

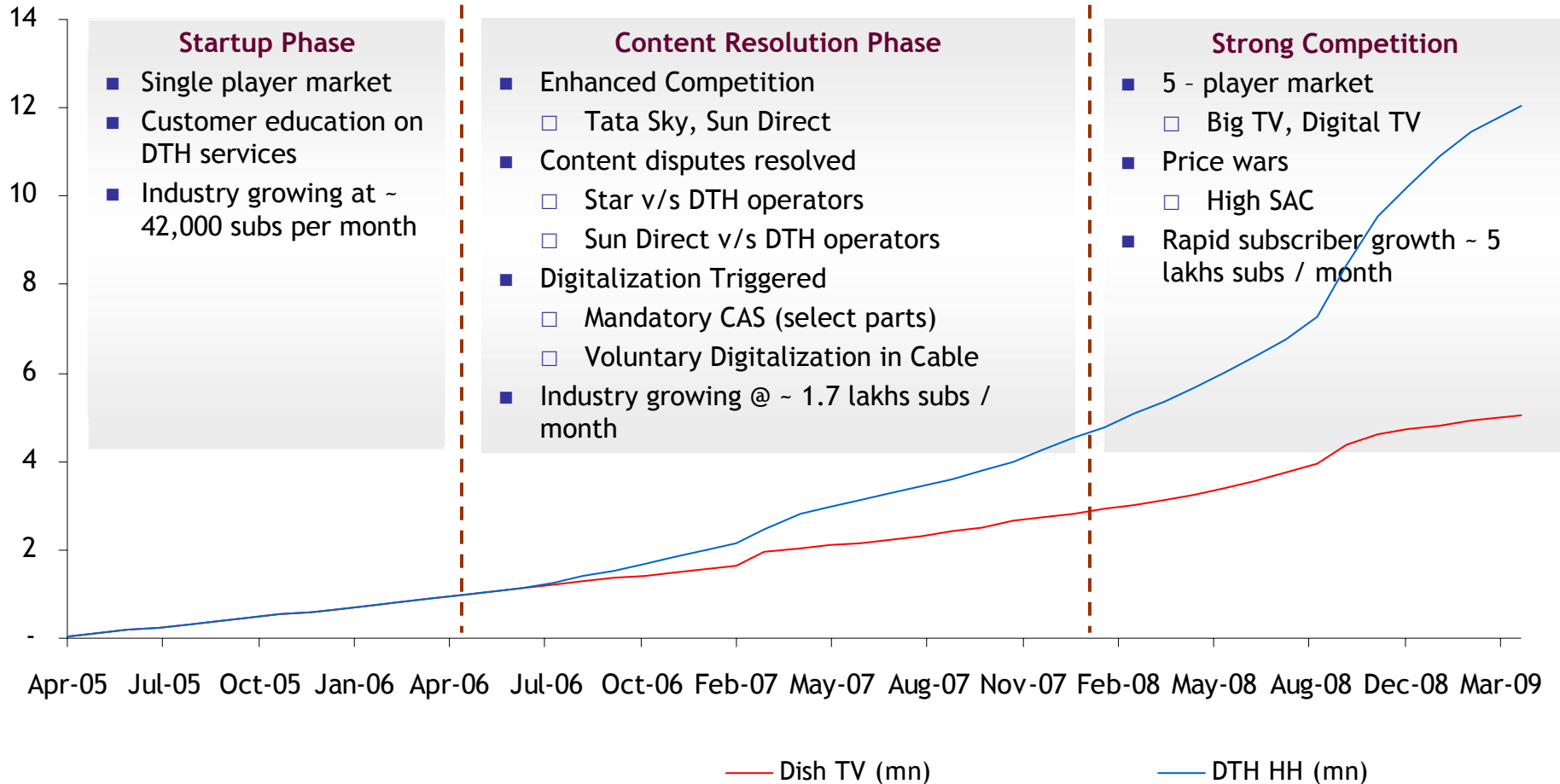
DISH TV India Ltd

Investor Presentation Q4FY09

DTH Industry

Dish TV - Operating and Financial Performance

Subs (In Mn.)



