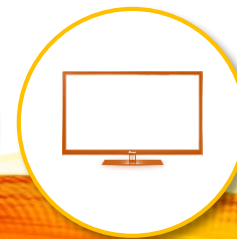




DEN Networks Ltd

1st Quarter FY'16

Investor Presentation



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.

Business Performance

Pradeep Parameswaran
CEO

1Q'16 Highlights

- ✓ Deployed 185,000 **STBs** in the quarter; 56% customers digitized of 13mn total
- ✓ 13 DAS Cities generating **Billing, Net of Taxes** of more than ₹80 in 1Q'16 vs 11 cities in 4Q'15 and 8 cities in 1Q'15
 - >60% of DAS paying subscribers above ₹80 per box net billing vs 50% in 4Q'15 and 38% in 1Q'15



- ✓ On target to achieve 1mn Homes Passed and 100k Subscribers in FY'15-16
 - Added 157k **homes passed** taking total to 486k as on 30 June
 - Added 12k **subscribers** in quarter taking total to 35k as on 30 June
- ✓ ₹760 **ARPU** for 1Q'16



- ✓ INR 144 Crore **annualised GMV** at current run rate
- ✓ >33mn **home reach**
- ✓ ~32% **conversion** of the total call received in the quarter



Group KPIs

1Q'16 Additions

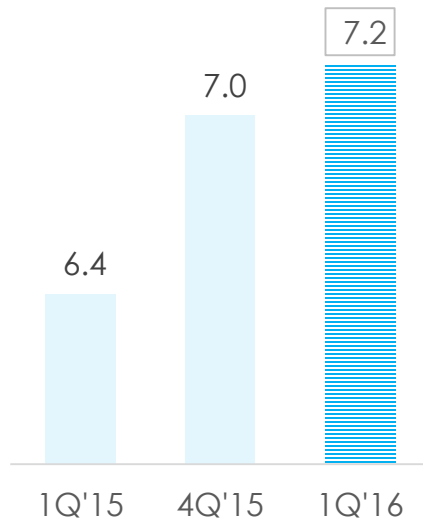
+185k

+5%

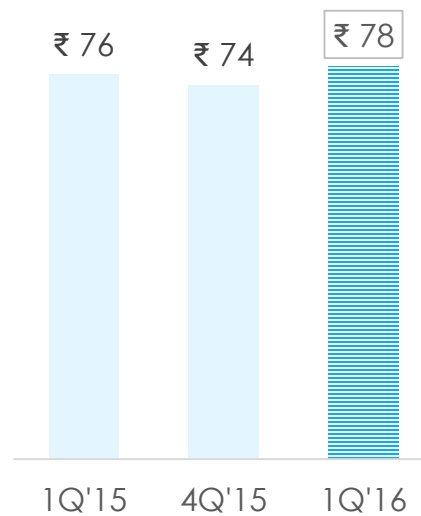
+0.16Mn

+12k

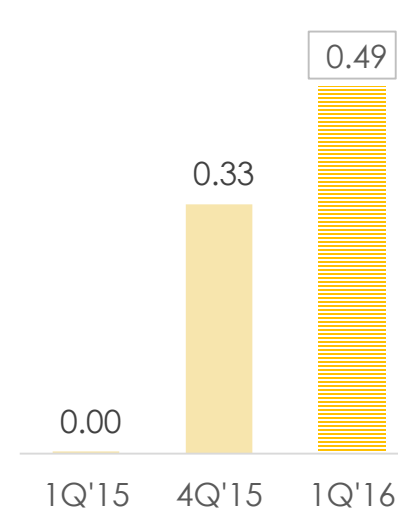
Cable Digital Subscribers (Mn)



