



**“Strong, profitable growth seizing
the Indian DTH opportunity.”**

NASDAQ: VDTH

27 November 2017

Videocon d2h is Thriving in a Rapidly Expanding Marketplace

The Indian Government has mandated that all the country's analog networks be replaced with Digital Addressable System (DAS)

Phase 1

In 2012, four metropolitan areas go digital

Delhi, Mumbai, Kolkata, Chennai

Phase 2

In 2013, 38 cities with a population of more than

1 million completed the digitization process

Phase 3

Over 6,100 towns with a population of more than
100,000

Phase 4

The remainder of India to be digitized

Currently undergoing digitization process

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

In phases 3 and 4, DTH occupies **~65-85%** 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

Videocon d2h has Seized the Indian Market DTH Pay TV Opportunity

Conversion from analog to digital is driving DTH growth in India

Strong Indian economy creating new PayTV households

- **7.9-8.0% growth⁽¹⁾** in Indian economy and positive business climate creating rapid household expansion
- **70-80 million** homes of market opportunity
- Around **100 million** homes with no television

DTH capturing market share from cable

- In phases I & II, DTH took ~40% market share⁽²⁾
- DTH enjoys ~65-85% market share⁽²⁾ of the current digital subscriber base in areas that come under phase III & IV digitization

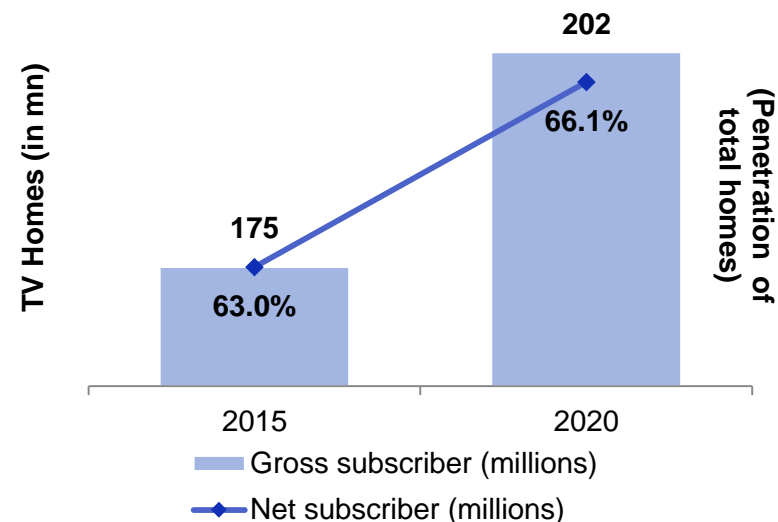
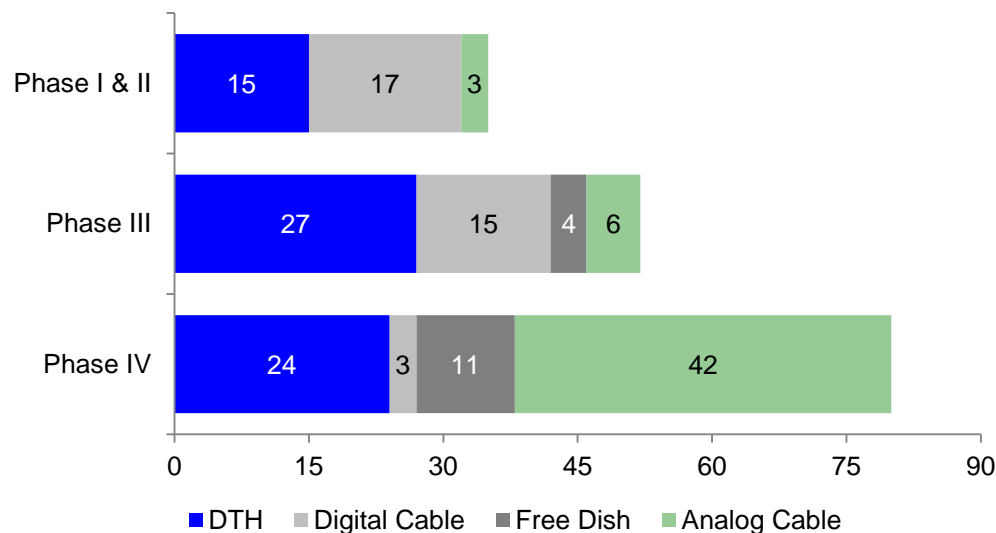
Improving ARPU

- Greater network capacity enables delivery of premium content packages, driving ARPU
- ARPU* has grown from Rs150 in FY13 to Rs207 during FY17 and Rs212 in Q2FY18.

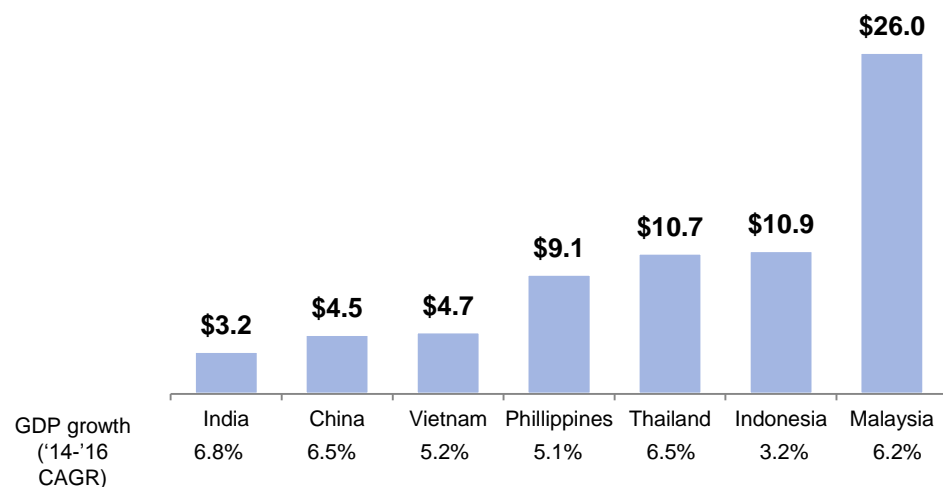
Phase III and IV of India's digitization covers 45-50 million analog homes

