

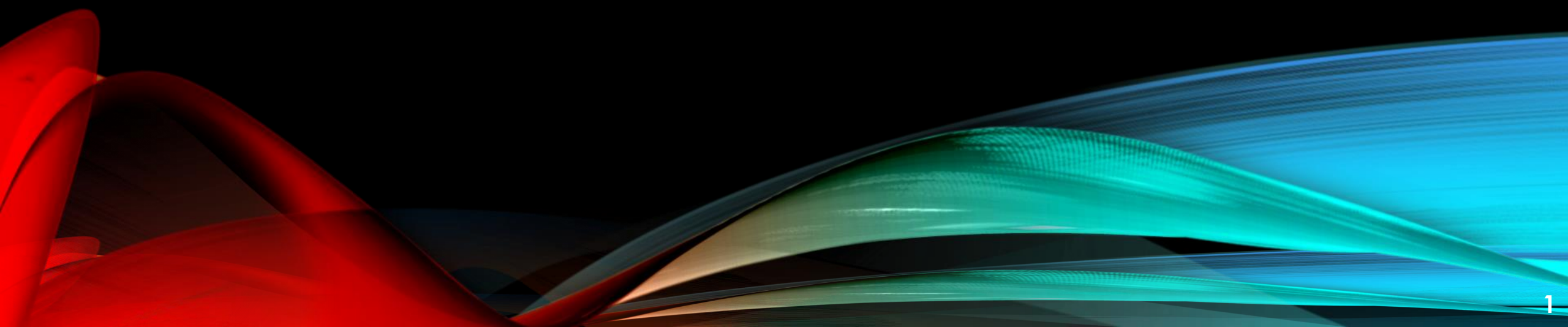


DEN Networks Ltd

Investor Presentation

Financial Year 2014 -15

May 12, 2015





Post completion of Phase I & II,
the internal accruals and Cash
is being ...

...Invested in Growth Opportunities...

**...emerging out of Phase III & IV and
overlying connectivity of broadband**

Soccer
TV Commerce
Broadband
Cable



- ✓ **Subscription** Revenues increased **25%**
- ✓ Steady **improvement** seen in **collections**
- ✓ **9 DAS Cities** generating Net Realization Per Box of **more than ₹80 in** Q4 FY'15 vs 3 cities a year ago
- ✓ Content cost increased 25% (*in line with previous guidance*); Carriage Maintained



- ✓ Encouraging Early Indicators
 - 3.3 Lakh **Homes Passed**
 - 23k **Subscribers**
- ✓ 60% Demo Installations converted into Sales
- ✓ 40% subscriptions generated from non-DEN homes
- ✓ ₹759 ARPU for FY'15



- ✓ Clocking **Annualised GMV** of ₹117 Crore (*based on Mar'15 GMV Booked*)
- ✓ ~30% **Conversion ratio** (*of total calls received in FY'15*)
- ✓ Minimal Investment



