



June 01, 2016

The National Stock Exchange of India Limited
Exchange Plaza, Fifth Floor
Plot no. C/1, G- Block
Bandra Kula Complex
Bandra (E), Mumbai - 400051

The BSE Limited
15th Floor, P J Towers
Dalal Street, Mumbai - 400001

Sub: - Investor' presentation

Dear Sir/ Madam,

Please find attached investor' presentation on Q4 & FY'16 results.

You are requested to take note of the same.

Thanking You,

For DEN Networks Limited

Jatin Mahajan
(Company Secretary)
Membership no. E6887



Encl.: as stated above.

DEN Networks Limited

CIN: L92490DL2007PLC165673

Registered Office: 236, Okhla Industrial Estate, Phase III, New Delhi -110 020.

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Den Networks Ltd.

4Q & FY'16 Results – Investor Presentation

30th May 2016



Forward Looking Statements



This presentation may contain “forward-looking statements” which are statements that refer to expectations and plans for the future and include, without limitation, statements regarding Den’s future results of operations, financial condition or business prospects as well as other statements based on projections, estimates and assumptions. In some cases, these statements can be identified by terms such as “expect,” “intend,” “plan,” “believe,” “estimate,” “may,” “will,” “should” and comparable words (including the negative of such words). These forward-looking statements, reflect the current expectations and plans of the directors and management of Den, which may not materialize or may change. Many risks, uncertainties and other factors, some of which are unpredictable and beyond Den’s control, could affect the matters discussed in these forward-looking statements. These factors include, without limitation, economic and business conditions globally and in the countries where we operate, Den’s ability to predict and respond quickly to market developments, consumer demand, pricing trends and competition; changes in applicable laws and regulations (including applicable tax and tariff rates). Any variance from the expectations or plans on which these forward-looking statements are based could cause Den’s actual results or actions to differ materially from those expressed or implied in these statements. These forward-looking statements are not guarantees of future performance and you are cautioned not to place undue reliance on these statements. Den undertakes no obligation to update any forward-looking statements in this presentation, whether as a result of new information or any subsequent change, development or event. All forward-looking statements in this presentation are qualified by reference to this paragraph.



4Q/ FY'16 – GROUP Highlights

- ✓ Consolidated Revenue growth – 37% Q4 - Y-o-Y
- ✓ Consolidated business breaks even at PBT level
- ✓ Consolidated EBITDA – post activation at Rs 99 cr. vs Rs 43 cr Q-o-Q
- ✓ Strong recognition of Den Brand – most capital efficient deployment of boxes in the industry
- ✓ Q4 - 1 million boxes seeded. Total digital base – 9.4m
- ✓ Net worth : Rs 1645 crs and Net Debt /Equity : 0.2 ---> Industry leading
- ✓ Broadband – nearing 100 k Subscribers
- ✓ Guidance delivered
 - *Divestment of 55% in Soccer business – breakeven exit*
 - *Full divestment out of Star Den JV - profitable exit*
 - *Strong performance in DAS 3 & 4 digital additions – 4.4m*
 - *Corporate simplification exercise initiated*





4Q/ FY'16 – Segment Highlights

Cable

- ✓ Healthy Subscription Revenue growth - 13% Q-o-Q and 30% growth Y-o-Y
- ✓ Deployed ~1 million STBs in 4Q; DAS 3&4 ~4.4 million.
- ✓ Strong Q on Q - EBITDA momentum - Pre-Activation growth – 164% ; Post activation growth – 30%
- ✓ FY16 EBITDA @ Rs 251 cr. Vs Rs. 187 cr for FY 14-15
- ✓ Net content deals negotiated with leading broadcasters

Broadband

- ✓ Focussed effort towards profitability paying off - Q4 FY 16 – EBITDA at -12 cr. Vs -16cr in Q3.
- ✓ Attractive case for expansion established
- ✓ Added ~19k Subscribers in 4Q; total subbase reaches 95k, Q-o-Q Revenue growth - 28%
- ✓ Added ~76k Homes Passed in 4Q; total HPs reach approx. 775k
- ✓ Average ARPU Rs.780; Exit acquisition ARPU at Rs. 850
- ✓ Continued decline in Capex per HP

