



**GREATER
TOGETHER**



Dish TV India Limited

Investor Presentation

Disclaimer

Some of the statements made in this presentation are forward-looking statements and are based on the current beliefs, assumptions, expectations, estimates, objectives and projections of the directors and management of Dish TV India Limited about its business and the industry and markets in which it operates.

These forward-looking statements include, without limitation, statements relating to revenues and earnings. The words “believe”, “anticipate”, “expect”, “estimate”, “intend”, “project” and similar expressions are also intended to identify forward looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of the Company and are difficult to predict.

Consequently, actual results could differ materially from those expressed or forecast in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, changes in the regulatory environment and other business and operational risks. Dish TV India Limited does not undertake to update these forward-looking statements to reflect events or circumstances that may arise after publication.



Poised to be the largest Media Company in India



Significant merger synergies to be realised. Maiden dividend declared in 2Q FY19



At an inflection point; on course to deliver strong growth and margins



Buffered from disruptive technologies; supremacy amongst semi-urban and rural consumers



Forthcoming, powerful integration of in-house OTT with DTH to increase urban stickiness



Aiming to be debt free in around two years

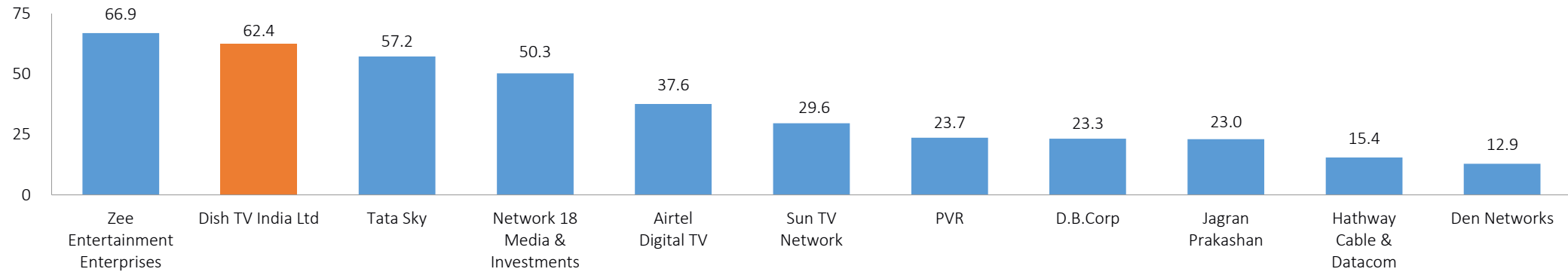


Annuity business with significant Free Cash Flow potential

Poised to be the largest media company in India

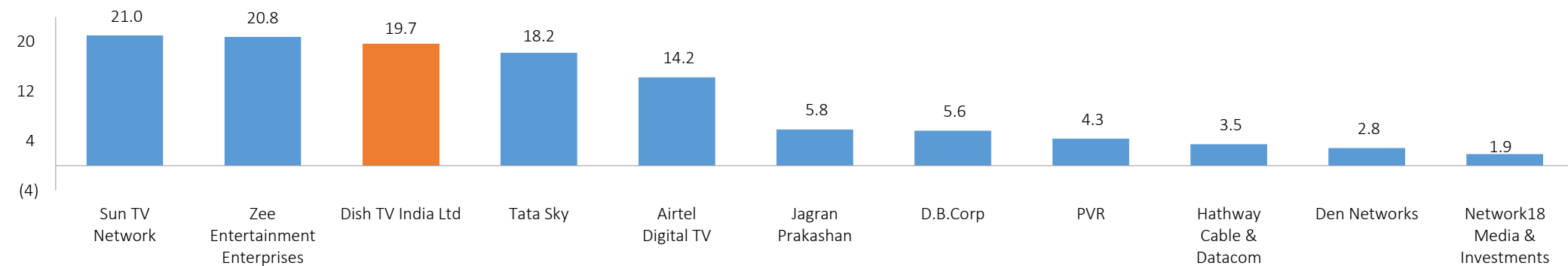
Total Revenues (Rs Bn.)

Year ending 31 March 2018

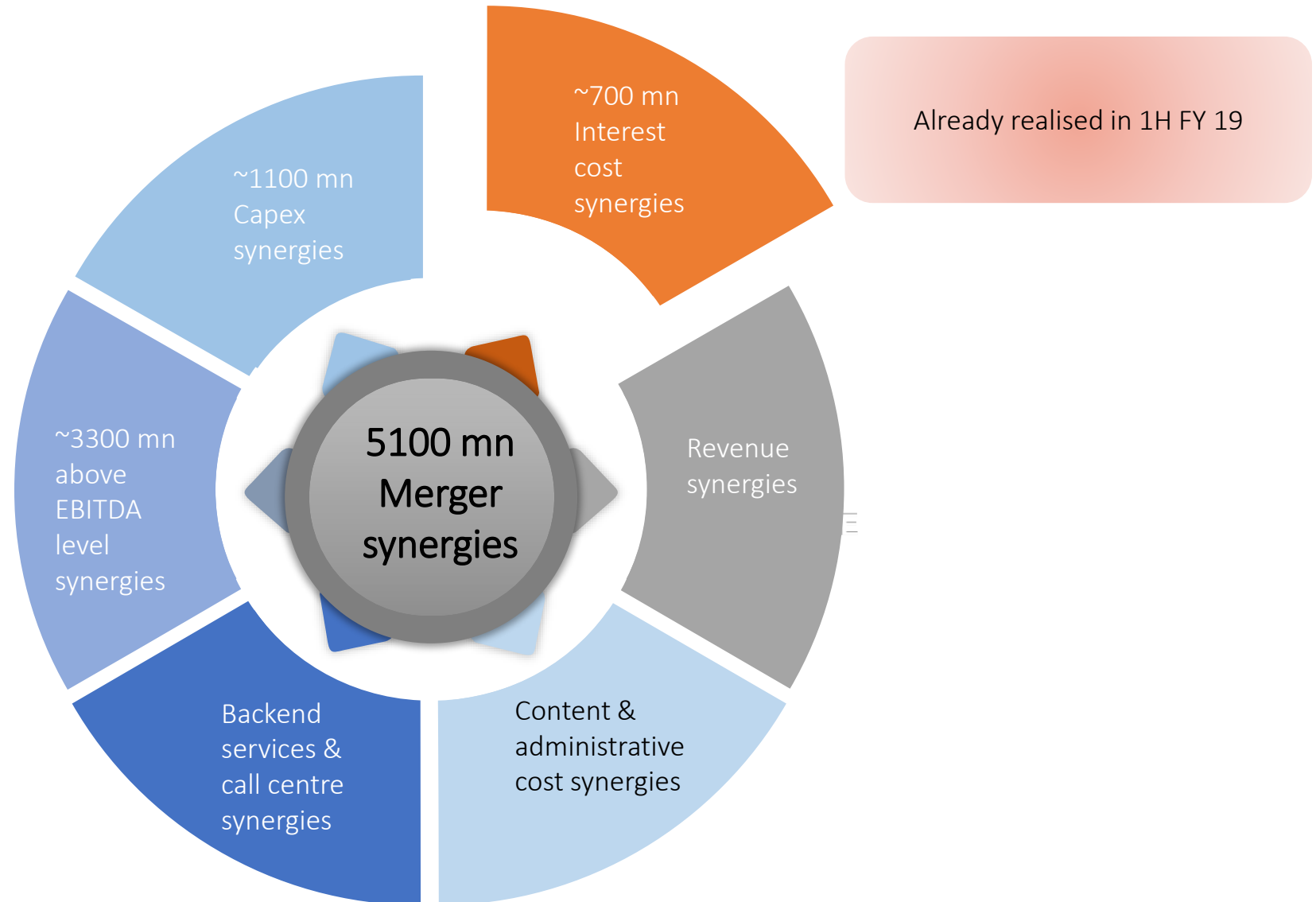


EBITDA (Rs Bn.)

Year ending 31 March 2018



Significant merger synergies to unfold



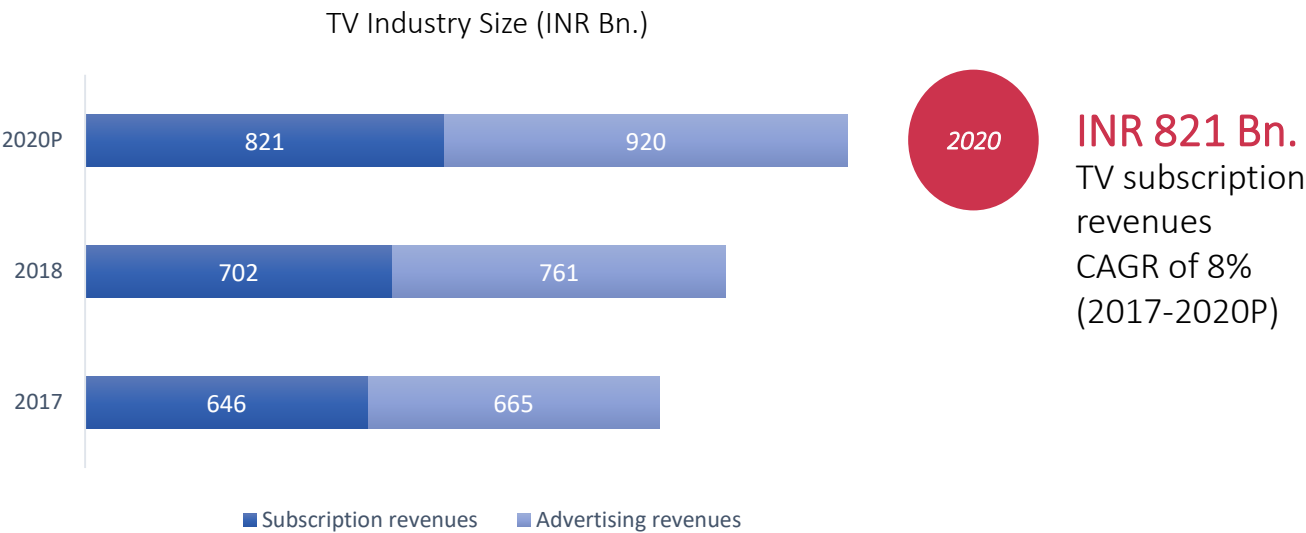
Supremacy amongst semi-urban and rural consumers



