

SITI Cable Network Limited

Business Presentation

July 2013



Disclaimer



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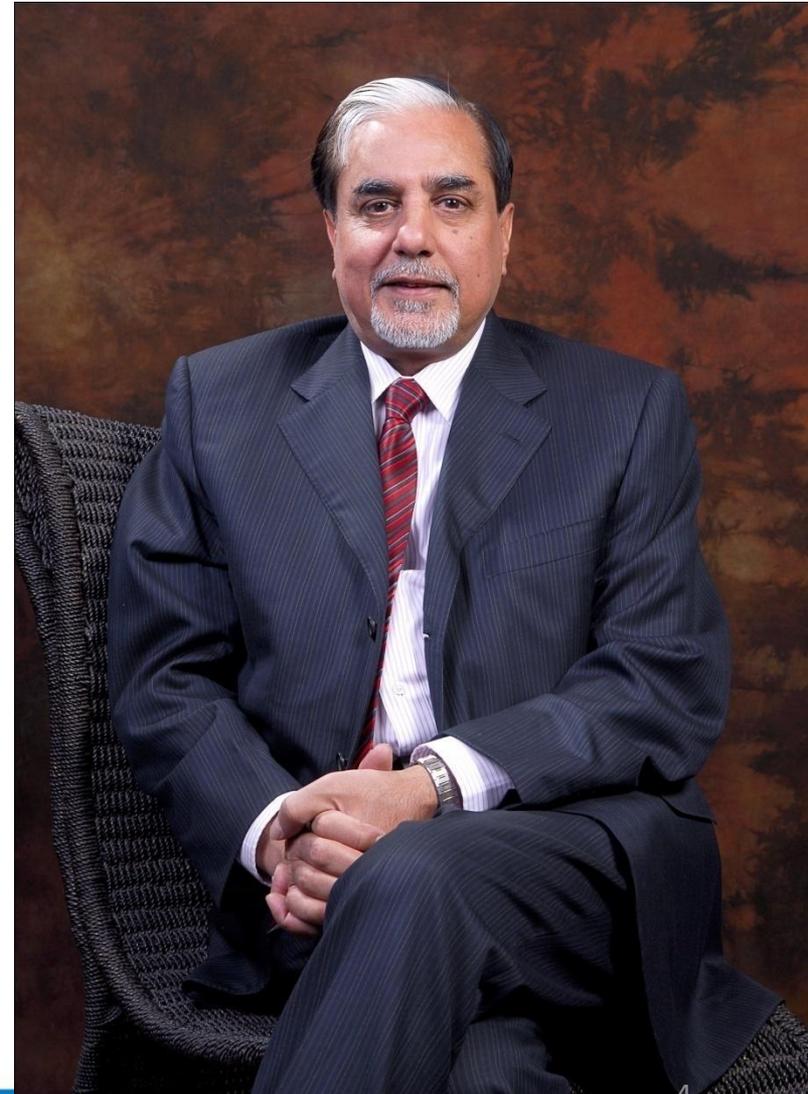
Highlights

- ◆ India Overview
- ◆ Indian TV Industry
- ◆ Indian Cable TV Distribution Industry
- ◆ Digitization
- ◆ SITI Cable Overview
- ◆ SITI Cable Key Financials
- ◆ Future Outlook & Way Forward
- ◆ Board of Directors
- ◆ Team SITI Cable

SITI Cable: Thought Leadership...



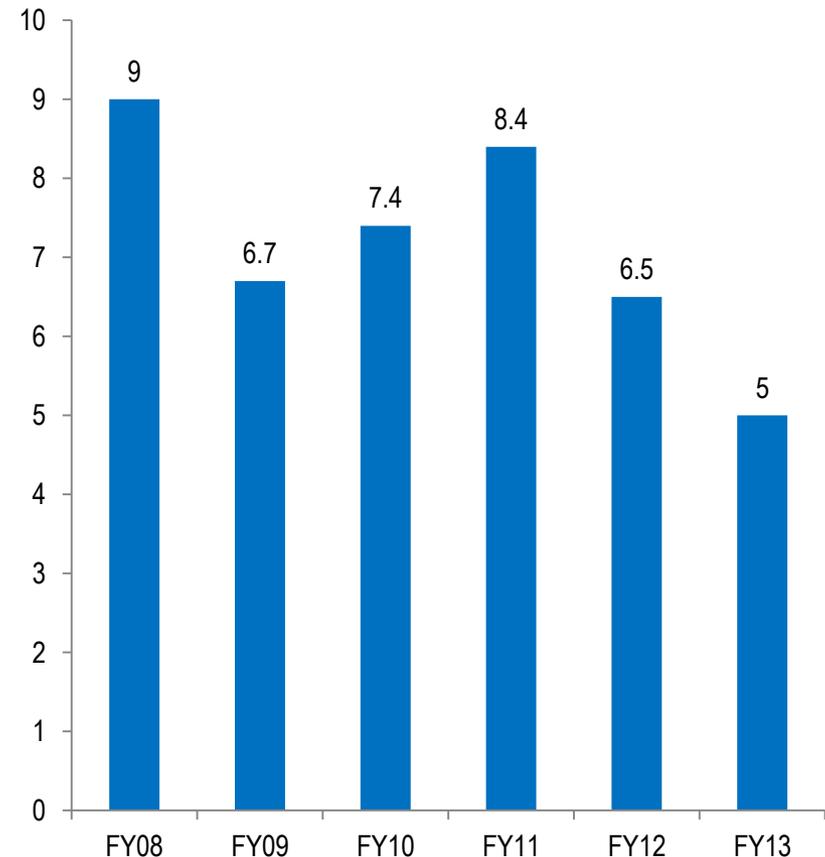
**“IF CONTENT IS KING,
DISTRIBUTION IS GOD”**



