Ortel Communications Ltd.

www.ortelcom.com

Bringing Convergence to India

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Date: 27 January, 2016

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Exchange Plaza
Bandra Kurla Complex, Bandra (E)
Mumbai-400051

&

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

Dear Sir/Madam;

Sub: Press release and presentation on un-audited financial result of the company for third quarter and nine months ended 31 December, 2015 - Scrip Code: ORTEL (NSE), 539015 (BSE)

We are enclosing here with Press release and Presentation on the un-audited financial result of the company for third quarter and nine months ended on 31 December, 2015.

This is for your information and record.

For Ortel Communications Ltd

Ortel Communications Limited Bhubaneswar

(Lalit Kr. Mohanty)
Company Secretary & Compliance Officer

Encl: as above

Ortel communications
An ISO 9001 2008 COMPANY

Press Release

Date: 27th January 2016

Ortel Communications announces Q3 & 9M FY2016 Results

9M FY16

Total Income higher by 22% to Rs. 1,416 million

EBITDA improved by 34% to Rs. 519 million

PAT positive at Rs. 92 million Vs. Rs. (1) million in 9M FY15

(PAT of Rs. 56 million in FY15 full year)

Total RGUs at 626,475

Bhubaneshwar, January 27, 2016: Ortel Communications Limited (Ortel), one of the leading cable television and high speed broadband services provider focused in the Indian states of Odisha, Chhattisgarh, Madhya Pradesh, Andhra Pradesh, Telengana and West Bengal, announced its financial results for the quarter and nine months ended December 31, 2015.

9M FY2016 performance overview compared with 9M FY2015

- Total Income increased to Rs. 1,416 million from Rs. 1,158 million, up by 22.3%
- EBITDA grew by 33.6% to Rs. 519 million from Rs. 388 million
    - EBITDA margin stood at 36.7%, up by 310 bps
- Profit After Tax came in at Rs. 92 million compared to a loss of Rs. 1 million
- EPS amounted to Rs. 3.02 per share

Q3 FY2016 performance overview compared with Q3 FY2015

- Total Income increased to Rs. 502 million from Rs. 404 million, up by 24.4%
- EBITDA grew by 29.7% to Rs. 187 million from Rs. 144 million
    - EBITDA margin stood at 37.3%, up by 150 bps
- Profit After Tax came in at Rs. 39 million compared to a loss of Rs. 1 million
- EPS amounted to Rs. 1.28 per share

Commenting on the performance, Mr. Bibhu Prasad Rath, President & CEO at Ortel Communications said:

"I am delighted to share that our key strategy of LCO buyout is receiving huge response in our markets. Healthy addition to RGUs has led to strong growth of 38% in bottom-line on a Q-o-Q basis. Given the strong pipeline of RGUs yet to be integrated, we are confident of improving upon this solid performance in the coming quarters. Broadband business continues to do well and remains a key focus area for us. We are working towards delivering notable growth in subscriber base, which would further augment our performance and overall profitability.

FY2016 will be one-of-the-best-years in the history of Ortel Communications backed by record RGU additions and solid visibility for LCO buyouts in the coming year. With more than 90% subscribers on 'last mile', we remain committed to this model and strongly believe it will create tremendous value for all stakeholders going forward."

Key Developments

- **Positive momentum in Revenue Generating Units (RGUs):** During the nine-month period, the total RGU additions stood at 96,364 compared to 14,276 in full year FY15
    - Net addition of 54,641 subscribers in Q3 FY16, taking the total RGUs to 626,475
    - Trend in RGU addition remains strong – the Company anticipates further increase Q4 FY16 onwards

- **Strong LCO Buyouts:** Signed network buy out agreements with multiple MSOs and LCOs during the year
    - Record 91,285 RGUs in the pipeline which will be integrated to Company's last mile network in the forthcoming months

