SITI Networks Limited
UG Floor, FC-19 & 20, Sector-16 A, Film City,
Noida, Uttar Pradesh-201301, India
Tel: +91-120-4526700
Website : www.sitinetworks.com

NETWORKS

February 14, 2019

To,

The General Manager	The Manager
Corporate Relationship Department	Listing Department
BSE Limited	National Stock Exchange of India Limited
Phiroze Jeejeeboy Towers	Plaza, 5th Floor, Plot no. C/1, G Block
Dalal Street, Fort,	Bandra Kurla Complex, Bandra (E)
Mumbai- 400 001	Mumbai- 400 051
BSE Scrip Code: 532795	**NSE Scrip Symbol: SITINET**

Kind Attn. : Corporate Relationship Department

Dear Sir,

Sub. : Investor Presentation on Financial Results

We are submitting herewith Investor Presentation on unaudited Financial Results of the Company for 3rd quarter of FY 2018-19 and nine months ended on December 31, 2018.

You are therefore, requested to kindly take the same on record.

Thanking you,

Yours truly,
For **Siti Networks Limited**

SITI NETWORKS LIMITED

Suresh Kumar
Company Secretary

SITI Networks Limited

Q3FY19 Investor Presentation

Formerly known as SITI Cable Network Limited
BSE : 532795 | NSE : SITINET | Bloomberg : SCNL:IN | Reuters : SITI.NS
www.sitinetworks.com

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 SITI Networks Limited (SITI Networks) 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. SITI Networks does not undertake to update these forward-looking statements to reflect events or circumstances that may arise after publication.

SITI Networks Declares Strong Q3FY19 Results

ZINDAGI KA NETWORK

SITI Networks Declares Robust Q3FY19 Results

- *Operating EBITDA leaps* ***1.9x*** *y-o-y &* ***1.4x*** *q-o-q to* ***Rs.930 Mn***
- *Operating EBITDA Margin jumps* ***1.7x*** *y-o-y &* ***1.3x*** *q-o-q to* ***24.5%***
- *Subscription Revenue surges* ***21%*** *y-o-y to* ***Rs.2571 Mn***
- *Total Revenue[1] rises* ***12%*** *y-o-y to* ***Rs.3790 Mn***
- *Digital Subscriber ARPU leaps* ***19%***
- *SNL Subscription Collection Efficiency @* ***94%***

ZINDAGI KA NETWORK

1. Excluding Activation

9M Performance: Growth momentum continues

- *Operating EBITDA leaps* ***2.2x to Rs.2,161 Mn***
- *Operating EBITDA Margin jumps* ***937 bps to 20%***
- *9M EBITDA surpassed FY18 performance: Driven by strong subscription growth*
- *Subscription Revenue surges* ***~24% to Rs.7,268 Mn***
- *Total Revenue[1] rises* ***16% to Rs.10,820 Mn***