Dish TV India has majority of its subscribers outside top-towns and cities

Indian TV Industry

The Indian TV industry

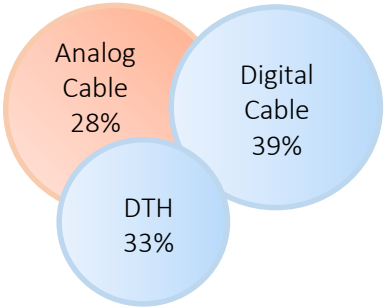


	2018	2020
Total households (in Mn.)	298	311
Total TV households (in Mn.)	197	220
TV penetration (of total HH's)	66%	71%
C&S Penetration (of TV HH's)	83%	84%

Broadcasting Industry

Multiple broadcasters, having 300 pay channels, 577 FTA channels, producing content in more than 15 languages

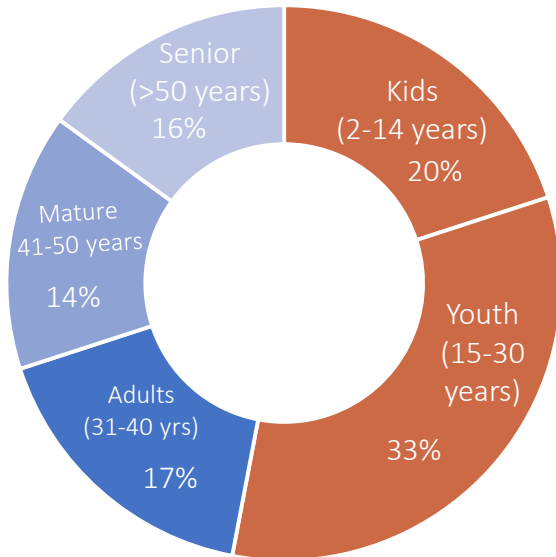
Market share - Distribution Industry



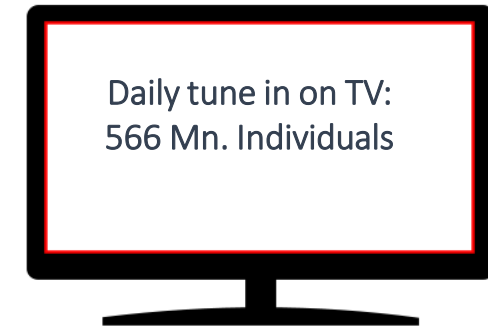
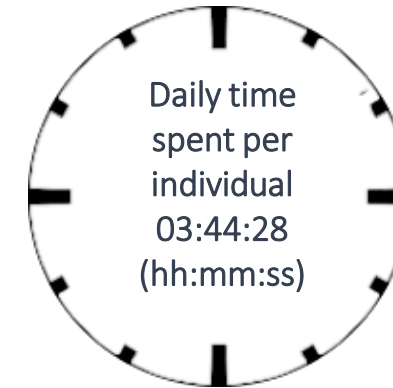
TV Industry to gain from increasing TV and Pay-TV penetration

TV viewing in India

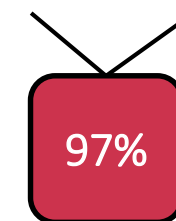
Share of TV viewership universe across age groups



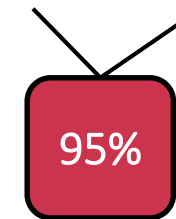
TV continues to remain the most popular form of entertainment



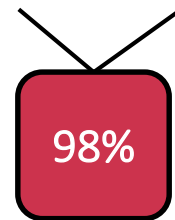
Percentage of single TV households



All India



Urban

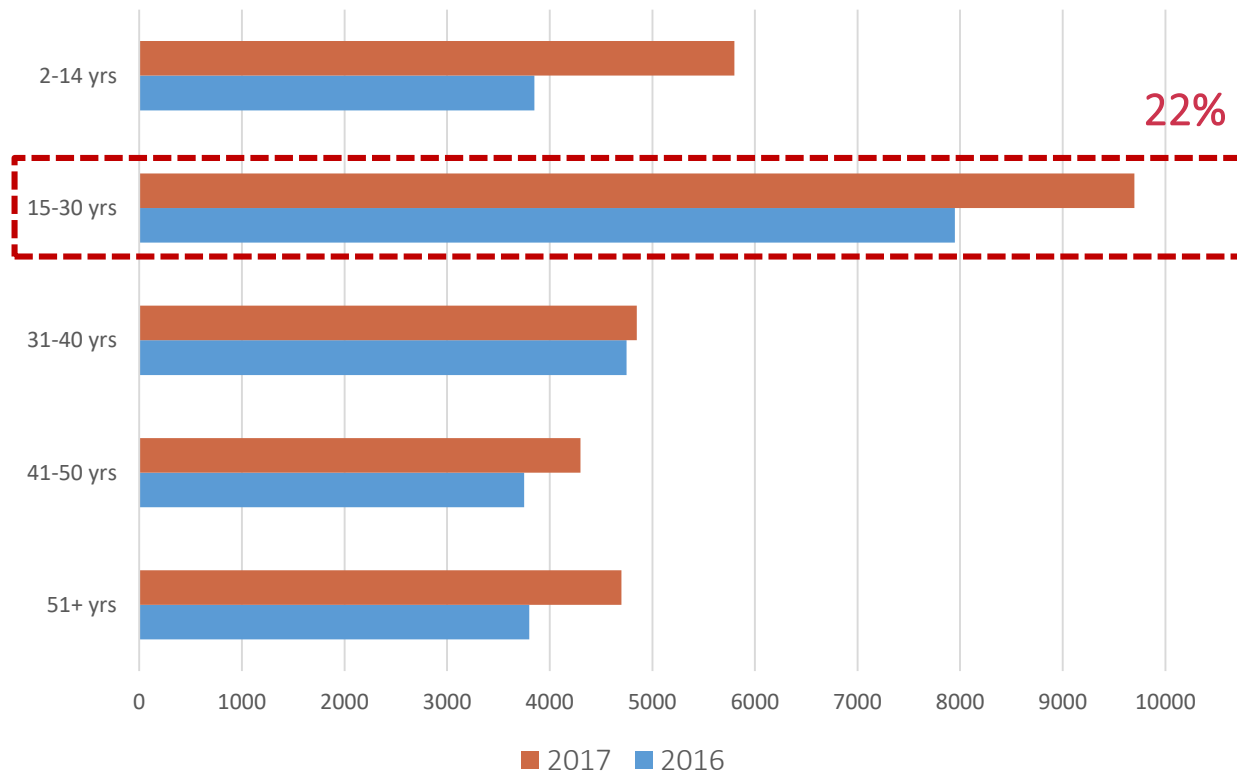


Rural

77% large and affluent joint families have single TV's, implying co-viewing as a consumption pattern

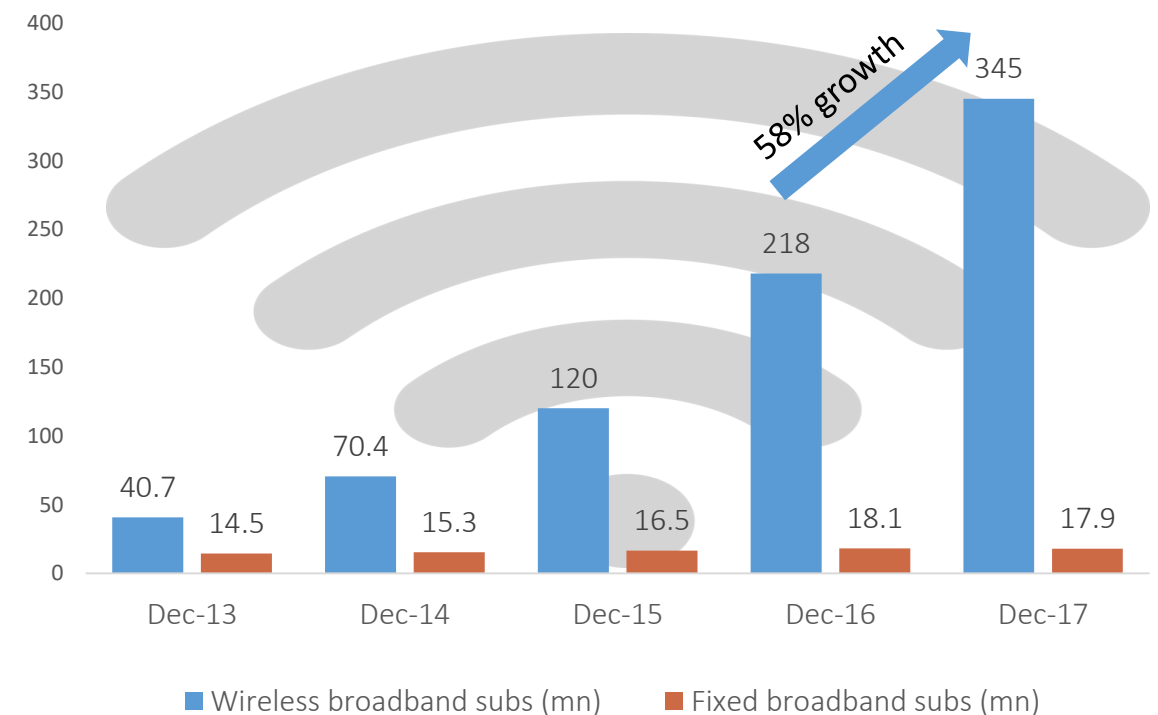
Popular across age groups despite rising internet penetration

Share of TV viewership universe by age groups
(in Mn. impressions)



