



DISH TV INDIA LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED JUNE 30, 2018

KICKING OFF GROWTH

1Q FY19 NET SUBSCRIBER ADDITIONS OF 301 THOUSAND

SUBSCRIPTION REVENUES OF Rs. 14,893 MILLION, UP 8.1% QoQ

OPERATING REVENUES OF Rs. 16,556 MILLION; UP 8.0% QoQ

ARPU BOUNCES TO Rs. 214

EBITDA OF Rs. 5,568 MILLION; UP 38.9% QoQ

EBITDA MARGIN AT 33.6%, JUMPS 750 BPS

PAT OF Rs. 255 MILLION

1Q FY19 Highlights

- ❖ 301 thousand net subscriber additions during the quarter. Closing net subscriber base of 23.3 million.
- ❖ Subscription revenues of Rs. 14,893 million
- ❖ Operating revenues of Rs. 16,556 million
- ❖ Average Revenue Per User (ARPU) of Rs. 214
- ❖ EBITDA of Rs. 5,568 million
- ❖ EBITDA margin at 33.6%
- ❖ PAT of Rs. 255 million

NOIDA, India; July 09, 2018 - Dish TV India Limited (BSE: 532839, NSE: DISHTV, LSE: DTVL) today reported first quarter fiscal 2019 consolidated subscription revenues of Rs. 14,893 million and operating revenues of Rs. 16,556 million, up 8.1% and 8.0% QoQ respectively. EBITDA for the quarter stood at Rs. 5,568 million. EBITDA margin increased to 33.6%.

On March 22, 2018, Videocon D2h Limited had merged with and into Dish TV India Limited with the appointed date of the merger being October 1, 2017. Financial numbers for 1Q FY19 are thus not comparable with the corresponding period last year(1Q FY18).

The Board of Directors in its meeting held today, has approved and taken on record the unaudited consolidated financial results of Dish TV India Limited and its subsidiaries for the quarter ended June 30, 2018.

A Turnaround Quarter

Subscriber additions picked up speed during the first quarter. The net number of 301 thousand additions were positively impacted by a sports heavy programming calendar. Ramadaan on the other hand moderated the additions in line with past trends. Phase 4 of Digitization continued to dominate subscriber activations. The sheer number of households pending conversion in Phase 4 indicate sufficient growth potential for the industry going forward.

44% of all subscriber additions were of High Definition. In total, HD subscribers form a promising 17% of the total net base of the Company.

Subscription revenues for the quarter increased 8.1% QoQ to Rs. 14,893 million.

Incrementally higher HD viewership, lower discounts at package levels and a price hike across a majority of recharge packages brought about this increase in subscription revenues during the quarter.

ARPU for the quarter leaped to Rs. 214 from Rs. 201 in the previous quarter.

Mr. Jawahar Goel, CMD, Dish TV India Limited, said, “Price hikes initiated during the quarter were a result of some pricing power gathered over the months. It is a positive sign and should stand us in good stead in the year ahead. The first quarter often sets the pace for the full year. Our performance in the first quarter gives us the confidence to deliver in line with our expectations going forward.”

Synergies at Play

With integration across functions getting almost complete, initial cost synergies materialised during the quarter.

Backend, IT and infrastructure synergies were the key contributors to a 38.9% growth in EBITDA sequentially. The overall EBITDA margin jumped to 33.6% from 26.1% in the previous quarter.

“We remain positive on achieving the Rs. 5.1 billion synergies that we have envisaged from the merger for the current fiscal. Part of the estimated synergies are going to be due to a more rational programming cost. Our interactions with our broadcasting partners so far reinforce our belief in the strength of the new Dish TV platform,” said Mr. Goel.

The TRAI Tariff Order

With The TRAI Tariff Order coming into force on July 3, 2018, the industry has a 180 day window to ensure its implementation on the ground unless it is challenged by any of the stakeholders.

Dish TV India Limited sees the regulation to have the potential to minimize discriminatory pricing by ensuring a level playing field between cable and DTH platforms.

Mr. Jawahar Goel, said, “If implemented in letter and spirit, the Tariff Order should be beneficial for the entire industry. Though a lot of work may have to be done by individual stakeholders initially, the benefits shall accrue by way of a higher ARPU for the industry going forward.”

Dish TV was the first in the industry to partially and voluntarily roll out the provisions of the Tariff Order by offering a-la-carte channels to its subscribers at affordable prices. A total of 2.4 million subscribers on Dish TV's platform have so far opted for such paid a-la-carte offerings thus resulting in incremental revenues for the company.

Dish TV India Limited Achieves ISO 27001 Certification

During the quarter, Dish TV India Limited achieved the ISO 27001 Certification for its Noida and Greater Noida based facilities.

