



Investors Update

Q1 FY'17-18



Cautionary Statement

Statement in this “Management Discussion and Analysis” describing the company’s objectives, projections, estimates, expectations or predictions may be “forward looking statements” within the meaning of applicable securities law and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the company’s operations include demand supply conditions, finished goods prices, availability and prices of raw materials, changes in the government regulations, tax regimes, economic development within India and the countries within which the company conducts business and other factors such as litigations and labor negotiations.

For enquiries mail us at investor.relations@rp-sg.in

Q1 17-18 Financial Performance

<i>Rs.L</i>	<i>Q4 16-17</i>	<i>Q3 16-17</i>	<i>Q2 16-17</i>	<i>Q1 16-17</i>	<i>Q1 17-18</i>	<i>% Growth YOY</i>
<u>REVENUES</u>						
Music	3948	3842	3123	3211	4551	42%
TV Software	1822	1581	1667	1622	1653	2%
Total	5770	5423	4790	4833	6204	28%
<u>EBIDTA</u>	823*	336	406	516	836	62%
<u>PBT</u>	801*	222	231	356	677	90%

* Higher PBT in last quarter on account of revenue phasing from select partners

Standalone basis

Key Highlights

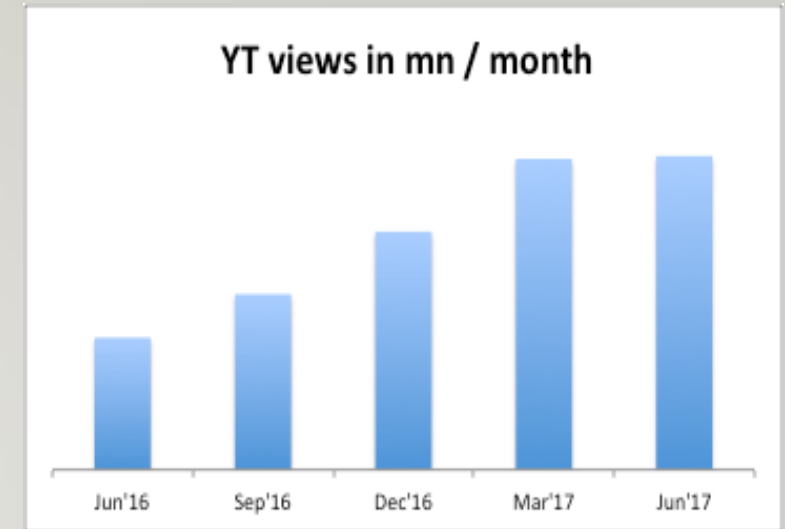
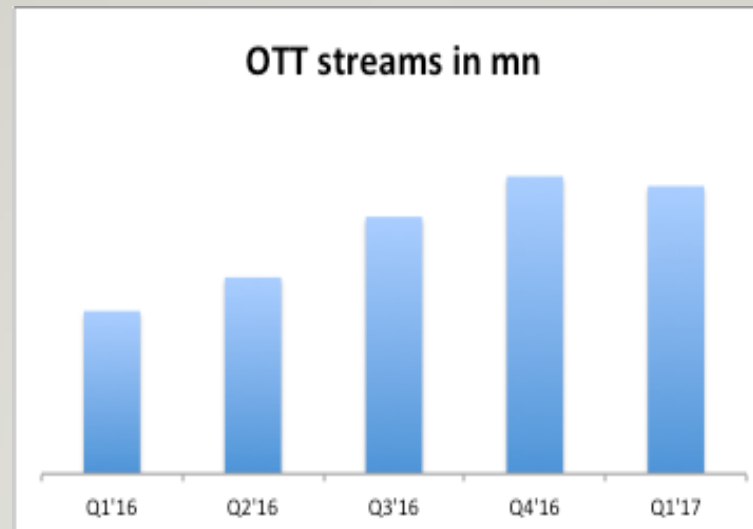
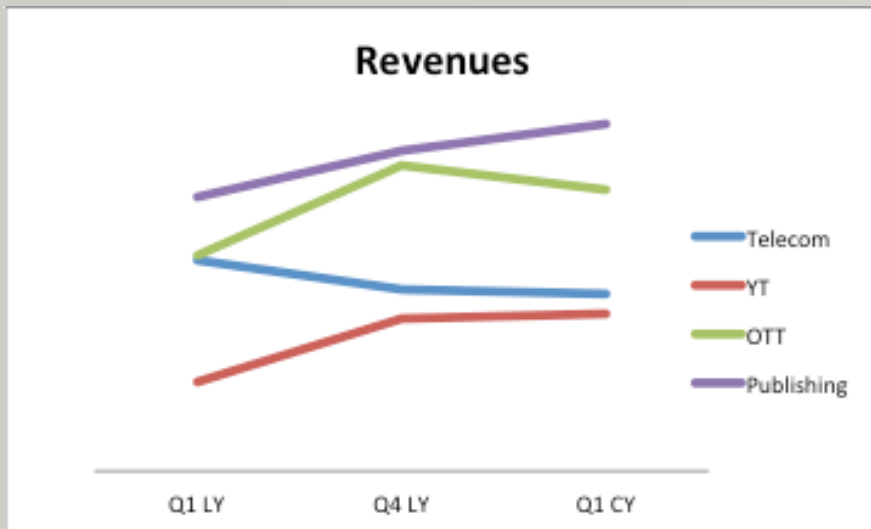
- Growth in Music Business primarily on account of B2B business. B2C story thru Carvaan just started
- TV Software business revenue sustained through presence in only profitable projects