ZINDAGI KA NETWORK

1. Excluding Activation

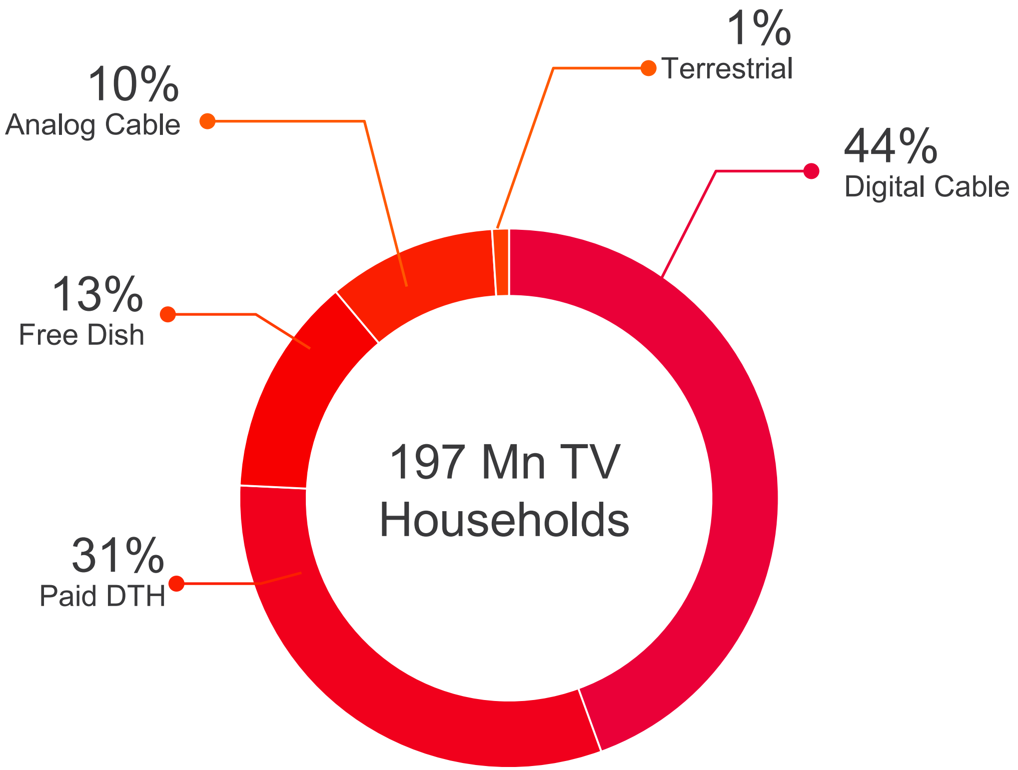
Industry Overview

India C &S Market Overview

TV Households are Growing Faster than the Universe

	2016		2018
Total HH	286 Mn	4.2%	297 Mn
TV HH	183 Mn	7.5%	197 Mn

Penetration of TV HH has gone up from 64% in 2016 to 66% in 2018

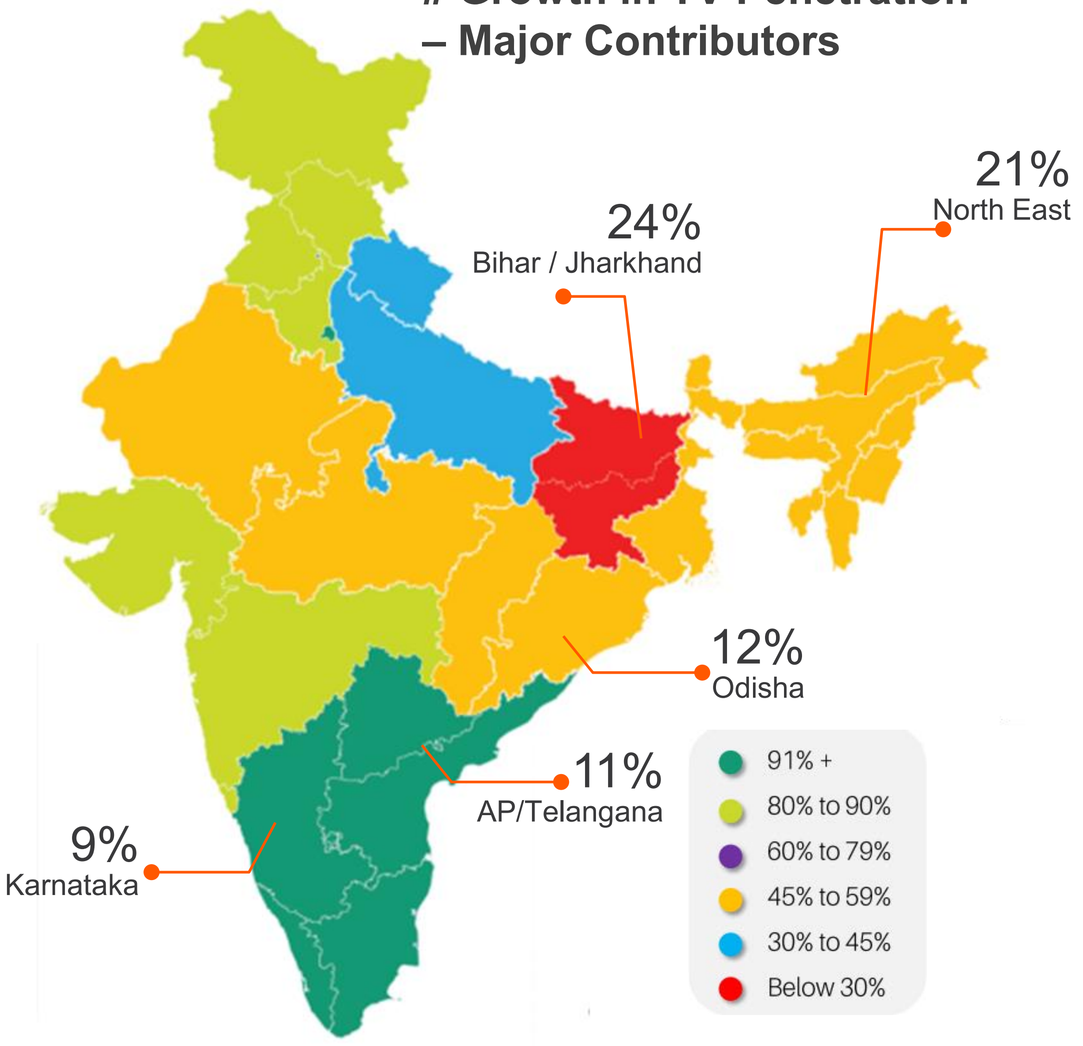


Cable (Digital + Analog) controls 54% of India’s TV market

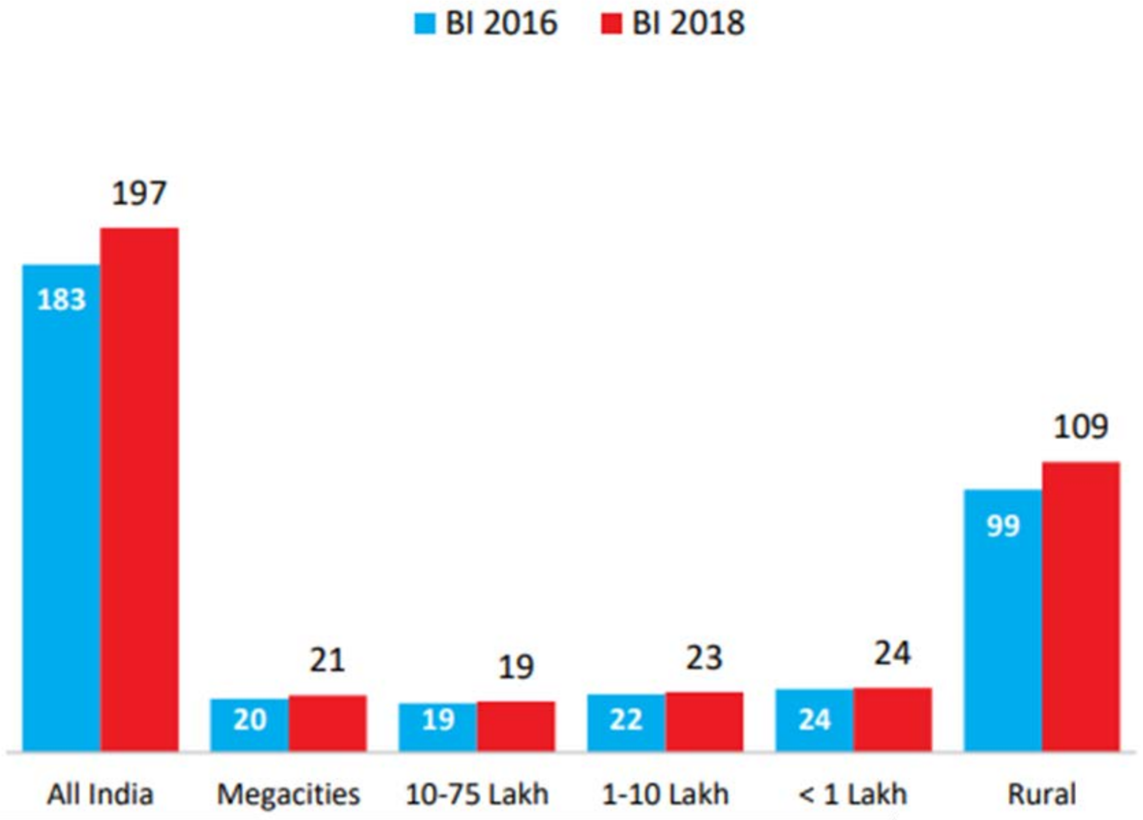
TV Homes Penetration

Maximum Growth in East & South India | Small Towns & Rural are key drivers of Growth

Growth in TV Penetration – Major Contributors



TV Owning HH (Millions)



Most Growth in TV Penetration in DAS Phase 3 & 4 areas

Universe Update BARC India July 2018 | Growth has been measured over 2016 report

SITI Networks

Well Positioned to Benefit from Tariff Order

Subscription

- Subscribers pay Phase neutral Minimum Rental of INR130 for 100 FTA SD channels; Can take additional FTA channels in bundles of 25 channels for INR20 each
- **True A-La-Carte**: Discounts on Bouquets restricted to 15% of A-La-Carte price of Pay channels
- HD Channels priced at <=3 SD Price or Maximum price of Genre
- Broadcasters to provide 20% distribution fee for collection and remittance of subscription

Carriage

- Marketing & placement fee retained