ISO 27001 is considered the Gold standard in information security. It sets out and describes requirements and best practices for an Information Security Management System.

Macro Outlook and the Year Ahead

The IMD's forecast of a normal monsoon augurs well for the economy at large and is likely to give an impetus to rural demand. Higher government spending on welfare schemes and development programmes in the run-up to the elections will trickle down to the end consumer. There are clear signs of robust consumer demand continuing and fortifying the Indian consumption story.

Mr. Anil Dua, Group CEO, Dish TV India Limited, said, "We have started a new innings and this year is going to be the year of change at Dish TV. Change for the good.

Whether it is our systems and processes or our approach to sales, service and marketing or for that matter our customer and vendor relationships or our products, everything is going to be viewed through the lens of excellence and efficacy. We believe that we are well placed for superior growth and profitability and that macroeconomic tailwinds will create conditions that will further favour the consumption of pay-tv entertainment of which Dish TV will be a natural beneficiary."

Condensed Quarterly Statement of Operations

The table below shows the condensed consolidated statement of operations for Dish TV India Limited for the first quarter ended June, 2018 compared to the quarter ended March, 2018 and quarter ended June, 2017:

Rs. Million	Quarter ended June 2018	Quarter ended March 2018	Quarter ended June 2017	% Change Q-o-Q	% Change Y-o-Y
Subscription revenues	14,893	13,771	6,917	8.1	115.3
Operating revenues	16,556	15,324	7,389	8.0	124.1
Expenditure	10,989	11,317	5,377	(2.9)	104.4
EBITDA	5,568	4,006 ^[*]	2,012	38.9	176.7
Other income	157	127	98	23.5	60.4
Depreciation	3,608	3,471	1,822	3.9	98.0
Financial expenses	1,775	1,329	590	33.5	201.0

Profit / (Loss) before exceptional items, tax and share of (Loss) in joint venture	342	(667)	(302)	-	-
Exceptional items	0	-	-	-	-
Profit / (Loss) before tax and share of (Loss) in joint venture	342	(667)	(302)	-	-
Tax expense:					
- Current tax	104	(378)	10	-	960.0
- Income tax - prior years	-	-	-	-	-
- Deferred tax	(18)	(1,471)	(172)	-	-
- Deferred Tax - prior years	-	-	-	-	-
Profit / (Loss) after tax and before share of (Loss) in joint venture	255	1,182	(139)	(78.4)	-
Share of (Loss) in joint venture	-	0	(0)	-	-
Net Profit/ (Loss) for the period	255	1,182	(139)	(78.4)	-

Note: 1) Numbers in the table may not add up due to rounding-off.
2) Previous year figures have been regrouped wherever necessary.

Expenditure

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

Rs. Million	Quarter ended June 2018	% of Revenue	Quarter ended March 2018	Quarter ended June 2017	% of Revenue	% change Q-o-Q	% change Y-o-Y
Cost of goods & services	8,841	53.4	8,689	3,765	50.9	1.7	134.8
Personnel cost	577	3.5	668	388	5.2	(13.7)	48.6
Other expenses (Including S&D exp.)	1,570	9.5	1,960	1,224	16.6	(19.9)	28.3
Total expenses	10,989	66.4	11,317	5,377	72.8	(2.9)	104.4

Note: 1) Numbers in the table may not add up due to rounding-off.
2) Previous year figures have been regrouped wherever necessary.



Footnotes:

This Earnings Release contains consolidated unaudited results that are prepared as per Indian Accounting Standards (Ind-AS). Financials for 4Q FY18 are audited and prepared as per Ind-AS.

[*] Adjusted EBITDA of Rs. 4,606 million. Adjusted EBITDA is EBITDA adjusted for merger expenses to the tune of Rs. 600 million booked in 4Q FY18 that have been excluded while calculating Adjusted EBITDA.

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 India Limited is India's largest direct-to-home (DTH) Company with a subscriber base of more than 23 million. It owns multiple individual brands like Dish TV, Zing and d2h under its umbrella. The company benefits from multiple satellite platforms including NSS-6, Asiasat-5, SES-8, GSAT-15 and ST-2 and has a bandwidth capacity of 1422 MHz, the largest held by any DTH player in the country. Dish TV India Limited has on its platform more than 655 channels & services including 40 audio channels and 70 HD channels & services. The Company has a vast distribution network of over 4,000 distributors & around 400,000 dealers that span across 9,450 towns in the country. Dish TV India Limited is connected with its pan-India customer base through call-centres that are spread across 22 cities and are equipped to handle customer queries 24X7 in 12 different languages. For more information on the Company, please visit www.dishtv.in