India: A billion+ consumers, a trillion+ dollar economy

- ◆ A trillion dollar economy, growing ~ 5-6% annually
- ◆ 1.2 billion consumers, 254 million households
- ◆ A significantly large and growing middle class
- ◆ A vast pool of employable English-enabled young populace
- ◆ All-round improvement in socio-economic indicators – per capita and disposable income, literacy, urbanization etc.
- ◆ Growing exposure to global lifestyles, increasing consumption

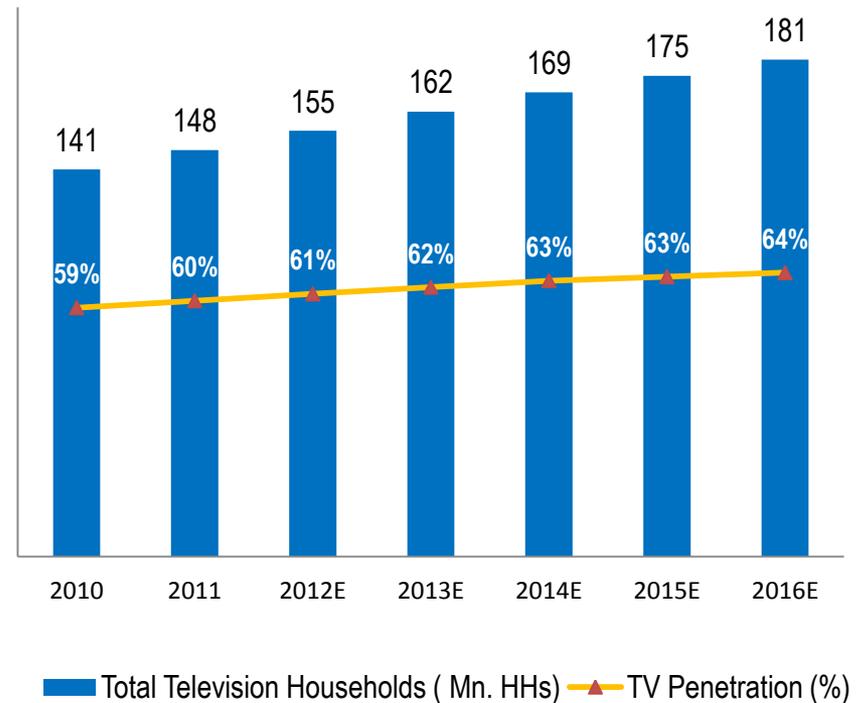
India GDP Growth Rate (%)



Indian TV Industry: Cruising ahead with élan

- ◆ A USD 6.5 billion industry today, poised to double by 2016
- ◆ 3rd largest in the world, beaming 600 channels across 19 genres
- ◆ 155 million TV households, 133 million C&S homes
- ◆ Average TV viewing time of 2.5 hours/day

India - TV Households (Mn. HHs) and TV Penetration



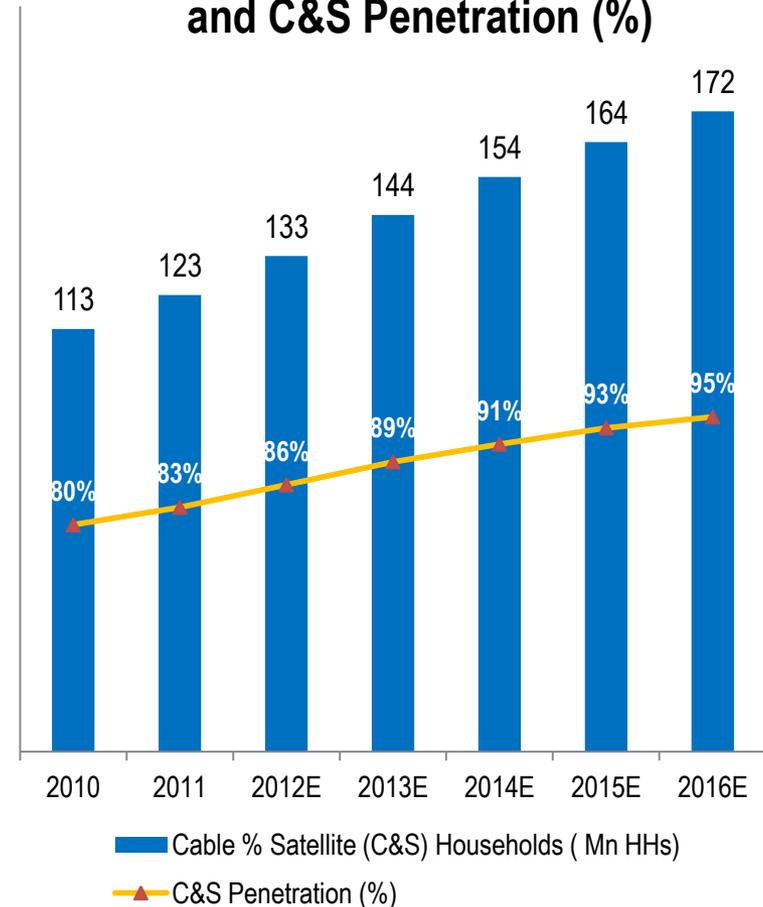
Indian Cable TV Distribution Industry:



A Sleeping Behemoth

- ◆ 1900+ MSOs, 50,000+ LCOs operating today
- ◆ Top 8-10 MSOs control 60% of the market
- ◆ Transforming to organized and resilient business
- ◆ Addressability becoming a big opportunity
- ◆ Fast unveiling the latent potential in Value added services especially Broadband
- ◆ Increasingly shifting to digital from analogue, courtesy
 - ◆ Consumer preference
 - ◆ Broadcasters' & Government's initiatives
 - ◆ Falling Prices of Hardware