- **Introduced Wi-Fi Public Hot Spot Services for Broadband Subscribers:** Launched Wi-Fi Public Hot Spot Services in busiest locations of Bhubaneswar where people go for shopping and leisure
    - Customers can avail these services at multiple locations through their Smartphones, Tablet PCs and Laptops in addition to their existing primary address
    - Ortel is the first MSO and ISP to offer an additional wireless broadband service at public places in Bhubaneswar for its wired broadband subscribers
    - Path-breaking value-added services to provide impetus to marketing initiatives

- **Steady growth in Broadband Business:** Net addition of 9,190 subscribers in 9M FY16 taking the total Broadband RGUs to 67,709 Vs. net addition of 4,092 subscribers in full year FY2015

- Net addition of 4,046 subscribers in Q3 FY16 – the Company expects healthy incremental growth Q-o-Q going forward given the initiatives executed in the past few quarters
- Segment is an integral part of the Company's strategy to drive growth and profitability in the coming years

- **Lower interest costs:** SREI Equipment Finance Limited, the largest lender of the Company, extended a prompt payment rebate (PPR) of 1% on the Company's borrowings with effect from October 01, 2015. This is in addition to the earlier rebate of 0.75%, which would bring down the effective interest rate to 14.25%
  - Will strengthen Company's balance sheet and lead to notable savings in interest costs
  - Actively working towards further reduction in overall interest costs

- ENDS -

About Ortel Communications Limited (ORTEL)

Ortel Communications (NSE Code: ORTEL; BSE Code: 539015) is a leading cable television and high speed broadband services provider focused in the Indian states of Odisha, Chhattisgarh, Madhya Pradesh, Andhra Pradesh, Telengana & West Bengal. The Company has built a two-way communication network for 'Triple Play' services (video, data and voice capabilities) with control and focus over the 'Last Mile' network. Ortel has pioneered the primary point cable business model in India by offering digital and analog cable television, broadband and VAS services. The Company has a dominant position in Orissa, with emerging presence in Chhattisgarh, Madhya Pradesh, Andhra Pradesh, Telengana & West Bengal, covering an addressable market of close to 5 million homes. The business is broadly divided into cable television services comprising of analog cable television services, digital cable television services including other value added services such as HD services, near video on demand (NVoD), gaming and local content. Other focused business segments include broadband services, leasing of fibre infrastructure and signal uplinking services.

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Disclaimer:

Certain statements made in this release may not be based on historical information or facts and may be "forward looking statements", including those relating to the business, financial performance, strategy and results of the Company and/or the industry in which it operates. The forward-looking statements contained in this release are based on numerous assumptions and are uncertain and subject to risks. A multitude of factors including, but not limited to, changes in demand and competition, can cause actual events, performance or results to differ significantly from any anticipated development. The Company does not guarantee that the assumptions underlying such forward-looking statements are free from errors and do not accept any responsibility for the future accuracy of the forward-looking statements contained in this presentation or the actual occurrence of the forecasted developments. Forward-looking statements speak only as of the date of this presentation. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.

Presentation....

Presentation Follows.....

Ortel communications

An ISO 9001 2008 COMPANY

'BRINGING CONVERGENCE TO INDIA'

Ortel Communications Ltd.

Q3 FY2016 Earnings Presentation – January 27, 2016

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At a Glance

LAST MILE

Owns & operates its network

RIGHT OF WAY

Legal 'rights of way' for entire network

B2C

Direct customer access leads to greater control

TWO-WAY

Network enabled for 'Triple Play' (video, data and voice)

26,204

Kilometers of cable network

1,034,972

Estimated homes reached

626,475

Revenue Generating Units (RGUs)