Group Key Performance Indicators



FY'15 Additions

+1 Mn

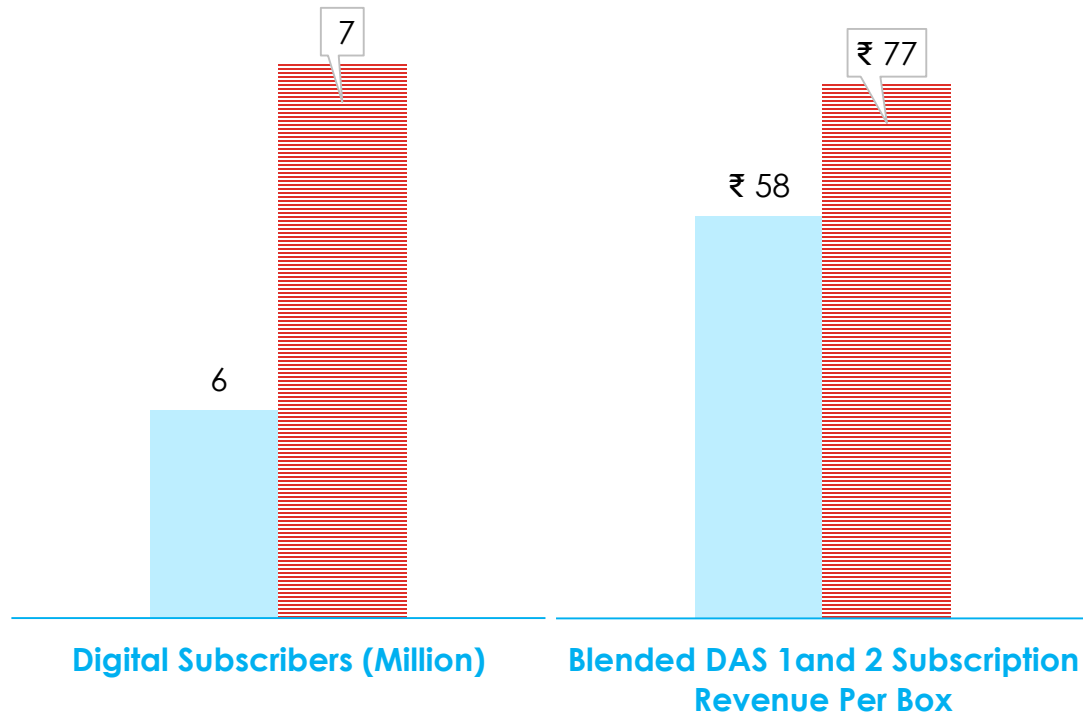
+33%

+0.3 Mn

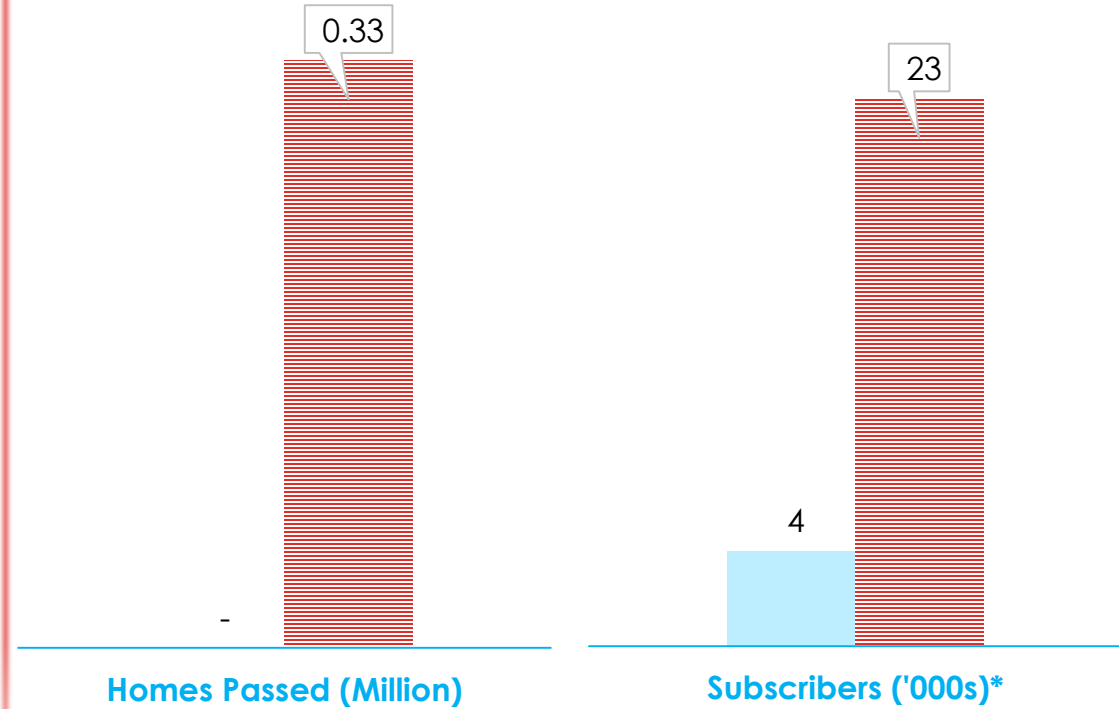
+19k

FY'14

FY'15



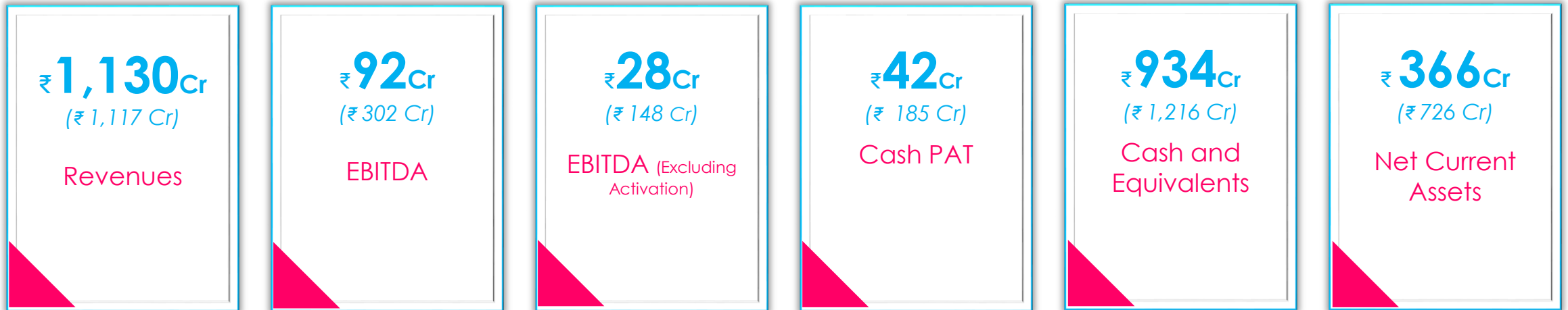
Cable Segment



Broadband Segment

*DEN Billing Less Applicable Taxes

Group 2015 Financial Highlights



Numbers in Brackets represent FY'14

Group Business Segment Quarterly View



INR Crore

		Cable	Broadband	Soccer	TV Commerce	Distribution	Consolidated
Revenues	Q4 FY'15	265	3	(0.0)	1.0	1.2	270
	Q3 FY'15	257	2	8.1	0.6	1.3	269
	Q4 FY'14	285	1	-	-	16.2	302
EBITDA (Inc Activation)	Q4 FY'15	15	(14)	(2.3)	(2.7)	(1.0)	(6)
	Q3 FY'15	49	(11)	(35.2)	(1.8)	(0.6)	0
	Q4 FY'14	76	(3)	-	-	0.9	73
EBITDA (Exc Activation)	Q4 FY'15	2	(14)	(2.3)	(2.7)	(1.0)	(19)
	Q3 FY'15	34	(11)	(35.2)	(1.8)	(0.6)	(15)
	Q4 FY'14	42	(3)	-	-	0.9	39
PBT	Q4 FY'15	(25)	(16)	(3.5)	(2.7)	1.1	(46)
