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Eros International Media Ltd is a leading company in Indian film entertainment industry that acquires, co-produces and distributes Indian language films in multiple formats – theatrical, television and digital.

## Stock Data

Market Cap (Rs. Cr.):	1480
52-week high/low:	277/153
EPS:	16
P/E:	11.2
Book Value (Rs.):	91
P/BV:	1.99
Face Value (Rs.):	10
Avg Daily Volume (Qtr):	53750

- Established leader in the Indian film industry.
- Extensive content library of Indian films and music ( 1100 movies)
- Strong relationships with leading talent for compelling co-production film slate
- Unparalleled access to global distribution network
- Accelerated film monetization driven by strong pre-sales to de-risk investment in films
- 77 new films released in FY 2011-12; 270 films in last three years
- Consistent success at box office – 4 out of the top 10 grossing Hindi movies in 2011 (Ra.One, Ready, Zindagi Na Milegi Dobara and Rockstar)
- Well positioned to capitalise on high growth Indian domestic media and entertainment market with structural upside

## Shareholding Pattern

Promoters:	77.8%
FIs:	7.03%
DIs:	2.37%
Public:	12.8%

**Indian media industry** has been one of the fast growing sectors in the economy, on the back of young India's propensity to spend on discretionary entertainment, rising per capita income and improving technologies like Digital screens. India is the second largest cinema entertainment market with over 1,000 movie releases every year and 3.2 billion movie tickets sold every year versus 2.2 billion in the US.

Eros has been an under-performer and is quoted below the IPO price of Rs.175. **We estimate EPS of Rs.21 for FY 12-13** and the stock is going cheap at below 8 PE. Third quarter of the year could be exciting with the release of many super hits including 'Kochadiyaan'! Clean balance sheet, Dynamic and experienced management and a promising business model, Eros is likely to get investor attention in the near future and we expect the **stock to appreciate by 50% in the next 12 months.**