All India internet penetration- 30%

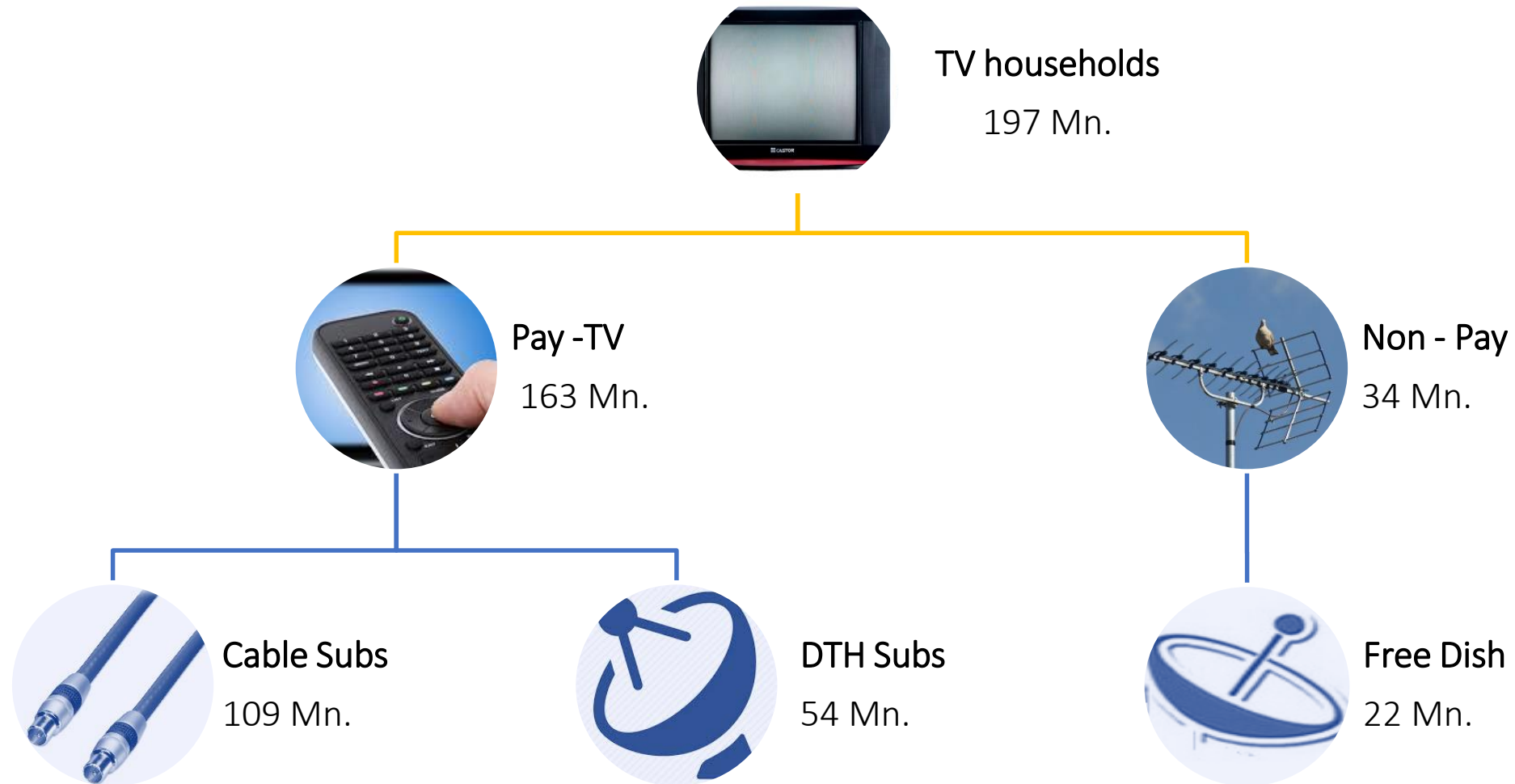
Broadband subscribers (in Mn.)



Contrary to popular perception, the youth contributes a massive 33% share of TV viewership, and has seen a growth of 22% in impressions over the year

Pay - TV in India

An overview of the Pay - TV Industry



Asymmetry in the Pay - TV Industry

DTH maximized gains from Digitization (initiated in 2012).
Majority of cable additions were conversion from Analog to Digital

Subscribers (in Mn.)	2011	2012	2013	2014	2015	2016	2017	2018
Net new additions by DTH	7.3	4.1	3.6	3.9	3.0	3.5	3.7	4.0
New digital additions by Cable	1.1	9.6	13.3	-1.5	9.7	13.5	10.2	6.9
<i>Out of Which Analog seeding</i>	0.0	7.6	11.5	0.0	8.2	12.1	9.0	5.8
Net new additions by Cable	1.1	2.0	1.9	-1.5	1.6	1.4	1.3	1.2
% of new additions by DTH	87%	67%	66%	100%	65%	72%	75%	78%
% of new additions by Cable	13%	33%	34%	0%	35%	28%	25%	22%

Despite having only a 33% market share, DTH contributes >53% of subscription revenues earned by broadcasters

	Cable	DTH
Subscriber market share (%)	67%	33%
Content cost (INR Mn.)	50,938	56,982
Contribution towards subscription revenues of broadcasters	47%	53%



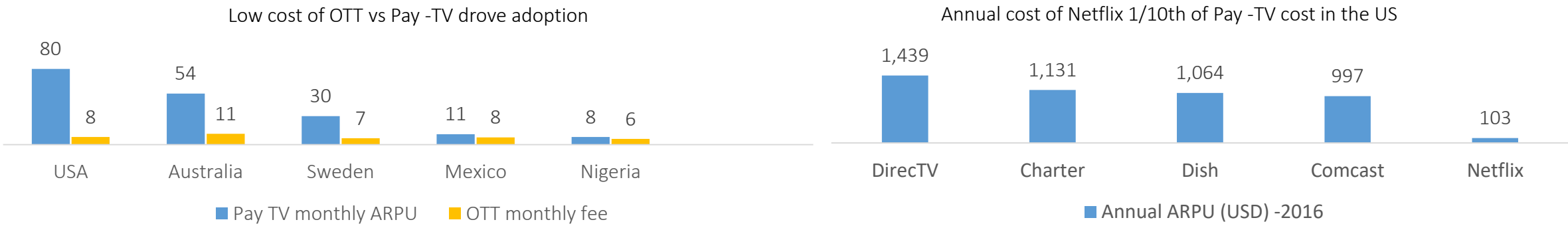
BREAKING NEWS

No deadline extension. TRAI Orders effective from February 1, 2019

Abysmally low content cost per subscriber per month in cable is an ARPU dampener for the entire Pay - TV industry

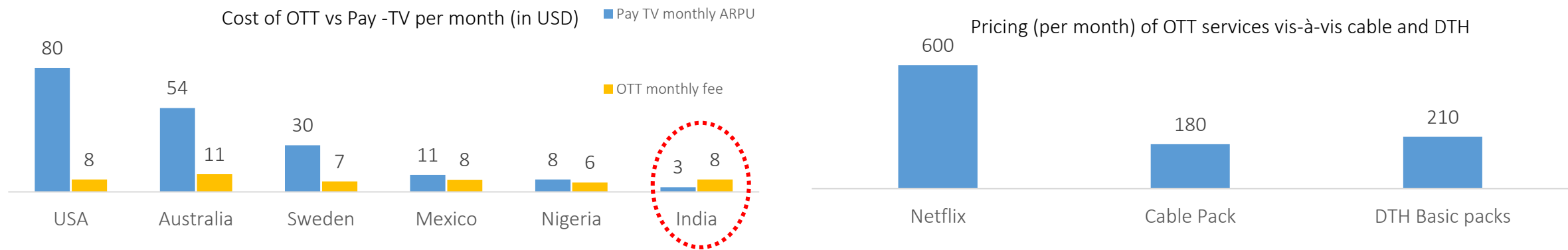
Emergence of OTT

The global OTT phenomenon






























Low OTT costs compared to traditional Pay -TV platforms, led to higher adoption of OTT content globally

The India exception



India is an exception to the global OTT phenomenon, with higher cost of OTT vs Pay -TV

Reality check: Winning IPTV subscribers. Is it as easy as gaining telecom customers?

		Telecom		IPTV	
Capex requirement		Low		Front loaded	
Physical Infrastructure requirement		Low		High	
Ground Task force		Negligible		Huge	
Overall cost of delivery		Low		Extremely high per home	
Distribution/reaching the last mile		Through local shops/ retail stores		Through existing operators having access to homes	
Pricing		High existing data and voice costs supported aggressive undercutting by new entrant		Traditional C&S prices are too low to be susceptible to undercutting	
Consumer experience/ novelty in offering as compared to existing service		Free voice and cheap data		Nil (Change in pipes only)	
Potential reach of new technology		Pan India		Densely populated tier 1 cities	
Potential consumers		Data starved & aspiring mobile customers		Select consumers having extremely high data requirements	

IPTV as a threat to DTH – An oversimplification of market thesis! Have we seen this before?

- Mandatory digitization of Analog cable signals (Digital Addressable Systems), started in 2012, was perceived to be a threat to DTH
- DTH had the following advantages over Analog:

Value proposition		DTH		Analog	
Video Quality		Digital		Analog	
Number of channels		Higher		Lower	
Pick and choose channels		Available		Not available	
HD channels	HD	Available		Not available	

- DAS, on the other hand, had the potential to even out all these advantages as follows:

Value proposition		DTH		DAS	
Video Quality		Digital		Digital	
Number of channels		High		High	
Pick and choose channels		Available		Available	
HD channels	HD	Available		Available	

IPTV as an offering – An oversimplification .. (continued)

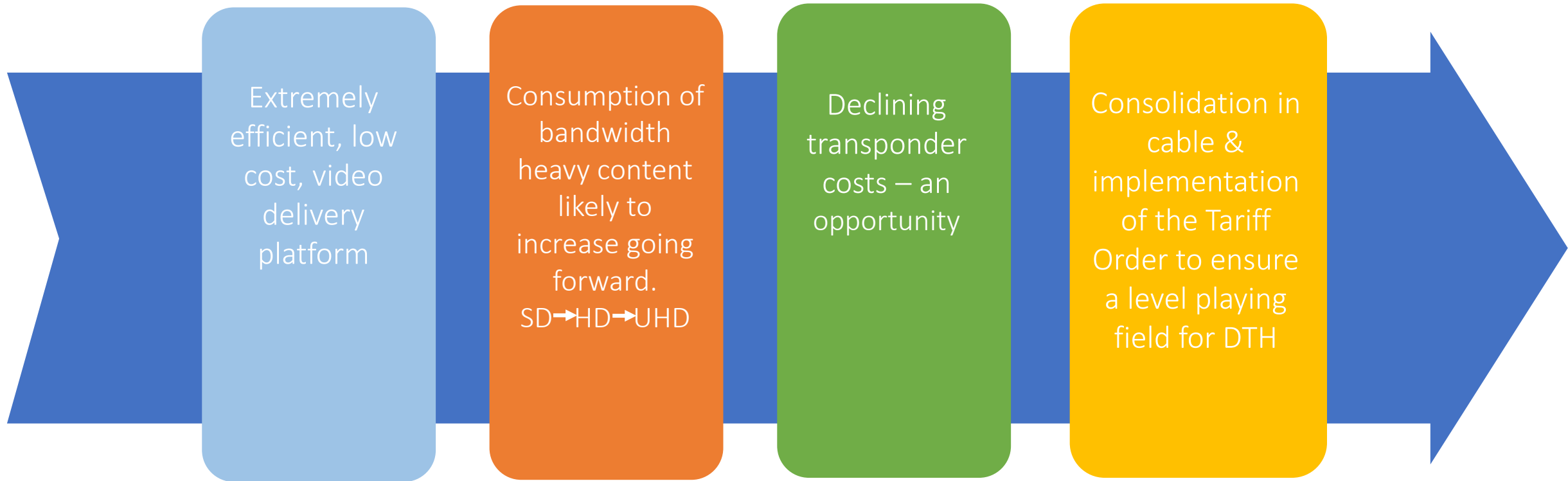
- However, in reality, DTH emerged stronger than ever before post the event:

Subscribers (in Mn.)	2011	2012	2013	2014	2015	2016	2017	2018
Net new additions by DTH	7.3	4.1	3.6	3.9	3.0	3.5	3.7	4.0
Net new additions by Cable	0.3	2.0	1.9	-0.5	1.6	1.4	1.3	1.2
% of new additions by DTH	97%	67%	66%	100%	65%	72%	75%	78%
% of new additions by Cable	3%	33%	34%	0%	35%	28%	25%	22%

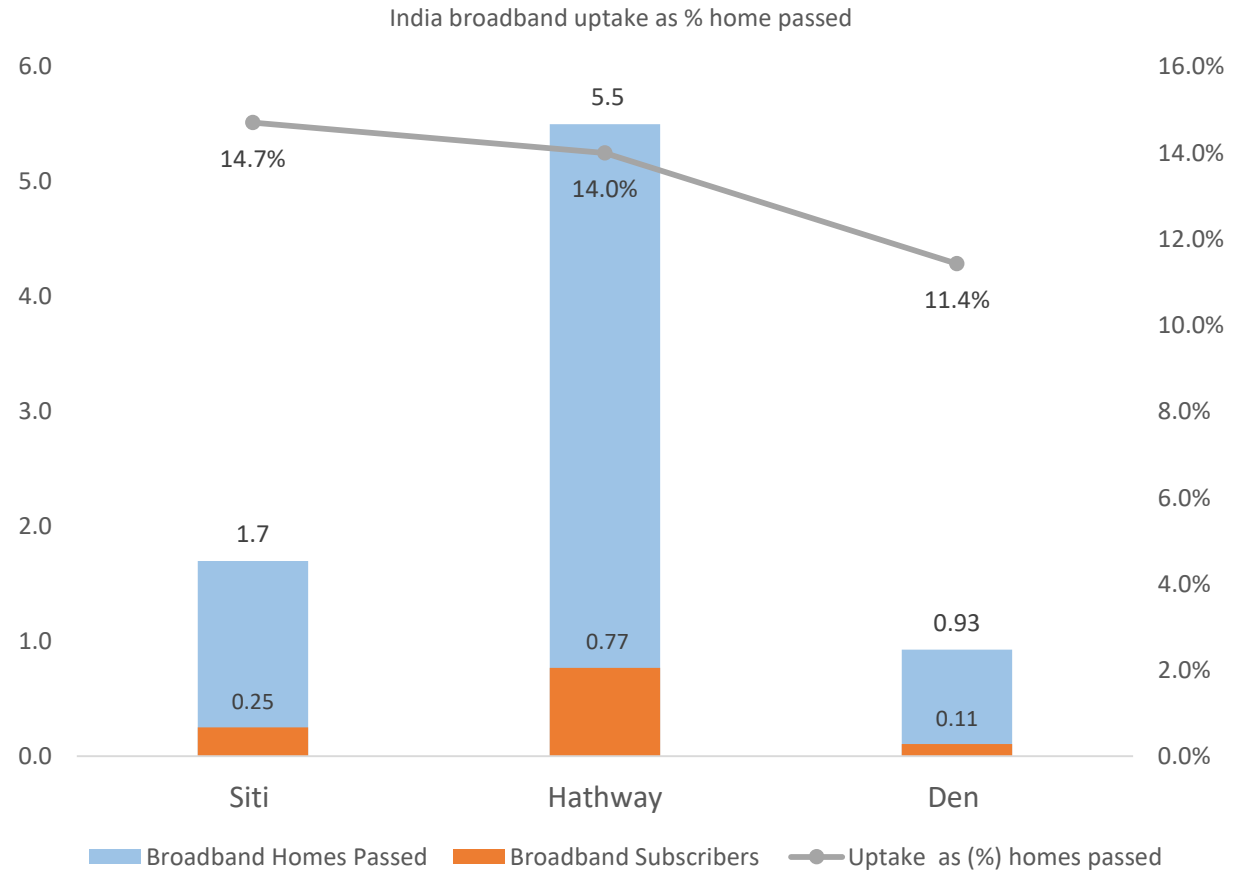
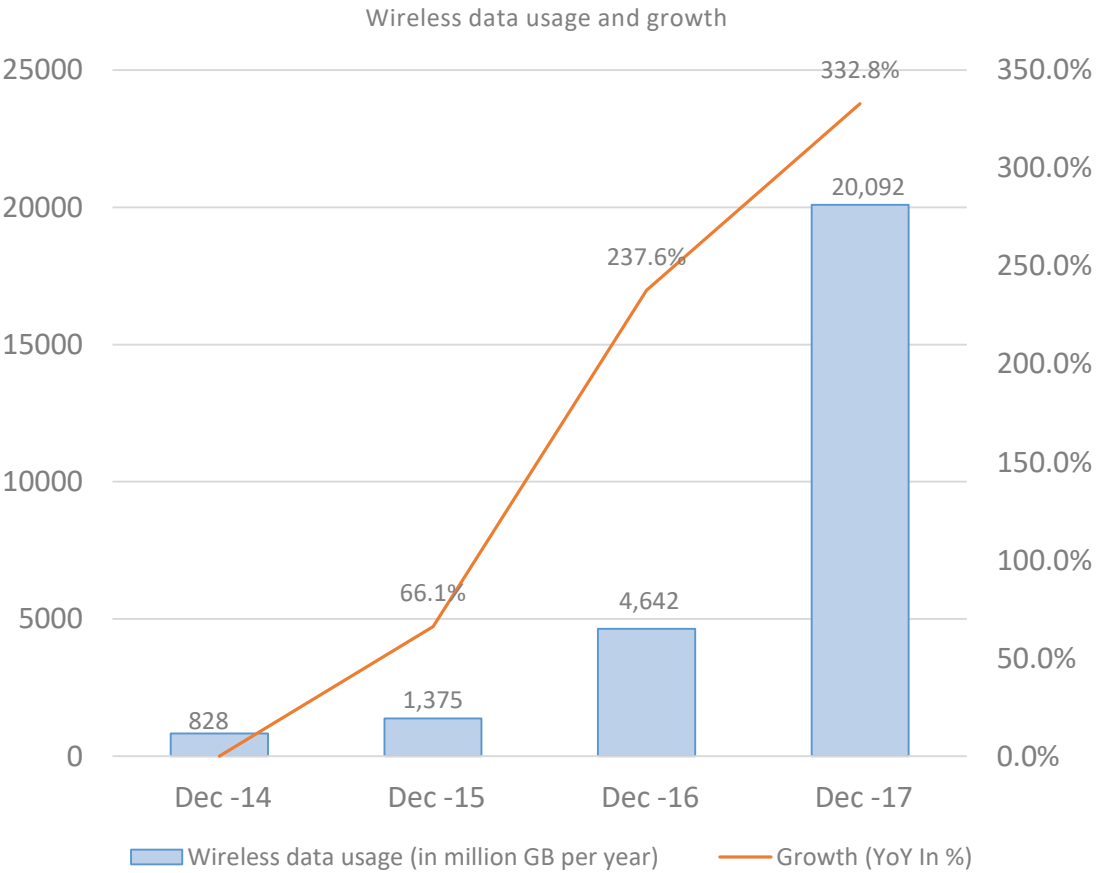
IPTV as a threat to DTH – An oversimplification of market thesis

Value proposition	DTH	IPTV	Threat impact
Video quality	Digital	Digital	Nil
Number of channels	High	High	Nil
Cost of connection	~ less than 40% of IPTV	~3X of DTH	Nil
Cost of video	Fixed per month	Fixed per month	Nil
Running cost	Nil	Function of data consumed	Nil

Event	Value proposition	Perception	Impact
Analog to digital conversion	High content quality - analog to digital	Very high threat to DTH	DTH emerged as the biggest gainer post digitization
IPTV adoption	None	Very high threat to DTH	No major impact in foreseeable future







Impact of changes in environment on DTH: mobility/fixed line



Exponential growth in data consumption on mobile has restricted the need for data through fixed line

Impact of changes in environment on DTH: FTTH

Fibre not a game changer!

FTTH		Value addition to consumer experience
High speed		There are no specific applications which need 1Gbps connectivity and till these applications evolve customers would not necessarily jump onto the Very High Speed broadband.
Data volume		Marginal utility of data is negligible
Bundling of data		<p>Virtual Data Service Providers or VDSP would be an equally effective substitute to services like FTTH which promise bundled data. Existing last mile service providers like DTH companies would become VDSP's to offer data benefits to existing subscribers in partnership with their respective mobile service providers on revenue share basis. A win-win for both!</p> <p>Exponential growth in data consumption on mobile has restricted the need for data through fixed line</p>
Price		FTTH also requires corresponding ONTs and Routers/ Wi-Fi devices at home, which add significantly to the costs. These costs cannot be justified if the applications used do not have a need to use 1000 Mbps. Thus price to the end consumer would never be lower than wireless data.

