



DISH TV INDIA LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED SEPTEMBER 30, 2017

OPERATING REVENUES OF Rs. 7,486 MILLION

EBITDA OF Rs. 2,161 MILLION

EBITDA MARGIN AT 28.9 %

2Q FY18 Highlights

- ❖ 188 thousand net subscriber additions during the quarter. Closing net subscriber base of 15.9 million
- ❖ Operating revenues of Rs. 7,486 million
- ❖ EBITDA of Rs. 2,161 million, up 7.4% Q-o-Q.
- ❖ EBITDA margin at 28.9 %

NOIDA, India; December 05, 2017 - Dish TV India Limited (Dish TV) (BSE: 532839, NSE: DISHTV) today reported second quarter fiscal 2018 consolidated operating revenues of Rs. 7,486 million and EBITDA of Rs. 2,161 million.

Dish TV adopted Ind-AS (Indian Accounting Standards), notified by the Ministry of Corporate Affairs, from 1Q FY18. Consequently, results for the quarter ended September 30, 2016 have been re-stated to comply with Ind-AS to make them comparable.

The Board of Directors in its meeting held today, has approved and taken on record the unaudited consolidated financial results of Dish TV India Limited for the quarter ended on September 30, 2017.

Second Quarter Performance

Moving further away from the demonetization era, Dish TV saw a recovery in its EBITDA margins during the second quarter as compared to the preceding few quarters. Operational efficiencies along with some revenue expansion resulting from an improved customer sentiment led to a margin expansion of 170 bps. EBITDA margins during the quarter were 28.9% as against 27.2% in the previous quarter.

Subscription revenues recorded 1.9% growth sequentially to close at Rs. 7,049 million. Average revenues per user (ARPU) strengthened to Rs. 149 while churn rate recovered to close at slightly less than 0.8% per month.

Subscriber additions at 188 thousand were in line considering the seasonality of the second quarter.

Amalgamation of Videocon D2h into Dish TV

The proposed combination of Dish TV and Videocon d2h would create one of the world's leading DTH platform.

Mr. Jawahar Goel, CMD, Dish TV India Limited, said, "We have been eager to get back to our stakeholders with the news of the successful closure of the merger. With all other approvals in place, the only approval pending is from the Ministry of Information and Broadcasting. We are optimistic about hearing back from the MIB any moment now and hope to close the merger at the earliest thereafter."

"We remain excited about the next phase of growth that the combined entity, Dish TV Videocon Limited, will go through and are committed to make the combination a mega success. On the synergy front, we stick to our guidance of Rs. 1,800 million for FY18 and Rs. 5,100 million for FY19," said Mr. Goel.

High Definition for All

To further strengthen its high definition (HD) base, Dish TV recently started giving limited period complimentary access to 7 popular HD channels in a scheme called 'HD for All.' This limited duration offer has been extended to all Dish TV subscribers who are at an ex-GST price point of Rs.169 per month or above. The scheme is not applicable to South India.

With 'HD for All,' Dish TV looks forward to convert aspiring Indian television households to the Dish TV DTH platform. In addition, the Company is also hopeful about converting ambitious standard definition subscribers to high-ARPU HD connections once they experience the five times better picture quality of HD through any of the 7 channels.

Mr. Jawahar Goel, said, "HD has always been considered to be an effective differentiator in an industry that otherwise has little differentiation to talk about. The 'HD for All' scheme shall expedite the SD to HD conversion for subscribers who had so far not experienced HD quality and hence had never considered upgradation."

The Competitive Environment

Competition within the industry remained intense but manageable. Pricing pressure, by way of low ticket pack prices, prevailed. Dish TV followed a similar strategy but remained conscious of the contribution margins from every pack that it introduced in the market.

The division bench of the Madras High Court continues to reserve its judgement in the Tariff Order dispute.

Dish TV however had recently, partly, adopted TRAI's new Tariff Order and had started offering all channels, except Sports and select south channels at affordable ala-carte prices of Rs. 8.50 and Rs.17.00 (plus GST) per channel per month for SD and HD respectively.

As subscribers opt for ala-carte channels, data surprisingly shows that their choice of channels on the Dish TV platform are in contrast to BARCs' weekly ratings.

On the Free DTH front, negotiation between the distribution industry and private broadcasters on segregation of free vs. pay content continued.

Prasar Bharati, in the meanwhile, has gone back to the drawing board on the auction of slots on the DD Free Dish platform. 10 FTA channels so far, due to their inability to pay high carriage fees, have opted out of the platform.

Another 5 channels, out of the 10 coming up for renewal in February, are expected to opt out of the Free Dish platform.

Dish TV continues to keep an active watch on the developments.

The Road Ahead for DTH in India

As India progresses on the path to digitisation, large digital service providers like Dish TV see a significant role to be played by them in the process.

Dish TV soon aims to connect ordinary television subscribers with the best in class digital entertainment that is going to be over and above traditional TV. The Company plans to further enhance its significance by doing things that would leverage the strength of its legacy, reach and customer ownership.