Indian DTH Market Dynamics Highlight Opportunities

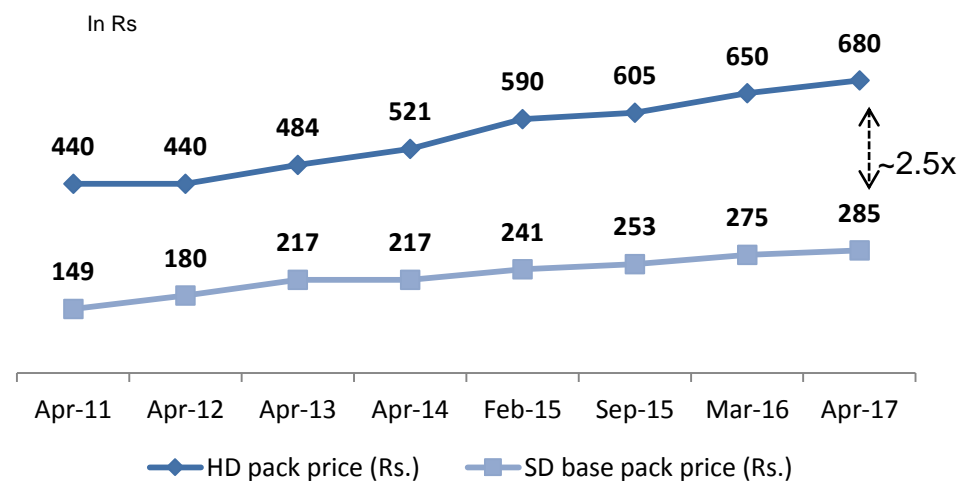
Significant subscriber opportunity in the next 4-5 years



Substantial upside in Indian PayTV ARPU



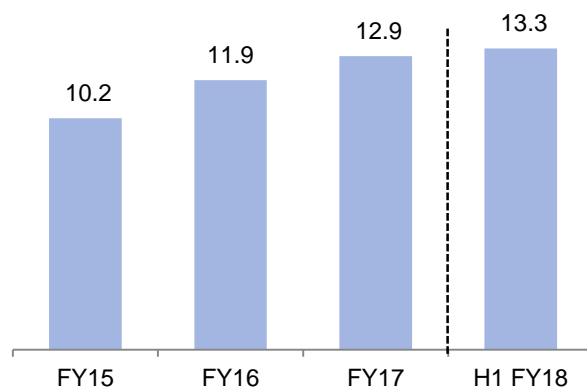
Steady increase in Videocon d2h pack prices



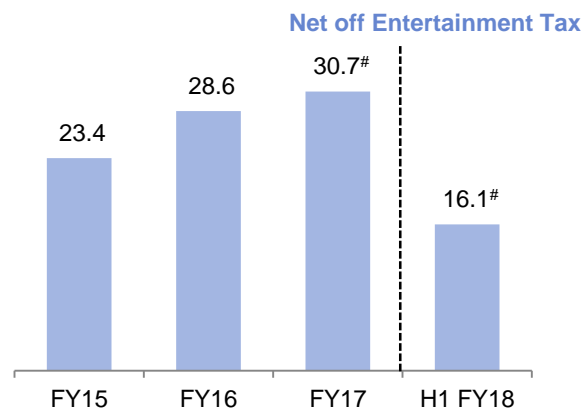
Videocon d2h's Strategy Sustains a Track Record of Value Creation

Key Operating & Financial Highlights

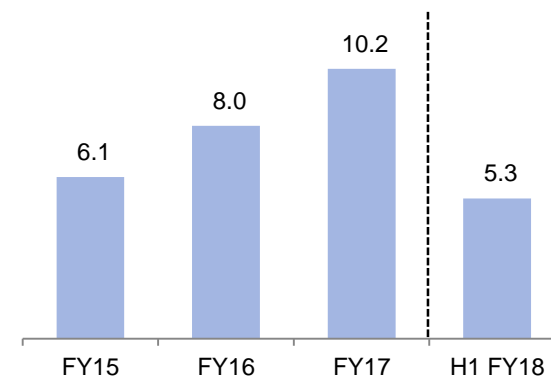
Net Subscribers * (Million)



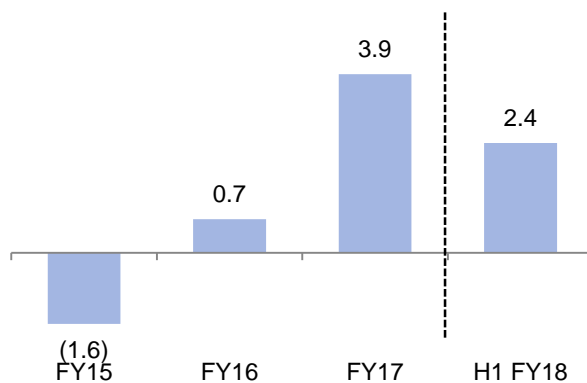
Revenue (Rs Billion)



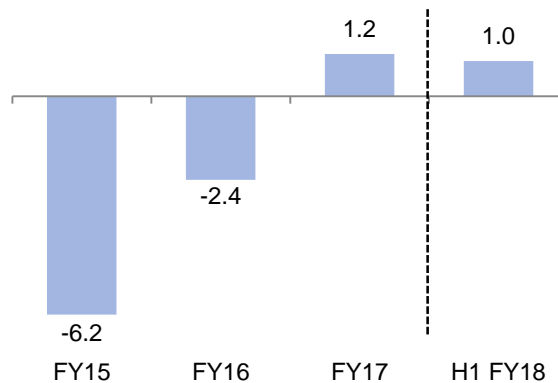
Adjusted EBITDA ** (Rs Billion)



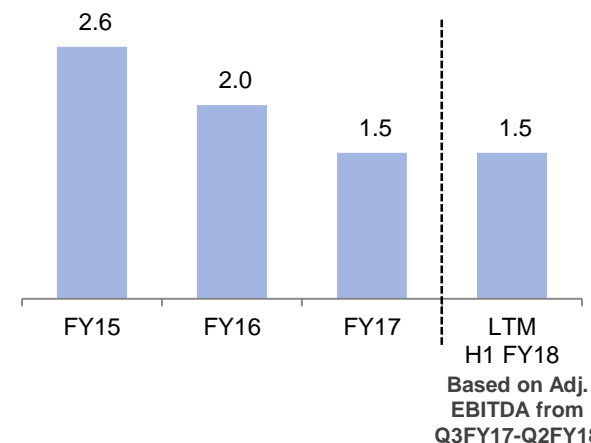
Adjusted EBITDA less Capex (Rs Billion)



Free Cash Flow *** (Rs Billion)



Net Debt to Adj. EBITDA (x)



Note: * Net subscriber means subscribers authorized to receive DTH broadcasting services on account of payment of subscription charges or any entry offer at the time of initial connection, as well as subscribers who are temporarily disconnected due to non-payment of subscription charges for a period not exceeding 120 days.

**EBITDA is profit or loss after tax as increased by income tax expense, net finance costs, depreciation, amortization and impairment and reduced by other income. Adjusted EBITDA is EBITDA adjusted for the recognition of fair value of the Employee Stock Option Plan 2014 recognized as an expense over the vesting period which amounted to INR 117.77 million for the fiscal year 2016 and INR 108.25 million for fiscal year 2017.

