

SITI OPERATING MARGIN EXPANDS SIGNIFICANTLY TOWARDS SUSTAINABLE GROWTH

SITI Networks Limited (BSE: 532795, NSE: SITINET), has released their Unaudited Consolidated Financial Results for the Third Quarter, ending December 31, 2017.

The Company announced a **225% year on year Operating EBITDA growth** in Q3FY18 to INR 50 Crores. For **9MFY2018 Operating EBITDA improved** significantly by **164% year on year** to INR 99 Crores.

For Q3FY18, **Operating EBITDA Margins**, expanded **2.5 times year on year** to **14.8%**. **Subscription Revenue** also **increased 44% year on year** to INR 212 Crores for Q3FY18.

Revenue grew by **26% year on year** to Rs. 1092 Crores for 9MFY2018. This was boosted by a **44% increase in Subscription Revenue** to INR 587 Crores during the same period.

The Company added **2.76 Mn Digital Cable households in 9MFY18** taking overall digital subscriber base to **11.3 Mn exit December'17**. The Company has also **accelerated** its **subscription collection efficiencies crossing 95%** mark in Q3FY18.

Earlier in the year, the Company had embarked on a transformational drive to **strengthen the core** through **cost optimization and building operational efficiencies**. This coupled with disciplined execution ensured overall expenses remained flat quarter on quarter.

The Company's **broadband operations** have a **total footprint to 16.8 lakh** homes. Broadband customer base also grew to **2.47 lakh by Q3 FY18 exit**. SITI Broadband exited December 2017 with **65% acquisitions on long-term lock-in plans**. Even among the **base contribution of lock-in plans increased to 29%**.

Further good news during the quarter came from ICRA and CARE who **assigned a long-term rating of "A-"** for the company and kept the **outlook on the long-term rating stable**.

While commenting on the results, **Mr. Rajesh Sethi, Chief Business Transformation Officer, SITI Networks Limited** mentioned –

“Our sustained focus on building operating efficiencies at SITI, coupled with an agile and process driven work force has driven our EBITDA growth this quarter to INR 775 Mn. Our Operating EBITDA Margin has expanded 2.5 times year on year to 14.8%, which is a testament to the successes we have been achieving in this transformation.”

We are hopeful about the impending implementation of the New Tariff Order which will give our customers the Right to Choose while improving profitability through cost optimization.”

About SITI Networks Limited

SITI Networks Limited (Formerly known as “SITI Cable Network Limited”) is a part of the Essel Group, which is one of India's leading business houses with a diverse portfolio of assets in media, packaging, entertainment, technology-enabled services, infrastructure development and education.

SITI Networks Limited is one of India's largest Multi System Operator (MSO). With 15 digital head ends and a network of more than 33,000 Kms of optical fibre and coaxial cable, it provides its cable services in India's ~580 Locations and adjoining areas, reaching out to over 13.2 million viewers.

SITI Networks deploys State-of-the-art technology for delivering multiple TV signals to enhance consumer viewing experience. Its product range includes Digital & Analogue Cable Television, Broadband and Local Television Channels. SITI Networks has been providing services in analogue and digital mode, armed with technical capability to provide features like Video on Demand, Pay per View, Over-The-Top content (OTT), Electronic Programming Guide (EPG) and Gaming through a Set Top Box (STB). All products are marketed under SITI brand name.
