



INDIA'S FASTEST GROWING
DTH SERVICE
HAS GROWN TO BECOME
THE MOST VALUED
INDIAN COMPANY
ON



INVESTOR PRESENTATION

July 25, 2016

Disclaimer

Forward Looking Statements

This presentation includes "forward-looking statements", as defined in the safe harbor provisions of the US Private Securities Litigation Reform Act of 1995. In addition to statements which are forward-looking by reason of context, the words "may", "will", "should", "expects", "plans", "intends", "anticipates", "believes", "estimates", "predicts", "potential", or "continue" and similar expressions identify forward-looking statements. We caution you that reliance on any forward-looking statement involves risks and uncertainties that might cause actual results to differ materially from those expressed or implied by such statements. These and other factors are more fully discussed in Videocon d2h's annual report on Form 20-F filed with the SEC and available at <http://www.sec.gov>. All information provided in this presentation is as of the date hereof, unless the context otherwise requires. Other than as required by law, Videocon d2h does not undertake to update any forward-looking statements or other information in this presentation.

Industry and Market Data

In this presentation, Videocon d2h relies on and refers to information and statistics regarding market shares in the sectors in which it competes and other industry data. Videocon d2h obtained this information and statistics from third-party sources, including reports by market research firms, such as Media Partners Asia, Ltd. Videocon d2h has supplemented this information where necessary with information from discussions with Videocon d2h customers and its own internal estimates, taking into account publicly available information about other industry participants and Videocon d2h's management's best view as to information that is not publicly available.

Earnings before interest, tax and depreciation & amortization (EBITDA)

EBITDA presented in this presentation, is a supplemental measure of performance and liquidity that is not required by or represented in accordance with IFRS. Furthermore, EBITDA is not a measure of financial performance or liquidity under IFRS and should not be considered as an alternative to profit after tax, operating income or other income or any other performance measures derived in accordance with IFRS or as an alternative to cash flow from operating activities or as a measure of liquidity. In addition, EBITDA is not a standardized term, hence direct comparison between companies using the same term may not be possible. Other companies may calculate EBITDA differently from Videocon d2h, limiting their usefulness as comparative measures. Videocon d2h believes that EBITDA helps identify underlying trends in its business that could otherwise be distorted by the effect of the expenses that are excluded calculating EBITDA. Videocon d2h believes that EBITDA enhances the overall understanding of its past performance and future prospects and allows for greater visibility with respect to key metrics used by its management in its financial and operational decision-making.

Who we are: India's Fastest Growing DTH Company

Videocon d2h Overview

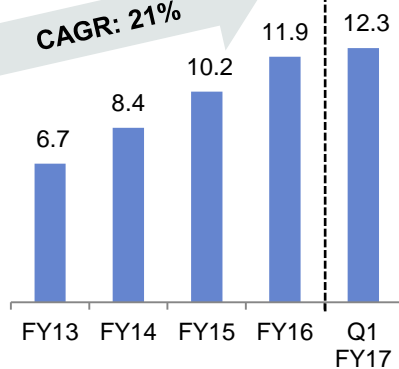
- ▶ Pan India commercial operations launched in 2010
- ▶ India's fast growing DTH operator with 12.29 million net subscribers as of June 2016
- ▶ Strong distribution network with over 230,000 retailers
- ▶ Favourable environment driven by projected long term, secular growth in India
- ▶ Regulatory tailwinds mandate the digitization of India's analog networks creating huge growth potential
- ▶ Innovator in the DTH space with advanced products and services and highly satisfied customer base
- ▶ Founded by Saurabh Dhoot of Videocon Group & supported by industry veterans Harry Sloan and Jeff Sagansky
- ▶ Strong corporate governance; Board structure comprises 9 board members, out of which only 2 board members represent Dhoot family

Key Metrics

Net Subscribers

(mn)

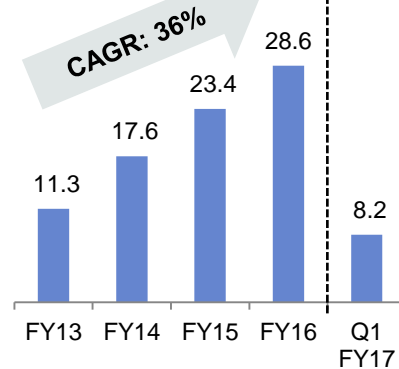
CAGR: 21%



Revenue

(INR bn)

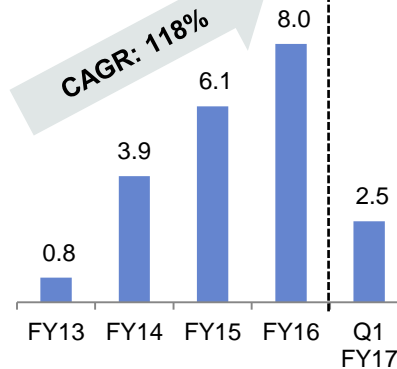
CAGR: 36%



Adjusted EBITDA⁽¹⁾

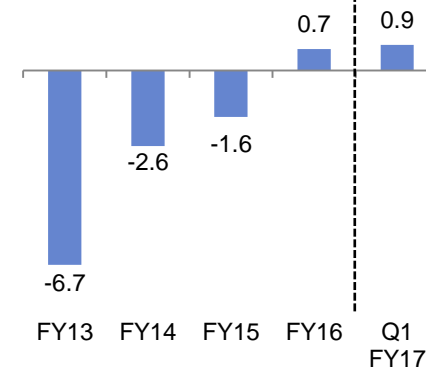
(INR bn)

CAGR: 118%



Adjusted EBITDA less Capex

(INR bn)



Videocon d2h Investment Highlights

1

World's fastest growing pay TV market in the fastest growing "large economy"

