

# SITI CABLE TURNS PAT POSITIVE

## EBITDA UP 92% YOY; REVENUE UP 30% YOY

**SITI Cable Network Limited, An Essel Group Company (SITI CABLE)** (BSE: 532795, NSE: SITI CABLE EQ) has released their Audited Consolidated Financial Results for the fourth quarter and full financial year 2015-2016.

The Company announced profitable turn around for the first time in its history, with **Profit Before Tax of INR 22 Crores**. **EBITDA** also increased **by 92% year-on year**, which is highest ever in a financial year for the company. SITI Cable's **Revenue** increased to **INR 1,213 Crores, up 30% year-on-year**. The company expects to maintain a strong growth trajectory going forward.

**SITI Digital:** SITI Cable has been vigorously participating in the Digital India movement by digitizing analog TV homes in DAS Phase 3 areas and added 1.1 Mn+ digital customer base during Q4 FY16, and 2.7 Mn+ digital customers during FY16, taking the **digital video base to 7.9 million exit March 2016**. The company expanded its **footprint to 312 cities** across the country with nearly 200 cities being rolled out during FY16. In Andhra Pradesh and Telangana, SITI Cable crossed 1.5 Mn+ digital customer base.

**Acquisitions:** SITI Cable adopted the inorganic growth route and acquired majority stake in regional MSO's in Maharashtra, Gujarat, Odisha and Assam for DAS Phase 3 &4 expansion

**SITI HD+:** SITI Cable strengthened its **SITI HD+** services by offering over **45 HD channels** during FY16. **8** new HD channels are in the pipeline for rollout in the near future. SITI HD+ customer base increased to **50,170, up 42% over Q3 FY16**.

**SITI Broadband:** The company's **broadband operations** added 2.2 lakh home passes in the quarter taking the total **footprint to 8.9 lakh** homes. Broadband customer base also grew to **~1.32 lakh by Q4 FY16 exit, up 120% year-on-year**.

**Promoter Funding:** During Q4 FY16, **Promoters infused funds** amounting to **Rs. 530 Crores**, re-affirming the SITI Cable Growth Story and commitment to create sustainable value for all stakeholders. This was the first tranche of the previously announced **INR 680 Crore** announced earlier. The Reserve Bank of India had also **hiked** the Foreign Institutional Investors (FIIs)/Registered Foreign Portfolios Investors (RFPIs) **investment limit** in the Company, which allows the foreign funds to aggressively participate up to **49%** of the paid up capital of the Company.

**Credit Rating Upgraded:** Recently, **credit rating agency ICRA upgraded the long-term rating of SITI Cable to [ICRA]A-** from [ICRA]BBB+. Further ICRA pronounced [ICRA]AA+ outstanding rating on the term loan facility of SITI Cable. The outlook on the ratings is 'stable'.

**Inclusion in MSCI India Domestic Small Cap Index:** SITI Cable Network Limited has also been chosen to be a constituent of the **Morgan Stanley Capital International (MSCI) India Domestic Small Cap Index**, effective 31st May, 2016. MSCI Indices are among the most respected and extensively used benchmarks in the financial industry globally

**Awards:** SITI Cable was recognized at the **7<sup>th</sup> Broadcasting, Cable & Satellite Ratna Awards** as an **Outstanding MSO providing Technology and Services**.

**Mr. VD Wadhwa**, Executive Director and CEO, SITI Cable was awarded as the **Best CEO Award** for his strategic leadership and leading the company's profitable turnaround at the **7<sup>th</sup> Broadcasting, Cable & Satellite Ratna Awards**.

**Mr. VD Wadhwa** has also been nominated as the **Best CEO for the Asia Communication Awards 2016**, along with **11 other leading CEO's from other Asian Countries**.

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

*“Our strategy of tighter control on cost lines and improving monetization has started yielding results and the company's profitable turn-around, first time in 20 years, is a testament to that.*

*We continue on our journey of being the fastest growing company in Cable and Broadband by expanding the breadth & width of our distribution. As a part of our strategy, we are working on gaining Industry leadership through organic and inorganic growth.*

*Our growth story was recognized not only by the promoters who increased their stake, but also by independent agencies like ICRA who upgraded the long term rating of SITI Cable to [ICRA]A- from [ICRA]BB+. Morgan Stanley Capital International (MSCI) will also be including SITI Cable as constituent of their India Domestic Small Cap Index with effect from 31<sup>st</sup> May 2016.*

*Having expanded in DAS Phase 3, our biggest challenge in FY17 will be monetization. We are well positioned to scale up our Broadband operations aggressively in new geographies in FY17.”*

### **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 36 analogue and 18 digital head ends and a network of more than 30,000 Kms of optical fibre and coaxial cable, it provides its cable services in India's ~300+ 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 the 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.