

January 16, 2018

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 and nine months ended December 31, 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.

Yours faithfully,
For **TV18 Broadcast Limited**



Deepak Gupta
Company Secretary

Encl. As Above

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A listed subsidiary of Network18

EARNINGS RELEASE: Q3 2017-18

Mumbai, 16th January, 2018 – TV18 Broadcast Limited today announced its results for the quarter ended 31st December, 2017.

Summary Consolidated Financials

Particulars	Q3 FY18	Q3 FY17	Growth YoY%	9m FY18	9m FY17	Growth YoY%
Revenue (incl. proportionate share of JVs)	770	701	10%	2,082	1,962	6%
Segment Operating EBITDA (incl. prop. share of JVs)	60	56	8%	97	66	47%
Revenue (as per Ind AS)	271	250	8%	717	701	2%
Operating EBITDA (as per Ind AS)	32	34	(5%)	18	6	200%

TV18 posted consolidated revenues of Rs. 770 crores (including proportionate share of JVs) in Q3FY18, a 10% YoY growth. As the general advertising environment improves steadily, overall revenue growth has been healthy, especially for flagship properties.

Highlights for the quarter

- **Advertising growth returned, led by recovery in ad-environment and a favourable base from mid-November:** The advertising environment has improved since Q2, but certain segments are still to see full recovery. Tailwinds of strong financial markets, upcoming union budget, state elections and continued revival in consumer spending are positives.
- **TV18 posted 10% revenue growth (including JVs):** Business News continued its steady growth despite its niche nature, and Hindi News performance pushed National News revenue growth to 14%. Regional News offset some of the gains, led by slower ad-recovery and lower government spends this year. Our entertainment bouquet's broadcasting revenues grew in line with industry; as appetite for high-impact advertising is reviving, but with a lag.
- **TV18's News bouquet ended CY17 as #1 in viewership and reach:** TV18's overall share of News viewership averaged 9.2% for the quarter. Our Hindi News channel gained 4%+ share in a year, in the fastest growing and most competitive genre. Coupled with growing traction through our pan-India vernacular footprint, TV18 ended Q3 as #1 in News viewership.
- **Viacom18's share of entertainment viewership rose to ~11%:** Colors maintained its #1 rank in Urban HSM, the category which drives monetization. Viacom18 continued its dominant position in niches like Kids and English entertainment. VOOT viewership continues to grow, and engagement around Big Boss (Live voting, digital-only spin-offs, uncut content) has pushed up monetization off a low base, despite challenging markets.
- **Colors Tamil slated to launch in Q4; consolidating on last year's launches:** The ramp-up of all TV channels launched in Q1FY17 is well underway. Rishtey Cineplex has plugged a vital whitespace, and has broken even in the second year post launch. Regional News channels are well-placed to benefit from any tailwind in the respective markets.

Mr. Adil Zainulbhai, Chairman of TV18, said:

We are delighted in achieving the number 1 position in TV news viewership across 12 languages. With the growth in regional and other niche channels, we are well positioned to continue growth in entertainment. We continue to invest in all aspects of the media business."

Financials for the quarter

- **TV18 standalone** (National news) revenues grew 14%; led by a recovery in advertising environment. While flagship Business News channels continued their dominance, Hindi News performance provided a boost. Profitability also improved substantially as a consequence.
- **TV18 subsidiaries.** Though Infotainment posted mild growth, weakness in Regional News resulted in subsidiary revenues declining 4%. Regional News revenues were weaker due to lower election/government spends versus the previous year, and lagged recovery versus national markets. Profitability was tepid due to gestation losses of channels launched in FY17.
- **TV18 JVs (largely Viacom18)** showed 11% revenue growth, despite lower movie-revenues and selective approach in high-impact advertising spends. Profitability also improved YoY, but was tempered by Colors Tamil pre-launch expense and content/marketing expenses on VOOT.