Dish TV is enthusiastic about its soon to be launched Hybrid Box and OTT app that will give subscribers access to the latest in the world of television entertainment alongside their DTH subscription. Dish TV looks at this, along with HD services, as the ARPU driver of tomorrow.

Further, government initiatives like Housing for All and electrification of rural areas will help create green-field demand for digital services like DTH. Dish TV gets bulk of its subscribers from non-top, towns and cities in the country.

Condensed Quarterly Statement of Operations

The table below shows the condensed consolidated statement of operations for Dish TV India Limited for the second quarter ended Sept.'17 compared to the quarter ended Sept.'16:

Rs. million	Quarter ended Sept. 2017	Quarter ended Sept. 2016	% Change Y-o-Y
Subscription revenues	7,049	7,288	(3.3)
Operating revenues	7,486	7,793	(3.9)
Expenditure	5,325	5,136	3.7
EBITDA	2,161	2,657	(18.7)
Other income	77	174	(55.7)
Depreciation	1,899	1,683	12.8
Financial expenses	611	574	6.4
Profit / (Loss) before tax and share of (Loss) in joint venture	(272)	573	-
Tax expense:			
- Current tax	289	183	58.1
- Deferred tax	(383)	(299)	-
Profit / (Loss) after tax and before share of (Loss) in joint venture	(179)	690	-

Share of (Loss) in joint venture	(0)	(0)	-
Net Profit/ (Loss) for the period	(179)	690	-
Other comprehensive income:			
Items that will not be reclassified to profit or loss	-	-	-
Income tax relating to items that will not be reclassified to profit or loss	-	-	-
Items that will be reclassified to profit or loss and related income tax			
- Foreign currency translation reserve	(7)	6	-
- Income tax relating to foreign currency translation reserve	2	(2)	-
Total comprehensive income for the period	(183)	694	-
Net profit / (loss) attributable to :			
- Owners of the holding Company	(162)	703	-
- Non - controlling interests	(17)	(14)	-
Other comprehensive income attributable to :			
- Owners of the holding Company	(3)	3	-
- Non - controlling interests	(2)	1	-
Total comprehensive income attributable to :			
- Owners of the holding Company	(164)	706	-
- Non - controlling interests	(19)	(13)	-

Note: 1) Numbers in the table may not add up due to rounding-off.
2) Previous year figures have been regrouped wherever necessary.

Expenditure

Dish TV's primary expenses include cost of goods and services, personnel cost and other expenses. The table below shows each as a percentage of operating revenue:

Rs. million	Quarter ended	% of	Quarter ended	% of	% change
	Sept. 2017	Revenue	Sept. 2016	Revenue	Y-o-Y
Cost of goods & services	3,921	52.4	3,678	47.2	6.6
Personnel cost	366	4.9	367	4.7	(0.2)
Other expenses (Including S&D exp.)	1,038	13.9	1,091	14.0	(4.8)
Total expenses	5,325	71.1	5,136	65.9	3.7

Note: 1) Numbers in the table may not add up due to rounding-off.
2) Previous year figures have been regrouped wherever necessary.

Consolidated Balance Sheet

The table below shows the consolidated balance sheet as on September 30, 2017:

Rs. million	As on Sept. 30, 2017 (Unaudited)
Equity and liabilities	
Equity	
(a) Equity share capital	1,066
(b) Other equity	2,728
(c) Non-controlling interest	(132)
Liabilities	
(1) Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	8,365
(ii) Other financial liabilities	381
(b) Provisions	253
(c) Other non-current liabilities	141
(2) Current liabilities	
(a) Financial liabilities	
(i) Borrowings	749
(ii) Trade payables	3,603
(iii) Other financial liabilities	8,841
(b) Other current liabilities	3,684
(c) Provisions	14,535
Total Equity & Liabilities	44,215
Assets	
(1) Non-current assets	
(a) Property, plant & equipment	20,293
(b) Capital work in progress	5,119
(c) Intangible assets	418
(d) Financial assets	
(i) Investments	1,500
(ii) Loans	102
(iii) Other financial assets	149
(e) Deferred tax assets (net)	5,629
(f) Current tax assets (net)	438
(g) Other non-current assets	896
(2) Current assets	
(a) Inventories	116
(b) Financial assets	

(i) Trade receivables	4,938
(ii) Cash and cash equivalents	675
(iii) Bank balances other than (iii) above	1,250
(iv) Loans	127
(v) Other financial assets	308
(c) Other current assets	2,256
Total assets	44,215

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



Footnotes:

This Earnings Release contains consolidated unaudited quarterly results that are prepared as per Indian Accounting Standards (Ind-AS).

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 the Essel Group. Dish TV has on its platform more than 622 channels & services including 39 audio channels and over 66 HD channels & services. Dish TV leverages multiple satellite platforms including NSS-6, Asiasat 5, SES-8 and GSAT-15 which makes its total bandwidth capacity equal 864 MHz, amongst the largest held by any DTH player in the country. The Company has a vast distribution network of over 1,946 distributors & over 291,200 dealers that span across 9,402 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