Group KPIs



4Q'16 Additions

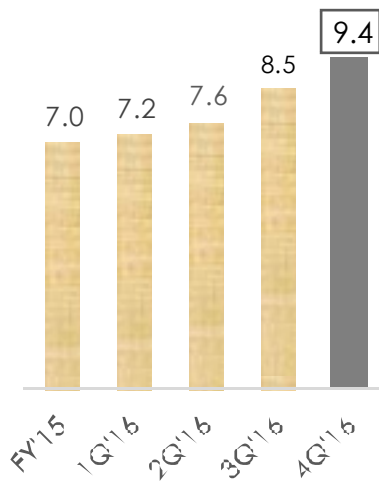
+1 mn

+1%

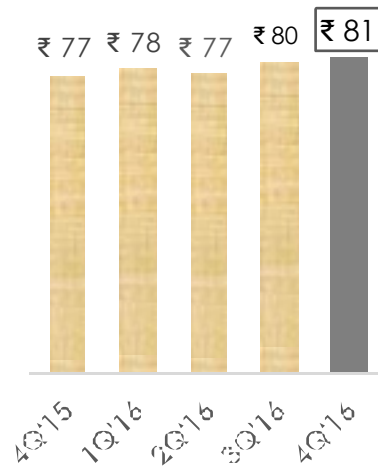
+100k

+20k

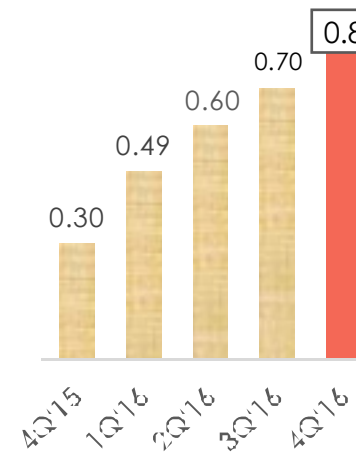
Cable Digital Subscribers (Mn)



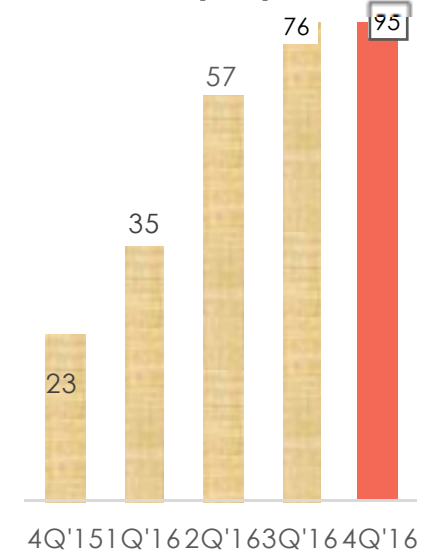
Cable DAS 1/2 ARPU Per STB (Net of LCO, Net of Taxes)



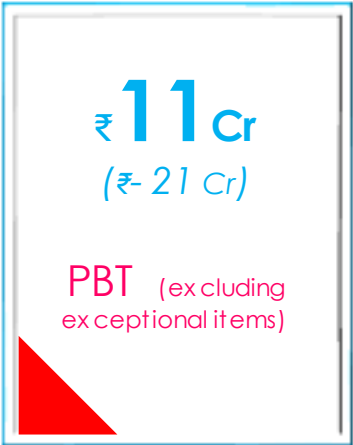
Broadband Homes Passed (Mn)



Broadband Subscribers ('000)



Group 4Q'16 Financial Highlights



Numbers in Brackets represent 3Q'16

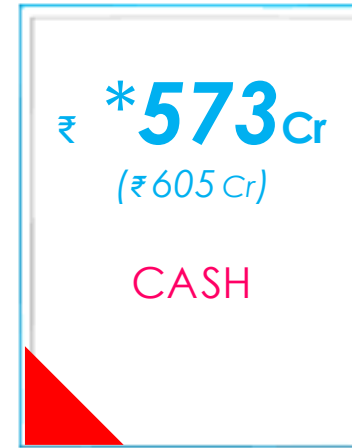
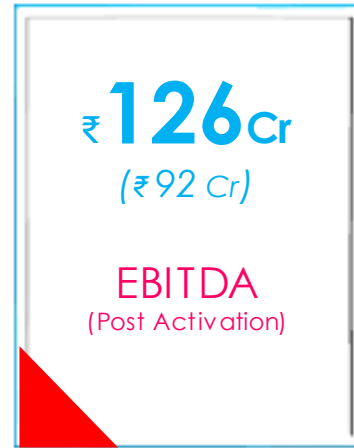