Strategic Direction

Remain a pure play content company capitalising on the data boom globally, with focus on:

- Higher monetisation of existing IP
(1.2L owned songs & 3000 hours of Tamil serials)
 - through greater presence on all 3rd party digital and TV platforms
 - launch of Saregama branded physical products with embedded music
- Building of new IP
 - through new film music acquisition across Hindi, Tamil and Marathi languages
 - TV programs in Tamil language
 - Low budget thematic films targeted at youth with primary exploitation on digital platforms

Better Monetisation thru 3rd party digital / TV platforms



- Better valuation for existing major OTT deals.
Signed up with Apple Music
- Replaced international partner to bring in better valuation & efficiencies
- Improved market share in a dropping Telecom revenues market

- With settlement of ongoing issues with the authors community, income from society is returning to normal
- Industry first publishing license issued to a radio channel for reinterpretations
- Continuous growth in regional long tail for Broadcasting
- Large Film Sync deals

Saregama Retail Products

CARVAAN

- Carvaan : Portable digital audio player with in-built stereo speakers comes with 5000 greatest Hindi songs inside. Also supports Bluetooth / USB connectivity and FM radio. Price 5990 / 6490
- Retailed thru e-commerce and electronic stores. Presence in ~250 towns through own sales force. 2400 retail outlets
- After Sales Service with one year warranty catered by Jeeves
- 3 years product roadmap

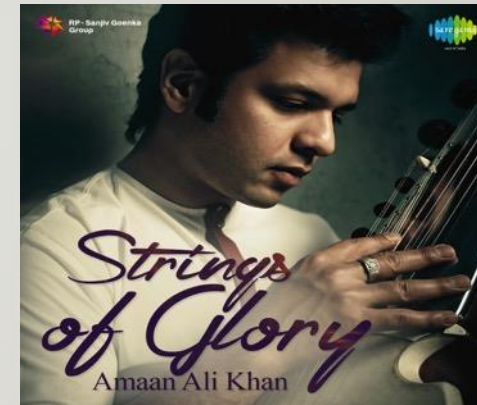
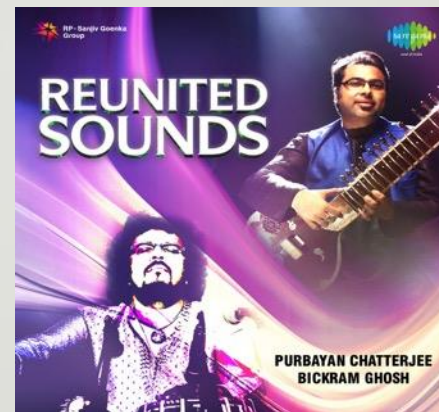


Carvaan in Shops



Building IP New MUSIC

- Started acquiring new Hindi and Tamil film music last year
- The strategy is to start slow, vet assumptions and start building up the slate over time
- Number of new non film albums were recorded adding to IP assets of the company



Building IP Tamil TV Serials

- Q1 sees continuation of existing 3 successful programmes with Sun TV – having run of 700 to 1300 episodes
- A new Kannada programme “JO JO Lalli” launched with Udaya TV