2

Strong market presence and industry leading share of subscriber additions

3

Leading distribution, customer service and content offerings

4

Strong revenue and EBITDA growth driven by operating leverage

5

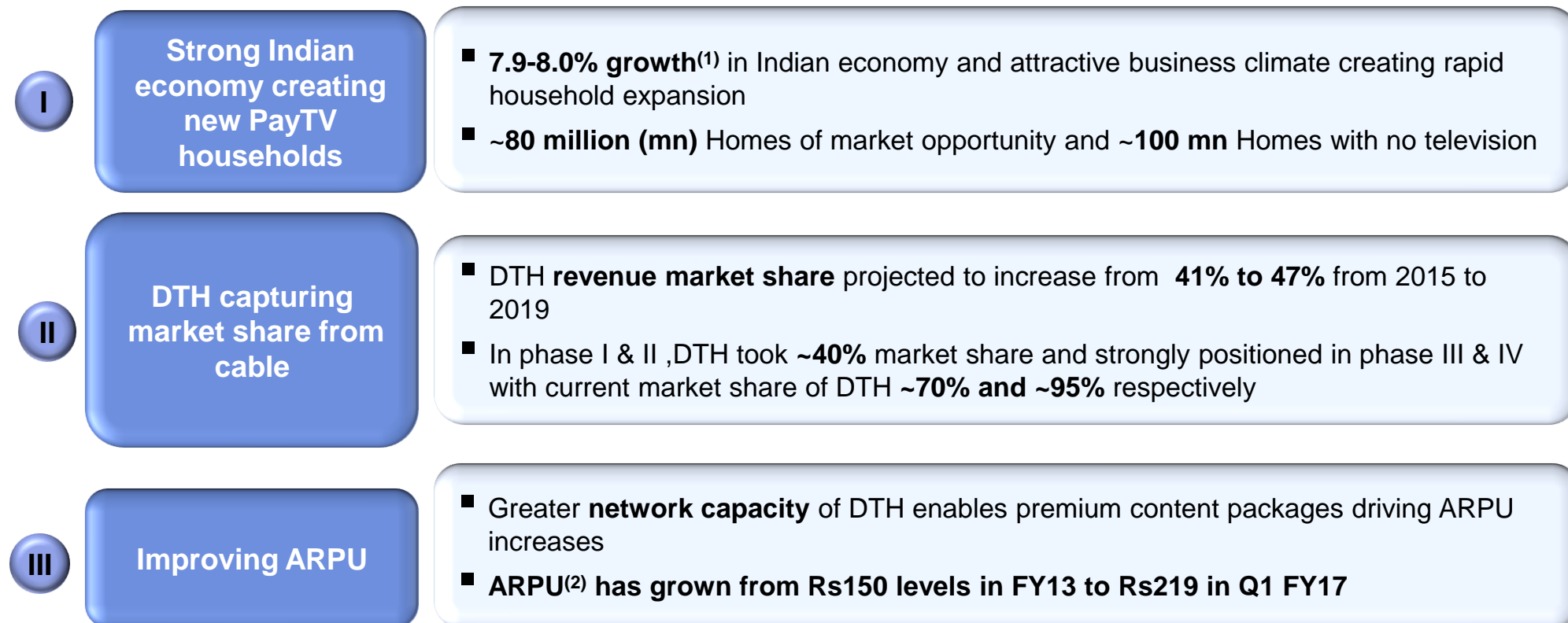
Robust free cash flow generation potential

6

Strong balance sheet with low leverage

An Unprecedented Market Opportunity in India

Conversion from analog to digital is driving DTH growth in India



Phase III of India's digitization covers almost 50 million homes

Cable Users Switching to DTH in Analog to Digital Conversion

Indian Government has mandated that all of the country's analog networks are to be replaced with a Digital Addressable System (DAS).



Phase 1

In 2012, four metropolitan areas go digital

Delhi, Mumbai, Kolkata, Chennai

Phase 2

By 2013, 38 cities with a population of more than **1 million** went through the digitization process

Phase 3

Over 6,100 towns with a population of more than **100,000** currently undergoing digitization process

Phase 4

The remainder of India to be digitized

Deadline: December 2016

In phases 1 and 2, DTH took **~40%** market share

In phases 3 and 4, DTH enjoys **~70-95%** market share of the digital subscriber base

2012

2013

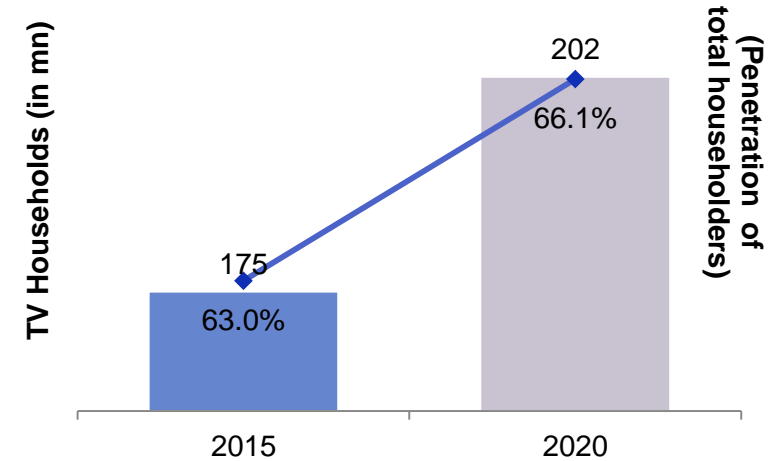
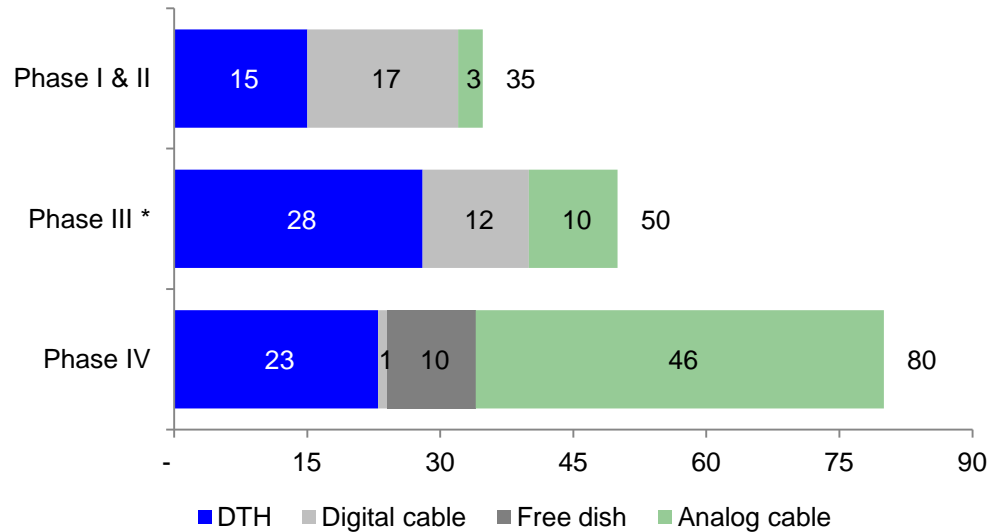
2015

2016

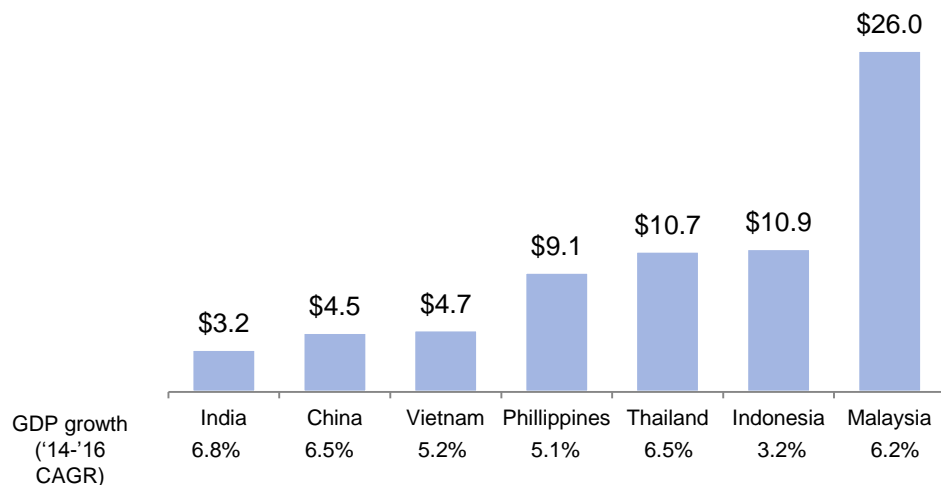
DTH's "Light" Infrastructure is Well Optimized Within India's Fragmented Last Mile of Service Connection Model