Competition driving growth → 12 mn subs (Mar 2009)

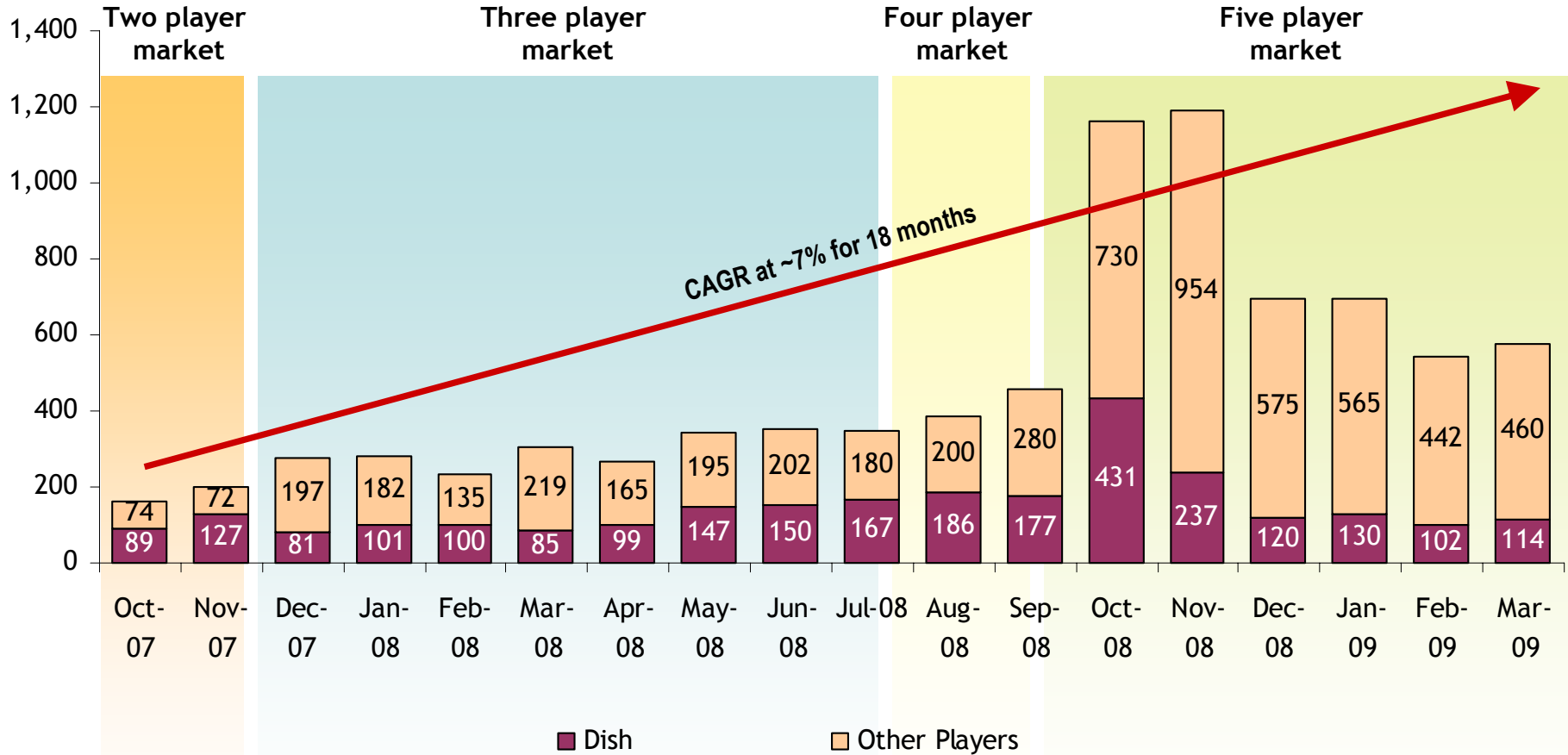
Y/E Mar	2008	2009E	2010F	2012F	2015F
HHs in India (mn)	221	226	232	245	266
TV HHs (mn)	125	134	143	161	191
C&S HHs (mn)	77	82	87	97	116
Additional Subscribers in Multi-TV HHs (mn)	3	5	7	12	22
Total C&S Subscribers (mn)	80	88	94	109	138
Analogue Cable HHs (mn)	67	66	58	49	35
DTH HHs (mn)	7	12	21	35	57
Digital Cable HHs (mn)	6	10	15	25	45

