



DISH TV INDIA LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED JUNE 30, 2016

DISH TV ADDS 402 THOUSAND NET SUBSCRIBERS

EBITDA OF Rs. 2,646 MILLION, UP 12.2% Y-o-Y

EBITDA MARGIN AT 34.0%

PBT OF Rs. 631 MILLION

PAT OF Rs. 409 MILLION

FREE CASH FLOW (FCF) OF Rs. 627 MILLION

1QFY17 Highlights

- ❖ 402 thousand net subscriber additions during the quarter. Closing net subscriber base of 14.9 million.
- ❖ EBITDA of Rs. 2,646 million; up 12.2% Y-o-Y. EBITDA margin at 34.0%
- ❖ Profit After Tax (PAT) of Rs. 409 million
- ❖ Subscription revenues of Rs. 7,282 million were up 6.7% Y-o-Y. Effective April 1, 2016, Dish TV has harmonized the accounting of entertainment tax in line with industry practice. Prior to such change entertainment tax was part of operating expenditure and is now netted-off against subscription revenues. On a like-to-like basis the growth in subscription revenues is 12.3% Y-o-Y.
- ❖ Operating revenues of Rs. 7,786 million were up 5.7% Y-o-Y. On a like-to-like basis the growth in operating revenues is 10.9% Y-o-Y.
- ❖ Average Revenue Per User (ARPU) of Rs. 174, on a like-to-like basis.

NOIDA, India; July 28, 2016 - Dish TV India Limited (Dishtv) (BSE: 532839, NSE: DISHTV) today reported first quarter fiscal 2017 consolidated subscription revenues of Rs. 7,282 million and operating revenues of Rs. 7,786 million. EBITDA for the quarter stood at Rs. 2,646 million compared to Rs. 2,357 million in the corresponding quarter last fiscal. EBITDA margin was 34.0%. Profit before tax was Rs. 631 million while Profit after tax for the quarter was Rs. 409 million.

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

Global macro remains cloaked in uncertainties. However, with India getting closer to being the world's fastest growing economy in 2016 its attractiveness from a growth standpoint has become even better. The state of the economy is critical for the success of any business.

Mr. Jawahar Goel, Chairman & Managing Director, Dish TV, elaborated, "With the government working on Roads, Railways, Power and other infrastructure and with global energy prices remaining low, the Indian consumer's propensity to consume is definitely on the rise. Add to that, normal monsoon conditions, government's notification of the 7th Pay Commission

recommendations and you have all the ingredients needed to boost demand and spending. This is good news for service industries like ours.”

Fiscal 2017 started on an optimistic note for the Indian pay DTH industry. While the Delhi High Court is likely to take up hearing of the digitization Phase III matter in August this year, cable operators may have no option than to digitize remaining analog cable networks as the Central Government gears up to auction 700 MHz spectrum to telecom operators. The government is also contemplating utilization of 200 MHz airwaves for mobile telephony.

“Buoyed by digitization, notwithstanding the relative seasonal weakness in 1Q, the industry collectively added around 15% higher subscribers compared to the same quarter last fiscal. Dish TV maintained its lead in incremental subscriber additions during the quarter. Our strengthened distribution in DAS Phase III and IV areas along with the popularity of the *Dish TV Insta Care - 4-Hour Service Assurance Campaign* were instrumental in helping us maintain an edge over competition. Our regional and mass-market offerings continued to remain crowd-pullers in respective geographies,” said, Mr. Goel.

In line with its commitment to give its viewers the best in terms of quality and service, Dish TV recently unveiled an all new High Definition (HD) campaign *Ab India Banega HD* (India would become High- Definition now) along with the introduction of long duration HD packs to further accelerate the adoption of HD services.

“The consumers growing passion for HD has the potential to trigger yet another round of growth, beyond that being driven by digitization, for the DTH industry. Going forward, we would continue to build on our HD advantage while focusing on its sales across the country,” Mr. Goel added.

