

SITI Networks Limited

Consolidated Financial Results Q2 FY17

Investor Release

22nd November, 2016

New Delhi, India; 22nd Nov., 2016: 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 Second Quarter ended September 30, 2016.

Q2 FY17 Highlights

- Revenue at INR291 Crores; up 20% YoY
- EBITDA at INR50 Crores; up 5% QoQ
- Operating EBITDA at INR11 Crores; up 6% QoQ
- Subscription Income (On Net Billing Basis) at INR135 Crores; up 7% QoQ & 33% YoY
- Broadband Income at INR25 Crores ; up 28% QoQ & 168% YoY
- Customer acquisition at 4 lakhs with a Total Digital Subscriber Base of 8.7 Mn; *Largest presence in the country at ~400 Locations*
- Added ~28,000 Broadband subscribers; Total Broadband Subscriber Base at 1.95 Lakh

Income Statement (INR Million)

	Quarter Ended		
	Q2 FY 2017	Q1 FY 2017	Q2 FY 2016
Revenues	2,890	2,820	2,339
Other Income	24	49	88
Total Revenue	2,913	2,869	2,426
Total Expenditure	2,416	2,395	1,943
EBITDA	497	474	483
Finance cost	280	297	348
Depreciation	572	547	367
PBT	(355)	(370)	(232)
Tax	22	65	35
PAT	(377)	(435)	(266)

Revenue Streams (INR Million)

	Quarter Ended		
	Q2 FY 2017	Q1 FY 2017	Q2 FY 2016
Subscription (Restated on Net Billing Basis)	1353	1263	1015
Subscription (As per published financials)	1397	1393	1385
Carriage	757	720	603
Activation	383	366	191
Broadband	249	195	93

Operational Metrics	Quarter Ended	
	Q2 FY 2017	Q1 FY 2017
Cable Universe (Mn)	12.2	12.2
Digital Subscribers (Mn)	8.7	8.3
Digital Subscribers added (Mn)	0.4	0.4
HD Subscribers ('000s)	91	65
Broadband Home Passess (Lakhs)	14.6	11.9
Broadband Subscribers	1,95,000	1,67,000

Operational Highlights

- **Broadband**

- SITI Cares: An initiative aimed to build a pro-active service experience throughout customer lifecycle for both broadband & video customers has been rolled out. The program works from the on boarding of customers, to managing their experience in the initial days with close looping query resolution
- SITI is currently offering the most aggressive plans which provide great value for the discerning Broadband Customer. The current average speed on our DOCSIS Network stands at 14.3 Mbps with average data consumption/ subscriber at 59 GB/ month

- **Video**

- New HD upgrade scheme launched; In line with our commitment to provide best in class TV viewing experience, SITI has realigned HD sales strategy to maximize HD penetration and has rolled out bundled HD content offers for subscribers for a limited time frame
- Shifted to Net Billing in Delhi & Mumbai from August 2016 onwards, as per provisions of MIA
- SITI Networks has collaborated with BSNL to distribute DITTO Mobile TV services. These services will be available across the entire BSNL Mobile Customer base as bundled data vouchers and VAS services
- “My SITI” proprietary local channels launched in MP & Rajasthan, focused towards providing hyper local and community relevant content to viewers

- **Others**

- Consolidated Gross Debt at INR1,196 Crores & Net Debt at INR1,089 Crores

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

“We continue to grow our digital subscriber base steadily with incremental improvements in monetisation seen in certain Phases. This could have been significantly better but for the delay in digitization because of pending Court cases, which continues to impact monetization in the Phase 3 areas. Although the majority of the stay orders have been vacated by the Honorable Delhi High Court, the closure of the balance pending cases will lead to complete switch off of analog signals, improve monetization and significantly spur the growth of the industry.

The expected implementation of the new Draft Tariff Order will be a game changer and is more beneficial for the distribution platforms post execution. However, the success of the same will lie in its effective implementation.”

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 31,000 Kms of optical fibre and coaxial cable, it provides its cable services in India's ~400 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

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Conference Call

On the 24th Nov., 2016 for the Q2FY17 Results



SITI Networks Limited

On 22nd November, 2016, SITI Networks Limited (BSE: 532795, NSE: SITINET EQ) is due to announce its Unaudited Financial Results for the Second 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 24th November 2016

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: 24th November 2016

Time: 10:30 AM (India Time); 01:00 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

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