



SITI CABLE NETWORK LIMITED

EARNINGS RELEASE FOR THE SECOND QUARTER ENDED SEPT 30, 2012

CONSOLIDATED OPERATING REVENUES OF RS. 1039.8 MILLION

CONSOLIDATED OPERATING PROFIT (EBITDA) OF RS. 189.3 MILLION

SITI CABLE CONSOLIDATES ITS PAN-INDIA PRESENCE THROUGH STRATEGIC EXPANSIONS

Q2 FY2013- Highlights

- ❖ Total consolidated operating revenues for the second quarter ended Sept 30, 2012 was Rs. 1039.8 million as compared to Rs. 961.5 million during corresponding quarter last fiscal, recording a growth of 8%.
- ❖ The consolidated operating profit (EBITDA) for the second quarter ended Sept 30, 2012 was Rs. 189.3 million as compared to Rs. 72.2 million during corresponding quarter last fiscal.
- ❖ SITI Cable expands its business operations in new Strategic towns.

New Delhi, India; Oct 18, 2012 – The Board of Directors of Siti Cable Network Limited (SCNL) (BSE: 532795, NSE: SITICABLE) in its meeting held today, has taken on record the unaudited consolidated financial results of the Company and its subsidiaries for the quarter ended Sept 30, 2012. The consolidated total revenues for the quarter were Rs 1039.8 million and operating profit (EBITDA) was Rs. 189.3 million.

Mr. Subhash Chandra, Chairman, stated, "Indian television industry is undergoing a big transformation with its move towards digitization. This development has been long overdue and would impact the industry very positively. The subscribers would get a better value proposition in terms of superior quality of audio and video, greater number of channels, ability to choose specific channels, electronic programming guide and several other value added services. . What is of greater significance is the addressability that digitization will induce in television ecosystem. This would benefit MSOs like SITI Cable".

Commenting on the performance, Mr. Chandra said, "I am happy to note that SITI Cable has kept its focus on digitization and consolidated its position in the market. Being present in three out of four metros to undergo absolute digitization in the first phase, SITI has mobilized necessary resources to grow its market share. "

SITI Cable Network Limited

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Mr. Anil Malhotra, COO of SITI Cable commented, "As part of our commitment for timely implementation of digitization in phase-1 cities, we have executed DAS Interconnect agreement with about 60% of our Local Cable Operators and with the majority of broadcasters to give a big push to digitization. We have also introduced monthly digital cable television packages for consumers namely Janta & Popular packages. We have acquired approx 1.0 million digital subscribers in these metros and remained focused on increasing our operating revenues and cost control thereby improving the bottom line. We are confident that the significant positive momentum of digital cable will not only continue to drive SITI's growth for the rest of the fiscal year, but also strengthen the company's growth in the years to come".

Condensed consolidated statement of operations – Q2 FY2013

The table below presents the condensed statement of consolidated operations for SITI Cable Network Limited and its subsidiaries for the second quarter of FY2013, as published:

Siti Cable - Consolidated (Rs Million)	Q2 FY2013	Q2 FY2012	% of Total Revenue		% Growth
			Q2 FY2013	Q2 FY2012	
Operating Revenues	935.3	893.0	90%	93%	5%
Operating Expenditure	850.6	889.3	82%	92%	-4%
Operating Profit/(Loss) before depreciation	84.8	3.6	8%	0%	2248%
Finance cost	195.0	144.2	19%	15%	35%
Depreciation	117.3	77.3	11%	8%	52%
Exceptional Item	0.0	4.0	0%	0%	-100%
Operating Profit/(Loss) after interest, depreciation and ex. Item	-227.6	-222.0	-22%	-23%	3%
Other Income	104.5	68.6	10%	7%	52%
PBT	-123.1	-153.4	-12%	-16%	-20%
Provision for tax	3.4	-11.6	0%	-1%	129%
PAT	-126.5	-141.8	-12%	-15%	11%
Minority interest	-4.9	0.0	0%	0%	

Consolidated operating revenue:

The Company's operating revenue for the quarter is Rs. 1039.8 million as compared to Rs. 961.5 million during corresponding quarter last fiscal, recording an increase of 8%. Operating revenue is



EARNINGS RELEASE FOR THE QUARTER ENDED SEPT 30, 2012

primarily generated from subscriber related income, income from bandwidth charges, income from advertisements, STB activation charges and other operating revenues.

Consolidated operating expenditure:

The Company's main operating expenses include cost of goods and services, employees' cost, selling & distribution expenses and other expenditure. Total consolidated operating expenses stood at Rs. 850.6 million for the second quarter ended Sept 30, 2012 as against to Rs. 889.3 million during the corresponding quarter last fiscal, recording an decrease of 4%. Major cost item was cost of goods & services recorded as Rs. 621.5 million during the quarter representing 60% of the total revenue in comparison to Rs. 637.4 million in the second quarter of the last fiscal, representing 66% of the total revenue.

The table below will enable a better understanding of the operation cost:

Siti Cable - Consolidated (Rs Million)	Q2 FY2013	Q2 FY2012	% of Total Revenue		% Growth
			Q2 FY2013	Q2 FY2012	
Cost of Goods & Services	621.5	637.4	60%	66%	-2%
Staff Costs	69.5	68.6	7%	7%	1%
Administrative Expenses	130.3	145.0	13%	15%	-10%
Selling & Distribution Expenses	29.3	38.3	3%	4%	-24%
Total Operational Cost	850.6	889.3	82%	92%	-4%

About SITI Cable Network Limited

SITI Cable Network Limited (formerly known as Wire and Wireless (India) Limited) is a part of the Essel Group, which is one of India's leading business house with a diverse portfolio of assets in media, packaging, entertainment, technology-enabled services, infrastructure development and education.

SITI Cable Network Limited is one of India's largest Multi System Operator (MSO). With 56 analogue and 14 digital head ends and a network of more than 12000 Kms of optical fibre and coaxial cable, it provides its cable services in India's 60 key cities and the adjoining areas, reaching out to over 10 million viewers.

SITI Cable deploys State-of-the-art technology for delivering multiple TV signals to enhance consumer viewing experience. Its product range includes, Analogue Cable Television, Digital Cable Television, Broadband and Local Television Channels. SITI Cable has been providing services in analogue and digital mode, armed with technical capability to provide features like Video on Demand, Pay per View, Electronic programming Guide (EPG) and gaming through a Set Top Box (STB). All products are marketed under SITI brand name.

For More information about SITI Cable and its businesses, please log on to www.siticable.com





EARNINGS RELEASE FOR THE QUARTER ENDED SEPT 30, 2012

Note: This earnings release contains consolidated results that are un-audited and prepared as per Indian Generally Accepted Accounting Principles (GAAP).

Caution Concerning Forward-Looking Statements

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. Siti Cable Network 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.