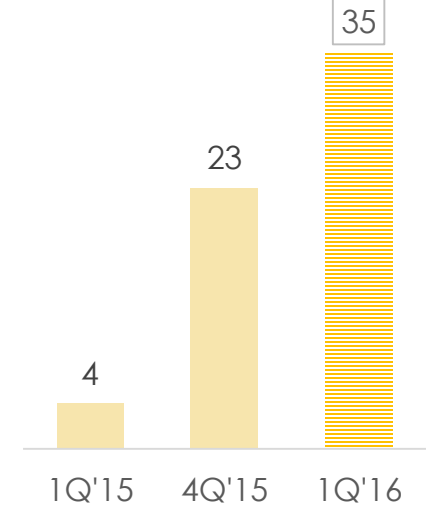
Cable DAS ARPU Per Box (Net of LCO, Net of Taxes)



Broadband Homes Passed (mn)



Broadband Subscribers ('000)



Road Ahead – Value Drivers

Value Drivers for FY'16

Improve monetisation in DAS I and II markets - Pricing, Packaging, HD, Pre-paid

Broadband execution – Multi channel sales, roll-out factory

Box seeding - phase III and IV markets

TV shop – increase the reach

Strengthen IR management

Progress in 1Q'16

- ✓ Billing, Net of Taxes at INR 78 per box vs 74 in 4Q'15
- ✓ 44% of DAS subscribers on packaged schemes as on 30 June
- ✓ HD – WIP

- ✓ Added 12k Subscribers
- ✓ Added 157k Homes Passed
- ✓ On track for 1 million Homes passed and 100k subscribers in FY 15-16

- ✓ Substantial market development
- ✓ 2.25 million boxes deployed in DAS 3 and 4 markets at end of 1Q'16, ahead of Dec'15 deadline.

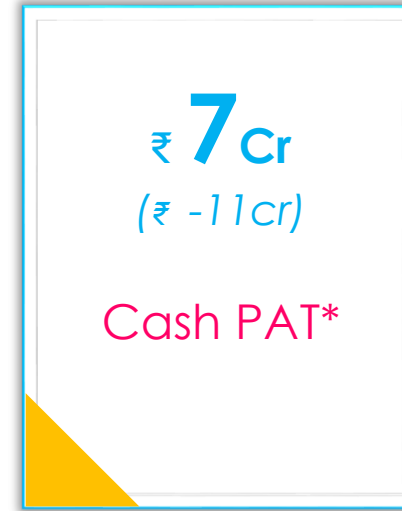
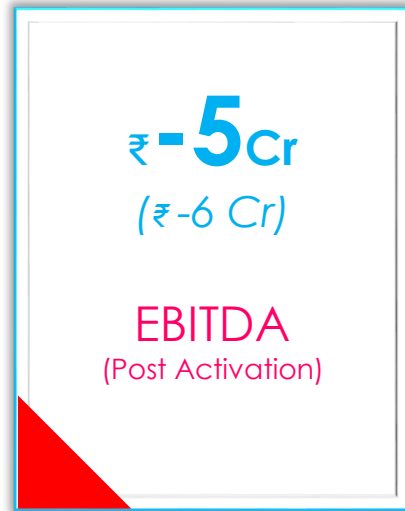
- ✓ TV Shop reach 33 million on 30 June vs 25 million as at 31 March

- ✓ On track

Financial Performance

Manish Dawar
Group CFO

Group 1Q'16 Financial Highlights



Numbers in Brackets represent 4Q'15

* PAT plus Depreciation & Amortization and Provisions for doubtful debts

Group 1Q'16 Segment View

INR Crore

		Cable	Broadband	Soccer	TV Commerce	Distribution	Consolidated
Total Revenues	1Q'16	256	5	0.9	1.8	1.3	266
	4Q'15	265	3	(0.0)	1.0	1.2	270
	1Q'15	254*	1	-	-	12.7	268
EBITDA (Post Activation)	1Q'16	18	(18)	(0.1)	(4.4)	(0.2)	(5)
	4Q'15	14	(14)	(2.3)	(2.7)	(1.0)	(6)
	1Q'15	69	(8)	(4.0)	-	(0.3)	57
EBITDA (Pre Activation)	1Q'16	3	(18)	(0.1)	(4.4)	(0.2)	(20)
	4Q'15	1	(14)	(2)	(3)	(1)	(19)
	1Q'15	49	(8)	(4.0)	-	0.3	37
PBT	1Q'16	(20)	(20)	(1.4)	(4.4)	0.2	(46)
	4Q'15	(26)	(16)	(3.5)	(2.7)	1.1	(47)
	1Q'15	25	(9)	(4.2)	-	0.9	13
PAT	1Q'16	(26)	(20)	(1.4)	(4.4)	0.2	(52)
	4Q'15	(41)	(16)	(3.5)	(2.7)	1.1	(62)
	1Q'15	13	(9)	(4.2)	-	0.7	1

