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

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<td>Newspaper industry</td>
<td>94.9%</td>
<td>95.5%</td>
<td>96.0%</td>
<td>96.3%</td>
<td>96.6%</td>
<td>96.8%</td>
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<td>Magazine industry</td>
<td>5.1%</td>
<td>4.5%</td>
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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.
Advertising Expenditure in India (2015-2016 fc)

+11%  +10%  +18%  +15%  +13%  +30%

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