



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



INVESTOR UPDATE

For the Fiscal Year ended
March 31, 2015

5th June 2015

Disclaimer

Forward Looking Statements

This presentation includes “forward looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “anticipate”, “believe”, “expect”, “estimate”, “plan”, “outlook”, and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Such forward looking statements are based on current expectations that are subject to risks and uncertainties.

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.

1st Indian media company to ring the opening bell at NASDAQ



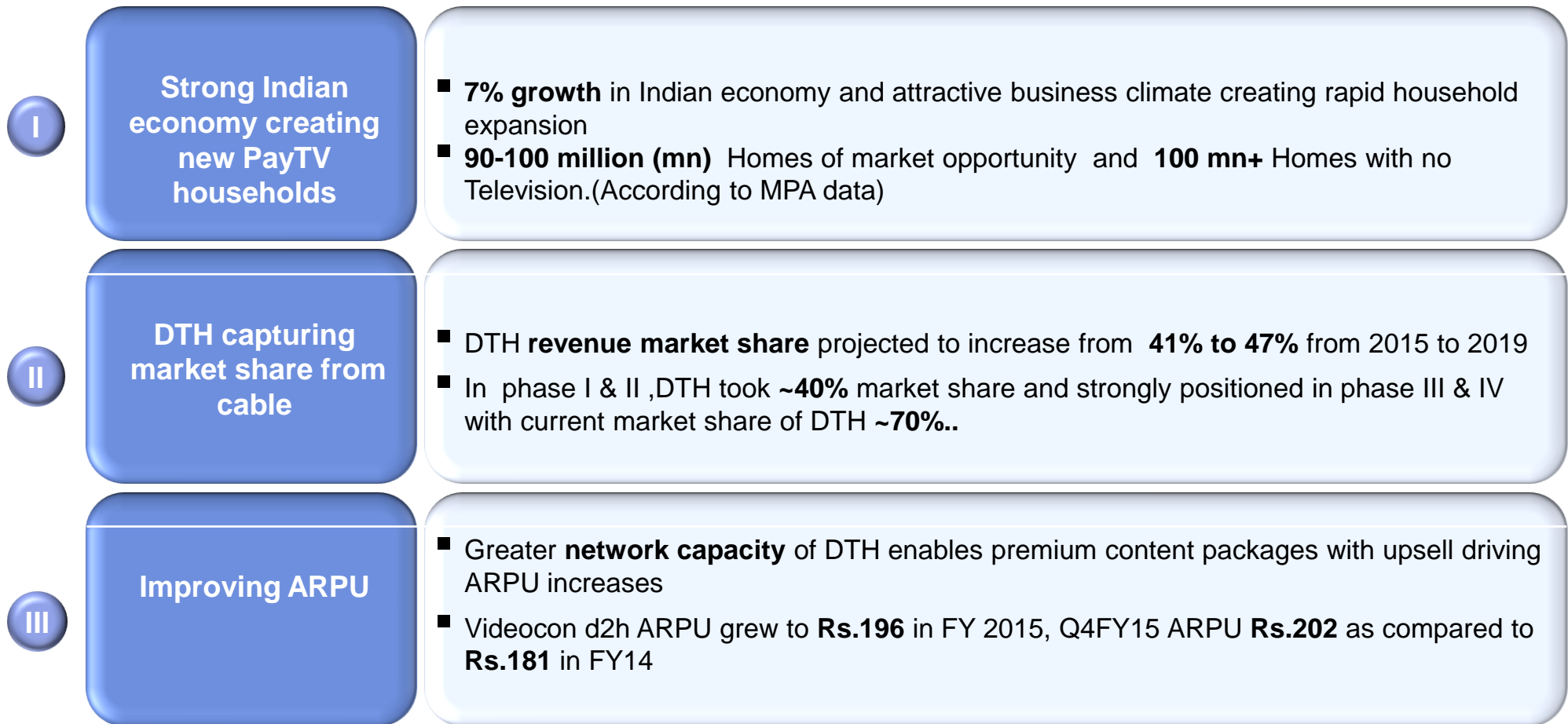
**India's Fastest Growing
PayTV Company is
now**

**.... also the Most Valued
Indian company listed on
NASDAQ**



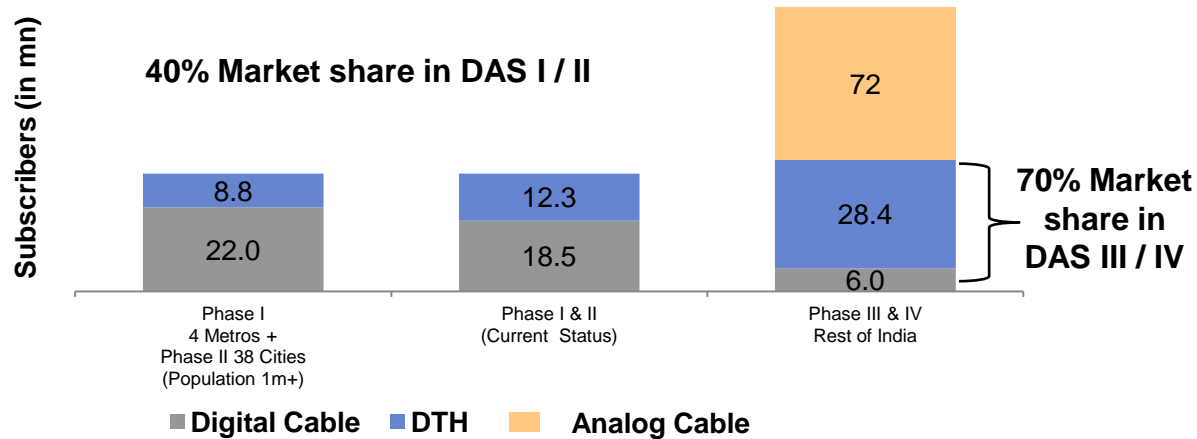
India is the World's Fastest Growing PayTV Market