* Cable Business Revenues Adjusted for LCO Share of INR 31 Cr in 1Q FY'15

Consolidated Income Statement

	INR Crore			Y-o-Y Change	Q-o-Q Change
	1Q'16	Actual 4Q'15	1Q'15		
Revenues	266	270	268*	-1%	-2%
Content Costs	136	139	106	28%	-2%
Personnel Costs	34	30	28	20%	13%
Other Opex	91	103	61*	49%	-12%
Provision for doubtful debts	9	4	15	-38%	116%
EBITDA	(5)	(6)	57	-108%	22%
EBITDA %	-1.8%	-2.2%	21.3%		
Other Income	27	23	19	43%	17%
Dep & Amort	50	47	43	16%	6%
Finance Costs	18	16	20	-8%	12%
Profit Before Tax (PBT)	(46)	(47)	13	-464%	1%
Provisions for Tax	3	14	4	-19%	-76%
Minority Interest	2	1	7	-71%	129%
Net Income	(52)	(62)	1	-4723%	16%

* Revenues and Expenses adjusted for LCO Share of INR 31 Cr in 1Q FY'15 for an like to like comparison

Cable 1Q'16 Highlights



13m

Subscribers

56%

Digital Customers
(54%)

₹256cr

Revenues*

(₹265cr)

* Revenues Including
Activation Income

34%

Gross Margin

(33%)

₹18cr

EBITDA Post
Activation

(₹14cr)

₹3cr

EBITDA Pre
Activation

(₹1cr)

₹31cr

Cash PAT#

(₹9cr)

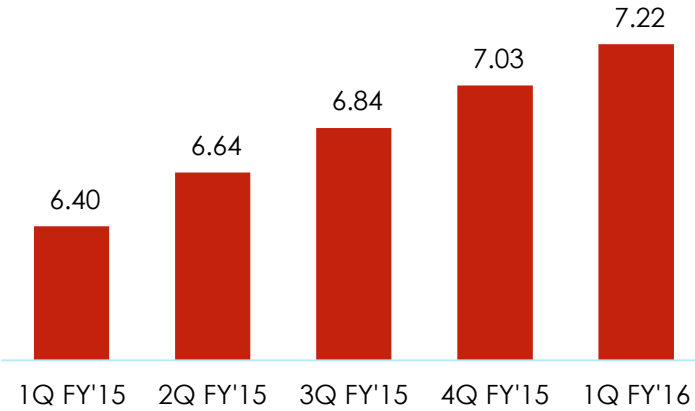
Numbers in Brackets represent 4Q'15

#PAT plus Depreciation & Amortization and Provisions for doubtful debts

Cable Subscribers – 13M



Total Digital Subscribers (Million)

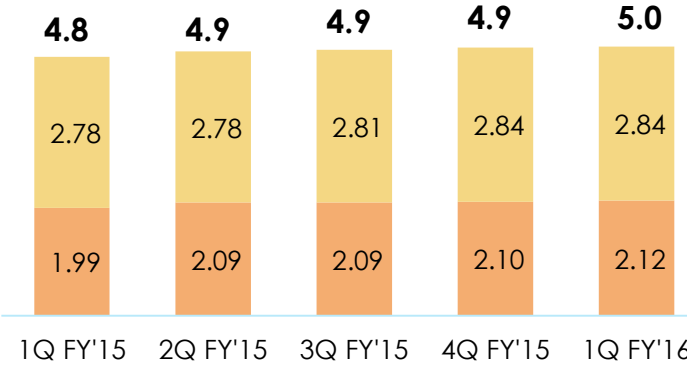


Digital Subscribers % in Total Subscriber Base



DAS 1 and 2 Markets (Million STBs)

