



July 18, 2017

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Plot No.C/1,
G-Block, Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051

BSE Limited
Department of Corporate Services- Listing
P J Towers
Dalal Street
Mumbai – 400 001

Trading Symbol: **TV18BRDCST**

SCRIP CODE: **532800**

Sub: Investors' Update - Unaudited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2017

Dear Sir / Madam,

In continuation of our letter of today's date on the above subject, we send herewith a copy of the Investors' Update on the aforesaid financial results released by the Company in this regard.

The Investors' Update will also be available on the Company's website, www.network18online.com.

You are requested to take the same on record.

Thanking you,

Yours faithfully,
for **TV18 Broadcast Limited**

Deepak Gupta
Company Secretary

Encl.: As Above

TV18 Broadcast Limited

CIN : L74300MH2005PLC281753

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A listed subsidiary of Network18

EARNINGS RELEASE: Q1 2017-18

Mumbai, 18th July, 2017 – TV18 Broadcast Limited today announced its results for the quarter ended 30th June, 2017.

Summary Consolidated Financials

Particulars (in Rs Crores)	Q1 FY18	Q1 FY17	Growth YoY%
Revenue (incl. proportionate share of JVs)	628	601	4%
Segment Operating EBITDA (incl. prop. share of JVs)	(2)	(6)	NM
Revenue (as per Ind AS)	219	211	4%
Operating EBITDA (as per Ind AS)	(14)	(19)	NM

TV18 posted consolidated revenues of Rs. 628 crores (including proportionate share of JVs) in Q1FY18, a 4% YoY growth. Profitability improved mildly, driven by business news performance and helped by steady ramp-up of the multiple new initiatives undertaken in Q1FY17.

Highlights for the quarter

- **Impending GST implementation resulted in deferral of advertising spends in late Q1:** While April-May witnessed robust revenue growth, June was substantially impacted by postponement in advertising spends. Nevertheless, we believe that this is a transitory impact and GST shall drive the informal economy towards the formal channel in the long-run, which will push up advertising spends.
- **TV18 posted 4% revenue growth (including JVs):** Revenue growth from Business news boosted TV18 standalone operating EBITDA. However, Regional news witnessed softness in revenues and low profitability due to gestation losses. Entertainment revenues were aided by strong performance in niche genres and strength of the bouquet.
- **TV18 share of News viewership has risen to >9% over the last year:** Viewership grew substantially, driven by resurgence in General news and increasing traction in Regional news. During the quarter, News18 India broke into the top 4 Hindi News channels (top 3 in prime-time), which is a sharp improvement over its #8 ranking last year.
- **Viacom18's share of entertainment viewership (ex-sports) has risen to ~10% vs <9% last fiscal.** Rishtey has risen to #1 amongst all free-to-air (FTA) general entertainment channels; and even climbed to #2 amongst all GECs (Pay+FTA). Flagship channel Colors continues to drive revenues through a premium positioning targeted at urban markets.
- **Consolidating on FY17 launches:** Initiatives taken last year are at varying points of scale-up.

Mr. Adil Zainulbhai, Chairman of TV18, said: *“The industry is navigating through a period of flux in both the advertising environment and the subscription business model; but underlying growth tailwinds are intact and bode well for committed players. We believe that TV18 is well-positioned to capitalize on its strengths in content curation and creation of scalable platforms for seamless delivery. Our commitment to creating value for all our stakeholders is reflected in our continued investments into incubating segmented offerings, and consistently building on our areas of leadership.”*

Financials for the quarter

- **TV18 standalone** (National news) revenues (+16% YoY) and profitability were boosted by Business news. Jump in ranking of our Hindi news channel is a positive as well.
- **Regional News** witnessed softness in earnings, partially offsetting the positives of National News. However, encouraging viewership trends bode well for Regional news.
- **TV18 JVs (largely Viacom18)** showed 5% YoY revenue growth despite a weak June. Profitability also improved YoY, helped in part by scale-up of some of the new initiatives in Q1FY17.