DTH HHs estimated to reach ~ 57 mn by end of 2015

Trends in Subscriber Additions



in '000s



Competitive Landscape



	Dish	Tata sky	Sun Direct	Big TV	Digital TV
Subscribers (million)	5.0	7.0			
Geographical spread (no. of towns)	*****	***	**	**	*
Distributors	*****	***	**	*****	*
Dealer Network	*****	***	**	*****	**
Subscriber Acquisition Strategy	<ul style="list-style-type: none"> ■ Bundled → charged STB + subscription pack ■ Standalone charged STB 	<ul style="list-style-type: none"> ■ Bundled Basic → charged STB + subscription packages ■ Bundled Value-Added → higher cost STB + subscription packages 	<ul style="list-style-type: none"> ■ Bundled → Free STBs + subscription packs 	<ul style="list-style-type: none"> ■ Standalone charged STB ■ Standalone subscription packs ■ Bundled → STB + subscription pack 	<ul style="list-style-type: none"> ■ Bundled → charged STB + subscription packs
Technology	MPEG2 S1	MPEG2 S1	MPEG4 S1	MPEG4 S1	MPEG4 S2

Source: Company, websites

Competitive Landscape



	Dish	Tata sky	Sun Direct	Big TV	Digital TV
Channels tie ups	200 channels	170 channels	170+ channels	150+ channels	150+ channels
Services	40 services	19 services	29 services	54 services	32 services
Content Strategy	<ul style="list-style-type: none"> All major entertainment & niche regional channels to provide unparallel content Give the subscriber maximum entertainment at the best value + tailor made add-on packages to enhance ARPU 	<ul style="list-style-type: none"> All major entertainment channels + value added services eg. VAS (showcase), DVR, Ala-carte Topup 	<ul style="list-style-type: none"> Provide basic & regional channels at a low price to capture the low end customer. English & other channels for evolved customer are very expensive 	<ul style="list-style-type: none"> Offers more content at acquisition & has different reduced packs on renewal Focusing on VAS 	<ul style="list-style-type: none"> Carries world space satellite Radio Variety of Active services
Key Subscription packs (excl. Taxes)	<ul style="list-style-type: none"> Titanium → Rs 3990, 188 channels Platinum → Rs 312, 185 channels Gold → Rs 210, 155 channels Silver → Rs 125, 135 channels 	<ul style="list-style-type: none"> Annual Mega Pack → Rs 5000 Base packages <ul style="list-style-type: none"> South Jumbo → Rs 310 South Value Pack → Rs 200 Super Saver Pack → Rs 275 Super Value Pack → Rs 200 Super Hit Pack → Rs 125 South Starter → 125 	<ul style="list-style-type: none"> Shine + Jumbo Pack → Rs463 Shine Pack → Rs 132 Regional Freedom pack- South → Rs 109 	<ul style="list-style-type: none"> Annual Max →4136 South Max → 469 MAX → Rs 414 South Starter → Rs 232 Starter 3 → Rs 232 Starter 2 → Rs 204 Starter 1 → RS 127 South Starter lite → Rs 127 	<ul style="list-style-type: none"> Ultra Annual → 4245 Ultra → Rs 425 Mega → Rs 303 Economy → Rs 204 New Value → Rs 127 Super Value → Rs 109

Prices inclusive of taxes

Source: Company, websites

DTH Industry

Dish TV - Operating and Financial Performance

Key Strengths

- **Pioneer and leader of DTH services in India**
 - First mover advantage
 - One year lead over nearest competitor
 - ~ 3-year lead over others
 - Largest subscriber base ~ 5.0 mn (Mar-09)
 - Backed by Zee Group → India's strongest Media group
- **Full-service business model**
 - Basic subscription packs
 - Value added services
 - Bandwidth
 - Teleport services
- **Leveraging on first mover advantage backed by strong industry understanding**
 - Diversified content offering
 - 240 channels + Services
 - Content tie-ups at fixed rates
 - State-of-the-art infrastructure
 - Large distribution network
 - Aggressive subscriber acquisition strategy to ensure continued market leadership
- **Focus on cost rationalization**