	Q3 FY'15	4	(13)	(36.1)	(1.8)	(0.2)	(47)
	Q4 FY'14	39	(4)	-	-	2.0	37
PAT	Q4 FY'15	(41)	(16)	(3.5)	(2.7)	1.1	(62)
	Q3 FY'15	(12)	(13)	(36.1)	(1.8)	0.1	(63)
	Q4 FY'14	18	(4)	-	-	(4.6)	10

Group Business Segment Yearly View



INR Crore

		Cable	Broadband	Soccer	TV Commerce	Distribution	Consolidated
Overview		India's Largest Cable TV MSO	True High Speed Internet	Owners of Delhi Dynamos FC	50-50 JV with Snapdeal	Star Den^	One Stop Home Entertainment
		13 Million Subscribers	0.3 Million Homes Passed	Transforming DEN into a B2C play	A 24 hour home shopping channel	Right to Distribute TV Channels	
Revenues	FY'15	1,093	8	8	2	19	1,130
	FY'14	1,055	4	-	-	57	1,116
EBITDA	FY'15	187	(44)	(46)	(5)	0.2	92
	FY'14	301	(7)	-	-	8.0	302
EBITDA (Exc Activation)	FY'15	122	(44)	(46)	(5)	0.2	28
	FY'14	147	(7)	-	-	8	148
PBT	FY'15	10	(49)	(48)	(5)	4	(88)
	FY'14	121	(7)	-	-	10	124
PAT	FY'15	(46)	(49)	(48)	(5)	3	(144)
	FY'14	46	(7)	-	-	(1)	38