Key Pillars of Growth



Digital PayTV Connections : 100mn Plus Opportunity

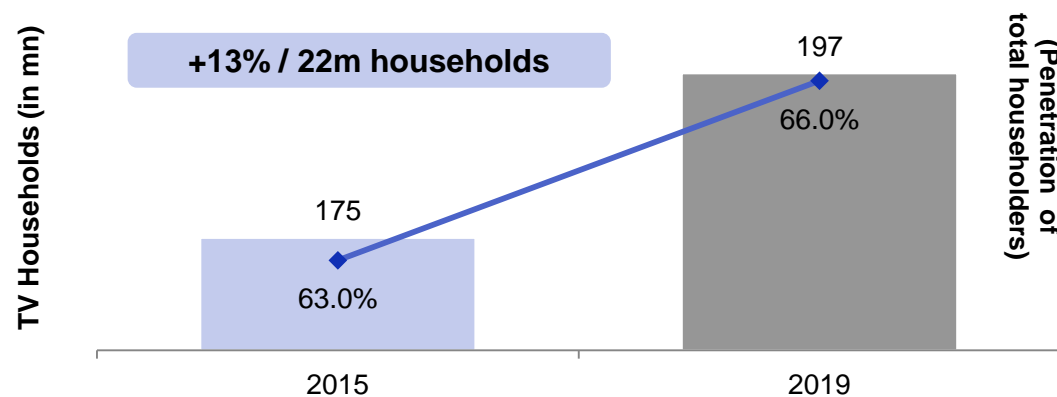
Share of DTH vs Digital Cable



~75 mn Homes to be Digitized



Significant increase in TV households...



~25 mn New TV Homes to be Added

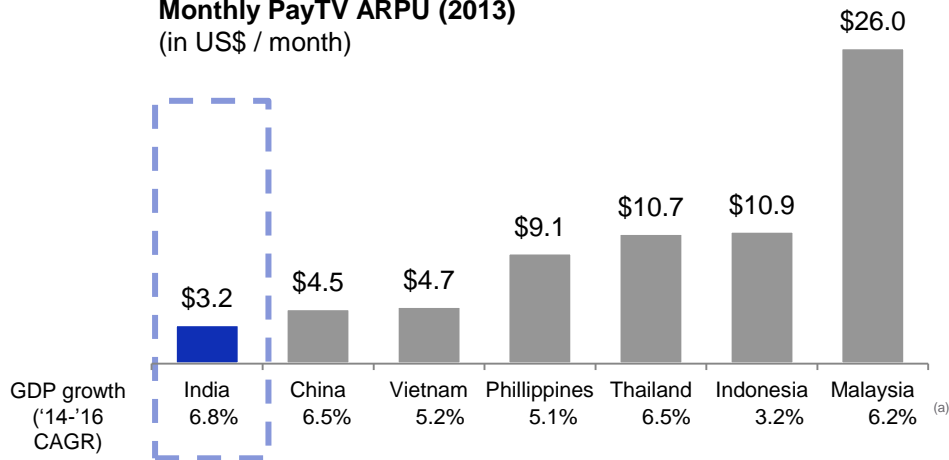
~ 100 mn Market Opportunity

Significant ARPU Upside

Substantial upside in Indian PayTV ARPU given strong economy

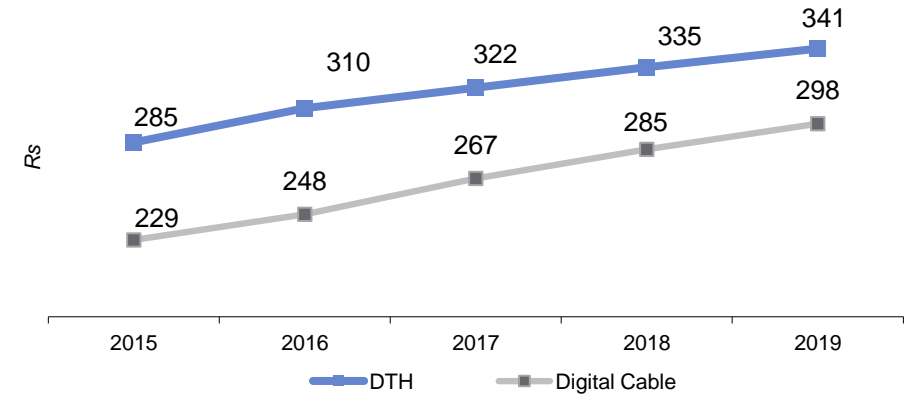
Monthly PayTV ARPU (2013)

(in US\$ / month)

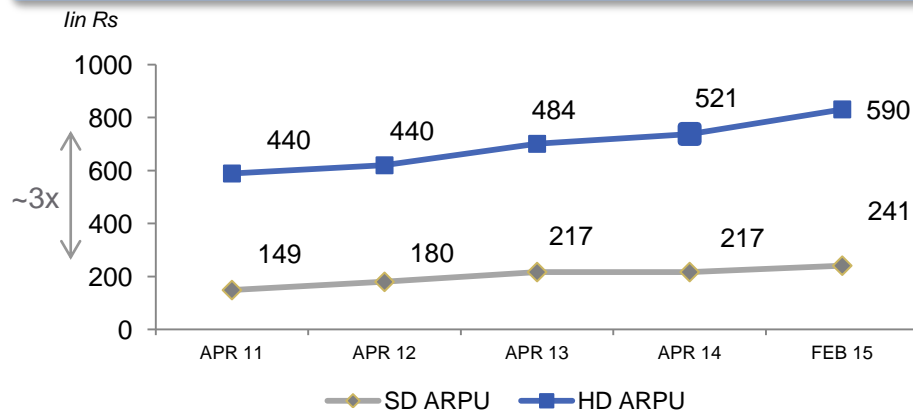


ARPU growth (based on Paying subs) likely to exceed market forecasts

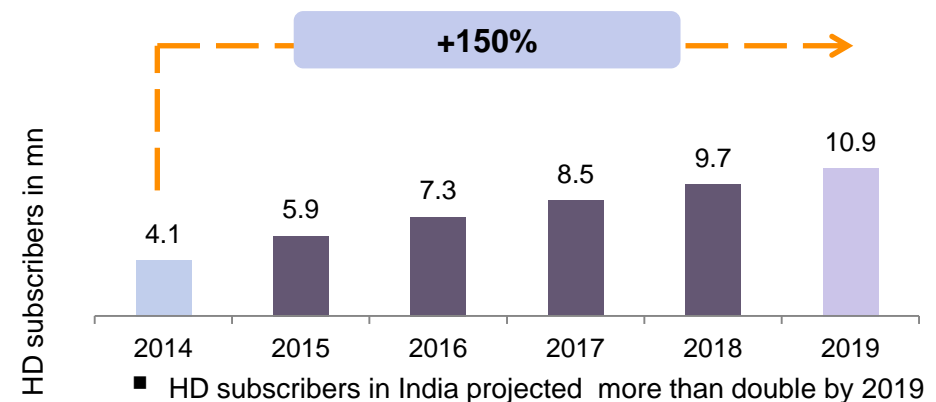
- Market forecasts for DTH ARPU to grow near inflation ~6%
- But driven by base pack price, increases in HD subs and value added services, we believe **ARPU is likely to grow even faster**



