

heernet ventures

New study forecasts Indian media market to reach US\$17 billion by 2012

February 13 - The Indian media market should reach revenues of US\$17 billion by 2012, according to a new study from the media advisory firm, Heernet ventures. The study forecasts market growth from an estimated Rs 415.4 billion in 2007 to Rs 766 billion in 2012 (CAGR of 13%).

The last twelve months have been a period of exceptional growth for Indian media; all sectors (except music and marketing services) have achieved double digit growth. A large number of new services have been launched across television (Tata Sky), commercial radio (second phase of FM licencing) and publishing (Mint newspaper). In addition to increased corporate investment, leading private equity groups such as Blackstone and Sequoia Capital have completed their first major investments in the Eenadu group and Shaadi.com respectively.

The medium term outlook remains excellent with double digit GDP growth and increasing advertising spend in sectors such as the automotive industry, telecoms, retail and financial services. In the longer term, the sector fundamentals are also positive - the sector will benefit from growing private consumption, urbanisation and higher literacy. The study forecasts that sectors likely to experience the strongest growth are Pay TV, online media and radio. In the Pay TV market, the arrival of conditional access technology in cable television and the emergence of DTH will ensure that channel and platform operators can collect subscription revenues accurately for the first time (CAGR 2007-2012 of 16.8%). In online media, Internet reach will increase rapidly from its current level of 4% of the population; this should drive revenue growth at CAGR of 29.2% through to 2012.

This is the third edition of Heernet ventures' Indian Media Market report; it provides an in-depth strategic and financial assessment of the current state of the industry and its future prospects. The report is essential reading for companies and private equity investors interested in investment opportunities in India's media sector.

The report includes: the investment case for the Indian media market; in-depth profiles and 5 year forecasts for all sectors including television, newspapers, magazines, radio, outdoor advertising, business media, online media; and an exhaustive review of all foreign investment into the Indian media sector since 2000. The report also contains detailed profiles of over 40 leading Indian media companies (including Adlabs, CyberMedia, Deccan Chronicle, Dish TV, Hathway cable, HT Media, India Today group, Indian Express, Info Edge, Inox Leisure, Jagran Prakashan, Malayala Manorama, Mid-day Multimedia, Nimbus, Shringar Cinemas, Sony Entertainment Television, Star TV, Sun TV, Tata Sky, UTV, Wire and Wireless India and Zee Entertainment).

Heernet ventures is a leading media advisory firm; it is currently working with a number of media companies on their India strategy. More details on the report and how to order are available at heernet.com.

For more information, contact Harjinder Singh-Heer.

Tel: + 44 208 180 7223

Email: harjinder@heernet.com.