

August 13, 2018



The Secretary  
BSE Limited  
Pheeroze Jeejeebhoy Towers  
Dalal Street, Fort  
Mumbai – 400 001  
Scrip Code: **533261**

The Secretary,  
National Stock Exchange of India Ltd.  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No- 'C' Block, G Block  
Bandra-Kurla Complex, Bandra (E)  
Mumbai-400051  
Scrip Code: **EROSMEDIA**

**Sub: Earning Release for the Quarter ended June 30, 2018**

Dear Sir(s),

Please find enclosed herewith earning release for the Quarter ended June 30, 2018 of Eros International Media Limited.

You are requested to take the above on record and acknowledge the receipt of the same.

Thanking you,

Yours faithfully,

for **Eros International Media Limited**

A handwritten signature in blue ink, appearing to read "Sunil Lulla", is written over the text "for Eros International Media Limited".



**Sunil Lulla**  
**Executive Vice Chairman and Managing Director**

*Encl: As above*

**EROS INTERNATIONAL MEDIA LIMITED**

Corporate Office: 901/902, Supreme Chambers, Off Veera Desai Road, Andheri (W), Mumbai - 400 053  
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Regd. Office: Kailash Plaza, 2<sup>nd</sup> Floor, Plot No. 12, Off Veera Desai Road, Andheri (W), Mumbai - 400 053  
CIN No. L99999MH1994PLC080502



# Safe Harbour

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*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.*

# Contents

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# Results at a Glance

## Eros begins FY2019 on a strong footing – EBIT up by 30.5%, PAT up by 22.8%

Rs. in Million

Particulars	Q1 FY2019	Q1 FY2018	Growth (%)
Total Income	2,236	2,734	(18.2)%
EBIT	967	741	30.5%
<b>EBIT Margin</b>	43.2%	27.1%	1614 bps
Adj. EBITDA <sup>1)</sup>	1,101	1,118	(1.5)%
<b>Adj. EBITDA Margin</b>	49.2%	40.9%	835 bps
PAT (after minority)	593	483	22.8%
<b>PAT Margin</b>	26.5%	17.7%	885 bps
Diluted EPS (in INR)	6.16	5.05	22.0%

- Eros continued its focus of driving margin performance during the quarter by investing in a High ROI portfolio of films and monetization of its vast film library of over 2000+ titles across theatrical, satellite, ancillary formats in India and overseas
  - As a result, EBIT margin expanded to 43.2% in Q1FY2019 from 27.1% in Q1 FY2018 and PAT margin expanded to 26.5% in Q1FY2019 from 17.7% in Q1 FY2018
- In total, we released 14 films, which included 1 medium budget and 13 small budget films across languages

<sup>1)</sup> Adjusted EBITDA is defined as EBITDA adjusted for (gain)/impairment of available-for-sale financial assets, profit/loss on held for trading liabilities (including profit/loss on derivative financial instruments), transactions costs relating to equity transactions, share based payments, Loss / (Gain) on sale of property and equipment, Loss on de-recognition of financial assets measured at amortized cost, net, Credit impairment loss, net, Loss on financial liability measured at fair value through profit and loss, Loss on deconsolidation of a subsidiary and Impairment of goodwill (as applicable).

Note: The low budget films includes films which :

- may not have released theatrically but are distributed on other mediums such as digital, broadcasting etc.
- have been released theatrically but distributed by Eros for the first time



# Operational Highlights

## Executive Vice Chairman & MD's message:



**Commenting on the performance of Q1 FY2019, Mr. Sunil Lulla, Executive Vice Chairman & MD of Eros International Media Ltd. said,**

*"We have started the year on an excellent note on operational and strategic parameters. Our film content is deeply researched and evaluated for its revenue potential across platforms and markets by our business leaders, due to which we were able to again deliver margin enhancing performance in Q1FY2019. The first quarter was marked by the successful releases of our films led by "Bhavesh Joshi (Hindi), Meri Nimmo (Digital release), Blackmail (Overseas), Haami (Bengali), Goodnight City (Bengali) and Alinagarer Golokdhadha (Bengali). Our strong slate across languages, active pre-sales and catalogue monetization of our films' library further supported the performance during the quarter.*