Strong business outlook

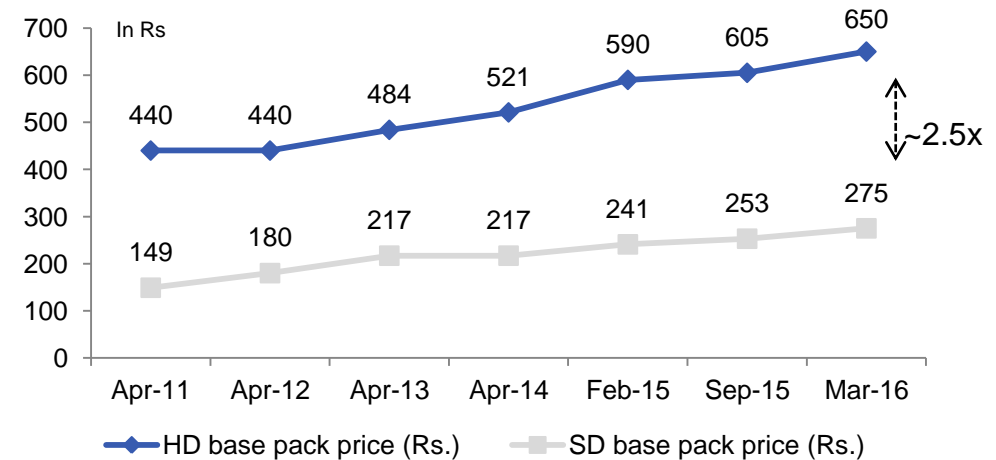
Significant subscriber opportunity in the next 4-5 years



Substantial upside in Indian PayTV ARPU



Steady pack price increases



Competitive advantages...