91%

Subscriber base on 'last mile' network

37%

EBITDA margin

11%

Total broadband subscribers

17%

Revenue contribution from broadband

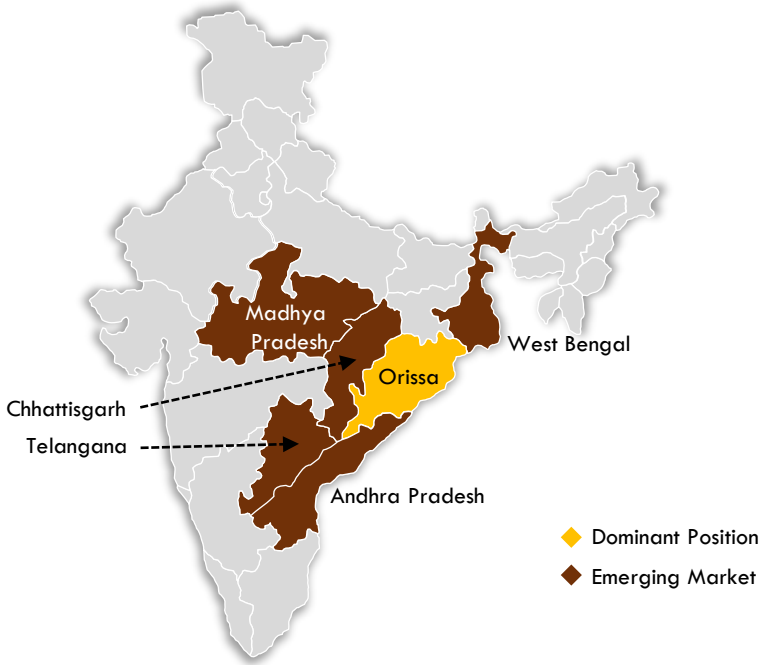
24%

Digital cable TV Penetration

Note: Figures highlighted above are as on December 31, 2015

Ortel: Dominant Regional Player with Direct to Consumer Offering

- Regional cable television and broadband provider focused in the Indian states of Odisha, Chhattisgarh, Madhya Pradesh, Andhra Pradesh, Telengana & West Bengal
  - Addressable market of ~5 mn homes; 626k RGUs covered
  - Rapidly growing markets with maximum headroom for growth in the cable TV and broadband industry
- Direct to consumer business model with full control over the 'last mile'
  - 91% of the subscriber base under own network
- Two-way communication network for 'Triple Play' service delivery (video/ TV, data/ broadband and voice capabilities)
  - HFC network (combination of optic fibre in the backbone and coaxial cable in the downstream) with legal 'rights of way' for laying network
  - Capable of providing broadband at speed of up to 50 mbps through use of cable modem with DOCSIS 3.0 technology
- Grown both organically and inorganically – through buyout of network equipment, infrastructure and subscribers of other MSOs and LCOs



Estimated Homes Reached	1,034,972
RGUs	626,475
Cable television subscribers	558,766
Digital subscribers as a % of cable TV subscribers	23.70%
Broadband subscribers	67,709
Broadband subscribers as a % of total RGUs	10.80%

Note: *Data above is as on December 31, 2015*

Growth through increased penetration, digitization, inorganic acquisition and increased broadband penetration

Differentiated Play As Compared To Peers

Operating model in-line with Global Players i.e. B2C, unlike the more prevalent B2B business model in India

B2B business model faces several challenges

- Current business model of most MSOs in India besides Ortel, is largely based on the B2B platform whereby they operate through franchisees / LCOs and they do not deal with customers directly
- Dependence on LCOs makes MSOs vulnerable to large scale customer churn (essentially LCO churn)
- MSOs and broadcasters get less than their fair share of revenues due to under-reporting by LCOs
- With no access to end-customers, no possibilities of offering additional higher-margin services like broadband
- Over-dependence on placement fees is one of the biggest risks in the B2B business model
- Even in a digitized market (Phase I and II), B2B players continue to face challenges on billing, collections and recoveries on investment made in placing STBs in LCO networks and head ends since the point of contact with consumers continues to be the LCO

Ortel owns & controls the 'last mile'

