

Andrew Hall

Head of Government Affairs
NBCUniversal International

NBCUniversal



#1 Broadcast network in the US
(Adults 18-49)



17 Pay TV channels



4,200 Feature films
(c. 30 films per year)



110,000+ TV hours
(4,500+ hours per year)



4 Theme parks



Digital Hulu, NBC.com, Fandango, E! Online



#1 Cable operator in the US
22m Subs



#1 Broadband provider in the US
22m Subs



#4 Fixed line phone provider in the US
11m Subs



#1 Video on demand provider in the US
5bn video views per year
270,000 VOD titles available now



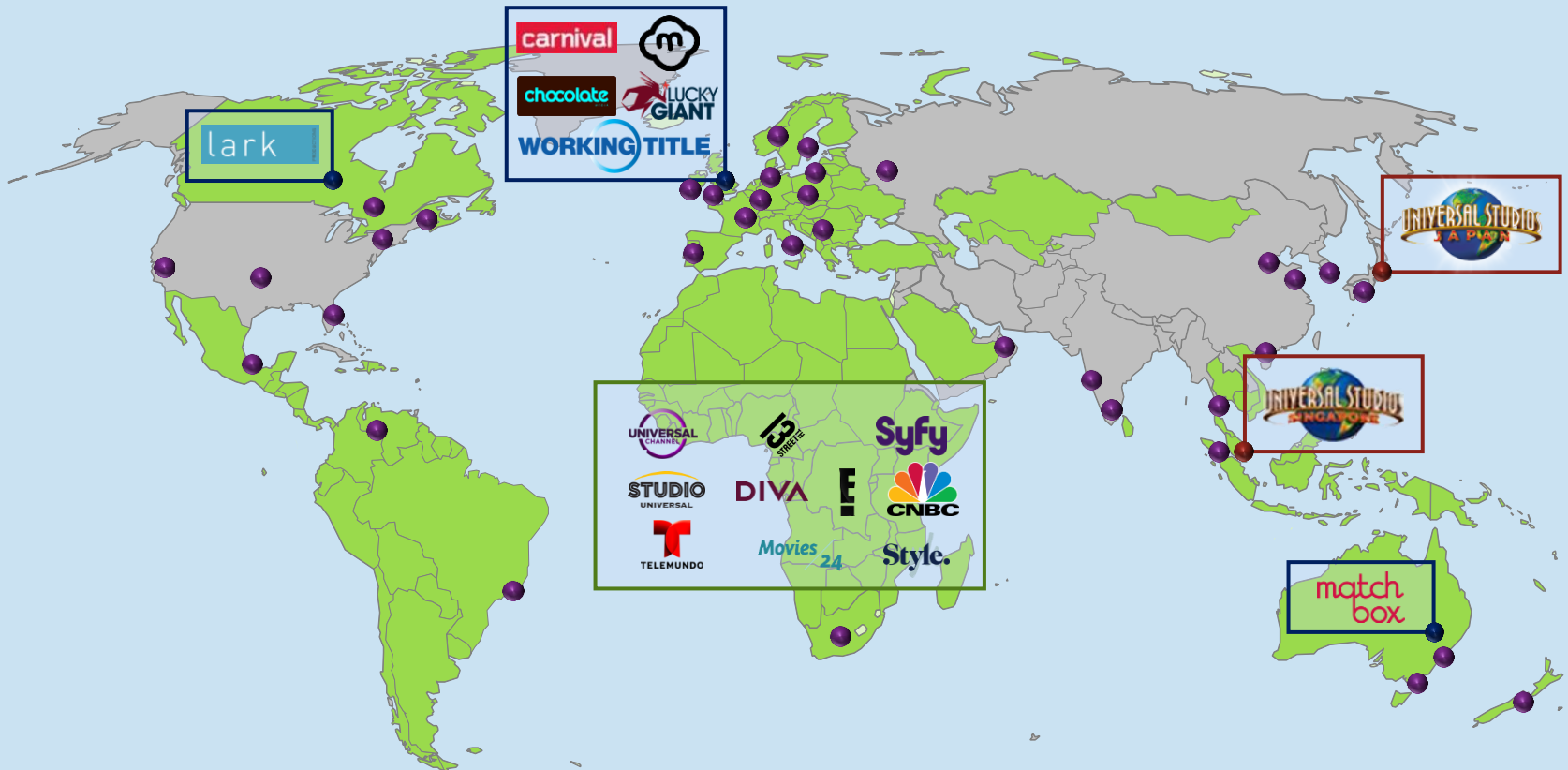
Overview of NBCU International | By Footprint