OPERATING REVENUES (Rs Cr)	Q3FY18	Q3FY17	Growth
A) TV18 standalone (Business + General News)	196	172	14%
B) Regional News (ex IBN-Lokmat) + Infotainment	75	78	-4%
C) TV18 consolidated (as per Ind-AS)	271	250	8%
D) 50% each of Viacom18 + IBN Lokmat + Indiacast	499	451	11%
E) TV18 group (as per proportionate consolidation) - Segment P&L	770	701	10%

PROFIT BEFORE TAX (Rs Cr)	Q3FY18	Q3FY17	Growth
A) TV18 standalone (Business + General News)	53	36	47%
B) Regional News (ex IBN-Lokmat) + Infotainment	-37	-20	NM
C) TV18 Controlled businesses (as per Ind-AS)	16	16	NM
D) 50% each of Viacom18 + IBN Lokmat + 75% of Indiacast*	15	7	120%
E) TV18 group (as per proportionate consolidation) - Segment P&L	31	23	NM

- *Viacom18 (entertainment) is not 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 – 52 in India spanning news and entertainment. We also cater to the Indian diaspora globally through 18 international feeds.

■ News – National & Regional

- **CNBC TV18 maintained #1 rank** in the English Business News genre with 52% market share in Q3 FY18. During market hours (Weekdays, 8 AM to 4 PM) CNBC TV18 maintained an even higher share of 57% and was #1 in the genre.
- **CNBC Awaaz continues to be dominant** in the Hindi Business News genre with 69.5% market share. During Trading Hours (8 AM to 4 PM on weekdays), CNBC Awaaz maintained 77% market share in the genre.
- **CNN News18 market share inched up to 9.3%** in Q3FY18, and the channel maintained its #5 rank in the English News genre.
- **News18 India market share in Hindi speaking markets (HSM) rose to 11.1%** in Q3FY18, substantially higher compared to 6.9% in Q3 FY17 as well as higher than the 10.3% in the last quarter. **The channel remains in the top 5 but has periodically touched #3 rank as well.** Q3 FY18 saw News18 India establish itself as the channel of choice in Evening Prime Time in both HSM Urban and HSM Mega Cities markets where it was #1 amongst competition in the key viewership timeband (1900-2300 hrs).
- **Our Regional News cluster has the highest reach in the country**, with 439 Mn audiences tuning into the network in Q3 FY18. The regional news cluster viewership (including News18 Lokmat) as a percentage of total news viewership was 4.5%, up from 2.5% in Q3FY17. ETV Rajasthan continues to be the dominant #1 in the genre maintaining 61% market share.

■ Entertainment – National, Regional & Digital

- **Flagship pay-GEC Colors was #1 in Urban HSM** and #2 within primary-GECs, with 10.5% viewership share. The channel leads in 7 out of top 14 weekday Primetime slots. Bigg Boss Season-11 was among the Top 2 non-fiction shows.
- **Rishtey Cineplex rose to #4 in the genre** (#2 in FTA Hindi Movies) with a 9% viewership share, up from 8.4% last quarter. The channel was launched in Q1FY17 with a relatively small movie-library; and has been able to scale up very well riding on traction for Bollywood content and FTA delivery.
- Nick continued its leadership in the Kids genre, with a 20.3% share of viewership. **Between Nick, Sonic and Nick Jr, our Kids portfolio commanded a 31.1% market-share;** and boasts of 4 of the top-10 shows.

- **In English entertainment, Viacom18 channels have a 55% viewership share.** Comedy Central and VH1 rank #1 (24%) and #2 (16.7%) respectively; while Colors Infinity has garnered ~14% share to rank #4.
- **MTV continued to hold the #1 slot** in the Youth entertainment genre. MTV celebrated 25 years of AR Rahman with the AR Rahman ENCORE Concert with MTV (17th Nov).
- MTV Beats launched last year (by replacing MTV Indies) **is the fastest growing Hindi music channel.** It has grabbed 12% market-share in its first full year of operations.
- VOOT, Viacom18's Over The Top (OTT) exclusive digital video destination was commercially launched in May'16. **VOOT gross downloads have risen to ~56mn, and average daily viewership is 40+ minutes.** Live Voting feature was launched for Bigg Boss S11. Brand campaign "Why Not" with new look of Voot was unveiled on 8th December. 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) launched in Jun 2017 has been recognized as one of the top global innovations of 2017 by International Broadcasting Convention.
- **Colors Kannada retained its strong #1 position** in Kannada regional entertainment with a 32% market share. **Colors Super (2nd Kannada GEC, launched in July 2016) has grown its viewership further to 10.4%** making it #1 amongst the second tier channels in the genre and #5 overall.
- Colors Marathi and Bangla were #3 in their respective genres.
- Viacom18 Motion Pictures' released two niche movies 'House Next Door' (Hindi) and 'Daddy's Home 2' (English) during the quarter.
- **Infotainment – Factual entertainment & Lifestyle**
 - In Megacities, History TV18 had a market share of 20.6%, closely trailing the genre leader (Discovery - 20.8%).
 - In Megacities, FYI TV18 ranked #1 channel in the Lifestyle genre, taking 34% market share.

