



## DISH TV INDIA LIMITED

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EARNINGS RELEASE FOR THE QUARTER ENDED SEPT. 30, 2016

**DISH TV MAINTAINS GROWTH, ADDS 259 THOUSAND NET SUBSCRIBERS**

**EBITDA OF Rs. 2,642 MILLION**

**EBITDA MARGIN AT 33.9%**

**PAT OF Rs. 701 MILLION**

**FREE CASH FLOW (FCF) OF Rs. 791 MILLION**

### 2QFY17 Highlights

- ❖ 259 thousand net subscriber additions during the quarter. Closing net subscriber base of 15.1 million
- ❖ EBITDA of Rs. 2,642 million; up 3.6% Y-o-Y. EBITDA margin at 33.9%
- ❖ Profit After Tax (PAT) of Rs. 701 million
- ❖ Subscription revenues of Rs. 7,288 million were up 11.9% Y-o-Y
- ❖ Operating revenues of Rs. 7,793 million were up 9.6% Y-o-Y
- ❖ Average Revenue Per User (ARPU) of Rs. 162 as against Rs. 161 in 2Q FY16

**NOIDA, India; October 28, 2016** - Dish TV India Limited (Dishtv) (BSE: 532839, NSE: DISHTV) today reported second quarter fiscal 2017 consolidated subscription revenues of Rs. 7,288 million, up 11.9% Y-o-Y and operating revenues of Rs. 7,793 million, up 9.6% Y-o-Y.

Effective April 1, 2016, Dish TV harmonized the accounting of entertainment tax in line with industry practice. Prior to such change, entertainment tax was part of operating expenditure however it is now netted-off against subscription revenues. 2Q FY16 figures have been regrouped accordingly to make them comparable.

Year-on-Year revenue growth was despite applicability of higher service tax rate of 15% in the second quarter as against 14% in the corresponding quarter last fiscal. Excluding the impact of higher service tax, the like-to-like revenue growth would have been higher.

EBITDA for the quarter stood at Rs. 2,642 million compared to Rs. 2,550 million in the corresponding quarter last fiscal. EBITDA margin stood at 33.9%. Profit after tax was Rs. 701 million.

The Board of Directors in its meeting held today, has approved and taken on record the unaudited results for the quarter ended on September 30, 2016.

India is now the world's fastest growing economy. With rising disposable income and an ever increasing number of digital pay-tv households, it is also perhaps the most compelling market, worldwide, for DTH services. With another almost 2.8 million subscribers added in the second quarter of fiscal 2017, DTH households in the country have crossed more than the 90 million mark at a gross level.

That said however, the second quarter of the fiscal is usually not the best for the DTH industry.

Mr. Jawahar Goel, CMD, Dish TV, elaborated, "Torrential rains in many parts of the country often force consumers to defer buying a new DTH connection while the existing ones may delay recharging if the going gets too tough. Both sales and recharge however normalize subsequently if the festival season hits early. Targeting phase 3 & 4 markets, our subscriber additions during the quarter remained in-line with expectations."

There was heightened regulatory activity within the Broadcasting and Distribution Services Sector in the last few weeks. Multiple draft orders; the draft Tariff Order, 2016, the draft Interconnection Regulations, 2016 and the draft Quality of Service and Consumer Protection Regulations, 2016 were released by the sector regulator seeking written comments from various stakeholders.

Expressing his views on the regulatory developments, Mr. Goel, said, "While the draft Regulations have been formulated with an intention of subscriber welfare, there are certain omissions, optimistic presumptions as well as unanswered questions that would hopefully be addressed once the final orders see the light of the day. We appreciate the spirit of transparency and non-discrimination that have been the guiding force behind these draft orders and hope that DTH would soon get the level playing field that it has been seeking. Restrictions placed on carriage fees should go a long way in correcting the industry macro environment."

"We continue to remain positive about other regulatory interventions including the proposed new license regime for the DTH sector and the impending nationwide roll-out of Goods and Services Tax (GST). The centre proposing 12% and 18% as the standard rates for majority of the taxable goods is a welcome step," he added.

In line with its strategy to go full throttle in the High Definition market, Dish TV introduced a new HD scheme enabling customers to opt for a HD box over a Standard Definition by paying an additional Rs. 120 only to get the HD hardware. Subscribers can now get started with HD by subscribing to pre-designed HD ala-carte packs worth Rs. 75 per month only in addition to their preferred standard definition package.

During the quarter, Dish TV added 32 new educational channels launched by the Ministry of Human Resource Development on its platform. These channels have been started to disseminate high quality educational content throughout the country and would be available to subscribers on the Dish TV and Zing platforms.

