

Hathway Cable & Datacom Limited

PRESS RELEASE

UNAUDITED STANDALONE FINANCIAL RESULTS FOR Q3 FY16

Rs. Crs	Standalone Financials								Growth over Prev Qtr	YOY
	Q3 FY16	Q2 FY16	Q1 FY16	Q4 FY15	Q3 FY15	Q2 FY15	Q1 FY15			
Subscription CATV	108.0	107.5	105.5	120.7	99.0	111.0	111.0	0%	9%	
Subscription Broadband	78.7	71.9	65.1	57.7	51.3	45.4	41.6	9%	54%	
Placement	82.2	84.8	83.8	77.5	75.8	82.4	78.2	-3%	8%	
Activation	22.3	4.7	5.5	5.7	7.2	22.1	8.9	376%	209%	
Others	9.2	5.1	4.6	8.7	5.8	2.7	10.5	81%	59%	
Total Revenue	300.4	274.0	264.4	270.3	239.1	263.5	250.2	10%	26%	
Total Revenue W/o Activation	278.2	269.4	258.9	264.6	231.9	241.4	241.3	3%	20%	
EBITDA	49.8	34.2	32.7	31.0	24.6	40.0	43.9	46%	103%	
EBITDA W/o Activation	27.6	29.5	27.3	25.2	17.4	17.9	35.0	-7%	59%	

KEY HIGHLIGHTS

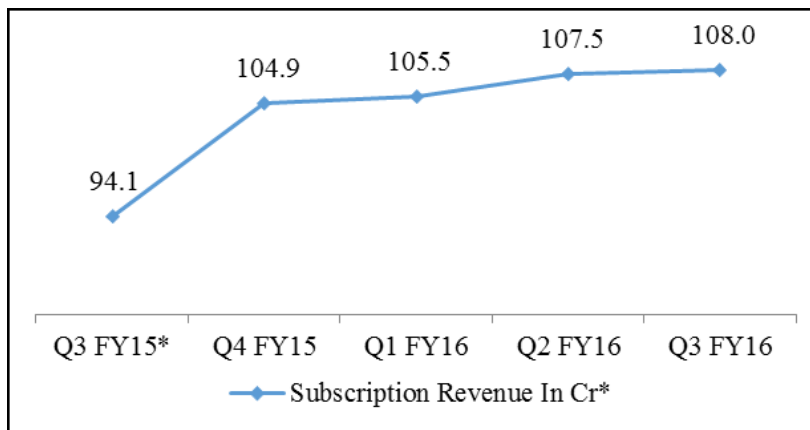
- ✓ Hathway consolidated STB deployment reaches 9.6 Mn subscribers (Q3 addition 0.9 Mn) as on 31st December 2015 (80% of Universe is digitized).
- ✓ Net of Taxes ARPU - Phase I at ₹ **102** and Phase II at ₹ **83** as compared to ₹ 100 and ₹ 80 respectively in Q2FY16.
- ✓ Hathway Consolidated Broadband Subscribers increased by 50 k in Q3 to 567 k.
- ✓ Hathway Broadband Standalone ARPUs increased Q-o-Q from ₹**658** to ₹ **683** (+3.8%).
- ✓ Hathway's (Standalone) Total revenue for Q3 increased 26% YoY
- ✓ Adjusted EBITDA net off activation and license fees has increased 95% YoY to 33.8 Crs.

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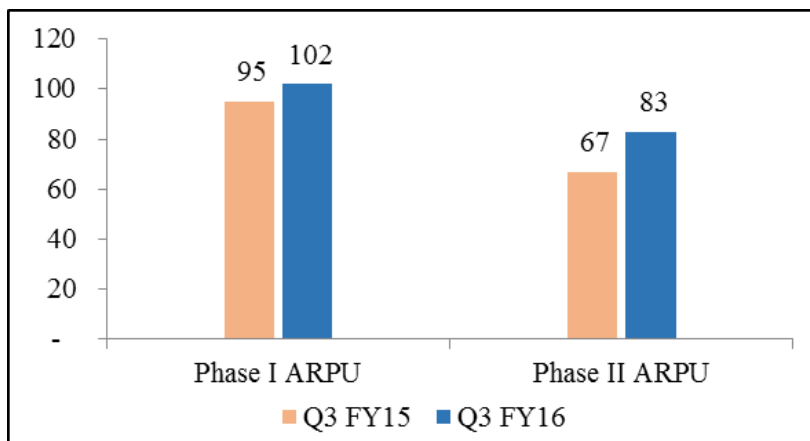
CATV:

On a consolidated basis, the company deployed 0.9 Mn STbs in Q3. With this Phase III subscribers increases to 3 Mn. It is expected that Phase III deployments will further grow once court mandated stay orders in certain markets are vacated. The Prepaid launch for direct customers in Bangalore helped the company register a 24 % increase in collections, Subsequent to Bangalore Mumbai, Delhi and Pune direct customers have also been converted to Prepaid in Q3. A Substantial improvement in collection from direct customers is expected in the following quarters

Subscription and ARPU Trend:



*Revenue adjusted for Entertainment Tax, Commission and Feed income

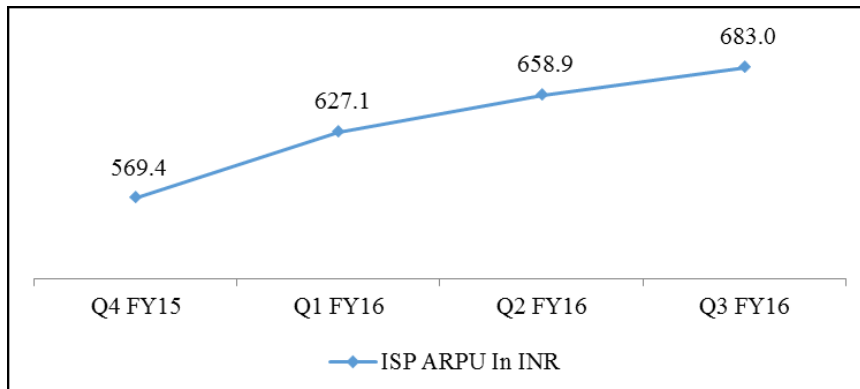
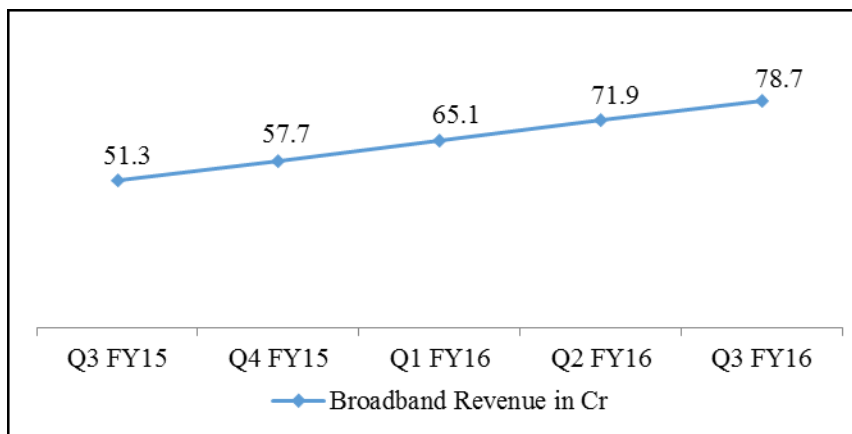


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BROADBAND

Number of Homes passed in Q3 grows to 2.8 Mn homes. The company continues with aggressive growth in Broadband subscriber numbers and this is reflected in Net additions of 50k customers in Q3 taking the total Broadband subscribers to 567k. The financial results for the period takes into account 8 % License fee in the broadband business. The Company had moved TDSAT for a stay on the license fee and Honorable TDSAT has granted the stay till the disposal of the matter. If License fee is added back, EBITDA would increase by 6.3 Crs for the quarter.

Standalone Subscription and ARPU Trend



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OTHER HIGHLIGHTS

- ✓ Standalone Gross Debt – ₹ 1,399.0 Crs Net Debt – ₹ 1337.2 Crs.
- ✓ Consolidated gross Debt – ₹ 1,829.8 Crs Net Debt – ₹ 1711.5 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 ₹ 83.17 Crs (net off license fee).