*As always, we continue to be a pioneer in industry innovations in catering to the changing tastes and preferences of the audiences. In this quarter, we released "Meri Nimmo" straight-to-digital on the ErosNow platform. I am happy to share that the film received a tremendous response from the audience and we look forward to launching more such films and originals on the ErosNow platform during the course of this fiscal. With the roll-out of fresh and strong original content, we are confident that the pace of subscriber addition for ErosNow will further accelerate from the current 7.9 million (as of March 2018) paying subscriber base.*

*Looking ahead, we have drawn a compelling line-up for the remainder of the year featuring high-potential movies such as Color Yellow Productions "Happy Phir Bhaag Jayegi", Anurag Kashyap's "Manmarziyan", the India-China co-productions, 'Panda' by Kabir Khan, trilingual "Haathi mere Saathi" and multiple other films across languages. Further, the USD 150 mn content JV is already in the process of implementation with the formation of Reliance Eros Productions LLP and our JV for hindi and regional content with veteran writer V. Vijayendra Prasad will further boost our content strategy and reflect in our financial performance in the forthcoming quarters"*

# Diversified revenues with new films and library monetization

## Q1 FY2019 Operational Overview

- Revenues during the quarter were driven by releases of Bhavesh Joshi (Hindi), Meri Nimmo (Digital release), Blackmail (Overseas), Haami (Bengali), Goodnight City (Bengali), Alinagarer Golokdhadha (Bengali) and Others.
- The Company released a total of 14 films during the quarter, consisting of 1 medium budget and 13 low budget films (5 films in Q1 FY 2018, consisting of 1 High Budget, 1 Medium Budget and 3 Low Budget Films)
- TV and Others segment included satellite sales of catalogue films to Zee TV and others

## Diversified consolidated revenue mix – Q1 FY2019

- Theatrical Revenues contributed – 30.7%, Overseas Revenues – 12.6% and Television & Others – 56.7% as a percentage of Income from Operations



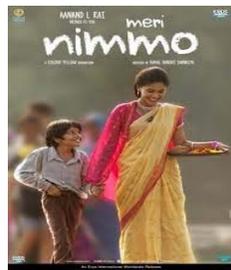
**Bhavesh Joshi**  
(Hindi)



**Blackmail**  
(Overseas)



**Haami**  
(Bengali)



**Meri Nimmo –**  
Digital release

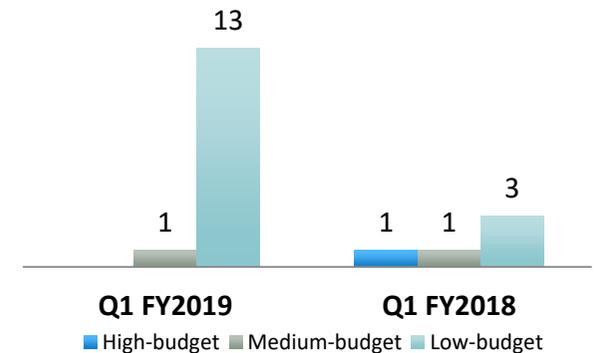


**Goodnight City**  
(Bengali )

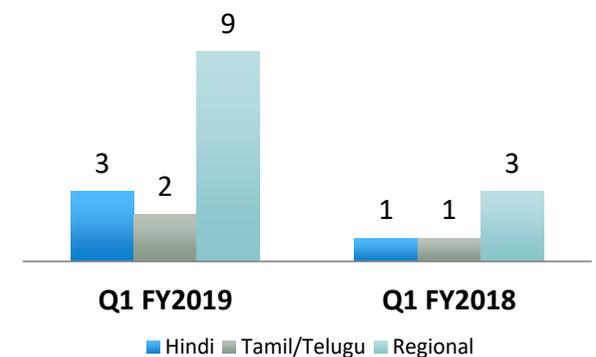


**Alinagarer Golokdhadha**  
(Bengali)

## Portfolio by Budget



## Portfolio by Language



Note: The low budget films includes films which :