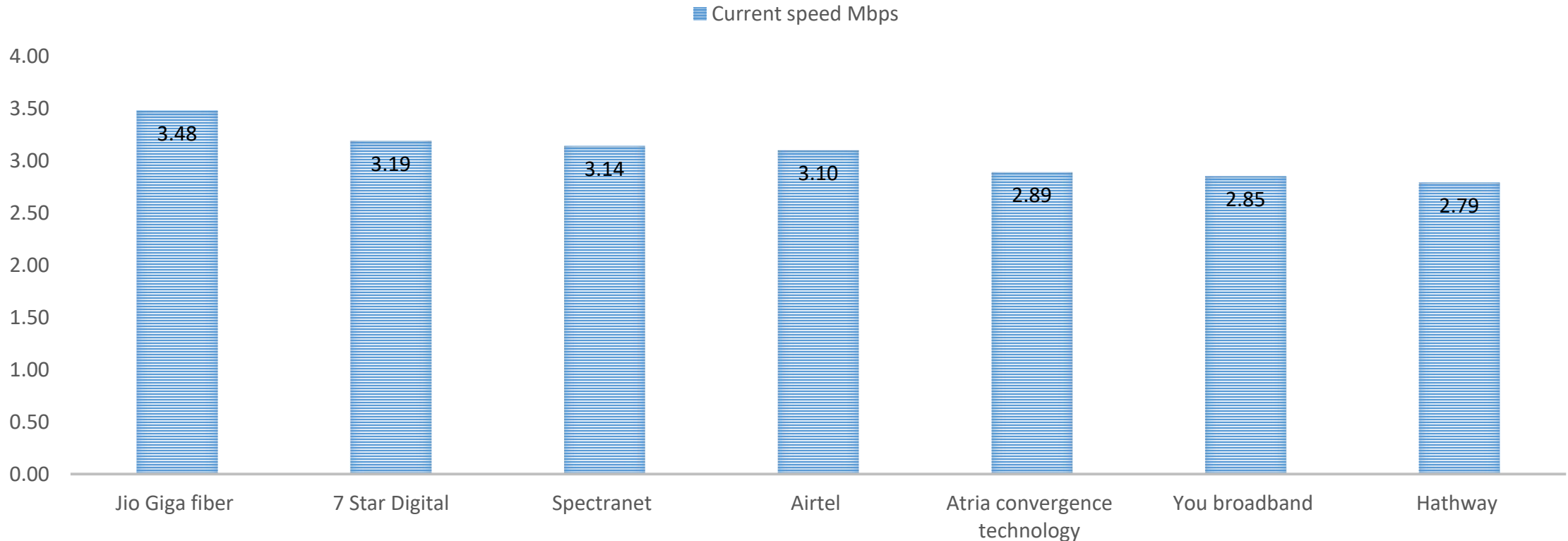
With ARPU's at 3\$, the DTH industry is not ripe for price disruption. IPTV through FTTH would also not offer any incremental benefit to the consumer thus restricting scope for any disruption.

Global FTTH adoption trends show it has not been disruptive in any of the markets in US or EU, nor has it grown at extraordinary rates having run into a series of hurdles.

Impact of changes in environment on DTH: FTTH

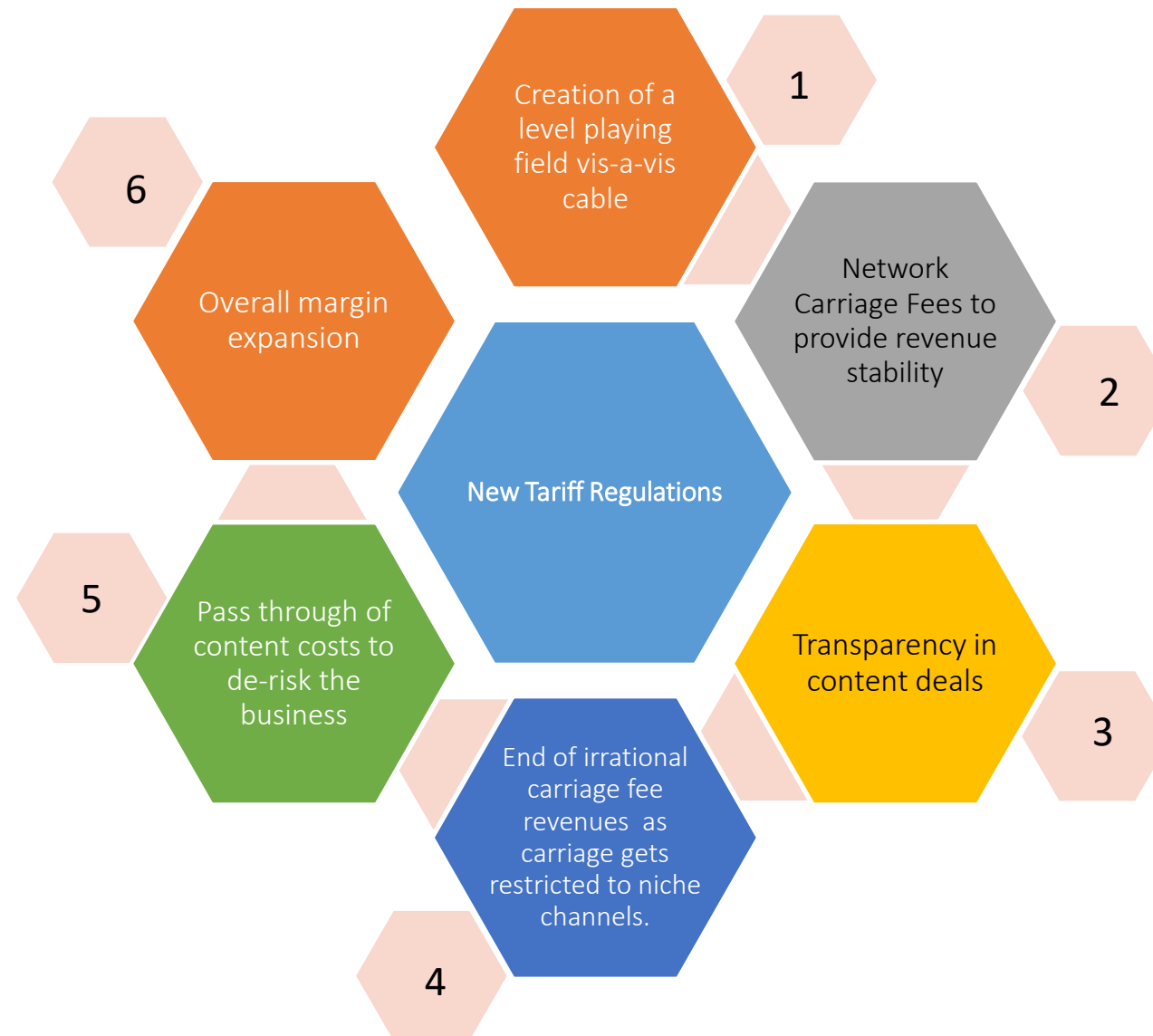
Fibre not a game changer .. even when compared to existing fixed line broadband

NETFLIX ISP LEADER BOARD - OCTOBER 2018

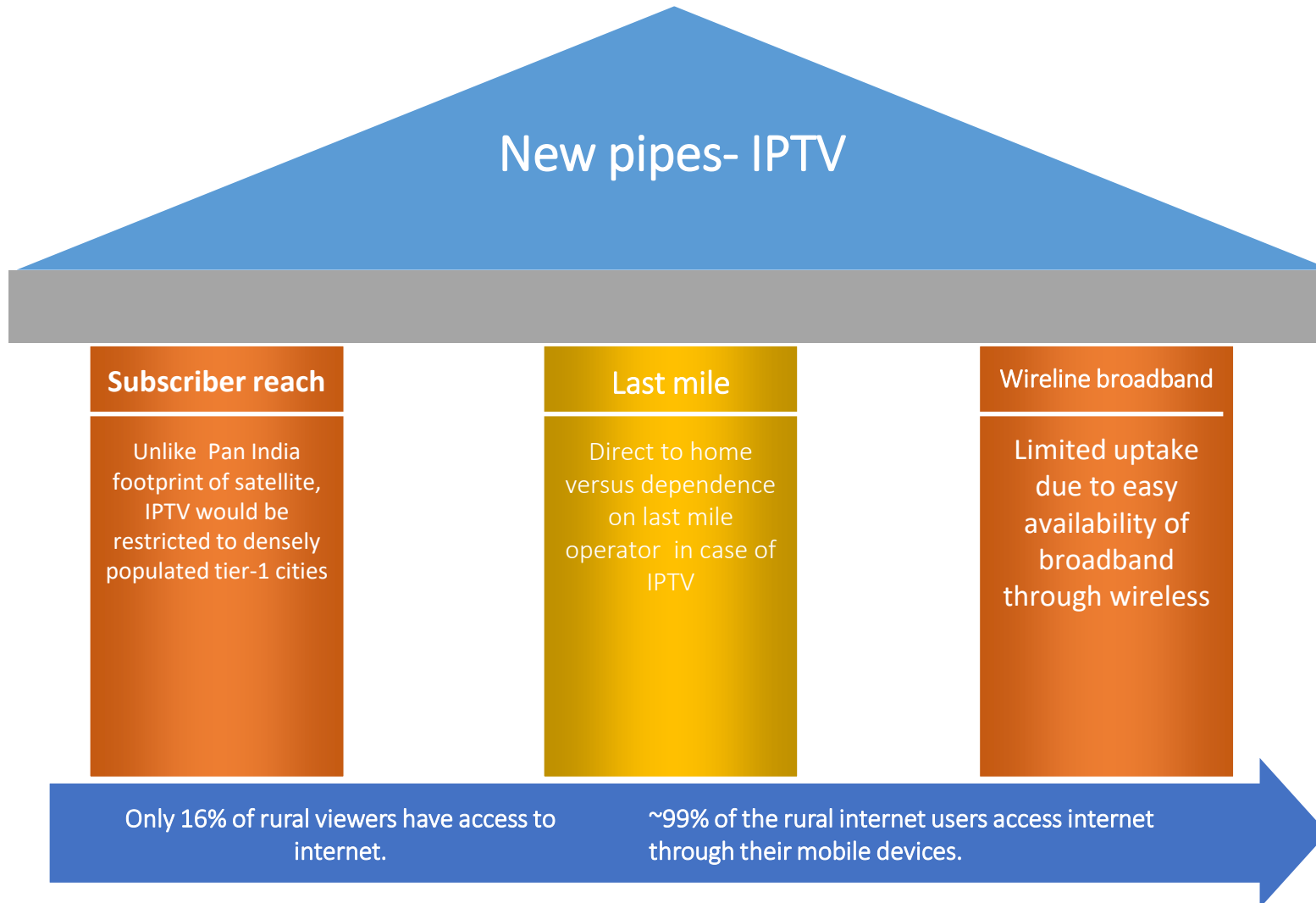


Global FTTH adoption trends show it has not been disruptive in any of the markets in US or EU, nor has it grown at extraordinary rates having run into a series of hurdles.

Impact of changes in environment on DTH: new regulations



Impact of changes in environment on DTH: new pipes



dishtv

d2h

$$1 + 1 = 11$$

Short Term

FY 2020 – Cricketing action!   