- Carriage capped @ 20 paisa & @ 40 paisa / subscriber/ channel/ month for SD & HD Channels respectively
    - >=5% to <10% - 75% of Base to be charged.
    - >=10% to <15% - 50% of Base to be charged.
    - >=15% to <20% - 25% of Base to be charged.
    - >=20% - No Carriage Fee to be charged

Implementation of the network distribution model will shift the balance of power in favour of DPOs

Company Overview

NETWORKS

ZINDAGI KA NETWORK

- *India's* ***Leading Digital TV Network***
- *Present in* ***22+*** *States & UT across India*
- *Footprint across* ***580+*** *locations*
- *Delivering content to* ***55 Mn+*** *consumers 24/7*

SITI Networks

India's Leading Digital TV Network

11.55 Mn Active Digital Customers

580+ Locations Footprint

4.24 Lakh High Definition Customers

1.7 Mn Broadband Home Passes

55 Mn+ Consumers Reached

~7% TV Households in India

1.61 Lakh Broadband Customers

1st MSO launched in India

1st MSO to give CRM tool to Partners

1st MSO listed on Stock Exchange

1st MSO to launch local channels

Nation-wide Distribution

01 Launched in 1994

02 OYC tool customer offered to LCOs

03 SITINET listed on NSE

04 Bouquet of Local Channels

05 24,000+ strong Distribution Network

All metrics as of 31st Dec. 2018 | Does not include Analog

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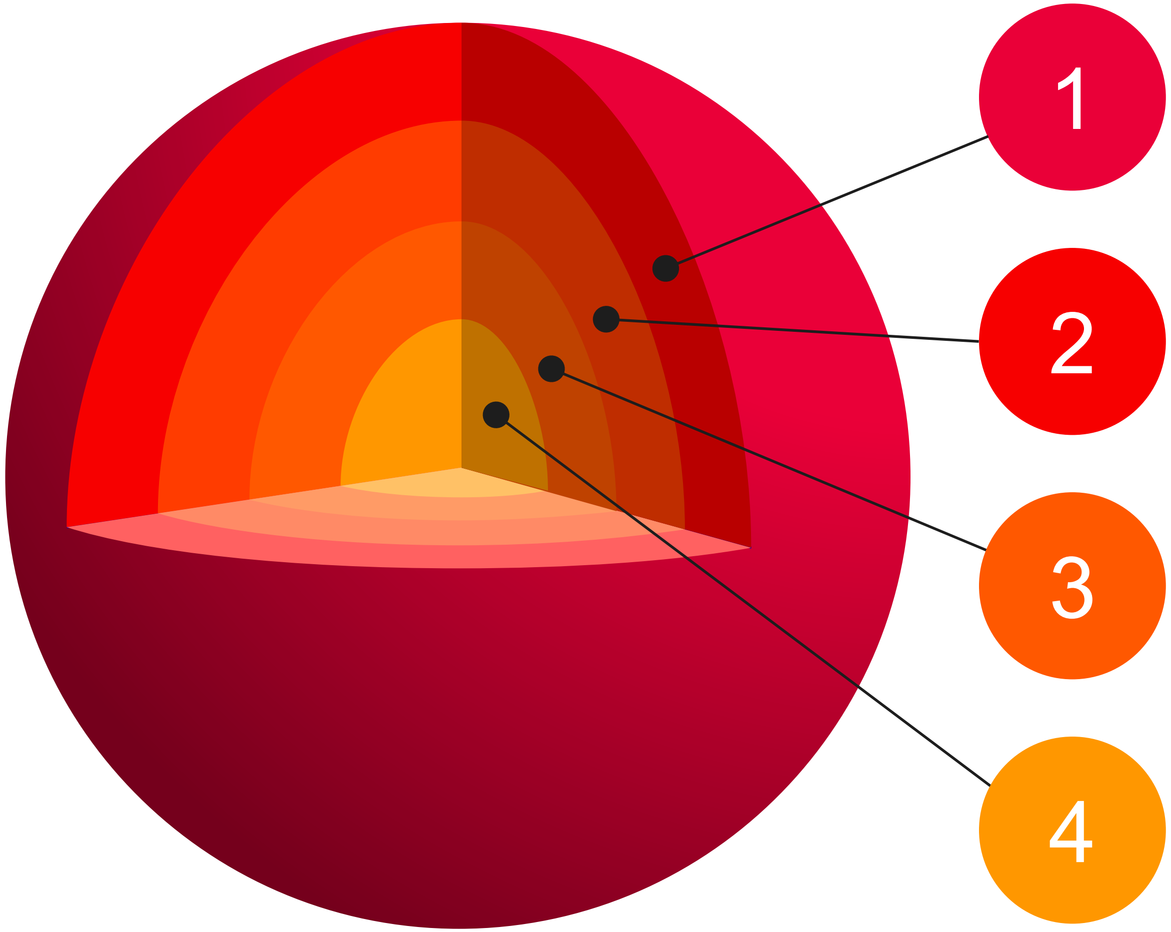
11.55 Mn Happy Households across the country