Chandralekha

Daily Soap
Till 30th June
827 Episodes
Average TRP – 8



Valli

Daily Soap
Till 30th June
1326 Episodes
Average TRP – 7



Bhairavi

Weekly Episode
Till 30th June
275 Episodes
Average TRP – 3



Jo Jo Laali

Till 30th June
60 Episodes
Average TRP – 1

Building IP Films

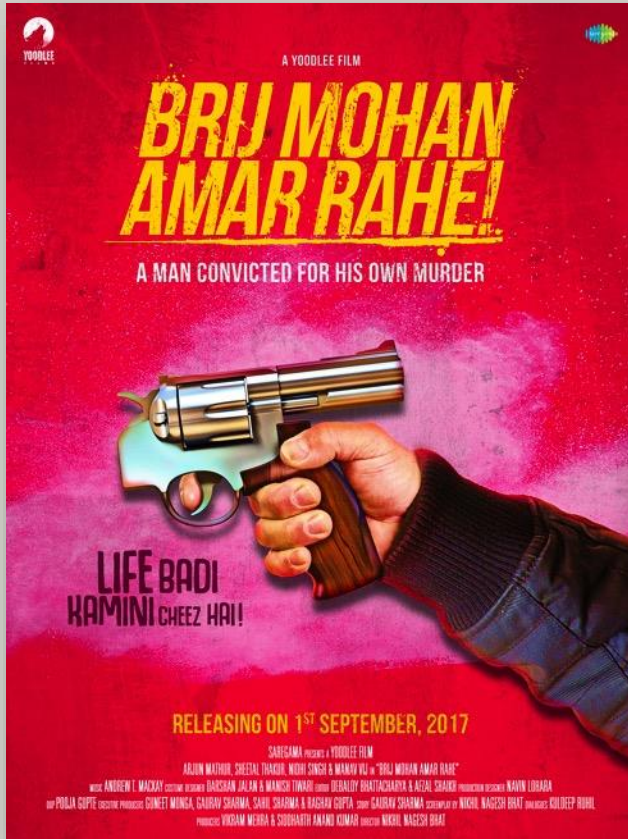


- Data explosion resulting in growing demand for 'exclusive' content from all OTT players and TV channels
- Thematic films with tightly controlled budgets; targeted at 18-35 yrs segment; story and not the starcast being the hero
- Launched under sub-brand Yoodlee Films
- International audience also considered while selecting stories
- Risk hedging by keeping upfront talent cost low, and offering profit sharing
- Movies in all languages

- Use of Saregama's music for marketing the film
- Limited theatre release in top 8 cities. Tie-up with PVR Pictures
- Focus on volume to further hedge the risk. 12 films in an year. Slate of 50 films in 4 years
- IP stays with Saregama in perpetuity
- Revenue Model: Theatre tickets, OTT platform licensing, TV channel licensing
- 1st Film release : 1st Sept 2017