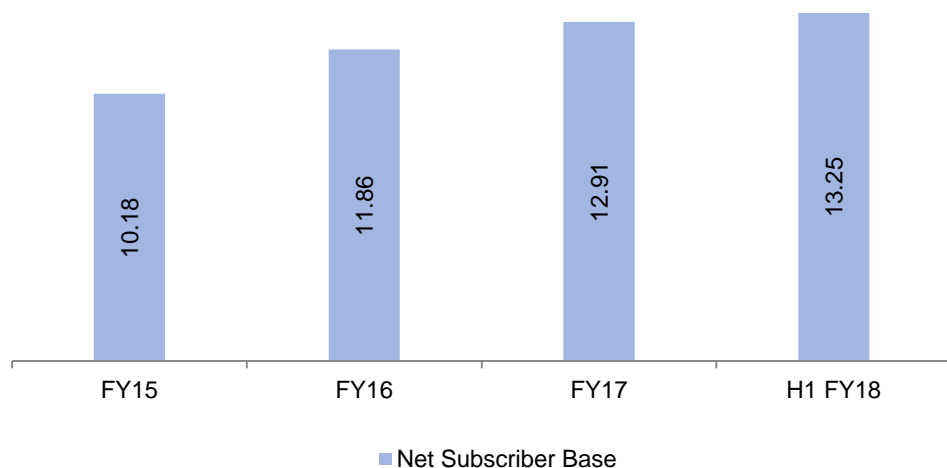
***Free Cash Flow is Adjusted EBITDA less capital expenditure and net interest expense, as increased by other income

The Company adopted a change in the accounting treatment of entertainment tax effective April 1, 2016. This change resulted in operating revenue being presented net of entertainment tax, effective from April 1, 2016. Prior to April 1, 2016, entertainment tax was accounted for under operating expenses, thus operating revenue was presented without deduction of entertainment tax.

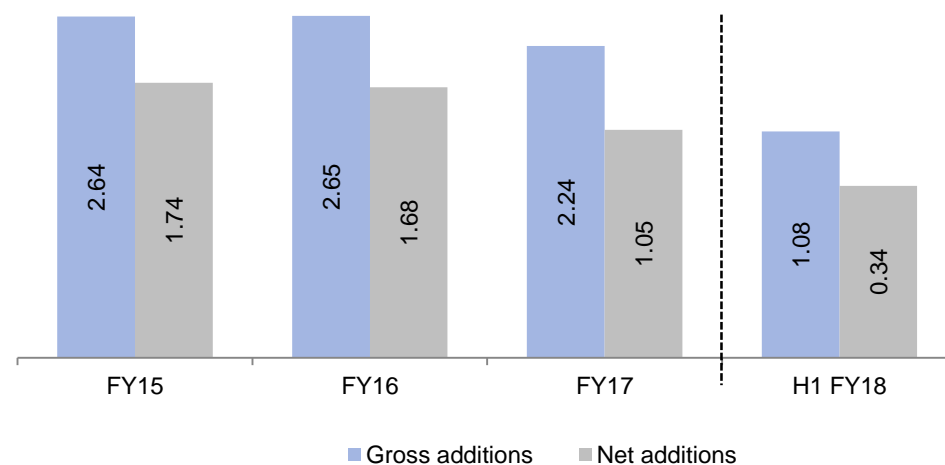
- **Build subscriber base through distribution & marketing**
- Enhance revenue realization through superior service & differentiated offering
- Strong focus on localization & premiumization
- Lead market in technological innovation
- Enhance operational efficiencies & improve margins

Strong Subscriber Growth

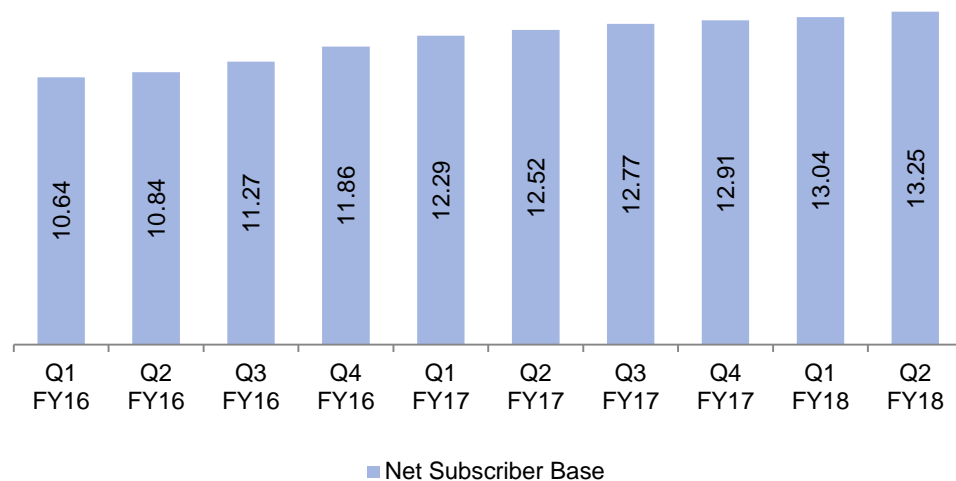
Net Subscriber Base (mn)



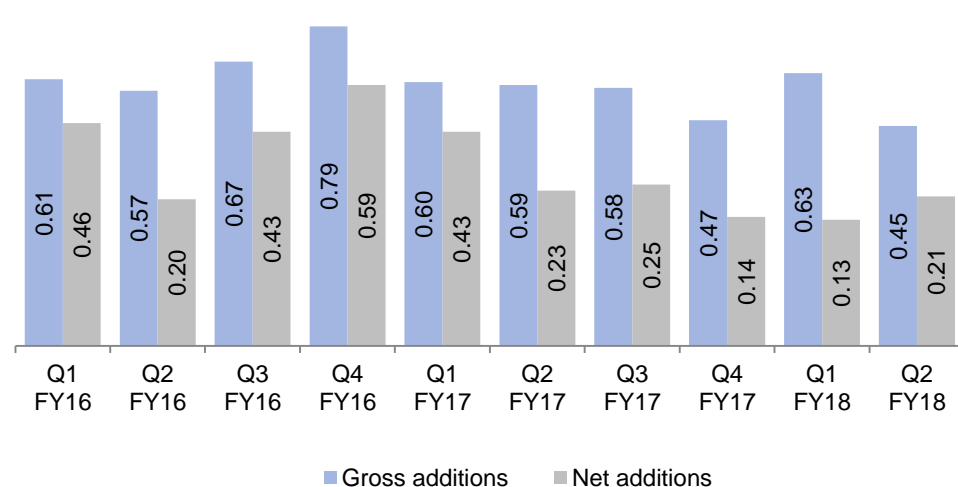
Gross & Net Subscriber Additions (mn)



