

SITI Cable Network Limited

Consolidated Financial Results Q2 FY16

Investor Release

November 09, 2015

New Delhi, India; 9th November 2015: 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 Second Quarter ended September 30, 2015.

Performance Highlights

Q2 FY16

- EBITDA at INR 52 Crores; up 35% QoQ & 13% YoY
- Revenue at INR 243 Crores; up 5% QoQ & 9% YoY
- Subscription Income at INR 139 Crores ; up 7% QoQ & 3% YoY
- Broadband Income at INR 9 Crores ; up 4% QoQ & 50% YoY
- Added 0.33 mn Video subscribers
- Added 16,950 Broadband subscribers

H1FY16

- EBITDA at INR 90 Crores; up 9% YoY
- Revenue at INR 473 Crores; up 9% YoY
- Subscription Income at INR 268 Crores ; up 6% YoY
- Broadband Income at INR 18 Crores ; up 57% YoY

Income Statement

(INR Million)

	Quarter Ended		
	Q2 FY 2016	Q1 FY 2016	Q2 FY 2015
Net Operating Revenues	2,342	2,281	2,192
Other Income	87	24	46
Total Revenue	2,429	2,305	2,238
Total Expenditure	1,914	1,924	1,780
EBITDA	515	381	458
Finance cost	343	339	296
Depreciation	367	358	309
Exceptional Items	-	-	-
PBT	(194)	(316)	(147)
Tax	35	5	(3)
PAT	(229)	(322)	(144)

Revenue Streams (INR Million)	Quarter Ended		
	Q2 FY 2016	Q1 FY 2016	Q2 FY 2015
Subscription	1,385	1,290	1,350
Carriage	603	729	587
Activation	194	109	131
Broadband	93	90	62

Operational Metrics	Quarter Ended	
	Q2 FY 2016	Q1 FY 2016
Cable Universe (Mn)	10.7	10.7
Digital Subscribers (Mn)	5.9	5.6
Digital Subscribers added (Mn)	0.33	0.20
Broadband Subscribers	91,450	74,500

Operational Highlights

- **Cable**
 - **Market Expansion:** SITI further expanded into 21 markets in the states of Harayana, MP, Karnataka, Rajasthan, Telangana & Uttrakhand as a part of the ongoing voluntary digitization process in order to be compliant with DAS Phase 3 Digitization deadline
 - **HD subscribers** currently at 25,000
 - **Step ahead in Technology:** SITI has adopted MPEG 4 technology and will provide MPEG 4 STBs equipped with Personal Video Recorder (PVR) facility to subscribers
- **Broadband**
 - Broadband Home passes at 5.86 Lakhs, SITI will be looking towards deeper extraction of home passes to improve operating leverage
- **Others**
 - **Q2 EBITDA, excluding activation** was up 18% QoQ, at INR32 Crores vs INR27 Crores
 - Consolidated Gross Debt at INR1,236 Crores & Net Debt at INR1,041 Crores

While commenting on the results Mr. V D Wadhwa, Executive Director & CEO, SITI Cable mentioned that “A focus on improved operational performance resulted in EBITDA growth of 35.2% and EBITDA Margin at 21.2%, an expansion by 467 bps sequentially.

We are looking to further streamline our Broadband operations to provide stellar customer experience. Our commitment to digitization of Phase 3 areas remains and we expect this to gain further momentum in the coming quarter”

About SITI Cable Network Limited

SITI Cable Network Limited (erstwhile known as Wire and Wireless (India) Ltd) 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 61 analogue and 16 digital head ends and a network of more than 15,000 Kms of optical fibre and coaxial cable, it provides its cable services in India's ~130+ cities and the adjoining areas, reaching out to over 10.7 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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