Videocon d2h : Competitive Advantage

Highest no. of channels and services in India ⁽¹⁾



Widespread sales & distribution presence



Quality customer service

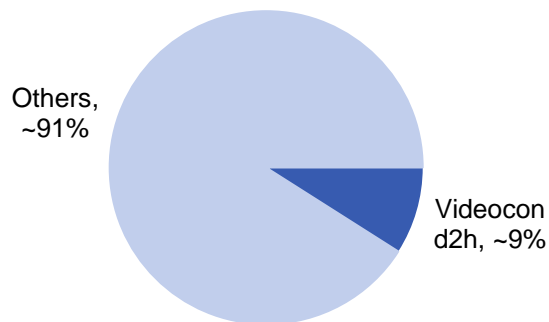


Pioneer in Technology & Product Innovations

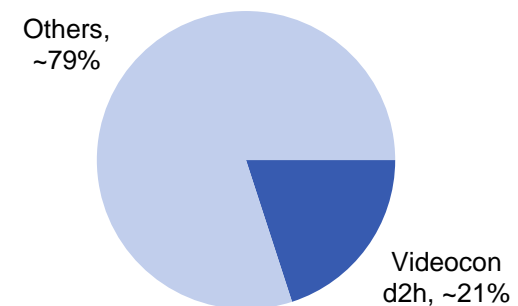


... Resulting into market share gains

Subscriber market share in FY11

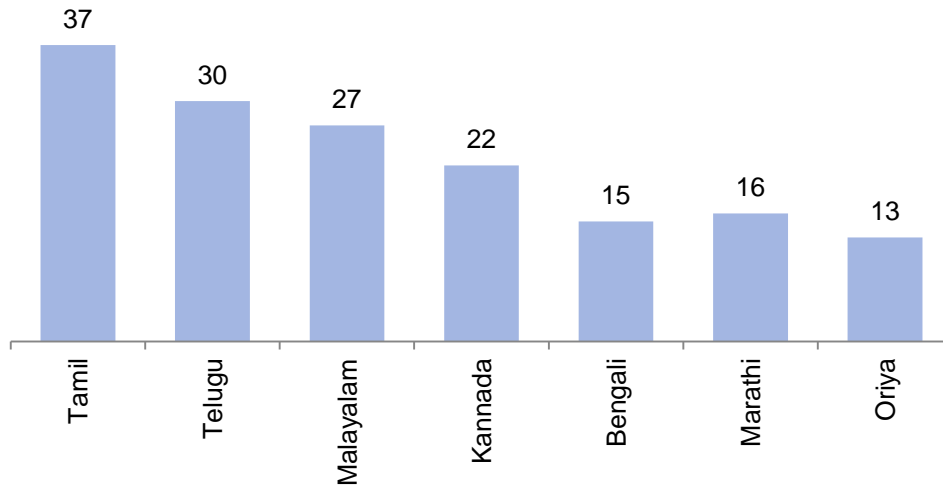


Subscriber market share in FY16

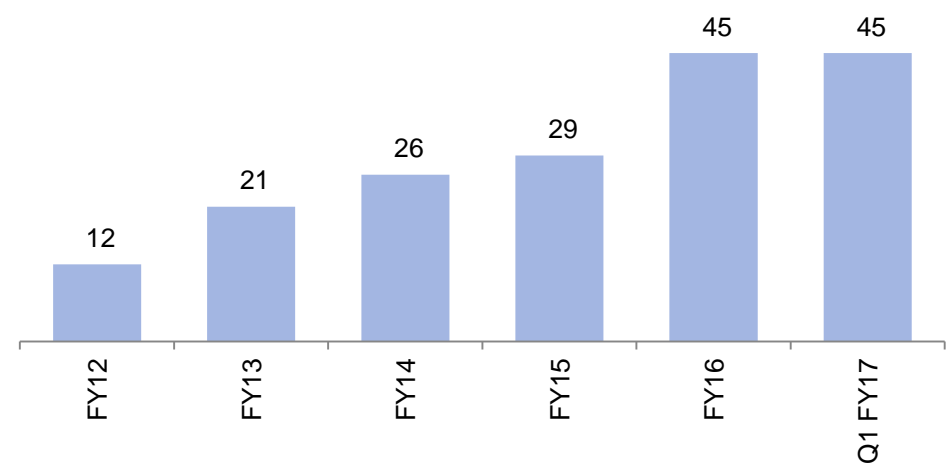


Strong content focus

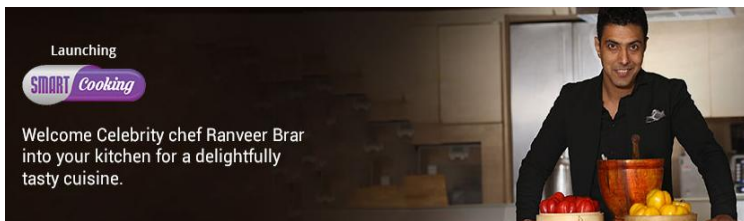
Significant regional focus ⁽¹⁾



HD Channel Count ⁽²⁾ on Videocon d2h increasing



d2h's proprietary services: Fulfilling content gaps



Pan-India Distribution Channel



1

Market reach of more than 230,000 Retail stores; Tie up with Vodafone mPesa