Net Subscriber Base (mn)



Gross & Net Subscriber Additions (mn)



Pan-India Distribution Channel Supports Sustainable Growth



- 1 Market reach of more than 250,000 Retail stores
- 2 93% penetration (reach) against Industry average of 85%
- 3 Backed by founders with 30+ years of experience in Distribution
- 4 Large shelf space occupied by brands under the parent group
- 5 75% of DTH display counters in retail stores have d2h demo
- 6 3 generations old loyalty in market relationship with the founder family

Strong Brand Partnerships & Associations



PRINCIPAL SPONSOR



Team sponsor of:



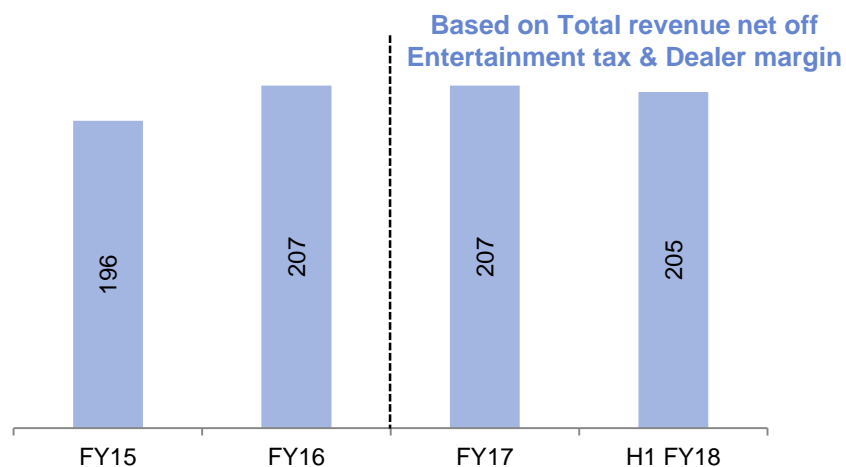
An NDTV initiative



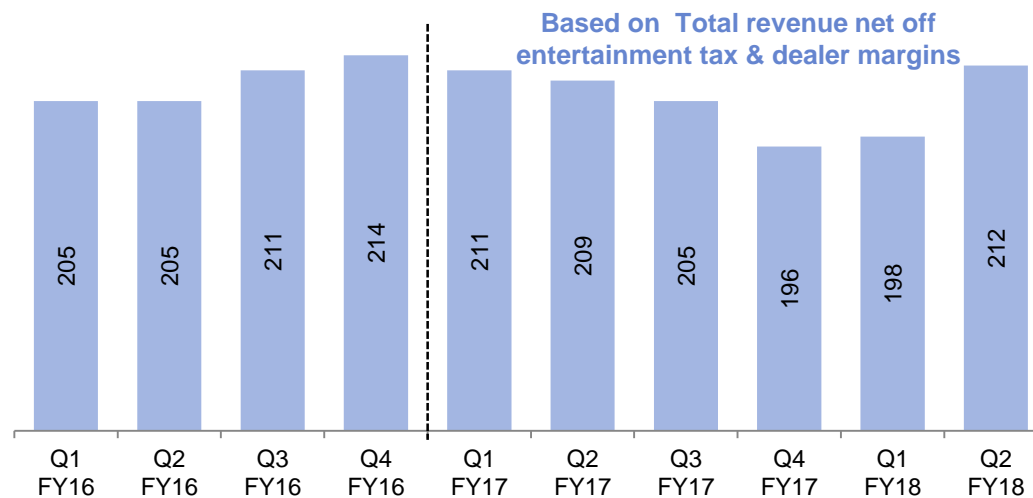
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Rising ARPU and Stable Churn

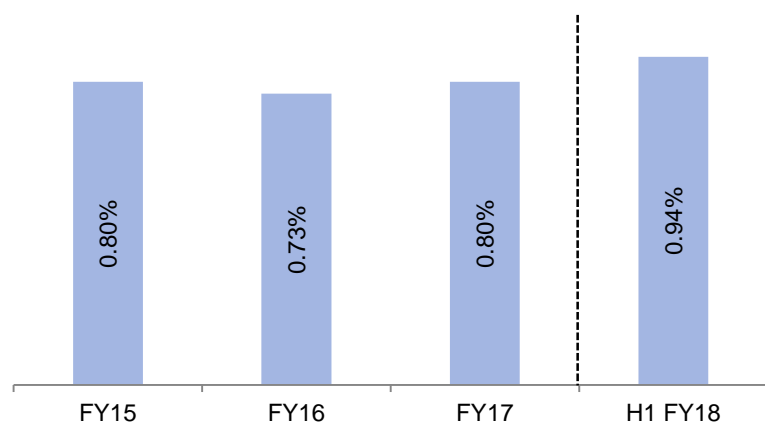
Annual ARPU (Rs)



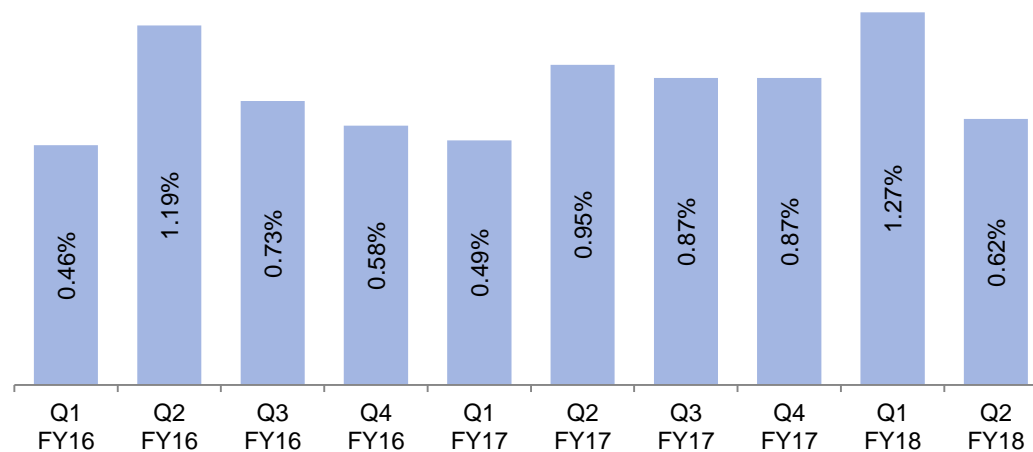
Quarterly ARPU (Rs)