^ Business Discontinued in FY'15

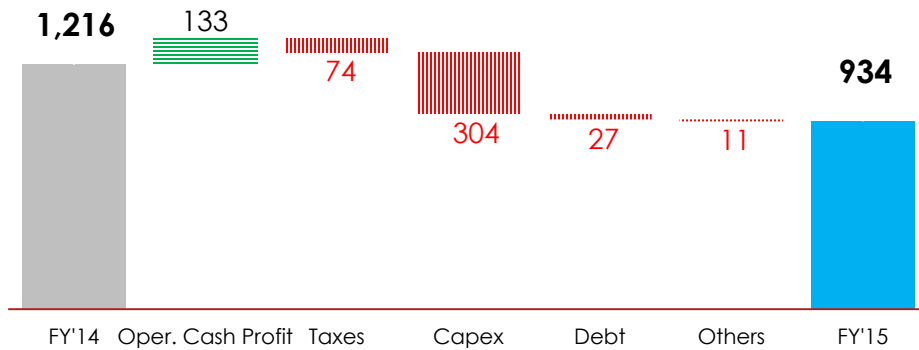
Consolidated Income Statement



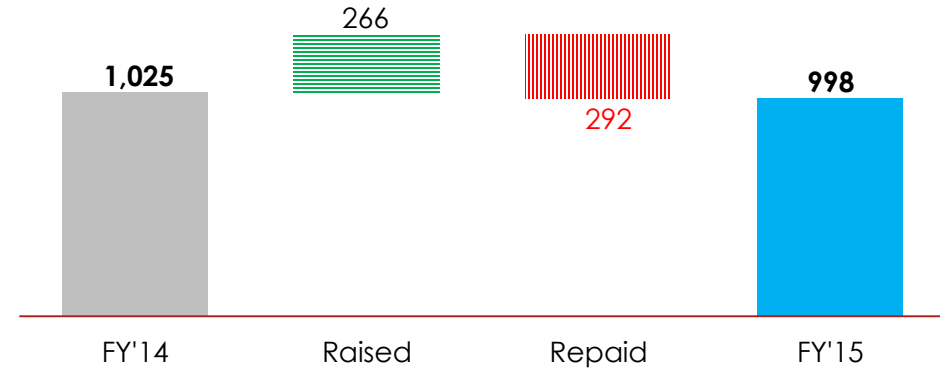
	INR Crore				
	Q4 FY'15	Q3 FY'15	Q4 FY'14	FY'15	FY'14
Revenues from Operational Activities	262	264	297	1,113	1,098
Other Operating Income	9	5	5	17	19
Total Revenues	270	269	302	1,130	1,117
Content Costs	139	110	101	465	372
Personnel Costs	30	26	26	111	106
Provison for Bad Debts	4	13	11	48	57
Other SG&A	103	119	90	414	280
EBITDA	-6	0	73	92	302
<i>Operating Margin – EBITDA%</i>	-2%	0%	24%	8%	27%
Other Income	23	24	24	88	58
Dep & Amort	47	48	41	186	147
Finance Costs	16	23	19	82	89
Profit Before Tax	(47)	(48)	37	(88)	124
Provisions for Tax	14	8	21	34	38
Minority Interest	1	7	5	22	37
Impairments / Loss on sale of investments	-	-	2	-	11
Net Income	(62)	(63)	10	(144)	38

Well Funded Balance Sheet

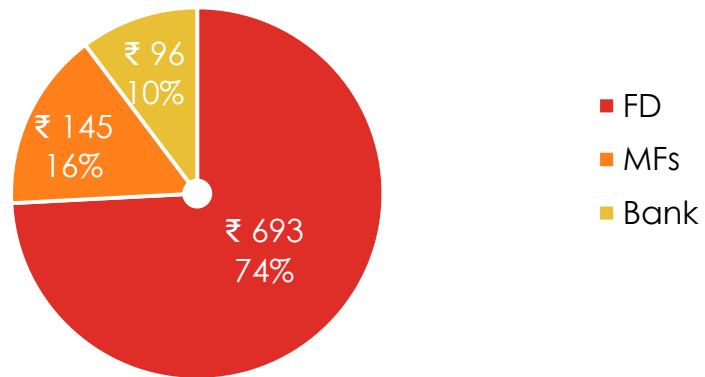
Cash and Equivalents Movement in FY' 15 (INR Cr)



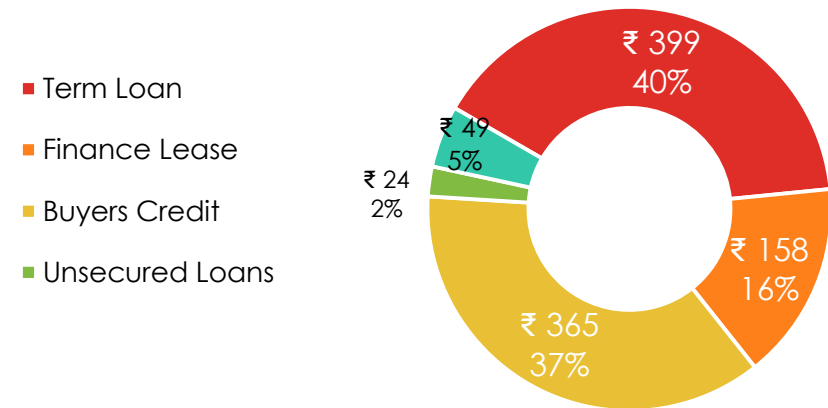
Gross Debt (INR Crore)



Cash and Equivalents FY' 15 Breakup (INR Cr)



2015 Debt Breakup (INR Cr)



Cable 2015 Highlights



13m

Subscribers

54%

Digital Customers

(47%)

₹ 1,093 Cr

Revenues

(₹1,055cr)

42%

Gross Margin

(50%)

₹ 187 Cr

EBITDA

(₹301cr)

₹ 122 Cr

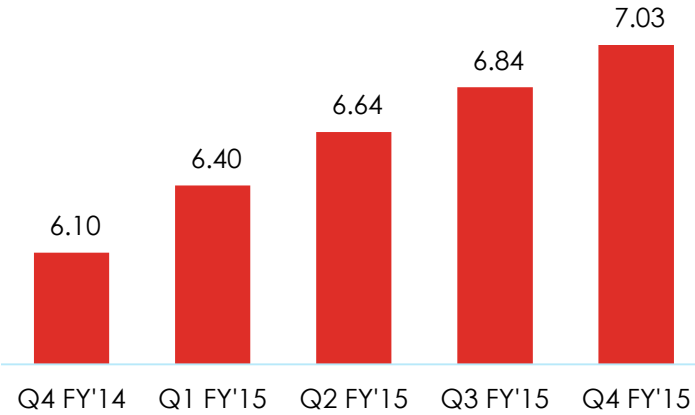
EBITDA Ex Activation

(₹147cr)

