

Hathway Cable & Datacom Limited

PRESS RELEASE

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2015

FINANCIAL HIGHLIGHTS

Rs. Crs	Standalone Financials					Growth over Prev Qtr
	Q1 FY16	Q4 FY15	Q3 FY15	Q2 FY15	Q1 FY15	
Subscription CATV	105.5	120.9	99.0	111.0	111.0	-13%
Subscription Broadband	65.1	57.7	51.3	45.4	41.6	13%
Placement	83.8	77.5	75.8	82.4	78.2	8%
Activation	5.5	5.7	7.2	22.1	8.9	-4%
Others	4.6	8.7	5.8	2.7	10.5	-47%
Total Revenue	264.4	270.5	239.1	263.5	250.2	-2%
Total Revenue W/o Activation	258.9	264.7	231.9	241.4	241.3	-2%
EBITDA	32.7	31.2	24.6	40.0	43.9	5%
EBITDA W/o Activation	27.3	25.4	17.4	17.9	35.0	7%

- ✓ Phase I ARPU at Rs. 100/- (net of tax). Phase II ARPU at Rs 76/- (net of tax) as compared to Rs. 67/- (net of tax) in Q4 FY15.
- ✓ Subscription Revenues at Rs. 105.5 Cr (Net Of Adjustments) with a growth of 10% YoY
- ✓ Hathway CATV Universe at 11.8 Mn – Digitized 8.6 Mn subscribers. 1 Lakh Set top boxes deployed in Q1 FY16.
- ✓ 120k additional homes passed in Q FY16, Broadband Homes passed – 2.4 Mn.
- ✓ Broadband Gross Additions at 50k for Q1 FY16.
- ✓ Broadband Subscribers – 0.46 Mn (Docsis 3.0 – 0.17 Mn).
- ✓ Broadband ARPUs increased from Rs. 530 to Rs. 577 (exit Q1FY16). (+9%)
- ✓ Rapid growth in broadband Revenue at Rs. 65.1 Cr with a growth of 56% YoY and 13% QoQ.
- ✓ Excluding Activation Q-o-Q Standalone EBITDA grows by 7% to 27.3 Crs from 25.4 Crs
- ✓ Standalone Gross Debt – 1,137.3 Crs Net Debt – 1041.4 Crs.
- ✓ As per management estimates, Quarterly EBITDA inclusive of Hathway’s economic interest in the EBITDA of its several Subsidiaries/JVs/Associate companies would aggregate to about Rs. 41 Crs.

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Standalone Statement of Accounts Q1 FY16 (Unaudited)

The Board of Directors of Hathway Cable and Datacom Limited (Hathway) (BSE:533162 NSE: HATHWAY) in its meeting held on 11th August 2015, have taken on record the Unaudited Financials for Q1 FY 16.

The financial statement taken on record by the Board is summarized below:

HCDL- Standalone Financial INR Million	STANDALONE			
	FY16 Q1	FY15 Q4	FY15 Q1	FY 15
	Quarterly			YTD
Income				
Net Sales/Income from Operations	2,631.7	2,690.8	2,495.8	10,194.4
Other Operating Income	12.4	9.5	6.4	34.7
Total Income	2,644.1	2,700.3	2,502.2	10,229.1
Expenditure				
Purchase of stock-in-trade	0.6	0.3	1.3	1.9
Employee Cost	172.1	170.1	145.5	615.5
Pay Channel Cost	933.2	1,073.4	858.1	3,839.9
Other Expenses	1,210.9	1,146.8	1,058.6	4,377.2
Total Expenditure	2,316.8	2,390.5	2,063.5	8,834.5
EBITDA before Other Income	327.3	309.8	438.7	1,394.6
EBITDA before Other Income Margin %	12%	11%	18%	14%
EBITDA before Other Income and Activation	270.3	252.8	381.7	1,337.6
Other Income	39.1	45.6	20.5	139.8
EBITDA After Other Income	366.4	355.4	459.2	1,534.4
EBITDA After Other Income Margin %	14%	13%	18%	15%
Depreciation / Amortization	591.9	686.1	477.5	2,269.7
Foreign Exchange Loss / (Gain)	(1.3)	(5.6)	(15.8)	(5.1)
Finance Cost	217.4	193.4	291.7	1,057.6
Exceptional Items	0.0	250.3	(288.7)	(38.4)
Prior Period Adjustment	(2.5)	1.1	3.7	2.8
Tax	-	-	-	-
Minority Interest	-	-	-	-
Amount transferred on change in stake	-	-	-	-
Share of Profit/ Loss of Associates	-	-	-	-
PAT	(439.1)	(769.9)	(9.2)	(1,752.2)

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Closing Consolidated Subscribers Numbers

Particulars	Subs in Million
Cable Universe	11.8
CATV Digital Subscribers	8.6
CATV Paying Subscribers	6.6
Broadband Home Passed	2.4
Broadband Subscribers	0.46
Docsis 3.0 Subscribers	0.17

