

SITI Cable Network Limited

Consolidated Financial Results Q3 FY16

Investor Release

January 21, 2016

New Delhi, India; 21st January, 2016: The Board of Directors of SITI Cable Network Limited (SITI CABLE) (BSE: 532795, NSE: SITI CABLE EQ) in its meeting held today, has taken on record the Unaudited Consolidated Financial Results of the company for the Third Quarter ended December 31, 2015.

Performance Highlights

Q3 FY16

- PBT at INR56 Crores (PAT at INR560 Mn)
- EBITDA at INR130 Crores; up 152% QoQ & 159% YoY
- Revenue at INR375 Crores; up 54% QoQ & 68% YoY
- Subscription Income at INR 146 Crores ; up 5% QoQ & 7% YoY
- Broadband Income at INR14 Crores ; up 50% QoQ & 99% YoY
- Added 1.1 mn Video subscribers
- Added 15,550 Broadband subscribers

9MFY16

- PBT at INR5 Crores (PAT at INR9 Mn)
- EBITDA at INR220 Crores; up 61% YoY
- Revenue at INR848 Crores; up 29% YoY
- Subscription Income at INR413 Crores ; up 6% YoY
- Broadband Income at INR32 Crores ; up 72% YoY

Income Statement	(INR Million)		
	Quarter Ended		
	Q3 FY 2016	Q2 FY 2016	Q3 FY 2015
Net Operating Revenues	3,699	2,342	2,216
Other Income	48	87	18
Total Revenue	3,748	2,429	2,234
Total Expenditure	2,449	1,914	1,734
EBITDA	1,299	515	501
Finance cost	346	343	299
Depreciation	391	367	387
Exceptional Items	-	-	-
PBT	562	(194)	(185)
Tax	2	35	(26)
PAT	560	(229)	(160)

Income Statement		(INR Million)	
	9MFY16	9MFY15	
Net Operating Revenues	8,323	6,499	
Other Income	159	84	
Total Revenue	8,482	6,583	
Total Expenditure	6,286	5,220	
EBITDA	2,196	1,363	
Finance cost	1,027	898	
Depreciation	1,117	989	
Exceptional Items	-	-	
PBT	51	(524)	
Tax	42	42	
PAT	9	(566)	

Revenue Streams (INR Million)	Quarter Ended		
	Q3 FY 2016	Q2 FY 2016	Q3 FY 2015
Subscription	1458	1,385	1,357
Carriage	605	603	551
Activation	1050	194	136
Broadband	139	93	70

Operational Metrics	Quarter Ended	
	Q3 FY 2016	Q2 FY 2016
Cable Universe (Mn)	12.2	10.7
Digital Subscribers (Mn)	6.8	5.8
Digital Subscribers added (Mn)	1.1	0.33
HD Subscribers	35,372	25,000
Broadband Home Passes (Lakhs)	6.7	5.9
Broadband Subscribers	1,07,000	91,450

Operational Highlights

- **Financial**

- SITI Cable reports Profit before tax of INR56 Crores (PAT at INR560 Mn) & INR5 Crores (PAT at INR9 Mn) in the period of Q3FY16 & 9MFY16 respectively
- Further Fund infusion by Promoter Group Entities
 - Convertible Warrants of value not more than INR500 Crores
 - Optionally Fully Convertible Debentures (OFCDs) of value not more than INR180 Crores
- Consolidated Gross Debt at INR1,208 Crores & Net Debt at INR1,093 Crores

- **Cable**
 - **Market Expansion:** Siti Cable further expanded its footprint by entering into 100+ new markets in Andhra Pradesh, Telangana, West Bengal, Maharashtra, Karnataka, Madhya Pradesh, Bihar, Jharkhand, Chhattisgarh, Rajasthan, Uttrakhand, Uttar Pradesh & Haryana.
 - With this expansion, the presence of SITI Cable has reached more than 250 cities across the country
 - Siti Cable adopted the inorganic growth route and acquired majority stakes/ entered into strategic partnerships with regional MSO's in Maharashtra, Gujarat and Odisha for Ph 3/4 expansion
 - Organized extensive on ground education program for operators in DAS Phase 3 cities. Objective of this program was to inform and educate LCO's about the benefits of Digitization and give the much required push to STB seeding
 - In cognizance of the growing customer demand for HD channels, Siti Cable has further strengthened its HD bouquet by adding 15 more HD channels and now offers *over 45 HD channels*
 - **Digital outreach for consumers:** Siti Cable customers can now connect with the Company on various social media platforms like Facebook, Twitter and Instagram
- **Broadband**
 - Launched the Fast Forward campaign for broadband services in Delhi, offering higher speeds and data limits. New experience tariffs were rolled out to offer great value to our customers

While commenting on the results Mr. V D Wadhwa, Executive Director & CEO, SITI Cable mentioned that

“Focussing on our guiding principle of creating value for all stakeholders, the Company has achieved the financial turnaround for the first time in the history of the Company and reported PBT of INR 56 Crores in Q3FY16 and INR 5.1 Crores for the 9 Months of FY16.

At SITI Cable, our efforts to strive for operational excellence continue and during the quarter the company has added 1.1 million digital subscribers, over 10,000 broadband customers and achieved all-time high EBITDA growth of 159% YoY. We expect this momentum to sustain in the coming quarters.

We are also aggressively looking for inorganic growth opportunities in the geographies, which make strategic sense for us to expand and have acquired some networks in the western part of the country which shall add additional 1.5 million subscribers to our existing subscriber base of 10.7 million. We strongly believe in cohesiveness among like-minded players and are actively engaged in our efforts as a consolidator in the industry”.

About SITI Cable Network Limited

SITI Cable Network Limited is a part of the Essel Group, which is one of India's leading business houses 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 40 analogue and 18 digital head ends and a network of more than 16,000 Kms of optical fibre and coaxial cable, it provides its cable services in India's ~250 cities and the adjoining areas, reaching out to over 12.2 million viewers.

SITI Cable deploys State-of-the-art technology for delivering multiple TV signals to enhance consumer viewing experience. Its product range includes Digital & Analogue 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.

Note: 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. 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.

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