

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**Form 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **February 23, 2015**

**DISH NETWORK CORPORATION**

(Exact name of registrant as specified in its charter)

**NEVADA**  
(State or other jurisdiction  
of incorporation)

**0-26176**  
(Commission File Number)

**88-0336997**  
(IRS Employer  
Identification No.)

**9601 SOUTH MERIDIAN BLVD.  
ENGLEWOOD, COLORADO**  
(Address of principal executive offices)

**80112**  
(Zip Code)

**(303) 723-1000**  
(Registrant's telephone number, including area code)

**DISH DBS CORPORATION**

(Exact name of registrant as specified in its charter)

**COLORADO**  
(State or other jurisdiction of  
incorporation)

**333-31929**  
(Commission File Number)

**84-1328967**  
(IRS Employer  
Identification No.)

**9601 SOUTH MERIDIAN BLVD.  
ENGLEWOOD, COLORADO**  
(Address of principal executive offices)

**80112**  
(Zip Code)

**(303) 723-1000**  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 2.02. Results of Operations and Financial Condition.**

On February 23, 2015, DISH Network Corporation issued a press release reporting financial results for the year ended December 31, 2014. A copy of the press release is attached hereto as Exhibit 99.1 and incorporated herein by reference. DISH Network Corporation's investor summary for the year ended December 31, 2014 is attached hereto as Exhibit 99.2 and incorporated herein by reference.

The information contained in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, is being furnished and shall not be deemed "filed" with the Securities and Exchange Commission or otherwise incorporated by reference into any registration statement or other document filed pursuant to the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

Exhibit 99.1 Press Release "DISH Network Reports Year-End 2014 Financial Results" dated February 23, 2015.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned hereunto duly authorized.

DISH NETWORK CORPORATION  
DISH DBS CORPORATION

Date: February 23, 2015

By: /s/ Steven E. Swain  
Steven E. Swain  
Senior Vice President and Chief Financial Officer

**EXHIBIT INDEX**

<u>Exhibit Number</u>	<u>Description</u>
Exhibit 99.1	Press Release "DISH Network Reports Year-End 2014 Financial Results" dated February 23, 2015.
Exhibit 99.2	Investor Summary for the year ended December 31, 2014.

**DISH Network Reports Year-End 2014 Financial Results**

**ENGLEWOOD, Colo., Feb. 23, 2015** — DISH Network Corporation (NASDAQ: DISH) reported 2014 total revenue of \$14.6 billion compared to \$13.9 billion in 2013, an increase of 5.3 percent. Net income attributable to DISH Network in 2014 increased 17.0 percent to \$945 million from \$807 million in 2013. Diluted earnings per share were \$2.04 in 2014, compared with \$1.76 in 2013.

For the full year, DISH activated approximately 2.601 million gross new Pay-TV subscribers compared to approximately 2.666 million in 2013. DISH ended 2014 with approximately 13.978 million Pay-TV subscribers compared with approximately 14.057 million at the end of 2013.

Pay-TV average monthly revenue per subscriber was \$83.77 during 2014 versus \$80.37 in 2013. Pay-TV average monthly subscriber churn for 2014 increased slightly to 1.59 percent from 1.58 percent in 2013.

DISH added approximately 141,000 net broadband subscribers in 2014, bringing its total broadband subscriber base to approximately 577,000 compared to approximately 436,000 at the close of 2013.

Detailed financial data and other information are available in DISH Network's Form 10-K for the year ended Dec. 31, 2014, filed today with the Securities and Exchange Commission.

DISH Network will host its fourth quarter and full-year 2014 financial results conference call today at noon Eastern time. The dial-in numbers are (800) 616-6729 (U.S. toll-free) or (763) 488-9145, conference ID number 85142160.

**About DISH**

DISH Network Corp. (NASDAQ: DISH), through its subsidiaries, provides approximately 13.978 million pay-TV subscribers, as of Dec. 31, 2014, with the highest-quality programming and technology with the most choices at the best value. Subscribers enjoy 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 250 company. Visit [www.dish.com](http://www.dish.com).

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# **INVESTOR SUMMARY**

**February 23, 2015**



# DISH NETWORK REPORTS

## YEAR-END 2014

### FINANCIAL RESULTS

ENGLEWOOD, Colo., Feb. 23, 2015 – DISH Network Corporation (NASDAQ: DISH) reported 2014 total revenue of \$14.6 billion compared to \$13.9 billion in 2013, an increase of 5.3 percent. Net income attributable to DISH Network in 2014 increased 17.0 percent to \$945 million from \$807 million in 2013. Diluted earnings per share were \$2.04 in 2014, compared with \$1.76 in 2013.

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DISH 2014 Financial Results  
Conference Call – Noon ET Today  
U.S. or Canada 800-616-6729  
Internationally 763-488-9145  
Conference ID: 85142160

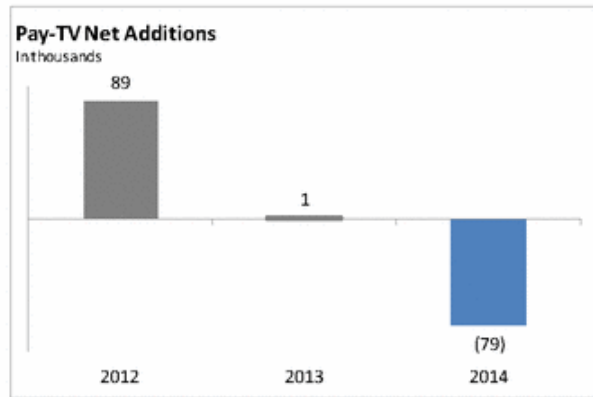
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# DISH SEGMENT – PAY-TV METRICS