Cable Subscribers – 13M



Total Digital Subscribers (Million)

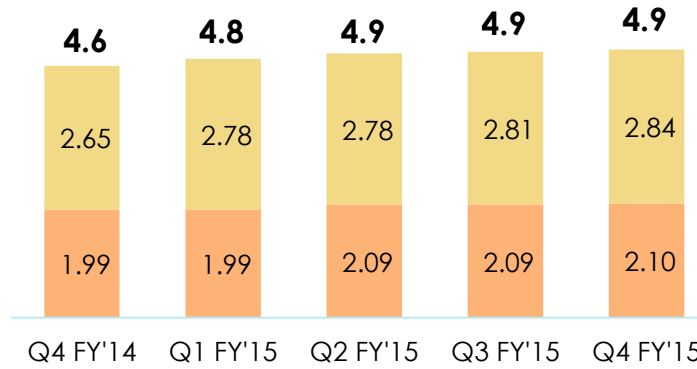


Digital Subscribers % in Total Subscriber Base



DAS 1 and 2 Markets (Million STBs)

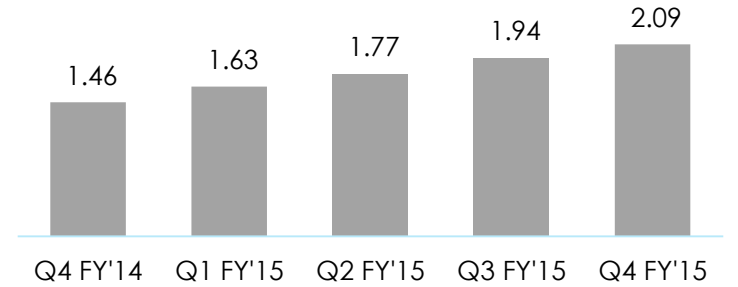
Phase 1 Phase 2



DEN Market Share* in DAS 1 & 2 Markets



DAS 3 Markets - Analog (Million STBs)



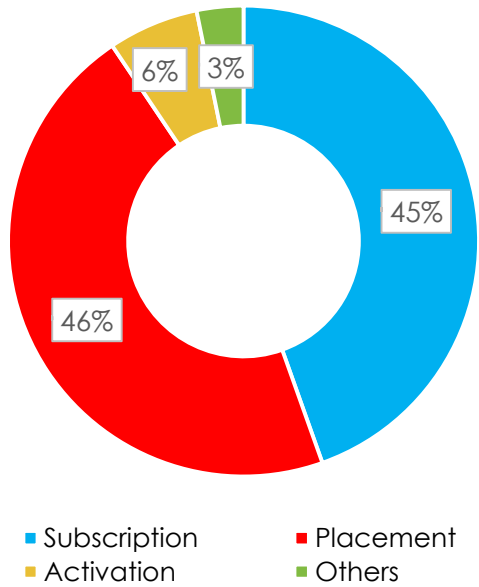
- ✓ Phase 3 & 4 expected to implement by end of 2015 and 2016 respectively providing a huge opportunity to increase the digital subscriber base where DEN has ~6 Million subscribers

* Market Share based on MPA Estimates (MPA 2014)

