

DEN Networks Limited Announces Q1, FY 2014-15 Results

Quarter Financial Highlights (Q1, FY'15 vs Q1, FY '14)

Cable Business Financials ⁽¹⁾

- **Operational Revenues (excluding Activation Revenue) grew by 37.4% Y-o-Y; Operational Revenues grows 11.5% Y-o-Y; Digital Subscription Revenues increases by Rs. 70.29 crores (92.7%) Y-o-Y.**
- **Operational EBITDA (excluding Activation Revenue) increases 187% Y-o-Y; Operational EBITDA at Rs.69.27 crores.**
- **PAT (after Exceptional Items) increases 35.5% to Rs. 13.1 crores vs Rs. 9.7 crores Y-o-Y.**

Consolidated Financials ⁽¹⁾

- **Operational Revenues (excluding Activation Revenue) grew by 35.4% Y-o-Y; Operational Revenues grows 11.2% Y-o-Y; Digital Subscription Revenue increases by Rs. 71.25 crores (82.7%) Y-o-Y.**
- **Operational EBITDA (excluding Activation Revenue) increases 103% Y-o-Y; Operational EBITDA at Rs 57.16 crores; despite loss of Rs.12 crores on account of investing into New Business Initiatives of Broadband & Soccer.**
- **PAT of Rs.1.12cr despite Activation Revenues being lower by Rs.42.75 crores, loss of Rs.12 crores on account of investing into New Business Initiatives of Broadband & Soccer and higher depreciation by Rs.10 crores (Y-o-Y).**

Company Highlights

DEN Launches DEN Boomband – It's High Speed Internet Services

DEN has soft launched its high speed internet services - DEN Boomband offering speeds of upto 100 Mbps on DOCSIS 3.0 technology. Den has commenced the network infrastructure deployment with complete ownership of the last mile connectivity, at 15 locations in Delhi NCR and Kanpur. After successfully completing the pilot launch in Q1FY15, DEN expects a full commercial launch in Sept'14.

DEN Launches Delhi Dynamos FC – Delhi Team of Indian Super League (ISL)

DEN, through its wholly owned subsidiary – DEN Soccer Pvt. Ltd., has been awarded the team rights for Delhi - its home town. The team is named 'Delhi Dynamos FC'. ISL is founded by IMG Reliance & Rupert Murdoch's Star

⁽¹⁾Operational Revenues & EBITDA is before considering Other Income

Group, under the aegis of All India Football Federation (AIFF). The inaugural season of the League is scheduled to begin in October, 2014. DEN has partnered with Feyenoord Rotterdam – a leading football club & academy from the Netherlands and has appointed Harm van Veldhoven as the manager

DEN's Transformation into a Customer Centric Organization

The company continues its endeavour to provide a better consumer experience and move from B2B to B2C environment. The following initiatives highlight the strides that DEN is taking in this direction:

- Launch of Payment Gateway: the company recently introduced Online Payment facility on its Corporate Website.
- Focus on Branding/ Customer Engagement: the company created a separate branding/ marketing department to focus on promoting all segments of operations i.e cable, broadband & football. DEN has also hired Dentsu Creative Impact for the creative duties.
- Integrated services platform by Wipro: the company recently tied-up with Wipro for a 10 year fully managed services contract, for customising solution for Subscriber Management System (SMS), Billing, CRM, Inventory Management, Web Interface and Payment Gateway.

DEN ready for the Phase 3 & 4 Opportunity

As per industry estimates, there is still a total requirement of approx. 80 to 90 million digital cable set top boxes in Phase 3 & 4 across the country. DEN is well capitalised, backend ready and has a rich experience of digitization in Phase 1 & 2 and is confident of achieving the targeted expansion in Phase 3 & 4. DEN has deployed approx. 5 million STBs in Phase 1 & 2 and 1.4 million STBs in Phase 3 & 4 taking the total STBs deployed to approx. 6.4 million.

Mr. S.N. Sharma, CEO, DEN Networks Ltd., said

“We are pleased with the overall Company’s financial performance as the company continues to invest in transforming from B2B to B2C environment. The Company is also focused on, in making its recently launched broadband business a success.”

About DEN Networks Limited

DEN Networks is India's largest cable TV distribution company serving 13 million homes in over 200 cities. DEN is a frontrunner of digitisation of Indian cable TV serving an estimated 30 million viewers.

DEN is present in 13 key states across India including Delhi, Uttar Pradesh, Karnataka, Maharashtra, Gujarat, Rajasthan, Haryana, Kerala, West Bengal, Jharkhand and Bihar. The company has a leading presence in the economically important Hindi Speaking Markets (HSM) belt.

DEN Digital - DEN's digital cable services brand is one of the market leaders in India's digital television space. DEN Digital offers a wide choice of channels and services spanning all major genres and languages along with cutting edge value added services (VAS).

DEN aims to become the default destination for entertainment, information and interactivity for the Indian family.

⁽¹⁾ Operational Revenues & EBITDA is before considering Other Income