- Ortel owns / operates its own network and owns 91% of its subscribers
- Ensures legally approved rights of way, superior service, minimal leakages and that the quality of network is uniformly maintained
- Control on billing of subscribers and collections
- Direct collections from customers help in controlling trade receivables and reduce bad debts resulting in better margins and cash flows
- Direct access to consumers limits large scale subscriber churn
- Tripe play network allows the Company to offer full range of services across video, data, voice and network infrastructure leasing for customer's benefit
- Ensure 100% of economics on above services accrues to the Company, thereby enabling efficient capital deployment and maximising the ROI objective

High Quality Network Infrastructure With Legal 'Rights of Way'

Technology & Network

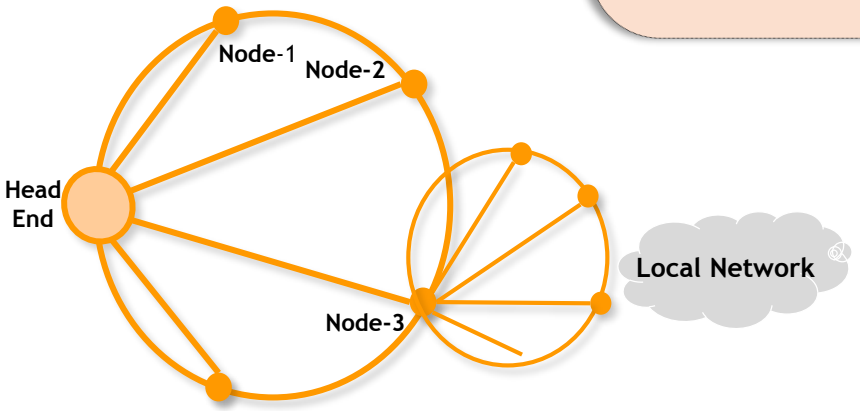
26,204	Across 67	Head end 51	8
Kms of cable	towns	Analog	Digital

Network as on December 31, 2015

- Two-way enabled communication network that can provide triple play services of video, data and voice
- Network ready for deployment of digital services without further up gradation
- Legal 'rights of way' for entire network
- Stringent network design parameters and constant upgradation of technology to maintain a high quality of service

Strong Infrastructure in place…

Fibre optic cable used as a network backbone



Coaxial cable is used downstream for broadband data and cable systems

…multiple streams of revenues with marginal additional capex

- Analog Cable TV
- Broadband
- Video on Demand (NVoD)
- HD TV
- Digital Cable TV
- Signal Uplinking Services
- Gaming
- Fibre Leasing

Growth Strategy

- Deeper penetration in existing geographies and entry into new geographies
- Increased penetration of digital television services
- Increase broadband subscriber base
- Expansion through buyout of network equipments, infrastructure and subscribers of other MSOs and LCOs
- Leasing of fibre infrastructure to corporates

Key Operating Highlights

Particulars	Unit	FY13	FY14	FY15	Q3 FY15	Q4 FY15	Q1 FY16	Q2 FY16	Q3 FY16
Total Homes Passed	Nos.	802,016	805,389	810,414	808,352	810,414	838,437	925,537	1,034,972
Total RGUs	Nos.	486,255	515,835	530,111	526,551	530,111	542,217	571,834	626,475
RGU Penetration Ratio	%	60.6%	64.0%	65.4%	65.1%	65.4%	64.7%	61.8%	60.5%
Inactive RGUs (as a % of total RGUs)	%	1.2%	1.3%	1.7%	1.8%	1.7%	1.9%	1.8%	1.9%
Churn (Only Primary Not Annualised)	%	16.3%	13.5%	17.7%	4.8%	5.0%	4.8%	5.1%	4.7%
Digital Cable TV RGUs (Primary)	Nos.	68,219	69,873	106,259	94,926	106,259	112,296	117,401	127,098
Digital Cable TV RGUs (Secondary)	Nos.	-	-	916	369	916	1,357	2,924	5,241
Analog Cable TV RGUs (Primary)	Nos.	318,727	336,263	302,647	313,446	302,647	307,923	330,739	376,910
Analog Cable TV RGUs (Secondary)	Nos.	48,682	55,272	61,770	59,533	61,770	59,741	57,107	49,517
Total Cable TV RGUs	Nos.	435,628	461,408	471,592	468,274	471,592	481,317	508,171	558,766
Broadband RGUs (Primary)	Nos.	50,627	54,427	58,519	58,277	58,519	60,900	63,663	67,709
Primary RGUs (as a % of total RGUs)	%	90.0%	89.3%	88.2%	88.6%	88.2%	88.7%	89.5%	91.3%
Broadband RGUs (as a % of total RGUs)	%	10.4%	10.6%	11.0%	11.1%	11.0%	11.2%	11.1%	10.8%
Digital Cable TV RGUs (as a % of Total Cable RGUs)	%	15.7%	15.1%	22.7%	20.4%	22.7%	23.6%	23.7%	23.7%