DAS Phase 1
1.6 Mn

DAS Phase 2
1.5 Mn

DAS Phase 3
3.8 Mn

DAS Phase 4
4.7 Mn

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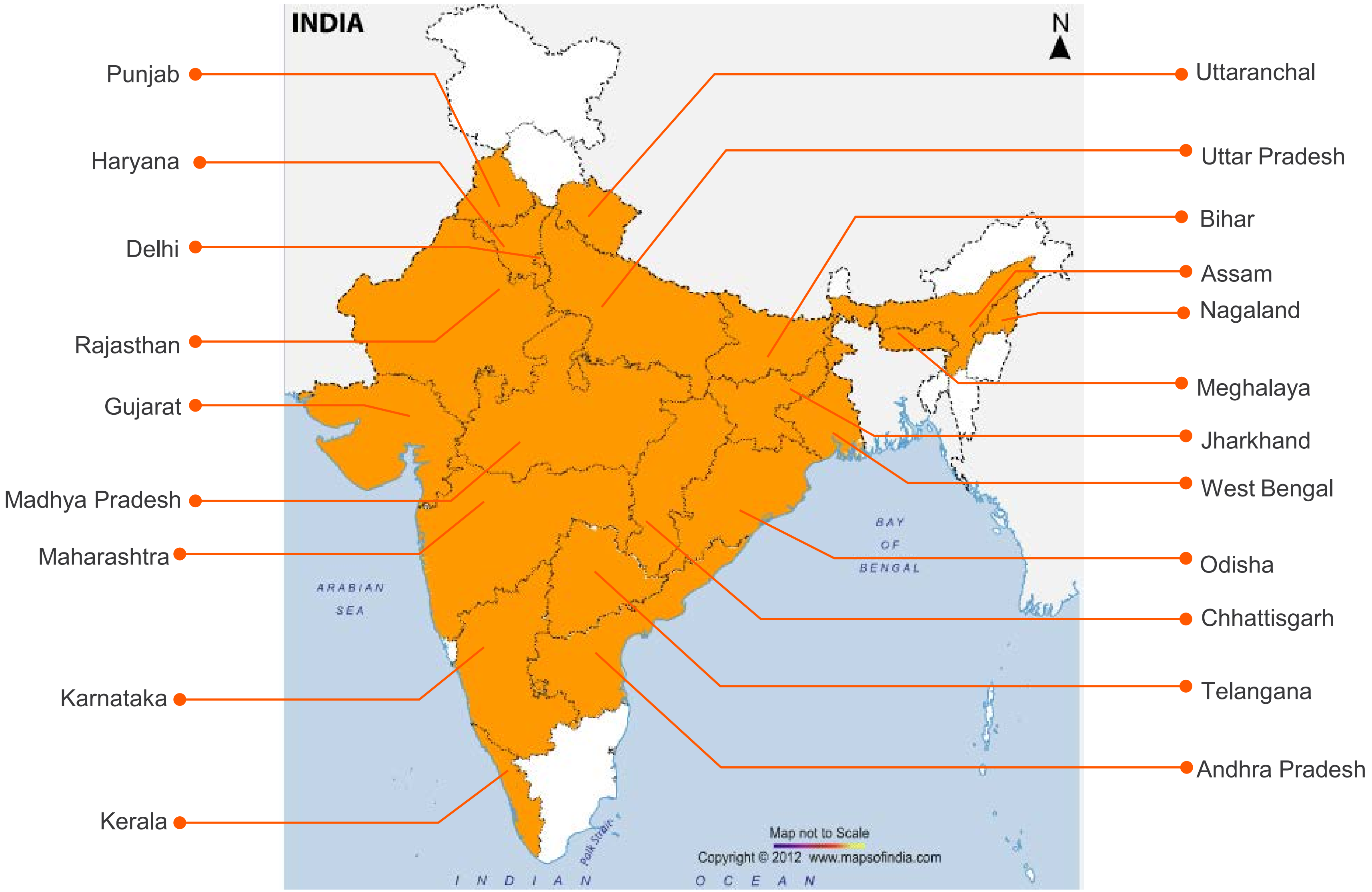
Present across 580+ locations



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Competitive Advantage

01

India's largest MSO

Presence across 580 locations

Country-wide Access

02

Using latest MPEG4 STBs

Broadband through Hybrid (DOCSIS 2/3 & GPON) Network

Superior Technology

03

OYC Subscriber Management System

Conax CAS

SAP Based systems

Uniform commercial policies

Systems and Processes

04

In discussion with various service providers for creating value adds for SITI base

