

# Hathway Cable & Datacom Limited

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## PRESS RELEASE

### EARNINGS RELEASE FOR THE FORTH QUARTER ENDED MARCH 31, 2012 AND THE YEAR ENDED MARCH 31, 2012

The Board of Directors of Hathway Cable and Datacom Limited (Hathway) (BSE:533162 NSE: HATHWAY) in its meeting held on 11<sup>th</sup> May 2012, had taken on record the unaudited standalone financials of the company for the quarter ended March 31,2012 and the year ended 31<sup>st</sup> March, 2012.

Standalone Operating Revenues for the year FY12 stood at Rs. 5142 Mn (+8.5% over FY11). Standalone EBITDA at Rs. 873 Mn compares with Rs 899 Mn for FY11. EBITDA margins stood at about 17%. Operating Revenues for the Quarter ended 31<sup>st</sup> March, 2012 stood at Rs 1355 Mn (+6% sequential growth over preceding Quarter) and EBITDA at Rs 233 Mn (+1%).

With the TRAI / MIB issuing the Interconnect Regulations, Tariff Order and The Cable TV Rules in the current quarter the grounds have been prepared for the implementation of DAS (Digital Addressable Systems) in the cities which fall within Phase 1. Hathway benefits as it is present in 3 of the 4 cities which form part of Phase 1 roll out i.e. Mumbai, Delhi and Kolkata, either directly or through its' JV partners.

Hathway has placed orders for adequate number of digital STBs to be seeded in its key markets in this Phase.

The other significant highlight has been the full fledged launch of Hathway's HD services with a bouquet of 20 channels. This service has been received well by the subscribers of the Company. Apart from this the Company also set up one more Digital Head End to serve the North / North West Delhi areas. Hathway has also launched its' music channel "Hathway Music" in Hyderabad. The Company has cumulatively achieved a landmark of over 2 Million STBs in its' universe and is consequently well placed to gain from Phases 1 and 2 of the DAS roll-out.

Standalone statements are given overleaf.

# Hathway Cable & Datacom Limited

## Standalone Statements of Accounts

Rs. In Million

Hathway Cable & Datacom Limited	FY12 Q4	FY12 Q3	FY12	FY11
<b>Income</b>				
Income from Operations	1,341.8	1,260.6	5,083.0	4,667.2
Other Operating Income	12.8	16.0	58.5	71.5
<b>Total</b>	<b>1,354.6</b>	<b>1,276.6</b>	<b>5,141.5</b>	<b>4,738.7</b>
<b>Expenditure</b>				
Employees cost	76.8	98.3	383.6	416.5
Pay Channel Cost	387.9	355.1	1,436.1	1,196.9
Other Expenses	656.7	592.8	2,448.5	2,225.7
<b>Total Expenditure</b>	<b>1,121.4</b>	<b>1,046.2</b>	<b>4,268.2</b>	<b>3,839.1</b>
<b>EBITDA before Other Income</b>	<b>233.2</b>	<b>230.4</b>	<b>873.3</b>	<b>899.5</b>
<b>EBITDA before Other Income Margin %</b>	<b>17%</b>	<b>18%</b>	<b>17%</b>	<b>19%</b>
Other Income	62.6	17.1	154.4	222.5
<b>EBITDA After Other Income</b>	<b>295.7</b>	<b>247.4</b>	<b>1,027.7</b>	<b>1,122.0</b>
<b>EBITDA After Other Income Margin%</b>	<b>22%</b>	<b>19%</b>	<b>20%</b>	<b>24%</b>
Depreciation / Amortisation / Impairment	271.6	279.7	1,068.4	973.4
Finance cost	113.3	119.8	416.1	386.4
Exceptional Items	(20.5)	28.8	37.7	143.9
Prior Period Adjustment	(0.8)	2.0	7.4	21.5
<b>PAT</b>	<b>(67.9)</b>	<b>(182.8)</b>	<b>(501.9)</b>	<b>(403.1)</b>

### Operating Income

Operating Income mainly consists of Subscription Income from Cable TV and Broadband business, Carriage and Placement Income, Advertisement Income, Activation Income from STB's and other operating Income.

### 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 Here in due to changes in economic, business, competitive, technological and/or regulatory factors. Hathway Cable & Datacom 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.

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## **About Hathway Cable & Datacom Limited**

Hathway are the leading cable television services provider in India, as well as one of the leading cable broadband services providers. We offer cable television services across 140 cities and towns and high-speed cable broadband services across 21 cities. We have won a number of awards for our cable television services such as being named "Best MSO" by the Indian Telly Awards Seven Times. Our Company has established 20 digital head-ends in the country.

We hold a PAN India ISP license and were the first cable television services provider to offer broadband internet services. We are currently India's largest cable broadband services provider, with approximately 1.5 million two-way broadband enabled homes passes, as on March 31, 2012. As of December 31, 2011, our subscriber base constituted approximately 40 % of the total cable broadband market in India. In addition to our cable television and broadband service offerings, we also generate advertising and airtime revenue from advertisements aired for and on behalf of channels owned by third parties, such as the Hindi movie channel, Cine Channel, and the music channel, ITV.