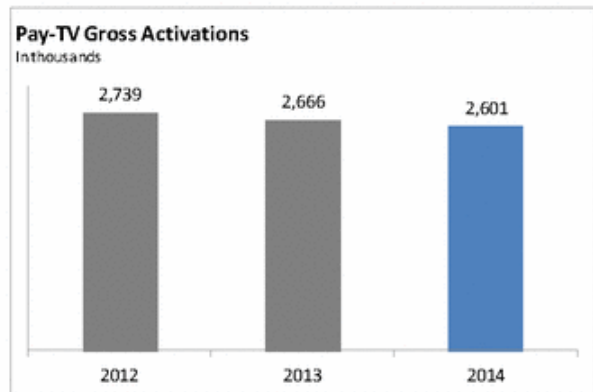
## Pay-TV Net Additions

DISH lost approximately 79,000 net Pay-TV subscribers during the year ended December 31, 2014, compared to the addition of approximately 1,000 net Pay-TV subscribers during the same period in 2013. The decrease in net Pay-TV subscriber additions versus the same period in 2013 primarily resulted from lower gross new Pay-TV subscriber activations and programming interruptions in connection with the scheduled expiration of certain programming carriage contracts with several content providers.



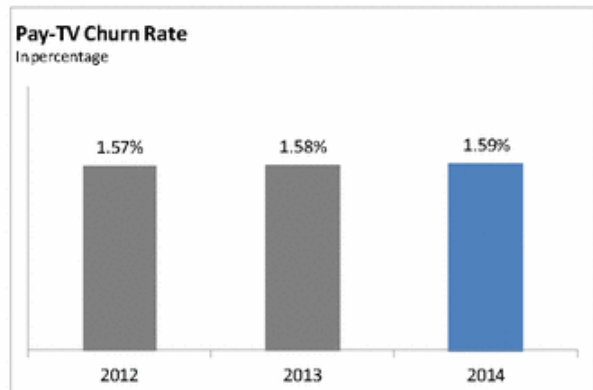
## Pay-TV Gross Activations

During the year ended December 31, 2014, DISH activated approximately 2.601 million gross new Pay-TV subscribers compared to approximately 2.666 million gross new Pay-TV subscribers during the same period in 2013, a decrease of 2.4%. Our gross new Pay-TV subscriber activations during 2014 were negatively impacted by programming interruptions in connection with the scheduled expiration of certain programming carriage contracts with several content providers. In addition, our gross new Pay-TV subscriber activations continue to be negatively impacted by increased competitive pressures, including aggressive marketing, discounted promotional offers, and more aggressive retention efforts.



## Pay-TV Churn Rate

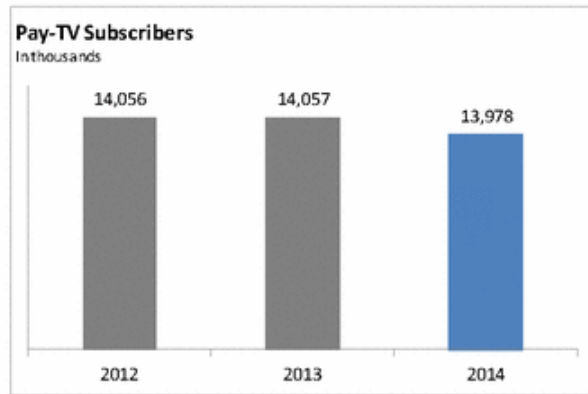
Our Pay-TV churn rate for the year ended December 31, 2014 was 1.59% compared to 1.58% for the same period in 2013. Our Pay-TV churn rate continues to be adversely affected by increased competitive pressures, including aggressive marketing and discounted promotional offers. Our Pay-TV churn rate is also impacted by, among other things, the credit quality of previously acquired subscribers, our ability to consistently provide outstanding customer service, price increases, programming interruptions in connection with the scheduled expiration of certain programming carriage contracts with several content providers, our ability to control piracy and other forms of fraud, and the level of our retention efforts.



# DISH SEGMENT – PAY-TV METRICS-CONTINUED

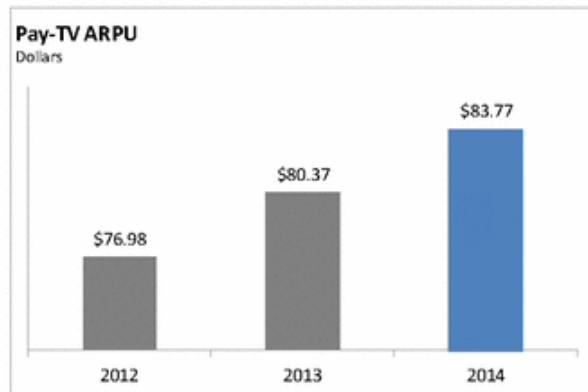
## Pay-TV Subscribers

DISH ended the year with 13.978 million Pay-TV subscribers compared to 14.057 million Pay-TV subscribers at the end of 2013.



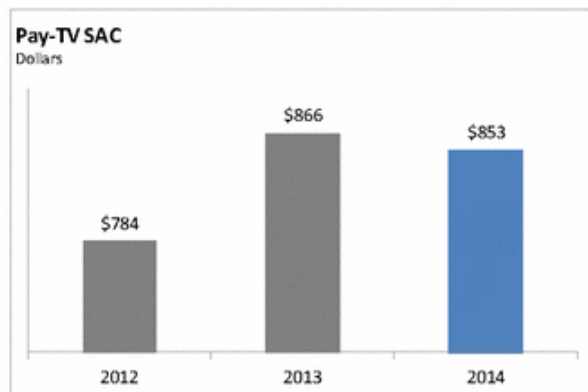
## Pay-TV ARPU

Pay-TV average monthly revenue per subscriber (Pay-TV ARPU) was \$83.77 during the year ended December 31, 2014 versus \$80.37 during the same period in 2013. The \$3.40 or 4.2% increase in Pay-TV ARPU was primarily attributable to the programming package price increases in February 2014 and 2013 and higher hardware related revenue, partially offset by a shift in programming package mix.