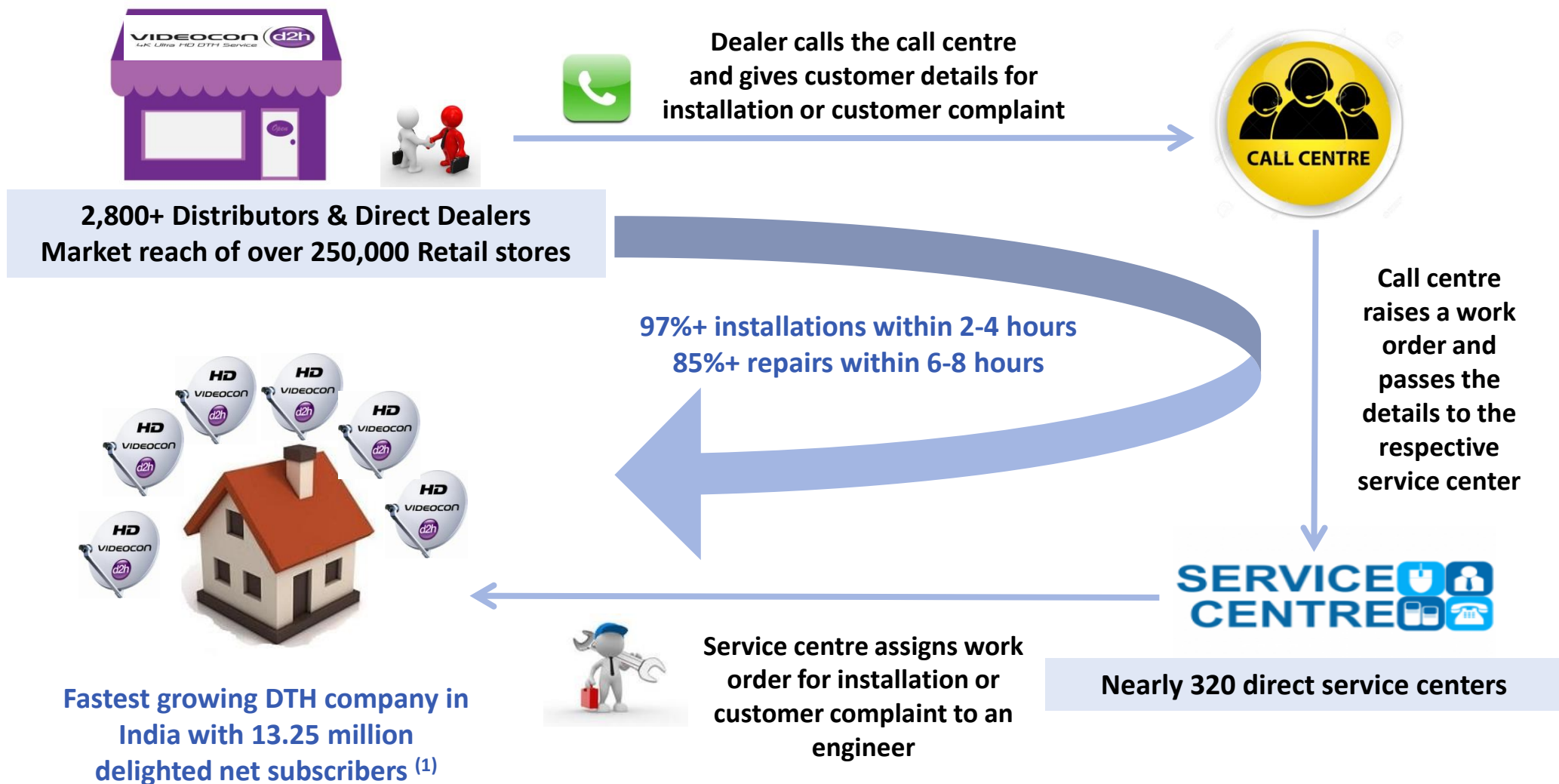
Monthly Churn (%)



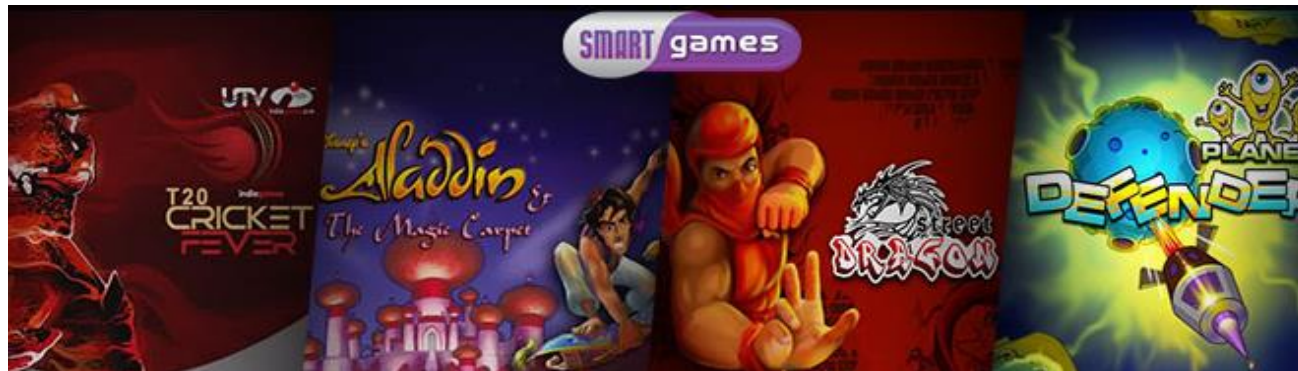
Monthly Churn (%)



Strong Focus on Customer Service Lowers Churn



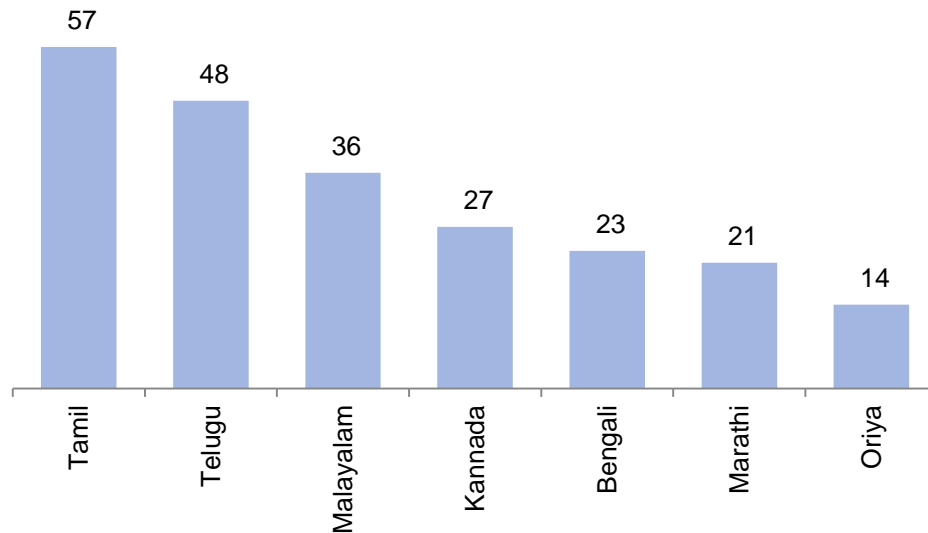
d2h Proprietary Services: Fulfilling the Content Gap