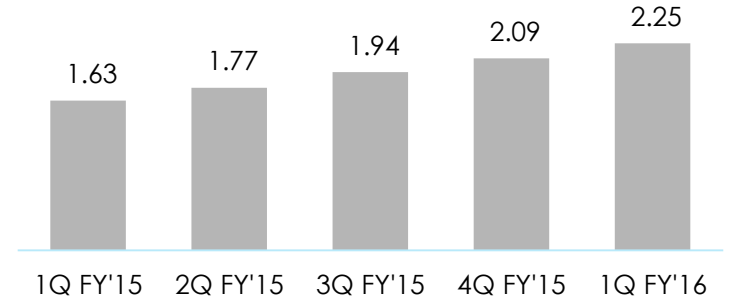
Phase 1 Phase 2



DEN Market Share* in DAS 1 & 2 Markets



DAS 3 Markets - Analog (Million STBs)

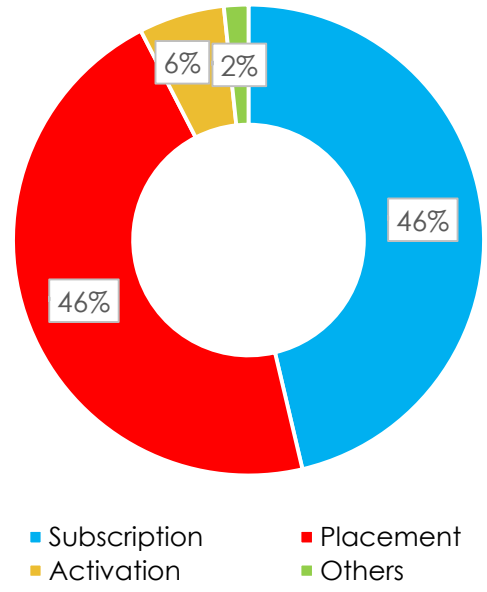


- ✓ Phase 3 & 4 expected to implement by end of 2015 and 2016 respectively providing a huge opportunity to increase the digital subscriber base where DEN has ~6 Million subscribers

