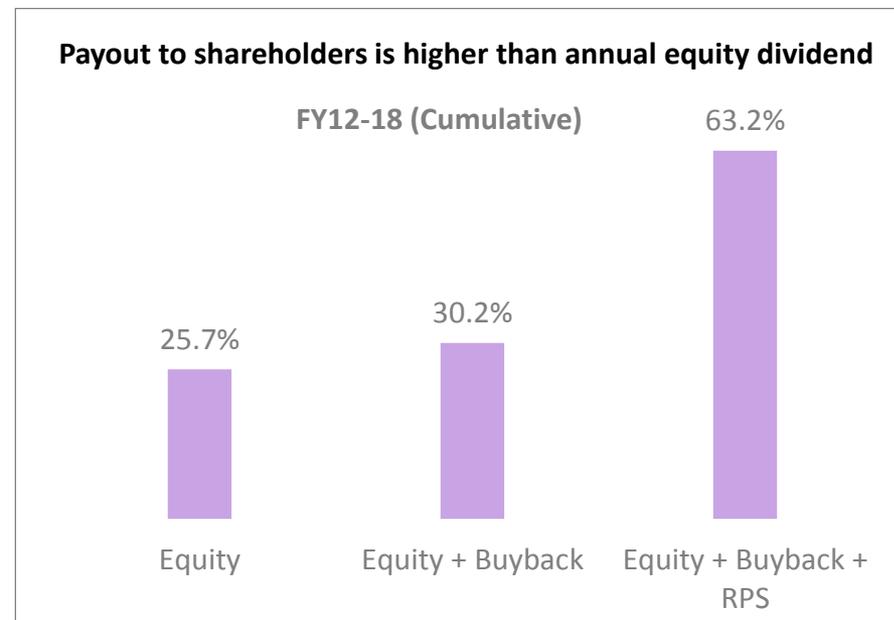


**ZEE divested its sports business – Ten Sports Network, in FY17*

Consistent payout to shareholders



* Dividend payout is calculated on profit after tax (excluding exceptional items)



Redeemable Preference Shares (RPS) worth INR 21 bn issued in 2014

As per Dividend policy, ZEEEL will pay 25-30% of Consolidated profits or 1/3rd of Standalone profits, whichever is **higher**

ZEEEL has used buyback and bonus preference shares in the past to boost payout to **shareholders**



Thank You