India – C&S Households (Mn. HHs and C&S Penetration (%)



Indian Cable TV Distribution Industry:



Competitive Landscape

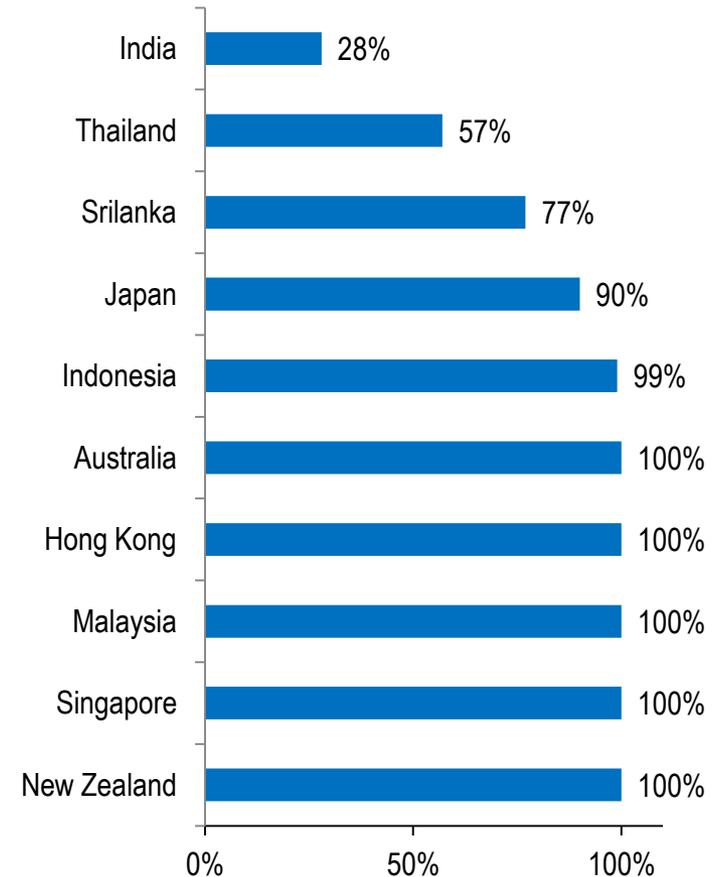
- ◆ Emerging dominance of National MSOs like SITI Cable, Hathway, DEN, Digicable & In cable
- ◆ Strong presence of several regional players like Sumangali, Ortel, Asia net
- ◆ Consolidation is an inevitable reality, going forward
- ◆ Rapid spread of DTH and digitization mandate of Government will accelerate consolidation
- ◆ MSOs must increasingly invest to embrace the digital era

Absolute digitization: Sunset Analog. Sunshine Growth



- ◆ Complete digitization by December 2014 proposed
 - ◆ 4 metros – Delhi, Mumbai, Kolkata & Chennai
 - ◆ Cities with 1 million+ population by March, 2013
 - ◆ All other urban areas by September 2014
 - ◆ Rest of India by December, 2014

Digital penetration in India is amongst the lowest in Asia



SITI Cable : The Pioneer in Indian Cable TV Distribution



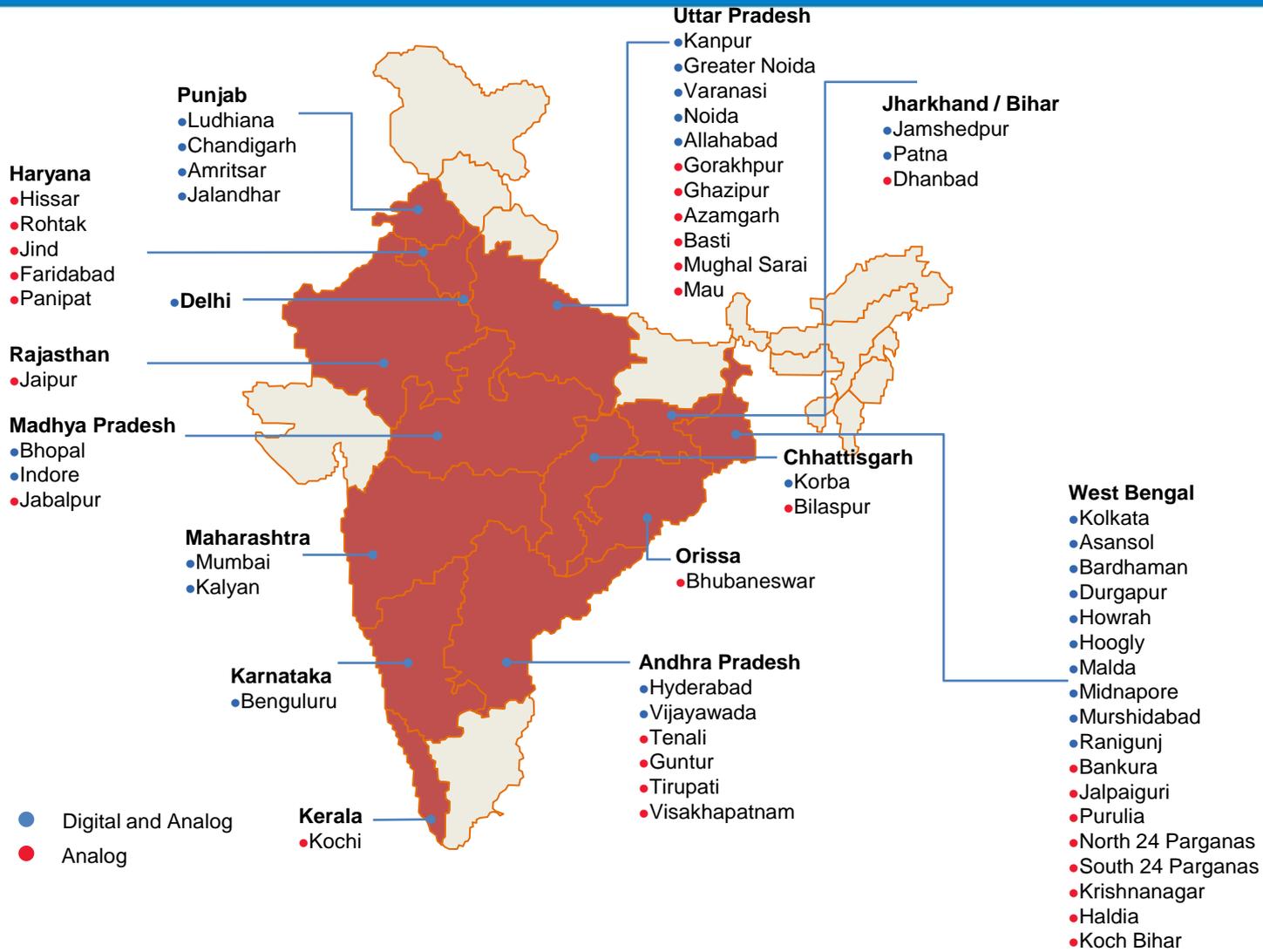
- The oldest and one of the largest MSO's in India
- Listed entity with professional board and strong Corporate Governance practices
- First and only company in the digital cable space to provide “Own Your Customer (OYC)” web based subscriber management system application to its business partners (LCO's) to serve the subscriber better .
- First company to introduce subscriber packages, subscriber wise billing & collection in the DAS regime
- Robust & Scalable Digital Cable Network PAN India
- Strong team of professionals, capable/experienced to successfully run the business in Digital Mode