Strategic Alliances

05

Robust corporate governance & compliance

Professional Management

Lean and Agile Organizational Structure

Value unlocking: Consolidating MSOs

Efficient Execution

Promoter Group

Corporate Structure

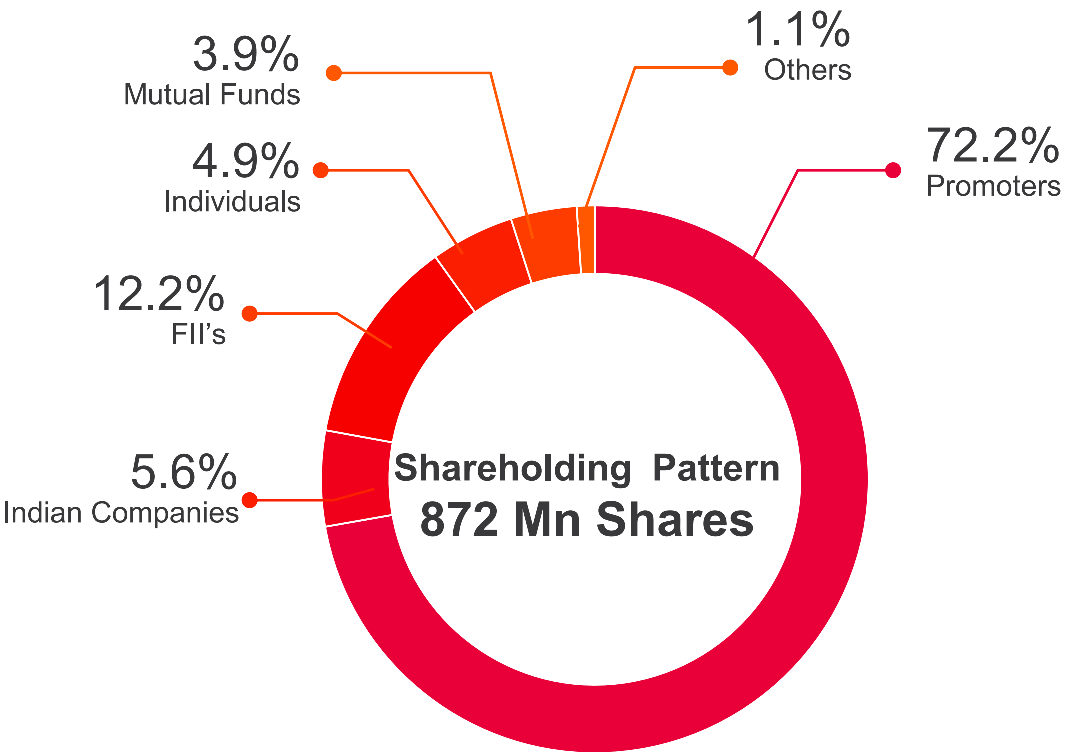
- Launched in 1926, the Parent Group ("Essel Group") completed 90 years recently; One of India's leading business houses, with a dominant vertically integrated presence in Media and entertainment
- Leading producer, aggregator and distributor of Indian programming across the world; 222,000+ hours of original Content
- Group Market Cap (Listed entities under the Parent Group): ~USD7.3 Bn
- Present in 171 countries, a reach of ~1bn+ viewers; Compelling bouquet of 75 Channels

Content		Distribution		Print	Other Business'
ZEE Entertainment	ZEE Media Corp Ltd.	Dish TV	SITI Networks	DNA Newspaper	Essel Infrastructure Education: Zee Learn Limited Packaging : Essel Propack Theme Parks: Essel World and Waterpark Precious Metals: Shirpur Gold Refinery Healthy Lifestyle & Wellness
India's Leading General TV Entertainment Network	Strong presence in National & Regional News Genre	Asia's largest DTH provider after merger with Videocon D2H	One of India's leading National MSOs	English broadsheet daily with presence in major cities	

Exchange rate used USD1=INR71.00
Market cap as of 14th Feb. 2019

SITI Networks

Sizeable Free Float & Institutional Ownership



Key Investors	
Foreign Institutions	Moon Capital, Posco Capital Partners Ltd, Dimensional
Domestic Institutions	HDFC Mutual Fund, ENAM

There has been fund infusion of INR6800 Mn by Promoters through OFCDs & Convertible Warrants in Last 2.5 years

As of 28th Dec 2018
Others include HUF, Clearing Members, banks, trusts and NRIs

Technology Infrastructure

Video & Broadband

- 11 Digital Headends; Intra-city OFC and Coax Network of ~33,000 Kms covering ~ 580 locations
- Transport of Digital CATV signals on 1.2 Gbps links across the country; ~350 IP Points
- Hybrid (DOCSIS+ GPON) Technology to offer Cable Broadband services

Digital Headends	Modems	STB's	Chipsets	Servers	CAS, SMS, EPG	Connectivity
ERICSSON	CISCO	CHANGHONG	Mstar	HCL INFOSYSTEMS	conax	airtel
harmonic	CHANGHONG	WOOJEON&HANDAN	ALi	DELL	ZT	RAILTEL
NOKIA Alcatel-Lucent	CASTLENET NEW KINPO GROUP	ARION TECHNOLOGY		hp	What's ON	idea
	CASTPAL	JIUZHOU				TATA COMMUNICATIONS