Group 4Q'16 Segment View

		Cable	Broadband	Soccer	TV Commerce	Distribution	Consolidated
Revenues (Post Activation)	4Q'16	346	15	1	4	3	370
	3Q'16	322	12	14	4	0	352
	4Q'15	265	3	(0)	1	1	270
EBITDA (Post Activation)	4Q'16	119	(12)	(2)	(6)	0	99
	3Q'16	92	(16)	(26)	(7)	(0)	43
	4Q'15	14	(14)	(2)	(3)	(1)	(6)
EBITDA (Pre Activation)	4Q'16	15	(12)	(2)	(6)	0	(5)
	3Q'16	6	(16)	(26)	(7)	(0)	(43)
	4Q'15	1	(14)	(2)	(3)	(1)	(19)
PBT before exceptional items	4Q'16	38	(17)	(4)	(7)	1	11
	3Q'16	34	(20)	(28)	(7)	(0)	(21)
	4Q'15	(26)	(16)	(3)	(3)	1	(47)
PBT after exceptional items	4Q'16	(69)	(17)	43	(7)	(4)	(54)
	3Q'16	34	(20)	(28)	(7)	(0)	(21)
	4Q'15	(26)	(16)	(3)	(3)	1	(47)

Group FY'16 Financial Highlights



Numbers in Brackets represent FY'16 other than Net Debt ; Net Debt as on 31 Mar'16

*Includes 254 Cr under lien for credit facilities

** Revenues and Opex Adjusted for LCO Share of INR 63 Cr in FY'15

Group FY'16 Segment View



INR Crore

		Cable	Broadband	Soccer	TV Commerce	Distribution	Consolidated
Revenues (Post Activation)	12M'16	1,183	41	15	14	6	1,259
	*12M'15	1,030	8	8	2	19	1,067
EBITDA (Post Activation)	12M'16	251	(65)	(37)	(22)	(0.4)	126
	*12M'15	187	(44)	(46)	(5)	0.2	92
EBITDA (Pre Activation)	12M'16	18	(65)	(37)	(22)	(0.4)	(106)
	*12M'15	122	(44)	(46)	(5)	0	28
PBT before Exceptional	12M'16	23	(81)	(43)	(22)	1.0	(122)
	*12M'15	10	(49)	(48)	(5)	3.7	(88)
PBT after Exceptional	12M'16	(84)	(81)	4	(22)	(3.9)	(187)
	*12M'15	10	(49)	(48)	(5)	3.5	(88)

* Revenues in FY 15 adjusted

Consolidated Income Statement

	Actual			Actuals		Y-o-Y	Q-o-Q Change	FY'16
	4Q'16	3Q'16	4Q'15	FY'16	FY'15			
	INR Crore							
Revenues	370	352	270	1,259	1067**	37%	5%	18%
Content Costs	105	132	139	510	465	-24%	-20%	10%
Personnel Costs	37	31	30	137	111	23%	20%	24%
Other Opex	108	137	103	437	351	5%	-21%	24%
Provision for doubtful debts	20	9	4	47	48	368%	107%	-2%
EBITDA	99	43	(6)	126	92	NM	131%	37%
EBITDA %	27%	12%	-2%	10%	9%			
Treasury Income	10	12	23	67	88	-58%	-17%	-24%
Dep & Amort	72	56	47	231	186	52%	29%	24%
Finance Costs	26	20	16	85	82	57%	30%	3%
Profit Before Tax (PBT)	11	(21)	(47)	(122)	(88)	-124%	-154%	39%
Exceptional Items	65			65	-	0%	0%	0%
Provisions for Tax	22	12	14	43	34	52%	74%	27%
Minority Interest	10	15	1	31	22	NM	-32%	38%
Net Income	(85)	(48)	(62)	(261)	(144)	37%	76%	81%