2

93% penetration against Industry average of 85%

3

Backed by founders with over 30 years of experience in Distribution

4

Large shelf space occupied by brands under the parent group

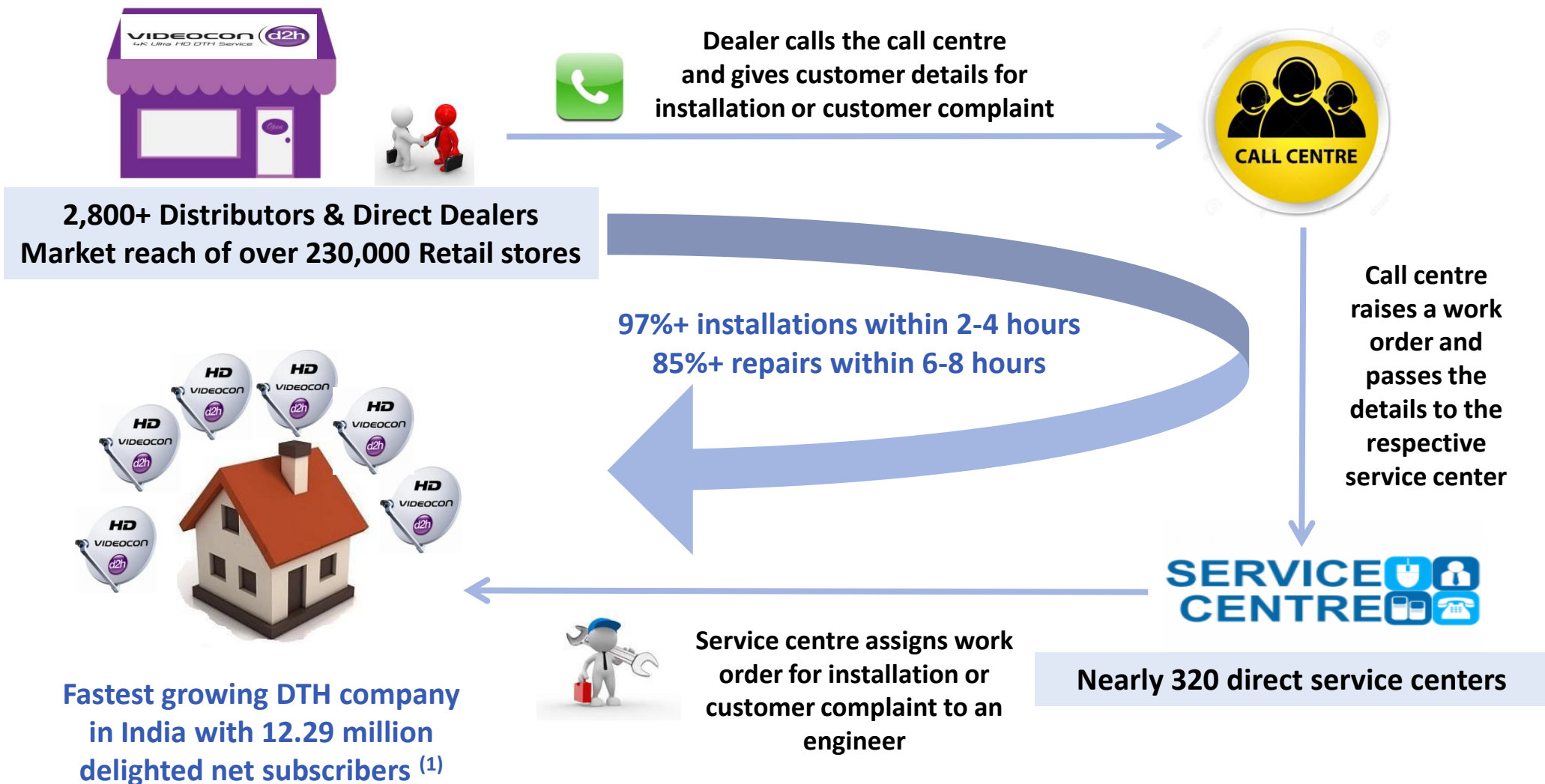
5

75% display counters have d2h demo in stores

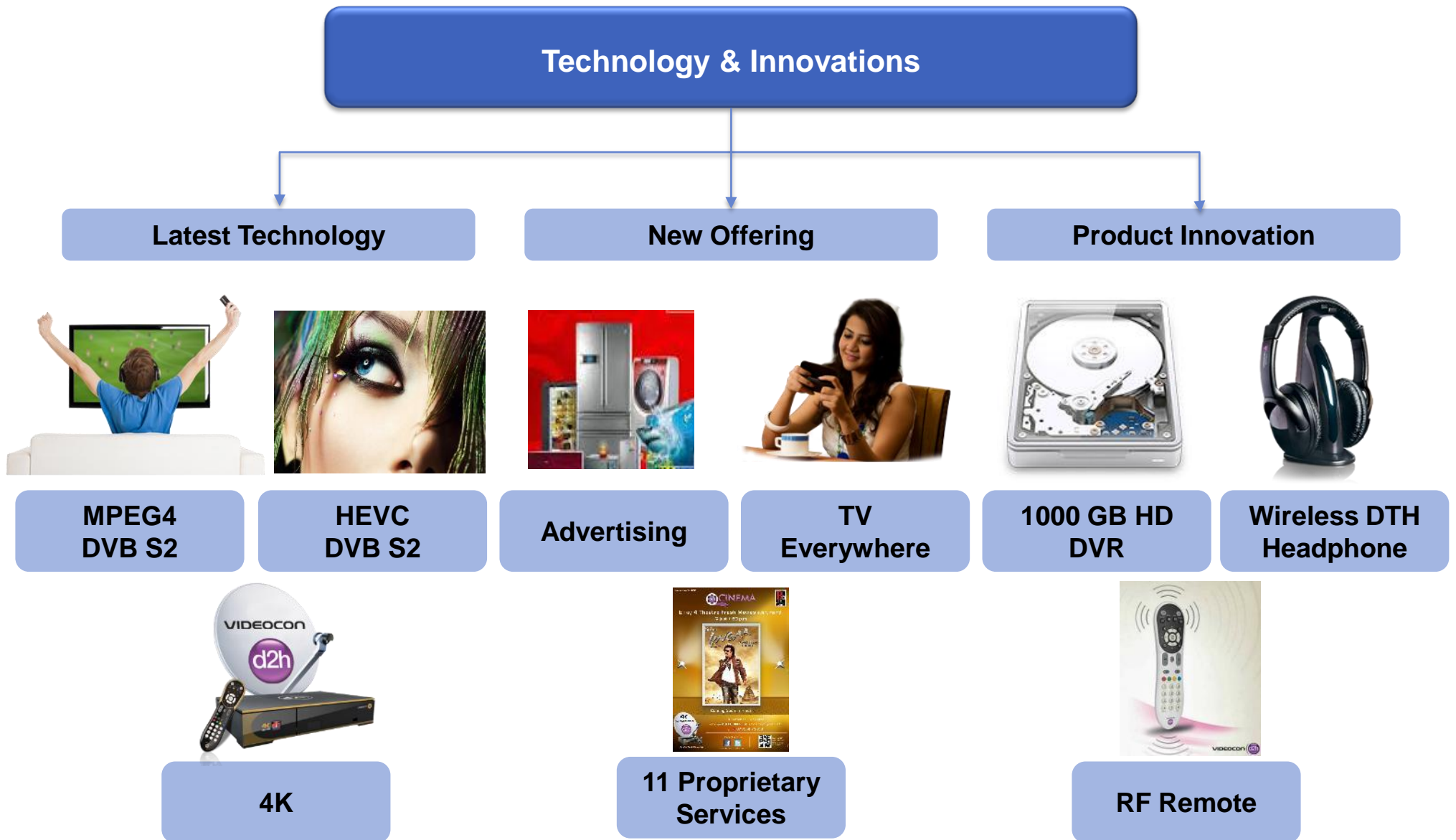
6

3 generations old loyalty in market relationship with the founder family

Strong Focus on Customer Service



Offering the Latest in Standards in Equipment, Service and Delivery



VIDEOCON

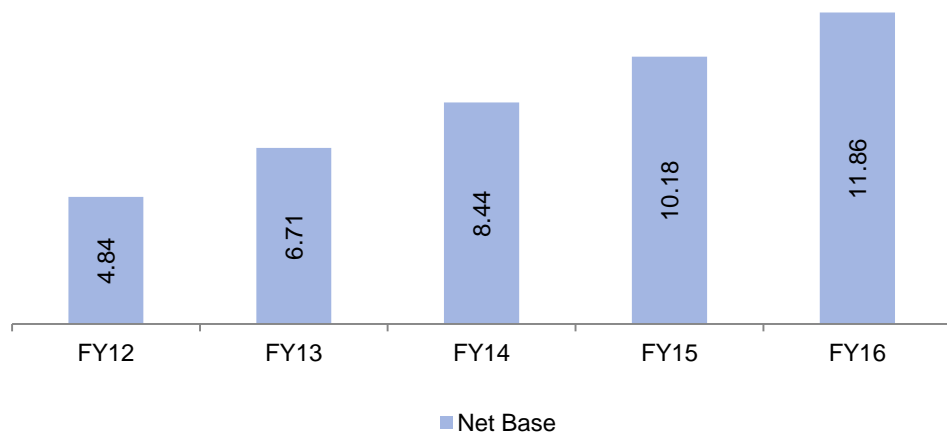
Digital DTH Service



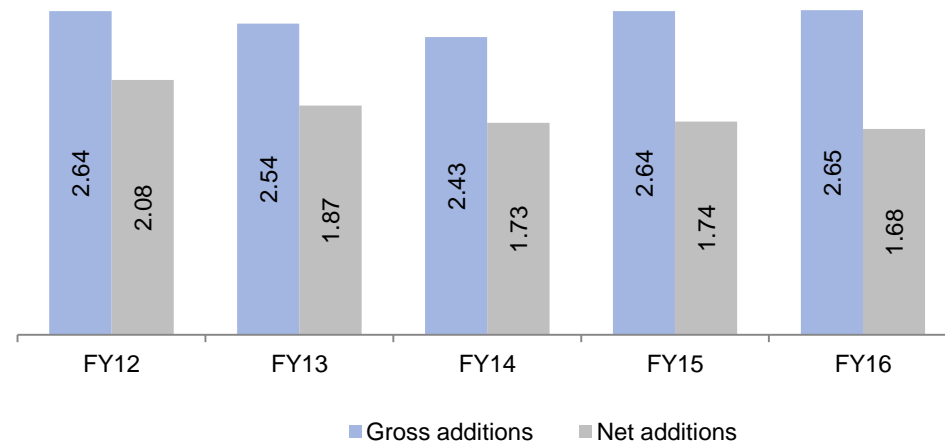
Key Metrics

Gross and Net Subscribers

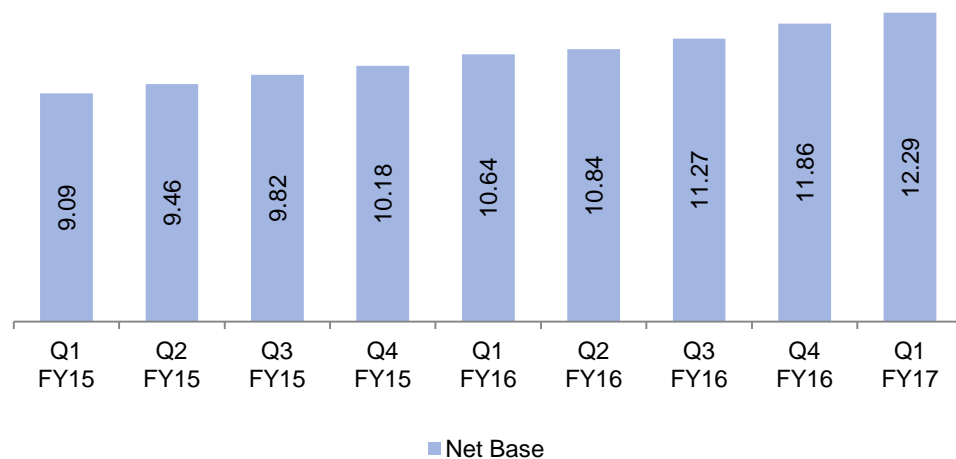
Net Subscriber Base (mn)