Key Operating Highlights (Cont'd.)

Particulars	Unit	FY13	FY14	FY15	Q3 FY15	Q4 FY15	Q1 FY16	Q2 FY16	Q3 FY16
Total owned network length	Kms	21,046	21,614	22,629	22,411	22,629	23,345	24,621	26,204
Towns covered	Nos.	48	48	48	48	48	52	59	67
Analog Cable TV ARPU (Primary)	INR/ Sub/ Month	136	147	145	147	145	144	143	141
Digital Cable TV ARPU (Primary)	INR/ Sub/ Month	157	177	186	186	186	185	183	181
Broadband ARPU	INR/ Sub/ Month	405	412	394	394	394	393	395	396
Average employees	Nos.	1,049	981	1,075	1,085	1,132	1,286	1,488	1,743
Average RGUs per employee	Nos.	459	526	493	485	469	422	384	359
Net personnel cost per employee per month	INR	13,564	12,069	12,922	12,579	12,276	12,662	11,793	10,327
Revenue per employee per month	INR	96,796	112,720	124,900	124,025	133,660	111,666	108,104	96,075
Per user per month data usage	MB	2,666	3,126	3,143	3,483	2,979	2,967	3,433	4,606
Pay Channel cost per cable TV customer	INR/ Sub/ Month	57.66	58.88	61.14	59.38	60.25	62.35	63.63	57.05
Pay Channel cost as a % of cable TV subscription	%	46.1%	41.9%	43.3%	41.7%	43.3%	44.7%	45.9%	43.0%

Consolidated Summarized Profit & Loss Statement

Particulars (Rs. million)	9M FY16	9M FY15	Y-o-Y Growth	Q3 FY16	Q3 FY15	Y-o-Y Growth	Q2 FY16	Q-o-Q Growth
Revenues from operations	**1,344**	**1,099**	**22.3%**	**480**	**394**	**21.8%**	**458**	**4.9%**
Other Income	71	59	21.6%	22	9	137.7%	25	-10.1%
Total Revenue	**1,416**	**1,158**	**22.3%**	**502**	**404**	**24.4%**	**482**	**4.1%**
Total Expenditure	896	769	16.6%	315	259	21.5%	310	1.8%
- Programming Cost	275	257	6.8%	91	83	9.7%	94	-3.3%
- Bandwidth Cost	58	49	17.2%	21	17	25.4%	19	9.1%
- Employee Benefit Expenses	162	123	31.9%	57	43	31.6%	56	0.6%
- Other Expenses	402	339	18.3%	146	116	25.7%	139	4.7%
EBITDA (Excluding Other Income)	448	330	35.8%	165	135	22.3%	148	11.4%
EBITDA (Including Other Income)	519	388	33.6%	187	144	29.7%	173	8.4%
EBITDA margin (Excluding Other Income)	33.3%	30.0%	+330 bps	34.4%	34.3%	+10 bps	32.4%	+200 bps
EBITDA margin (Including Other Income)	36.7%	33.6%	+310 bps	37.3%	35.8%	+150 bps	35.8%	+150 bps
Finance Costs	174	170	2.6%	58	58	0.4%	60	-1.9%
Depreciation & Fixed Assets written off	205	170	20.2%	74	69	8.0%	70	5.8%
Amortization Expense	28	45	-37.1%	9	14	-40.3%	8	14.2%
PBT	**112**	**4**	**2713.2%**	**46**	**3**	**1353.7%**	**36**	**29.3%**
PAT	**92**	**-1**	**NM**	**39**	**-1**	**NM**	**28**	**37.5%**
PAT *Margin*	**6.5%**	**0.0%**	**+650 bps**	**7.7%**	**-0.3%**	**+800 bps**	**5.9%**	**+180 bps**

