



SITI CABLE NETWORK LIMITED

EARNINGS RELEASE FOR THE THIRD QUARTER ENDED DEC 31, 2012

CONSOLIDATED OPERATING REVENUES OF RS. 1247.1 MILLION

CONSOLIDATED OPERATING PROFIT (EBITDA) OF RS. 202.5 MILLION

SITI CABLE CONSOLIDATES ITS PAN-INDIA PRESENCE THROUGH STRATEGIC EXPANSIONS

Q3 FY2013- Highlights

- ❖ Total consolidated operating revenues for the third quarter ended Dec 31, 2012 was Rs. 1247.1 million as compared to Rs. 957.1 million during corresponding quarter last fiscal, recording a growth of 30%.
- ❖ The consolidated operating profit (EBITDA) for the third quarter ended Dec 31, 2012 was Rs. 202.5 million as compared to Rs. 46.0 million during corresponding quarter last fiscal.
- ❖ SITI Cable expands its business operations in new Strategic towns in Central India Locations and Eastern part of the country.

New Delhi, India; Jan 31, 2013 – The Board of Directors of SITI Cable Network Limited (SCNL) (BSE: 532795, NSE: SITICABLE) in its meeting held today, has taken on record the unaudited consolidated financial results of the Company and its subsidiaries for the quarter ended Dec 31, 2012. The consolidated total revenues for the quarter were Rs 1247.1 million and operating profit (EBITDA) was Rs. 202.5 million.

Mr. Subhash Chandra, Chairman, stated, "The Indian television distribution industry is on the cusp of high growth value phase as it marches towards the phase wise digitization of cable television in the country. Digitization provides access to more number of channels and better viewing experience for the subscriber which has been witness in Phase-1 of digitization. This transformation will lead to transparency in the cable distribution and subsequently boost in the revenue".

Commenting on the performance, Mr. Chandra said, "Despite uncertain environment SITI Cable has done well in this quarter and has driven higher revenue through relentless focus on operational excellence. SITI is EBITDA positive in this quarter as well, which clearly indicates continuing growth path".



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Mr. Anil Malhotra, COO of SITI Cable commented, "SITI gained further momentum in the third quarter of fiscal 2013. Our consolidated operating revenue and EBITDA grew to Rs. 1247.1 million and Rs. 202.5 million respectively, a healthy growth over corresponding quarter of last fiscal. We were able to maintain our margins through operational efficiency improvements despite increased operating expenses".

He further added, "In Phase-1 of digitization we have now seeded about 1.5 million STBs in our markets of Delhi, Mumbai & Kolkata. The Company added approximately 700,000 STBs during Q3. The STB Seeding done by the company is under the paid scheme and the payments were realized on upfront basis. We are now in exciting phase of our journey as we strengthen our existing operations and expand our digital subscriber base in phase-2 cities as well. We believe that experiences gathered from Phase 1 will form the basis for phase-2 switch-over to digital, helping to speed up the exercise eventually".

Condensed consolidated statement of operations – Q3 FY2013

The table below presents the condensed statement of consolidated operations for SITI Cable Network Limited and its subsidiaries for the third quarter of FY2013, as published:

Siti Cable - Consolidated (Rs Million)	Q3 FY2013	Q3 FY2012	% of Total Revenue		% Growth
			Q3 FY2013	Q3 FY2012	
Operating Revenues	1232.5	871.7	99%	91%	41%
Operating Expenditure	1044.6	911.2	84%	95%	15%
Operating Profit/(Loss) before depreciation	187.89	-39.43	15%	-4%	576%
Finance cost	251.1	128.8	20%	13%	95%
Depreciation	142.1	72.6	11%	8%	96%
Exceptional Item	0.0	3.0	0%	0%	-100%
Operating Profit/(Loss) after interest, depreciation and ex. Item	-205.2	-243.8	-16%	-25%	16%
Other Income	14.6	85.4	1%	9%	-83%
PBT	-190.6	-158.5	-15%	-17%	-20%
Provision for tax	-4.9	-11.2	0%	-1%	56%
PAT	-185.7	-147.3	-15%	-15%	-26%
Minority interest	0.8	-7.1	0%	-1%	



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Consolidated operating revenue:

The Company's operating revenue for the quarter is Rs. 1247.1 million as compared to Rs. 957.1 million during corresponding quarter last fiscal, recording an increase of 30%. Operating revenue is primarily generated from subscriber related income, income from bandwidth charges, income from advertisements, STB activation charges and other operating revenues.

Consolidated operating expenditure:

The Company's main operating expenses include cost of goods and services, employees' cost, selling & distribution expenses and other expenditure. Total consolidated operating expenses stood at Rs. 1044.6 million for the Third quarter ended Dec 31, 2012 as against to Rs. 911.2 million during the corresponding quarter last fiscal, recording an increased by 15%. Major cost item was cost of goods & services recorded as Rs. 768.0 million during the quarter representing 62% of the total revenue in comparison to Rs. 629.8 million in the third quarter of the last fiscal, representing 66% of the total revenue.

The table below will enable a better understanding of the operation cost:

Siti Cable - Consolidated (Rs Million)	Q3 FY2013	Q3 FY2012	% of Total Revenue		% Growth
			Q3 FY2013	Q3 FY2012	
Cost of Goods & Services	768.0	629.8	62%	66%	22%
Staff Costs	80.1	70.2	6%	7%	14%
Administrative Expenses	163.7	169.1	13%	18%	-3%
Selling & Distribution Expenses	32.9	42.1	3%	4%	-22%
Total Operational Cost	1044.6	911.2	84%	95%	15%

About SITI Cable Network Limited

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

SITI Cable Network Limited is one of India's largest Multi System Operator (MSO). With 56 analogue and 14 digital head ends and a network of more than 12000 Kms of optical fibre and coaxial cable, it provides its cable services in India's 60 key cities and the adjoining areas, reaching out to over 10 million viewers.

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



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For More information about SITI Cable and its businesses, please log on to www.siticable.com



Note: This earnings release contains consolidated results that are un-audited and prepared as per Indian Generally Accepted Accounting Principles (GAAP).

Caution Concerning Forward-Looking Statements

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. Siti Cable Network Limited is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.