** Revenues and Opex Adjusted for LCO Share of INR 63 Cr

Consolidated Balance Sheet



	INR Crore		
	Mar'16	Dec'15	Mar'15
Share Capital	178	178	178
Reserves & Surplus	1,276	1,354	1,532
Pref. Capital	3	3	3
Minority Interest	188	183	165
Networth	1,645	1,718	1,877
Short & Long Term Debt	928	930	1,043
Trade Payables	313	402	277
Other Liabilities	275	241	165
Total Equity & Liabilities	3,160	3,291	3,362
Fixed Assets, Net	1,362	1,270	1,126
Capital work-in-progress	141	109	110
Goodwill on consolidation	285	301	299
Fixed As sets	1,788	1,679	1,535
Trade receivables	399	463	398
Cash and Cash Equivalents	573*	605	984
Other Assets	400	545	445
Total As sets	3,160	3,291	3,362

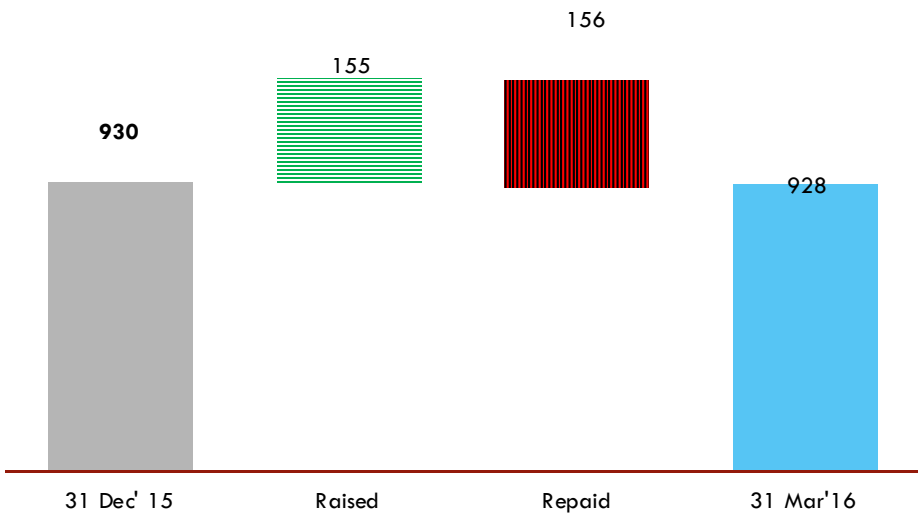
*Includes Rs 254 Cr under lien for credit facilities

Regrouped for Presentation Purposes

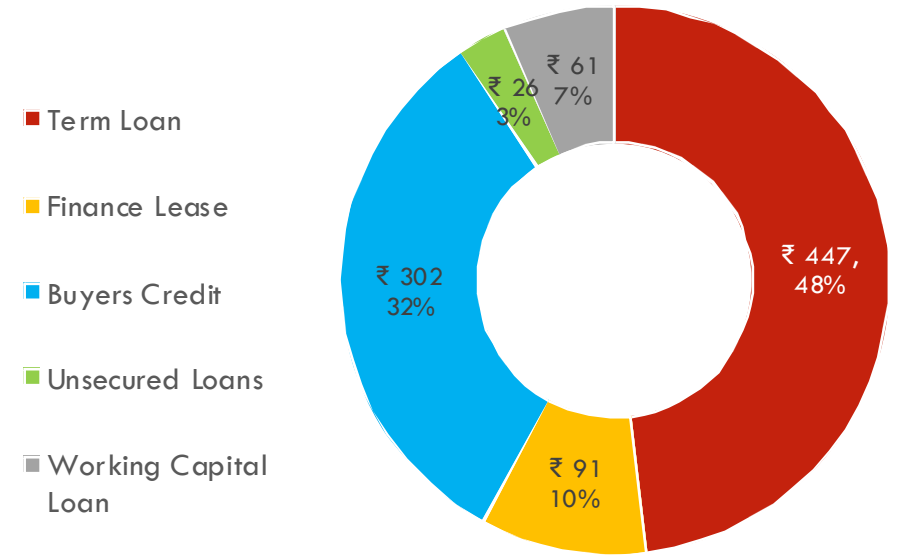
Consolidated Debt Position



Gross Debt (INR Crore)



4Q'16 Debt Breakup (INR Cr)





Cable Business

Cable 4Q'16 Highlights



13m

Subscribers

72%

Digital Customers

(65%)

₹346Cr

Revenues (Inclusive of Activation)

(₹322Cr)

₹119Cr

EBITDA Post Activation

(₹92Cr)

₹38Cr

PBT (excluding exceptional items)

(₹34 Cr)

