

SITI Networks Limited

Consolidated Financial Results Q3 FY17

Investor Release

14th February 2017

New Delhi, India; 14th Feb. 2017: The Board of Directors of SITI Networks Limited (SITINET) (BSE: 532795, NSE: SITINET) in its meeting held today, has taken on record the Unaudited Consolidated Financial Results of the company for the Third Quarter ended December 31, 2016.

Q3FY17 Operating EBITDA increases 35% QoQ & Phase 3 Realization jumps 46% QoQ with an exit rate of INR40/ Sub

Q3 FY17 Highlights

- Revenue at INR306 Crores; up 5% QoQ
- Subscription Revenue at INR147 Crores; up 9% QoQ & 35% YoY
- Broadband Revenue at INR26 Crores ; up 4% QoQ & 79% YoY
- Operating EBITDA at INR15 Crores; up 35% QoQ
- EBITDA at INR62 Crores; up 25% QoQ
- Customer acquisition at 5.4 lakhs with a Total Digital Subscriber Base of 9.2 Mn; *Largest presence in the country at ~450 Locations*
- Added ~18,000 Broadband subscribers; Total Broadband Subscriber Base at 2.13 Lakh

9M FY17 Highlights

- Revenue, excluding activation at INR744 Crores; up 24% YoY
- Subscription Income at INR408 Crores; up 40% YoY
- Broadband Income at INR70 Crores ; up 115% YoY

Income Statement (INR Million)

	Quarter Ended		
	Q3 FY 2017	Q2 FY 2017	Q3 FY 2016
Revenues	2,984	2,890	3,440
Other Income	71	24	49
Total Revenue	3,055	2,913	3,489
Total Expenditure	2,434	2,416	2,486
EBITDA	622	497	1,003
Finance cost	360	280	351
Depreciation	625	572	391
PBT	(364)	(355)	262
Tax	(30)	22	2
PAT	(335)	(376)	260

Revenue Streams (INR Million)	Quarter Ended		
	Q3 FY 2017	Q2 FY 2017	Q3 FY 2016
Subscription	1,475	1,353	1091
Carriage	726	757	602
Activation	468	383	786
Broadband	259	249	145

Operational Metrics	Quarter Ended	
	Q3 FY 2017	Q2 FY 2017
Cable Universe (Mn)	12.2	12.2
Digital Subscribers (Mn)	9.2	8.7
Digital Subscribers added (Mn)	0.54	0.40
HD Subscribers ('000s)	120	91
Broadband Home Passess (Lakhs)	15.7	14.6
Broadband Subscribers (Lakhs)	2.13	1.95

Operational Highlights

- **Broadband**

- Exciting New Broadband plans launched in Delhi & Haryana under both limited & unlimited data category to offer more choice to customers
- Expecting to roll out high speed DOCSIS 2&3 Broadband Services in five locations by Q1FY18

- **Video**

- To further enhance the collections from the ground, SITI is moving to Pre-paid billing from current Post-paid mode. To achieve this objective, pre-paid billing has commenced in select states including Maharashtra, Madhya Pradesh, Chhattisgarh, Rajasthan, Karnataka & Uttar Pradesh across 60 locations with 1 Mn subscribers migrated to prepaid as of now. We are looking to roll out across India in the near future
- SD to HD upgrade offer launched to give boost to the adoption of HD content with strong adoption being seen in Phase 3 & 4 areas. SITI is offering ~50 HD channels across a wide array of genres across geographies
- Since the launch of SITI-DITTO OTT services, the customer base has grown strongly to 31,000 subscribers. SITI is aggressively exploring options with other OTT players to harness growth in this fast expanding space
- More local channels launched on the lines of My Siti channel launched in the earlier quarter. Siti Beats in the music genre provides a wide assortment of melodies, Siti Gold & Siti Filmy will cater to the viewer's demand of old and new movies and Siti Bhakti in the devotional genre

- **Others**

- Consolidated Gross Debt at INR1,267 Crores & Net Debt at INR1,157 Crores

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

“Our persistent efforts have resulted in improved monetization in Phase-3 DAS areas as we continue to digitize our subscriber base and expand our footprint. At the same time, commencement of Pre-paid Billing will simplify our business model and improve collection efficiency. The expected Tariff Order will provide further impetus to Industry cash flows and aid in rapid growth. Although there were some near term headwinds in Broadband on account of demonetization, we remain confident of retaining the momentum in the coming quarters”

About SITI Networks Limited

SITI Networks Limited (Formerly known as “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 Networks Limited is one of India's largest Multi System Operator (MSO). With 17 digital head ends and a network of more than 32,500 Kms of optical fibre and coaxial cable, it provides its cable services in India's ~450 Locations and adjoining areas, reaching out to over 12.2 million viewers.

SITI Networks 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 Networks has been providing services in analogue and digital mode, armed with technical capability to provide features like Video on Demand, Pay per View, Over-The-Top content (OTT), 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 Accounting Standards (Ind-AS).

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 Networks 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.

Key Contact - Investor Relations

Ankit Saint

E- mail: ankit.saint@sitinetworks.com

Phone: +91 0120 4526754; +91 9999766109

Conference Call

On the 15th Feb. 2017 for the Q3FY17 Results



SITI Networks Limited

On 14th February 2017, SITI Networks Limited (BSE: 532795, NSE: SITINET EQ) is due to announce its Unaudited Financial Results for the Third Quarter of FY2017

After the conclusion of the Board Meeting and duly informing the Stock Exchanges the results would be made available on the Company's website: www.sitinetworks.com

To discuss the performance of the Company, a conference call has been scheduled on 15th February 2017

We take pleasure in inviting you to a discussion with Mr. V.D. Wadhwa, Executive Director & CEO, SITI Networks, along with other members of the Senior Management team.

We invite you to join the call and look forward to your participation. Early registration is encouraged. The operator will provide instructions on asking the question before and during the call.

Best Regards,

Ankit Saint

Date: 15th February 2017

Time: 11:00 AM (India Time); 01:30 PM (HK/SG Time)

Call Leader: Ankit Saint

Call in Numbers (India):

Primary Access Toll Number: +91 22 3960 0626

Secondary Access Toll Number: +91 22 6746 5846

Local Access Number

3940 3977

Available in - Ahmedabad, Bangalore, Chandigarh, Chennai, Gurgaon (NCR), Hyderabad, Kochi/Cochin, Kolkata, Lucknow, Pune.

Accessible from all carriers.

Toll Free Call-in Numbers (International):

- USA - 18667462133
- UK - 08081011573
- Singapore - 8001012045
- Hong Kong - 800964448

Conference Code:

Please ask the operator for the "SITI NETWORKS" result call.