SITI Cable : A Part of Essel Group

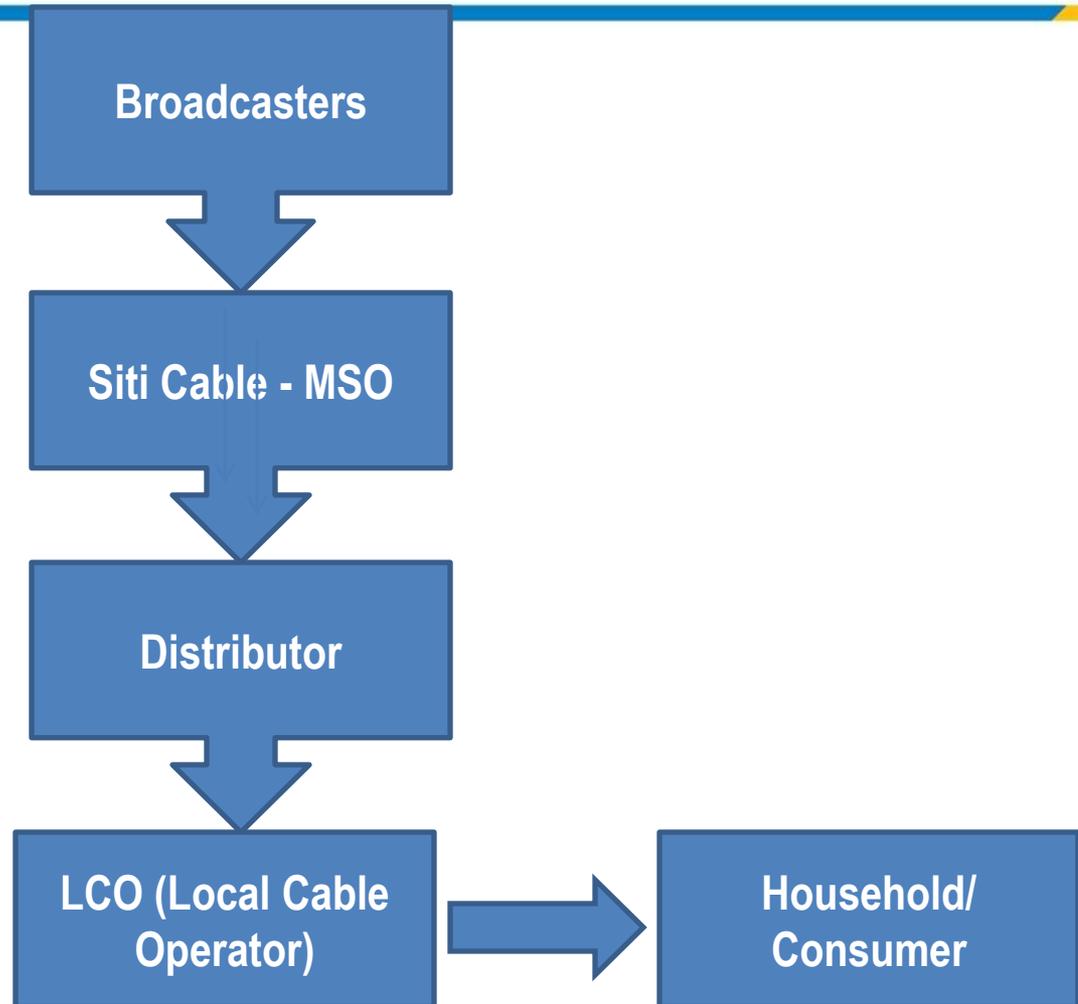


- ◆ USD 4 billion Essel Group
 - ◆ Present in 167 Countries across the globe
 - ◆ Strong bouquet of 37 Channels including strong TV brands like 'Zee TV', 'Zee News'
 - ◆ Strong DTH brand, 'Dish TV'
 - ◆ Country's largest Content distribution company, "MediaPro" (JV between Zee and Star)