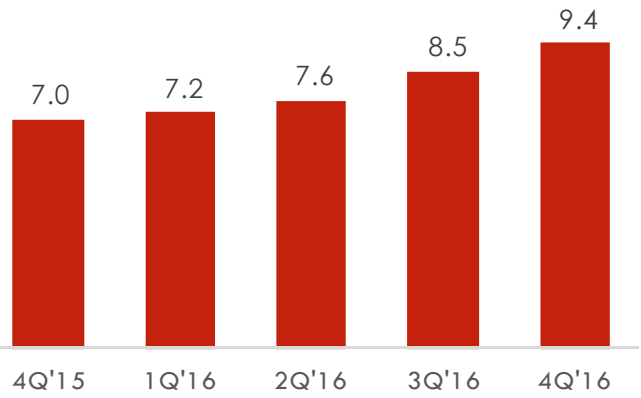
Numbers in Brackets represent 3Q'16



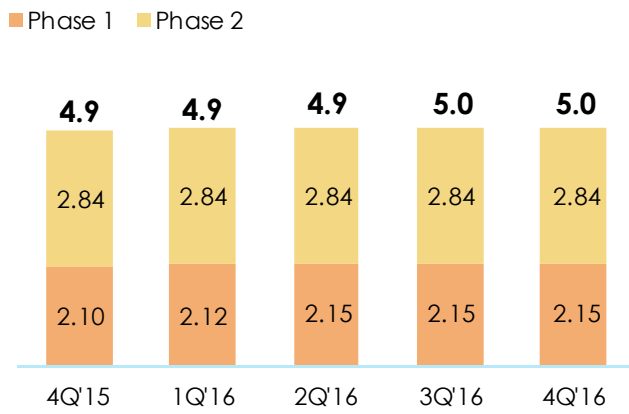
Cable Subscribers – 13M



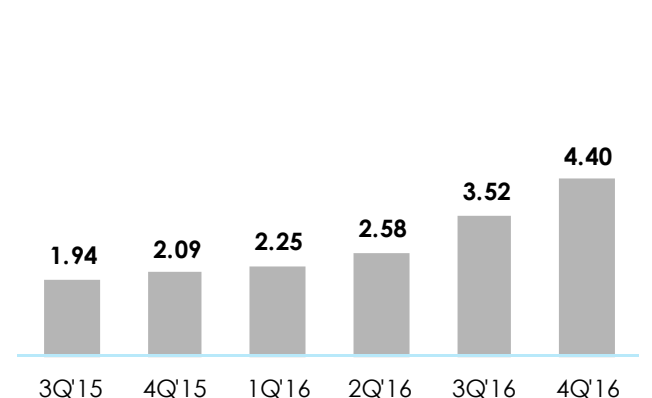
Total Digital Subscribers (Million)



DAS 1 and 2 Markets (Million STBs)



DAS 3 and 4 Markets - (Million STBs)



Digital Subscribers % in Total Subscriber Base



DEN Market Share* in DAS 1 & 2 Markets



Consolidated Balance Sheet



	INR Crore		
	Mar'16	Dec'15	Mar'15
Share Capital	178	178	178
Reserves & Surplus	1,276	1,354	1,532
Pref. Capital	3	3	3
Minority Interest	188	183	165
Networth	1,645	1,718	1,877
Short & Long Term Debt	928	930	1,043
Trade Payables	313	402	277
Other Liabilities	275	241	165
Total Equity & Liabilities	3,160	3,291	3,362
Fixed Assets, Net	1,362	1,270	1,126
Capital work-in-progress	141	109	110
Goodwill on consolidation	285	301	299
Fixed As sets	1,788	1,679	1,535
Trade receivables	399	463	398
Cash and Cash Equivalents	573*	605	984
Other Assets	400	545	445
Total As sets	3,160	3,291	3,362