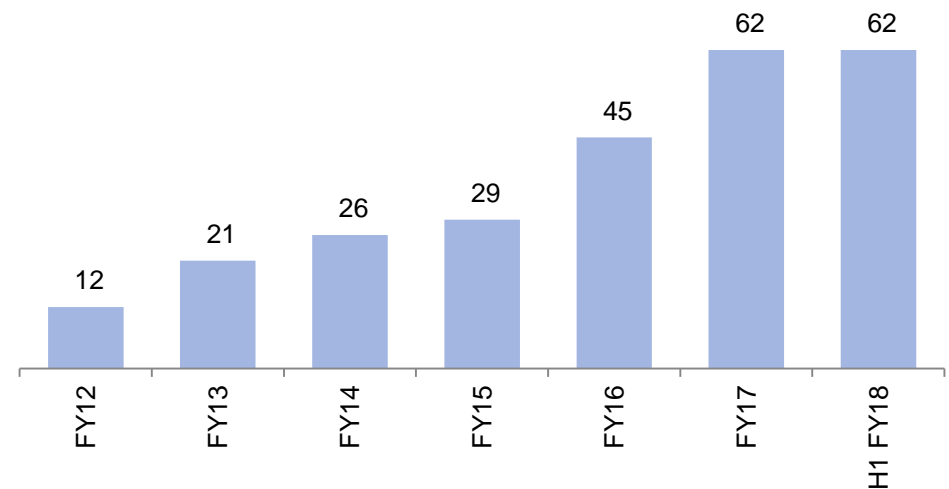
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Strong Content Focus has lead to Consistent Subscriber Growth

Significant regional focus ⁽¹⁾



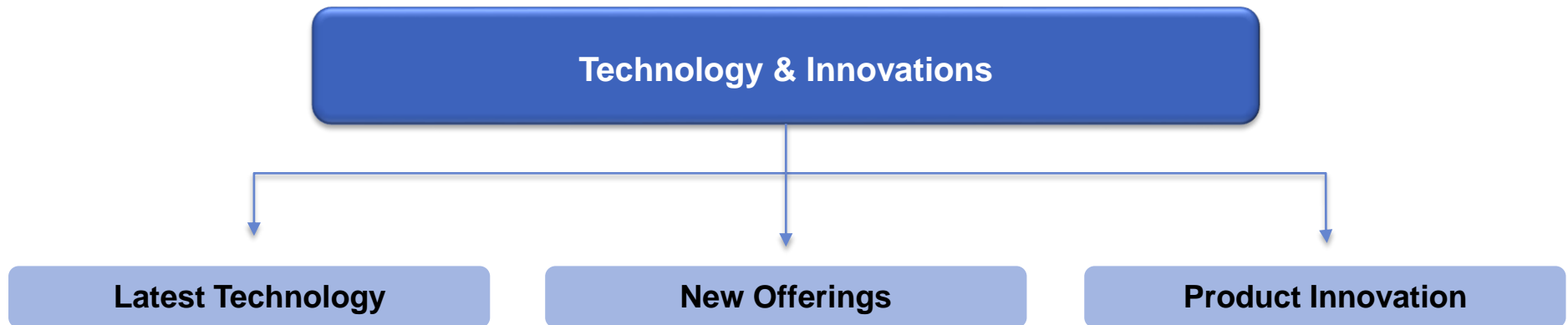
HD Channel Count ⁽²⁾ on Videocon d2h increasing



The Highest Number of Channels and Services in India ⁽³⁾

- Building subscriber base through distribution & marketing
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Constantly Redefining the Viewing Experience: Be Future Ready



Transforming your TV into a hub of entertainment and knowledge

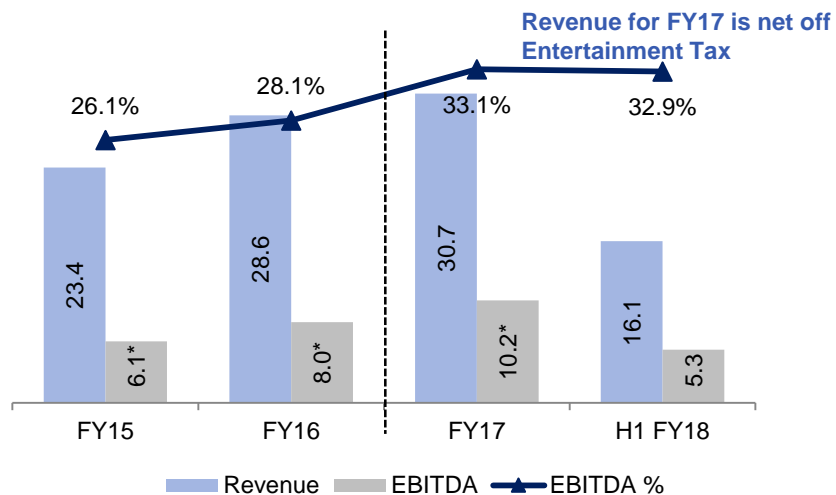


- MPEG-4 and HEVC technology converts your existing TV into a Smart TV
- Offering a wide range of proprietary services including Smart English, Smart Games, d2h Music, d2h Spice, d2h Cinema, d2h Cooking, d2h NachLe, d2h Hollywood, d2h Darshan
- India's First Radio Frequency Remote available to the consumer
- New DVR product can record up to 1,000 GB of content, translating to 1,775 hours of recording
- Connected Set Top Box plugs into any TV enabling apps to stream straight to your TV