Distribution
Sales Offices in
36 Territories

International Channels
53 Channels ¹
414m Channel Subs | 167 Countries

Theme Parks
Japan & Singapore

Production
7 Production Companies
Canada, Australia and the UK





NBCUniversal

2015

Revenue \$ 75bn +8.3%

Operating income \$ 16bn +7.7%

2015

Revenue \$ 28.5bn +12%

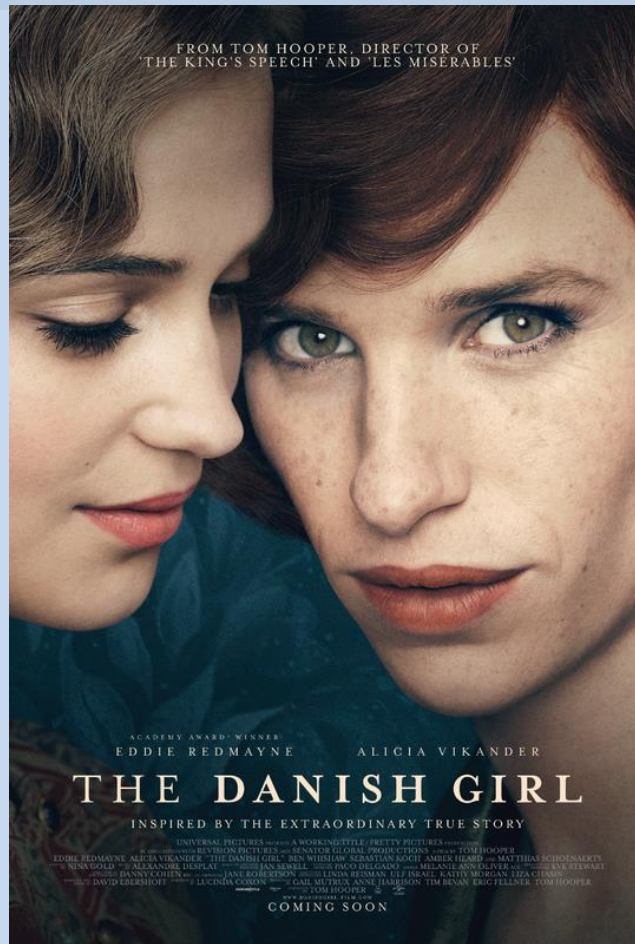
Operating income \$ 6.4bn +15%



Despicable Me - 2010
Despicable Me 2 - 2013
Minions - 2015



Jurassic World, 2015



The Danish Girl - 2015



Eight Basque Surnames – Spain, 2014



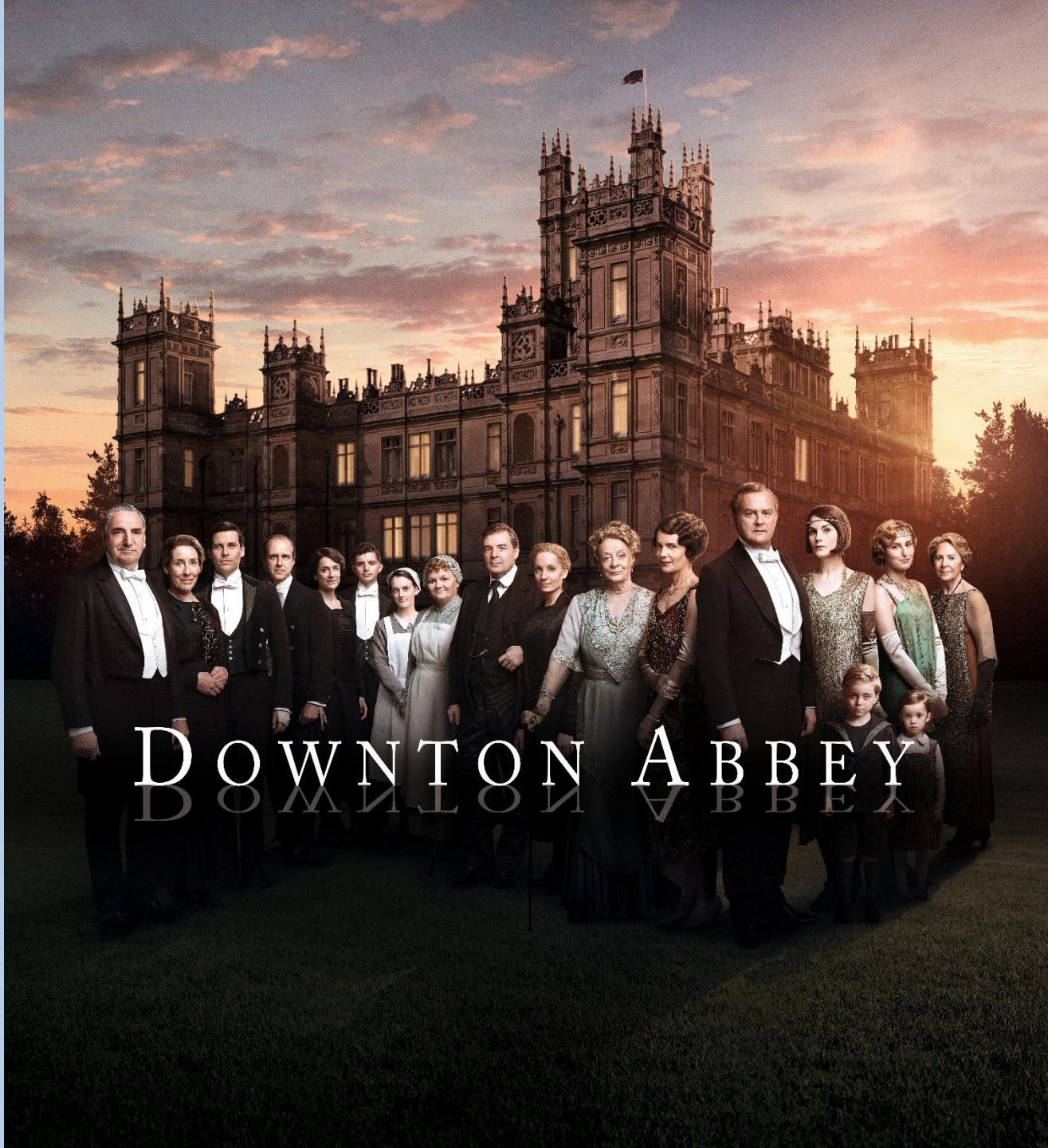
DAS TAGEBUCH DER
ANNE FRANK

AB 03. MÄRZ 2016 IM KINO

Diary of Anne Frank – Germany, 2016



The Slap – Australia, 2011



DOWNTON ABBEY

Government Affairs and Content Protection to do list

Government Affairs

- EU
 - Digital Single Market
 - Data Privacy
 - Digital contract law
 - Net neutrality
- UK
 - Brexit
 - International trade deals
 - Private copy exception
- France
 - Cloud recording of TV
- Spain
 - Catalunya dubbing
 - TV quota requirements
- Germany
 - Internet retrans
 - Authors rights
- Switzerland
 - Single distributor law
- Russia
 - Release date controls
 - Box office ticket tax
- South Africa
 - Copyright law
- Brasil
 - VOD levy
 - Screen quotas
 - Box office ticket tax
- Mexico
 - New media ownerships laws
 - TV channel auctions
- Australia
 - Copyright – fair dealing/fair use
 - Expansion of safe harbours
- New Zealand
 - Copyright – fair dealing/fair use
- China
 - Online distribution of foreign content
 - Theatrical distribution agreement

Government Affairs and Content Protection to do list

Content Protection

- **Sources**
- **Hosting**
- **Criminal referrals**

- **Enforcement actions**
 - Megaupload
 - Kickass Torrents
 - Fast & Furious 7

- **Intermediaries**
 - ISPs and siteblocking
 - Advertisers – PIPCU and US
 - Domain Name Registrars
 - Search
 - Payment processors