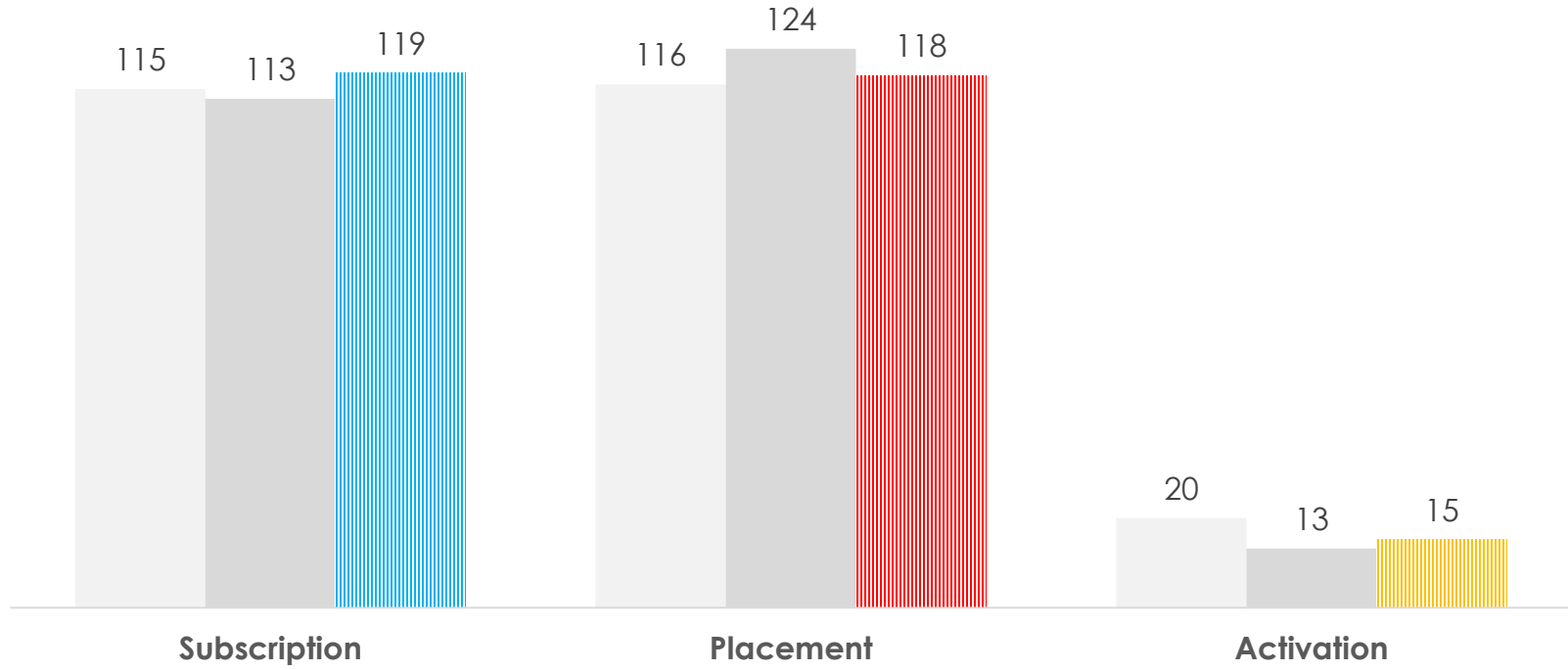
Cable Revenues



Revenue By Stream* (INR Cr)



1Q'15 4Q'15 1Q'16





Cable Income Statement

	INR Crore			Y-o-Y Change	Q-o-Q Change
	Actual				
	1Q'16	4Q'15	1Q'15		
Subscription (Net of LCO Share)	119	113	115*	3%	5%
Placement	118	124	116	2%	-5%
Other Operating Income	4	15	3	49%	-70%
Revenues Pre Activation	241	252	234	3%	-4%
Activation Revenues	15	13	20	-24%	15%
Revenues (Post Activation)	256	265	254	1%	-3%
Content Costs	136	139	106	27%	-2%
Personnel Costs	26	26	21	27%	1%
Other Opex	68	82	49*	38%	-17%
Provision for doubtful debts	9	4	9		
EBITDA (Post Activation)	18	14	69	-75%	26%
EBITDA %	6.9%	5.3%	27%		
EBITDA (Pre Activation)	3	1	49	-95%	193%
EBITDA %	1.0%	0.3%	21.1%		
Other Income	26	21	18	46%	27%
Dep & Amort	48	46	43	11%	5%
Finance Costs	16	14	20	-17%	13%
Profit Before Tax	(20)	(26)	25	NM	21%
Provisions for Tax	3	14	4	-18%	-76%
Minority Interest	2	1	7	-71%	129%
Net Income	(26)	(41)	13	NM	37%