Strategy

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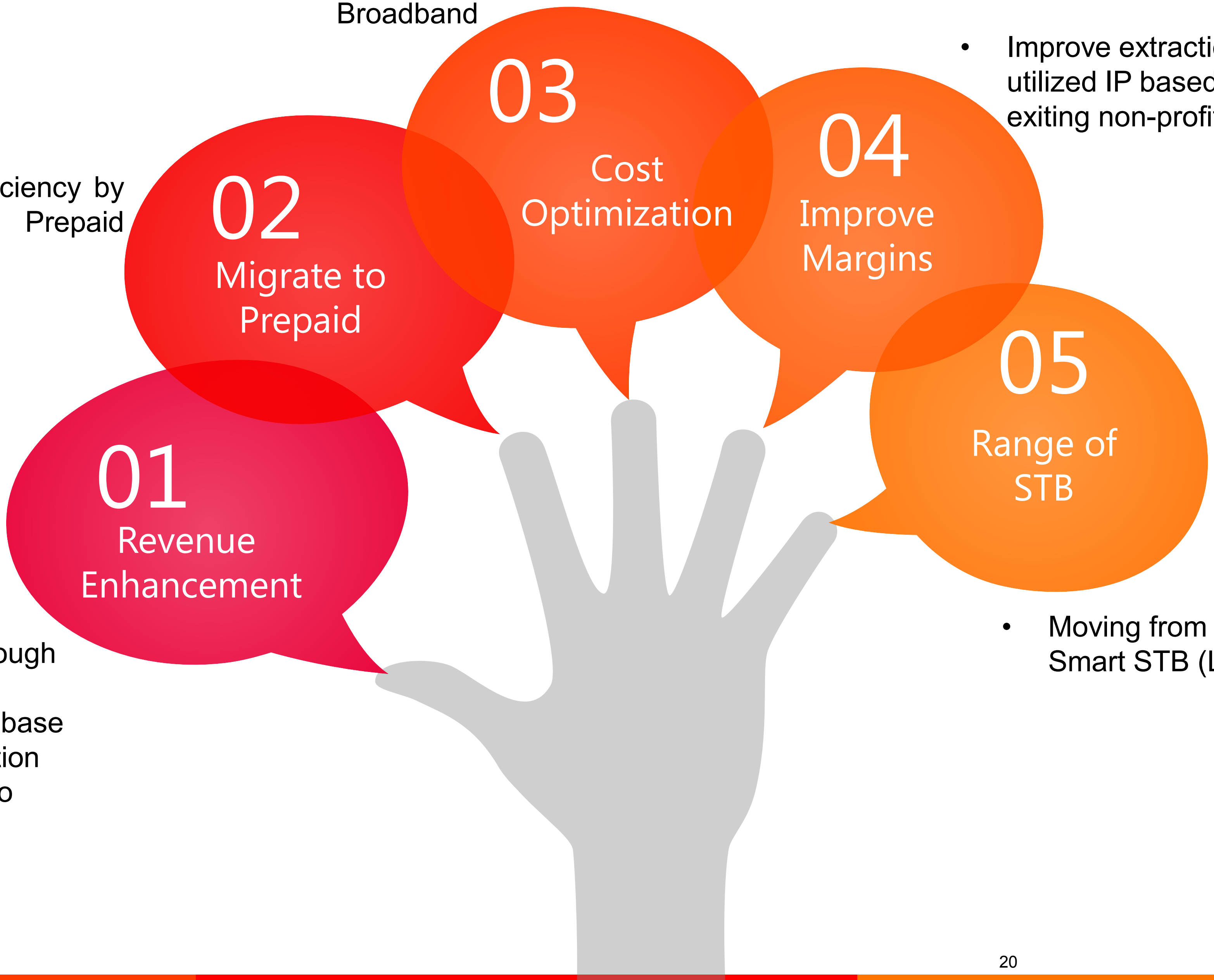
Video Strategy

- Improve operational efficiencies and harness inbuilt leverage
- Fungible teams for Cable and Broadband

- Improve extraction from low utilized IP based locations and exiting non-profitable ones

- Increase Collection efficiency by further implementing Prepaid model



- ARPU enhancement through suggestive packs
- Increase HD Subscriber base
- TRAI Order Implementation
- Up-sell HD, OTT Video to customers

- Moving from SD / HD STB to Smart STB (Linux & Android)

Financials & Operating Metrics

The growth momentum continues in Q3FY19

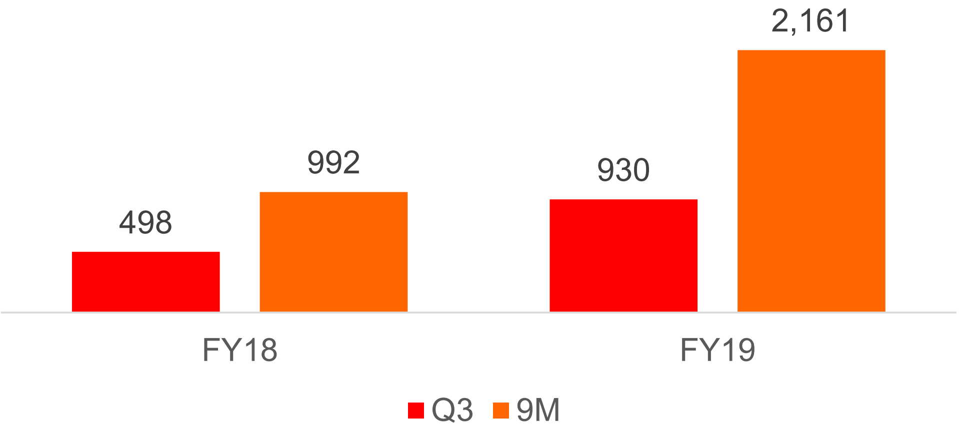
Key Performance Indicators	Vs Q3 FY18
Subscription revenue for Q3 FY19 at **Rs 2,571 mn**	**21% increase** in Q3 FY19 (2,571mn vs 2,118mn)
Operational expenses for Q3 FY19 at **Rs 2,860 mn**	**Expenses Flat i**n Q3 FY19 (2,860 mn vs 2,873 mn)
Operating EBITDA Margin improved @ 24.5%	Q3 FY19 margin **Up by 1.7x** (24.5 % vs 14.8%)
SNL Subscription Collection Efficiency at **94%** for Q3 FY19	Maintained Collection efficiency (94% vs 95% for Q3 FY18)
Blended ARPU at **Rs 88**	**~19% increase** in ARPU
Operating EBITDA for Q3 FY19 at Rs 930 mn	**1.9 x increase in Q3 FY19 EBITDA (930 mn vs 498 mn)**