All viewership data is from BARC, in the respective time-periods and genres. All HD versions of channels have been added to their SD counterpart viewership.

TV18 Broadcast Limited

Reported Standalone Financial Performance for the Quarter and nine months ended 31st December, 2017

₹ in crores

	Particulars	Quarter ended			Nine month ended		Year ended (Audited)
		31 st Dec' 17	30 th Sept' 17	31 st Dec' 16	31 st Dec' 17	31 st Dec' 16	31 st Mar' 17
	Value of sales and services	228	187	172	567	464	667
	GST included in above	32	28	-	60	-	-
	Revenue from operations	196	159	172	507	464	667
	Other income	8	7	3	22	21	37
1	Total Income	204	166	175	529	485	704
2	Expenses						
	(a) Employee benefits expense	58	61	50	178	149	196
	(b) Marketing, distribution and promotional expense	16	19	22	56	72	93
	(c) Finance costs	6	4	5	13	15	19
	(d) Depreciation and amortisation expense	5	5	5	14	11	18
	(e) Other expenses	66	50	57	166	183	255
	Total Expenses	151	139	139	427	430	581
3	Profit before Tax (1 - 2)	53	27	36	102	55	123
4	Tax Expense						
	Current Tax	18	8	6	34	6	21
5	Profit for the period (3 - 4)	35	19	30	68	49	102
6	Other Comprehensive Income						
	(a) Items that will not be reclassified to profit or loss	2	1	-	-	(3)	(2)
	(b) Equity Instruments through other comprehensive income	(23)		7			38
7	Total Comprehensive Income for the period (5 + 6)	37	20	30	68	46	100

TV18 Broadcast Limited

Reported Consolidated Financial Performance for the Quarter and nine months ended 31st December, 2017

₹ in crores

	Particulars	Quarter ended			Nine months ended		Year ended (Audited)
		31 st Dec'17	30 th Sep'17	31 st Dec'16	31 st Dec'17	31 st Dec'16	31 st Mar'17
	Value of sales and services	316	267	250	802	701	979
	GST included in above	45	40	-	85	-	-
	Revenue from operations	271	227	250	717	701	979
	Other income	6	8	5	22	24	43
1	Total Income	277	235	255	739	725	1,022
2	Expenses						
	(a) Employee benefits expense	93	99	83	287	245	332
	(b) Marketing, distribution and promotional expense	44	46	38	141	151	208
	(c) Finance costs	6	5	6	16	17	22
	(d) Depreciation and amortisation expense	16	15	17	46	39	56
	(e) Other expenses	102	83	95	271	299	408
	Total Expenses	261	248	239	761	751	1,026
3	Profit/ (loss) before non-controlling interests/ share of profit of associate and joint ventures (1 - 2)	16	(13)	16	(22)	(26)	(4)
4	Share of profit of associate and joint ventures	19	26	7	64	31	35
5	Profit before tax (3 + 4)	35	13	23	42	5	31
6	Tax Expense						
	(a) Current tax	18	8	6	34	6	24
	(b) Deferred tax	1	(2)	0	(1)	(1)	1
	Total Tax Expense	19	6	6	33	5	25
7	Profit for the period (5 - 6)	16	7	17	9	0	6
8	Other Comprehensive Income						
	(a) Items that will not be reclassified to profit or loss	2	2	(0)	(1)	(4)	(2)
	(b) Income tax relating to items that will not be reclassified to profit or loss	(0)	(0)	(0)	0	(0)	(1)
	(c) Items that will be reclassified to profit or loss	(8)	3	7	(5)	10	(5)
	Total Other Comprehensive Income	(6)	5	7	(6)	6	(8)
9	Total Comprehensive Income for the period (7 + 8)	10	12	24	3	6	(2)
	Profit for the period attributable to:						
	(a) Owners of the Company	16	7	19	12	10	19
	(b) Non-controlling interest	(0)	(0)	(2)	(3)	(10)	(13)
	Other comprehensive income attributable to:						
	(a) Owners of the Company	(6)	5	7	(6)	6	(8)
	(b) Non-controlling interest	-	-	-	(0)	-	(0)
	Total comprehensive income attributable to:						
	(a) Owners of the Company	10	12	26	6	16	11
	(b) Non-controlling interest	(0)	(0)	(2)	(3)	(10)	(13)