## Pay-TV SAC

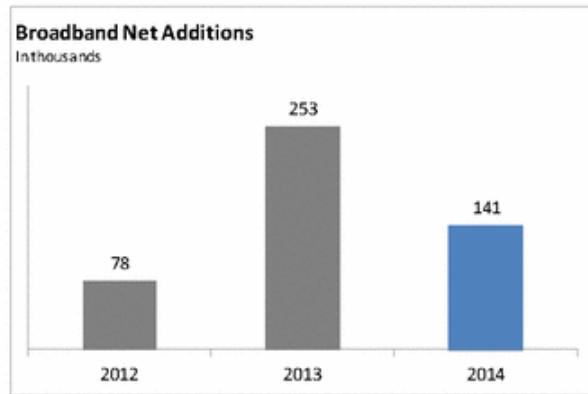
Pay-TV Subscriber Acquisition Cost (Pay-TV SAC) was \$853 during the year ended December 31, 2014 compared to \$866 during the same period in 2013, a decrease of \$13 or 1.5%. This change was primarily attributable to a decrease in hardware costs per activation, partially offset by an increase in advertising costs. The decrease in hardware costs per activation was driven by a reduction in manufacturing costs for next generation Hopper receiver systems and a higher percentage of remanufactured receivers being activated on new subscriber accounts.



# DISH SEGMENT – BROADBAND METRICS

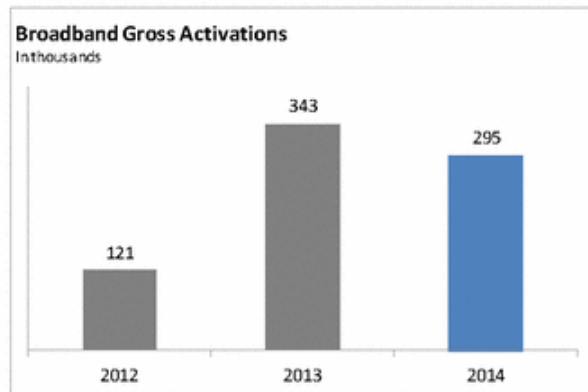
## Broadband Net Additions

DISH gained approximately 141,000 net Broadband subscribers during the year ended December 31, 2014 compared to the addition of approximately 253,000 net Broadband subscribers during the same period in 2013. This decrease in net Broadband subscriber additions versus the same period in 2013 resulted from lower gross new Broadband subscriber activations and a higher number of customer disconnects.



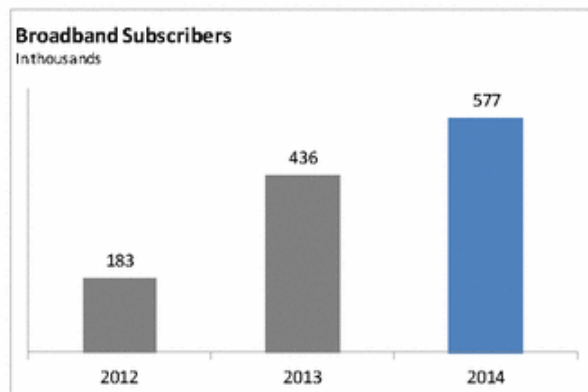
## Broadband Gross Activations

During the years ended December 31, 2014 and 2013, DISH activated approximately 295,000 and 343,000 gross new Broadband subscribers, respectively. Gross new Broadband subscriber activations declined primarily due to stricter credit policies and satellite capacity constraints in certain geographic areas.



## Broadband Subscribers

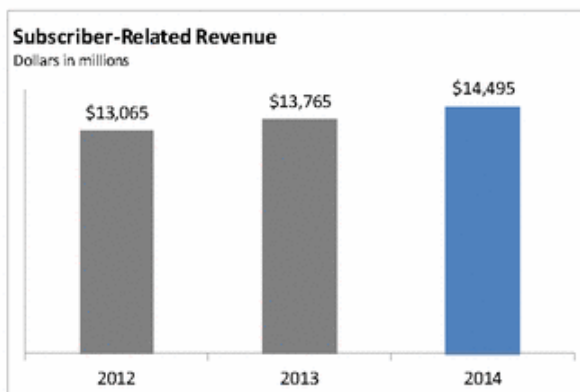
DISH ended the year with 577,000 Broadband subscribers compared to 436,000 Broadband subscribers at the end of 2013.



# SELECTED FINANCIAL RESULTS

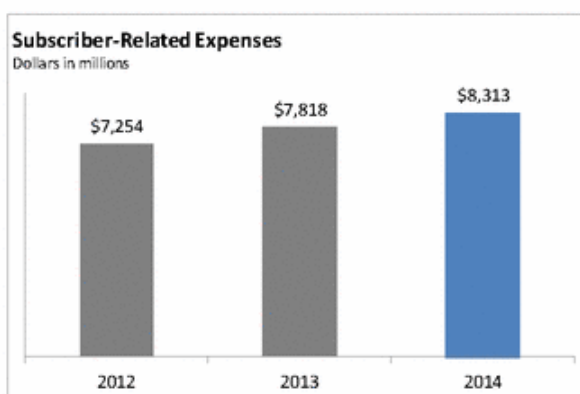
## Subscriber-Related Revenue

Subscriber-related revenue totaled \$14.495 billion for the year ended December 31, 2014, an increase of \$730 million or 5.3% compared to the same period in 2013. The change in Subscriber-related revenue from the same period in 2013 was primarily related to the increase in Pay-TV ARPU discussed previously and increased revenue from broadband services. Included in Subscriber-related revenue was \$376 million and \$221 million of revenue related to our broadband services for the years ended December 31, 2014 and 2013, respectively.



