



DISH TV INDIA LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED JUNE 30, 2014

DISH TV FURTHER STRENGTHENS INCREMENTAL SHARE LEADERSHIP IN Q1 FY15

ADDS 332 THOUSAND NET SUBSCRIBERS

AVERAGE REVENUE PER USER (ARPU) AT Rs. 170

EBITDA MARGIN AT 24.5%

Highlights

- ❖ Dish TV added 332 thousand net subscribers during the quarter ended June 30, 2014. Total subscriber base of 11.7 million net subscribers at the end of the period.
- ❖ Subscription revenues for the quarter were Rs. 5,886 million while total standalone operating revenues stood at Rs. 6,407 million.
- ❖ Average Revenue per User (ARPU) recorded at Rs. 170.
- ❖ EBITDA at Rs. 1,571 million. EBITDA margin at 24.5%.

NOIDA, India; July 22, 2014 - Dish TV India Limited (Dishtv) (BSE: 532839, NSE: DISHTV) today reported first quarter fiscal 2015 standalone subscription revenues and total operating revenues of Rs. 5,886 million and Rs. 6,407 million respectively. EBITDA for the quarter was Rs. 1,571 million while Net Loss recorded was Rs. 160 million.

The Board of Directors in its meeting held today, has approved and taken on record the unaudited standalone results of Dish TV for the quarter ended on June 30, 2014.

Dr. Subhash Chandra, Chairman, Dish TV India Limited, said, "Sound of the economic growth engine chugging is music for the media and entertainment industry. With consumer confidence gaining traction, efforts towards attaining an environment of moderate inflation will go a long way in boosting consumption demand further. In fact, a new sense of buoyancy thrives already and consumer centric businesses can be potential game-changers in the years ahead."

"Going by the first quarter run-rate, the Indian DTH industry seems to have set ground for a 25% growth in subscriber additions this year. Factoring in the opportunities ahead Dish TV is optimistic about outgrowing the industry growth rate. The company delivered in line with expectations during the first quarter and reclaimed its position as the fastest growing DTH player in the country," he added.

Mr. Jawahar Goel, Managing Director, Dish TV, said, "Post a mediocre 2014, fiscal 2015 had a promising start for the DTH industry. Dish TV, supported by a debt light balance sheet and a more willing consumer market, put the pedal to the metal and led the industry growth by garnering the highest incremental share during the quarter."

“We continued to expand ‘Zing’, our innovative offering for vernacular content across regional markets. The ‘Zing’ service is now available across Odisha, West Bengal, Tripura, parts of Assam and most parts of Maharashtra. A powerful sub-brand, ‘Zing’ has also propelled the sales of the main brand through a wider reach and top of the mind recall. Moving closer towards Phase 3 and 4 of digitization we remain optimistic about our strategy to capture leading share in these markets,” he added.

“In line with our objective of growth with profitability, we took a price hike of 5-7% across the middle and top level packs with effect from the first week of June. ARPU increased to Rs. 170 per month in the first quarter with churn also increasing marginally to reach 0.7% per month. There have been efforts to implement last mile billing by the MSO’s however, a full-fledged roll-out is key to a step jump in ARPU’s across the category,” said Mr. Goel.

“Though the Union Budget announced this month was a non-event for the industry at large, we would continue to push our case for allowance of abatement in Service Tax along with moderation in Entertainment Tax till the Goods and Services Tax Act (GST) sees the light of the day. We are also hopeful of an early resolution of the DTH license renewal and payment of license fees matter in the industry’s favour. We also expect a firm push to digitization and are confident that encryption, packaging, billing and other critical requirements will be implemented at the last mile,” he added.

Condensed statement of operations

The table below shows the condensed statement of operations for Dish TV India Limited for the first quarter ended June ‘14 compared to the quarter ended March ‘14:

Rs. million	Quarter ended June - 2014	Quarter ended March - 2014	% Change Q o Q
Operating revenues	6,407	6,369	0.6
Expenditure	4,836	5,080	(4.8)
EBITDA	1,571	1,289	21.9
Other income	116	201	(42.3)
Depreciation	1,452	1,491	(2.6)
Financial expenses	395	326	21.2
Profit / (Loss) before prior period & tax	(160)	(327)	-
Prior period items	-	(1,164)	-
Tax expense/(write back)	-	-	-
Net Profit / (Loss) for the period	(160)	(1,490)	-

Expenditure

Dish TV's primary expenses include cost of goods and services, personnel cost, administrative cost, advertisement expenses and selling expenses. The table below shows each as a percentage of total revenue:

Rs. million	Quarter ended June - 2014	% of Gross revenue	Quarter ended March - 2014	% of Gross revenue	% Change Q o Q
Cost of goods & services	3,391	52.9	3,524	55.3	(3.8)
Personnel cost	256	4.0	210	3.3	21.9
Other expenses	269	4.2	513	8.0	(47.6)
Advertisement expenses	127	2.0	104	1.6	22.1
Selling & distribution expenses	793	12.4	729	11.4	8.8
Total Expenses	4,836	75.5	5,080	79.8	(4.8)



Footnotes:

This earnings release contains unaudited standalone quarterly results that are 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 400 channels & services including 22 audio channels and over 46 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 acquired transponders on the Asiasat 5 platform which increased its bandwidth capacity by 216 MHz to reach a total of 648 MHz, the largest held by any DTH player in the country. The Company has a vast distribution network of over 1,950 distributors & over 1,72,000 dealers that span across 8,659 towns in the country. Dish TV customers are serviced by six 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