



## DISH TV INDIA LIMITED

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EARNINGS RELEASE FOR THE QUARTER & YEAR ENDED MARCH 31, 2016

**DISH TV 4Q NET ADDITIONS AT 508 THOUSAND;  
HIGHEST QUARTERLY SUBSCRIBER ACQUISITION IN LAST 5 YEARS**

**ACHIEVES FULL-YEAR GUIDANCE OF 1.5 MILLION NET ADDS**

**SECOND CONSECUTIVE YEAR OF NET PROFITABILITY**

**4Q SUBSCRIPTION REVENUES OF Rs. 7,410 MILLION, UP 12.6% Y-o-Y**

**4Q ARPU AT Rs. 174 vs. Rs. 172 in 3Q FY16**

**EBITDA OF Rs. 2,608 MILLION, UP 18.1% Y-o-Y**

**FREE CASH FLOW (FCF) OF Rs. 1,047 MILLION**

### **4QFY16 Highlights**

- ❖ 508 thousand net subscriber additions during the quarter. Closing net subscriber base of 14.5 million
- ❖ Subscription revenues of Rs. 7,410 million; up 12.6% Y-o-Y
- ❖ Average Revenue Per User (ARPU) of Rs. 174 vs. Rs. 172 in 3Q FY16
- ❖ EBITDA of Rs. 2,608 million; up 18.1% Y-o-Y
- ❖ Profit After Tax (PAT) of Rs. 4,828 million, including deferred tax expense of Rs. (4,360) million

### **FY16 Highlights**

- ❖ ARPU of Rs. 174 compared to Rs. 168 in FY15
- ❖ Subscription revenues of Rs. 28,275 million; up 15.4% Y-o-Y
- ❖ Operating revenues of Rs. 30,599 million; up 13.8% Y-o-Y
- ❖ EBITDA of Rs. 10,249 million; up 39.8% Y-o-Y. EBITDA margin of 33.5% vs. 27.3%
- ❖ PAT of Rs. 6,924 million, including deferred tax expense of Rs. (4,360) million

**NOIDA, India; May 23, 2016** - Dish TV India Limited (Dishtv) (BSE: 532839, NSE: DISHTV) today reported fourth quarter fiscal 2016 consolidated subscription revenues of Rs. 7,410 million, up 12.6% Y-o-Y and operating revenues of Rs. 7,993 million, up 9.5% Y-o-Y. EBITDA for the quarter stood at Rs. 2,608 million compared to Rs. 2,209 million in the corresponding quarter last fiscal. EBITDA margin recorded at 32.6% compared to 30.3%. Profit after tax for the quarter was Rs. 4,828 million as against Rs. 349 million in the corresponding quarter last fiscal.

Fiscal 2016 consolidated revenues stood at Rs. 30,599 million recording 13.8% growth over the previous fiscal. EBITDA of Rs. 10,249 million was up 39.8% Y-o-Y. Net profit for the year was Rs. 6,924 million as against Rs. 31 million in fiscal 2015.

4Q FY16 and FY16 numbers are not comparable on a Y-o-Y basis due to the impact of increase in Service Tax to 14.5%, from 12.36%, with effect from August 2015.

The Board of Directors in its meeting held today, has approved and taken on record the audited results for the quarter & year ended on March 31, 2016.

Mr. Jawahar Goel, Chairman & Managing Director, Dish TV, said, “Fiscal 2016 was yet another year that saw global economic uncertainty take centre-stage all throughout. Notwithstanding that, the Indian economy registered good economic growth as the government focused on development through reforms. With the macro economy showing early signs of pick-up and the Met department predicting an ‘above normal’ monsoon, fiscal 2017 has already started on an optimistic note. So far as the DTH industry is concerned a strong agrarian economy, further supported by government initiatives like 100% village electrification, and prospering urban areas, with 24x7 power supply, shall certainly ensure growth for the industry going forward.”

Dish TV had record subscriber additions during the fourth quarter. While a few states remained under the stay granted by respective High Courts, there were others that witnessed a demand surge.

Talking about subscriber additions during the quarter, Mr. Goel, said, “We had a well defined plan in place to target these markets. Our campaign ‘Set-Top-Box Matlab Dish TV’ had the desired impact while the specially designed sports packs ensured that sports fans didn’t go elsewhere during the cricket season. Higher investments behind the brand not only ensured higher brand scores but a stronger brand recall as well. To further strengthen our connect with the customer, we upgraded our existing service infrastructure and enhanced distribution in areas that were not up to the mark. Thus covering newer territories.”

Despite significant additions, Dish TV stood true to its philosophy of profitable growth. The company took a price hike across most of its packs in North and South India by around 4-8% with effect from March 22, 2016. That said however, both Dish TV and the DTH sector in total have been reeling under the pressure of an ever increasing Service Tax that they are still not able to pass on to the subscriber.

“As enforcement of Goods and Services Tax (GST) regime gets delayed, multiple taxes like Service Tax and Entertainment Tax will continue to be levied on the DTH sector. Multiplicity of taxes makes it almost impossible to charge them to the subscribers. As a result, price hikes that should have otherwise gone towards increasing the abysmally low ARPUs in the industry are now needed to maintain status quo in an adverse tax environment,” said Mr. Goel.

Dish TV has been keenly working on ways to connect with newer audiences in the country and has taken its entire range of products and services to popular online e-commerce platforms like Paytm, Snapdeal, Amazon and Flipkart.