- may not have released theatrically but are distributed on other mediums such as digital, broadcasting etc.
- have been released theatrically but distributed by Eros for the first time

# Building high quality content pipeline with veteran writer V. Vijayendra Prasad

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## Eros International forms a JV with veteran writer V. Vijayendra Prasad

- Eros and V. Vijayendra Prasad have partnered to and jointly develop scripts, greenlight projects, produce & distribute films and web-series across Hindi, Telugu and Tamil languages
  - Applauded for his work in movies like **Baahubali**, **Makkhi** and **Magadheera** to name a few, V. Vijayendra Prasad is a name synonymous with stories that live forever
- Setting this venture into motion, Mr. Prasad has already penned down 10 stories which will take shape on screen, under this partnership
- The joint venture has also identified 8 to 10 leading directors that will be announced soon
  - These include a family action thriller by acclaimed Telugu director Sukumar, another thriller in Tamil and Telugu by S.S. Kanchi and Sriman making his Hindi directorial debut under the joint venture
- Eros and Vijayendra Prasad last came together for **Bajrangi Bhaijaan**, which was a spectacular success worldwide including India and China

# Eros has a strong pipeline of ErosNow<sup>(1)</sup> originals under production/release



- **Smoke:** An unflinching look at the politics within the drug mafia that resides in the intoxicant riddled underbelly of its tropical paradise, Goa. Smoke is lead by an all-star cast including Jim Sarbh, Gulshan Devaiah, Kalki Koechlin, Mandira Bedi, Tom Alter amongst others.
- **Blue Oak Academy:** A teen-drama thriller that follows one young boy's quest to exact revenge with the most prestigious academic institution of the nation.
- **Side Hero with Rohan Sippy:** Featuring Kunaal Roy Kapur as a fictionalised version of himself – the less successful younger brother of a hotshot Bollywood producer and star – this comedy drama follows Kunaal trying to land a leading role in a bid to prove that his profession of acting is not just a 'hobby.'
- **August 25th starring Rajat Kapoor (Short Film):** A sci-fi drama that considers the possibility of time travel and the doors that might open up for mankind.
- **Flesh with Siddharth Anand:** An eight-year-old girl goes missing and her NRI parents are forced to seek the help of a suspended female cop in their search for her. An ex-human trafficker is blackmailed to join the search or else risk his sinful past catching with him.
- **Swarajya:** On the eve of India's independence, two senior civil servants in Nehru's government find themselves in the center of the storm, having to deal with myriad issues relating to the transfer of power and birth of a new nation.
- **Minerva Mills Malady:** Following the Minerva Mills Case in the 1970s through the eyes of the petitioners.
- **Kurukshetra with Prakash Kovalamadhi:** The tribals thought they were Gods. The army thought they were militants. What they turn out to be, are five children with 'superpowers' emerging from a genetic mutation. And with destinies that, almost uncannily, resemble the trajectory of the Mahabharata.
- **Hacked with Abbas Tyrewala:** A young man must team up with the spirit of a dead hacker that haunts his new laptop to uncover the truth behind his killing, leading them to a bloody conspiracy of murdered nuclear scientists.

**Note:** (1) ErosNow is Eros International Plc's OTT platform

# ErosNow<sup>(1)</sup>: 100m registered users and 7.9m paying subscribers worldwide<sup>(2)</sup>



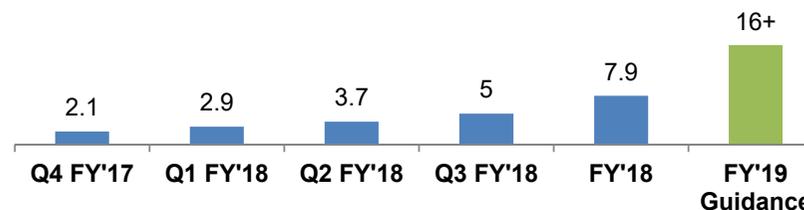
✓ **135**  
Countries inc. India

✓ **100M**  
Registered Users

✓ **7.9M**  
Paying Subscribers

✓ **11,000+**  
Digital Rights

## Rapid growth in paying subs<sup>(2)</sup> (m)



## Major Indian Telco Partnership

	Jio	vodafone	airtel	Idea
	160mm Subs	290mm Subs	213mm Subs	196mm Subs
Parent Company Market Capatilization	\$80bn	\$75bn	\$26bn	\$5bn
EROS Now Exclusive SVOD Partner	✓	✓	✓	✓
Long-Standing Partnership	✓	✓	✓	✓