22

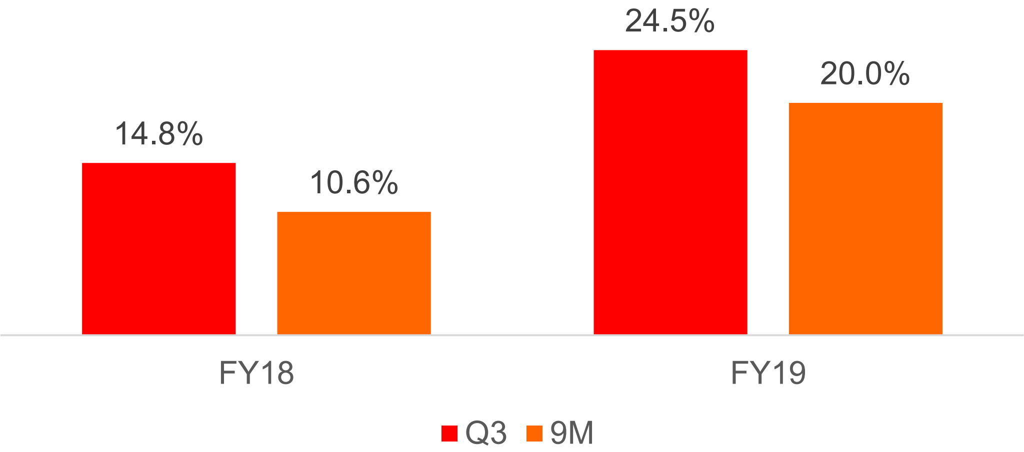
Q3 FY19

Robust Performance

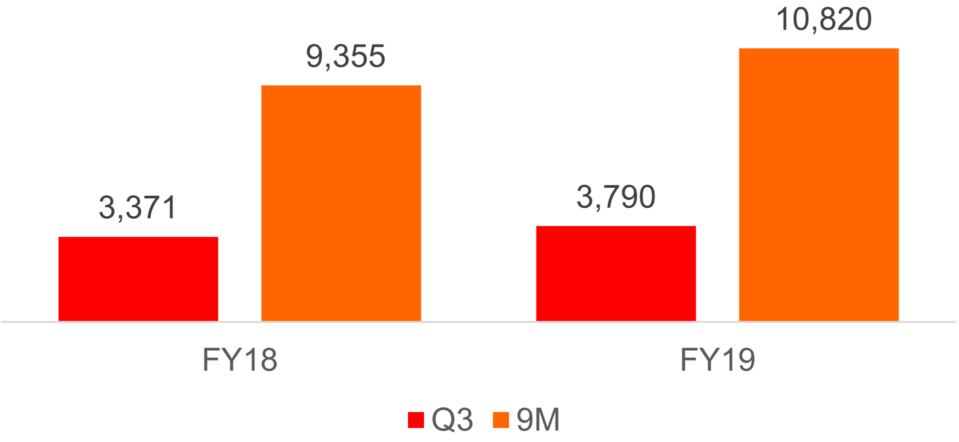
1.9x Jump in Operating EBITDA



1.7x leap in Operating EBITDA Margins



12% Jump in Total Revenue[1]

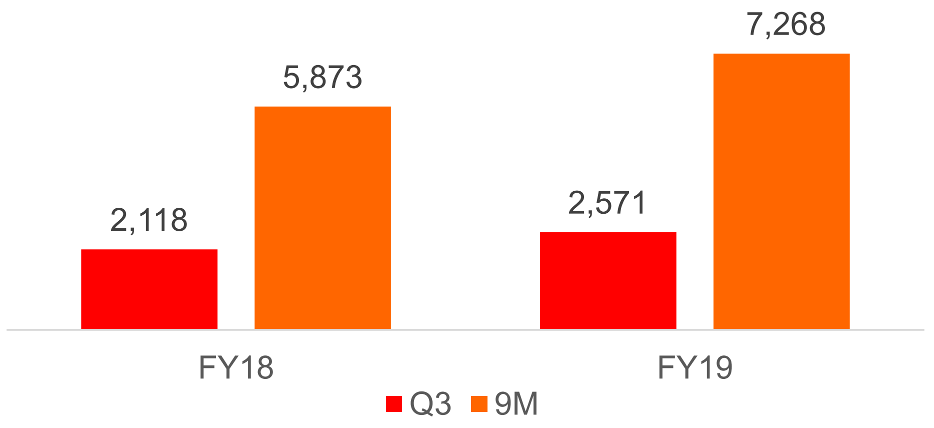


- Q3FY19 Consolidated Revenues at Rs. 3,790 Mn
- 9M Operating EBITDA Margins expanded 1.9x

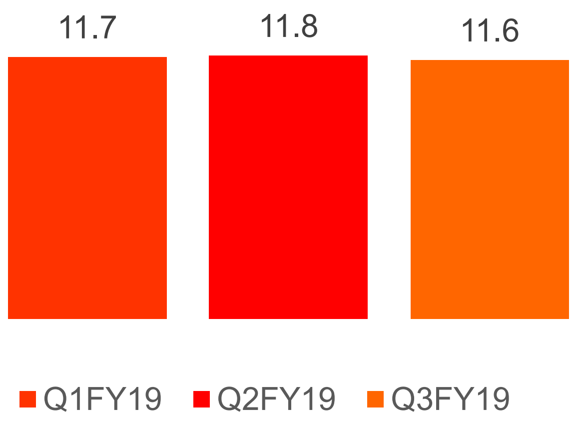
All Numbers in Rs. Mn unless mentioned other-wise. 1. Total Revenue excluding Activation