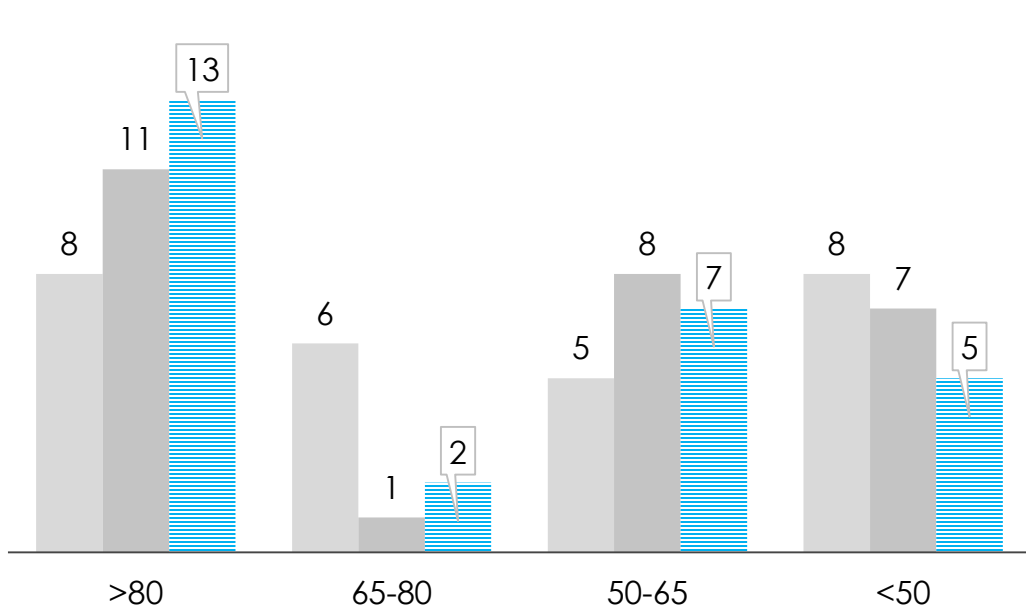
* Revenues and expenses Adjusted for LCO Share of INR 31 Cr in 1Q FY'15 for an like to like comparison