Key Areas Of Focus

- **Funding For Growth**
- **Strengthening of competitive position**
- **Improving Business Economics**
- **Minimizing Churn**

Rs cr

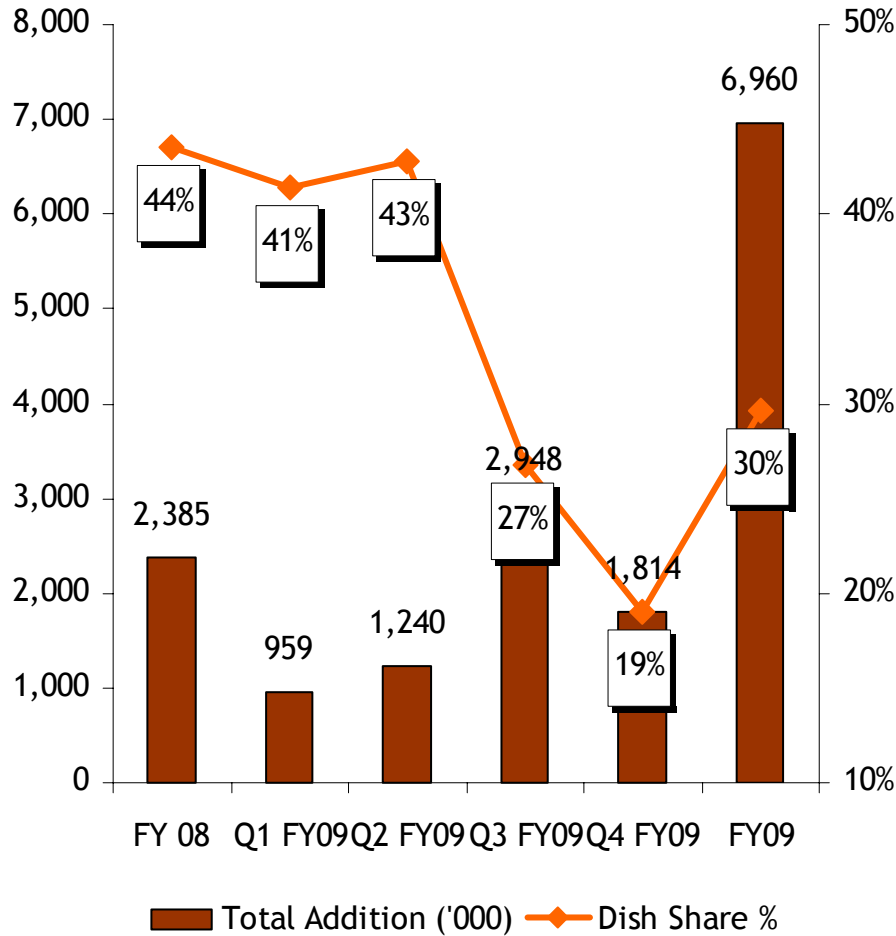
Current	FY08	FY09
Capital Employed	570	1479

- Completion of Rights Issue in Jan-09
 - Committed amount of Rs 1140 cr
 - Raised ~ Rs 310 cr through Rights issue of partly paid shares
 - ~ Rs 410 cr to be raised in Aug 09 through first call money of Rights issue
 - Balance amount to be received over 12 month period