Dish TV has aligned its ongoing efforts, to create and train an efficient, well trained workforce of DTH technicians, with the *Pradhan Mantri Kaushal Vikas Yojana (PMKVY)*. The *PMKVY* is a reward-based skills training scheme of the Ministry of Skill Development & Entrepreneurship (MSDE), that has the objective of enabling large number of Indian youth to take up industry-relevant skill training.

Ever since inception, Dish TV has trained more than 200,000 candidates in the installation, repair, sales and service of DTH equipment. Going forward, the company intends to continue to impart DTH skill training for human capital development relevant to the industry and provide employment/entrepreneurship opportunities to a similar number of aspirants in the next few years.

The Goods and Services Tax (GST) Bill is likely to be discussed and passed during the ongoing monsoon session of Parliament.

Expressing optimism on the implications of the tax reform, Mr. Goel, said, “We continue to be optimistic about margin expansion and ease of doing business that should result from the implementation of GST.”

Expressing his views on other regulatory overhangs, Mr. Goel, said, “An industry favourable resolution of the DTH license fee matter should go a long way in ensuring non-discrimination

amongst various distribution platforms in the country. We are also hopeful of a just and logical outcome of the currently debated TRAI consultation paper on Interconnection Framework for Broadcasting TV Services Distributed through Addressable Systems.”

To further enhance the digital TV experience for subscribers and build an affordable and fast deployment model for itself, Dish TV recently selected Wyplay’s Frog as the Middleware for its next generation Set-Top-Boxes. Wyplay is an HTML5 browser based system and incorporates all features required for traditional linear broadcast TV consumption, on-demand content and applications distributed over the internet.

Discussing the results, Mr. Goel said, “Healthy subscriber additions led to a 12.3% Y-o-Y increase in subscription revenues (on a like-to-like basis). EBITDA margin bounced to 34.0% from 32.0% in the corresponding quarter last fiscal. Net Profit for the quarter was Rs. 409 million leading to FCF generation of Rs. 627 million. Churn for the quarter at 0.7% p.m. remained well within manageable limits.”

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’16 compared to the quarter ended June’15.

Rs. million	Quarter ended June 2016	Quarter ended June 2015	% Change Y -o -Y
Subscription revenues	7,282	6,828	6.7
Operating revenues	7,786	7,367	5.7
Expenditure	5,139	5,009	2.6
EBITDA	2,646	2,357	12.2
Other income	119	262	(54.7)
Depreciation	1,613	1,598	0.9
Financial expenses	521	480	8.6
Profit / (Loss) before tax	631	542	16.5
Tax expense	223	-	-
Net profit / (Loss) for the period	409	542	(24.6)

Note:1) Numbers in the table may not add up due to rounding-off.

2) Quarter ended June 2016 subscription revenues, on a like-to-like basis, were Rs. 7,669 million. A growth of 12.3% Y-o-Y.

3) Quarter ended June 2016 operating revenues, on a like-to-like basis, were Rs. 8,172 million. A growth of 10.9% Y-o-Y.

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. June 2016	% of Revenue	Q.E. June 2015	% of Revenue	% change Y-o-Y
Cost of goods & services	3,584	46.0	3,650	49.5	(1.8)
Personnel cost	381	4.9	347	4.7	9.8
Other expenses	294	3.8	349	4.7	(15.6)
S&D expenses	880	11.3	663	9.0	32.7
Total expenses	5,139	66.0	5,009	68.0	2.6

Note: 1) Numbers in the table may not add up due to rounding-off.

2) Quarter ended June 2016 COGS, on a like-to-like basis, were Rs. 3,970 million. A change of 8.8% Y-o-Y. Resultant Total Expenses, on-a like-to-like basis, were Rs. 5,526 million, a change of 10.3% Y-o-Y.



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 545 channels & services including 22 audio channels and over 50 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 has transponders on the Asiasat 5 platform and on the SES-8 platform which makes its total bandwidth capacity equal to 828 MHz, the largest held by any DTH player in the country. The Company has a vast distribution network of over 2,297 distributors & over 241,346 dealers that span across 9,350 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