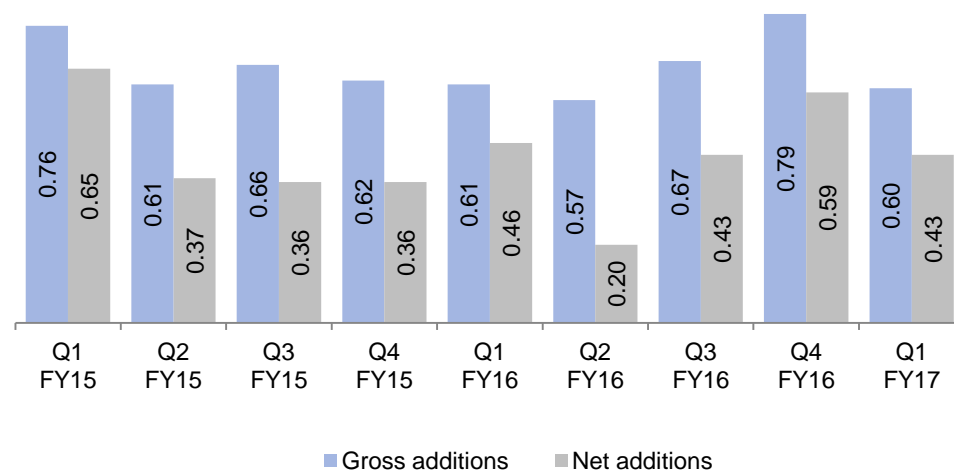
Gross & Net Subscriber Additions (mn)



Net Subscriber Base (mn)



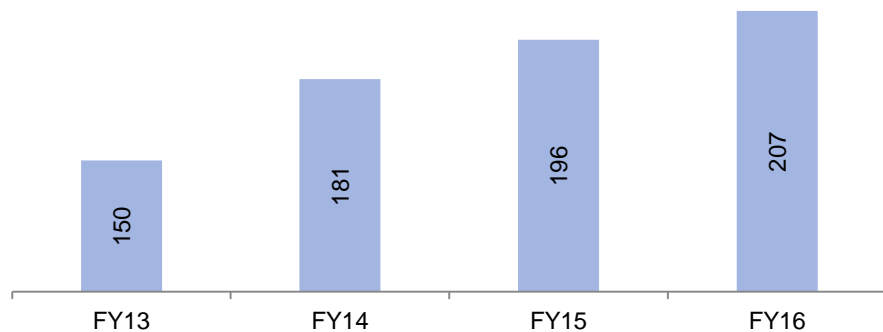
Gross & Net Subscriber Additions (mn)



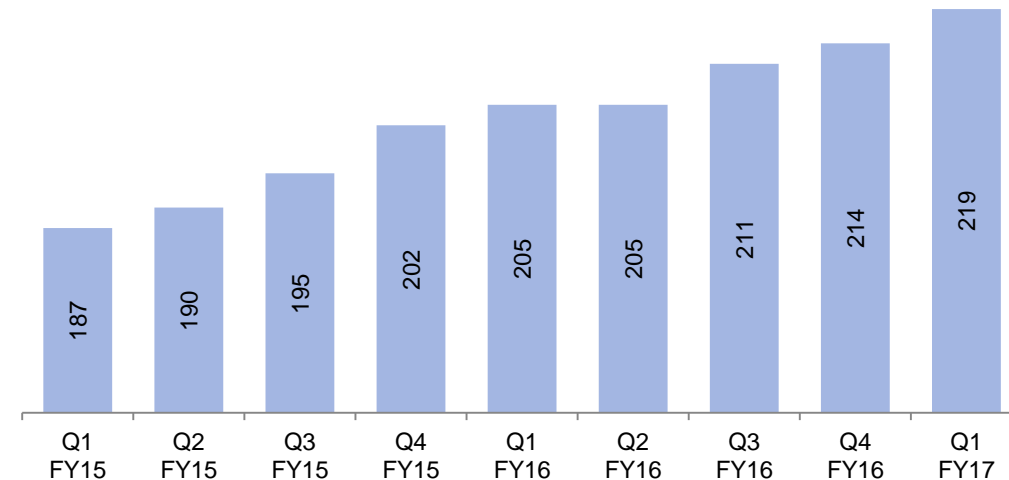
Source: Company data

ARPU and Churn

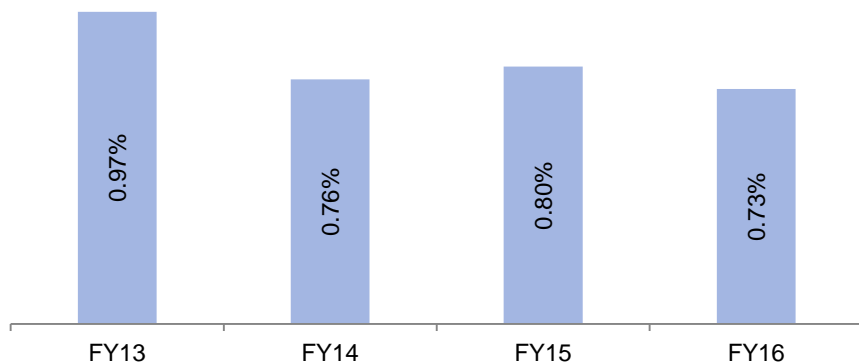
Annual ARPU (Rs)



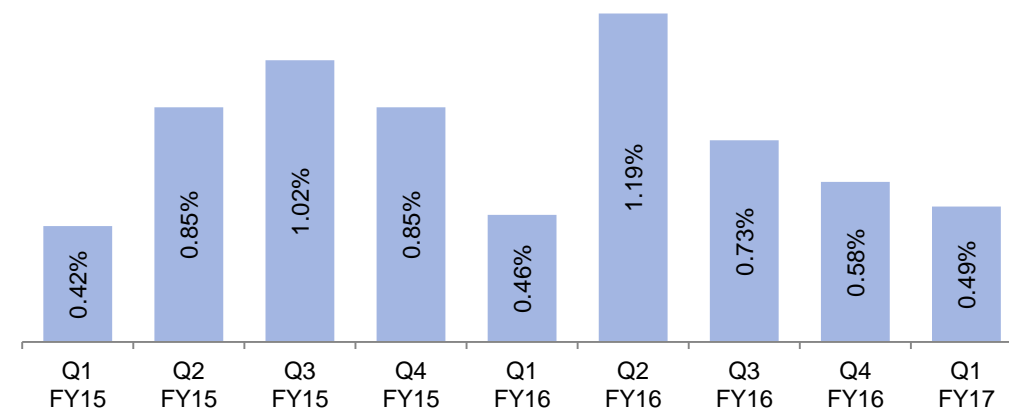
Quarterly ARPU (Rs)



Monthly Churn (%)

