



DISH TV INDIA LIMITED

EARNINGS RELEASE FOR THE QUARTER & YEAR ENDED MARCH 31, 2013

DISH TV RETAINS MARKET LEADERSHIP THROUGH FY13

FULL YEAR SUBSCRIPTION REVENUES HIGHER BY 15.6% YoY

PRICE HIKES DRIVE DOWN SUBSCRIBER ACQUISITION COST (SAC) TO Rs. 1,996

FIRST FULL YEAR OF POSITIVE FREE CASH FLOW

Highlights

- ❖ Dish TV added 0.2 million net subscribers in the quarter ended March 31, 2013 achieving a cumulative total of 10.7 million net subscribers at the end of the period.
- ❖ Standalone operating revenues for the fourth quarter stood at Rs.5,554 million, recording a growth of 7.6% as compared to the corresponding period last fiscal.
- ❖ Subscription revenues for the fourth quarter were Rs.5,001 million, recording a growth of 15.3% as compared to the corresponding period last fiscal.
- ❖ Subscriber Acquisition Cost (SAC) at Rs. 1,996 compared to Rs. 2,201 in the immediately preceding quarter.
- ❖ Higher win backs reduced average churn for the quarter to a low of 0.8% per month compared to 1% in the previous quarter.
- ❖ Net loss for the fourth quarter down to Rs.436 million; continued to be influenced by depreciation & write-off policy.

NOIDA, India; May 23, 2013 - Dish TV India Limited (Dishtv) (BSE: 532839, NSE: DISHTV) today reported fourth quarter fiscal 2013 audited standalone operating revenues of Rs.5,554 million, recording 7.6% growth over the corresponding period last fiscal. EBITDA of Rs.1,200 million registered 6.5% increase over the corresponding quarter last fiscal. EBITDA margin for the quarter stood at 21.6%. Net Loss was down to Rs.436 million compared to Rs.490 million in the corresponding quarter last fiscal.

The company today also reported audited results for the financial year ended on March 31, 2013.

The full year fiscal 2013 standalone revenues stood at Rs.21,668 million, with an EBITDA of Rs.5,759 million and EBITDA margin of 26.7%. Net loss for the year was down to Rs.657 million compared to Rs.1,588 million in fiscal 2012.

The Board of Directors in its meeting held today, has approved and taken on record the audited results for the quarter and year ended on March 31, 2013.

Mr. Subhash Chandra, Chairman, Dish TV India Limited, said, "Global economies continue to be blanketed by an uncertain economic environment. Corporates and consumers alike remain cautious and in a watchful mode. Here in India, early indicators of an easing inflation and a few supportive macro factors point to a stronger consumer sentiment going forward."

"In the media sector, digitization, though not fully up to speed, holds big potential for the industry. DTH platforms, in particular, look forward to a level playing field contributing to meaningfully higher ARPU's and stickier subscriber base over time. Dish TV's industry leading initiative, to hike acquisition and pack price is likely to be a catalyst to achieve that," he added.

Mr. Jawahar Goel, Managing Director, Dish TV, said, "Fiscal 2013 saw most players in the Indian DTH industry evolve to the next level. Under Dish TV's leadership, the industry pulled off a significant increase in the acquisition price over the last several months thereby reducing the effective cash burn per subscriber. While the resultant decline in industry gross additions is marginal, it is expected to be well compensated by quality of subscribers. There was no respite though, from the multiple taxation which the DTH industry is reeling under. Uncertainty on the rollout of Goods & Services Tax (GST) continues to be an overhang on the earnings potential of the industry."

"In the absence of an enforceable contract for set-top box recovery, Dish TV looks forward to move to a virtually nil subsidy model over the medium term. With a strong service backup and an increasing focus on value growth rather than headline subscriber numbers, DTH is well-positioned to develop as a premium offering compared to cable," he added.

"On the digitization front, the MSO's readiness on encryption, packaging, dunning and effective business processes is taking undue time. With increasing expectations, customers however will gradually align to a technologically progressive and service oriented mass-scale platform, albeit at a premium. Dish TV has experienced strong though early signals of churned subscribers getting back to its platform in select markets in the current quarter," said Mr. Goel.

Commenting on the business performance, Mr. Goel said, "Dish TV's ARPU for the quarter was Rs.157 compared to Rs.160 in the immediately preceding quarter. However, on a like-to-like basis, ARPU for the quarter would have been Rs. 160 considering that revenue is recognized over a 90 day period in the fourth quarter compared to 92 days in the third quarter. Higher entry level price drove the SAC down to Rs.1,996 from Rs. 2,201 in the preceding quarter. A renewed focus on quality additions coupled with higher win backs reduced average churn for the quarter to 0.8% per month compared to 1% before that. On the expenses front, a 5.1% YoY increase in content cost for the fiscal remained well within the guided range of 10-12% hike. Marketing and other related expenses were within budget and lower in the fourth quarter due to previous quarter investments to capitalize on the digitization opportunity."

Dish TV added 5 new HD channels with effect from April, 2013. With this addition, Dish TV offers the highest number of 25 HD channels and 17 HD services on its platform.