- Major Indian Telco Partnerships Underpin Sustainability of ErosNow's Moat
- Exclusive Partnerships for Eros Now, and Access to the Largest and Most Linguistically Diverse Digital Indian Film Library for Telcos

## Director to Consumer and Other

### OEM



### Other



### TELCO / ISP



### Streaming



### WALLETS



  International

**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. (3) 100m registered users and 7.9m paying subscribers worldwide is as on 31 March 2018.

## Select forthcoming releases (contd.)



Film Name	Star Cast/(Director/Producer)	Language	Tentative Release
Saakshyam	Bellamkonda Sai Sreenivas, Pooja Hegde (Sriwass)	Telugu	Released
Nawabzaade	Raghav Juyal, Punit Pathak, Dharmesh Yelande, Isha Rikhi (Jayesh Pradhan)	Overseas	Released
Happy Phir Bhaag Jayegi	Sonakshi Sinha, Abhay Deol, Jimmy Shergill (Mudassar Aziz / Colour Yellow Productions)	Hindi	Q2 FY2019
Manmarziyaan	Abhishek Bachchan, Vicky Kaushal, Tapsee Pannu (Anurag Kashyap / Colour Yellow Productions)	Hindi	Q2 FY2019
Tumbbad	Sohum Shah, Harish Khanna (Colour Yellow Productions/ A Little Town Productions)	Hindi	Q3 FY2019
Mumbai Pune Mumbai 3	Swapnil Joshi, Mukta Barve	Marathi	FY2019
Haathi Mere Saathi	Rana Dugabatti (Prabhu Soloman)	Hindi / Tamil / Telugu	FY2019
Ticket to Bollywood	Amyra Dastoor, Diganth Manchale / (Eros)	Hindi	FY2019
Kaptan	Saif Ali Khan, Zoya and others (Navdeep Singh / ColourYellow Productions)	Hindi	FY2019
Boyz II	(Everest Entertainment)	Marathi	FY2019
Nervazhi	Nayanthara (Bharath Krishna)	Tamil	FY2019
Guru Tegh Bahadur	(Harry Baweja)	Punjabi	FY2019

*The above list is indicative and subject to change*

## Select forthcoming releases (contd.)

Film Name	Star Cast/(Director/Producer)	Language	Tentative Release
Kaamiyab	Drishyam Films	Hindi	FY2019
Cobra	Gautam Ghulati, Tarun Khanna, Nyra Banerjee, Ruhi Singh, Director - Munesh Rawal	Hindi	FY2019
Untitled	Ravi Vasudevan	Malayalam	FY2019
Annum Pennum	Rajish Parameshwaran	Malayalam	FY2019
Untitled	Vijith Nambiar	Malayalam	FY2019
Ankhen 2	Amitabh Bachchan & Others	Hindi	FY2020
Shubh Mangal Savdhan - 2	(Colour Yellow Productions)	Hindi	FY2020
Panda (Indo-China)	(Kabir Khan)	Hindi	FY2020
Tannu Weds Manu 3	Anand L Rai	Hindi	FY2020
Roam Rom Mein	Nawazuddin Siddiqui & others (Tanishtha Chatterjee / Rising Star Entertainment)	Hindi	FY2020
Chandamama Door Ke	Sushant Singh Rajput, Nawazuddin Siddiqui (Sanjay Puran Singh)	Hindi	FY2020
Pitch White	(Vipul Shah)	Hindi	FY2020