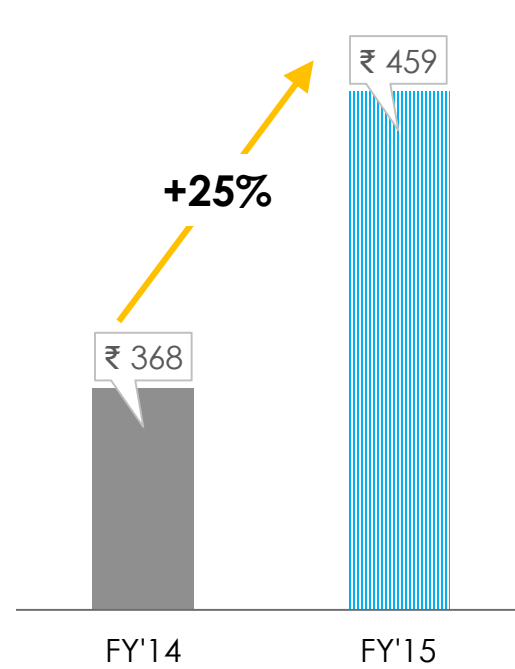
Cable Revenues



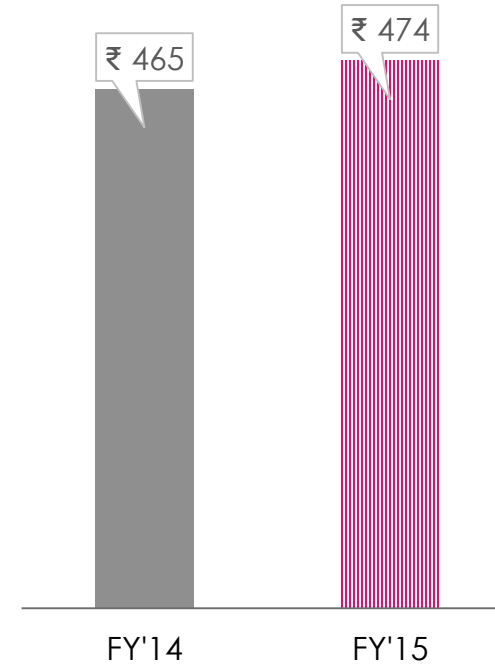
Revenue By Stream* (INR Cr)



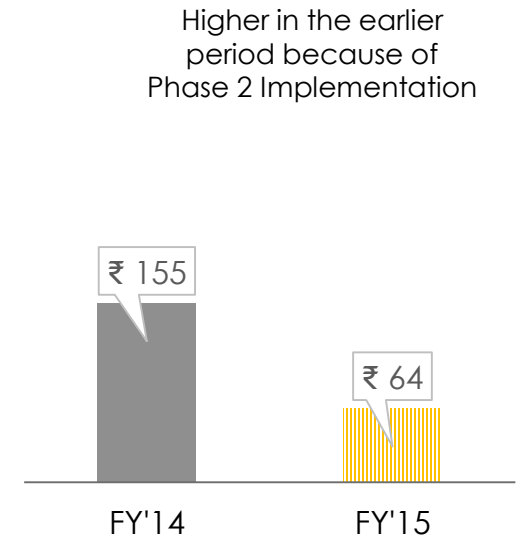
Subscription Revenues* (INR Cr)



Placement Revenues (INR Cr)



Activation Revenues (INR Cr)



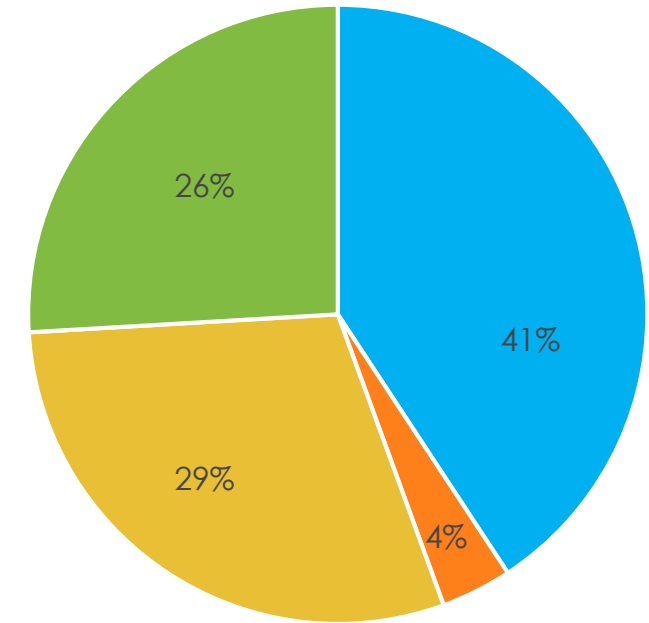
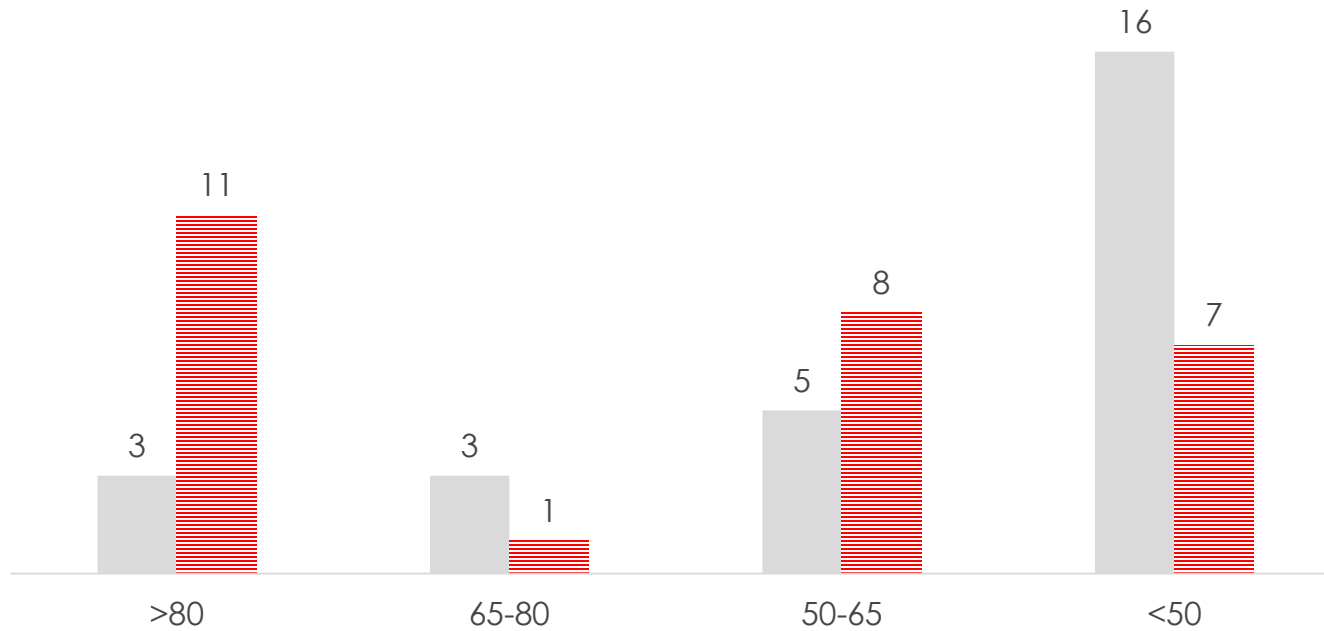
*Adjusted for LCO Share (FY'15 : INR 63 Cr, FY'14 INR: 35 Cr)