## Subscriber-Related Expenses

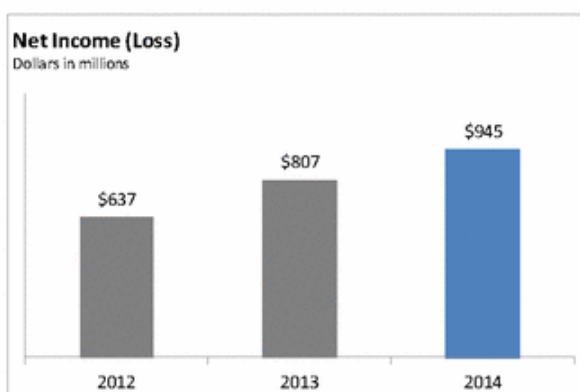
Subscriber-related expenses totaled \$8.313 billion during the year ended December 31, 2014, an increase of \$495 million or 6.3% compared to the same period in 2013. The increase in Subscriber-related expenses was primarily attributable to higher pay-TV programming costs and higher Broadband subscriber-related expenses due to the increase in our Broadband subscriber base, partially offset by a one-time reduction in programming related expense. The increase in programming costs was driven by rate increases in certain of our programming contracts, including the renewal of certain contracts at higher rates. Included in Subscriber-related expenses was \$242 million and \$143 million of expense related to our broadband services for the years ended December 31, 2014 and 2013, respectively.



## Net Income (Loss)

Net income attributable to DISH Network was \$945 million during the year ended December 31, 2014, an increase of \$137 million compared to \$807 million for the same period in 2013.

Note that net income for the year ended December 31, 2013 was negatively impacted by the \$438 million impairment charge for the T2 and D1 satellites, partially offset by the positive impact of "Other, net" income of \$385 million. Net income for the year ended December 31, 2012 was negatively impacted by \$730 million of litigation expense related to the Voom Settlement Agreement.

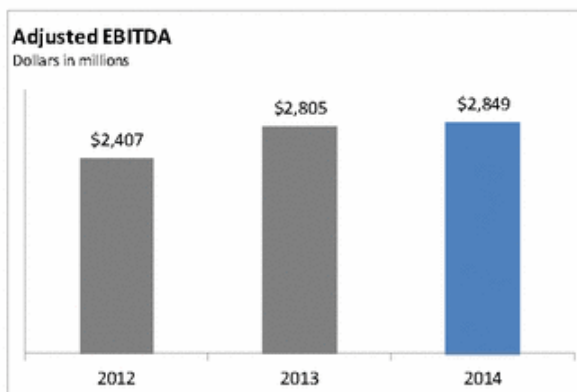


# SELECTED FINANCIAL RESULTS-CONTINUED

## Adjusted EBITDA

Adjusted EBITDA was \$2.849 billion during the year ended December 31, 2014, an increase of \$44 million or 1.6% compared to the same period in 2013. Adjusted EBITDA for the year ended December 31, 2013 was negatively impacted by the \$438 million impairment charge for the T2 and D1 satellites, partially offset by the positive impact of "Other, net" income of \$385 million.

Note that adjusted EBITDA for the year ended December 31, 2012 was negatively impacted by \$730 million of litigation expense related to the Voom Settlement Agreement.



## Non-GAAP Reconciliation- Adjusted EBITDA to Net Income

	For the Years Ended December 31,		
	2014	2013	2012
	(In thousands)		
Adjusted EBITDA.....	\$ 2,848,837	\$ 2,804,807	\$ 2,407,486
Interest, net.....	(549,368)	(596,120)	(437,145)
Income tax (provision) benefit, net.....	(276,840)	(299,826)	(331,991)
Depreciation and amortization.....	(1,077,936)	(1,054,026)	(964,484)
Income (loss) from continuing operations attributable to DISH Network.....	\$ 944,693	\$ 854,835	\$ 673,866
Plus: Income (loss) from discontinued operations, net of tax.....	-	(47,343)	(37,179)
Net income (loss) attributable to DISH Network.....	\$ 944,693	\$ 807,492	\$ 636,687

**Adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA").** Adjusted EBITDA is defined as "Net income (loss) attributable to DISH Network" less "Net income (loss) from discontinued operations, net of tax" plus "Interest expense, net of amounts capitalized" net of "Interest income," "Income tax (provision) benefit, net" and "Depreciation and amortization." Adjusted EBITDA is not a measure determined in accordance with accounting principles generally accepted in the United States ("GAAP") and should not be considered a substitute for operating income, net income or any other measure determined in

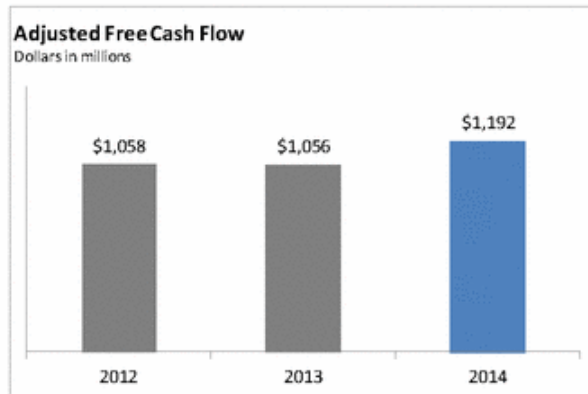
accordance with GAAP. Adjusted EBITDA is used as a measurement of operating efficiency and overall financial performance and we believe it to be a helpful measure for those evaluating companies in the pay-TV industry. Conceptually, Adjusted EBITDA measures the amount of income from continuing operations generated each period that could be used to service debt, pay taxes and fund capital expenditures. Adjusted EBITDA should not be considered in isolation or as a substitute for measures of performance prepared in accordance with GAAP.

# SELECTED FINANCIAL RESULTS-CONTINUED

## Adjusted Free Cash Flow (FCF)

Adjusted free cash flow was \$1.192 billion in 2014 and \$1.056 billion in 2013.

Note that adjusted free cash flow in 2012 includes the negative impact of \$676 million of payments for the Voom Settlement Agreement.