Balance Sheet and Cash Flow Snapshot

Particulars (Rs. million)	As on December 31, 2015	As on Sept 30, 2015	As on Mar 31, 2015
Assets			
Non-current assets	2,914	2,562	2,221
Current assets	1,128	1,370	1,520
Total assets	**4,042**	**3,932**	**3,741**
Liabilities			
Shareholders' Funds	1,366	1,326	1,271
Non-current liabilities	1,101	1,081	1,080
Current liabilities	1,575	1,525	1,390
Total Liabilities	**4,042**	**3,932**	**3,741**
CAPEX	500	239	329
Gross Debt	1,628	1,571	1,448
Net Debt	1,096	631	263
Networth	1,366	1,326	1,271

Key Financial Ratios

Particulars	FY13	FY14	FY15	Q3 FY15	Q4 FY15	Q1 FY16	Q2 FY16	Q3 FY16
Cable TV gross margin	65%	67%	68%	69%	70%	69%	69%	71%
Broadband gross margin	84%	84%	83%	83%	83%	82%	82%	80%
EBITDA margin (Excluding Other Income)	29.3%	29.1%	34.5%	34.3%	45.4%	33.0%	32.4%	34.4%
EBITDA margin (Including Other Income)	30.4%	31.3%	37.0%	35.8%	45.9%	36.9%	35.8%	37.3%
PAT Margin	-20.3%	-10.4%	3.5%	-0.3%	12.5%	5.7%	5.9%	7.7%
Net debt to Equity	5.5	6.7	0.2	6.5	0.2	0.3	0.5	0.8
Net Debt to EBITDA (LTM)	3.8	3.3	0.4	2.7	0.4	0.7	0.9	1.5
Return on shareholder's equity	NM	NM	7.6%	NM	30.5%	7.6%	8.6%	11.6%
Return on Capital Employed (Pre-tax)	0.1%	8.3%	13.6%	14.8%	22.6%	12.7%	13.6%	14.6%
Receivable days	41	51	43	59	43	38	44	49

Notes:

1. Return on Shareholder's Equity is calculated as: PAT/ Average Networth. PAT annualized for quarterly calculation.
2. Return on Capital Employed is calculated as: EBIT/ Average Capital Employed. EBIT annualized for quarterly calculation.
3. "NM" denotes Not Measurable
4. "LTM" denotes Last Twelve Months

Segment-wise Revenue break-up

Particulars (Rs. million)	9M FY16	9M FY15	Y-o-Y Growth	Q3 FY16	Q3 FY15	Y-o-Y Growth	Q2 FY16	Q-o-Q Growth
Connection Fees – Cable TV	23	24	-1.4%	10	7	32.7%	7	33.8%
Cable Subscription Fees	618	594	4.0%	212	199	6.5%	206	3.4%
Channel Carriage Fees	273	189	44.2%	98	66	48.3%	97	1.4%
Total Cable TV Services Revenue	**914**	**807**	**13.3%**	**320**	**273**	**17.3%**	**309**	**3.4%**
Connection Fees – Internet	19	14	34.7%	6	4	52.3%	7	-16.5%
Internet Subscription Fees	220	200	10.0%	77	67	14.2%	74	3.5%
Total Broadband Services Revenue	**240**	**215**	**11.7%**	**83**	**71**	**16.3%**	**81**	**1.7%**
Income from Infrastructure Leasing	169	56	200.8%	70	43	61.1%	60	16.6%
Other operating income	22	22	2.9%	8	7	7.6%	7	7.3%
Total Revenue from Operations	**1,344**	**1,099**	**22.3%**	**480**	**394**	**21.8%**	**458**	**4.9%**

