



DISH TV INDIA LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED JUNE 30, 2015

DISH TV GAINS FURTHER MOMENTUM; Q1 FY16 EBITDA MARGIN AT A HIGH OF 32.1%

**DIGITIZATION EFFECT; GARNERS HIGHEST EVER Q1 SUBSCRIBER ADDS IN LAST THREE YEARS
27% INCREMENTAL MARKET SHARE**

CONSOLIDATED SUBSCRIPTION REVENUES AT Rs. 6,828 MILLION, UP 20.6% Y-o-Y

EBITDA AT Rs. 2,368 MILLION, UP 51.3% Y-o-Y

NET PROFIT OF Rs. 542 MILLION

Highlights

- ❖ Dish TV added 390 thousand net subscribers during the quarter. Total subscriber base of 13.3 million at the end of the period.
- ❖ With effect from April 1, '15, Dish TV has started netting-off certain collection fees paid to its trade partners from its topline. This has resulted in the company's topline getting shrunk by around 4%, with a similar number being decreased from the middle line. The values for the prior comparative periods have also been recast to reflect the same.
- ❖ Operating revenues of Rs. 7,367 million recorded a growth of 19.2% over the corresponding quarter last fiscal.
- ❖ Post consolidation, Average Revenue per User (ARPU) at Rs. 173 vs. Rs. 172 (like-to-like) in Q4 FY15. ARPU however would have been Rs. 180, as compared to Rs. 179 in Q4 FY15, without the effect of consolidation.
- ❖ EBITDA of Rs. 2,368 million higher by a significant 51.3% over the corresponding quarter last fiscal. EBITDA margin at an all-time high of 32.1%.

NOIDA, India; July 28, 2015 - Dish TV India Limited (Dishtv) (BSE: 532839, NSE: DISHTV) today reported first quarter fiscal 2016 consolidated operating revenues of Rs. 7,367 million, up 19.2% Y-o-Y and subscription revenues of Rs. 6,828 million, up 20.6% Y-o-Y. EBITDA for the quarter stood at Rs. 2,368 million compared to Rs. 1,565 million in the corresponding quarter last fiscal. EBITDA margin recorded at 32.1% compared to 25.3% in the corresponding quarter last fiscal. Profit after Tax (PAT) for the quarter was Rs. 542 million compared to a loss of Rs. 150 million in the corresponding quarter last fiscal.

The Board of Directors in its meeting held today, has approved and taken on record the unaudited consolidated results of Dish TV for the quarter ended on June 30, 2015.

Dr. Subhash Chandra, Chairman, Dish TV India Limited, commenting on the macroeconomic environment in the country, said, "India is transforming. Though the vibrancy is still low, a sense of confidence that things will only get better for us as a nation is largely omnipresent. Such optimism is good not only for the media and entertainment industry but for most industries in

general. The proposed big ticket legislative reforms, on seeing the light of the day, would further strengthen the economic position of India in the global scenario."

In one of the most ambitious reforms ever announced for the media industry in India, Analog TV households are mandated to be digitized under the Digital Addressable System (DAS) notified by the Government. The impending DAS Phase 3 & 4 markets have an 80 million household potential, a large part of which is expected to be lapped up by the prominent DTH players in the country. Dish TV has been at the forefront when it comes to gaining incremental subscribers in the highly competitive DTH industry in India.

"Dish TV has been actively contributing to the 'Digital India' movement by digitizing analog TV homes in DAS phase 3 & 4 markets and remains optimistic about its prospects to acquire a substantial share in these markets. Continuing its focus on growth with profitability, the company delivered another quarter of encouraging financial results," Mr. Chandra added.

Despite Q1 being a relatively weak quarter seasonally, Dish TV gained subscribers both in the Phase 3 and 4 markets as well as in the upmarket localities in the country.