Discussing the results, Mr. Goel said, "Healthy subscriber additions led to a 11.9% Y-o-Y growth in subscription revenues. EBITDA margin was 33.9%. Net Profit for the quarter was Rs. 701 million and positive Free Cash Flow was Rs. 791 million."

## Condensed Quarterly Statement of Operations

The table below shows the condensed consolidated statement of operations for Dish TV India Limited for the second quarter ended Sept.'16 compared to the quarter ended Sept.'15.

Rs. million	Quarter ended Sept. 2016	Quarter ended Sept. 2015	% Change Y -o -Y
Subscription revenues	7,288	6,514	11.9
<b>Operating revenues</b>	<b>7,793</b>	<b>7,112</b>	<b>9.6</b>
<b>Expenditure</b>	<b>5,151</b>	<b>4,562</b>	<b>12.9</b>
<b>EBITDA</b>	<b>2,642</b>	<b>2,550</b>	<b>3.6</b>
<b>Other income</b>	<b>111</b>	<b>197</b>	<b>(43.7)</b>
<b>Depreciation</b>	<b>1,635</b>	<b>1,330</b>	<b>22.9</b>
<b>Financial expenses</b>	<b>554</b>	<b>548</b>	<b>1.2</b>
<b>Profit / (Loss) before tax</b>	<b>564</b>	<b>870</b>	<b>(35.1)</b>
<b>Tax expense</b>	<b>(136)</b>	<b>0</b>	<b>-</b>
<b>Net profit / (Loss) for the period</b>	<b>701</b>	<b>870</b>	<b>(19.4)</b>

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, other expenses (administrative expenses), selling & distribution expenses. The table below shows each as a percentage of operating revenue:

Rs. million	Q.E. Sept. 2016	% of Revenue	Q.E. Sept. 2015	% of Revenue	% change Y-o-Y
<b>Cost of goods &amp; services</b>	<b>3,662</b>	<b>47.0</b>	<b>3,206</b>	<b>45.1</b>	<b>14.2</b>
<b>Personnel cost</b>	<b>364</b>	<b>4.7</b>	<b>296</b>	<b>4.2</b>	<b>23.0</b>
<b>Other expenses</b>	<b>401</b>	<b>5.1</b>	<b>379</b>	<b>5.3</b>	<b>5.7</b>
<b>S&amp;D expenses</b>	<b>724</b>	<b>9.3</b>	<b>681</b>	<b>9.6</b>	<b>6.3</b>
<b>Total expenses</b>	<b>5,151</b>	<b>66.1</b>	<b>4,562</b>	<b>64.1</b>	<b>12.9</b>

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

## Consolidated Balance Sheet

The table below shows the consolidated balance sheet for September 2016 versus March 2016:

Rs. million	Sept. 2016 (Unaudited)	Mar. 2016 (Audited)
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
(a) Share capital	1,066	1,066
(b) Reserves and surplus	3,854	2,741
	<b>4,920</b>	<b>3,807</b>
<b>Non-current liabilities</b>		
(a) Long-term borrowings	8,859	11,535
(b) Other long term liabilities	787	635
(c) Long-term provisions	212	173
	<b>9,859</b>	<b>12,343</b>
<b>Current liabilities</b>		
(a) Short-term borrowings	-	28
(b) Trade payables	2,043	2,298
(c) Other current liabilities	11,630	8,766
(d) Short-term provisions	12,687	12,151
	<b>26,360</b>	<b>23,243</b>
<b>Total</b>	<b>41,139</b>	<b>39,394</b>
<b>Non-current assets</b>		
(a) Fixed assets	25,030	24,201
(b) Non-current investments	-	1,500
(c) Deferred tax assets	4,891	4,360
(d) Long-term loans and advances	2,053	1,714
(e) Other non-current assets	3	27
	<b>31,977</b>	<b>31,802</b>
<b>Current assets</b>		
(a) Current investments	2,362	820
(b) Inventories	128	126
(c) Trade receivables	681	725
(d) Cash and bank balances	3,283	3,392
(e) Short-term loans and advances	2,467	2,286
(f) Other current assets	241	243
	<b>9,162</b>	<b>7,592</b>
<b>Total</b>	<b>41,139</b>	<b>39,394</b>

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

**Footnotes:**

This Earnings Release contains consolidated unaudited 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 582 channels & services including 22 audio channels and over 55 HD channels & services. Dish TV uses the NSS-6 satellite platform along with the Asiasat 5 and SES-8 platforms which makes its total bandwidth capacity equal 828 MHz, amongst the largest held by any DTH player in the country. The Company has a vast distribution network of over 2,268 distributors & over 244,668 dealers that span across 9,322 towns in the country. Dish TV has thirteen 24\*7 call centres catering to 11 different languages to take care of subscriber requirement at any point in time. For more information on the company, please visit [www.dishtv.in](http://www.dishtv.in)