OPERATING REVENUES (Rs Cr)	Q1FY18	Q1FY17	Growth
A) TV18 standalone (Business + General News)	153	132	16%
B) Regional News (ex IBN-Lokmat) + Infotainment [B=C-A]	66	79	-16%
C) TV18 consolidated (as per Ind-AS)	219	211	4%
D) 50% each of Viacom18 + IBN Lokmat + Indiacast [D=E-C]	409	390	5%
E) TV18 group (as per proportionate consolidation) - Segment P&L	628	601	4%

PROFIT BEFORE TAX (Rs Cr)	Q1FY18	Q1FY17	Growth
A) TV18 standalone (Business + General News)	22	0	NM
B) Regional News (ex IBN-Lokmat) + Infotainment [B=C-A]	-47	-24	NM
C) TV18 Controlled businesses (as per Ind-AS)	-25	-24	NM
D) 50% each of Viacom18 + IBN Lokmat + 75% of Indiacast* [D=E-C]	16	3	405%
E) TV18 group (as per proportionate consolidation) - Segment P&L	-9	-21	NM

- *Viacom18 (entertainment) is a major part of TV18 group revenues, but is not line-by-line consolidated into TV18 financials under Ind-AS accounting as it is a 50% JV. We report TV18's 50% share of Viacom18 earnings in segment financials (proportionately consolidated), as part of "Revenue from JVs" and "PBT of JVs".*
- ** Indiacast is a 50:50 JV between TV18 and Viacom18, hence effective holding by TV18 is 75%.*

All launches made in FY 16-17 are now part of our business-as-usual operations and reporting.

Business Performance

■ Television Operations

TV18 owns and operates the largest network of channels – 49 in India spanning news and entertainment. We also cater to the Indian diaspora globally through 13 international channels.

▪ News – National & Regional

- **CNBC TV18 maintained #1 rank** in the English Business News genre with **52% market share in Q1 FY18**. During market hours (Weekdays, 8 AM to 4 PM) CNBC TV18 maintained an even higher share of 55% and was #1 in the genre.
- **CNBC Awaaz continues to be dominant** in the Hindi Business News genre with **66% market share**. During Trading Hours (8 AM to 4 PM on weekdays), CNBC Awaaz maintained 71% market share in the genre.
- During the coverage and analysis of GST on 30th June 2017, CNBC TV18 and CNBC Awaaz garnered 56% and 72% market share respectively.
- **CNN News18 garnered 11% market share in All India & ranks #5** in Q1 FY18. Also, the channel garnered 8.4% market share in 10L+ towns and has ranked #4 in the genre.
- **News18 India was amongst the top 5 Hindi News Channels** in HSM in Q1 FY18. News18 India market share in HSM stood at 10.2% in Q1 FY18, higher compared to 8.7% in Q4 FY17 and 5.7% in Q1 FY17. **News18 India rose to amongst the top 3 Hindi News Channels in Mega Prime Time** (1900-2230 hrs) in Q1 FY18 with 13.2% share.
- IBN Lokmat garnered a market share of 17.5% in Q1 FY18 in Mah/Goa, compared to 17.2% in Q4 FY17
- **ETV regional news cluster** has improved its viewership substantially over the past 6 months. **Our overall viewership share (as ratio of overall news viewing in the country) has more than doubled to 4% from 1.8%** since December 2017. The 3 regional news channels launched in Q1FY17 (News18 Tamil Nadu, Kerala and Assam) have grabbed 6-10% shares.

▪ Infotainment – Factual entertainment & Lifestyle

- History TV18 garnered 18% market share in All India in Q1 among the 7 Factual Entertainment channels.
- FYI TV18 has garnered 25% market share in Q1 in the Lifestyle genre.
- **In Megacities, History TV18 and FYI TV18 were the #1** channels in their respective genres.