SITI Cable: Strong pan India presence



SITI Cable : Distribution Chain



SITI Cable Robust Business Model:

Dynamic & Evolving



PAST

- LCOs received feed from WWIL (now SITI Cable) and paid fees on negotiated declared subscribers' base
- Challenges
 - Limited direct customer ownership
 - Possible under-declaration
 - Large payouts to Broadcasters
 - Constricted margins

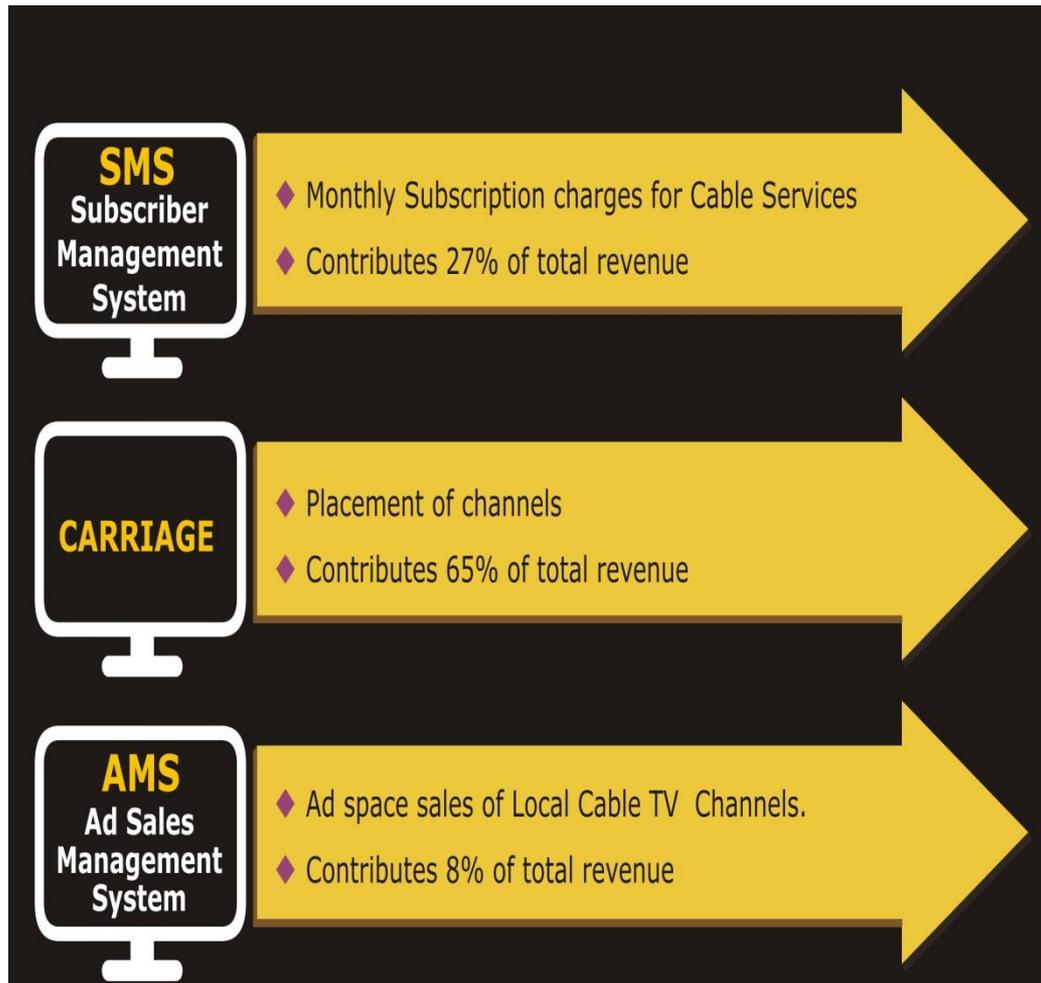
PRESENT

- Analogue:
 - Focus on enhancing productivity of existing network
 - Intensified relationship building to grow the subscriber base
 - Offers up to 106 channels
- Digital:
 - Digital head ends installed in Mumbai, Kolkata, Noida, Hyderabad, Asansol, Varanasi, Bangalore, Kanpur, Indore, Patna, Ludhiana, Korba, Pune and Guwahati
 - Improved addressability
 - Offers up to 400 channels

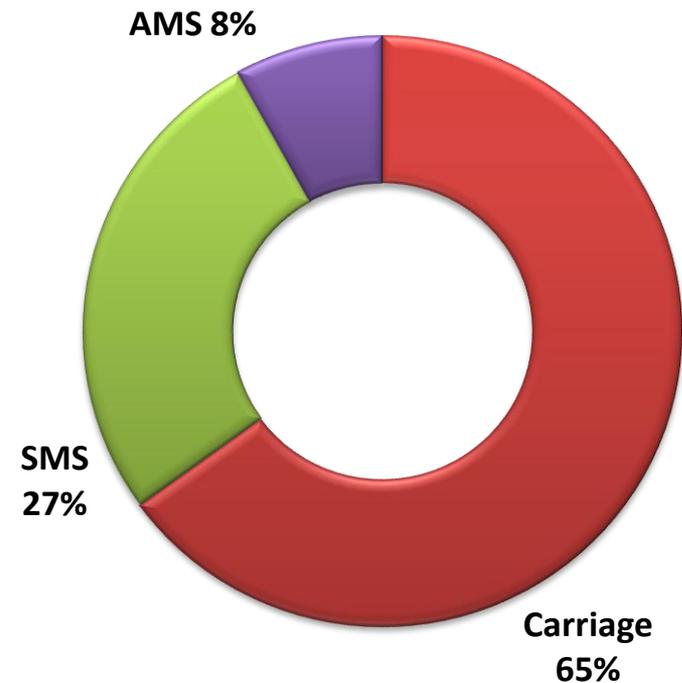
FUTURE

- Aggressive roll out of Digital services
- Shifting of analogue customers towards digital in a phased manner
- Enhance productivity from analogue business, expand selectively
- Aggressive Digital Penetration in DAS phase 3 & 4 Market – 70mn Potential
- Consolidate
- Focus on VAS
- Expand broadband and IPTV

