



DISH TV INDIA LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED DECEMBER 31, 2014

**DISH TV STRENGTHENS INCREMENTAL MARKET SHARE LEADERSHIP TO 28%;
ADDS 416,000 NET SUBSCRIBERS DURING THE QUARTER**

**AVERAGE REVENUE PER USER (ARPU)
INCREASES TO RS.177 FROM RS. 172 IN THE PREVIOUS QUARTER**

EBITDA MARGIN IMPROVES BY 270 BPS TO REACH 26.8%

NET LOSS FOR THE QUARTER DOWN TO RS. 29 MILLION

Highlights

- ❖ 416,000 net subscriber additions; total net subscriber base at 12.5 million at the end of the quarter.
- ❖ ARPU at Rs.177
- ❖ Subscription revenues of Rs. 6,554 million, up 17.4% Y-o-Y
- ❖ EBITDA of Rs. 1,912 million, up 41.1% Y-o-Y
- ❖ Free Cash Flow (FCF) of Rs. 298 million

NOIDA, India; January 22, 2015 - Dish TV India Limited (Dishtv) (BSE: 532839, NSE: DISHTV) today reported third quarter fiscal 2015 standalone subscription and total operating revenues of Rs. 6,554 million, up 17.4% Y-o-Y and Rs. 7,139 million, up 16.5% Y-o-Y respectively. EBITDA for the quarter stood at Rs. 1,912 million compared to Rs. 1,355 million in the corresponding quarter last fiscal. Net Loss for the quarter reduced to Rs. 29 million.

The Board of Directors in its meeting held today, has approved and taken on record the unaudited standalone results of Dish TV for the quarter ended on December 31, 2014.

Dr. Subhash Chandra, Chairman, Dish TV India Limited, said, "The world economy continues to keep policy makers around the globe busy. India helped by its monetary policy stance, a stable government at the Centre and unwinding of the commodities super-cycle is favorably placed to outrun other emerging markets. An imminent pick-up in investment and demand is expected to be favorable both for Dish TV as well as the DTH industry."

"Dish TV recorded marked improvements in its key financials while maintaining market supremacy during the third quarter of fiscal 2015. Overall, the DTH industry led by Dish TV recorded a healthy 29% Y-o-Y growth in gross additions compared to the corresponding quarter last fiscal," he added.

Highlighting Dish TV's third quarter performance, Mr. Jawahar Goel, Managing Director, Dish TV, said, "We continued to strengthen our reach in Phase 3 & 4 towns much ahead of the government mandated revised deadline for digitization in those markets. Our bouquet of offerings including fully loaded sports packs and High Definition (HD) packages helped us fill in the expectation gap in Phase 1 & 2 households as well. The recently launched 'Zing' has been a successful product and now caters to 8 regional markets with the latest being Tamil Nadu."

The DTH industry finally seems to be getting a level playing field with broadcaster's efforts towards improving declaration from the cable industry. The implementation of Reference Interconnect Offer (RIO) deals may mark the beginning of a significant upward trend in industry ARPU's. Anticipating a brighter 2015, Mr. Goel said, "Though we have been doing everything possible to boost ARPU's, the scope of results has been limited due to sticky cable prices. As MSO's shell out more for content and increase tax compliance, cable packaging may become a reality in 2015 thus bringing average revenue per user to respectable levels while creating headroom for ARPU expansion in DTH."

The DTH industry entered 2015 with the same uncertainty around taxes that has been haunting it since its inception. "Though the union budget 2014 was a dampener, we are keeping our fingers crossed with respect to the budget 2015. All industry stakeholders including Indian Broadcasting Foundation (IBF), News Broadcasters Association (NBA), Multi System Operators (MSO) and DTH operators made a joint representation to the Finance Ministry regarding anomalies in the industry's tax structure. The representation was received well and we look forward to hearing the outcome during the budget this year," said Mr. Goel.