## Non-GAAP Reconciliation- FCF to Cash From Operations

	For the Years Ended December 31,		
	2014	2013	2012
	(In thousands)		
Adjusted free cash flow.....	\$ 1,192,270	\$ 1,055,698	\$ 1,058,384
Add back:			
Purchase of property and equipment.....	1,215,861	1,253,499	945,334
Net cash flows from operating activities from continuing operations....	<u>\$ 2,408,131</u>	<u>\$ 2,309,197</u>	<u>\$ 2,003,718</u>

**Adjusted free cash flow.** We define Adjusted free cash flow as "Net cash flows from operating activities from continuing operations" less "Purchases of property and equipment," as shown on our Consolidated Statements of Cash Flows. We believe adjusted free cash flow is an important liquidity metric because it measures, during a given period, the amount of cash generated that is available to repay debt obligations, make investments, fund acquisitions, and for certain other activities. Adjusted free cash flow is not a

measure determined in accordance with GAAP and should not be considered a substitute for "Operating income," "Net income," "Net cash flows from operating activities" or any other measure determined in accordance with GAAP. Since adjusted free cash flow includes investments in operating assets, we believe this non-GAAP liquidity measure is useful in addition to the most directly comparable GAAP measure "Net cash flows from operating activities from continuing operations."

# CONSOLIDATED BALANCE SHEETS

(Dollars in thousands, except share amounts)

	As of December 31,	
	2014	2013
<b>Assets</b>		
<i>Current Assets:</i>		
Cash and cash equivalents.....	\$ 7,104,496	\$ 4,700,022
Marketable investment securities.....	2,131,745	5,039,382
Trade accounts receivable - other, net of allowance for doubtful accounts of \$23,603 and \$15,981, respectively.....	920,103	902,416
Trade accounts receivable - EchoStar, net of allowance for doubtful accounts of zero.....	31,390	55,102
Inventory.....	493,754	512,707
Deferred tax assets.....	25,667	129,864
Prepaid income taxes.....	32,435	118,021
Current assets - discontinued operations.....	-	68,239
Derivative financial instruments.....	383,460	292,507
FCC auction deposits.....	1,320,000	328,134
Other current assets.....	134,684	167,052
<b>Total current assets.....</b>	<b>12,577,734</b>	<b>12,313,446</b>
<i>Noncurrent Assets:</i>		
Restricted cash and marketable investment securities.....	86,984	94,861
Property and equipment, net.....	3,773,539	4,097,711
FCC authorizations.....	4,968,171	3,296,665
Marketable and other investment securities.....	327,250	151,273
Noncurrent assets - discontinued operations.....	-	9,965
Other noncurrent assets, net.....	373,784	392,509
<b>Total noncurrent assets.....</b>	<b>9,529,728</b>	<b>8,042,984</b>
<b>Total assets.....</b>	<b>\$22,107,462</b>	<b>\$20,356,430</b>
<b>Liabilities and Stockholders' Equity (Deficit)</b>		
<i>Current Liabilities:</i>		
Trade accounts payable - other.....	\$ 165,324	\$ 281,932
Trade accounts payable - EchoStar.....	251,669	355,023
Deferred revenue and other.....	891,373	843,386
Accrued programming.....	1,376,130	1,242,129
Accrued interest.....	227,158	232,734
Other accrued expenses.....	519,404	512,081
Current liabilities - discontinued operations.....	-	49,471
Current portion of long-term debt and capital lease obligations.....	681,467	1,034,893
<b>Total current liabilities.....</b>	<b>4,112,525</b>	<b>4,551,649</b>
<i>Long-Term Obligations, Net of Current Portion:</i>		
Long-term debt and capital lease obligations, net of current portion.....	13,782,313	12,596,793
Deferred tax liabilities.....	1,882,711	1,945,690
Long-term liabilities - discontinued operations.....	-	19,804
Long-term deferred revenue, distribution and carriage payments and other long-term liabilities.....	276,281	245,489
<b>Total long-term obligations, net of current portion.....</b>	<b>15,941,305</b>	<b>14,807,776</b>
<b>Total liabilities.....</b>	<b>20,053,830</b>	<b>19,359,425</b>
<b>Commitments and Contingencies</b>		
Redeemable noncontrolling interests.....	41,498	-
<i>Stockholders' Equity (Deficit):</i>		
Class A common stock, \$0.01 par value, 1,600,000,000 shares authorized, 279,406,646 and 275,950,537 shares issued, 223,288,386 and 219,832,277 shares outstanding, respectively.....	2,794	2,760
Class B common stock, \$0.01 par value, 800,000,000 shares authorized, 238,435,208 shares issued and outstanding.....	2,384	2,384
Additional paid-in capital.....	2,678,791	2,588,224
Accumulated other comprehensive income (loss).....	174,507	173,872
Accumulated earnings (deficit).....	723,992	(220,701)
Treasury stock, at cost.....	(1,569,459)	(1,569,459)
<b>Total DISH Network stockholders' equity (deficit).....</b>	<b>2,013,009</b>	<b>977,080</b>
Noncontrolling interests.....	(875)	19,925
<b>Total stockholders' equity (deficit).....</b>	<b>2,012,134</b>	<b>997,005</b>
<b>Total liabilities and stockholders' equity (deficit).....</b>	<b>\$22,107,462</b>	<b>\$20,356,430</b>

# CONSOLIDATED STATEMENTS OF OPERATIONS

(Dollars in thousands, except per share amounts)