Significantly higher pricing on HD in India



Fast growing HD subscribers represent meaningful uptick in ARPU



Deep and Experienced Management Team

Videocon d2h



Saurabh Dhoot

Executive Chairman

- Visionary behind Videocon d2h
- Board member of Videocon d2h since 2007
- Responsible for strategic direction of Videocon d2h



Anil Khera

Chief Executive Officer

- Nearly 30 years of experience with the Videocon Group
- CEO of Videocon d2h since 2008
- Previously CEO of Sansui India
- Deep expertise in sales and distribution of consumer products



Rohit Jain

Deputy Chief Executive Officer

- Over 20 years of experience in consulting, finance and business management
- Deputy CEO of Videocon d2h since 2010
- Previously worked at PwC and Hewitt Associates (India)
- Responsible for financial and programming strategy



Himanshu Patil

Chief Operating Officer

- Over 27 years of experience in Marketing and Operations.
- COO of Videocon d2h since 2008
- Previously worked at Onida, Bajaj Electricals and Videocon Industries Limited
- Responsible for operational and technology strategy

India's fastest growing DTH company

Videocon d2h : Competitive Advantage

Maximum no of channels and services



Widespread sales & distribution presence



Quality customer service



Pioneer in Technology & Product Innovations

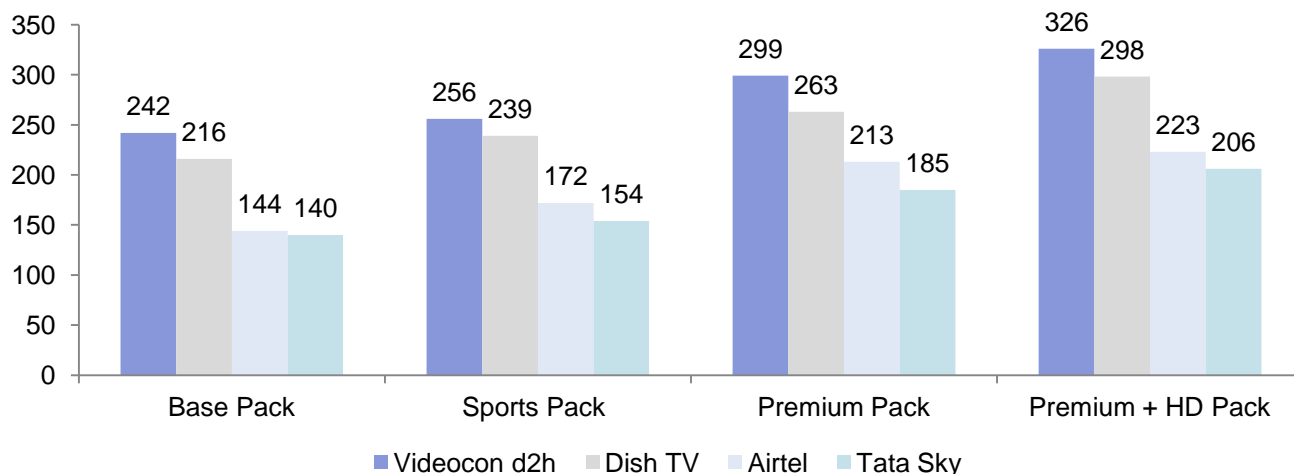


Key milestones



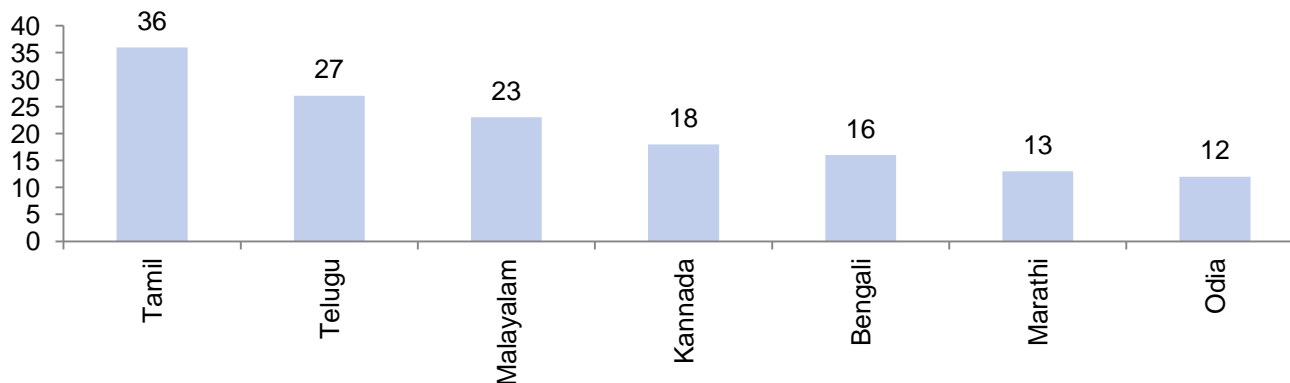
Channel and Regional Content Offering

Videocon d2h offers highest number of channels and services



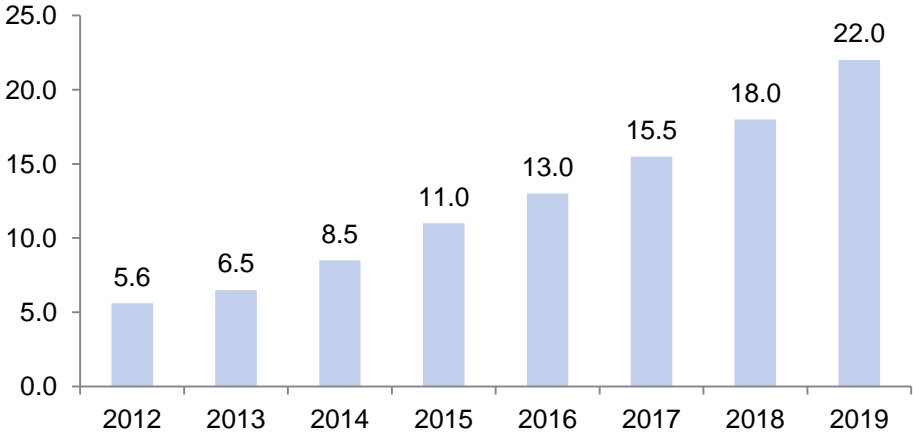
- ✓ Highest number of Channels & Services : 530
- ✓ Highest number of Regional Channels : 191
- ✓ Pioneer of Simplified packages to consumers
- ✓ Strongest offering at every price point to consumer
- ✓ Strong focus on Regional Content