Highlighting Dish TV's performance, Mr. Jawahar Goel, Managing Director, Dish TV, said, "Our first quarter results are in line with the success of our regional and high definition (HD) strategy. Our regional offering, 'Zing', would soon be launched in Kerala and would carry the largest cache of vernacular channels offered in that market. 'Zing' cemented Dish TV's supremacy in the DAS Phase 3 & 4 markets with custom-made content, hardware and service packages for the regional audience. High definition continues to be a value driver and a key differentiator for us compared to other DTH offerings in India. Dish TV's industry leading bandwidth capacity supports 42 HD channels, the largest on offer by any distribution platform so far."

In another industry first from Dish TV, the company recently formed a content negotiating Joint Venture (JV) called 'Comnet' with its group company and multi system operator, Siti Cable Network Limited. Both Dish TV and Siti Cable are equal partners in the JV that came into existence on July 1, 2015. As part of the JV, both companies will hold joint discussions with broadcasters post which separate direct contracts between the broadcaster and distribution platform will be signed. The JV also tends to bring together the industry on contentious taxation issues like the recent arbitrary hike in entertainment tax in Delhi.

Speaking on the development, Mr. Goel, said, "The Delhi government recently increased the entertainment tax from Rs 20 to Rs 40 not realizing that it is a price sensitive market. Neither the consumer nor the broadcaster is ready to take the burden of the increasing cost. Thus, to protect our business model and to remain a consumer friendly company while also complying with all rules and regulations, we thought of coming together on a common platform."

Dish TV recently transferred its non-core business (including set-top boxes, dish antenna and related services) to its wholly owned subsidiary viz. Dish Infra Services Private Limited (formerly known as Xingmedia Distribution Private Limited) on April 1, 2015 on a going concern basis. The company today reported its maiden consolidated quarterly numbers.

Talking about the results, Mr. Goel said, "Led by robust subscriber additions and an improving ARPU, subscription revenues for the quarter increased 20.6% over the corresponding quarter last fiscal. EBITDA of Rs. 2,368 million recorded a significant 51.3% jump over the corresponding quarter. Net Profit for the quarter was Rs. 542 million compared to a loss of Rs. 150 million in the first quarter last fiscal. The resultant free cash flow was Rs. 689 million. Amid improving financial performance, churn for the quarter remained steady at 0.7% per month."

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'15 compared to the quarters ended March'15 and June'14:

Rs. million	Quarter ended June - 2015	Quarter ended March - 2015	% Change Q -o -Q	Quarter ended June - 2014	% Change Y -o -Y
Operating revenues	7,367	7,299	0.9	6,180	19.2
Expenditure	4,998	5,091	(1.8)	4,615	8.3
EBITDA	2,368	2,209	7.2	1,565	51.3
Other income	262	160	63.8	142	84.5
Depreciation	1,598	1,550	3.1	1,453	10.0
Financial expenses	480	456	5.3	395	21.5
Profit / (Loss) before prior period items & tax	553	363	52.3	(140)	-
Prior Period items	11	-	-	-	-
Tax expense	-	14	-	9	-
Net profit / (Loss) for the period	542	349	55.3	(150)	-

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

Expenditure

Primary expenses include cost of goods and services, personnel cost, administrative cost, and selling & distribution expenses. The table below shows each as a percentage of total revenue:

Rs. million	Q.E. June'15	% of Revenue	Q.E. Mar.'15	% of Revenue	Q.E. June'14	% of Revenue	% Change Q -o -Q	% Change Y -o -Y
Cost of goods & services	3,639	49.4	3,681	50.4	3,391	54.9	(1.1)	7.3
Personnel cost	347	4.7	248	3.4	257	4.2	39.9	35.0
Other expenses	349	4.7	328	4.5	273	4.4	6.4	27.8
S&D expenses	663	9.0	833	11.4	693	11.2	(20.4)	(4.3)
Total expenses	4,998	67.8	5,090	69.7	4,615	74.7	(1.8)	8.3

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

**Footnotes:**

This earnings release contains consolidated results that are unaudited and 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 496 channels & services including 22 audio channels and over 43 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 and recently on the SES-8 platform which increased its total bandwidth capacity to 720 MHz, the largest held by any DTH player in the country. The Company has a vast distribution network of over 1,685 distributors & over 2,01,300 dealers that span across 8,929 towns in the country. Dish TV customers are serviced by thirteen 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