



DEN Networks Limited

Cable – Broadband – TV Commerce – Football

Press Release

New Delhi, 11 May 2015: DEN Networks Ltd, the largest cable MSO in India, today announced its financial results for the fiscal year ended 31 March 2015 at the meeting of its Board of Directors.

DEN Cable subscription income grows 25%; Encouraging start to Broadband and TV Shop

Key 2015 Operational Highlights:

- ✓ Continuing with plans to digitize the analog cable subscriber base, DEN seeded additional one million boxes in FY' 14-15. This takes the digital subscribers base to 7 million out of a total 13 million subscribers. Out of 5.1m digital subscribers in DAS 1&2 markets, DEN continues to bill approximately 80% of the subscribers.
- ✓ Cable subscription income grows by 25% on a year to year basis. Steady improvement seen in collections.
- ✓ Launched in FY' 14-15, DEN Broadband services are now available to 329,000 homes as on March 31st 2015. The benefit of conversions out of the network rollout will come in the following quarters. The company currently has a subscriber base of 23k at the end of FY' 14-15 and 40% of the new broadband subscribers come from Non-DEN homes.
- ✓ DEN entered into a 50:50 JV with e-commerce major, SNAPDEAL and forayed into TV Commerce business leveraging DEN's strengths in distribution and media and SNAPDEAL's strength in brand, merchandising and logistics. The JV is currently converting +30% of the calls received and is clocking an annualised GMV of INR 115 Crores (at Mar'15 average booked GMV rate) within four months of beginning
- ✓ DEN forayed into football business and bought Delhi Dynamos of ISL with the strategic intent of strengthening our consumer brand. Delhi Dynamos FC is one of the most popular teams of the ISL with a fan base of over 419,000 on Facebook and over 30,000 Twitter followers.

Consolidated 2015 Financial Highlights:

- ✓ Cash and Equivalents INR 934 Cr
- ✓ Net Debt INR 62 Cr
- ✓ Total revenues improved to INR 1,130 Crore in FY' 15
- ✓ EBITDA (Excluding Activation) at INR 28 Cr; declined vs previous year due to investment phase in cable phase 3 and 4 markets, broadband, soccer and TV commerce businesses. EBITDA (Including Activation) stands at INR 92 Cr.
- ✓ EBITDA margins (Excluding Activation) in Phase I and II markets at 20% despite a significant pressure on content cost from broadcasters.



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| Consolidated Financial Highlights | | | | INR Crore |
|--|-----------------|-----------------|--------------|--------------|
| | Q4 FY'15 | Q4 FY'14 | FY'15 | FY'14 |
| Total Revenues | 270 | 302 | 1,130 | 1,117 |
| Revenues <i>(Excluding Activation)</i> | 257 | 268 | 1065 | 962 |
| EBITDA | (6) | 73 | 92 | 302 |
| EBITDA <i>(Excluding Activation)</i> | (19) | 39 | 28 | 148 |

Cable 2015 Financial Highlights:

- ✓ Revenues, excluding activation and LCO share, grows 11.5% at INR 966 Cr
- ✓ Overall cable EBITDA margin, net of activation, stands at 12.6% vs 16.9% last year. The impact is on account of increase in content costs and investment in DAS 3 and 4 Markets

| Cable Business Financial Highlights | | | | INR Crore |
|--|-----------------|-----------------|--------------|--------------|
| | Q4 FY'15 | Q4 FY'14 | FY'15 | FY'14 |
| Total Revenues | 265 | 285 | 1,093 | 1,055 |
| Revenues <i>(Excluding LCO Share and Activation)</i> | 252 | 223 | 966 | 866 |
| EBITDA | 15 | 76 | 187 | 301 |
| EBITDA <i>(Excluding Activation)</i> | 2 | 42 | 122 | 147 |

Speaking on the occasion, Pradeep Parameswaran, CEO – DEN Networks said, “We are laying the foundations of building a powerful Consumer Franchise in Broadband, Cable Television and Television Shopping. Significant investments are being made to bring disruptive consumer offerings to the market. We are augmenting our historical strengths in Cable Operations with high-quality talent in all functions. Besides focus on internal changes, I am also hopeful of stronger collaboration with the LCOs and other industry partners to take steps for successful execution of Digitisation process thus supporting the Governments push towards Digital India. Our excitement in the scale of the opportunities and our ability to capture it continues to remain strong.

We have seen the positive results on subscription revenues and collections in Q4 of the current year. The profitability has been impacted because of the new business initiatives of the company including Broadband, TV Shop and Football as we build DEN for future.”



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Conference Call for FY'15 Results and Business Outlook

We will be having a conference call at 4pm on 13 May 2015, Wednesday. The details of the conference call are also available at our corporate website – www.dennetworks.com



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About DEN Networks Limited

13 million homes, Largest Subscriber Base amongst all Cable Players in India

DEN Networks is India's largest cable TV distribution company serving 13 million homes in over 200 cities. The company has been a frontrunner in the digitisation of Indian cable television and has approximately 6 million digital subscribers.

DEN's geographic footprint spans 13 key states across India including Delhi, Uttar Pradesh, Karnataka, Maharashtra, Gujarat, Rajasthan, Haryana, Kerala, West Bengal, Jharkhand and Bihar. The company has a significant presence in the strategic & economically important Hindi Speaking Markets (HSM) belt.

DEN Digital - DEN's digital cable services brand is one of the market leaders in India's digital television space. DEN Digital offers a wide choice of channels and services spanning all major genres and languages along with cutting edge value added services (VAS).

True 100 Mbps - Superfast DEN Boomband

DEN has soft launched its super-fast cable broadband internet services on DOCSIS 3.0 technology. The offering offers plans up to speeds of 100 Mbps. The service is currently available in parts of Delhi NCR.

DEN SNAPDEAL TV Shop - Giving a new perspective to Television Commerce

TV Shop is a revolution in the TV Commerce space, reaching out to 23 million homes across the length & breadth of the country. It rides on the broadcasting strengths of DEN and the consumer shopping expertise of Snapdeal.com

Delhi Dynamos FC; redefining football culture in North India

DEN is the proud owner of the Hero Indian Super League's Delhi Team – Delhi Dynamos FC. With the introduction of Delhi Dynamos FC, DEN aims to become the default destination for entertainment, information and interactivity for the Indian family.

Safe harbour statement

Statements in this document relating to future status, events, or circumstances, including but not limited to statements about plans and objectives, the progress and results of research and development, potential project characteristics, project potential and target dates for project related issues are forward-looking statements based on estimates and the anticipated effects of future events on current and developing circumstances. Such statements are subject to numerous risks and uncertainties and are not necessarily predictive of future results. Actual results may differ materially from those anticipated in the forward-looking statements. The company assumes no obligation to update forward-looking statements to reflect actual results changed assumptions or other factors.