TV18 Broadcast Limited

Reported Consolidated Segment Information for the Quarter and nine months ended 31st December, 2017

₹ in crores

	Particulars	Quarter ended			Nine months ended		Year ended (Audited)
		31 st Dec'17	30 th Sep'17	31 st Dec'16	31 st Dec'17	31 st Dec'16	31 st Mar'17
1	Segment Revenue						
	(a) Media operations	761	637	688	2,022	1,923	2,602
	(b) Film production and distribution	15	47	18	66	46	92
	Total	776	684	706	2,088	1,969	2,694
	Less: Inter segment revenue	6	-	5	6	7	17
	Total Segment Revenue	770	684	701	2,082	1,962	2,677
	Less: Revenue related to joint ventures	499	457	451	1,365	1,261	1,698
	Revenue from Operations	271	227	250	717	701	979
2	Segment Results						
	(a) Media operations	47	18	43	54	48	64
	(b) Film production and distribution	1	6	(1)	1	(7)	0
	Total	48	24	42	55	41	64
	Add: Inter segment eliminations	(1)	1	(1)	2	(2)	(2)
	Profit before finance cost and tax	47	25	41	57	39	62
	(a) Finance costs	(13)	(11)	(14)	(35)	(40)	(53)
	(b) Un-allocable expenses	(11)	(11)	(11)	(33)	(31)	(43)
	(c) Interest income	4	7	7	32	25	34
	(d) Un-allocable Income	4	3	(0)	13	7	21
3	Profit/ (loss) before tax (including JVs)	31	13	23	34	(0)	21
	Less: Profit of joint ventures	15	26	7	56	26	25
4	Profit/ (loss) before tax (excluding JVs)	16	(13)	16	(22)	(26)	(4)
5	Share of profit of associate and joint ventures	19	26	7	64	31	35
6	Profit before tax (4+5)	35	13	23	42	5	31
7	Tax expense	19	6	6	33	5	25
8	Profit before non-controlling interest (6-7)	16	7	17	9	0	6
9	Less: Non-controlling interest	(0)	(0)	(2)	(3)	(10)	(13)
10	Profit after taxes, non-controlling interest and share of profit of associate and JVs (8-9)	16	7	19	12	10	19
11	Segment Assets						
	(a) Media operations	4,099	3,925	3,893	4,099	3,893	3,784
	(b) Film production and distribution	307	325	273	307	273	258
	(c) Unallocated	722	816	958	722	958	860
	Sub-Total	5,128	5,066	5,124	5,128	5,124	4,902
	Inter segment elimination	(27)	(27)	(28)	(27)	(28)	(32)
	Total Segment Assets	5,101	5,039	5,096	5,101	5,096	4,870
12	Segment Liabilities						
	(a) Media operations	874	886	910	874	910	878
	(b) Film production and distribution	46	57	25	46	25	26
	(c) Unallocated	803	728	784	803	784	618
	Sub-Total	1,723	1,671	1,719	1,723	1,719	1,522
	Inter segment elimination	(2)	(2)	(3)	(2)	(3)	(3)
	Total Segment Liabilities	1,721	1,669	1,716	1,721	1,716	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 Q3 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

TV 18