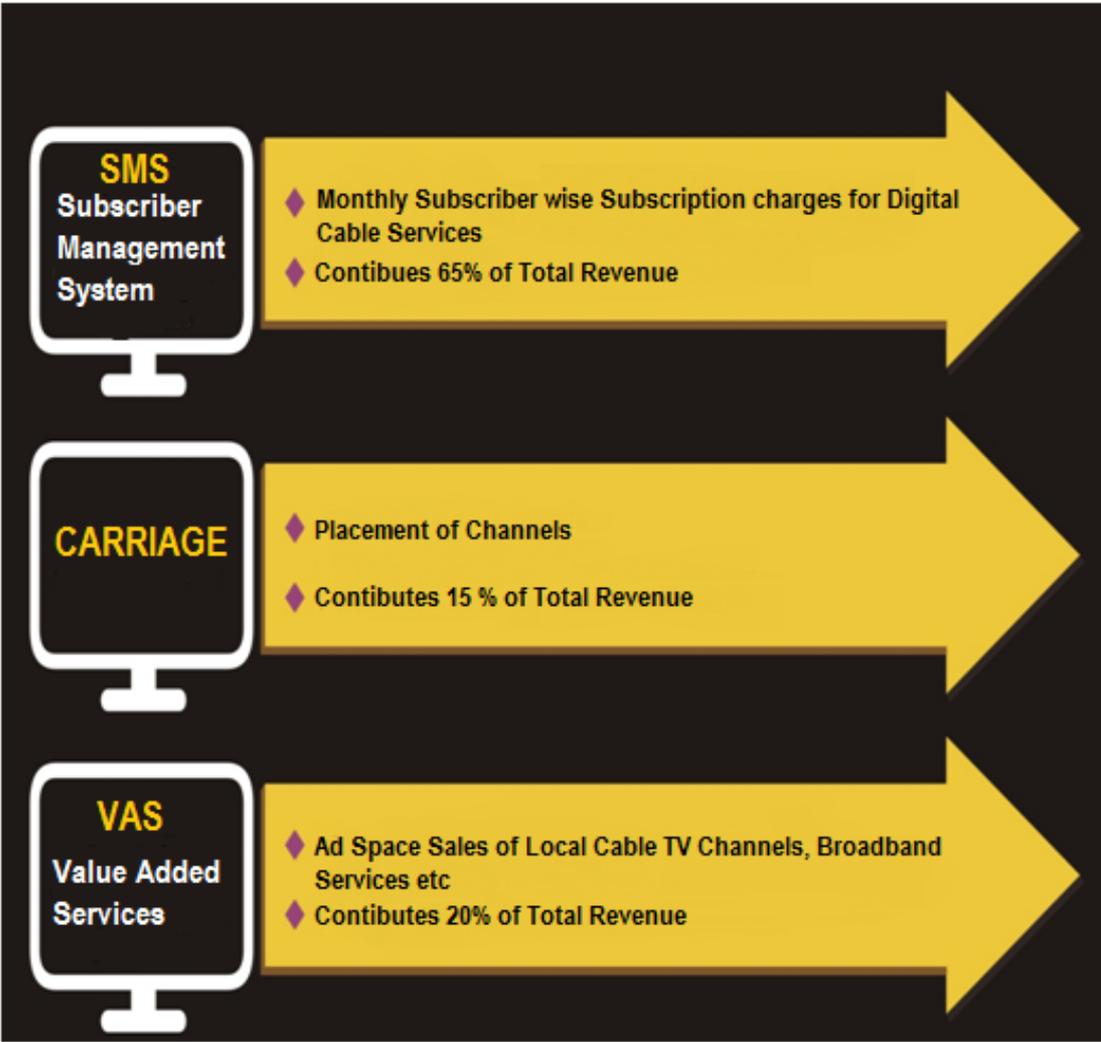
SITI Cable : Analog Revenue Mix



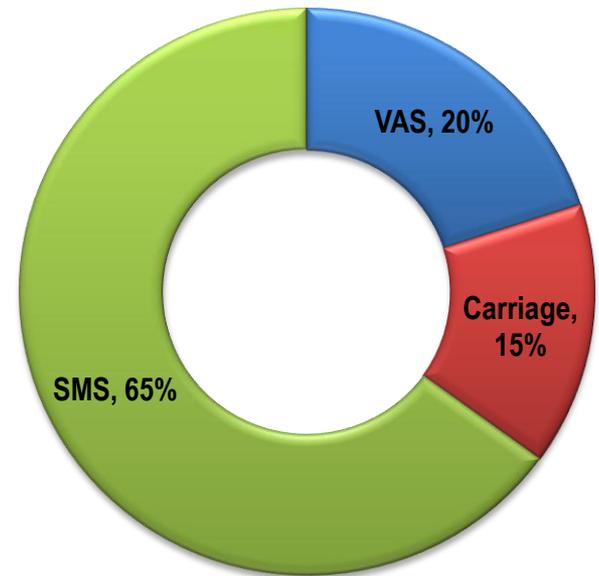
Revenue Mix



SITI Cable : Digital Revenue Mix



Revenue Mix



SITI Cable : Geared up to lead the digital revolution



- ◆ 10 million+ customers
- ◆ Spread across 60 key cities
- ◆ 14 Digital & 56 Analog Head Ends
- ◆ 8 Regional offices and over 400 Employees
- ◆ Operations through 4000 LCOs partners
- ◆ Diversified revenue streams
 - ◆ Digital Cable
 - ◆ Analog Cable – Transforming towards Digital
 - ◆ Broadband
 - ◆ Local TV Channels