- World Cup + IPL to aid growth in revenues and profitability
- In the past:

World Cup 	FY2011 (Mn)	Growth YoY	FY 2015 (Mn)	Growth YoY
Net Additions	2.8	Up 95.8% YoY	1.5	Up 87.5% YoY
Revenues	15,246	Up 32.2% YoY	27,816	Up 10.9% YoY
EBITDA	3,269	Up 100.0% YoY	7,331	Up 17.5% YoY

- Merger synergies and operating leverage would be at play
- Tariff Order to reduce content outgo

Medium Term

FY 2020-2021 – Well positioned to address evolving video needs

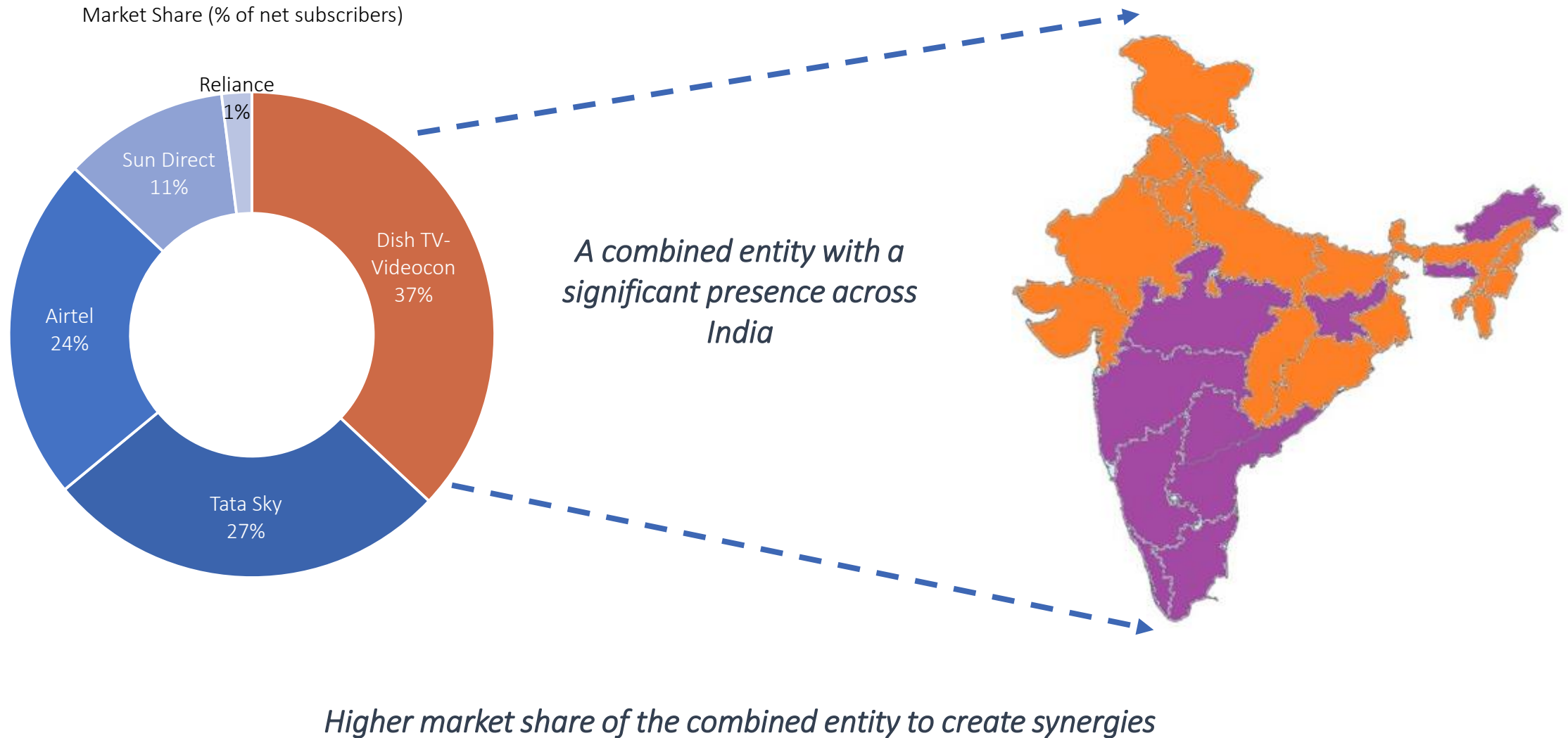
- Constant increase in content throughput and capacity; strengthening ability to compete
- Technological innovations to enable subscribers to watch content anywhere, anytime.
- VDSP – Partnering with telcos and broadband players to offer exciting benefits to consumers.
- Emerging as a stronger alternative to bundled offerings

Long Term

FY 2022 – Established and unrivalled

- Leveraging the 23.6 million plus subscribers for competing benefits
- Overall margin expansion
- Solid and regular free cash flows

Consolidation to lead to value creation





Identifying the strengths of each brand



Co-existence of all three brands to target a higher market share while maintaining healthy competition and synergy in backend operations

Adopting best practises- Customer service



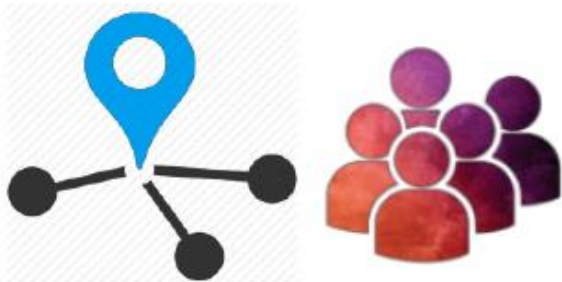
1 million home visits every month
by field service



Targeting more than 450 owned
service centres and 5,500 company
technicians



Call centres across India supported
by a large no. of agents

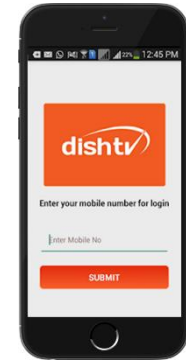


More than 4,000 distributors and
around 470,000 dealers



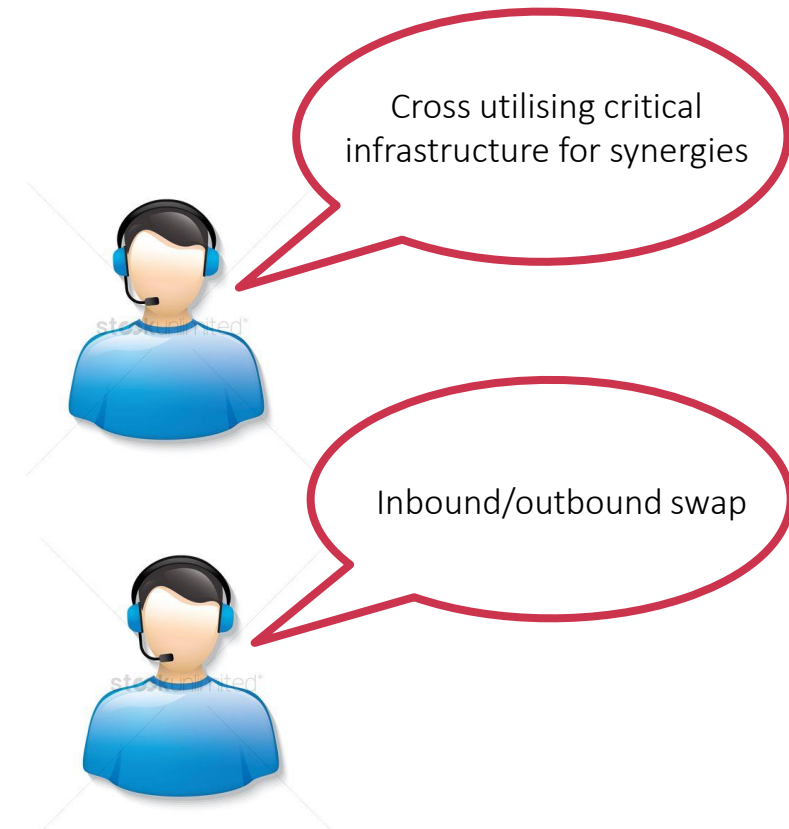
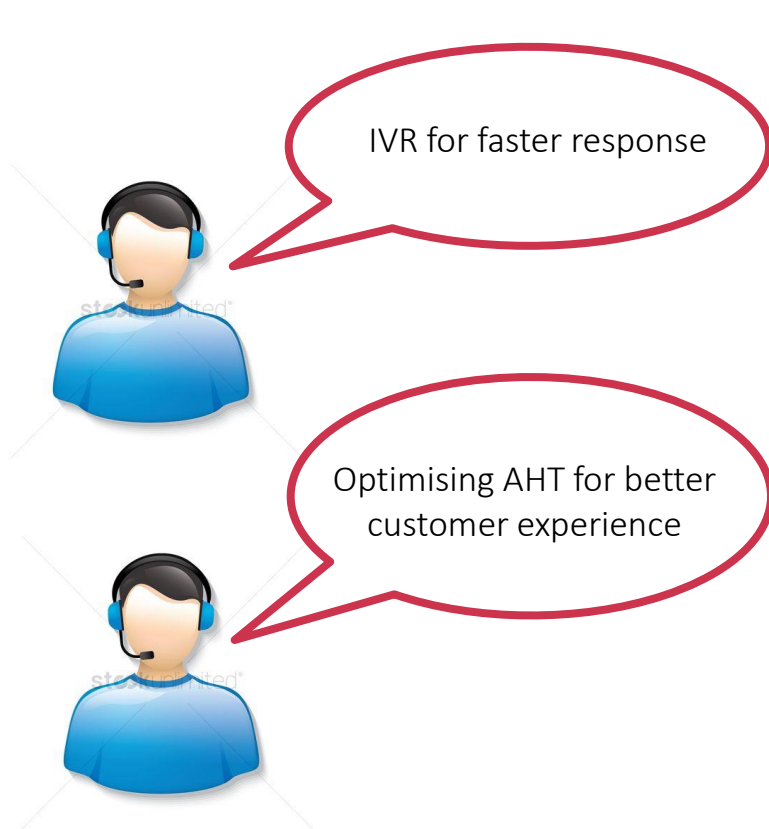
Best Practices

Adoption of the company owned
service model for the entire entity



Mobile App for subscribers

Faster, Better and Efficient Service model built on a service infrastructure no other DTH player can match



Best Practices

Synergising backend operations to reap long term benefits and faster turnaround time for customer resolutions

Our core values

**KEEP
GROWING.
STAY
GROUNDED.**

Values that make us extraordinary together



OUR CORE VALUES

Entering the New Era

Reinvigorating the new entity

New leadership mix comprising of select professionals from both entities



Separate sales teams with uniform structures

#AlagHiView



Fresh campaigns and branding initiatives. New Brand Ambassador

#JeetoSaareHeart 



Taking the lead in the industry with new customer centric packs- 'Mera Apna Pack'

The beginning of the transformation into India's most loved DTH brand!