Revenue Per Box Across DAS Markets – Steady Progress



(Number of Cities)

■ Q4 FY'14 ■ Q4 FY'15



■ >80 ■ 65-80 ■ 50-65 ■ <50

*DEN Billing Less Applicable Taxes

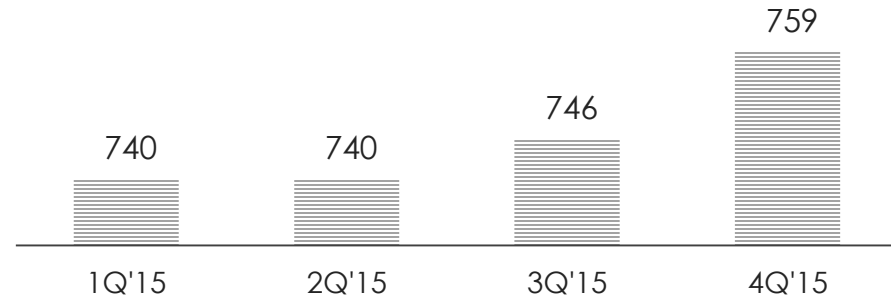
Broadband Highlights



Subscribers ('000)

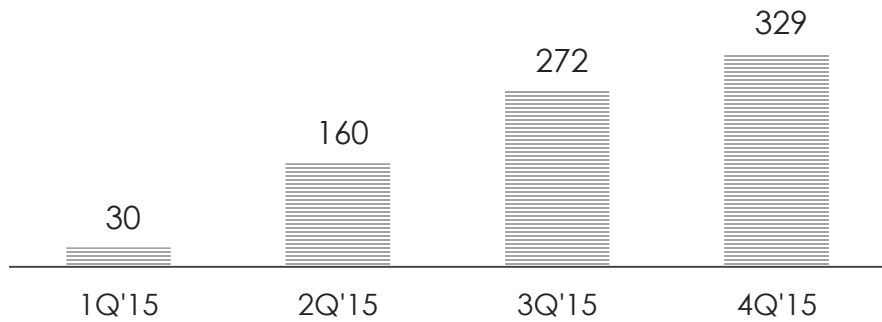


ARPU* INR

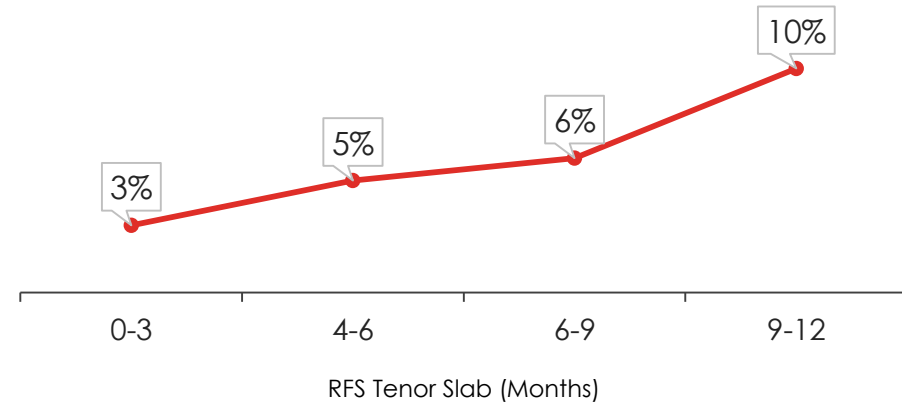


* Year To Date Numbers

Homes Passed ('000)