Highest number of regional channels available on Videocon d2h

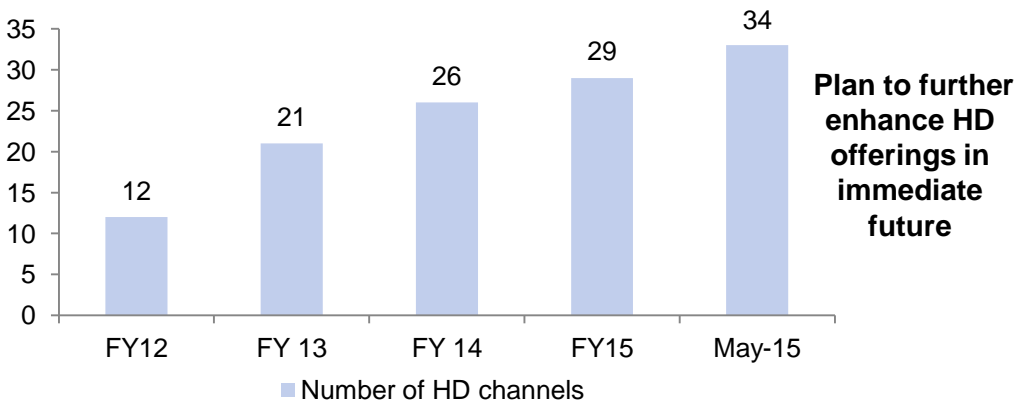


Strong High Definition Offerings

Rising Sale of Panel TV in India



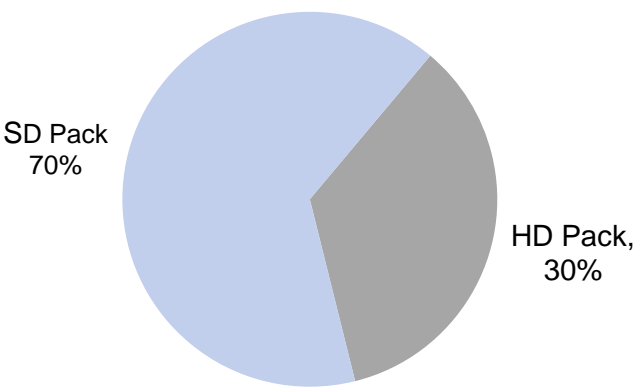
HD Channel Count on Videocon d2h



Several channels were first to launch on Videocon d2h

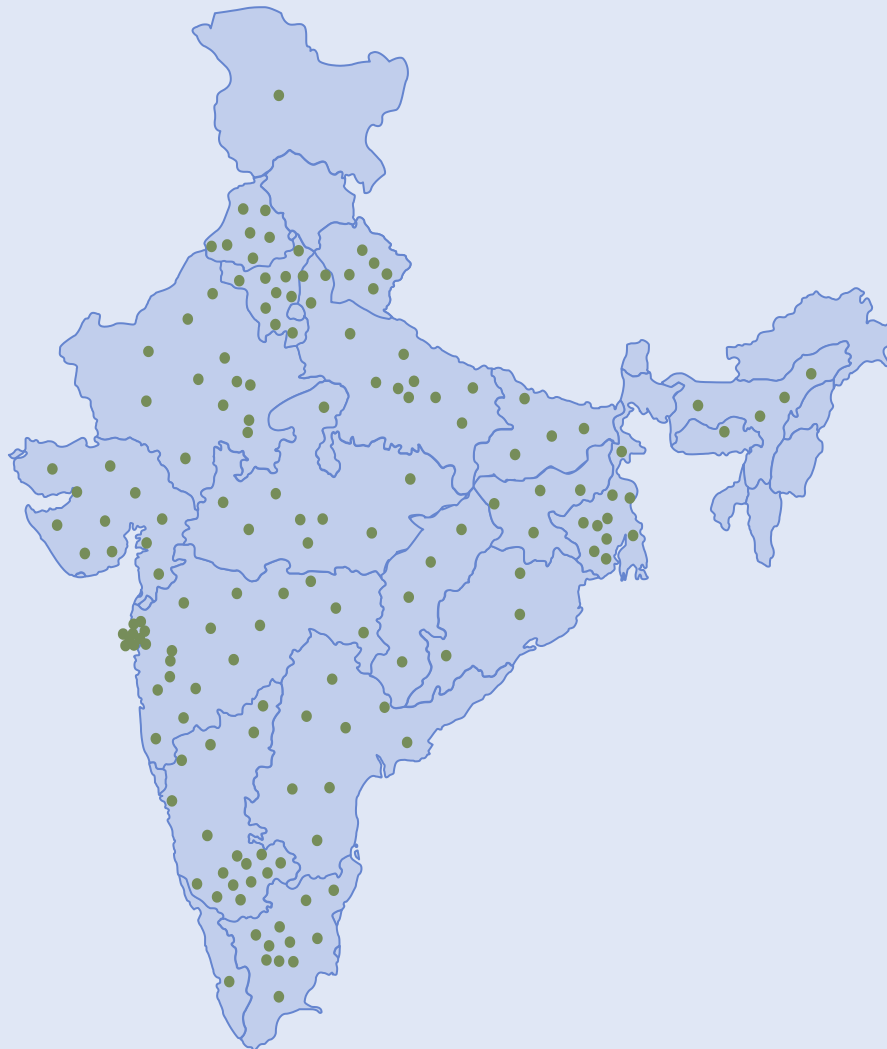


Videocon d2h New Subscriber Split in FY15



Nationwide Distribution & Leading customer service

- ✓ Extensive nationwide network leveraging Videocon Group's distribution expertise
- ✓ Extensive nationwide network driving sales
- ✓ Over 2,800 distributors and direct dealers
- ✓ Over 200,000 sub-dealers and recharge counters
- ✓ 365 sales executives in 25 offices

