



# Wire and Wireless (India) Limited

India's Leading Cable TV Company

**Corporate Presentation  
February 2007**

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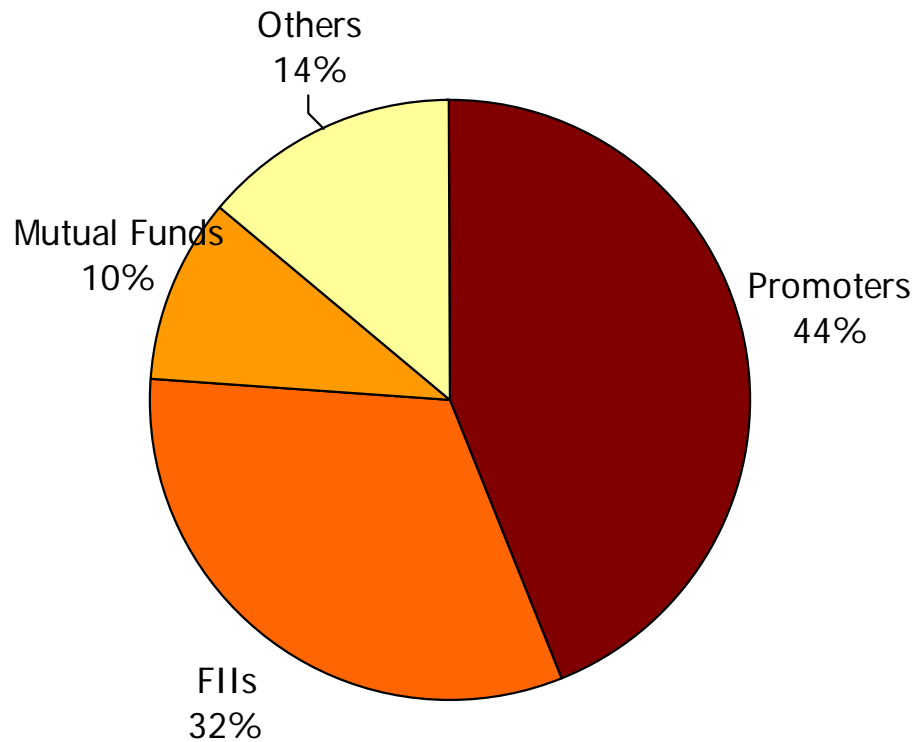
**Ready for triple play**

- ➔ WWIL is India's largest Multi System Operator (MSO) in cable industry.
- ➔ WWIL has taken over the cable business of Siti Cable, a 100% subsidiary of Zee Telefilms Ltd through demerger route.
- ➔ WWIL is present in 35 cities (now 43) of India. Operates 52 headends.
- ➔ It operates through set of 4000+ franchisee local operators called LCOs
- ➔ WWIL has 200+ independent head-end as its affiliates.
- ➔ It has 7 regional offices and over 500 direct and indirect employees



**India's largest MSO**

## Structure post de-merger



TELEVISION MARKET ESTIMATES			
Year to 31 Mar	2007E	2011E	2015E
<b>1 No. of HHs in India (mn)</b> CAGR of 2.5 % to 2015	215	238	262
<b>2 No. of TV HHs (mn)</b> TV penetration in India CAGR of 5% to 2015	117	151	174
<b>3 No. of C&amp;S HHs (mn)</b> C&S penetration in TV HH CAGR of 8% to 2015	68	107	125
<b>4 No. of Analogue Cable HHs (mn)</b> Penetration as % TV HHs in India CAGR of 0% to 2015	64	71	64
<b>5 No. of DTH HHs, excl. FTA (mn)</b> Penetration as % TV HHs in India CAGR of 37% to 2015	2.6	17.4	31.3
<b>6 No. of Other Digital HHs (mn)</b> Penetration as % TV HHs in India CAGR of 43% to 2015	1.7	18.2	30.2
<b>7 Market Share in C&amp;S HHs</b>			
Analogue Cable	93.7%	66.7%	51.2%
Other Digital HHs	2.5%	17.0%	24.0%
DTH HHs	3.7%	16.3%	24.9%
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

➔ Existing revenue of \$4 bn on cable

➔ 3X of Ad spends!

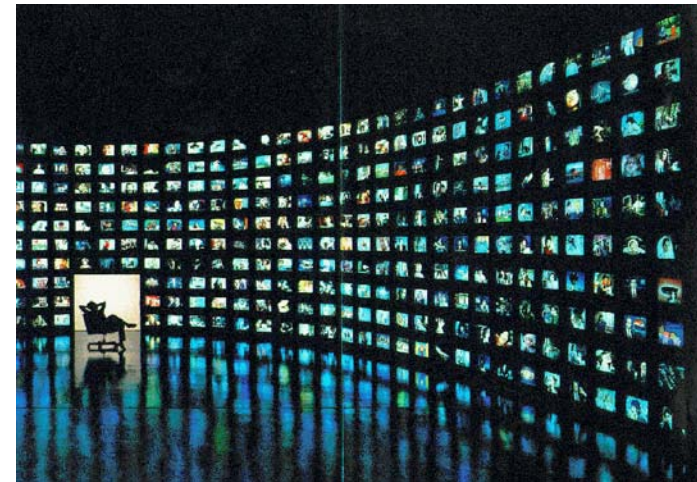
➔ Fragmented market

➔ Poised for digitization

➔ Driven by

- ▶ Technology – DTH, Telcos
- ▶ Regulatory - CAS
- ▶ Customer need for better quality

- ➔ There would be an estimated 89 million (excluding DTH) homes connected to cable by 2011, accounting for 59% of the total television households in that year.
- ➔ ARPU expected to be Rs 470 (USD 10) in 2011. Lower than comparable economies, where it is currently more than USD 12.
- ➔ Subscription revenues accruing to industry would amount to Rs 500 billion (USD 10.7 billion).
- ➔ At 25% EBITDA margin, Industry would be making an EBITDA of Rs 125 billion (USD 2.7 billion).



**A big industry is emerging**

- ➔ There are 8 large MSOs (3 national player) in cable arena and 7,000 independent headends serving 40,000. LCOs
- ➔ These independent headends control 70% of the market
- ➔ Besides WWIL - Hathway, Incable, Sumangali, Ortel are existing large MSOs
  - Hathway has presence in Mumbai, New Delhi, Chennai, Bangalore, Hyderabad and some other cities. Claims 5 million subscriber base
  - Incable has presence in Mumbai, Delhi, Nagpur, Bangalore. Claims 3 mln subscriber base
  - Sumangali is a regional player in Chennai and other parts of Tamil Nadu having estimated subscriber base of 1.5 million
  - Ortel is a regional player in Orissa with a subscriber base of 0.5 million
- ➔ Small players are getting consolidated with large players
- ➔ Telcos are also vying for centre-stage























