OPERATIONAL HIGHLIGHTS

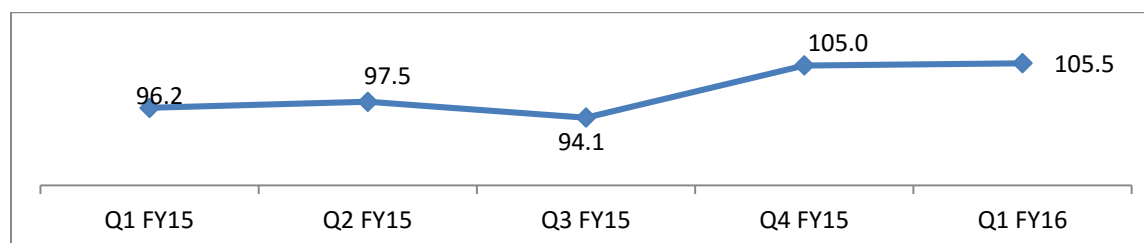
CORPORATE

The company has received approval from FIPB (Foreign Investment Promotion Board) for an increase in the FII/ FPI holding to 74% from the current level of 49%.

The company has tied up financing for phase III roll out and investment for homes passed in Docsis 3.0 roll out for Broadband.

CATV

Subscription trend:



*Adjustments include entertainment tax, commission and feed income accrued for FY15 accounted in Q4. For feed income there is an equivalent impact in Q4 content costs.

Rs. Crs	Q1 FY15	Q2 FY15	Q3 FY15	Q4 FY15	Q1 FY16	Q1FY16 Vs Q4FY15	Q1FY16 Vs Q1 FY15
Subscription Revenue (Net off adjustments)*	96.2	97.5	94.1	105.0	105.5	1%	10%

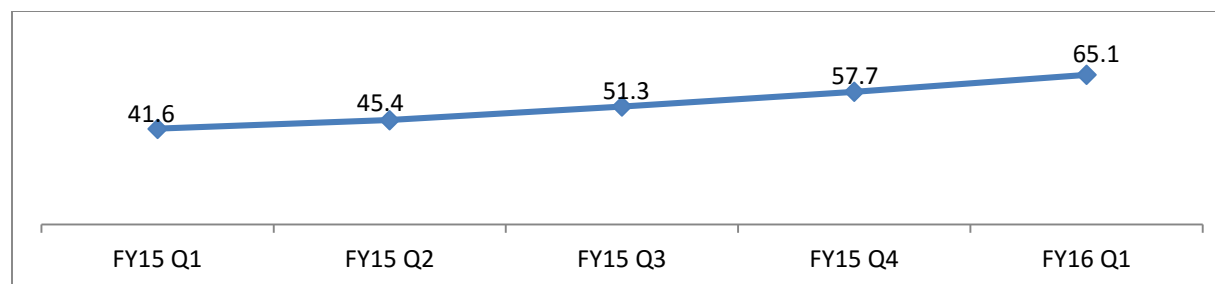
- Hathway has aggressively started promoting prepaid billing structure for all its primary subscribers. The company expects this rollout to be completed over the next quarter so as to cover 100 % of its primary subscriber base. This prepaid structure will enable the company to substantially improve its ARPUs from this subscriber base. It is expected that once primary subscribers are completed a prepaid billing structure will be rolled out for Secondary subscribers also. This action by the company will have a substantially positive impact over the next few quarters on its CATV ARPU.

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- Where feasible the company in cooperation with its business partners is starting to manage its secondary points through RTU (Right-to-use) model. Over 13k customers have been converted so far.
- The company is in the process of contracting for the supply of Set Top Boxes for Phase III, The inventory of Set Top Boxes in hand is about 0.5 Mn .
- The company has deployed over 10k HD boxes in Q1 FY16.

BROADBAND

Subscription Trend



Rs. Crs	FY15 Q1	FY15 Q2	FY15 Q3	FY15 Q4	FY16 Q1	Q1FY16 Vs Q4FY15	Q1FY16 Vs Q1 FY15
Broadband Revenue	41.6	45.4	51.3	57.7	65.1	13%	56%

- Broadband business continues its momentum of upgrading LAN/ Docsis 2.0 consumers onto Docsis 3.0 platform. Incremental Consumers ARPU has reached Rs. 850/- levels.
- With Sania Mirza as its brand ambassador, Hathway hopes to reinforce the attributes of the new ultra-high-speed technology, as she is known for speed, agility and as an icon who appeals most to new age India.
- Network up gradation capex has been rolled out across all Docsis 3 towns to ensure network is ready for consistent 50 mbps speed even with increase in consumer base.
- As per renewed Unified service License conditions, We have taken into account 8% license fee for our broadband business (5.2 Crs for Q1 FY16)

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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

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.

About Hathway Cable & Datacom Limited

Hathway is a leading cable television services provider in India, as well as one of the leading cable broadband services providers. We offer cable television services across 160+ cities and towns and high-speed cable broadband services across 20 cities. We have won a number of awards for our cable television services such as being named "Best MSO" by the Indian Telly Awards Eight Times. Our Company has established 23 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 2.4 million two-way broadband enabled homes passes, as on June 30th, 2015. In addition to our cable television and broadband service offerings, we also generate advertising and airtime revenue from advertisements aired on our channels, such as the Hathway music channel, Hathway CCC, Hathway Shopee, H tube, Hathway life, Hathway Movies, & Hathway Entertainment.