Q3 FY19 : Video Business
Surging Ahead

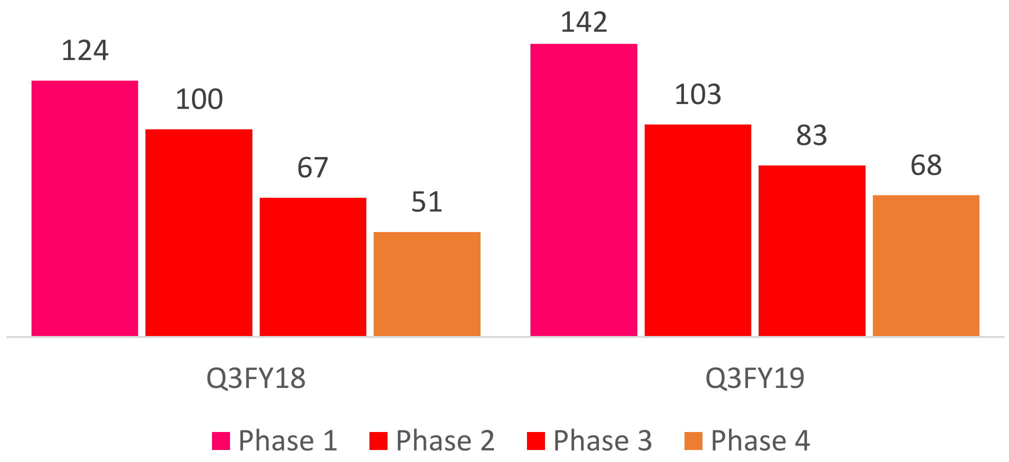
21% Growth in Video Subscription (INR Mn)



Customer base stable



Phase-wise ARPU (Rs.) Increase



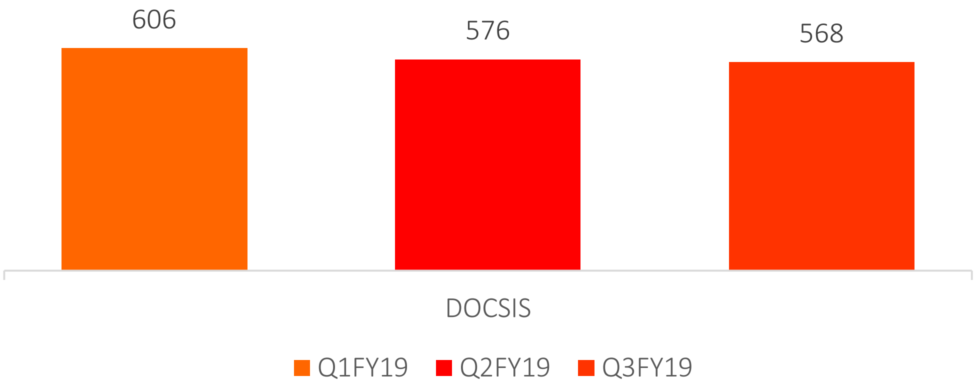
- 9M Subscription revenue grew 24%
- ARPU increased strongly by 19% YoY
- Phase 3&4 ARPUs (73% of subscriber base) have increased 23% and 35% YoY
- SNL Subscription collection efficiency at 94%

All Numbers in Rs. Mn unless mentioned other-wise

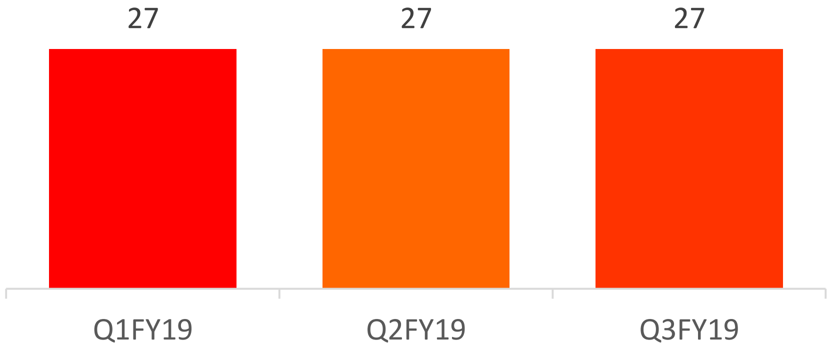
Q3 FY19 : Broadband Business

Stable performance

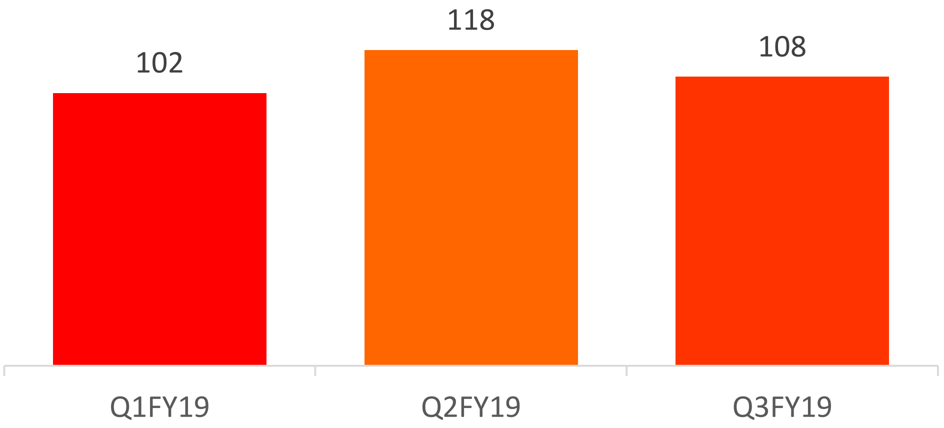
ARPU has been relatively stable



Average Speed per Customer is steady



Average Data Consumption continues to be high



- Net Broadband base at 1.61 Lakhs
- Blended Broadband ARPU was steady at Rs.460
- ~30% of the DOCSIS base converted to long-term lock-in plans

Note: All metrics are for DOCSIS base unless otherwise stated

Thank You

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