	For the Years Ended December 31,		
	2014	2013	2012
<b>Revenue:</b>			
Subscriber-related revenue.....	\$14,495,091	\$13,764,774	\$13,064,936
Equipment sales and other revenue.....	85,815	94,855	98,480
Equipment sales, services and other revenue - EchoStar.....	62,481	45,236	17,918
<b>Total revenue.....</b>	<b>14,643,387</b>	<b>13,904,865</b>	<b>13,181,334</b>
<b>Costs and Expenses (exclusive of depreciation shown separately below):</b>			
Subscriber-related expenses.....	8,313,046	7,818,061	7,254,458
Satellite and transmission expenses.....	693,114	535,541	466,240
Cost of sales - equipment, services and other.....	107,777	91,902	97,965
<b>Subscriber acquisition costs:</b>			
Cost of sales - subscriber promotion subsidies.....	255,913	281,772	267,133
Other subscriber acquisition costs.....	988,718	1,093,214	977,437
Subscriber acquisition advertising.....	566,687	467,884	442,757
<b>Total subscriber acquisition costs.....</b>	<b>1,811,318</b>	<b>1,842,870</b>	<b>1,687,327</b>
General and administrative expenses.....	815,745	776,711	722,045
Litigation expense.....	-	-	730,457
Depreciation and amortization.....	1,077,936	1,054,026	964,484
Impairment of long-lived assets.....	-	437,575	-
<b>Total costs and expenses.....</b>	<b>12,818,936</b>	<b>12,556,686</b>	<b>11,922,976</b>
<b>Operating income (loss).....</b>	<b>1,824,451</b>	<b>1,348,179</b>	<b>1,258,358</b>
<b>Other Income (Expense):</b>			
Interest income.....	61,841	148,865	99,091
Interest expense, net of amounts capitalized.....	(611,209)	(744,985)	(536,236)
Other, net.....	(69,341)	384,856	173,697
<b>Total other income (expense).....</b>	<b>(618,709)</b>	<b>(211,264)</b>	<b>(263,448)</b>
<b>Income (loss) before income taxes.....</b>	<b>1,205,742</b>	<b>1,136,915</b>	<b>994,910</b>
Income tax (provision) benefit, net.....	(276,840)	(299,826)	(331,991)
<b>Income (loss) from continuing operations.....</b>	<b>928,902</b>	<b>837,089</b>	<b>662,919</b>
<b>Income (loss) from discontinued operations, net of tax.....</b>	<b>-</b>	<b>(47,343)</b>	<b>(37,179)</b>
<b>Net income (loss).....</b>	<b>928,902</b>	<b>789,746</b>	<b>625,740</b>
Less: Income (loss) attributable to noncontrolling interests, net of tax.....	(15,791)	(17,746)	(10,947)
<b>Net income (loss) attributable to DISH Network.....</b>	<b>\$ 944,693</b>	<b>\$ 807,492</b>	<b>\$ 636,687</b>
<b>Weighted-average common shares outstanding - Class A and B common stock:</b>			
Basic.....	460,126	456,044	450,264
Diluted.....	462,927	459,166	452,899
<b>Earnings per share - Class A and B common stock:</b>			
Basic net income (loss) per share from continuing operations attributable to DISH Network.....	\$ 2.05	\$ 1.87	\$ 1.49
Basic net income (loss) per share from discontinued operations.....	-	(0.10)	(0.08)
<b>Basic net income (loss) per share attributable to DISH Network.....</b>	<b>\$ 2.05</b>	<b>\$ 1.77</b>	<b>\$ 1.41</b>
Diluted net income (loss) per share from continuing operations attributable to DISH Network.....	\$ 2.04	\$ 1.86	\$ 1.49
Diluted net income (loss) per share from discontinued operations.....	-	(0.10)	(0.08)
<b>Diluted net income (loss) per share attributable to DISH Network.....</b>	<b>\$ 2.04</b>	<b>\$ 1.76</b>	<b>\$ 1.41</b>

# CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	For the Years Ended December 31,		
	2014	2013	2012
<b>Cash Flows From Operating Activities:</b>			
Net income (loss)	\$ 928,902	\$ 789,746	\$ 625,740
Less: Income (loss) from discontinued operations, net of tax	-	(47,343)	(37,179)
Income (loss) from continuing operations	\$ 928,902	\$ 837,089	\$ 662,919
<b>Adjustments to reconcile net income (loss) to net cash flows from operating activities:</b>			
Depreciation and amortization	1,077,936	1,054,026	964,484
Impairment of long lived assets	-	437,575	-
Realized and unrealized losses (gains) on investments	60,515	(387,675)	(172,314)
Non-cash, stock-based compensation	34,153	29,730	39,327
Deferred tax expense (benefit)	134,535	126,194	369,224
Other, net	137,544	65,987	8,241
<b>Changes in current assets and current liabilities:</b>			
Trade accounts receivable - other	(17,407)	(69,086)	(64,364)
Allowance for doubtful accounts	8,649	2,147	1,919
Advances (to) from discontinued operations	-	48,803	(34,075)
Prepaid income taxes	85,586	26,397	(110,608)
Trade accounts receivable - EchoStar	23,712	(28,142)	(2,284)
Inventory	(5,090)	(12,654)	85,321
Other current assets	(2,583)	(71,324)	27,222
Trade accounts payable	(106,808)	35,895	90,303
Trade accounts payable - EchoStar	(103,355)	73,157	54,636
Deferred revenue and other	47,988	3,497	22,425
Accrued programming and other accrued expenses	103,854	137,581	61,342
<b>Net cash flows from operating activities from continuing operations</b>	<b>2,408,131</b>	<b>2,309,197</b>	<b>2,003,718</b>
<b>Net cash flows from operating activities from discontinued operations, net</b>	<b>(30,007)</b>	<b>(36,732)</b>	<b>8,157</b>
<b>Cash Flows From Investing Activities:</b>			
Purchases of marketable investment securities	(4,119,489)	(6,356,136)	(3,971,451)
Sales and maturities of marketable investment securities	7,054,104	4,999,639	2,046,648
Purchases of derivative financial instruments	(149,969)	(805,996)	-
Settlement of derivative financial instruments	-	718,847	-
Purchases of property and equipment	(1,215,861)	(1,253,499)	(945,334)
Change in restricted cash and marketable investment securities	7,886	38,782	(2,177)
OBSD North America Transaction, less cash acquired of \$5,230	-	-	(40,015)
TerreStar Transaction	-	-	(36,942)
Purchases of FCC authorizations - H Block wireless spectrum licenses	(1,343,372)	(328,134)	-
AWS-3 auction deposits	(1,320,000)	-	-
Other, net	102,777	(48,360)	(54,811)
<b>Net cash flows from investing activities from continuing operations</b>	<b>(983,924)</b>	<b>(3,034,857)</b>	<b>(3,004,082)</b>
<b>Net cash flows from investing activities from discontinued operations, net, including \$0, \$1,782, and \$12,232 of purchases of property and equipment, respectively</b>	<b>20,847</b>	<b>13,773</b>	<b>(15,132)</b>
<b>Cash Flows From Financing Activities:</b>			
Proceeds from issuance of long-term debt	2,000,000	2,300,000	4,400,000
Proceeds from issuance of restricted debt	-	2,600,000	-
Redemption of restricted debt	-	(2,600,000)	-
Funding of restricted debt escrow	-	(2,596,750)	-
Release of restricted debt escrow	-	2,596,771	-
Repurchases and redemption of long-term debt	(1,099,999)	(500,000)	-
Debt issuance costs	(7,677)	(11,146)	(13,246)
Repayment of long-term debt and capital lease obligations	(31,653)	(37,869)	(36,090)
Net proceeds from Class A common stock options exercised and stock issued under the Employee Stock Purchase Plan	50,934	76,512	94,852
Cash dividend on Class A and Class B common stock	-	-	(452,890)
Other	68,662	24,422	11,307
<b>Net cash flows from financing activities from continuing operations</b>	<b>980,267</b>	<b>1,851,940</b>	<b>4,003,933</b>
<b>Net cash flows from financing activities from discontinued operations, net</b>	<b>-</b>	<b>(435)</b>	<b>(1,449)</b>
<b>Effect of exchange rates on cash and cash equivalents from discontinued operations</b>	<b>-</b>	<b>156</b>	<b>1,887</b>
<b>Net increase (decrease) in cash and cash equivalents from continuing operations</b>	<b>2,404,474</b>	<b>1,126,280</b>	<b>3,003,569</b>
Cash and cash equivalents, beginning of period from continuing operations	4,700,022	3,573,742	570,173
Cash and cash equivalents, end of period from continuing operations	<u>\$ 7,104,496</u>	<u>\$ 4,700,022</u>	<u>\$ 3,573,742</u>
<b>Net increase (decrease) in cash and cash equivalents from discontinued operations</b>	<b>(9,160)</b>	<b>(23,238)</b>	<b>(6,537)</b>
Cash and cash equivalents, beginning of period from discontinued operations	9,160	32,398	38,935
Cash and cash equivalents, end of period from discontinued operations	<u>\$ -</u>	<u>\$ 9,160</u>	<u>\$ 32,398</u>