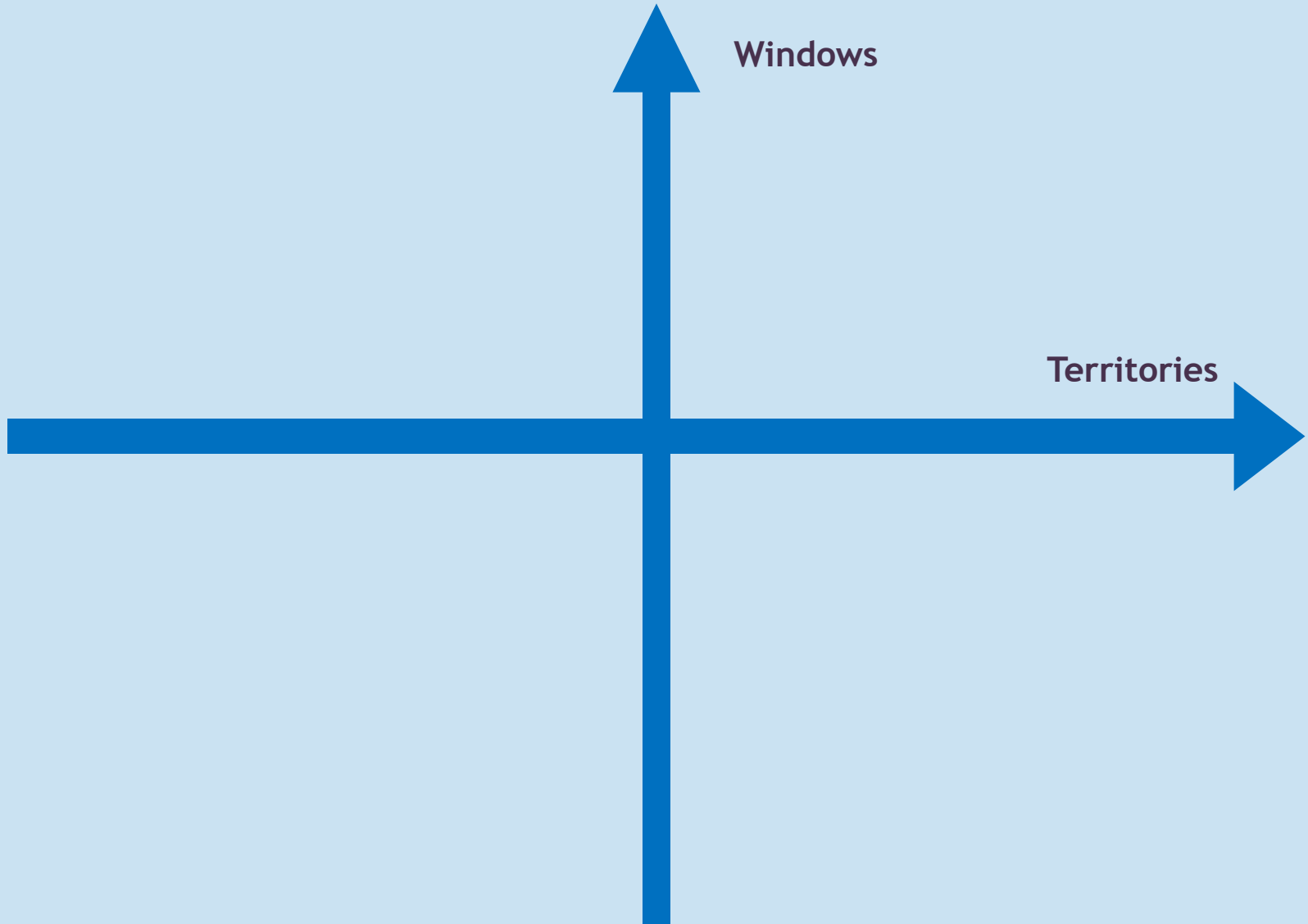
- **Set Top Boxes**

- **Education**
 - France – Hadopi
 - UK – CCUK
 - US - CAS

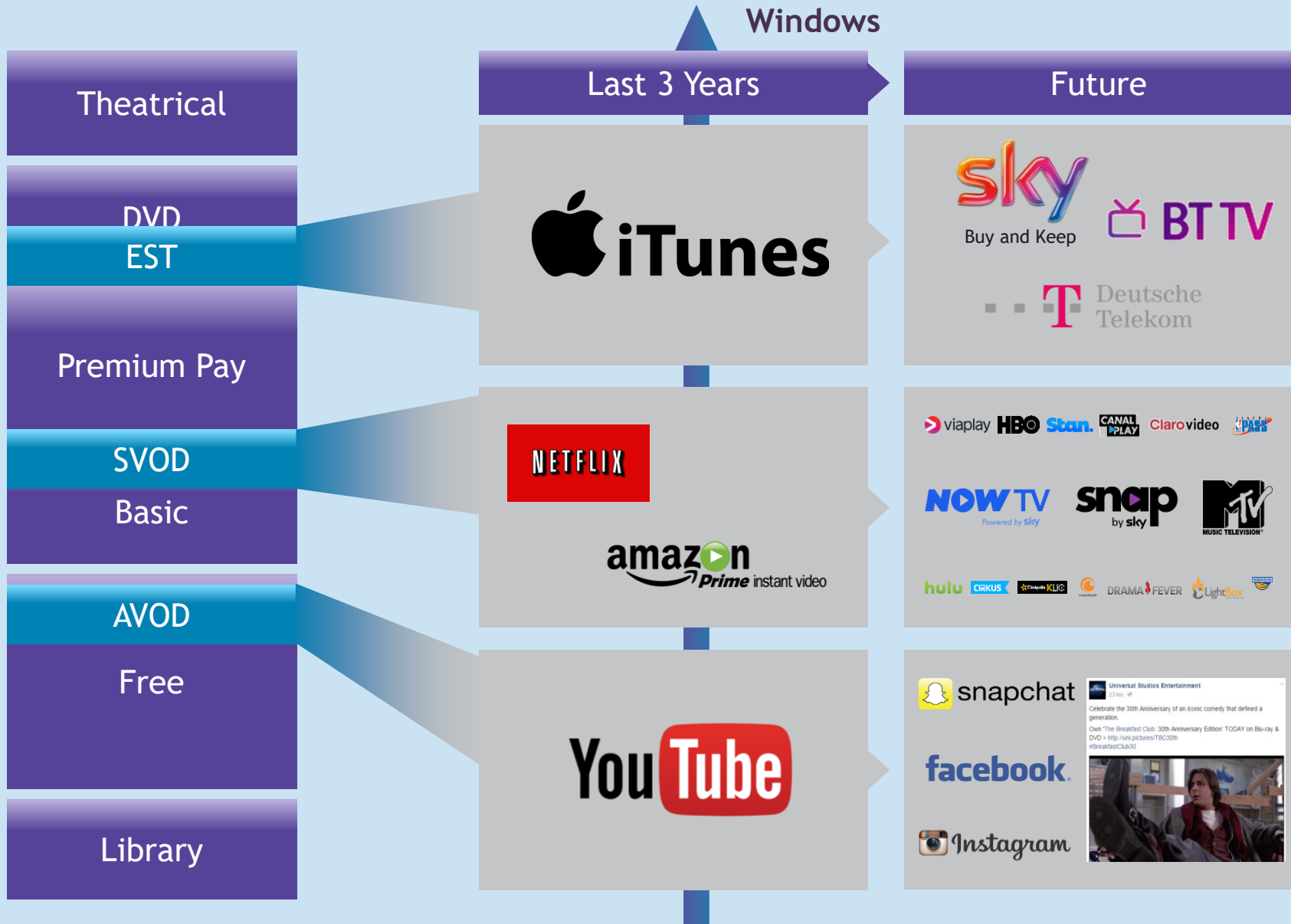
- **Siteblocking**
 - Denmark
 - UK
 - France
 - Russia
 - South Korea
 - Indonesia
 - Malaysia
 - Singapore
 - Australia

- **Defence of copyright – precedent cases**
 - Que Choisir
 - eLending
 - BREIN/Filmspeler
 - Sanoma

Traditionally, Content Monetised in Two Ways



Vertical: Emerging Windows challenging traditional models



Future for Filmed Entertainment and TV content

➤ Theatrical box office

- \$ 38bn market
- Strong growth in International
- + 8% CAGR '15-'20
- Low growth in Domestic
- International - 71% of global

➤ Importance of franchises/animation

- 2005 3/5 top films
- 2015 5/5 top films

➤ Home entertainment

- Continuing decline in physical
- Digital grows to equal physical by 2020

➤ Pay TV

- EMEA countries continue growth

	'16 - 21
Cable	+1.7%
Satellite	+2.8%
IPTV	+8.0%
TOTAL	+3.4%

- UK + 4.7%
- France + 1.5%
- Germany + 4.5%

Digital opportunities

➤ No single “International” market

• Regional and local variances across:

- Digital infrastructure
- Consumer spend
- Affinity for US content
- Cannibalisation risk

➤ Regional differences - examples

	US	China	India
Credit card penetration	77%	16%	4%
Pay TV ARPU	79%	6%	5%
Broadband - penetration	84%	46%	8%
Broadband – speed mbps	13%	4%	3%
Mobile active subscribers	330	670	468
Mobile active users	95	650	160

