



## **MEDIA RELEASE**

### **Nimbus attracts Rs. 552 crores (approx US \$ 125 million) private equity investment from 3i, Cisco and OIF**

#### **Deal among the largest ever private equity investment in Indian media & entertainment sector**

#### **3i renews commitment to Nimbus, invests further**

Monday 22<sup>nd</sup> January 2007: In a landmark deal, Nimbus Communications Limited, India's only company with a business mix of media, entertainment and sports, has attracted an investment of Rs. 552 crores (approx US\$ 125 million) from 3i, Cisco and Oman Investment Fund (OIF). This marks 3i's second round of investment in Nimbus, the entry of OIF into the Indian market and Cisco's continued strategy to invest across the Indian content industry.

Commenting on this investment, Harish Thawani, Executive Chairman, Nimbus Communications Limited said, "Nimbus' consistent year-on-year hyper growth, depth of management and aggressive expansion plans were key to attracting the highest quality investors to our third round of private equity investment."

The investment is in the form of compulsorily convertible bonds that will convert into equity based on a pre-set formula, prior to an IPO or trade sale.

Anil Ahuja, Managing Director & Co-Head Asia, 3i, said, "3i invested US \$ 45 million in Nimbus 18 months back and the Company's exemplary execution of its growth plans has enthused us to further participate in this round which is intended to fuel its goal of becoming a billion dollar company by 2010."

Added Akash Khurana, Managing Director, Nimbus Communications Limited, "3i has added immense value to the Company reinforcing our belief that high quality private equity is a valuable growth driver. Their further participation combined with the technological edge that Cisco brings to Nimbus and the Middle East culture knowledge that OIF brings to us is a potent mix for our future growth and profitability."

This investment will largely be deployed to fund sports rights acquisitions, develop global sports events, finance Indian language and international film production and distribution, develop further digital content production for wireless and VOD/IPTV platforms and expand the broadcasting operations of the Company.

Cisco's strategy is to invest in companies that have an innovative business model and help promote new and innovative uses of the Internet and networking technology. This announcement represents Cisco's continued commitment towards investing in innovative, market leading companies in India. Both Cisco and Nimbus share the same vision of India becoming a global leader in putting content and digital media over an IP network.

According to a CII-KPMG report, the entertainment industry in India is projected to grow by 20% year-on-year to touch US \$ 13.5 billion (approx Rs. 59, 500 crores) by 2010.

Television (that overtook the film industry a few years ago) will form the largest chunk in the entertainment industry, constituting over 60% revenues, at a whopping US \$ 8.4 billion (approx Rs. 37,100 crores) by 2010. The KPMG projections forecast film industry revenues at US \$ 3.25 billion (approx Rs. 14,300 crores) in 2010.

The sports events, sports TV production and sports broadcast sector is considered to be the fastest growing sector in the media and entertainment industry and the Company estimates the sports sector to grow to US \$ 1.8 billion (approx Rs. 7.920 crores) in 2010.

Commenting on their investment, Vijai Gill, Chief Investment Officer, OIF said, "OIF, is a relatively new investment vehicle which seeks to position itself as one of the region's leading private equity investors and it expects to achieve the same by investing in companies that are in high growth sectors, have a clear vision of their future and sound management. We found that Nimbus fit the bill perfectly on all counts and is especially well positioned to continue growing off the Indian consumer's rapidly rising disposable income and passion for cricket."

Digvijay Singh, Chief Executive Officer, Nimbus Sport said, 'As a global sports enterprise, the induction of blue chip investors from key major markets across the world open a whole new world of relationships, market access and knowledge that will further enhance the Company's long term growth prospects.'

Nimbus was advised in this transaction by London based Euromax Capital and Mumbai based Enam Financial Consultants.

Stated Darshan Desai, Managing Director, Euromax, "This complex multi-investor transaction spanning diverse geographics exemplifies the Euromax focus on customizing solutions for globally focused Indian companies."

---

For information, interviews and photographs please contact:

For Nimbus Communications Limited

Ms. Amrita Pai OR

E: [apai@neosports.tv](mailto:apai@neosports.tv)

T: +91 9821872502

Mr. Rajiv Adhikari, Perfect Relations

E: [radhikari@perfectrelations.com](mailto:radhikari@perfectrelations.com)

T: +91 98201 28688

For 3i

Ms. Kathryn van der Kroft

E: [Kathryn.VanDerKroft@3i.com](mailto:Kathryn.VanDerKroft@3i.com)

T: +44 20 7975 3021

For Cisco

Mr. Varghese Thomas

E: [vmthomas@cisco.com](mailto:vmthomas@cisco.com)

T: +91 9886605670

## BRIEF SUMMARIES

### **About Nimbus**

About Nimbus Communications Limited

The Mumbai, India headquartered Nimbus is India's only company with a business mix of media, entertainment & sports. Its lines of business are: sports, television, motion pictures and digital content.