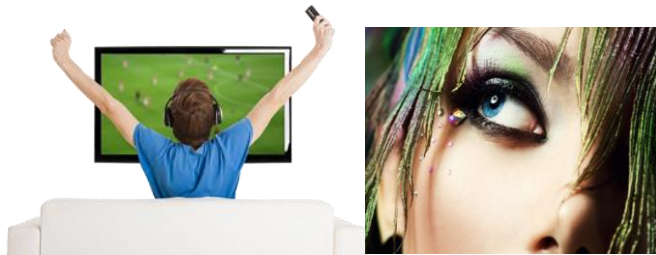


- ✓ 97%+ installations within 4 hours
- ✓ 85%+ fault repair within 6 to 8 hours
- ✓ Strong after-sales services
- ✓ 300+ direct service centers plus 700+ service franchises
- ✓ Over 6,650 customer support staff

Technology and Innovation in Products & Offerings

Technology & Innovations

Latest Technology



**MPEG4
DVB S2**

**HEVC
DVB S2**

New Offering



4K

**Direct to
Mobile**

Product Innovation



**1000 GB HD
DVR**

**Wireless DTH
Headphone**



**In house Channels
& Services**



RF Remote

Strong Brand Partnerships & Associations



PRINCIPAL SPONSOR



Team sponsor of:



An NDTV initiative



Brand Recognitions & Awards



WE'RE RECOGNISED AS THE
BEST BRAND
AS WE ONLY SERVE THE
BEST



Asia's Most Promising Brand
2013 & 2014
Validated by consumers & industry
Audited by KPMG



1st Indian Digital TV
Honours 2014 - Technological
Innovation



BCS Ratna Award 2014 -
Best Customer Experience



Product of the year 2010



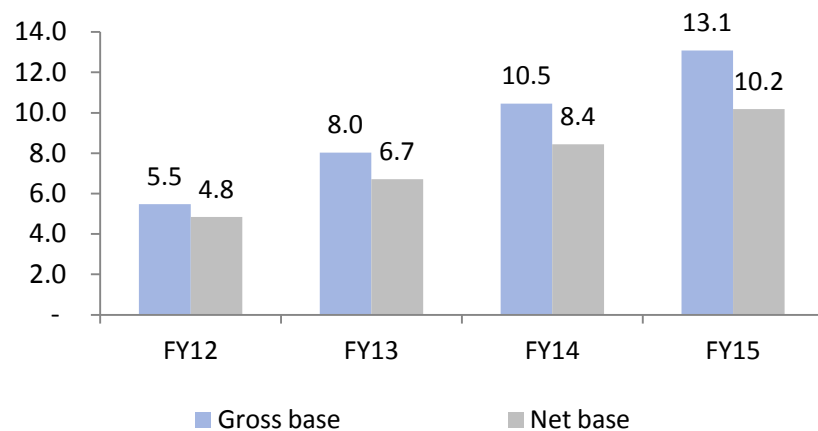
India's Fastest
Growing DTH Service 2011



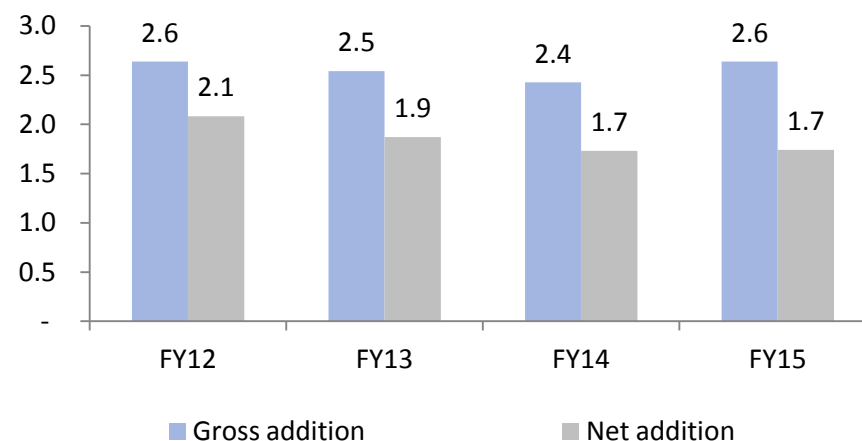
Key Operating Metrics

Key Metrics: Gross and Net Subscribers

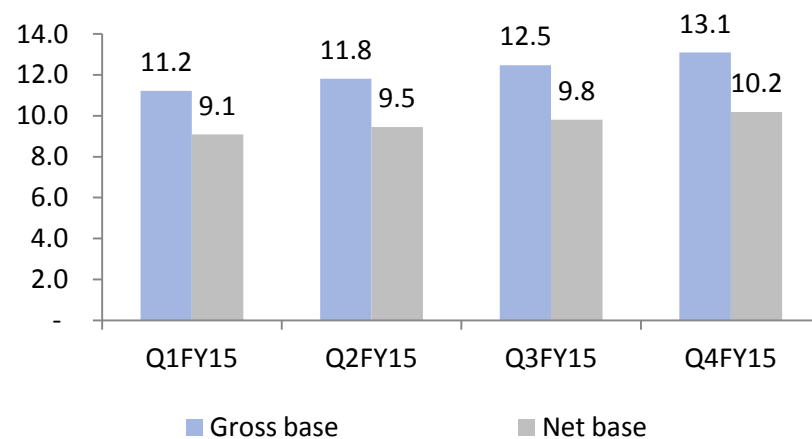
Gross and Net Subscriber Base (mn)



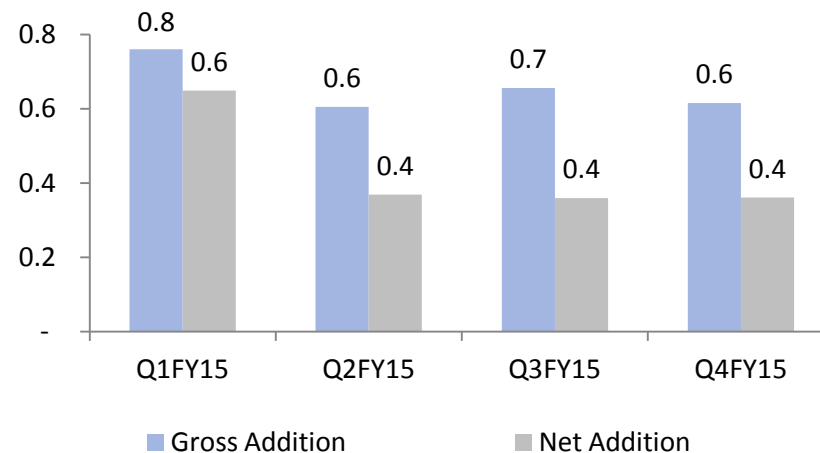
Gross & Net Subscriber Additions (mn)