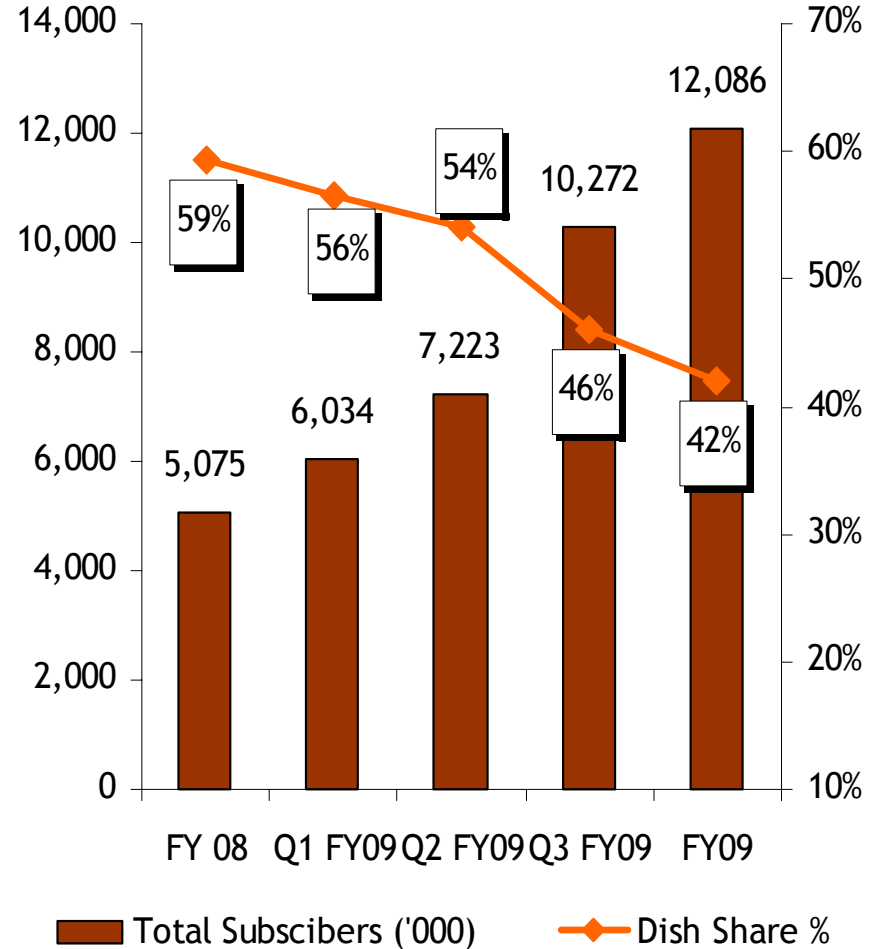
Strengthening of Competitive Position



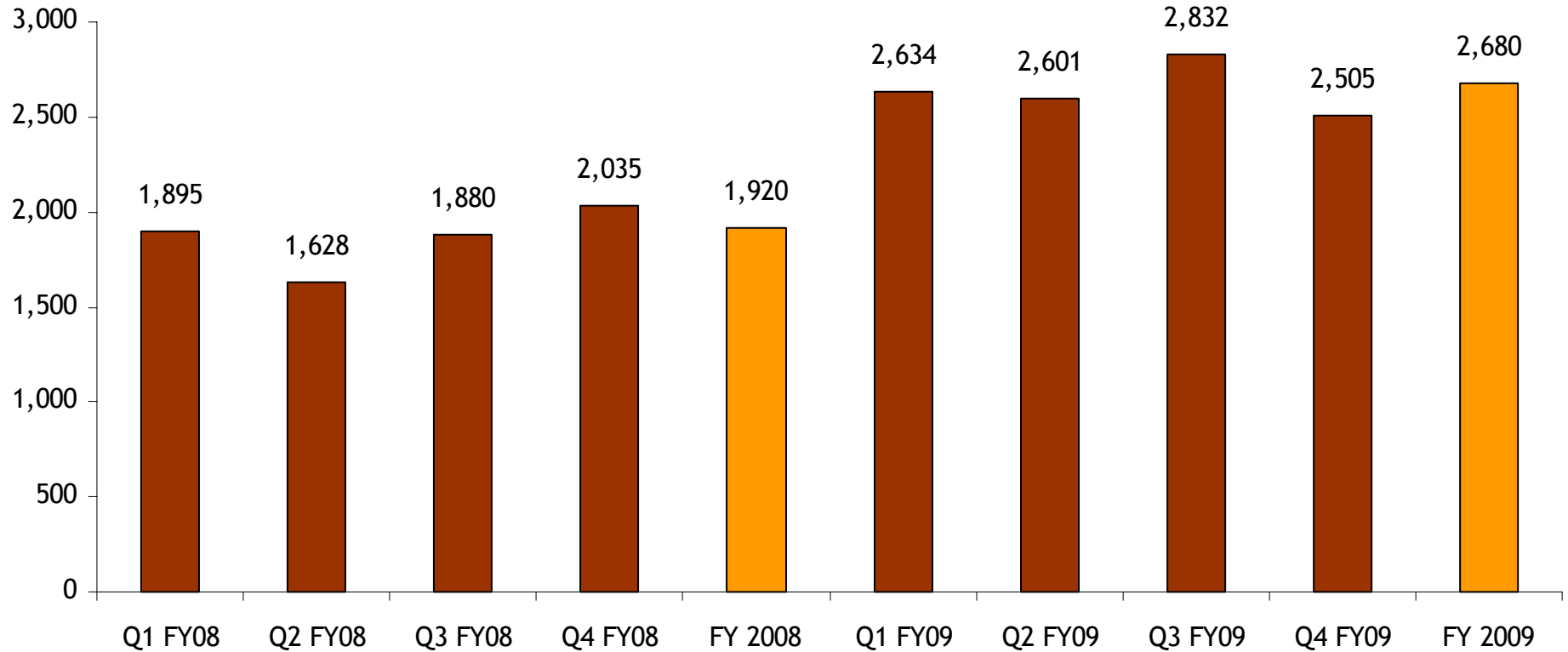
Market share in Subscriber Additions



Market Share on Total Subscriber Base

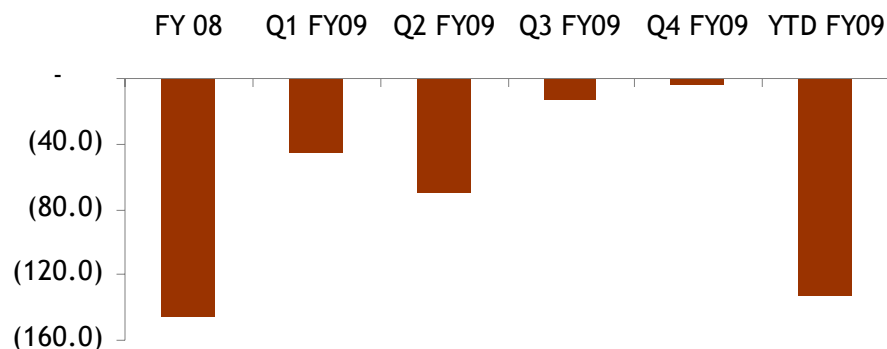


Subscriber acquisition cost