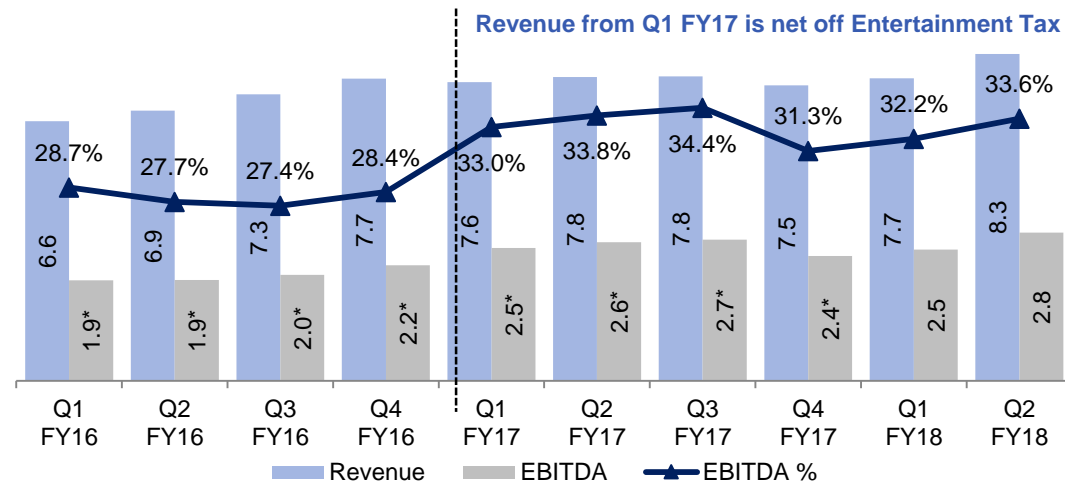
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Consistent Profitability Reflects Videocon d2h's Industry Leadership

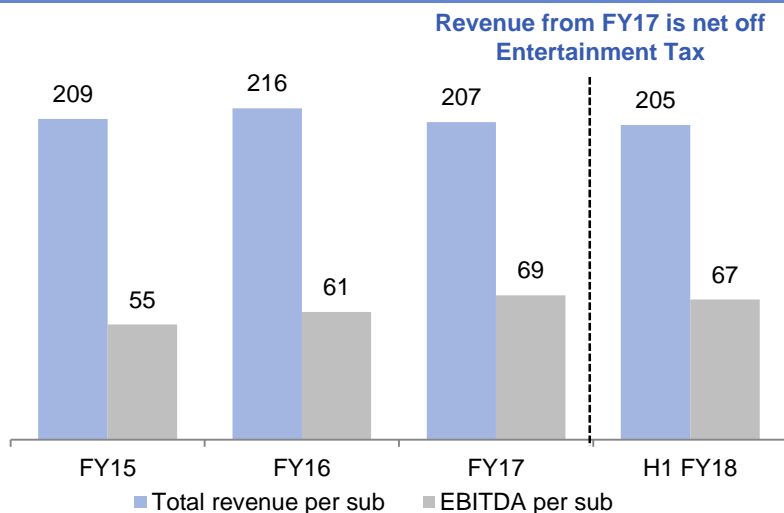
Annual Revenue & Adjusted EBITDA (Rs billion)



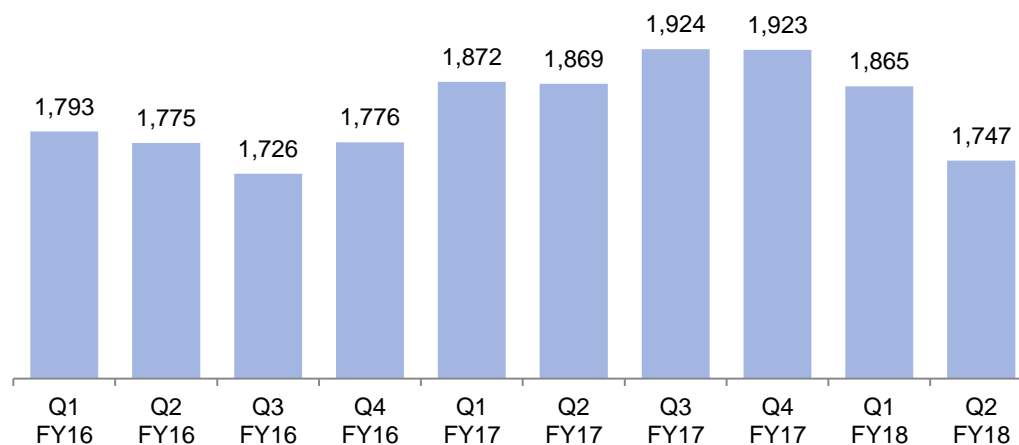
Quarterly Revenue & Adjusted EBITDA (Rs billion)



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



Hardware Subsidy per Sub (Rs)