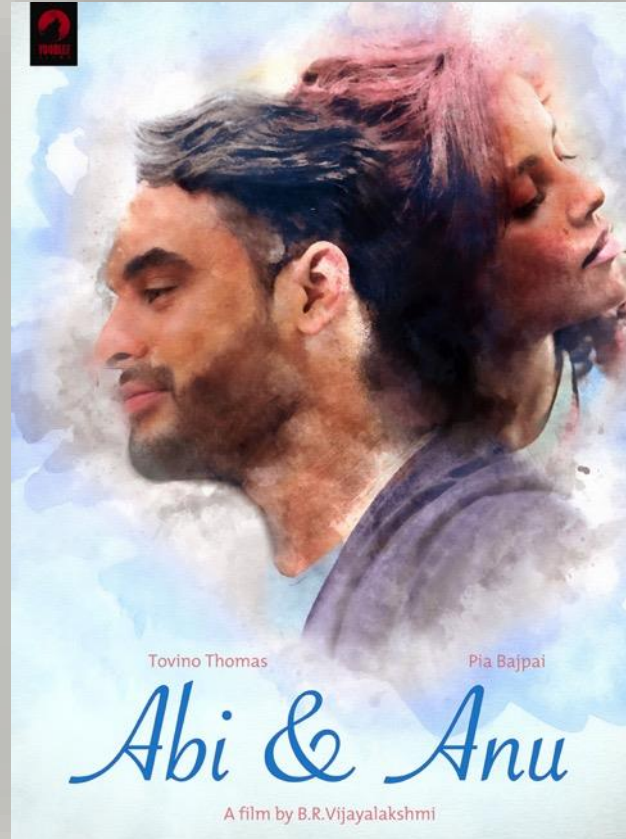
Yoodlee Films

1st Slate



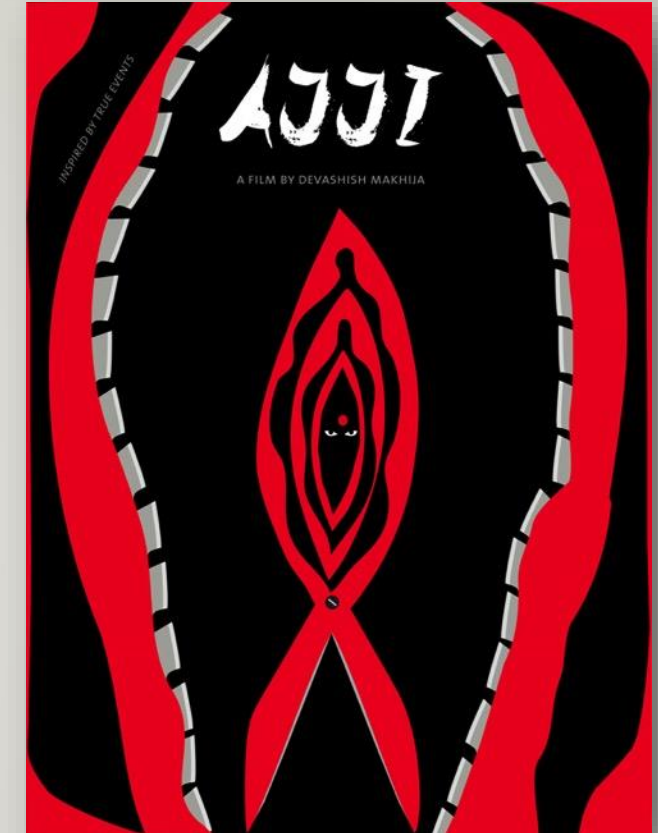
Hindi

Release : 1st Sept 2017



Tamil / Malayalam

Release : 22nd Sept 2017



Hindi

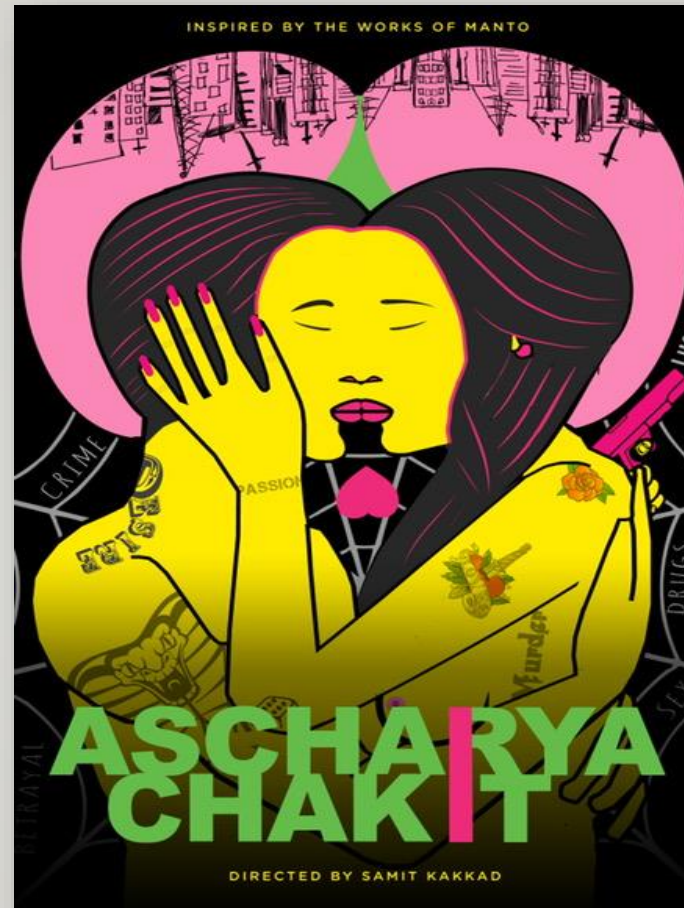
Release: Oct 2017

Yoodlee Films

1st Slate



English



Hindi



Hindi

Publication Biz

Open Magazine

- Publication Biz in 100% subsidiary
- Sustained Circulation and Ad Revenues
- Association of premium brands
- No unprovided drag on financial results of parent - Saregama



Outlook - Music Business

Digital Business

- OTT & YouTube will show growth albeit marginal and Telecom would remain steady
- Idea, Google Play, Apple and Jio – would contribute to growth of OTT sector consequentially providing line of sight for overflow

Publishing

- Besides serving the major Broadcasters and Advertisers, structured efforts being launched to tap long tail
- Industry organization handling Public Performance is getting beefed up; which will grow Public Performance & Radio Income
- Appointment of new international aggregator with better valuation would on one hand help licensing income & on the other opens up opportunity for direct licensing to many major international stores

Retail Initiative

- Carvaan to be rolled out across the country. Marketing campaign around Gifting during festival season
- Focus on beefing up supplies by developing additional manufactures
- Launch of Carvaan variants – Tamil Carvaan, Mini Carvaan, USA/UK version of Carvaan in coming months
- Improvement in margins through color / remote launches

Outlook - TV , Films & Publication Businesses

Television Business

- South TV – Leadership thru own & marketing programmes
- The National TV GEC – Pitches to various networks for new programmes

Films (Yoodlee)

- Release of 12 films in a year starting from Sept 2017
- All round monetization - Domestic & International
- Focus on building catalogue

Publication Business

- Achieve break even through subscription and ad revenues



Thank You