- **Entertainment – National, Regional & Digital**
 - **Colors was #2 channel in primetime as well as #2 in Urban HSM, with leadership in key primetime slots.** Colors had 4 shows among Top 10 Fiction Shows in genre. The quarter saw the launch of Chandrakanta in week 26 as #2 Fiction Show in the genre.
 - **Rishtey was the #1 free-to-air (FTA) channel and the #2 channel overall (Pay+FTA) in amongst GECs.** In rural, it is the #1 channel in the genre
 - **Rishtey Cineplex**, the FTA movie channel launched in Q1FY17 was the #5 channel among comparables, **grabbing 8% market-share.** It emerged as the #3 channel in Week 23 and #2 in Week 27.
 - Nick continued its leadership in the Kids genre. **Between Nick and Sonic, our Kids portfolio commanded a 26% market-share.** Nick has 2 shows among Top 10 shows in the genre consistently.
 - In English entertainment, VH1 and Comedy Central occupied the top two spots in the genre; while Colors Infinity is placed #7.
 - MTV has been the #4 channel in the Youth entertainment genre. MTV Beats launched last year by replacing MTV Indies has emerged amongst Top 5 channels of a highly cluttered genre.
 - VOOT, Viacom18's Over The Top (OTT) exclusive digital video destination was commercially launched in May'16. **It was selected among 'Top Trending' and 'Most Entertaining' Apps of 2016 by Google Play Store.** VOOT's Progressive Web App (Mobile website built using web technologies that acts and feels like an app) has been recognized as one of the top global innovations of 2017 by International Broadcasting Convention. Current shows include library content and some original programming, apart from syndicated kids content. VOOT Originals: It's not that simple, Untag and Badman have been nominated & screened at various global festivals.
 - Colors Kannada retained its strong #1 position in Kannada regional entertainment with a 30% market share. The channel has 4 out of the top 10 shows in the genre. **Colors Super, our 2nd Kannada Regional GEC which was launched in July 2016, has achieved a 7% market share.**
 - Colors Marathi continued to be a consistent #2 channel in the Marathi GE genre with a 17% market share.
 - Viacom18 Motion Pictures successfully released Baywatch and Transformers : The Last Knight

All viewership data is from BARC, in the respective time-periods and genres.

TV18 Broadcast Limited

Reported Standalone Financial Performance for the Quarter ended 30th June, 2017

₹ in crores

	Particulars	Quarter ended			Year ended Audited
		30 th Jun' 17	31 st Mar' 17	30 th Jun' 16	31 st Mar' 17
1	Income				
	(a) Revenue from operations	153	203	132	667
	(b) Other income	7	16	10	37
	Total Income	160	219	142	704
2	Expenses				
	(a) Employee benefits expense	59	47	48	196
	(b) Marketing, distribution and promotional expense	21	21	26	94
	(c) Finance costs	4	4	4	19
	(d) Depreciation and amortisation expense	5	6	3	18
	(e) Other expenses	49	72	61	255
	Total Expense	138	150	142	582
3	Profit/ (Loss) before Tax (1 - 2)	22	69	(0)	122
4	Tax expense				
	Current Tax	7	16	-	21
5	Net Profit/ (Loss) for the period (3 - 4)	15	53	(0)	101
6	Other Comprehensive Income				
	Items that will not be reclassified to profit or loss	(2)	1	(2)	(2)
7	Total Comprehensive Income (5 + 6)	13	54	(2)	99

TV18 Broadcast Limited

Reported Consolidated Financial Performance for the Quarter ended 30th June, 2017

(₹ in crores)

	Particulars	Quarter ended			Year ended (Audited)
		30 th Jun'17	31 st Mar'17	30 th Jun'16	31 st Mar'17
1	Income				
	(a) Revenue from operations	219	279	211	979
	(b) Other income	8	19	10	43
	Total Income	227	298	221	1,022
2	Expenses				
	(a) Employee benefits expense	95	86	77	332
	(b) Marketing, distribution and promotional expense	51	57	53	208
	(c) Finance costs	4	5	5	22
	(d) Depreciation and amortisation expense	15	18	10	56
	(e) Other expenses	87	110	100	408
	Total Expenses	252	276	245	1,026
3	Profit/(Loss) before non-controlling interests/ share of profit of associate and joint ventures (1 - 2)	(25)	22	(24)	(4)
4	Share of profit of associate and joint ventures	19	4	7	35
5	Profit/ (Loss) before tax (3 + 4)	(6)	26	(17)	31
6	Tax Expense				
	(a) Current Tax	7	18	0	24
	(b) Deferred Tax	1	2	(1)	1
	Total tax expense	8	20	(1)	25
7	Profit/ (Loss) for the period (5 - 6)	(14)	6	(16)	6
8	Other Comprehensive Income				
	(a) Items that will not be reclassified to profit or loss	(4)	1	(2)	(2)
	(b) Income tax relating to items that will not be reclassified to profit or loss	0	(0)	-	(1)
	(c) Items that will be reclassified to profit or loss	(1)	(15)	8	(5)
	Total Other Comprehensive Income	(5)	(14)	6	(8)
9	Total Comprehensive Income for the period (7 + 8)	(19)	(8)	(10)	(2)
	Profit/ (Loss) for the period attributable to:				
	a) Owners of the Company	(12)	8	(13)	19
	b) Non-controlling interest	(2)	(2)	(3)	(13)
	Other comprehensive income attributable to:				
	a) Owners of the Company	(5)	(14)	6	(8)
	b) Non-controlling interest	(0)	(0)	(0)	(0)
	Total comprehensive income attributable to:				
	a) Owners of the Company	(17)	(6)	(7)	11
	b) Non-controlling interest	(2)	(2)	(3)	(13)

