

Hathway Cable & Datacom Limited

PRESS RELEASE

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2013

The Board of Directors of Hathway Cable and Datacom Limited (Hathway) (BSE:533162 NSE: HATHWAY) in its meeting held on 13th February 2014, have taken on record the unaudited standalone financials for Q3 FY 14.

The financial statements taken on record by the Board are summarized below:

Standalone Statement of Accounts Q3FY14 (Unaudited)

HCDL- Standalone Financial INR Million	FY14 Q3	FY14 Q2	FY13 Q3	FY14 Q3	FY13 Q3	FY13
	Quarterly			YTD (9 Mth)		(12 Mth)
Income						
Net Sales/Income from Operations	2,340.8	2,193.3	1,529.7	6,852.4	4,179.4	6,507.6
Other Operating Income	7.0	9.6	14.2	24.7	52.0	35.6
Total Income	2,347.8	2,202.8	1,544.0	6,877.1	4,231.4	6,543.2
Expenditure						
Purchase of stock-in-trade	12.3	8.7	43.1	27.6	93.5	109.9
Employee Cost	137.9	145.8	108.4	421.4	317.0	422.1
Pay Channel Cost	837.2	683.0	429.6	2,104.7	1,209.1	1,704.2
Other Expenses	993.0	981.2	608.2	2,810.9	1,811.1	2,621.7
Total Expenditure	1,980.4	1,818.7	1,189.3	5,364.7	3,430.8	4,857.9
EBITDA before Other Income	367.4	384.1	354.7	1,512.4	800.6	1,685.3
EBITDA before Other Income Margin %	16%	17%	23%	22%	19%	26%
Other Income	24.7	17.4	13.6	51.6	68.7	94.7
EBITDA After Other Income	392.1	401.5	368.2	1,564.0	869.3	1,780.0
EBITDA After Other Income Margin %	17%	18%	24%	23%	20%	27%
Depreciation / Amortization	559.8	513.2	286.4	1,488.4	785.4	1,227.1
Foreign Exchange Loss / (Gain)	(27.3)	75.1	14.9	131.0	15.7	(41.6)
Finance Cost	224.8	237.1	114.3	678.1	320.7	461.4
Exceptional Items	-	4.1	26.8	4.1	(6.9)	93.5
Prior Period Adjustment	3.4	16.5	0.0	22.3	5.2	7.6
Tax	-	-	-	-	-	-
PAT	(368.6)	(444.5)	(74.2)	(759.9)	(250.8)	32.0

Notes to Financial Statement Q3 FY14 (Unaudited):

Income from operations mainly consists of Subscription Income from Cable TV and Broadband business, Carriage and Placement Income, Advertisement Income, Activation Income from STB's and other operating Income.

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Stand Alone Q3 FY 14 (Unaudited)

Standalone Operating Revenues for the Quarter ended 31st December, 2013 at Rs.2,348 Mn and EBITDA at Rs 367 Mn.

Income breakup for the quarter:

Cable Income: INR 1,191 Mn
Placement Income: INR 736 Mn
Activation Income: INR 25 Mn
Broadband Income: INR 366 Mn

Placement revenues as a percentage of total revenues amount to 31% of total revenues.

Economic Interest:

As per management estimates, quarterly EBITDA inclusive of Hathway's economic interest in the EBITDA of its' several Subsidiaries/JVs/Associate companies would aggregate to about Rs.500 Mn. Consequent to Hathway's large standalone business, its' economic interest in its' Phase I and Phase II digital subscriber base is significantly ahead of competition.

Update on Cable Television Operation

By the end of Dec-13, Hathway along with its JV partners had deployed 7.7 Mn boxes. During the quarter the company has laid emphasis on collecting CRF's from Phase II cities and on focusing for monetization of DAS areas. With this focus on collections we have witnessed continued traction in the pace of subscription collections into January 2014.

We welcome the TRAI's recent notification on Content Aggregator given on 10th February 2014. We believe this is a positive step for the industry. This will benefit the customers and will help MSO's introduce dynamic packaging.

As stated in the previous quarter the company is about to migrate its SMS to the Oracle OBRM platform in this quarter. Further, our Head-ends in major locations have been upgraded to 325+ channels.

Broadband Update

Gross Additions to the Broadband subscriber base was around 27,000 for the quarter. As a logical evolution for the company we have invested in DOCSIS 3.0 technology, rolling out our services starting October 2013 in South Mumbai. Thereafter the company has progressively rolled out its services in the Western suburbs of Mumbai followed by Pune. In the ensuing quarters there will be a further expansion of the company's DOCSIS 3.0 foot print. Consequent to the introduction of high speed broadband (50 MBPS), the company has seen an uptick in its broadband ARPU's and therefore the quarter on quarter revenue increase by 7%. This is expected to further grow as more and more of its customers base converts



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to this state of art service offering. Currently we have added 10,000 subscribers on our DOCSIS 3.0 platform.

The company has recently been recognized as the best MSO Broadband Internet Service provider in India by Indiantelevision.com

Caution Concerning Forward-Looking Statements:

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements

Hathway Cable & Datacom Limited is under no obligation to and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

About Hathway Cable & Datacom Limited

Hathway is a leading cable television services provider in India, as well as one of the leading cable broadband services providers. We offer cable television services across 140 cities and towns and high-speed cable broadband services across 20 cities. We have won a number of awards for our cable television services such as being named "Best MSO" by the Indian Telly Awards Nine Times. Our Company has established 20 digital head-ends in the country.

We hold a pan India ISP license and were the first cable television services provider to offer broadband internet services. We are currently India's largest cable broadband services provider, with approximately 1.5 million two-way broadband enabled homes passes, as on March 31, 2013. In addition to our cable television and broadband service offerings, we also generate advertising and airtime revenue from advertisements aired for and on behalf of channels owned by third parties, such as the Hathway music channel.