Sharper customer focus with High Definition



Encouraging HD sampling through economical, must-have HD bouquets

Sharper than ever focus on boosting HD acquisition and recharges by maximising combined shelf and retail visibility

Dish TV HD Add-Ons

English Movies & News HD – Rs. 101*

Hindi Entertainment HD - Rs. 133*

All Hindi HD - Rs. 197*

English Cricket HD - Rs. 57*

Tamil HD – Rs. 76*

INTRODUCING
dish SMART STICK

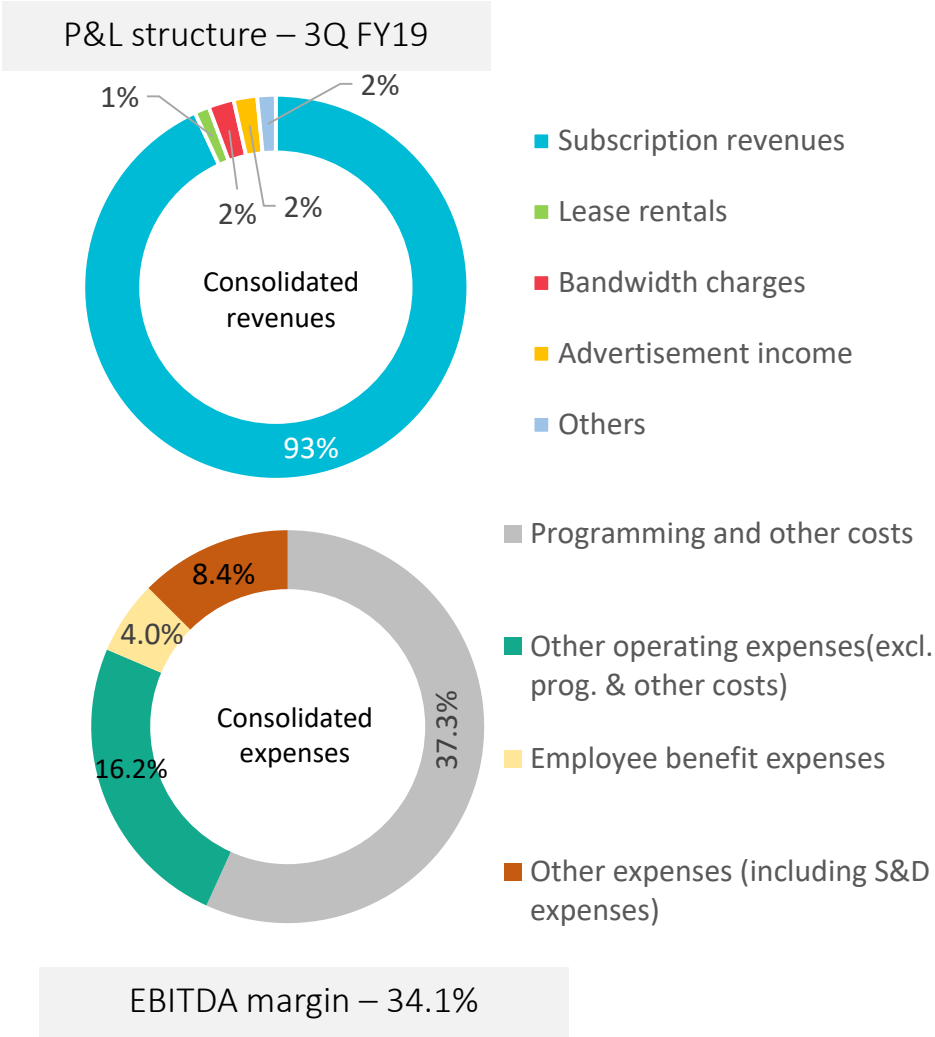
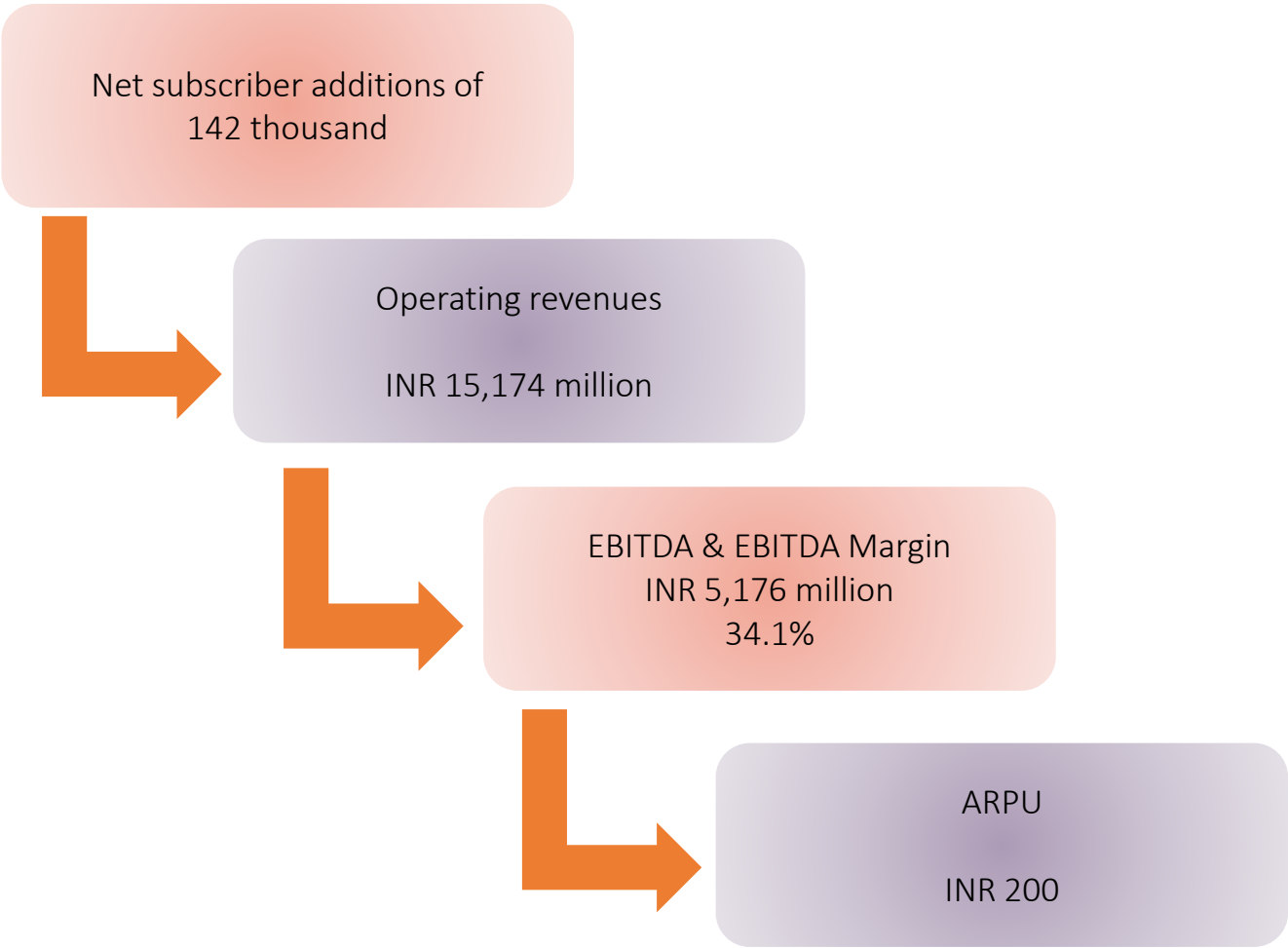
AT JUST
~~₹999~~
₹599



MAKE
YOUR TV
SMART

Financials

Quarterly performance metrics



Summarized Consolidated P&L - Quarterly

3QFY 2019 vs. 3QFY 2018

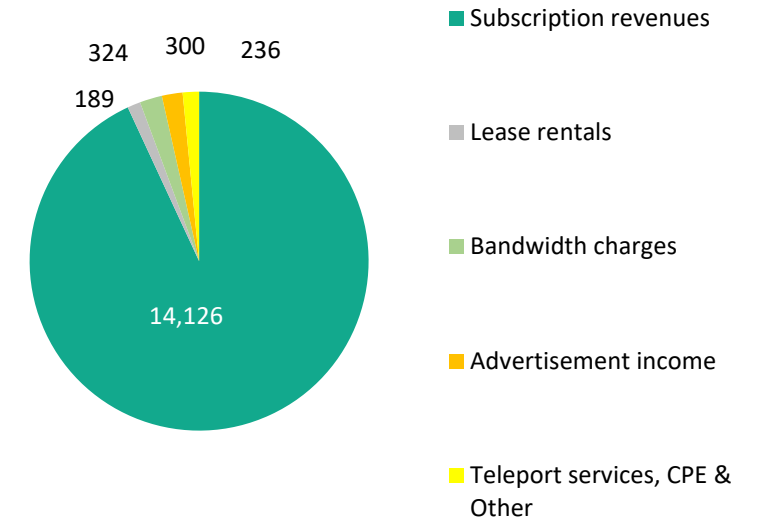
INR Million

Quarter ended
Dec. 2018

Quarter ended
Dec 2017

Operating revenues	15,174	16,143
Expenditure	9,999	11,165
EBITDA	5,176	4,978
EBITDA margin (%)	34.1	30.8
Other income	121	242
Depreciation	3,532	3,525
Finance cost	1,300	1,434
Profit / (Loss) before tax	464	261
Tax expense:		
- Current Tax	181	101
- Current Tax-prior years	92	-
- Deferred Tax	(1,281)	1,843
- Deferred Tax- prior years	(54)	-
Net Profit / (Loss) for the period	1,527	(1,683)