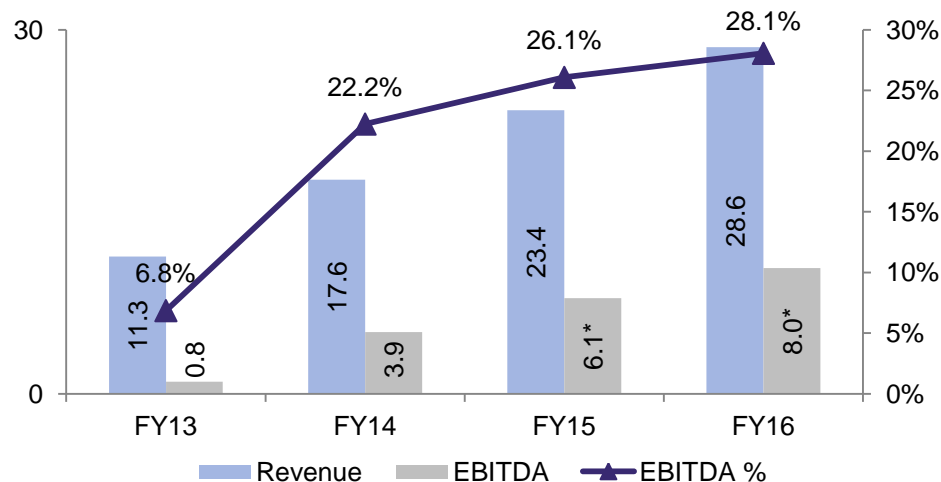


Monthly Churn (%)

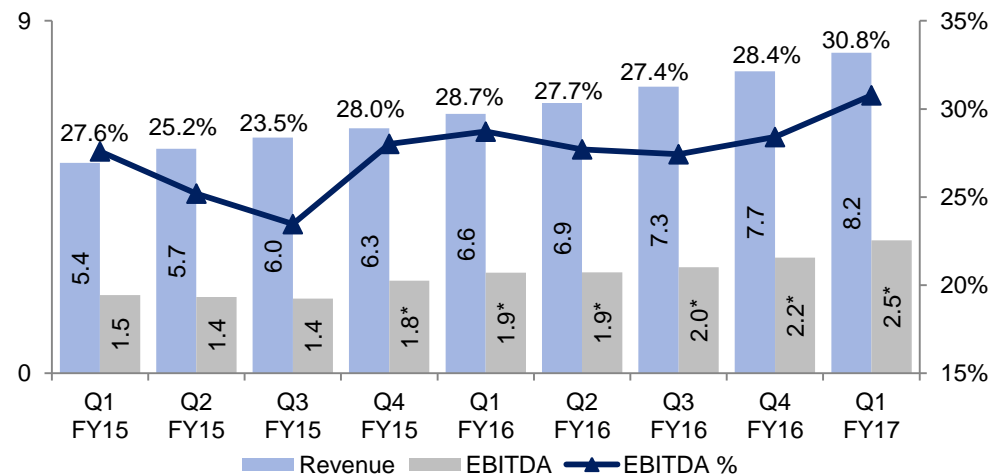


Revenue and EBITDA

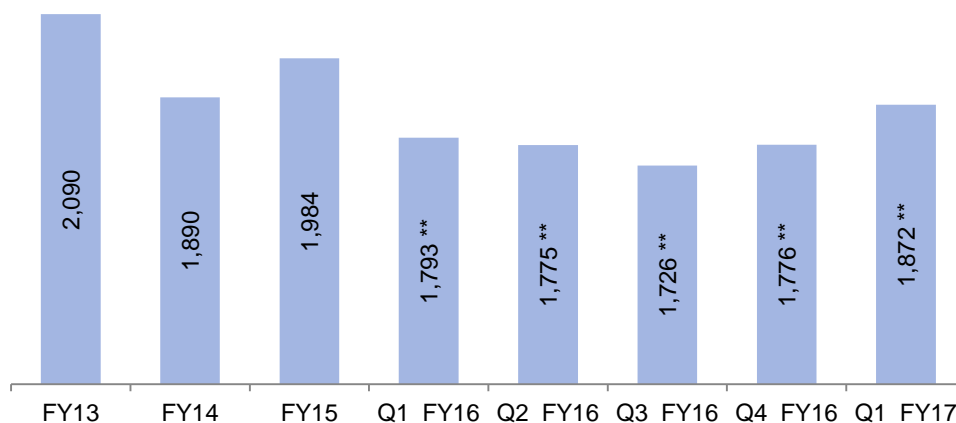
Annual Revenue & Adjusted EBITDA (Rs billion)



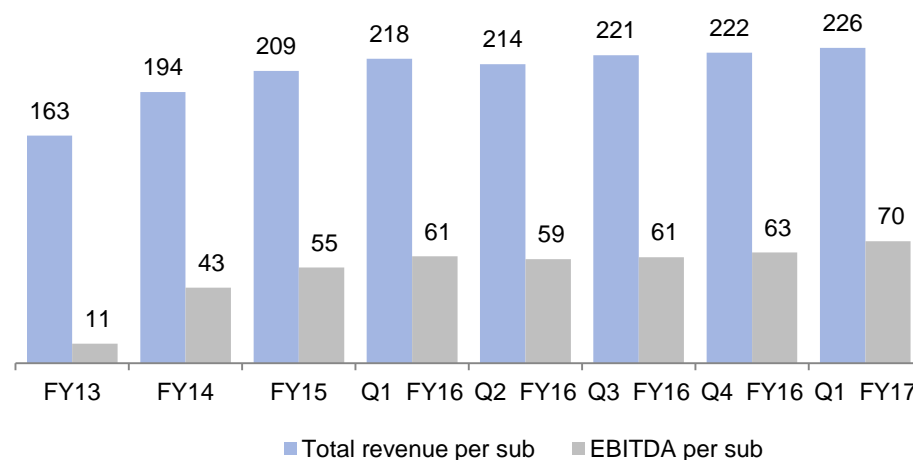
Quarterly Revenue & Adjusted EBITDA (Rs billion)



SAC per sub (Rs)

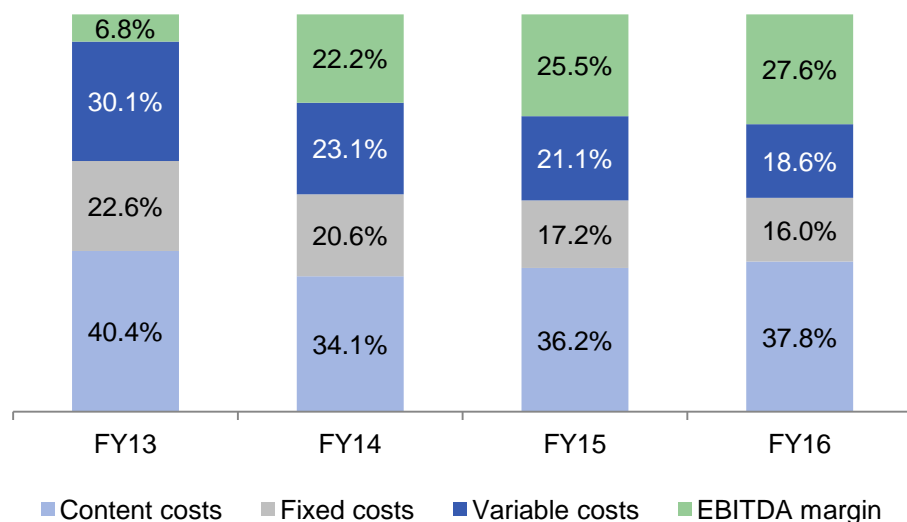


Revenue and EBITDA per avg. net sub (Rs per month)

