

OVERVIEW OF INDIAN PUBLISHING INDUSTRY

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Industry and Macro Economic trends

- The environment is more dynamic than stable
- Vernacular dailies witnessed more fluctuations
- Slow down in Realty sector and government spending had high impact
- Telecom and e-commerce sectors shifting to television and digital
- Newspaper business continues to grow at 8%
- Publishing houses integrating digital via mobile apps and web pages
- Overall positive macro economic environment and optimistic GDP projections keeps investor confidence high
- According to IMF, India could be the fastest growing economy in the world with GDP growing above 7.5%



Newspaper and Magazines

- Many newspapers around the world are downsizing or transitioning towards digital
- India is holding strong with readership increasing in smaller towns, aided by young and aspiring population
- Literacy rates are improving across the country and expected to improve further
- Newspapers still contribute around 96% of the print revenue
- Magazine space is struggling to overcome the onslaught of digital and dropping demand.
- Many publications have discontinued the print versions

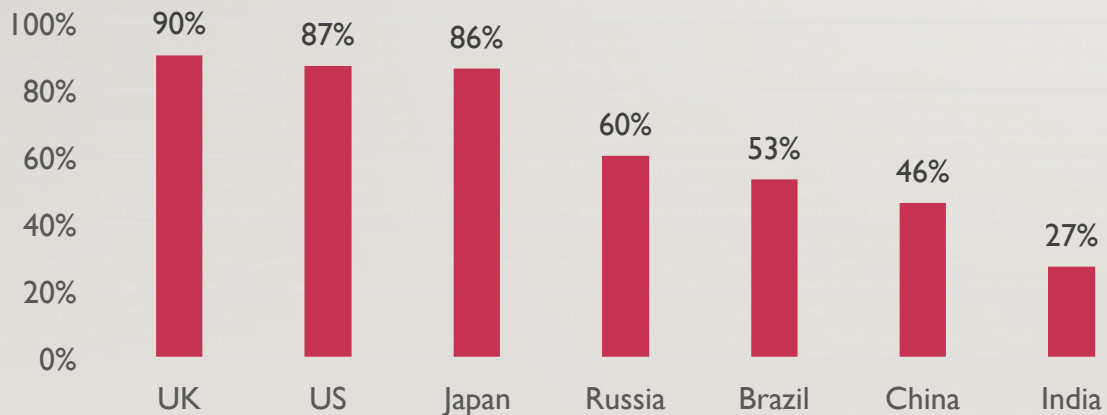
Revenue contribution	2015	2016	2017P	2018P	2019P	2020P
Newspaper industry	94.9%	95.5%	96.0%	96.3%	96.6%	96.8%
Magazine industry	5.1%	4.5%	4.0%	3.7%	3.4%	3.2%



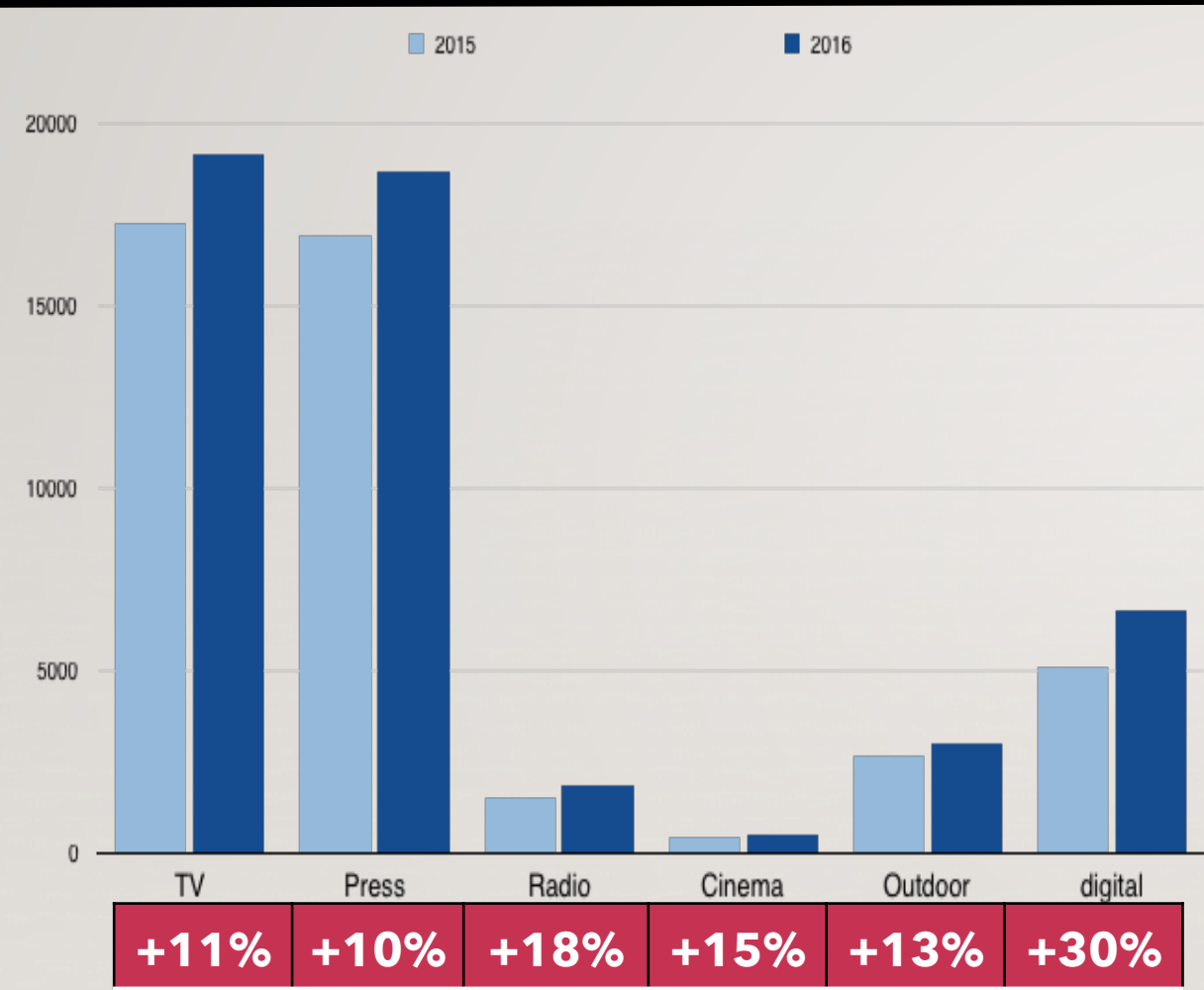
Internet Penetration

- In contrast to western countries, India still have 70% of population without access to Internet
- Newspapers are still the medium with deep reach and credibility
- Television news channels compliment newspapers as people turn to newspapers to validate facts and analysis heard and seen on television.
- Newspapers are still the most trusted media.

Internet Penetration



Advertising Expenditure in India (2015-2016 fc)



Source: Madison. Tenders, appts, classifieds are excluded from Print revenues.