Gross and Net Subscriber Base in FY15 (mn)



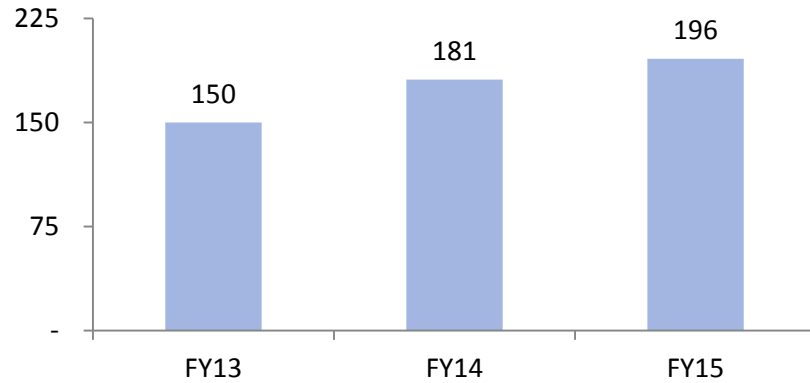
Gross & Net Subscriber Additions during FY15 (mn)



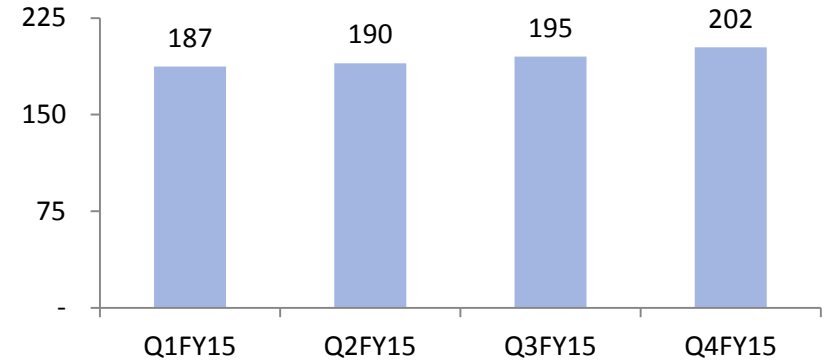
Source: Company data

Key Metrics: ARPU & Churn

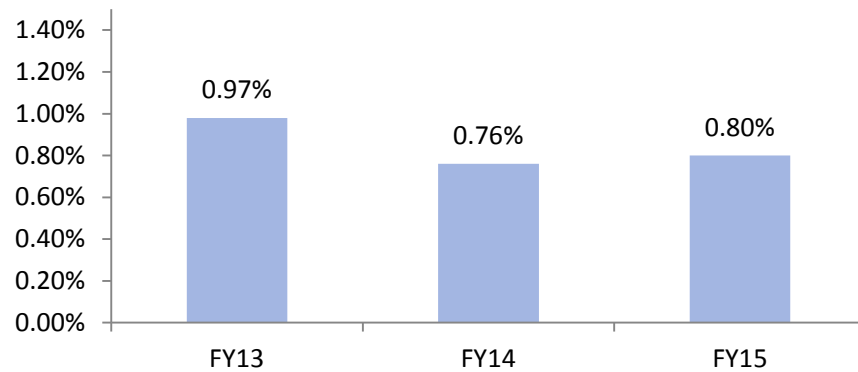
Annual ARPU (Rs)



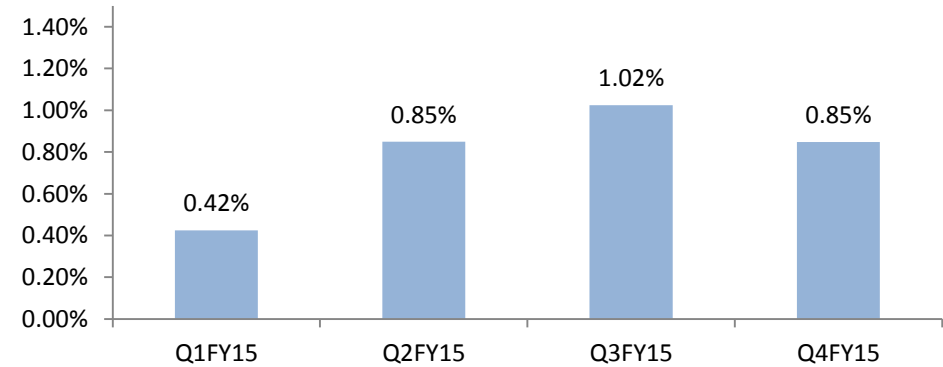
Quarterly ARPU (Rs)



Annual Churn (%)

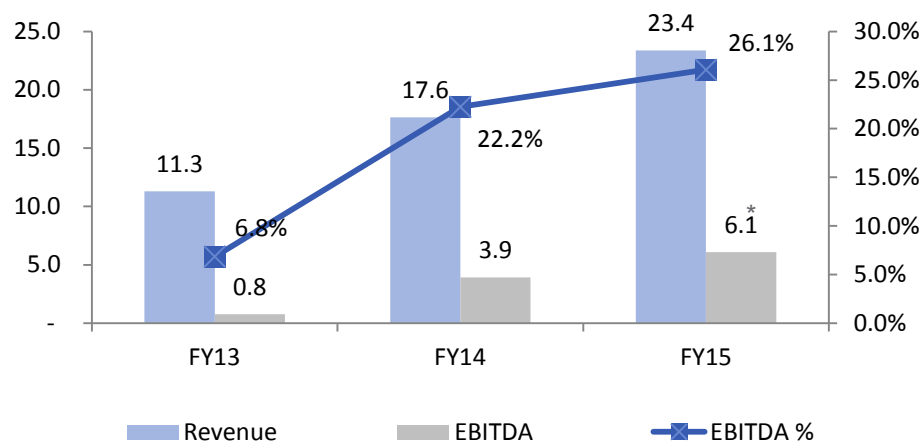


Quarterly Churn (%)