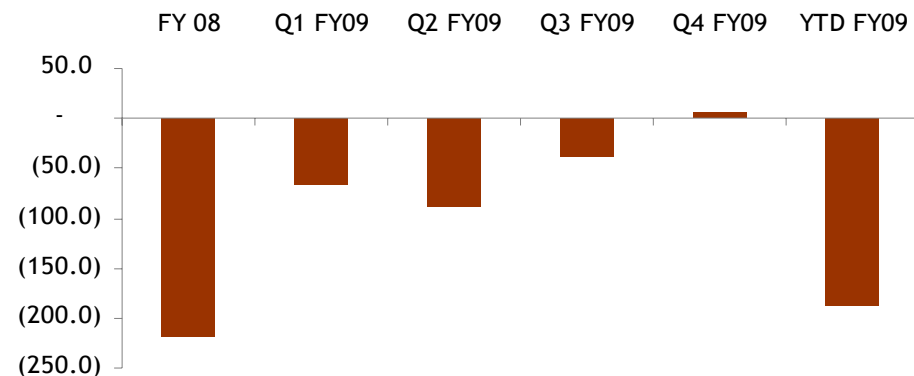


- Subscriber acquisition cost comprises
 - Subsidy on Hardware
 - Marketing cost per subscriber (allocated ~ 80% of the total marketing costs)
 - Commission paid per subscriber

EBITDA from Operations (Rs Crs.)