*The above list is indicative and subject to change*

## Select forthcoming releases



Film Name	Star Cast/(Director/Producer)	Language	Tentative Release
Untitled	(Rahul Dholakia / Next Gen Films)	Hindi	FY2020
Heer	(Colour Yellow Productions)	Hindi	FY2020
Fake	(Raj & DK)	Hindi	FY2020
Re-Union	(Sujoy Ghosh)	Hindi	FY2020
Hera Pheri -3	Suniel Shetty and others	Hindi	FY2020
Untitled	(Homi Adajania / Maddock Films)	Hindi	FY2019
Jaita	Harman Baweja (Harry Baweja)	Hindi	FY2019
Phobia 2	(Next Gen Films - Pawan Kriplani)	Hindi	FY2020
2 Guns	(Krishna Jagarlamudi)	Hindi	FY2020
R. Rajkumar 2	(PrabhuDeva / Next Gen Films)	Hindi	FY2020
Khalifey	Sanjay Dutt, SaifAli Khan, Arshad Warsi (Prakash Jha)	Hindi	FY2020
Make in India	(Next Gen Films)	Hindi	FY2020
Jugaadu	Harman Baweja	Hindi	FY2020
1234 (Part 2)	SunielShetty, Paresh Rawal (AshwniDhir)	Hindi	FY2020

*The above list is indicative and subject to change*



# Financial Highlights

## Q1 FY2019

## Abridged consolidated P&L – Q1 FY2019

Particulars	Q1 FY2019		Q1 FY2018	
	INR mn	USD mn	INR mn	USD mn
Total Income	2,236	33.4	2,734	40.9
Direct Cost	919	13.7	1,282	19.2
Other Expenses	350	5.2	711	10.6
<b>EBIT</b>	<b>967</b>	<b>14.5</b>	<b>741</b>	<b>11.1</b>
<i>EBIT Margins (%)</i>	43.2%	43.2%	27.1%	27.1%
<i>Adj EBITDA<sup>1)</sup></i>	1,101	16.5	1,118	16.7
<i>Adj EBITDA Margins (%)</i>	49.2%	49.2%	40.9%	40.9%
Interest	195	2.9	186	2.8
Profit Before Tax	772	11.6	555	8.3
<b>PAT (after Minority)</b>	<b>593</b>	<b>8.9</b>	<b>483</b>	<b>7.2</b>
<i>PAT Margins (%)</i>	26.5%	26.5%	17.7%	17.7%
Diluted EPS (INR & \$)	6.16	0.09	5.05	0.08

1) Adjusted EBITDA is defined as EBITDA adjusted for (gain)/impairment of available-for-sale financial assets, profit/loss on held for trading liabilities (including profit/loss on derivative financial instruments), transactions costs relating to equity transactions, share based payments, Loss / (Gain) on sale of property and equipment, Loss on de-recognition of financial assets measured at amortized cost, net, Credit impairment loss, net, Loss on financial liability measured at fair value through profit and loss, Loss on deconsolidation of a subsidiary and Impairment of goodwill (as applicable).

2) Exchange Rate: 1 USD = 66.90 INR

# Financial overview and discussion

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## Total Income

- ★ In Q1 FY2019, total income stood at Rs. 2,236 million a decrease of 18.2%. The decrease is primarily due to the film mix as we have not released any high budget film in Q1 FY2019 as compared to 1 High budget film in Q1 FY2018.
  - During the period, we released 14 films in Q1 FY2019 (1 medium budget and 13 small budget films) as compared to 5 films in Q1 FY2018 (1 high budget, 1 medium budget and 3 small budget)

## EBIT

- ★ In Q1 FY2019, the EBIT margins improved to 43.2% in Q1 FY2019, an improvement of 1614 bps, mainly due to lower film rights costs including amortization
  - EBIT stood at Rs.967 million in Q1 FY 2019, higher by 30.5% YoY
  - Direct Costs stood at Rs. 919 million in Q1 FY 2019, including Rs. 683 million of content amortization

## PAT

- ★ In Q1 FY2019, PAT Margins stood at 26.5%, recording a margin expansion of 885 bps
  - PAT (after minority) stood at Rs. 593 million, higher by 22.8% YoY