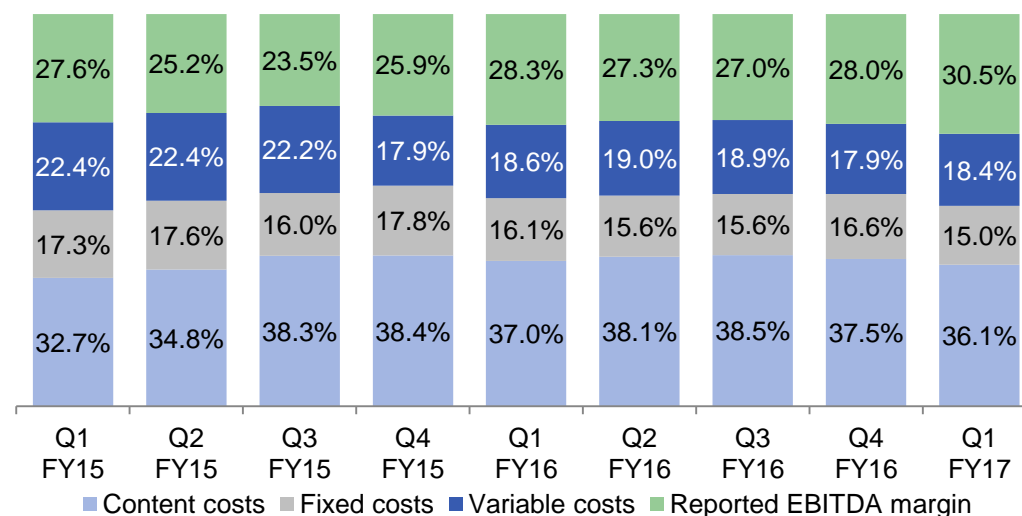


Operating Leverage and Cash Flow

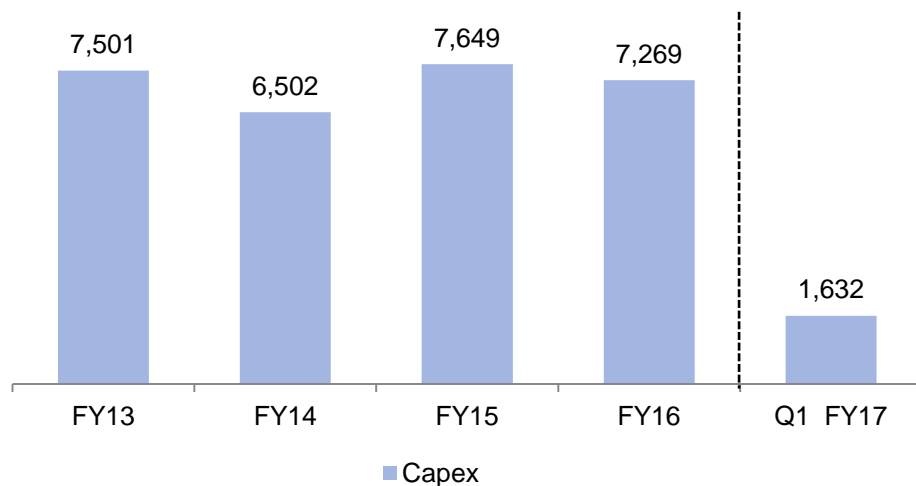
Fixed, Variable and Content Cost (% of Revenue)



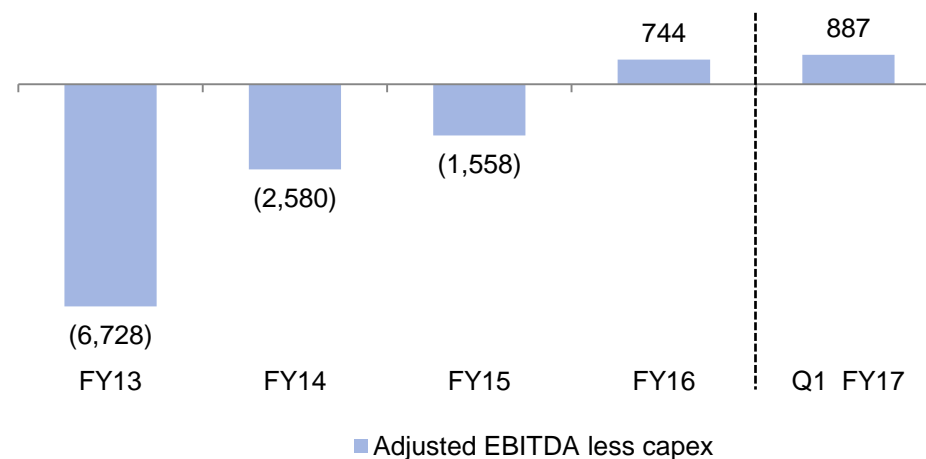
Fixed, Variable and Content Cost (% of Revenue)



Capex (Rs mn)



Adjusted EBITDA* less capex (Rs mn)



Source: Company data

Note: * Adjusted EBITDA is before accounting for one off securities issue expenses and Employee Share based Compensations costs towards provision of ESOP plan of 2014

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Digital DTH Service



Appendix

Financial Results (Unaudited) – Quarterly profit and loss

Rs in mn	Q1FY15	Q2FY15	Q3FY15	Q4FY15	Q1FY16	Q2FY16	Q3FY16	Q4FY16	Q1FY17
INCOME									
Revenue from operations	5,375	5,734	6,015	6,253	6,628	6,901	7,315	7,715	8,185
	5,375	5,734	6,015	6,253	6,628	6,901	7,315	7,715	8,185
EXPENSE									
Operating expense	3,090	3,381	3,746	3,637	3,791	4,021	4,266	4,414	4,547
Employee benefits expense	244	245	250	285	309	303	304	291	322
Administration and other expenses	127	157	152	253	146	198	178	183	178
Selling and distribution expenses	432	507	457	461	509	496	590	664	640
Depreciation, amortization and impairment	1,245	1,284	1,348	1,410	1,427	1,489	1,508	1,665	1,711
Total Expenses	5,137	5,573	5,952	6,045	6,181	6,507	6,846	7,218	7,398
Profit / (Loss) from operations	238	161	63	207	447	394	469	497	787
Finance costs/Finance Income (Net)	(1,045)	(1,049)	(1,219)	(1,301)	(765)	(802)	(797)	(778)	(759)
Other Income	0	0	0	(1)	12	6	9	9	9
Profit/(loss) before tax	(807)	(888)	(1,155)	(1,094)	(307)	(402)	(319)	(272)	38
Income tax expense									
Current tax	-	-	-	-	-	-	-	-	-
Deferred tax	(249)	(275)	(357)	(337)	(63)	(156)	(99)	(60)	11
Profit/(Loss) after tax	(558)	(614)	(798)	(757)	(244)	(246)	(220)	(212)	27

Thank You

Investor Relation Contact

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