# RESULTS OF OPERATIONS

## 2014 VS. 2013

(In thousands)

Statements of Operations Data	For the Years Ended December 31,		Variance	
	2014	2013	Amount	%
	(In thousands)			
<b>Revenue:</b>				
Subscriber-related revenue.....	\$ 14,495,091	\$ 13,764,774	\$ 730,317	5.3
Equipment sales and other revenue.....	85,815	94,855	(9,040)	(9.5)
Equipment sales, services and other revenue - EchoStar.....	62,481	45,236	17,245	38.1
Total revenue.....	14,643,387	13,904,865	738,522	5.3
<b>Costs and Expenses:</b>				
Subscriber-related expenses.....	8,313,046	7,818,061	494,985	6.3
% of Subscriber-related revenue.....	57.4%	56.8%		
Satellite and transmission expenses.....	693,114	535,541	157,573	29.4
% of Subscriber-related revenue.....	4.8%	3.9%		
Cost of sales - equipment, services and other.....	107,777	91,902	15,875	17.3
Subscriber acquisition costs.....	1,811,318	1,842,870	(31,552)	(1.7)
General and administrative expenses.....	815,745	776,711	39,034	5.0
% of Total revenue.....	5.6%	5.6%		
Depreciation and amortization.....	1,077,936	1,054,026	23,910	2.3
Impairment of long-lived assets.....	-	437,575	(437,575)	*
Total costs and expenses.....	12,818,936	12,556,686	262,250	2.1
Operating income (loss).....	1,824,451	1,348,179	476,272	35.3
<b>Other Income (Expense):</b>				
Interest income.....	61,841	148,865	(87,024)	(58.5)
Interest expense, net of amounts capitalized.....	(611,209)	(744,985)	133,776	18.0
Other, net.....	(69,341)	384,856	(454,197)	*
Total other income (expense).....	(618,709)	(211,264)	(407,445)	*
Income (loss) before income taxes.....	1,205,742	1,136,915	68,827	6.1
Income tax (provision) benefit, net.....	(276,840)	(299,826)	22,986	7.7
Effective tax rate.....	23.0%	26.4%		
Income (loss) from continuing operations.....	928,902	837,089	91,813	11.0
Income (loss) from discontinued operations, net of tax.....	-	(47,343)	47,343	*
Net income (loss).....	928,902	789,746	139,156	17.6
Less: Net income (loss) attributable to noncontrolling interests.....	(15,791)	(17,746)	1,955	11.0
Net income (loss) attributable to DISH Network.....	\$ 944,693	\$ 807,492	\$ 137,201	17.0
<b>Other Data:</b>				
Pay-TV subscribers, as of period end (in millions).....	13.978	14.057	(0.079)	(0.6)
Pay-TV subscriber additions, gross (in millions).....	2.601	2.666	(0.065)	(2.4)
Pay-TV subscriber additions, net (in millions).....	(0.079)	0.001	(0.080)	*
Pay-TV average monthly subscriber churn rate.....	1.59%	1.58%	0.01%	0.6
Pay-TV average subscriber acquisition cost per subscriber ("Pay-TV SAC").....	\$ 853	\$ 866	\$ (13)	(1.5)
Pay-TV average monthly revenue per subscriber ("Pay-TV ARPU").....	\$ 83.77	\$ 80.37	\$ 3.40	4.2
Broadband subscribers, as of period end (in millions).....	0.577	0.436	0.141	32.3
Broadband subscriber additions, gross (in millions).....	0.295	0.343	(0.048)	(14.0)
Broadband subscriber additions, net (in millions).....	0.141	0.253	(0.112)	(44.3)
Adjusted EBITDA.....	\$ 2,848,837	\$ 2,804,807	\$ 44,030	1.6

\* Percentage is not meaningful.