The company also added 8 new channels to its platform during the month of April 2016 taking its total offering size to more than 525 channels and services. To further enhance the digital TV experience for subscribers and build an affordable and fast deployment model for itself, Dish TV 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.

Talking about these developments, Mr. Goel, said, "We had our share of ups and downs during the year but I am glad that we came out as winners at the end of it all. The fast paced dynamism of technological, regulatory and industrial developments kept us productively occupied and brought the best out of us. We are in tune with the environmental shift around us and are motivated to be ahead of the curve as complex changes take place."

Dish TV so far is the only company in the Indian DTH sector to have achieved net profitability. Fiscal 2016 was the second full year of net profit for the company.

Talking about the fourth quarter results, Mr. Goel said, "Healthy subscriber additions and a higher ARPU improved the subscription revenues by 12.6% over the corresponding quarter last fiscal. EBITDA of Rs. 2,608 million recorded an 18.1% jump over the corresponding quarter. Net Profit for the quarter was Rs. 4,828 million as against Rs. 349 million in the fourth quarter last fiscal. The resultant free cash flow was Rs. 1,047 million. 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 fourth quarter ended March'16 compared to the quarters ended December'15 and March'15:

Rs. million	Quarter ended March - 2016	Quarter ended Dec. - 2015	% Change Q -o -Q	Quarter ended March - 2015	% Change Y -o -Y
Operating revenues	7,993	7,715	3.6	7,299	9.5
Expenditure	5,385	5,060	6.4	5,091	5.8
EBITDA	2,608	2,654	(1.7)	2,209	18.1
Other income	218	42	419.0	160	36.0
Depreciation	1,516	1,463	3.6	1,550	(2.2)
Financial expenses	511	549	(6.8)	456	12.3
Profit / (Loss) before prior period items & tax	799	685	16.6	363	120.1
Tax expense	331	-	-	14	-
Deferred tax expense	(4,360)	-	-	-	-
Net profit / (Loss) for the period	4,828	685	17.0	349	-

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

## 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. Mar. '16	% of Revenue	Q.E. Dec. '15	% of Revenue	Q.E. Mar. '15	% of Revenue	% Change Q -o -Q    Y -o -Y	
Cost of goods & services	3,816	47.7	3,695	47.9	3,681	50.4	3.3	3.7
Personnel cost	298	3.7	288	3.7	248	3.4	3.2	20.0
Other expenses	459	5.7	397	5.1	328	4.5	15.4	39.9
S&D expenses	812	10.2	679	8.8	833	11.4	19.6	(2.5)
Total expenses	5,385	67.4	5,060	65.6	5,091	69.7	6.4	5.8

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

## Condensed Annual Statement of Operations

The table below shows the condensed consolidated audited statement of operations for Dish TV India Limited for FY 2016 versus FY 2015:

Rs. million	FY 2016 (Audited)	FY 2015 (Audited)	% Change Y -o -Y
Operating revenues	30,599	26,879	13.8
Expenditure	20,350	19,548	4.1
EBITDA	10,249	7,331	39.8
Other income	640	635	0.8
Depreciation	5,907	6,138	(3.8)
Financial expenses	2,087	1,754	19.0
Profit / (Loss) before prior period items & tax	2,895	74	-
Tax expense	331	42	-
Deferred tax expense	(4,360)	-	-
Profit / (Loss) after tax	6,924	31	-
Loss attributable to minority	-	-	-
Net Profit / (Loss) for the period	6,924	31	-

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

## Consolidated Balance Sheet

The table below shows the consolidated audited balance sheet for FY 2016 versus FY 2015:

Rs. million	FY 2016 (Audited)	FY 2015 (Audited)
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' funds</b>		
(a) Share capital	1,066	1,066
(b) Reserves and surplus	2,741	(4,199)
	<b>3,807</b>	<b>(3,134)</b>
<b>Non-current liabilities</b>		
(a) Long-term borrowings	11,535	-
(b) Other long term liabilities	635	183
(c) Long-term provisions	173	66
	<b>12,343</b>	<b>248</b>
<b>Current liabilities</b>		
(a) Short-term borrowings	28	479
(b) Trade payables	2,298	1,268
(c) Other current liabilities	8,766	22,130
(d) Short-term provisions	12,151	10,671
	<b>23,243</b>	<b>34,548</b>
<b>Total</b>	<b>39,394</b>	<b>31,663</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
(a) Fixed assets	24,201	19,510
(b) Non-current investments	1,500	2,000
(c) Deferred tax assets	4,360	-
(d) Long-term loans and advances	1,692	839
(e) Other non-current assets	27	167
	<b>31,780</b>	<b>22,516</b>
<b>Current assets</b>		
(a) Current investments	820	-
(b) Inventories	126	99
(c) Trade receivables	725	637
(d) Cash and bank balances	3,392	4,286
(e) Short-term loans and advances	2,308	3,909
(f) Other current assets	243	216
	<b>7,613</b>	<b>9,147</b>
<b>Total</b>	<b>39,394</b>	<b>31,663</b>

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



**Footnotes:**

This Earnings Release contains consolidated quarterly results that are prepared as per Indian Generally Accepted Accounting Principles (GAAP). The annual results presented are consolidated and audited.

**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 525 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 2,393 distributors & over 236,060 dealers that span across 9,320 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](http://www.dishTV.in)