*Includes Rs 254 Cr under lien for credit facilities

Regrouped for Presentation Purposes



Cable Income Statement

	INR Crore							
	Actual			Actual		Y-o-Y	Q-o-Q	FY'16
	4Q'16	3Q'16	4Q'15	FY'16	FY'15			
Subscription (Net of LCO Share)	134	119	113	487	459**	19%	13%	6%
Placement	95	111	124	435	474	-23%	-14%	-8%
Other Operating Income	12	6	15	29	33	-15%	93%	-12%
Revenues Pre Activation	242	236	252	951	966	-4%	2%	-2%
Activation Revenues	104	86	13	232	64	697%	21%	261%
Revenues (Post Activation)	346	322	265	1,183	1,030	31%	7%	15%
Content Costs	105	131	139	508	464	-25%	-20%	10%
Personnel Costs	28	25	26	105	89	10%	16%	18%
Other Opex	74	65	82	272	249**	-10%	14%	9%
Provision for doubtful debts	19	9	4	47	42	379%	105%	12%
EBITDA (Post Activation)	119	92	14	251	187	755%	30%	34%
EBITDA %	34.4%	28.4%	5.3%	21.2%	18.1%			
EBITDA (Pre Activation)	15	6	1	18	122	1638%	164%	-85%
EBITDA %	6.2%	2.4%	0.3%	1.9%	12.7%			
Treasury Income	9	12	21	65	84	-57%	-24%	-23%
Dep & Amort	68	52	46	218	183	48%	30%	19%
Finance Costs	22	17	14	75	78	56%	31%	-4%
Profit Before Tax	38	34	(26)	23	10	-247%	11%	131%
Exceptional expense	107			107	-			
Provisions for Tax	22	12	14	43	33	NM	NM	NM
Minority Interest	10	15	1	31	22	996%	-32%	38%
Net Income	(101)	7	(41)	(157)	(46)	NM	NM	NM

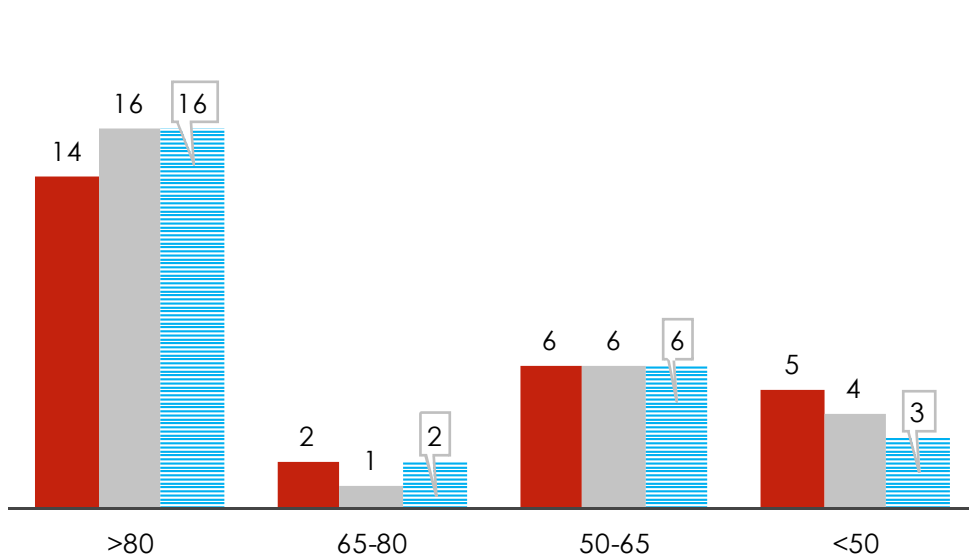
** Revenues and Opex Adjusted for LCO Share of INR 63 Cr