Billing, *Net of Taxes*, Across DAS Markets

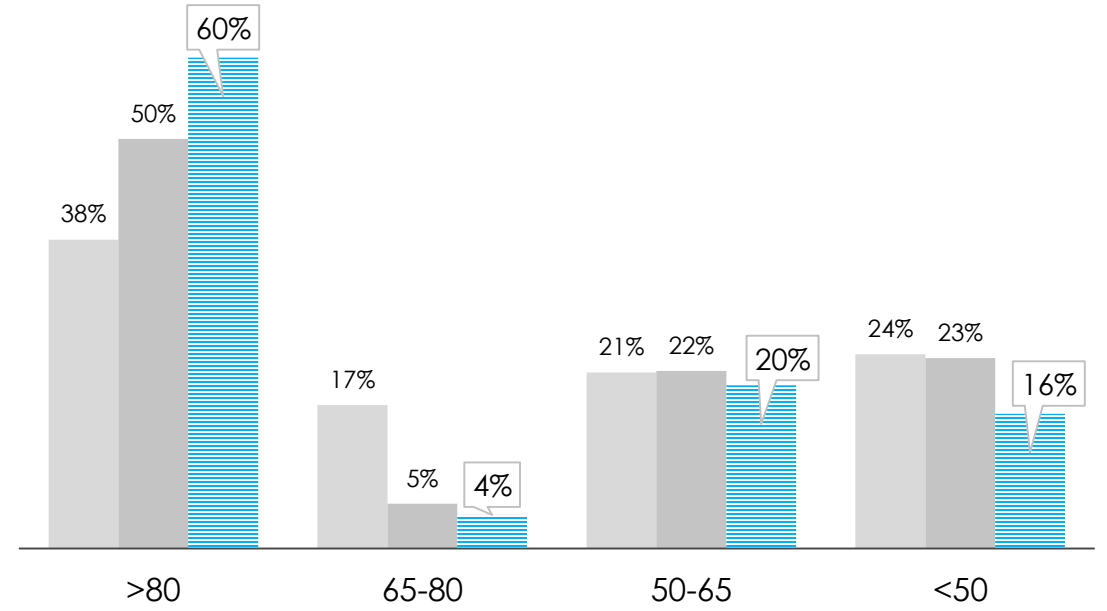


Number of Cities with Billing, *Net of Taxes*, Range

■ 1Q'15 ■ 4Q'15 ■ 1Q'16



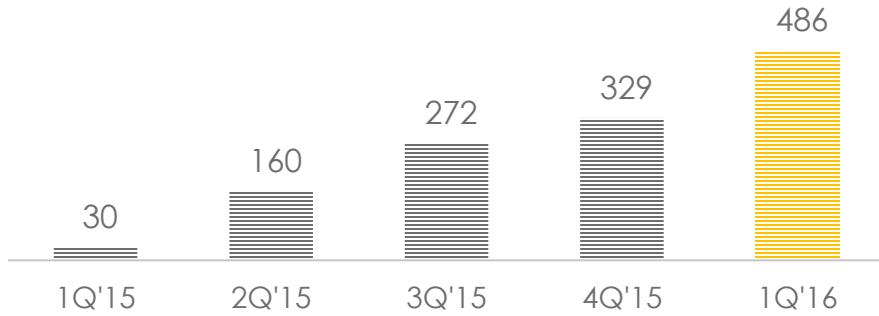
% of Paying DAS Subscribers with Billing, *Net of Taxes*, Range



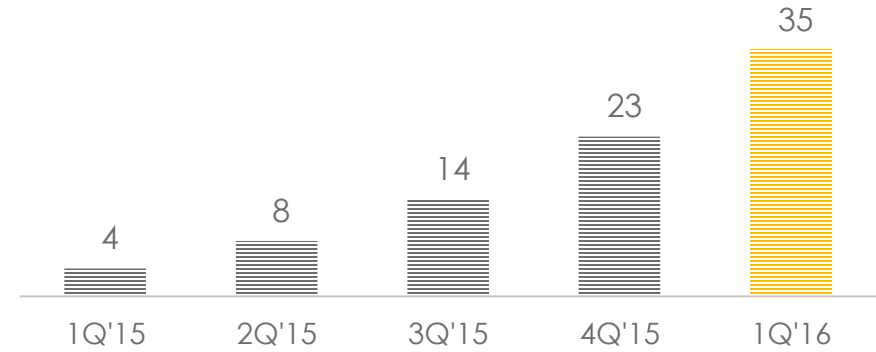
Broadband Highlights



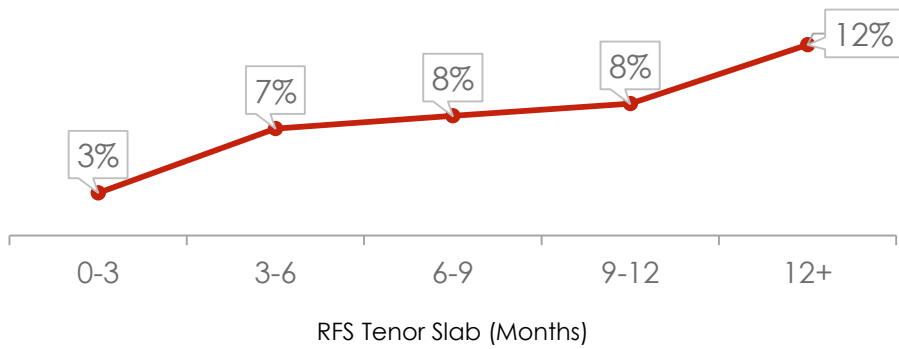
Homes Passed ('000)



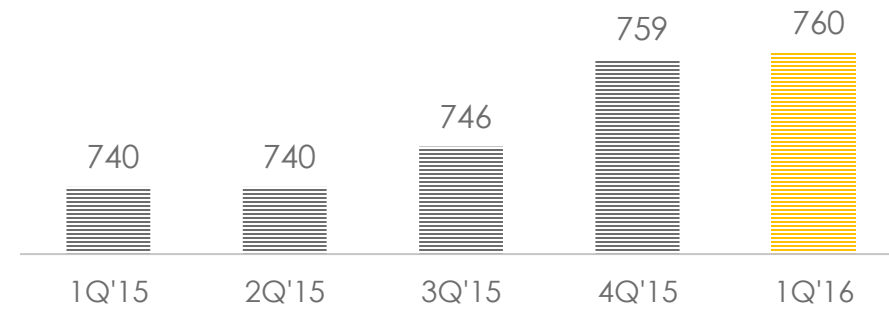
Subscribers ('000)



