Wire and Wireless (India) Limited

India’s Leading Cable TV Company

Corporate Presentation
February 2007

Index

Ready for triple play

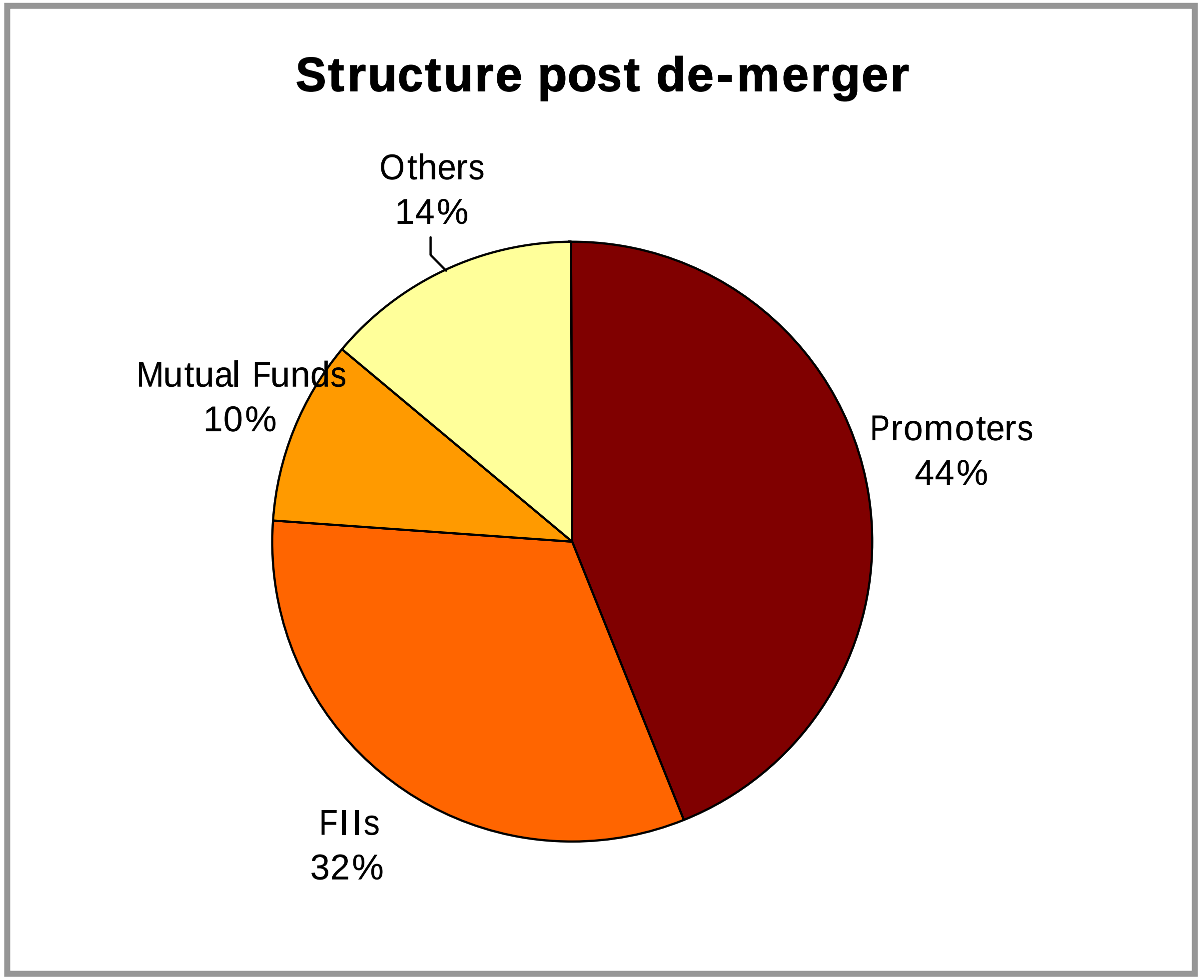
About WWIL

- WWIL is India's largest Multi System Operator (MSO) in cable industry.
- WWIL has taken over the cable business of Siti Cable, a 100% subsidiary of Zee Telefilms Ltd through demerger route.
- WWIL is present in 35 cities (now 43) of India. Operates 52 headends.
- It operates through set of 4000+ franchisee local operators called LCOs
- WWIL has 200+ independent head-end as its affiliates.
- It has 7 regional offices and over 500 direct and indirect employees