SITI Cable : Geared up to lead the digital revolution

- ◆ Huge network of 12000kms of optical and coaxial fibre spread across the country
- ◆ Carrying digital signals on STM4 technology provides robust, redundant and scalable distribution
- ◆ Tie-ups with global technological giants:
 - ◆ Set Top Box Vendors – Changhong, Arion Technology Inc. and Handan
 - ◆ Digital Headend – Tandberg and Harmonics
 - ◆ Encryption Systems – Conax

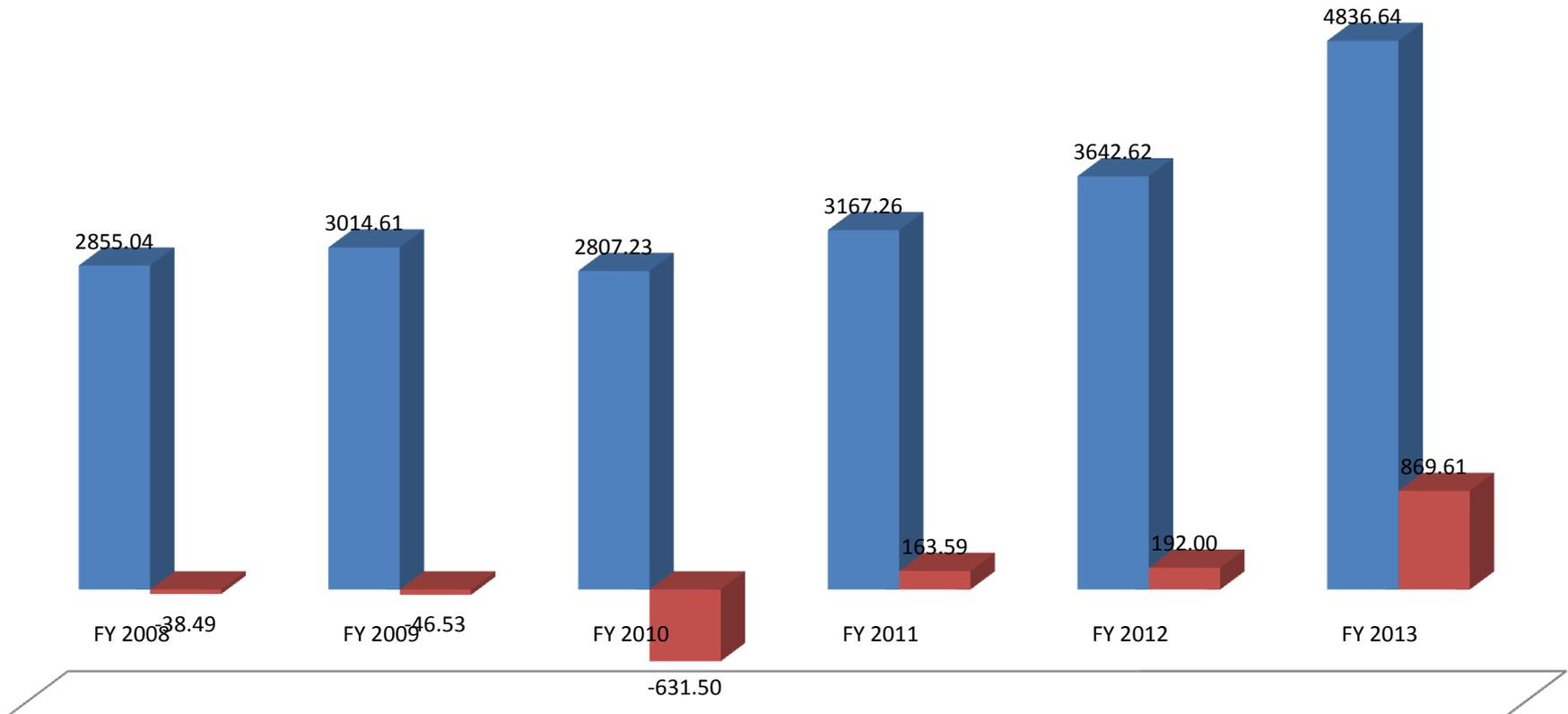
SITI Cable - Advantage

- ◆ Strong Brand - SITI is synonymous with cable distribution
- ◆ In-depth knowhow of LCOs' landscape and mindset
- ◆ Strong bouquet of group channels
- ◆ Successful foray into broadband services
- ◆ MediaPro: the game changer
 - ◆ a JV that brings 60 channels of Zee Turner and Star Den under one roof
 - ◆ Considerable leverage for SITI Cable, going forward
 - ◆ Content aggregate to
 - ◆ help incentivize digitization
 - ◆ Create efficiencies in distribution
 - ◆ Address piracy issues
 - ◆ Promote Transparency