TV18 Broadcast Limited

Reported Consolidated Segment Information for the Quarter ended 30th June, 2017

(₹ in crores)

Particulars	Quarter ended		Year ended (Audited)	
	30 th Jun' 17	31 st Mar' 17	30 th Jun' 16	31 st Mar' 17
1 Segment Revenue				
(a) Media operations	624	679	582	2,602
(b) Film Production and Distribution	4	46	19	92
Total	628	725	601	2,694
Less: Inter Segment Revenue	-	10	-	17
Total Segment Revenue	628	715	601	2,677
Less: Revenue related to joint ventures	409	436	390	1,698
Revenue from Operations	219	279	211	979
2 Segment Results				
(a) Media operations	(11)	16	(8)	64
(b) Film Production and Distribution	(6)	7	(3)	0
Total	(17)	23	(11)	64
Add: Inter Segment eliminations	2	(1)	1	(2)
Profit/ (Loss) before finance cost and tax	(15)	22	(10)	62
Add:				
(a) Finance cost	(11)	(12)	(12)	(53)
(b) Un-allocable corporate expenses	(10)	(12)	(11)	(42)
(c) Interest income	21	9	9	33
(d) Un-allocable Income	6	14	3	21
3 Profit/ (Loss) before tax	(9)	21	(21)	21
Less: Profit/ (Loss) before tax of joint ventures	16	(1)	3	25
4 Profit/ (Loss) before tax (excluding joint ventures)	(25)	22	(24)	(4)
5 Share of profit of associate and joint ventures	19	4	7	35
6 Profit/ (Loss) before tax (4+5)	(6)	26	(17)	31
7 Tax expense	8	20	(1)	25
8 Profit/ (Loss) before non-controlling interest (6-7)	(14)	6	(16)	6
9 Less: Non-controlling interest	(2)	(2)	(3)	(13)
10 Profit/ (Loss) after taxes, non-controlling interest and share of profit of associate and joint ventures (8-9)	(12)	8	(13)	19
11 Segment Assets				
(a) Media operations	4,005	3,784	4,344	3,784
(b) Film Production and Distribution	260	258	264	258
(c) Unallocated	816	860	1,055	860
Sub-Total	5,081	4,902	5,663	4,902
Inter segment elimination	(28)	(32)	(33)	(32)
Total Segment Assets	5,053	4,870	5,630	4,870
12 Segment Liabilities				
(a) Media operations	1,006	878	914	878
(b) Film Production and Distribution	30	26	25	26
(c) Unallocated	676	618	674	618
Sub-Total	1,712	1,522	1,613	1,522
Inter segment elimination	(2)	(3)	(3)	(3)
Total Segment Liabilities	1,710	1,519	1,610	1,519

The Segment Information has been prepared in line with the review of operating results by the chief operating decision maker (CODM) including the results of the joint ventures which were hitherto consolidated using proportionate consolidation method under the previous GAAP but have now been accounted for under equity method of accounting under Ind AS. The Group considers these joint ventures as part of 'Operating Segments' as defined under Ind AS 108. Accordingly, the difference between amounts reported as segment information and as per the Consolidated financial results relate to operations of joint ventures.

INVESTOR COMMUNICATION:

TV18's ongoing investor communication endeavors to adopt best international practices and the quarterly investor updates are designed to regularly provide detailed information to investors. Each update covers information pertaining to the reporting period under review. If you would like to get a sequential and continued perspective on the company this report should be read along with the updates sent out earlier. The previous updates can be accessed on request from the contact persons mentioned below, or from the company's website www.network18online.com. This update covers the company's financial performance for Q1 FY18.

For further information on business and operations, please contact:

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TV18 Broadcast Limited

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Further information on the company is available on its website www.network18online.com

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