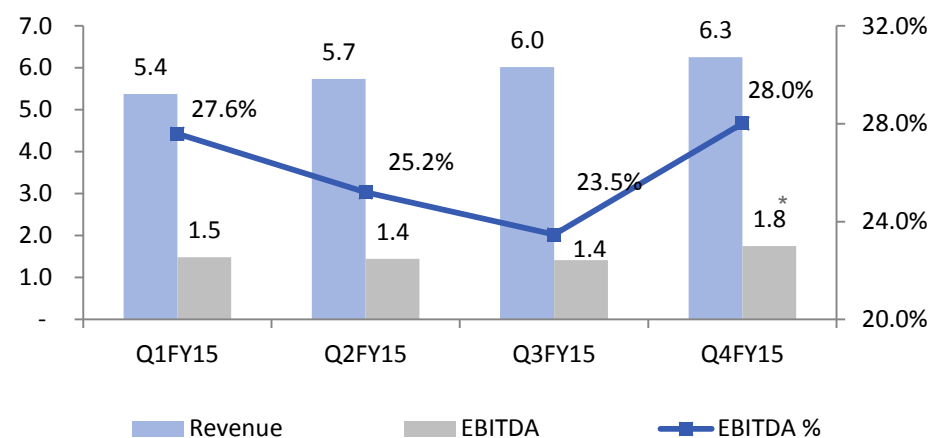


Key Metrics: Revenue, EBITDA & Content cost

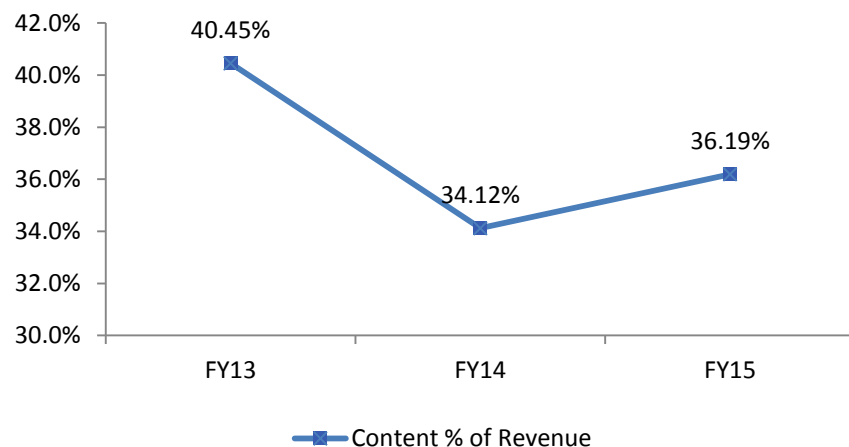
Annual Revenue & Adjusted EBITDA (Rs billion)



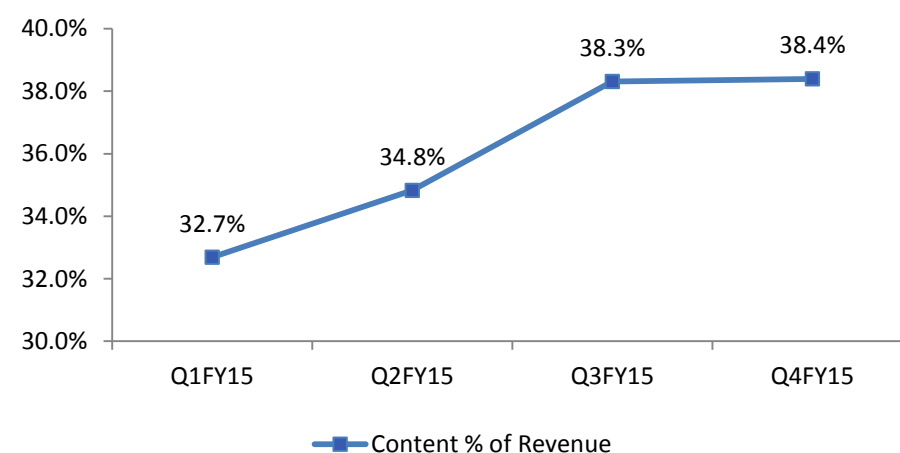
Quarterly Revenue & Adjusted EBITDA (Rs billion)