Billing, *Net of Taxes*, Across DAS Markets

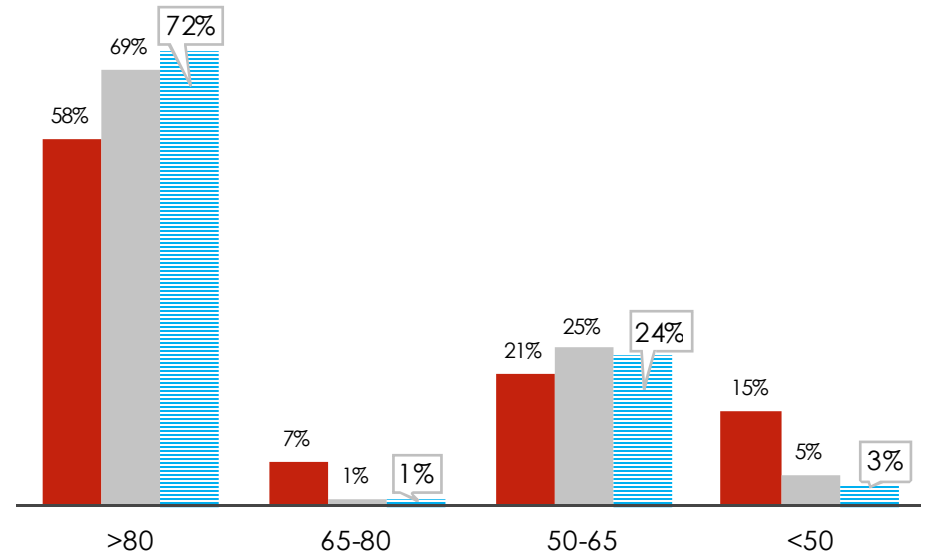


Number of Cities with Billing, *Net of Taxes*, Range

■ 2Q'16 ■ 3Q'16 ■ 4Q'16



% of Paying DAS Subscribers with Billing, *Net of Taxes*, Range

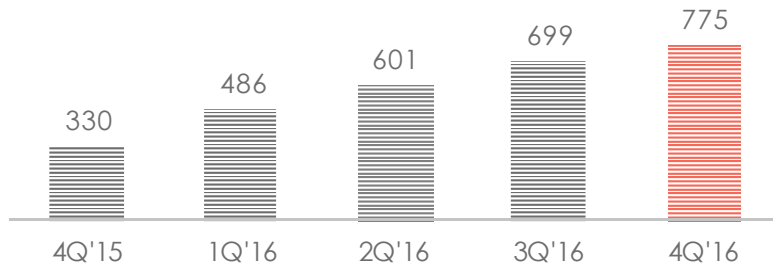


Broadband

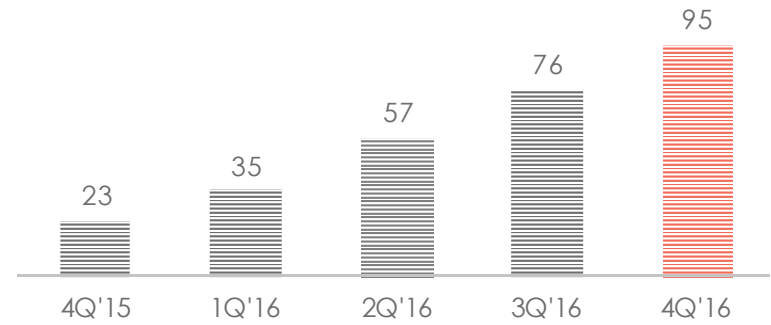
Broadband Highlights



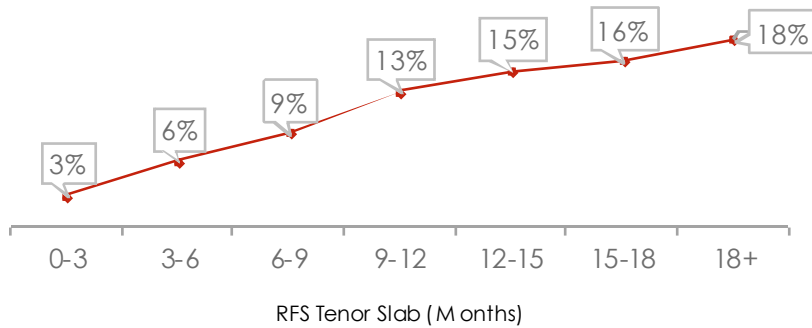
Homes Passed ('000)



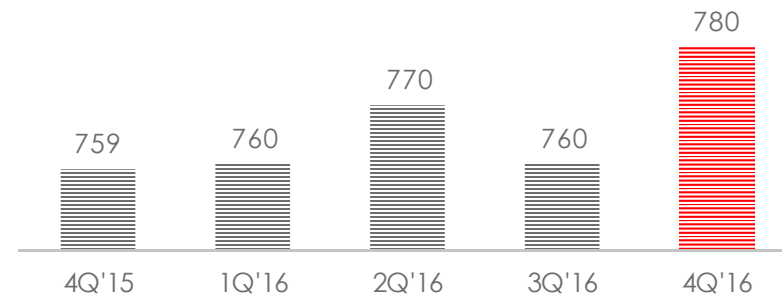
Subscribers ('000)