SITI Cable: Financial Snapshot-6Year Key Financials

Revenue and EBITDA - In Mn

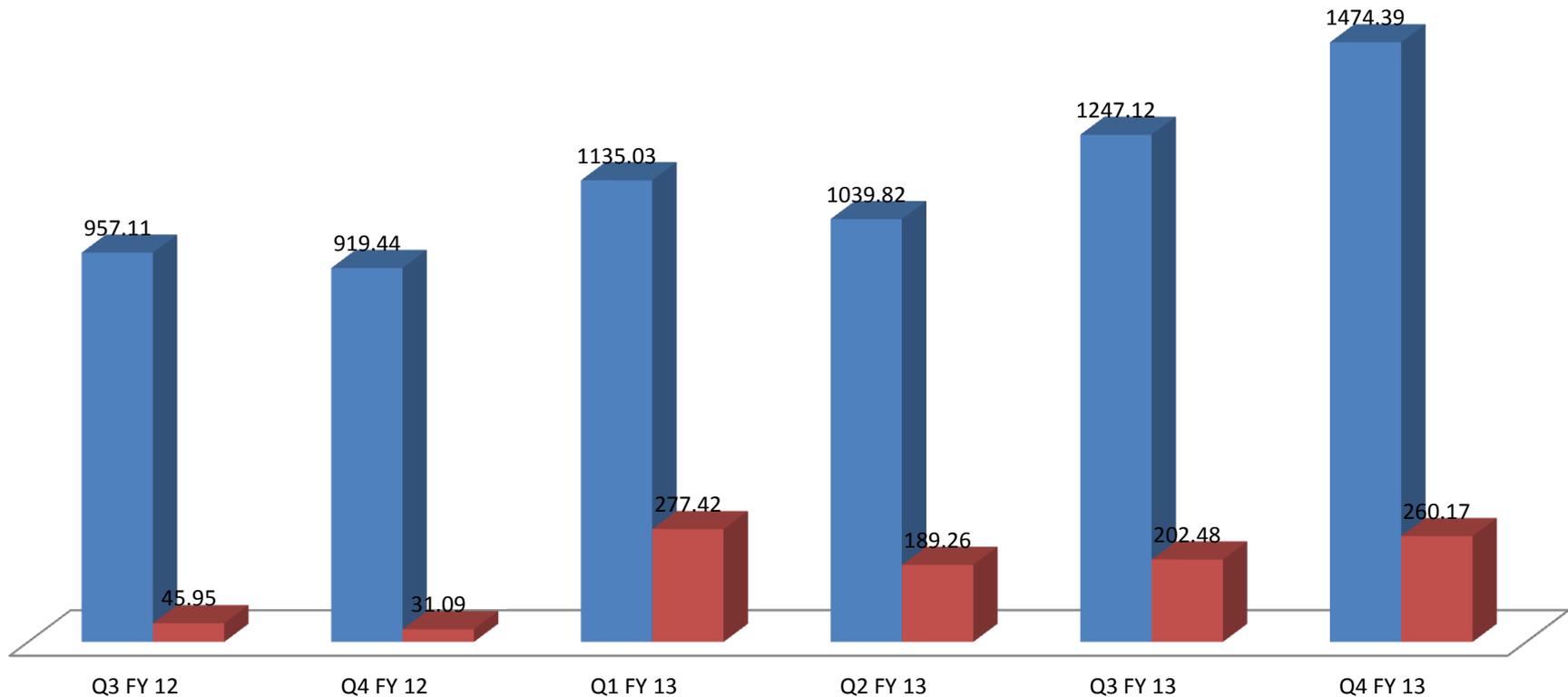
■ Revenue ■ Operating Profit/EBITDA



SITI Cable :Financial Snapshot–6 Quarter Key Financials

Revenue & EBITDA - In Mn

■ Revenue ■ Operating Profit/EBITDA



◆ GROWTH DRIVERS

- ◆ Customer need for better quality
- ◆ Rapid increase in acceptance and market share of Digital distribution
- ◆ Regulatory Mandate for digitization
- ◆ Technology

◆ FUTURE GROWTH HOT-SPOTS

- ◆ Broadband
- ◆ IPTV (Internet Protocol Television)
- ◆ Consolidation, acquisition and partnerships creating opportunity for large players and better margins

◆ Focus Areas

- ◆ Strengthening the ground team to support digitization
- ◆ Improving ARPU and ground collection
- ◆ Strategic acquisitions and partnerships
- ◆ Acquisition of direct points, subsequent digitization
- ◆ Value Added Service to help in customer retention

◆ Strategy

- ◆ Increase in subscriber base due to transparent digital regime
- ◆ Opportunity monetization in DAS Ph 3 & 4 Markets – Potential 70Mn
- ◆ Increase connectivity by adding LCOs / ISO's
- ◆ Geographic expansion in new and existing locations
- ◆ Strengthen technology and establish leadership in technology offerings

SITI Cable: Board of Directors



Mr. Subhash Chandra
Chairman



Mr. Brijendra K. Syngal
Independent Director



Mr. Suresh Kumar Agarwal
Independent Director



Mr. Subodh Kumar
Non Executive Director



Mr. V D Wadhwa
Executive Director & CEO



Mr. Vinod Kumar Bakshi
Independent Director

SITI Cable: Management Team



V D Wadhwa
Executive Director & CEO

- Previously served as Managing Director & CEO with Timex Group for their Business Operations in India and SAARC Countries
- Mr. Wadhwa is credited with profitable turnaround of Timex operations in India and establishing retail operations in India and South Asian Countries
- A Harvard graduate with over 28 years of General Management experience in Consumer life style and retail industry



Sanjay Goyal
CFO

- CFO since May 2009 with 16 years of work experience in the area of corporate finance, business planning and development and corporate planning
- Former Head of Finance and Accounts with large retailer House of India
- Holds membership with ICAI, ICSI, ICWAI and a law degree from MDS University, Ajmer



Anil Malhotra
COO

- COO since September 2011 with 26 years of experience in distribution, technology and operations
- Former executive VP of Broadband Pacenet Pvt. Ltd (North India) and President at Indusind Media and Communications Ltd (North India)
- Holds a post graduate degree in Solid State Physics from University of Garhwal

Thank You!

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