Nimbus is a globally oriented company with customers in USA, Canada, UK, Asia, Africa, Australia, New Zealand, Europe and the Middle East. Its operations are located in India, Singapore, Middle East and the Caribbean, with which shortly be expanded to the USA and UK.

### **Sports**

Nimbus Sport International Pte Ltd, the Singapore headquartered wholly owned subsidiary is a global full service sports marketing and sports TV production company with a globally dominant position in cricket. It represents the media and sponsorship rights of ICC events (mandated by GCC), the international media rights of the BCCI (India's Cricket Board), the commercial rights of Asian Cricket Council (Afro Asia Cup) and various cricket Boards across the world. Nimbus Sport produces live television coverage of international cricket events in virtually every cricket playing nation. It has smaller interests in other sports such football, golf and badminton.

### **Television**

The legacy business of Nimbus is television content production in Indian languages, in which it has produced over 5000 hours of programming over 15 years, including seven No 1 shows and fifteen top 10 rated shows.

Nimbus is a leading TV ad sales solutions provider on national and regional television in India, providing these services to independent TV producers, movie producers and sports events rights owners who broadcast their programming in time barter networks in India.

In the last quarter of 2006 Nimbus launched 2 pay TV sports channels NEO Sports and NEO Sports Plus which are exclusively distributed over cable and DTH platforms by the Newscorp owned Star India.

### **Filmed Entertainment (Motion Pictures)**

In the middle of 2006 Nimbus acquired the business interests of a leading film distribution company in India and has since then distributed leading films such as Kalyug, Gangster, Woh Lamhe. Zindagi Rocks and several more. It expects to increase its film rights management and distribution business to between 12-15 films a year from 2007.

Nimbus is also a boutique film production company, and will continue producing 1-2 films a year including international co-productions. It has no plans currently to increase this output.

### **Digital Content**

Nimbus owns and operates a leading edge mobile content production services facility in Mumbai which services leading telcos and content owners requirements. It plans to now launch mobile content products of its own including potentially a sports portal on mobile.

Nimbus is examining several options in the VOD/IPTV content production, distribution and delivery sectors, and is likely to enter this business in late 2007.

### **Corporate Information**

The January 2007 round of private equity investment in Nimbus is its 3rd round. Till date Nimbus has attracted approx Rs 900 crores (approx US \$ 200 million) of private equity investment in its 3 rounds.

The company has negligible debt, therefore has significant headroom for leverage should it choose to raise debt for further growth.

Sales for the year ending 31 March 2007 are expected to be in excess of Rs 1000 crores (approx US \$ 225 million).

### **About 3i**

3i is a world leader in private equity and venture capital with operations in Europe, the United States and Asia.

We are active across all stages of funding, from early-stage venture capital to growth capital and buyouts. We have committed over \$300million to some of the most exciting and ambitious companies in India.

Our purpose is to substantially increase the value of our portfolio companies and then to realize this value, both for ourselves and for our partners, through trade sales and stock market listings.

Our advantage comes from our international network and the strength and breadth of our business relationships. More than 60 years as a pioneer in the industry has taught us that relationships deliver great returns. The strength of our balance sheet, network and approach has enabled us to develop highly successful businesses and entrepreneurs.

We are the only FTSE 100 company in our sector. 3i's total funds under management are £ 7.0 billion (€ 10.4 billion)\*

\* As of 30th September 2006

For further details, please see Press Pack attached.

### **About OIF**

The Oman Investment Fund (OIF) was established in 2006 in accordance with a Royal Decree of His Majesty the Sultan of Oman. OIF's sole shareholder is the Government of the Sultanate of Oman and its governing body is the Financial Affairs and Energy Resources Council (FAERC). The Chairman of OIF's Board of Directors is both the Deputy Chairman of FAERC and the Minister of National Economy. OIF's remit is to make equity investments in companies and real estate in Oman and globally. OIF's strategy is to build a diversified portfolio of investments across industries and geographies.

\*\*\*\*\*