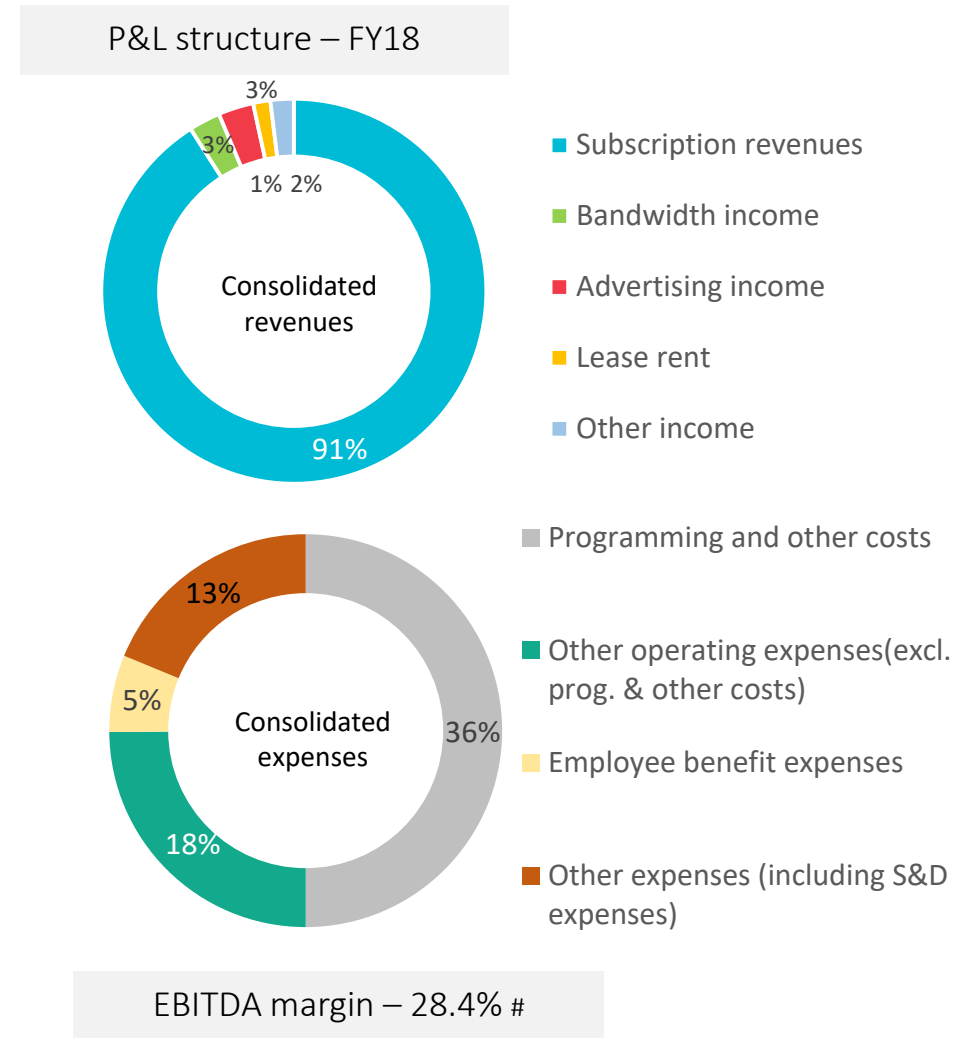
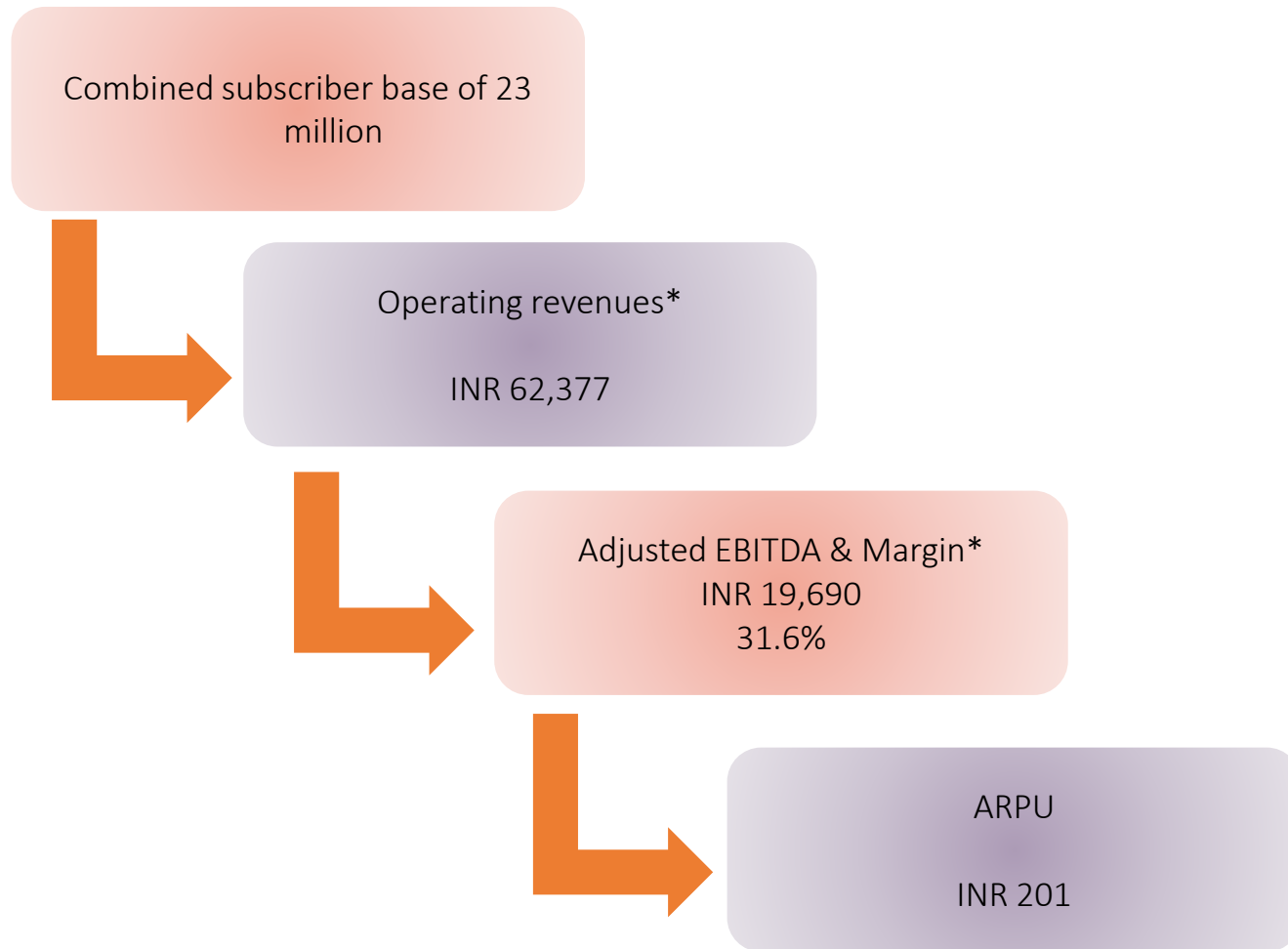
Operating revenues break-up
(Rs. mn)



3QFY 2019

Annual performance metrics

Dish TV India Limited’s first set of merged financials for FY18

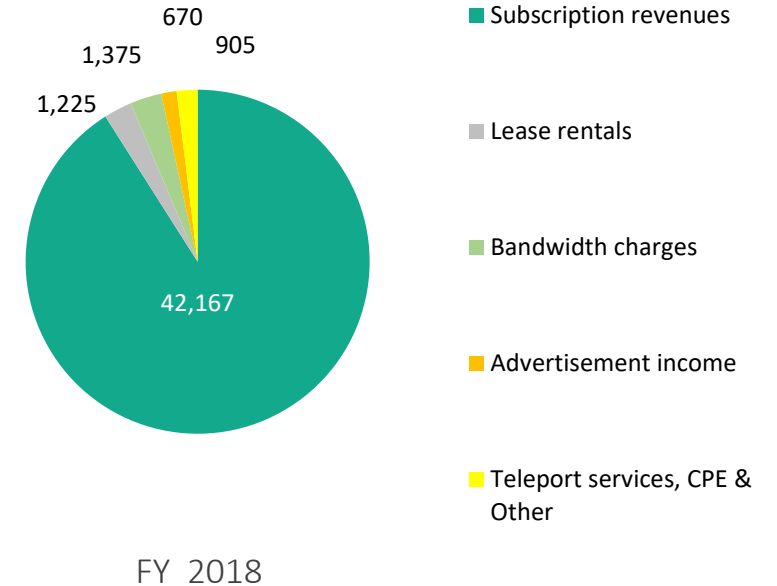


* Presuming FY 18 financials represented 12 months each of Dish TV and d2h.
 * Adjusted EBITDA is EBITDA adjusted for merger expenses to the tune of Rs. 840 million booked in FY18 that have been excluded while calculating Adjusted EBITDA
 # Merged financials for FY18 basis 12 months of Dish TV and 6 months of d2h

Summarized Consolidated P&L- Annual

FY 2018 vs. FY 2017		
INR Million	Year ended Mar. – 2018	Year ended Mar. – 2017
Operating revenues	46,342	30,144
Expenditure	33,181	20,464
EBITDA	13,160	9,680
EBITDA margin (%)	28.4	32.1
Other income	542	615
Depreciation	10,717	6,908
Financial expenses	3,964	2,292
Profit / (Loss) before tax	(979)	1,095
Current Tax	53	982
Current Tax-prior period	(30)	0
Deferred Tax	(166)	(708)
Deferred Tax- prior period	13	-
Net Profit / (Loss) for the period	(849)	821

Operating revenues break-up
(INR Mn.)



Consolidated Balance Sheet

INR Million	Sept. 2018 (Unaudited)
Equity and liabilities	
Equity	
(a) Equity share capital	1,841
(b) Other equity	66,008
Equity attributable to owners of Holding Company	67,849
(c) Non-controlling interest	(277)
Liabilities	
(1) Non-current liabilities	
(a) Financial liabilities	
(i) Borrowings	20,139
(ii) Other financial liabilities	0
(b) Provisions	419
(c) Other non-current liabilities	557
(2) Current liabilities	
(a) Financial liabilities	
(i) Borrowings	2,334
(ii) Trade payables	10,631
(iii) Other financial liabilities	12,370
(b) Other current liabilities	21,290
(c) Provisions	30,058
(d) Current tax liabilities (net)	229
Total Equity & Liabilities	1,65,600

INR Million**Sept. 2018 (Unaudited)****Assets****(1) Non-current assets**

(a) Property, plant & equipment	34,615
(b) Capital work in progress	7,471
(c) Goodwill	62,754
(d) Other intangible assets	22,106
(e) Financial assets	
(i) Investments	1,500
(ii) Loans	153
(iii) Other financial assets	94
(f) Deferred tax assets (net)	6,080
(g) Current tax assets (net)	1,111
(h) Other non-current assets	2,210

(2) Current assets

(a) Inventories	467
(b) Financial assets	
(i) Investments	0
(ii) Trade receivables	1,601
(iii) Cash and cash equivalents	1,082
(iv) Bank balances other than (iii) above	1,440
(v) Loans	73
(vi) Other financial assets	15,080
(c) Other current assets	7,762

Total assets**1,65,600**

Thank You