Cohort Analysis



TV Commerce Key Takeaways

₹ 117 Cr

Annualised GMV
on Current Rate

25_{mn}

Reach (Million Homes)

1,312

Average Daily
Transactions (Mar'15)

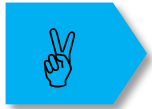
30%

Conversion Ratio
of Calls Received

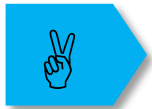
17%

Repeat
Customers

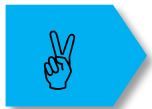
Road Ahead – Value Drivers



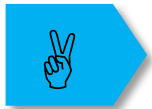
Improve monetisation in DAS I and II markets - Pricing, Packaging, HD, Pre-paid



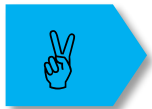
Broadband execution – Multi channel sales, roll-out factory



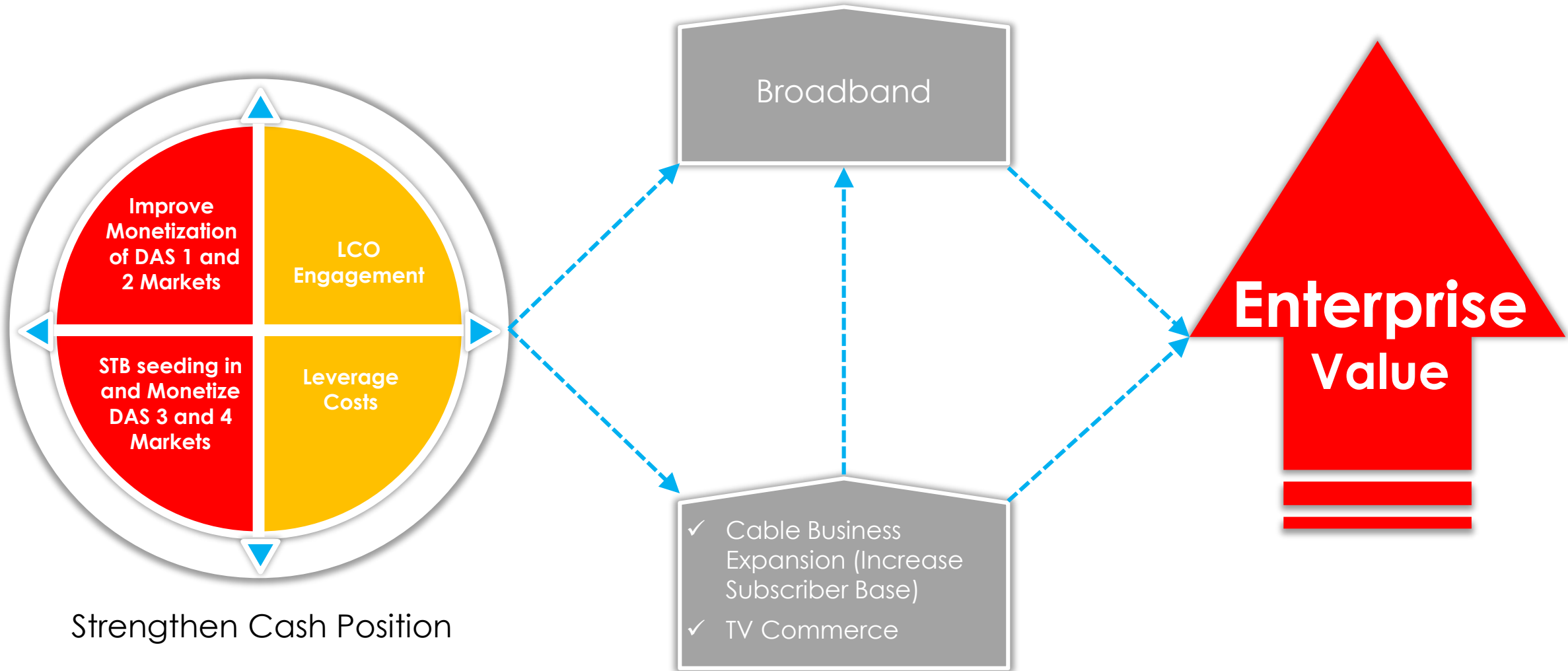
Box seeding - phase III and IV markets



TV shop – increase the reach



IR – improve understanding & confidence





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