Region-wise Summarized Statement of Operations

Core Market (Odisha)

Particulars	9M FY16	9M FY15	Y-o-Y Growth	Q3 FY16	Q3 FY15	Y-o-Y Growth	Q2 FY16	Q-o-Q Growth
Total revenues	1,231	1028	19.7%	437	363	20.3%	423	3.4%
EBITDA	578	454	27.3%	218	171	27.1%	197	10.5%
EBITDA margin	47.0%	44.2%	+280 bps	49.8%	47.1%	+270 bps	46.6%	+320 bps
Closing Homes Passed	761,086	639,791	121,295	761,086	639,791	121,295	719,331	41,755
Closing RGUs	506,513	471,775	34,738	506,513	471,775	34,738	503,882	2,631
RGUs in pipeline	27,452	0	-	27,452	0	-	22,949	4,503

Emerging Markets (Chhattisgarh, Madhya Pradesh, Andhra Pradesh, Telengana & West Bengal)

Particulars	9M FY16	9M FY15	Y-o-Y Growth	Q3 FY16	Q3 FY15	Y-o-Y Growth	Q2 FY16	Q-o-Q Growth
Total revenues	106	94	12.2%	43	31	35.5%	33	27.7%
EBITDA	-50	-33	52.7%	-22	-15	48.6%	-18	25.8%
EBITDA margin	-47.0%	-34.6%	-1240 bps	-52.5%	-47.9%	-460 bps	-53.3%	+80 bps
Closing Homes Passed	273,886	168,561	105,325	273,886	168,561	105,325	206,206	67,680
Closing RGUs	119,962	54,776	65,186	119,962	54,776	65,186	67,952	52,010
RGUs in pipeline	63,833	0	-	63,833	0	-	41,741	22,092

9M FY2016 Financial and Operational Discussions

- Total revenues improved by 22% to Rs. 1,416 million
  - Growth was led by strong addition as well as integration of new subscribers to Ortel's last mile network

- Total expenditure increased to Rs. 896 million, up by 17%
  - Employee expenses during the period stood higher at Rs. 162 million largely on account of higher employee base required to support a robust last mile network

- EBITDA (including other income) stood higher by 34% to Rs. 519 million
  - EBITDA Margin improved to 36.7%, higher by 310 bps compared to 33.6% in the same period last year
  - Gross Margin for Cable and Broadband segments stood at 71% & 80% respectively

- Total RGUs as on December 31, 2015 stood strong at 626,475 as compared to 526,551 in the same period last year

- 91.3% of the subscriber base on Ortel's 'last mile' network as on December 31, 2015

- Profit After Tax came in at Rs. 92 million Vs Rs. (1) million in the corresponding period last year

Key Developments

- **Positive momentum in Revenue Generating Units (RGUs):** During the nine-month period, the total RGU additions stood at 96,364 compared to 14,276 in full year FY15
  - Net addition of 54,641 subscribers in Q3 FY16, taking the total RGUs to 626,475
  - Trend in RGU addition remains strong – the Company anticipates further increase Q4 FY16 onwards

- **Strong LCO Buyouts:** Signed network buy out agreements with multiple MSOs and LCOs during the year
  - Record 91,285 RGUs in the pipeline which will be integrated to Company's last mile network in the forthcoming months

- **Introduced Wi-Fi Public Hot Spot Services for Broadband Subscribers:** Launched Wi-Fi Public Hot Spot Services in busiest locations of Bhubaneswar where people go for shopping and leisure
  - Customers can avail these services at multiple locations through their Smartphones, Tablet PCs and Laptops in addition to their existing primary address
  - Ortel is the first MSO and ISP to offer an additional wireless broadband service at public places in Bhubaneswar for its wired broadband subscribers
  - Path-breaking value-added services to provide impetus to marketing initiatives