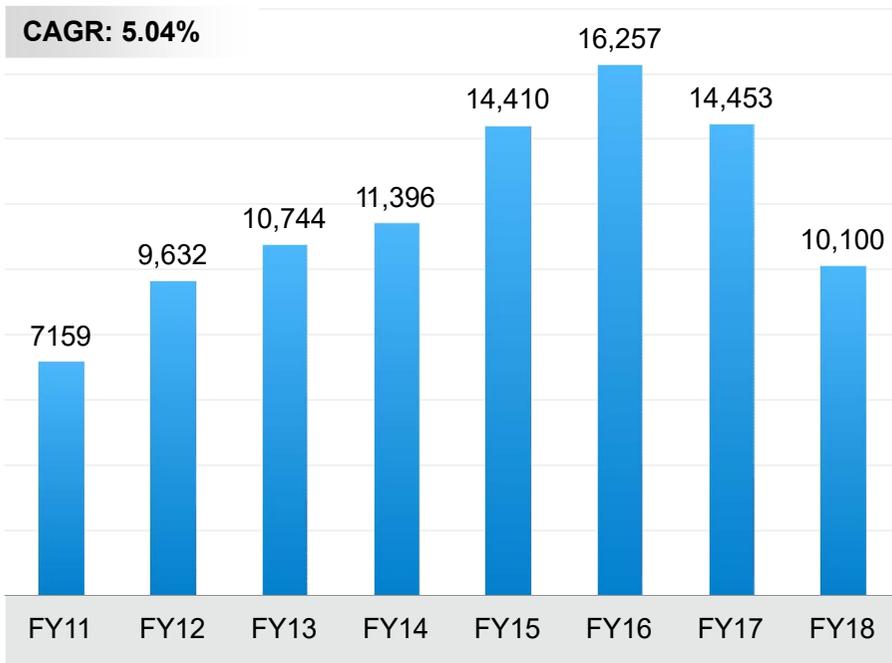
# Historical Financial Snapshot

# Strong financial track-record

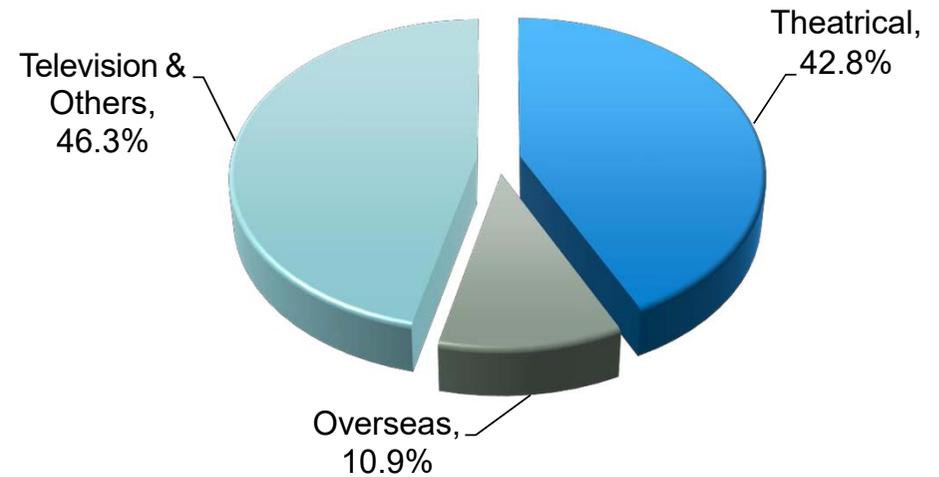


## Diversified Revenue Mix

### Revenues (Rs. million)



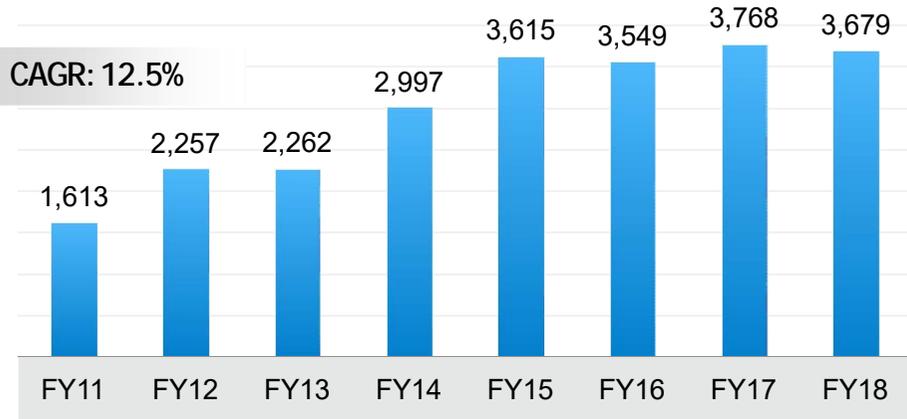
### Revenue Break-up FY2018



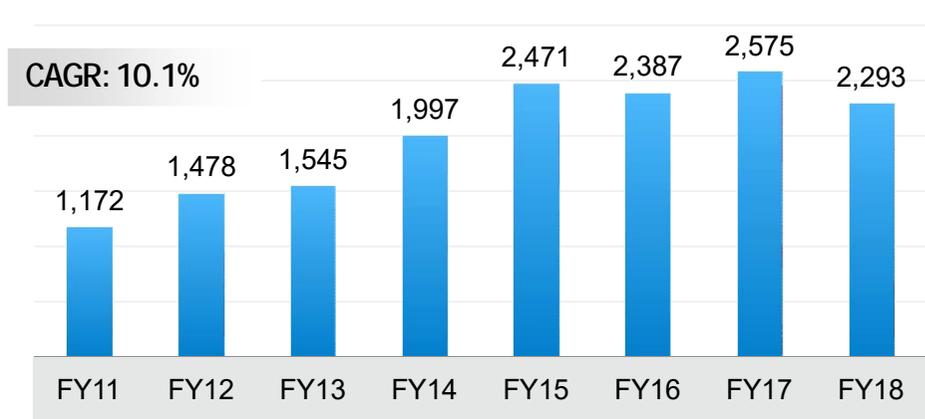
# Consistent profits; strong growth in margins



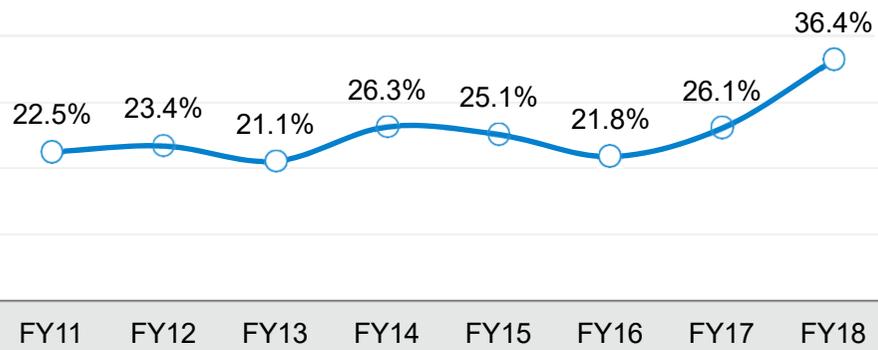
### EBIT (Rs. Mn)



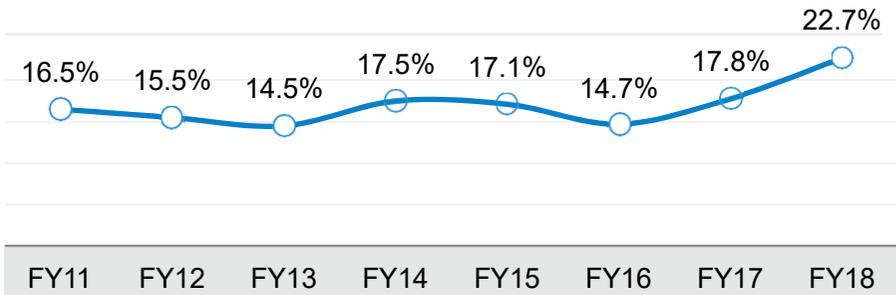
### PAT (Rs. Mn)



### EBIT Margin (%)



### PAT Margin (%)



# About Us

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## 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](http://www.erosintl.com)

## For further information, please contact:

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**Thank You**