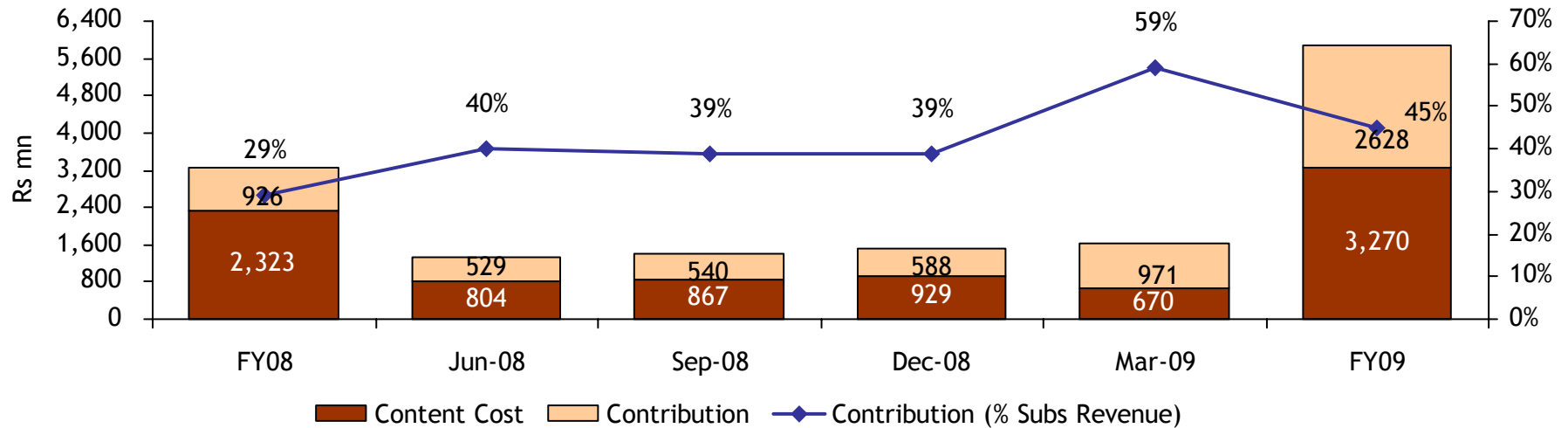
Reported EBITDA (Rs Crs.)



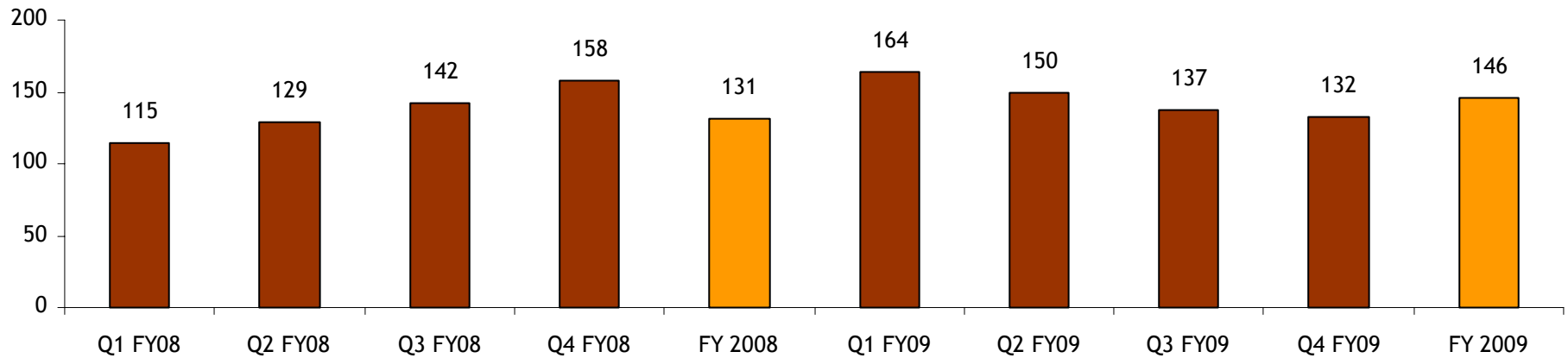
(Rs Crs.)

	FY 08	Q1 FY09	Q2 FY09	Q3 FY09	Q4 FY09	FY09
Total Revenues	413	164	173	193	207	738
Income towards Subscriber Acquisition	60	19	22	28	31	101
Income From Operations	352	145	151	165	176	637
Total Expenditure	631	231	261	232	202	926
Expenditure towards Subscriber Acquisition	133	40	40	54	22	156
Expenditure towards Operations	498	191	220	177	180	770
Reported EBIDTA	-218	-67	-87	-39	5	-188
Reported EBIDTA Margin (%)	-53%	-41%	-50%	-20%	2%	-25%
EBIDTA from Operations	-146	-46	-70	-13	-4	-133
EBIDTA Margin from Operations (%)	-41%	-32%	-46%	-8%	-2%	-21%

Improving Contribution Margins



Trends in ARPU (Rs.)