- **Steady growth in Broadband Business:** Net addition of 9,190 subscribers in 9M FY16 taking the total Broadband RGUs to 67,709 Vs. net addition of 4,092 subscribers in full year FY2015
  - Net addition of 4,046 subscribers in Q3 FY16 – the Company expects healthy incremental growth Q-o-Q going forward given the initiatives executed in the past few quarters
  - Segment is an integral part of the Company's strategy to drive growth and profitability in the coming years

Key Developments

- **Lower interest costs:** SREI Equipment Finance Limited, the largest lender of the Company, extended a prompt payment rebate (PPR) of 1% on the Company's borrowings with effect from October 01, 2015. This is in addition to the earlier rebate of 0.75%, which would bring down the effective interest rate to 14.25%
  - Will strengthen Company's balance sheet and lead to notable savings in interest costs
  - Actively working towards further reduction in overall interest costs

Management Comment

Commenting on the performance, Mr. Bibhu Prasad Rath, President & CEO at Ortel Communications said:

"I am delighted to share that our key strategy of LCO buyout is receiving huge response in our markets. Healthy addition to RGUs has led to strong growth of 38% in bottom-line on a Q-o-Q basis. Given the strong pipeline of RGUs yet to be integrated, we are confident of improving upon this solid performance in the coming quarters. Broadband business continues to do well and remains a key focus area for us. We are working towards delivering notable growth in subscriber base, which would further augment our performance and overall profitability.

FY2016 will be one-of-the-best-years in the history of Ortel Communications backed by record RGU additions and solid visibility for LCO buyouts in the coming year. With more than 90% subscribers on 'last mile', we remain committed to this model and strongly believe it will create tremendous value for all stakeholders going forward."

Glossary

ARPU	Average Revenue Per User Per Month
B2B	Business to Business
B2C	Business to Consumer
CAGR	Compounded Annual Growth Rate
DOCSIS	Data Over Cable Service Interface Specification
DTH	Direct-to-Home
HFC	Hybrid Fibre Coaxial
LCOs	Local Cable Operator
MSOs	Multi System Operators
NVoD	Near Video on Demand
RGUs	Revenue Generating Units (Analog + Digital + Broadband)
VoD	Video on Demand denotes Not Meaningful
NM	Not Measurable

Conference Call Details

Ortel Communications' Q3 FY2016 Earnings Conference Call

Time	• 02.30 pm IST on Thursday, January 28, 2016
Conference dial-in	• Primary number: +91 22 3938 1071 • Secondary number: +91 22 6746 8354
Toll Free Number	• Hong Kong: 800 964 448 • Singapore: 800 101 2045 • UK: 0 808 101 1573 • USA: 1 866 746 2133

About Us

Ortel Communications Limited (ORTEL)

Ortel Communications (NSE Code: ORTEL; BSE Code: 539015) is a leading cable television and high speed broadband services provider focused in the Indian states of Odisha, Chhattisgarh, Madhya Pradesh, Andhra Pradesh, Telengana & West Bengal. The Company has built a two-way communication network for 'Triple Play' services (video, data and voice capabilities) with control and focus over the 'last mile' network. Ortel has pioneered the primary point cable business model in India by offering digital and analog cable television, broadband and VAS services. The Company has a dominant position in Orissa, with emerging presence in Chhattisgarh, Madhya Pradesh, Andhra Pradesh, Telengana and West Bengal, covering an addressable market of close to 5 million homes. The business is broadly divided into cable television services comprising of analog cable television services, digital cable television services including other value added services such as HD services, near video on demand (NVoD), gaming and local content. Other focused business segments include broadband services, leasing of fibre infrastructure and signal uplinking services.

For further information, please contact:

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