Digital opportunities

➤ Digital growth

- Organic
- M&A



BuzzFeed



➤ Transactional new models – EST on MVPDs and Windows

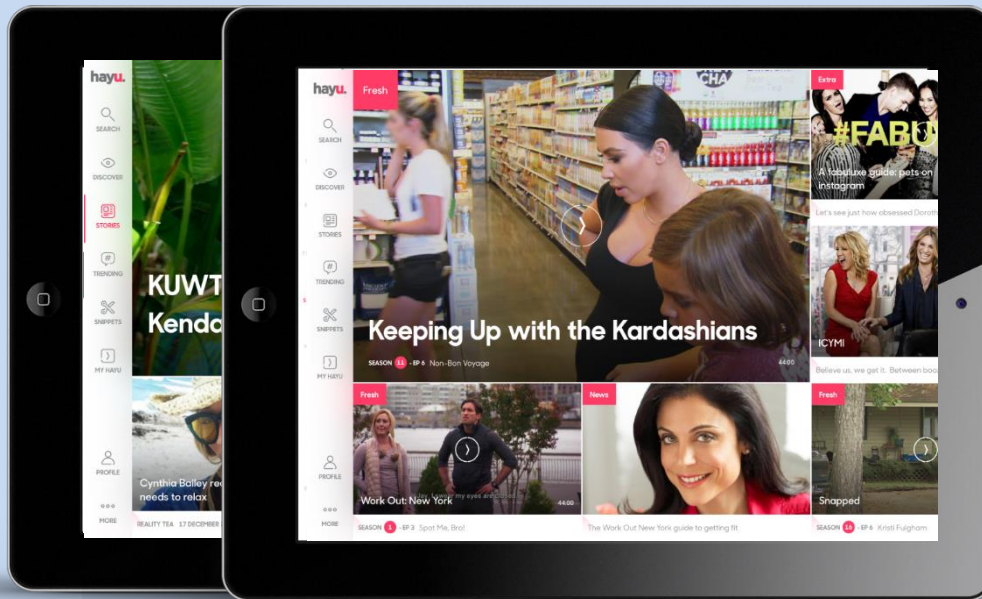
➤ SVOD licensing growth, including China



➤ Branded SVOD/AVOD opportunities

➤ B2C SVOD models – Regional, Local, Niche – Hayu, Seeso

hayu. NEXT GENERATION SERVICE



REALITY TV DESTINATION

Live with 4,000 episodes and full box sets: Adding 500+ episodes per year, 75%+ of which are same day as US

FULL SOCIAL INTEGRATION

Video & social media combined



SNIPPETS

short viral clips that can be shared, posted and tweeted to user's own social accounts

CURATED EXPERIENCE

news articles, playlists, video discovery & original editorial (stories and videos)

FULLY INTEGRATED NEWSFEED

featuring our shows and talent

EXTRAS

interviews, behind the scenes, trailers

hayu. THE JOURNEY SO FAR...



MINUTES PER SESSION

42

HOURS PER MONTH

16

DEVICES

54% App
46% Web



PRESS RESPONSE HIGHLIGHTS

Reality TV fans (and those of you in the reality TV closet), your lives are about to change for the better, and we're not prone to exaggeration – Marie Claire Online

It is sure to be a big success with reality TV lovers – Hello! Online














Reality TV lovers rejoice, you're going to love hayu – Glamour Online

REJOICE, reality TV loving friends, because hayu is about to change your life. No but really. – SugarScape

The new app promises hours and hours of reality TV at your fingertips... and by heck it delivers” - DIGITAL SPY



Digital opportunities cont:

Live streaming	<ul style="list-style-type: none"> - major focus for leading digital players 	  
vMVPD/OTT	<ul style="list-style-type: none"> - 2015 OTT launches - 2016 new players - opportunity to reach cord cutters 	    
VR/AR	<ul style="list-style-type: none"> - Facebook and Google leading investment 	 
Social platform video	<ul style="list-style-type: none"> - Snapchat, Facebook, Youtube, Amazon - Investment in local original content 	  

Digital opportunities cont:

- Ad sales on NBCU digital properties
- Digital first content
- New D2C offerings to address entertainment needs
- Messaging as a platform to engage direct with customers

Platform	Customers
WhatsApp	1,000m
Facebook	800m
WeChat - China	650m

Thank you!