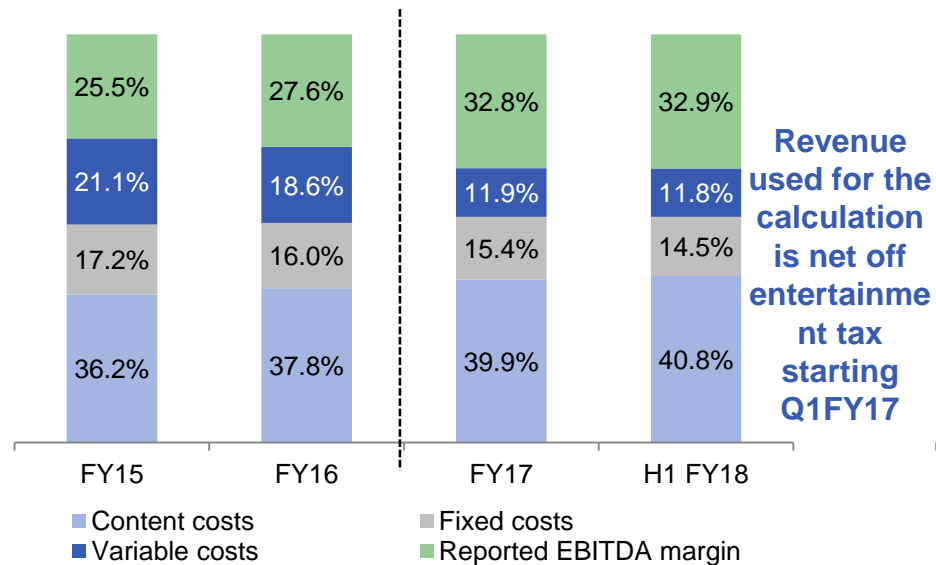


Source: Company data

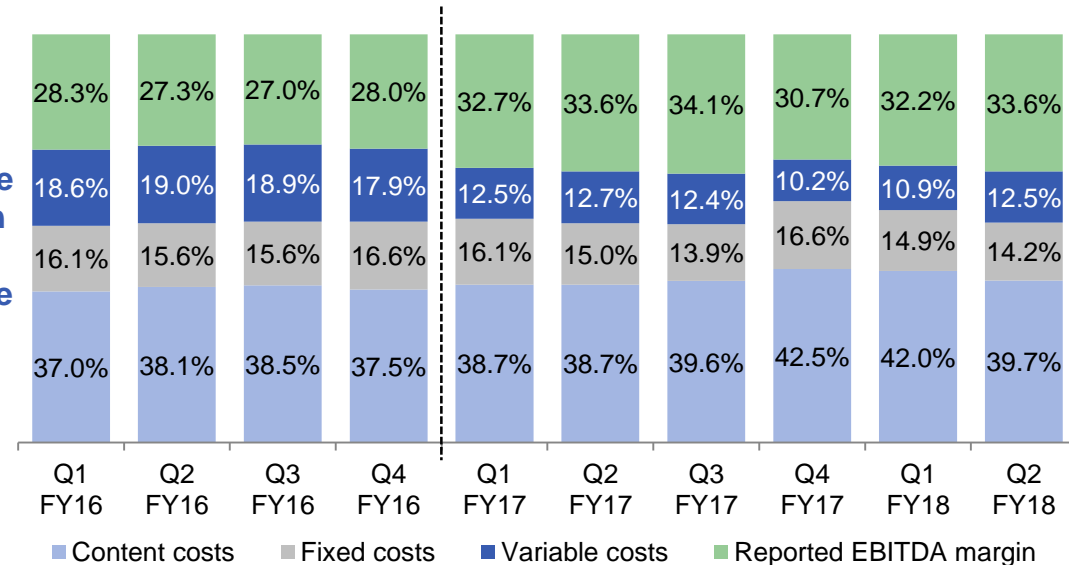
Note: * FY15 Adjusted EBITDA is before accounting for one off securities issue expenses of Rs 105.43 mn and Employee Share based Compensations cost of Rs. 29.74 mn towards provision of ESOP plan of 2014; Q1-Q4 FY16 & Q1-Q4 FY17 Adjusted EBITDA is before accounting for Employee Share based Compensations cost towards provision of ESOP plan of 2014

Videocon d2h Finances Managed to Sustain Growth, Minimize Risk

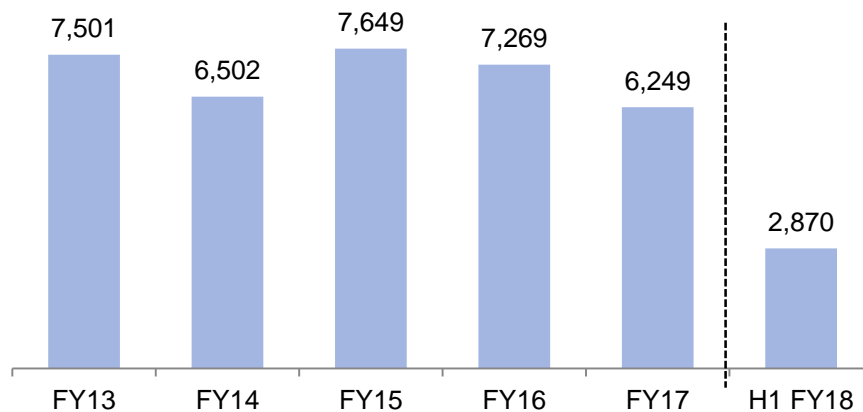
Fixed, Variable and Content Cost (% of Revenue)



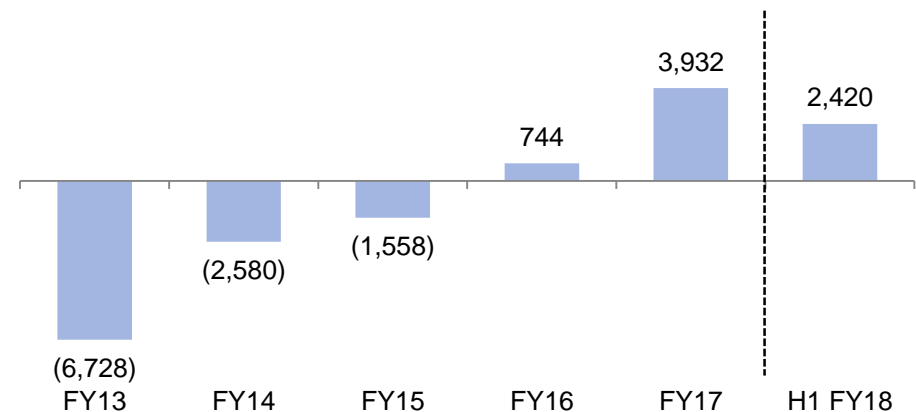
Fixed, Variable and Content Cost (% of Revenue)



Capex (Rs mn)



Adjusted EBITDA* less capex (Rs mn)



Videocon d2h Investment Profile Reflects Management's Value Building Approach

Seize Upside Potential

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

Strong market presence and industry leading share of subscriber additions

Leading distribution, customer service and content offering

Strong revenue and EBITDA growth driven by operating leverage

Build Downside Protection

Strong balance sheet with low leverage

Robust free cash flow generation potential

Strong Board structure

SEC compliant financial reporting

Videocon d2h Extends its Value Creation Track Record

Strongest Financial Results to Date

Rs in mn	Q1FY16	Q2FY16	Q3FY16	Q4FY16	Q1FY17 *	Q2FY17 *	Q3FY17 *	Q4FY17 *	Q1FY18 *	Q2FY18 *
INCOME										
Revenue from operations	6,628	6,901	7,315	7,715	7,633	7,762	7,774	7,549	7,726	8,346
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EXPENSE										
Operating expense	3,791	4,021	4,266	4,414	3,994	4,052	4,074	4,071	4,142	4,391
Employee benefits expense	309	303	304	291	322	315	302	349	277	240
Administration and other expenses	146	198	178	183	178	183	220	235	208	276
Selling and distribution expenses	509	496	590	664	640	607	527	575	614	633
Depreciation, amortization and impairment	1,427	1,489	1,508	1,665	1,711	1,685	1,697	1,773	1,793	1,816
Total Expenses	6,181	6,507	6,846	7,218	6,845	6,843	6,820	7,003	7,034	7,357
Profit / (Loss) from operations	447	394	469	497	787	919	954	546	692	989
Finance costs/Finance Income (Net)	(765)	(802)	(797)	(778)	(759)	(717)	(653)	(687)	(678)	(763)
Other Income	12	6	9	9	9	9	10	24	3	17
Profit/(loss) before tax	(307)	(402)	(319)	(272)	38	211	311	(117)	17	243
Income tax expense										
Current tax	-	-	-	-	-	-	-	-	-	-
Deferred tax	(63)	(156)	(99)	(60)	11	63	93	(29)	5	75
Profit/(Loss) after tax	(244)	(246)	(220)	(212)	27	148	218	(87)	12	168

NASDAQ: VDTH



Market Cap as on Sept 30, 2017:

USD 946 million

Free Float:

35.5%

Shares Outstanding:

424,997,937

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