Cohort Analysis



ARPU INR ¹



¹ Basis Active subscribers

Broadband Income Statement



	Actuals			Actuals		Change	
	4Q'16	3Q'16	4Q'15	FY'16	FY'15	Q-o-Q	FY'16
	INR Crore						
Subscription	15	12	3	40	8	28%	399%
Other Operating Income	0	0	0	0	0	9%	-19%
Revenues (Pre Activation)	15	12	3	40	8	28%	398%
Activation	0	0	0	1	0	7%	624%
Revenues (Post Activation)	15	12	3	41	8	27%	401%
Personnel Costs	5	5	5	25	15	2%	68%
Other Opex	22	22	12	81	37	-2%	119%
Provision for doubtful debts	-0		0	-0	0	0%	-460%
EBITDA (Post Activation)	(12)	(16)	(14)	(65)	(44)	-24%	49%
EBITDA %	-77%	-130%	-407%	-161%	-543%		
EBITDA (Pre Activation)	(12)	(16)	(14)	(66)	(44)	-24%	50%
EBITDA %	-81%	-136%	-418%	-167%	-553%		
Dep & Amort	4	4	1	13	3	4%	317%
Finance Costs	1	1	1	3	2	18%	66%
Profit Before Tax (PBT)	(17)	(20)	(16)	(81)	(49)	-17%	66%
Taxes	-	-	-	-	-	0%	0%
Profit After Tax (PAT)	(17)	(20)	(16)	(81)	(49)	-17%	66%



TV Commerce

TV Commerce Key Takeaways



Building efficiencies across the value chain to build a profitable biz

- Evaluated costs critically and rationalisation exercise carried out across
- Reducing Customer Returns as it impacts both commission income and freight cost negatively

Business on the path to become independent

- Call Centre migrated out of Snap-deal effective 1st April
- Technology Platform with State of the art CRM to go live effective June '16

Technology to drive Differentiation and next phase of growth

- Website launched 1st Feb
- App and other initiatives underway

TV Commerce Income Statement

	INR Crore					
	Actuals			Actuals		Q-o-Q Change
	4Q'16	3Q'16	4Q'15	FY'16	FY'15	
Income from operations	4	4	1	14	2	0%
Revenues	4	4	1	14	2	2%
Content Costs	1	1	1	3	1	-4%
Personnel Costs	1	1	0	4	1	49%
Other Opex	9	9	3	29	4	-8%
EBITDA	-6	(7)	(3)	(22)	(5)	-4%
Dep & Amort	0	0	0	0	0	-26%
Profit Before Tax (PBT)	(7)	(7)	(3)	(22)	(5)	-5%
Taxes	0	-	-	0	-	0%
Profit After Tax (PAT)	(7)	(7)	(3)	(22)	(5)	-4%

* Above numbers represent share of DEN i.e. 50% of total DEN Snapdeal TV commerce business



Soccer

Soccer Highlights

Corporate Structure

Den Soccer is the operating company which owns controls and manages Delhi Dynamos F.C. (“Club”) and holds the franchisee for Delhi to participate in the Indian Super League (“ISL”) organized and staged by Football Sports Development Limited.

Top 4 Finish

The Franchisee was the Second team to qualify for Semi Finals; Finished fourth in the League stage

Stake Sale

We entered into an Agreement with Wall Street Investment Limited for selling off our 55% equity stake in DEN Sports for a consideration of Rs 43.32 Crores. Wall Street Investments is represented by its agents, GMS (JLT) based out of Dubai. We shall retain 45% stake in the Football Club with the intention to utilize the Football platform for promoting our Cable, Broadband and TV Commerce Businesses thus strengthening consumer connect

Breakeven Exit

The stake sale concluded in Mar'16. The consideration for our 55% stake was Rs.47cr which is included in Exceptional Items in our P&L.



Soccer Income Statement

	INR Crore				
	Actuals			Actuals	
	4Q'16	3Q'16	4Q'15	FY'16	FY'15
Income from operations		15	(0)	15	7
Other Operating Income	1	(1)	(0)	1	1
Revenues	1	14	(0)	15	8
Personnel Costs	1	0	0	1	1
Other Opex	2	40	2	51	54
EBITDA	(2)	(26)	(2)	(37)	(46)
Dep & Amort	0	0	0	0	0
Finance Costs	2	2	1	7	2
Profit Before Tax (PBT)	(4)	(28)	(3)	(43)	(48)
Exceptional Items	(47)			(47)	
Profit After Tax (PAT)	43	(28)	(3)	4	(48)



For Further Information Please Contact

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