## SELECTED QUARTERLY DATA

	As of and for the Three Months Ended			
	March 31	June 30	September 30	December 31
<b>2014 Other Quarterly Data (Unaudited)</b>				
<b>Pay-TV Metrics</b>				
Pay-TV subscribers, as of period end (in millions).....	14.097	14.053	14.041	13.978
Pay-TV subscriber additions, gross (in millions).....	0.639	0.656	0.691	0.615
Pay-TV subscriber additions, net (in millions).....	0.040	(0.044)	(0.012)	(0.063)
Pay-TV average monthly subscriber churn rate.....	1.42%	1.66%	1.67%	1.61%
Pay-TV average subscriber acquisition cost per subscriber ("Pay-TV SAC")... \$	862	846	861	840
Pay-TV average monthly revenue per subscriber ("Pay-TV ARPU")..... \$	82.36	84.15	84.39	84.17
<b>Broadband Metrics (in millions)</b>				
Broadband subscribers, as of period end.....	0.489	0.525	0.553	0.577
Broadband subscriber additions, gross.....	0.083	0.076	0.072	0.064
Broadband subscriber additions, net.....	0.053	0.036	0.028	0.024
<b>Selected Financial Data (in thousands)</b>				
Subscriber-related revenue.....	\$ 3,556,187	\$ 3,645,101	\$ 3,647,850	\$ 3,645,953
Subscriber-related expenses.....	\$ 2,069,132	\$ 2,104,236	\$ 2,132,583	\$ 2,007,095
Income (loss) from continuing operations.....	\$ 170,817	\$ 207,129	\$ 143,035	\$ 407,921
Net income (loss) attributable to DISH Network.....	\$ 175,931	\$ 213,313	\$ 145,519	\$ 409,930
Adjusted EBITDA.....	\$ 695,443	\$ 741,657	\$ 604,794	\$ 806,943
<b>2013 Other Quarterly Data (Unaudited)</b>				
<b>Pay-TV Metrics</b>				
Pay-TV subscribers, as of period end (in millions).....	14.092	14.014	14.049	14.057
Pay-TV subscriber additions, gross (in millions).....	0.654	0.624	0.734	0.654
Pay-TV subscriber additions, net (in millions).....	0.036	(0.078)	0.035	0.008
Pay-TV average monthly subscriber churn rate.....	1.47%	1.67%	1.66%	1.53%
Pay-TV average subscriber acquisition cost per subscriber ("Pay-TV SAC")... \$	882	883	842	863
Pay-TV average monthly revenue per subscriber ("Pay-TV ARPU") (1)..... \$	78.44	80.81	80.98	81.24
<b>Broadband Metrics (in millions)</b>				
Broadband subscribers, as of period end.....	0.249	0.310	0.385	0.436
Broadband subscriber additions, gross.....	0.083	0.079	0.101	0.080
Broadband subscriber additions, net.....	0.066	0.061	0.075	0.051
<b>Selected Financial Data (in thousands)</b>				
Subscriber-related revenue.....	\$ 3,348,167	\$ 3,452,764	\$ 3,463,753	\$ 3,500,090
Subscriber-related expenses.....	\$ 1,911,593	\$ 1,924,020	\$ 1,976,712	\$ 2,005,736
Income (loss) from continuing operations.....	\$ 212,234	\$ (8,720)	\$ 343,324	\$ 290,251
Net income (loss) attributable to DISH Network.....	\$ 215,598	\$ (11,052)	\$ 314,908	\$ 288,038
Adjusted EBITDA.....	\$ 698,109	\$ 430,573	\$ 787,845	\$ 888,280

(1) For the quarters ended March 31, June 30, and September 30, 2013, Pay-TV ARPU has been adjusted by \$0.10, \$0.09, and \$0.07, respectively, to exclude discontinued operations.

## QUARTERLY NON-GAAP RECONCILIATIONS

The following tables reconcile quarterly Adjusted EBITDA with the most directly comparable financial measure calculated and presented in accordance with GAAP.

	For the Three Months Ended			
	March 31	June 30	September 30	December 31
<b>2014 Quarterly Non-GAAP Reconciliations (Unaudited)</b>				
	(In thousands)			
Adjusted EBITDA.....	\$ 695,443	\$ 741,657	\$ 604,794	\$ 806,943
Interest, net.....	(161,830)	(134,557)	(129,296)	(123,685)
Income tax (provision) benefit, net.....	(108,462)	(121,892)	(60,089)	13,603
Depreciation and amortization.....	(249,220)	(271,895)	(269,890)	(286,931)
<b>Net income (loss) attributable to DISH Network.....</b>	<b>\$ 175,931</b>	<b>\$ 213,313</b>	<b>\$ 145,519</b>	<b>\$ 409,930</b>
<b>2013 Quarterly Non-GAAP Reconciliations (Unaudited)</b>				
Adjusted EBITDA.....	\$ 698,109	\$ 430,573	\$ 787,845	\$ 888,280
Interest, net.....	(124,364)	(170,986)	(149,427)	(151,343)
Income tax (provision) benefit, net.....	(126,419)	40,357	(38,140)	(175,624)
Depreciation and amortization.....	(230,170)	(304,642)	(253,036)	(266,178)
Income (loss) from continuing operations attributable to DISH Network.....	217,156	(4,698)	347,242	295,135
Plus: Income (loss) from discontinued operations, net of tax.....	(1,558)	(6,354)	(32,334)	(7,097)
<b>Net income (loss) attributable to DISH Network.....</b>	<b>\$ 215,598</b>	<b>\$ (11,052)</b>	<b>\$ 314,908</b>	<b>\$ 288,038</b>

## CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements contained herein may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause the actual results, performance or achievements of DISH Network Corporation to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. More information about such risks, uncertainties, and other factors is set

forth in DISH Network Corporation’s Disclosure Regarding Forward-Looking Statements included in its recent filings with the Securities and Exchange Commission, including its annual report on Form 10-K for the year ended December 31, 2014. The forward-looking statements speak only as of the date made, and DISH Network Corporation expressly disclaims any obligation to update these forward-looking statements.