

DISH Network Reports Third Quarter 2017 Financial Results

Hurricane in Puerto Rico, U.S. Virgin Islands impacts results

ENGLEWOOD, Colo.-- Nov. 9, 2017 -- ([BUSINESS WIRE](#))-- DISH Network Corp. (NASDAQ: DISH) today reported revenue totaling \$3.58 billion for the quarter ending September 30, 2017, compared to \$3.77 billion for the corresponding period in 2016. Subscriber-related revenue for the quarter totaled \$3.55 billion, compared to \$3.73 billion in subscriber-related revenue for the year-ago period.

Net income attributable to DISH Network totaled \$297 million for the third quarter 2017, compared to net income of \$318 million from the year-ago quarter. Diluted earnings per share for the quarter ending September 30, 2017, were \$0.57, compared with \$0.67 during the same period in 2016.

DISH includes all of its Sling TV subscribers in the company's total Pay-TV metrics, including in the Pay-TV subscriber, Pay-TV ARPU and Pay-TV churn rate numbers set forth below. Sling TV subscribers are reported net of disconnects in the company's gross new Pay-TV subscriber activations.

During September 2017, Hurricane Maria caused extraordinary damage in Puerto Rico and the U.S. Virgin Islands, resulting in a widespread loss of power and infrastructure. Given the devastation and loss of power, substantially all customers in those areas were unable to receive DISH service as of September 30, 2017.

In an effort to ensure customers would not be charged for services they were unable to receive, DISH proactively paused service for those customers.

Accordingly, DISH removed approximately 145,000 subscribers, representing all of its subscribers in Puerto Rico and the U.S. Virgin Islands, from its ending Pay-TV subscriber count as of September 30, 2017. The company closed the third quarter with 13.203 million Pay-TV subscribers compared to 13.643 million Pay-TV subscribers at the end of third quarter 2016. Other metrics including gross new Pay-TV subscriber activations, net Pay-TV subscriber additions/losses and Pay-TV churn rate for the period ended September 30, 2017 were not adjusted for the impact of Hurricane Maria.

In the third quarter, DISH activated approximately 638,000 gross new Pay-TV subscribers, compared to approximately 736,000 gross new Pay-TV subscribers in the prior year's third quarter. In the 50 states, net Pay-TV subscribers grew approximately 16,000 in the third quarter.

When accounting for the one-time removal of 145,000 subscribers in Puerto Rico and the U.S. Virgin Islands and for 16,000 net Pay-TV subscriber additions in the 50 states, Pay-TV subscribers declined approximately 129,000 in the third quarter.

In light of the situation in Puerto Rico and the U.S. Virgin Islands, DISH expects to incur certain expenses in connection with the re-activation of returning customers in these areas. Accordingly, any returning customers will be recorded as gross new Pay-TV subscriber activations for the period in which they return.

Pay-TV subscriber churn rate was 1.57 percent versus 2.11 percent for third quarter 2016.

Pay-TV ARPU for the third quarter totaled \$87.23, compared to the year-ago period's Pay-TV ARPU of \$89.44.

Year-to-Date Review

For the first nine months of 2017, DISH Network's revenue totaled \$10.91 billion, compared to \$11.46 billion in revenue from the same period last year. Year to date, net income attributable to DISH Network totaled \$713 million, compared with \$1.14 billion during the same period last year. DISH's net income for the first nine months of 2017 was negatively impacted by litigation expenses, net of related taxes, of \$280 million.

Diluted earnings per share were \$1.42 for the first nine months of 2017, compared with \$2.43 during the same period in 2016.

Detailed financial data and other information are available in DISH Network's Form 10-Q for the quarter ended September 30, 2017, filed today with the Securities and Exchange Commission. DISH Network will host its third quarter 2017 financial results conference call today at noon ET. Participant conference numbers: (866) 564-2842 (U.S.) and (323) 794-2094, Conference ID: 6845089.

A webcast replay will be available on DISH's Investor Relations website, <http://dish.client.shareholder.com>, today and will remain available for 48 hours.

About DISH

DISH Network Corp. (NASDAQ:DISH), through its subsidiaries, provides approximately 13.203 million pay-TV subscribers, as of September 30, 2017, with the highest-quality programming and technology with the most choices at the best value. DISH offers a high definition line-up with more than 200 national HD channels, the most international channels and award-winning HD and DVR technology. DISH Network Corporation is a Fortune 200 company. Visit www.dish.com.

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