Closing Consolidated Subscribers Numbers

Particulars	Unit	Subs in Million
Cable Universe	In Mn	12.0
CATV Digital Subscribers	In Mn	9.6
CATV Paying Subscribers	In Mn	6.8
Broadband Home Passed	In Mn	3.0
Broadband Subscribers	In '000	567
Docsis 3.0 Subscribers	In '000	225
HD Boxes	In '000	84

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Standalone Statement of Accounts Q3 FY16 (Unaudited)

The Board of Directors of Hathway Cable and Datacom Limited (Hathway) (BSE:533162 NSE: HATHWAY) in its meeting held on 12th February 2016, have taken on record the Unaudited Financials for Q3 FY 16.

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



STANDALONE						
HCDL- Standalone Financial	FY16 Q3	FY16 Q2	FY15 Q3	YTD DEC-16	YTD DEC-15	FY15
INR Million	Quarterly			YTD	YTD	
Income						
Net Sales/Income from Operations	2,987.5	2,725.3	2,380.2	8,344.6	7,503.6	10,194.4
Other Operating Income	16.7	15.0	11.3	44.1	25.2	34.7
Total Income	3,004.3	2,740.3	2,391.5	8,388.7	7,528.8	10,229.1
Expenditure						
Purchase of stock-in-trade	0.4	0.5	0.0	1.5	1.6	1.9
Employee Cost	191.9	178.3	139.6	542.4	445.4	615.5
Pay Channel Cost	1,064.4	982.7	940.4	2,980.2	2,766.5	3,839.9
Other Expenses	1,249.6	1,237.2	1,065.6	3,697.7	3,230.5	4,377.2
Total Expenditure	2,506.2	2,398.8	2,145.7	7,221.8	6,444.0	8,834.5
EBITDA before Other Income	498.1	341.5	245.8	1,166.9	1,084.8	1,394.6
EBITDA before Other Income Margin %	17%	12%	10%	14%	14%	14%
EBITDA before Other Income & Activation	275.4	294.8	173.7	842.6	702.3	954.6
Other Income	27.6	26.0	51.3	92.7	94.2	139.8
EBITDA After Other Income	525.7	367.5	297.1	1,259.6	1,178.9	1,534.4
EBITDA After Other Income Margin %	17%	13%	12%	15%	15%	15%
Depreciation / Amortization	636.5	615.2	598.2	1,843.7	1,583.6	2,269.7
Foreign Exchange Loss / (Gain)	(11.0)	(2.3)	11.3	(14.6)	0.5	(5.1)
Finance Cost	225.2	235.3	268.6	677.9	864.2	1,057.6
Exceptional Items	-	-	-	-	(288.7)	(38.4)
Prior Period Adjustment	0.8	8.7	(0.5)	6.9	1.7	2.8
PAT	(325.8)	(489.4)	(580.5)	(1,254.3)	(982.3)	(1,752.2)

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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.

		
3QFY16 Earnings Conference Call Hathway Cable and Datacom Ltd.		
February 15, 2016 at 11:00 am (IST)		
Ambit Capital is pleased to invite you to the 3QFY16 Results Conference Call of Hathway Cable and Datacom Ltd.		
Represented by		
Jagdish Kumar – MD & CEO Ganapathy Subramaniam – CFO Vineet Garg – Deputy CFO		
The teleconference will be moderated by Vivekanand Subbaraman, CFA, Media Analyst , Institutional Equities, Ambit Capital.		
Conference Call Details		
Time: 11:00 am (IST) Date: February 15, 2016		
Please dial the below number at least 5-10 minutes prior to the conference schedule to ensure that you are connected to the call in time.		
Primary Number India: +91 22 6746 5878	Toll Free Number: USA: 1 866 746 2133 UK: 0 808 101 1573 Singapore: 800 101 2045 Hong Kong: 800 964 448	
Secondary Number India: +91 22 3938 1078		
<i>The numbers listed above are universally accessible from all networks and all countries</i>		
Local Access Number: 6000 1221 <i>Available in - Delhi, Bangalore, Chennai, Hyderabad, Kolkata</i> Accessible from all major carriers except BSNL/MTNL		
Local Access Number: 3940 3977 <i>Available in - Gurgaon (NCR), Bangalore, Kolkata, Cochin, Pune, Lucknow, Ahmedabad, Chandigarh</i> Accessible from all carriers.		