

SITI NETWORKS LIMITED

- SITI Networks declares superlative growth on quarterly and y-o-y basis
- Operating EBITDA leaps 2.52x y-o-y to Rs.682 Mn
- Operating EBITDA Margins jumps 2.1x y-o-y to 18.2%
- Subscription Revenue surges 24%y-o-y to Rs.2548 Mn
- Digital Subscriber ARPU leaps ~19%
- Subscription Collection Efficiency surpasses 95% in Q2FY19
- SITI adds 3 Lakh new Digital subscribers in Q2FY19; Active Digital Subscriber base reaches 11.75 Mn
- SITI PlayTop Hybrid STB Launched; Partnered with Paytm for Digital Payments

SITI Networks Limited announces consolidated Ind-AS results for the second quarter ended September 30, 2018

New Delhi. 31st October 2018. **SITI Networks Limited** (BSE: 532795, NSE: SITINET), an Essel Group company, with 55Mn+ consumers and presence across 580+ locations in India, has released its Consolidated Financial Results for Q2FY19, ending September 30, 2018, showcasing superlative growth across all metrics, both quarterly and year-on-year.

SITI's **Operating EBITDA grew 2.52x** over second quarter of last fiscal, a 24% quarterly growth, and the highest in last 10 quarters to **Rs. 682 Mn**. SITI's **Operating EBITDA Margin also expanded by 2.1x to 18.2%** in Q2FY19.

Subscription revenue surged ~ **1.25x to Rs. 2,548 Mn** in Q2FY19, aided by the strong growth in Digital Subscription ARPU, which **leapt 19%**. This ARPU growth is across DAS phases, with SITI's strong presence in Phase 3 and 4 showing **27% and 43% growth** respectively.

On quarterly basis, SITI has demonstrated a significant growth on all the financial metrics. Operating EBITDA has jumped by **1.24x** while Operating Margins expanded **150 bps** over the previous quarter. Subscription Revenue registered a sharp growth of **~19%** sequentially over the last quarter. With consistent focus on last mile operations, SITI achieved **subscription collection efficiency of 95%**.

In the quarter ending September 2018, SITI continued its new customer acquisitions by adding **3 lakh new Digital Subscribers**, with current **Active Subscriber base at 11.75 Mn**.

SITI has launched **PlayTop**, its 1st Hybrid Set Top Box, in line with its "Customer First" strategy. SITI will be introducing a range of innovative converged offerings over the coming quarters.



SITI announced its partnership with Paytm, India's largest digital payment company to provide **multiple digital payment options** to its customers and attractive cashback benefits in select areas. SITI Networks' has also made Paytm's **digital payment facility available to its 24,000+ distribution partners** across the country who can make online payments through various modes on the SITI Networks website.

Hon'ble Supreme Court has paved way for the introduction of the new tariff order. Provisions of the order are aimed to increase transparency, and create a level playing field. In preparation for successful implementation of the Tariff Order, SITI has been working on Smart Tiered Packaging and has undertaken **significant technological and process enhancements** while ensuring **training and education for all stakeholders**.

While commenting on the results, **Mr. Rajesh Sethi of SITI Networks Limited** mentioned –

“SITI Q2FY19 performance has been strong and phenomenal with all round growth across all operational metrics. 2.52x growth in Operating EBITDA and 2.1x expansion in the margins is a testament to strong operational focus of the team. SITI's Digital Subscriber ARPU went up by 19% and Subscription Collection efficiency improved to 95% in this quarter. This ARPU leap has been broad-based across the country to ensure consistent growth in Subscription Income in the coming quarters.

SITI has always been the leader in innovation for its customers and partners. This quarter, we launched SITI PlayTop, our 1st Hybrid Set Top Box. This has been received extremely well by our customers and partners, and we intend to roll out more such boxes over the coming quarters. Taking our Customer First commitment ahead, SITI has partnered with Paytm to bring multitude of digital payment solutions for our customers. We are working with various partners across the spectrum to bring benefits of convergence to our customers.

New Tariff order enables customers to subscribe channels of their choice and brings pricing parity across various platforms. This is very positive move for the long term ARPU growth of the ecosystem. SITI is fully prepared to implement the Tariff Order and well aligned to drive EBITDA and Margins expansion based on our Profitable Growth Strategy.”



About SITI Networks Limited

SITI Networks Limited (Formerly known as “SITI Cable Network Limited”) is a part of the Essel Group, which is one of India's leading business houses with a diverse portfolio of assets in media, packaging, entertainment, technology-enabled services, infrastructure development and education.

SITI Networks Limited is one of India's largest Multi System Operator (MSO). With 12 digital head ends and a network of more than 33,000 Kms of optical fibre and coaxial cable, it provides its cable services in India's ~580 Locations and adjoining areas, reaching out to over 55 Mn viewers.

SITI Networks deploys State-of-the-art technology for delivering multiple TV signals to enhance consumer viewing experience. Its product range includes Digital & Analogue Cable Television, Broadband and Local Television Channels. SITI Networks has been providing services in analogue and digital mode, armed with technical capability to provide features like Video on Demand, Pay per View, Over-The-Top content (OTT), Electronic Programming Guide (EPG) and Gaming through a Set Top Box (STB). All products are marketed under SITI brand name.



Conference Call

On the 1st November 2018 for the Q2FY19 Results



SITI Networks Limited

On 31st October 2018, SITI Networks Limited (BSE: 532795, NSE: SITINET EQ) is due to announce its Financial Results for the Second quarter of Fiscal Year 2019.

After the conclusion of the Board Meeting and duly informing the Stock Exchanges the results would be made available on the Company's website: www.sitinetworks.com

To discuss the performance of the Company, a conference call has been scheduled on 1st November 2018

We take pleasure in inviting you to a discussion with the Senior Management of SITI Networks

We invite you to join the call and look forward to your participation. Early registration is encouraged. The operator will provide instructions on asking the question before and during the call.

Best Regards,

Ankit Saint

Date: 1st November 2018

Time: 02:00 PM (India Time); 04:30 PM (HK/SG Time)

Call Leader: Ankit Saint

Call in Numbers (India):

Primary Access Toll Number: +91 22 6280 1268

Secondary Access Toll Number: +91 22 7115 8169

Toll Free Call-in Numbers (International):

- USA - 18667462133
- UK - 08081011573
- Singapore - 8001012045
- Hong Kong - 800964448

Conference Code:

Please ask the operator for the "SITI NETWORKS" result call.