



SITI CABLE NETWORK LIMITED

SITI Cable records revenue growth of 27% at Rs.1442.9 million and EBITDA growth of 12% at Rs. 311.8 million for Q1 2014

Q1 FY2014- Highlights

- ❖ Total revenues for the first quarter ended June 30, 2013 was Rs. 1442.9 million as compared to Rs. 1135.0 million during corresponding quarter last fiscal, recording a growth of 27%.
- ❖ The consolidated operating profit (EBITDA) for the first quarter ended June 30, 2013 was Rs. 311.8 million as compared to Rs. 277.4 million during corresponding quarter last fiscal.
- ❖ SITI Cable expands its business operations in new Strategic towns.

Noida, India; July 31, 2013 – The Board of Directors of SITI Cable Network Limited (SCNL) (BSE: 532795, NSE: **SITI CABLE** EQ) in its meeting held today, has taken on record the unaudited consolidated financial results of the Company and its subsidiaries for the quarter ended June 30, 2013. The total revenues for the quarter were Rs 1442.9 million and operating profit (EBITDA) was Rs. 311.8 million.

Mr. Subhash Chandra, Chairman, stated, "The ongoing digital revolution in Indian Cable Television distribution industry is set to bring in all round gains for the entire industry value chain. Digitization will transform the way television is seen, consumed and marketed. For customers, digitization brings an enhanced viewing experience, expanded channel pool, power to choose and pay only for the chosen channels. For MSOs like SITI Cable, the digitization will bring digitally addressable consumer base leading to higher revenues and profitability".

Commenting on the performance, Mr. Chandra said, "Despite uncertain environment SITI Cable has done well in this quarter and has driven higher revenue through relentless focus on operational excellence. SITI Cable is EBITDA positive in this quarter as well, which clearly indicates continuing growth path".

Mr. V D Wadhwa, Executive Director and CEO of SITI Cable commented, "We have continued the momentum begun during the last fiscal into the first quarter of FY14. Our total revenue and EBITDA grew to Rs 1442.9 million and Rs. 311.8 million, a growth of 27% and 12% respectively over last fiscal. The EBITDA of Rs. 311.8 million is after absorbing adverse impact of forex fluctuation of Rs. 51.1 million. Our focus area is to increase the collection of monthly subscription revenues from the ground. We made healthy progress in metros cities where we are present. We are far ahead of other operators in terms of subscriber wise billing and collection. In phase-2 cities the collection are likely to improve in coming quarters. We have also collected significant numbers of Subscriber Application form (SAF) and Channel/Package selection form from Delhi & Mumbai".

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Mr. Wadhwa further added that "Digitization marks the beginning of an organized and professional way of conducting business and opens up possibilities of multiplier revenues from television and numerous value added services (VAS). The encouraging growth trends make us more confident of further accelerating the growth momentum and serving the cable TV viewing needs of many more million Indians on SITI Cable Network".

Condensed consolidated statement of operations – Q1 FY2014

The table below presents the condensed statement of consolidated operations for SITI Cable Network Limited and its subsidiaries for the first quarter of FY2014, as published:

Siti Cable - Consolidated (Rs Million)	Q1 FY2014	Q1 FY2013	% of Total Revenue		% Growth
			Q1 FY2014	Q1 FY2013	
Operating Revenues	1417.4	1115.7	98%	98%	27%
Other Income	25.5	19.4	2%	2%	31%
Total Revenue	1442.9	1135.0	100%	100%	27%
Total Expenditure	1131.0	857.6	78%	76%	32%
Operating Profit/(Loss) = EBITDA	311.8	277.42	22%	24%	12%
Finance cost	261.3	175.7	18%	15%	49%
Depreciation	247.8	90.5	17%	8%	174%
PBT	-197.4	11.1	-14%	1%	-1872%
Provision for tax	73.3	58.8	5%	5%	25%
PAT	-270.7	-47.7	-19%	-4%	-467%

Consolidated revenue:

The Company's total revenue for the quarter is Rs. 1442.9 million as compared to Rs. 1135.0 million during corresponding quarter last fiscal, recording an increase of 27%. Operating revenue is primarily generated from subscriber related income especially from Digitization, income from bandwidth charges, income from advertisements, STB activation charges and other operating revenues.

Consolidated expenditure:

The Company's main operating expenses include cost of goods and services, employees' cost, selling & distribution expenses and other expenditure. Total expenses stood at Rs. 1131.0 million for the first quarter ended June 30, 2013 as against to Rs. 857.6 million during the corresponding quarter last fiscal, recording an increase of 32%. Major cost item was cost of goods & services recorded as Rs. 778.3 million during the quarter representing 54% of the total revenue in comparison to Rs. 600.4 million in the first quarter of the last fiscal, representing 53% of the total revenue. Another major cost



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item was Foreign Exchange Fluctuation due to Rupee devaluation during the Q1 2014, which has been recorded by Rs. 51.1 million.

The table below will enable a better understanding of the operation cost:

Siti Cable - Consolidated (Rs Million)	Q1 FY2014	Q1 FY2013	% of Total Revenue		% Growth
			Q1 FY2014	Q1 FY2013	
Cost of Goods & Services	778.3	600.4	54%	53%	30%
Staff Costs	90.2	76.9	6%	7%	17%
Administrative Expenses	207.4	142.0	14%	13%	46%
Selling & Distribution Expenses	55.1	38.2	4%	3%	44%
Total Operational Cost	1131.0	857.6	78%	76%	32%

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 56 analogue and 14 digital head ends and a network of more than 12000 Kms of optical fibre and coaxial cable, it provides its cable services in India's 60 key cities and the adjoining areas, reaching out to over 10 million viewers.

SITI Cable deploys State-of-the-art technology for delivering multiple TV signals to enhance consumer viewing experience. Its product range includes, Analogue Cable Television, Digital 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

For More information about SITI CABLE and its businesses, please log on to www.siticable.com.



Note: This earnings release contains consolidated results that are un-audited and prepared as per Indian Generally Accepted Accounting Principles (GAAP).



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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.
