



DISH TV INDIA LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED DECEMBER 31, 2015

**DISH TV ADDS 317 THOUSAND SUBSCRIBERS; ONTRACK TO ACHIEVE
FULL-YEAR TARGET**

AVERAGE REVENUE PER USER (ARPU) INCREASES TO Rs. 172

SUBSCRIPTION REVENUES OF Rs. 7,111 MILLION, UP 12.6% Y-o-Y

EBITDA OF Rs. 2,654 MILLION; EBITDA MARGIN OF 34.4%

PROFIT AFTER TAX (PAT) OF Rs. 685 MILLION

PARES DEBT BY Rs. 3,000 MILLION

Highlights

- ❖ 317 thousand net subscribers added during the quarter. Total subscriber base of 14.0 million at the end of the period.
- ❖ ARPU stood at Rs. 172 vs. Rs. 171 in the preceding quarter.
- ❖ Subscription revenues of Rs. 7,111 million recorded a 12.6% growth over the corresponding quarter last fiscal.
- ❖ EBITDA of Rs. 2,654 million recorded 39.1% growth over the corresponding quarter last fiscal.
- ❖ PAT of Rs. 685 million compared to net loss of Rs. 26 million in the corresponding quarter.
- ❖ Post pre-payment, net debt trimmed to Rs. 5,610 million.

NOIDA, India; February 3, 2016 - Dish TV India Limited (Dishtv) (BSE: 532839, NSE: DISHTV) today reported third quarter fiscal 2016 consolidated operating revenues of Rs.7,715 million, up 11.8% Y-o-Y and subscription revenues of Rs.7,111 million, up 12.6% Y-o-Y. EBITDA for the quarter stood at Rs. 2,654 million compared to Rs. 1,908 million in the corresponding quarter last fiscal. EBITDA margin recorded at 34.4% compared to 27.6% in the corresponding quarter. Profit after tax was Rs. 685 million compared to a loss of Rs.26 million in the corresponding quarter last fiscal.

The Board of Directors, in its meeting held today, has approved and taken on record the unaudited consolidated results of Dish TV for the quarter ended on December 31, 2015.

Commenting on the results, Mr. Goel said, "We witnessed steady growth in the third quarter and our key metrics strengthened further. Subscription revenues grew 12.6% while EBITDA margin improved to 34.4%. Churn was lower at 0.7% per month. PAT was Rs. 685 million compared to a loss of Rs.26 million in the corresponding quarter last fiscal. Free cash flow for the quarter stood at Rs. 1,296 million. With a focus on Balance Sheet strength, Dish TV further pruned its debt by Rs. 3,000 million. The net debt is now around Rs. 5,610 million and likely to reduce substantially going forward."

While the World economy still is not out of the woods yet, India notwithstanding the roller coaster ride of sorts in the financial markets is certainly a bright spot.

Expressing optimism, Mr. Jawahar Goel, Managing Director, Dish TV, said, "Stable macroeconomic fundamentals coupled with a clear set of economic policies being pursued by the government are likely to accelerate economic growth which has of late been showing signs of a pickup, though it lacks the momentum to break out into a full-fledged development mode."

Despite a temporary political gridlock at the legislative front, there continue to be positive expectations about the domestic economy.

Talking about the impact of macroeconomic environment on businesses like Dish TV, Mr. Goel, said, "Schemes like 'UDAY', for the revival of Power Distribution Companies, are likely to go a long way in ensuring affordable and accessible power for the masses. Efforts towards 100% village electrification and 24x7 power supply in urban areas have a direct correlation with our business. Improved power quality is likely to increase the consumption of pay-tv and within that, pre-paid platforms like Dish TV. Further, financial inclusion initiatives like the 'Jan Dhan Yojna' have also facilitated ease of recharge for DTH subscribers by giving them universal access to banking facilities. Rising income levels, growing urbanization and favorable population dynamics instill confidence that India would be able to sustain high growth over a long period of time. Such positive indicators are catalysts for consumption driven sectors like DTH."

The DTH industry however continues to bear the brunt of multiple taxation. With taxation reforms like Goods and Services Tax (GST) still not rolled out, the industry finds it almost impossible to pass on service tax hikes to its subscribers. Service tax has been increased from 12.36% to 14.5% in the last 7 months or so. The entertainment tax regime also has a negative impact on the industry. To make matters worse, industry peers, cable MSO's have still not implemented billing, packaging and dunning across a large part of their operational area.

"This makes passing the burden of service tax and entertainment tax to subscribers all the more challenging especially considering the incidence of negligible tax compliance in the cable mass market," said Mr. Goel.