India's largest MSO

www.wwil.net

WWIL shareholding



TV Market Size

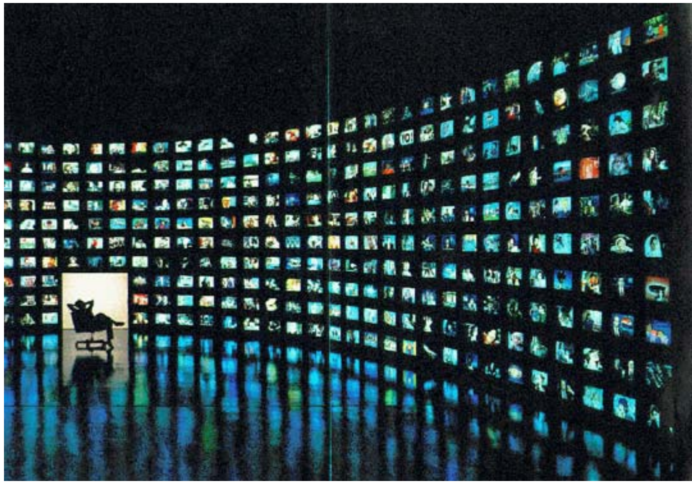
TELEVISION MARKET ESTIMATES				
	Year to 31 Mar	**2007E**	**2011E**	**2015E**
1	**No. of HHs in India (mn)**	**215**	**238**	**262**
	CAGR of 2.5 % to 2015			
2	**No. of TV HHs (mn)**	**117**	**151**	**174**
	TV penetration in India	54%	64%	66%
	CAGR of 5% to 2015			
3	**No. of C&S HHs (mn)**	**68**	**107**	**125**
	C&S penetration in TV HH	59%	71%	73%
	CAGR of 8% to 2015			
4	**No. of Analogue Cable HHs (mn)**	**64**	**71**	**64**
	Penetration as % TV HHs in India	55%	47%	37%
	CAGR of 0% to 2015			
5	**No. of DTH HHs, excl. FTA (mn)**	**2.6**	**17.4**	**31.3**
	Penetration as % TV HHs in India	2.2%	11.5%	18.0%
	CAGR of 37% to 2015			
6	**No. of Other Digital HHs (mn)**	**1.7**	**18.2**	**30.2**
	Penetration as % TV HHs in India	1.5%	12.0%	17.4%
	CAGR of 43% to 2015			
7	**Market Share in C&S HHs**			
	Analogue Cable	93.7%	66.7%	51.2%
	Other Digital HHs	2.5%	17.0%	24.0%
	DTH HHs	3.7%	16.3%	24.9%
	Total	**100.0%**	**100.0%**	**100.0%**

- Existing revenue of $4 bn on cable
  - → 3X of Ad spends!
- Fragmented market
- Poised for digitization
  - → Driven by
    - Technology – DTH, Telcos
    - Regulatory - CAS
    - Customer need for better quality

www.wwil.net

How does it translate into market size

- There would be an estimated 89 million (excluding DTH) homes connected to cable by 2011, accounting for 59% of the total television households in that year.
- ARPU expected to be Rs 470 (USD 10) in 2011. Lower than comparable economies, where it is currently more than USD 12.
- Subscription revenues accruing to industry would amount to Rs 500 billion (USD 10.7 billion).
- At 25% EBITDA margin, Industry would be making an EBITDA of Rs 125 billion (USD 2.7 billion).



A big industry is emerging

Competitive scenario

- There are 8 large MSOs (3 national player) in cable arena and 7,000 independent headends serving 40,000. LCOs

- These independent headends control 70% of the market

- Besides WWIL - Hathway, Incable, Sumangali, Ortel are existing large MSOs
  - Hathway has presence in Mumbai, New Delhi , Chennai, Bangalore , Hyderabad and some other cities. Claims 5 million subscriber base
  - Incable has presence in Mumbai, Delhi, Nagpur, Bangalore. Claims 3 mln subscriber base
  - Sumangali is a regional player in Chennai and other parts of Tamil Nadu having estimated subscriber base of 1.5 million
  - Ortel is a regional player in Orissa with a subscriber base of 0.5 million

- Small players are getting consolidated with large players

- Telcos are also vying for centre-stage

www.wwil.net