Annual content cost as % of revenue



Quarterly content cost as % of revenue

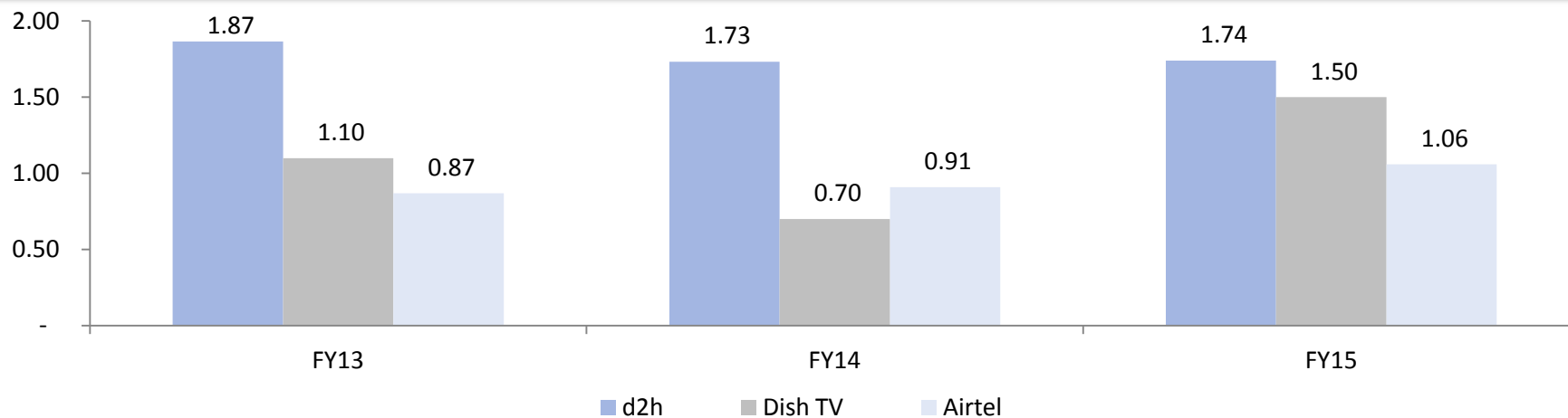


Source: Company data

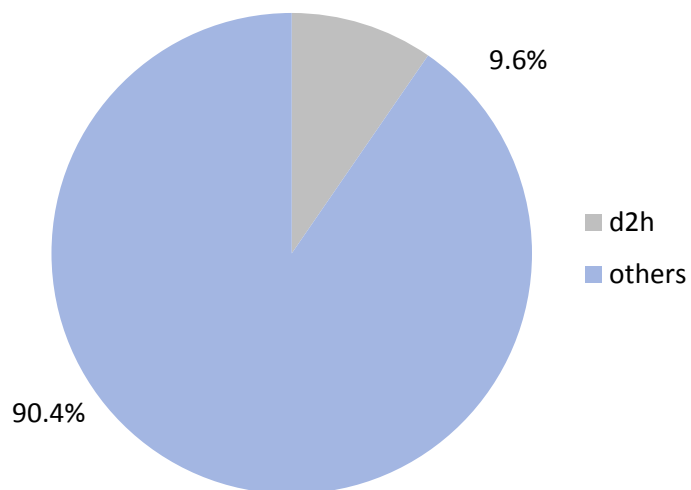
Note: * Q4 FY2015 Adjusted EBITDA is before accounting for one off securities issue expenses of Rs 105.43 mn and Employee Share based Compensations cost of Rs. 29.74 mn towards provision of ESOP plan of 2014

Net Subscriber Base

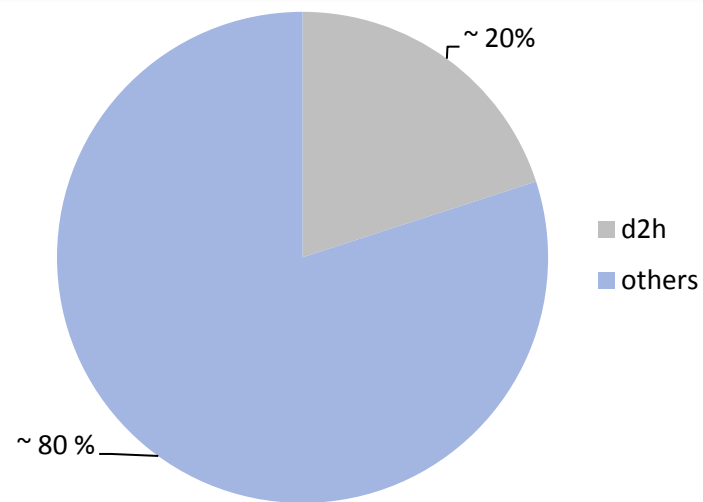
Annual net subscriber additions comparison (mn)



Net Subscriber Market Share - FY11



Net Subscriber Market Share - FY15



Source: Company data



Financial overview

P&L - Quarterly

Rs. in mn	Q1FY15	Q2FY15	Q3FY15	Q4FY15
INCOME				
Revenue from operations	5,375	5,734	6,015	6,253
	5,375	5,734	6,015	6,253
EXPENSE				
Operating expense	3,090	3,381	3,746	3,637
Employee benefits expense	244	245	250	285
Administration and other expenses	127	157	152	253
Selling and distribution expenses	432	507	457	461
Depreciation, amortization and impairment	1,245	1,284	1,348	1,410
Total Expenses	5,137	5,573	5,952	6,045
Profit / (Loss) from operations	238	161	63	207
Finance costs/Finance Income (Net)	(1,045)	(1,049)	(1,219)	(1,301)
Other Income	0	0	0	(1)
Profit/(loss) before tax	(807)	(888)	(1,155)	(1,094)
Income tax expense				
Current tax	-	-	-	-
Deferred tax	(249)	(275)	(357)	(337)
Profit/(Loss) after tax	(558)	(614)	(798)	(757)

P&L - Annual

Rs. in mn	FY2015 (Audited)	FY2014 (Audited)
INCOME		
Revenue from operations	23,377	17,644
	23,377	17,644
EXPENSE		
Operating expense	13,853	10,715
Employee benefits expense	1,023	864
Administration and other expenses	688	539
Selling and distribution expenses	1,856	1,606
Depreciation, amortization and impairment	5,287	4,212
Total Expenses	22,708	17,936
Profit / (Loss) from operations	670	(291)
Finance costs / Finance Income (Net)	(4,614)	(4,351)
Other Income	0	17
Profit / (loss) before tax	(3,945)	(4,625)
Income tax expense		
Current tax	-	-
Deferred tax	(1,218)	(1,430)
Profit / (Loss) after tax	(2,727)	(3,195)

Balance Sheet

Rs. in mn	FY2015 (Audited)	FY2014 (Audited)
Assets		
Non-current Assets		
Property, Plant and equipment & Capital WIP	25,315.45	22,774.61
Intangible Assets	1,072.53	1,250.93
Other Financial Assets	861.32	2,225.01
Deferred Tax Assets (Net)	7,708.19	6,490.26
Total non-current assets	34,957.49	32,740.81
Current Assets		
Inventories	341.25	317.13
Trade Receivables	1.63	4.24
Other Financial Assets	3,168.34	747.16
Other Non-Financial Assets	907.93	1,721.45
Cash and cash equivalents	9,888.77	184.90
Total current assets	14,307.92	2,974.88
Total Assets	49,265.41	35,715.69

Balance Sheet (continued)

Rs. in mn	FY2015 (Audited)	FY2014 (Audited)
Equity		
Share Capital	3,930.00	2,420.00
Share Premium	21,380.88	5,840.00
Retained earnings	(17,300.70)	(14,574.06)
Total Equity	8,010.18	(6,314.06)
Liabilities		
Non-current Liabilities		
Long-term borrowings	23.13	-
Other Non-Financial Liabilities	2,869.14	2,668.99
Post employment benefits	44.99	29.87
Others employment benefits	26.10	18.19
Total non-current liabilities	2,963.36	2,717.05
Current Liabilities		
Short-term borrowings	-	2,250.00
Trade Payable	4,338.03	2,203.87
Other Non-Financial Liabilities	7,199.90	5,597.46
Other Financial Liabilities	26,747.99	29,256.55
Post employment benefits	2.53	1.81
Others employment benefits	3.42	3.01
Total current liabilities	38,291.87	39,312.70
Total Liabilities	41,255.23	42,029.75
Total equity and liabilities	49,265.41	35,715.69

Thank You

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