Talking about digitization and Dish TV's positioning, Mr. Goel said, "We continued to build our pan-India reach during the quarter. However, as expected, despite analog sunset there was no real spike in consumer demand from Phase 3 markets thus making it an ordinary quarter from that perspective. Later, changing gears to align with the current industry trend, we tweaked our subscription packages to a more versatile and seemingly economical offering. Mandatory

digitization however is expected to pick up speed and our key focus going forward would be to gain market share both in terms of subscribers and profitability.”

Enhancing value proposition and providing the maximum and best in entertainment to its subscribers, Dish TV further enriched its high-definition (HD) bouquet with the addition of new HD channels thus taking the total HD channel count to 50, the highest in the industry.

Getting recognition for being one of the most admired corporates that are shaping up the Indian marketplace, Dish TV was honored with ‘The Economic Times Best Corporate Brands’ award in the DTH category on December 22, 2015. The ‘ET Best Corporate Brands’ conducts a survey across a wide spectrum of consumers and stakeholder’s on the basis of parameters like familiarity, interaction, loyalty, trustworthiness, innovation and recommendation.

Condensed Quarterly Statement of Operations

The table below shows the condensed consolidated statement of operations for Dish TV India Limited for the third quarter ended December’ 15 compared to the quarters ended September’ 15 and December’ 14:

Rs. million	Quarter ended Dec. - 2015	Quarter ended Sept. - 2015	% Change Q -o -Q	Quarter ended Dec. - 2014	% Change Y -o -Y
Operating revenues	7,715	7,524	2.5	6,901	11.8
Expenditure	5,060	4,974	1.7	4,993	1.3
EBITDA	2,654	2,550	4.1	1,908	39.1
Other income	42	197	(78.7)	170	(75.4)
Depreciation	1,463	1,330	10.0	1,616	(9.5)
Financial expenses	549	548	0.2	478	14.7
Profit / (Loss) before prior period items & tax	685	870	(21.3)	(16)	-
Prior period items	-	-	-	-	-
Tax expense	-	-	-	10	-
Profit / (Loss) attributable to minority	-	-	-	-	-
Net profit / (Loss) for the period	685	870	(21.3)	(26)	-

Note: Numbers in the table may not add up due to rounding-off

Expenditure

Primary expenses include cost of goods and services, personnel cost, administrative cost, and selling& distribution expenses. The table below shows each as a percentage of total revenue:

Rs. million	Q.E. Dec.'15	% of Revenue	Q.E. Sept.'15	% of Revenue	Q.E. Dec.'14	% of Revenue	% Change	
							Q -o -Q	Y -o -Y
Cost of goods & services	3,695	47.9	3,618	48.1	3,530	51.2	2.1	4.7
Personnel cost	288	3.7	296	3.9	259	3.8	(2.5)	11.2
Other expenses	397	5.2	379	5.0	311	4.5	4.8	27.8
S&D expenses	679	8.8	681	9.0	893	12.9	(0.2)	(23.9)
Total expenses	5,060	65.6	4,974	66.1	4,993	72.4	1.7	1.3

Note: Numbers in the table may not add up due to rounding-off



Footnotes:

This earnings release contains consolidated results that are unaudited and prepared as per Indian Generally Accepted Accounting Principles (GAAP).

Caution Concerning Forward-Looking Statements:

This document includes certain forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause Dish TV's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding Dish TV's present & future business strategies and the environment in which Dish TV will operate in the future. Among the important factors that could cause Dish TV's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the condition of and changes in India's political and economic status, government policies, applicable laws, the Indian media and entertainment sectors, and international and domestic events having a bearing on Dish TV's business and the media and entertainment sectors, particularly in regard to the progress of changes in those sectors' regulatory regimes, and such other factors beyond Dish TV's control. Dish TV India Limited is under no obligation to and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

About Dish TV India Limited:

Dish TV is Asia Pacific's largest direct-to-home (DTH) company and part of one of India's biggest media conglomerate - the 'Zee' Group. Dish TV has on its platform more than 520 channels & services including 22 audio channels and over 50 HD channels & services. Dish TV uses the NSS-6 satellite platform which is unique in the Indian subcontinent owing to its automated power control and contoured beam which makes it suitable for use in ITU K and N rain zones ideally suited for India's tropical climate. The company also has transponders on the Asiasat 5 platform and on the SES-8 platform which makes its total bandwidth capacity equal to 720 MHz, the largest held by any DTH player in the country. The Company has a vast distribution network of over 2,180 distributors & over 216,240 dealers that span across 9,040 towns in the country. Dish TV customers are serviced by thirteen 24* 7 call centres catering to 11 different languages to take care of subscriber requirement at any point of time. For more information on the company, please visit www.dishtv.in