Financial summary



Rs Crs.

Particulars	Quarter ended				Year Ended		
	Jun-08	Sep-08	Dec-08	Mar-09	Mar-07	Mar-08	Mar-09
Gross Operating Revenue	164.4	173.3	192.7	207.1	190.9	412.7	737.7
Expenditure	231.1	260.7	231.7	202.7	379.9	632.3	926.2
EBITDA	-66.7	-87.4	-39.0	4.4	-188.9	-219.6	-188.5
Add: Other income	0.2	-	0.2	1.0	3.4	3.0	1.3
Less: Depreciation	44.6	49.5	57.0	64.4	57.5	149.0	215.4
EBIT	-111.0	-136.9	-95.8	-59.0	-243.1	-365.7	-402.6
Less: Financial Exps	14.3	17.1	22.1	21.7	8.6	46.9	75.2
PBT	-125.3	-153.8	-117.9	-80.7	-251.6	-412.6	-477.8
Provision for Tax	0.2	0.2	0.2	0.2	0.3	0.6	0.7
PAT	-125.5	-154.1	-118.1	-80.9	-251.9	-413.2	-478.5
Subscriber Added (in lacs)	4.0	5.3	7.9	3.5	10.7	10.4	20.7
SAC (Rs/sub)	2634	2601	2832	2505	1445	1920	2680

EBITDA Positive in Q409 primarily due to savings in:

- Content cost from 61% to 46%
- Collection cost from 6% to 5%
- Selling and Distribution cost reduced by Rs 100 per new subscriber
- Manpower rationalization

Industry level initiatives

- License Fee from 10% to 6% with retrospective effect from 01-Apr-08
- Consensus is being sought for Entertainment Tax to be recovered from subscriber
- Reduction in CENVAT @ 4% to benefit @ Rs. 100 per CPE

Subscriber Acquisition strategy

- Increasing geographical spread across the country
- Shift from providing “ Free STBs” to charging subscriber on the box
 - Bare Box price introduced @ Rs 1,490

Improving Business Profitability

- Revenue initiatives
 - Increasing ARPU
 - Revamped packages to suit needs of varied consumer segments
 - Promoted A-la-Carte Packages extensively
 - Offered Incentives to dealers for retaining customers at high end packages
 - Launched Movie-on-Demand and other VAS services to increase revenue streams
 - Recharge Free Scheme launched to improve the renewal collection (Subscriber offered Free Movies / A-la-Carte package equivalent to his renewal amount)
- Cost Rationalization
 - Content cost to be reduced to 40% of subscription revenue
 - 90% of the cost negotiated on fixed price
 - Collection cost reduced to 5% from 6%
 - Introduction of less expensive means of collection like ICICI Biller, CC Avenues etc.
 - Rationalization of Marketing cost and Sales & distribution costs

'Sabse Zyaada' – Scheme



No.1 **dishtv**

SABSE ZYAADA CHANNELS'
240 channels. Only on dishtv.

GUARANTEED ENTERTAINMENT

WISH HAPPY. DISH HAPPY.

SABSE ZYAADA CHANNELS'
240 channels'. Only on dishtv.

dishtv

WISH HAPPY. DISH HAPPY.

Circle: 9000 x 5 (30 inch)

No.1 **dishtv**

Sabse Zyaada Value
Unmatched Entertainment at Every Price Point

NEW PLATINUM PACK ₹250/mo

- Zyaada Profit
- Zyaada Movies
- Zyaada Bollywood
- Zyaada Sports

NEW GOLD PACK ₹180/mo

- Zyaada Sports
- Zyaada Kids
- Zyaada Entertainment

NEW SILVER PACK ₹110/mo

- Zyaada Hindi Entertainment
- Zyaada Drama
- Zyaada News

WISH HAPPY. DISH HAPPY.

Thank you