Cohort Analysis



ARPU INR



TV Commerce Key Takeaways

₹ 144Cr

(₹117Cr)

Annualised GMV
on Current Rate

33^{mn}

(25mn)

Reach (Million Homes)

1,526

(1,312)

Average Daily
Transactions

32%

(30%)

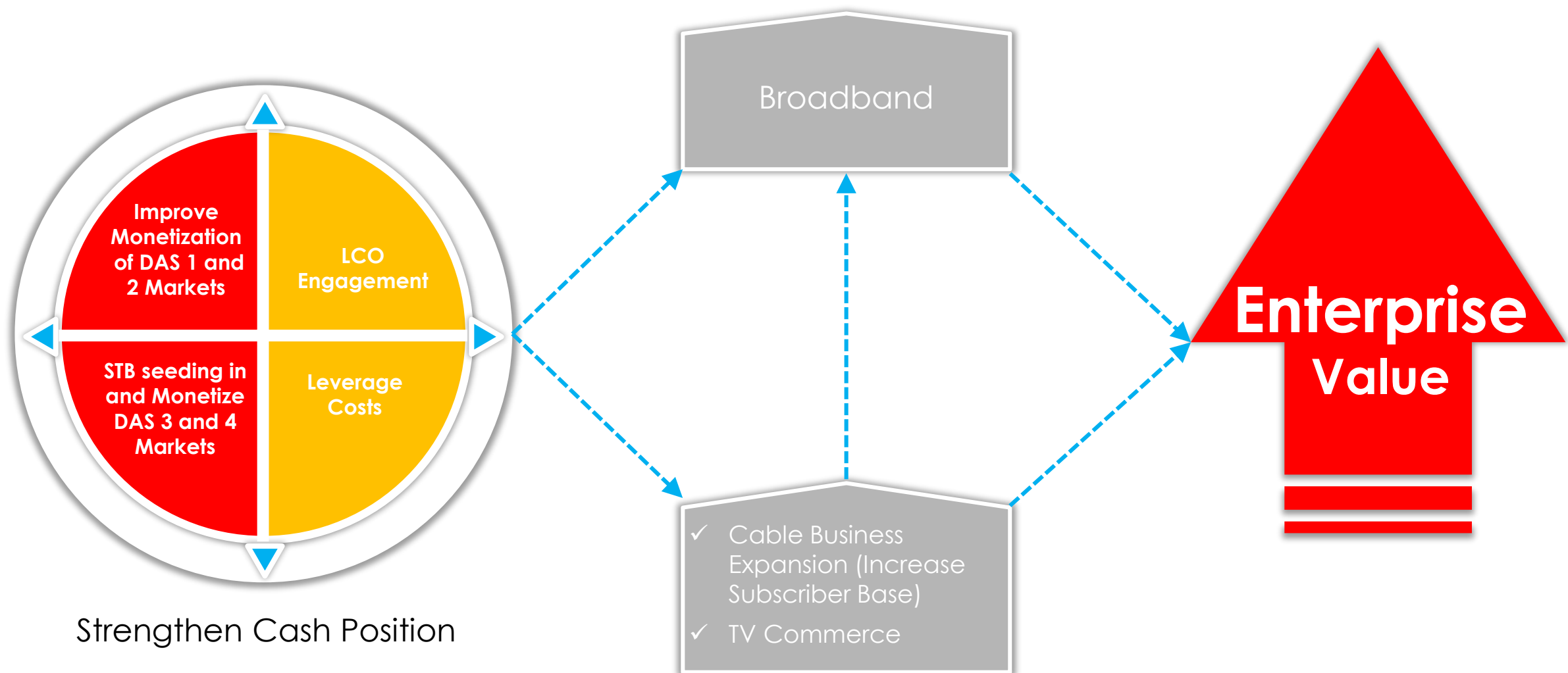
Conversion Ratio
of Calls Received

16%

(17%)

Repeat
Customers

DEN Operating Cycle





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