In view of the Government's 'Make in India' campaign Dish TV has been exploring possibilities for domestic manufacturing of Set-Top-Boxes (STB). "We are closely watching the turn of events and would take a decision basis the tax regime for local manufacturing that might be modified by the government in the days ahead. Our proposed subsidiary Dish Infra Services (Private) Limited will be instrumental in deriving efficiencies from hardware operations," Mr. Goel said.

Dish TV recorded a quantum jump in its performance during the third quarter compared to the corresponding period last fiscal. Commenting on the results, Mr. Goel said, "Our subscription revenues grew 17.4% on a Y-o-Y basis while EBITDA margin expanded 270 basis points to reach 26.8% during the quarter. Net loss for the quarter reduced to Rs. 29 million while churn was maintained at a comfortable 0.7% per month."

Condensed statement of operations

The table below shows the condensed statement of operations for Dish TV India Limited for the third quarter ended December '14 compared to the quarter ended September '14:

Rs. million	Quarter ended Dec. - 2014	Quarter ended Sept. - 2014	% Change Q -o -Q
Operating revenues	7,139	6,723	6.2
Expenditure	5,227	5,100	2.5
EBITDA	1,912	1,623	17.8
Other income	154	170	(9.4)
Depreciation	1,616	1,519	6.4
Financial expenses	479	425	12.7
Profit / (Loss) before tax	(29)	(151)	-
Tax expense/(write back)	-	-	-
Net Profit / (Loss) for the period	(29)	(151)	-

Expenditure

Dish TV's primary expenses include cost of goods and services, personnel cost, administrative cost, advertisement expenses and selling expenses. The table below shows each as a percentage of total revenue:

Rs. million	Quarter ended Dec. - 2014	% of Gross revenue	Quarter ended Sept. - 2014	% of Gross revenue	% Change Q -o -Q
Cost of goods & services	3,530	49.4	3,407	50.7	3.6
Personnel cost	258	3.6	252	3.7	2.4
Other expenses	308	4.3	295	4.4	4.4
Advertisement expenses	124	1.7	177	2.6	(29.9)
Selling & distribution expenses	1,006	14.1	968	14.4	3.9
Total expenses	5,227	73.2	5,100	75.9	2.5



Footnotes:

This Earnings Release contains unaudited standalone quarterly results that are prepared as per Indian Generally Accepted Accounting Principles (GAAP).

Caution Concerning Forward-Looking Statements:

This document includes certain forward-looking statements. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause Dish TV's actual results, performance or achievements, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Such forward-looking statements are based on numerous assumptions regarding Dish TV's present & future business strategies and the environment in which Dish TV will operate in the future. Among the important factors that could cause Dish TV's actual results, performance or achievements to differ materially from those in the forward-looking statements include, among others, the condition of and changes in India's political and economic status, government policies, applicable laws, the Indian media and entertainment sectors, and international and domestic events having a bearing on Dish TV's business and the media and entertainment sectors, particularly in regard to the progress of changes in those sectors' regulatory regimes, and such other factors beyond Dish TV's control. Dish TV India 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.

About Dish TV India Limited:

Dish TV is Asia Pacific's largest direct-to-home (DTH) company and part of one of India's biggest media conglomerate - the 'Zee' Group. Dish TV has on its platform more than 470 channels & services including 21 audio channels and over 43 HD channels & services. Dish TV uses the NSS-6 satellite platform which is unique in the Indian subcontinent owing to its automated power control and contoured beam which makes it suitable for use in ITU K and N rain zones ideally suited for India's tropical climate. The company also acquired transponders on the Asiasat 5 platform and very recently on the SES-8 platform which increased its total bandwidth capacity to 720 MHZ, the largest held by any DTH player in the country. The Company has a vast distribution network of over 2,080 distributors & over 1,85,000 dealers that span across 8,736 towns in the country. Dish TV customers are serviced by thirteen 24*7 call centres catering to 11 different languages to take care of subscriber requirement at any point of time. For more information on the company, please visit www.dishtv.in