Dish TV recently launched India's first Standard Definition Recorder, 'Dish+', with unlimited recording facility. 'Dish+' comes equipped with a USB slot and is positioned at a competitive price compared to non-recorder ready boxes. 'Dish+' was initially launched in the 42 cities covered under Phase I and Phase II of digitization and is now available across India as a value for money differentiator over other boxes in the market.

In a first within the television distribution industry, Dish TV has launched recharge option through Interbank Mobile Payment Service (IMPS) through which the subscriber can recharge his Dish TV account securely and conveniently through an instant, interbank electronic fund transfer service that can be initiated only through mobile phones. Considering the deep penetration of cell phones in the country, money transfer through them is likely to emerge as a popular mode of transacting for daily services in the days ahead.

Dish TV India Limited continues to be the largest DTH Company in India and the whole of Asia Pacific and is one of the largest DTH platforms in the World.

Condensed statement of operations

The table below shows the condensed statement of operations for Dish TV India Limited for the fourth quarter ended March '13 compared to the quarter ended December '12:

Rs. million	Quarter ended March - 2013	Quarter ended Dec. - 2012	% Change Q o Q
Operating revenues	5,554	5,578	(0.4)
Expenditure	4,354	4,201	3.6
EBITDA	1,200	1,377	(12.8)
Other Income	157	175	(10.3)
Depreciation	1,450	1,713	(15.3)
Financial expenses	343	288	19.0
Profit / (Loss) before tax	(436)	(449)	-
Exceptional Items	0	0	-
Provision for tax	0	0	-
Profit / (Loss) after tax	(436)	(449)	-

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 March - 2013	% of Gross revenue	Quarter ended Dec. - 2012	% of Gross revenue	% Change Q o Q
Cost of goods & services	3,183	57.3	2,846	51.0	11.8
Personnel cost	209	3.8	207	3.7	1.0
Other expenses	218	3.9	249	4.5	(12.4)
Advertisement expenses	166	3.0	237	4.2	(30.0)
Selling & distribution expenses	577	10.4	661	11.8	(12.7)
Total Expenses	4,354	78.4	4,201	75.3	3.6

Condensed statement of operations

The table below shows the condensed consolidated statement of operations for Dish TV India Limited for FY 2013 versus FY 2012:

Rs. million	FY 2013 (Audited)	FY 2012 (Audited)	% Growth Y o Y
Operating revenues	21,668	19,579	10.7
Expenditure	15,874	14,619	8.6
EBITDA	5,794	4,960	16.8
Other Income	511	900	(43.2)
Depreciation	6,276	5,218	20.3
Financial expenses	1,284	1,973	(34.9)
Profit / (Loss) before exceptional items	(1,254)	(1,331)	-

Exceptional items	594	-	-
Profit / (Loss) before tax after exceptional items	(660)	(1,331)	-
Tax expense	0.1	-	-
Loss attributable to minority	0.1	-	-
Net Profit / (Loss) for the period	(660)	(1,331)	-

Balance sheet

The table below shows the audited consolidated balance sheet for FY 2013 versus FY 2012:

Rs. million	FY 2013 (Audited)	FY 2012 (Audited)
EQUITY AND LIABILITIES		
Shareholders' funds		
(a) Share capital	1,065	1,064
(b) Reserves and surplus	(2,621)	(2,002)
	(1,556)	(939)
Non-current liabilities		
(a) Long-term borrowings	8,460	10,193
(b) Other long term liabilities	1,504	1,798
(c) Long-term provisions	127	105
	10,092	12,097
Current liabilities		
(a) Short-term borrowings	300	1,950
(b) Trade payables	2,138	1,275
(c) Other current liabilities	14,027	7,063
(d) Short-term provisions	6,547	4,893
	23,012	15,181
Total	31,548	26,340
ASSETS		
Non-current assets		
(a) Fixed assets		
(i) Tangible assets	14,273	14,160
(ii) Intangible assets	67	43
(iii) Capital work-in-progress	6,535	3,884
	20,875	18,088
(b) Non-current investments	-	1,500
(c) Long-term loans and advances	646	348
(d) Other non-current assets	97	69

	743	1,917
Current assets		
(a) Current investments	2,782	-
(b) Inventories	86	69
(c) Trade receivables	304	286
(d) Cash and bank balances	3,645	3,919
(e) Short-term loans and advances	3,060	1,978
(f) Other current assets	53	83
	9,929	6,335
Total	31,548	26,340



Note: This earnings release contains audited standalone quarterly results that are prepared as per Indian Generally Accepted Accounting Principles (GAAP). The annual results presented are audited and consolidated.

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 400 channels & services including 22 audio channels and over 42 HD channels & services with more than 10.7 million net subscribers as of March 31, 2013. 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 which increased its bandwidth capacity by 216 MHz to reach a total of 648 MHz, the largest held by any DTH player in the country. The Company has a vast distribution network of over 1,598 distributors & over 157,000 dealers that span across 8,600 towns in the country. Dish TV customers are serviced by four 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