



A Listed Subsidiary of Network 18

EARNINGS RELEASE: Q2 2014-15

TV18 delivers strong operating performance
Q2 FY15 consolidated operating revenues up 15% YoY, at Rs. 553.7 crore
Q2 FY15 quarterly PBDIT up 39% YoY, at Rs. 69.5 crore
H1 FY15 consolidated PBDIT up 53% YoY, at Rs. 123 crore

New Delhi, October 11, 2014 – TV18 Broadcast Limited announced its results for the quarter / half year ending September 30, 2014, today. Highlights of the un-audited financial results as compared to the previous year are:

Particulars (In Rs. Crores)	Q2 FY15	Q1 FY15	Q2 FY14	% Change w.r.t Q1 FY15	% Change w.r.t Q2 FY14	H1 FY15	H1 FY14	% Change w.r.t H1 FY14
Income from operations	553.7	527.7	483.2	4.9%	14.6%	1081.4	879.4	23.0%
PBDIT	69.5	53.5	49.9	29.8%	39.4%	123.0	80.5	52.8%
Profit Before Tax (before exceptional items and prior period items)	46.6	9.1	22.4	411.1%	108.1%	55.7	27.2	104.8%

Highlights of Operations

- Half-yearly operating revenues on a consolidated basis stood at Rs. 1081.4 crore in H1 FY15, up 23% YoY from Rs. 879.4 crore in H1 FY14.
- Quarterly operating revenues on a consolidated basis stood at Rs. 553.7 crore in Q2 FY15, up 15% YoY from Rs. 483.2 crore in Q2 FY14.
- In H1 FY15, PBDIT on a consolidated basis was up 53% YoY to Rs. 123 crore, from Rs. 80.5 crore in H1 FY14.
- In Q2 FY15, PBDIT on a consolidated basis was up 39% YoY to Rs. 69.5 crore, from Rs. 49.9 crore in Q2 FY14.
- In Q2 FY15, net profit after tax on a consolidated basis was up 364% YoY to Rs. 35.3 crore, from Rs. 7.6 crore in Q2 FY14.

TV18 Broadcast Limited
Reported Consolidated Financial Performance for the Quarter Ended 30th September, 2014

Particulars (In Rs. Crores)		Consolidated					
		Quarter ended			Half year ended		Year ended (Audited)
		Q2 FY15	Q1 FY15	Q2 FY14	H1 FY15	H1 FY14	FY14
1.	Income from operations						
	(a) Income from operations	553.7	527.7	483.2	1,081.4	877.1	1,965.9
	(b) Other operating income	-	-	-	-	2.3	2.2
	Total income from operations (net)	553.7	527.7	483.2	1,081.4	879.4	1,968.1
2.	Expenses						
	(a) Programming cost	170.9	165.7	123.8	336.6	210.8	508.6
	(b) Employee benefits expense	93.8	103.9	68.5	197.7	138.2	284.7
	(c) Marketing, distribution and promotional expense	117.3	102.2	166.0	219.5	306.2	597.4
	(d) Depreciation and amortisation expense	11.0	29.5	12.2	40.5	23.0	55.8
	(e) Other expenses	115.0	108.2	85.4	223.2	161.1	366.6
	Total expenses	508.0	509.5	455.9	1,017.5	839.3	1,813.2
3.	Profit from operations before other income, finance costs and exceptional items	45.7	18.2	27.3	63.9	40.1	154.9
4.	Other income	12.8	5.8	10.4	18.6	17.4	32.4
5.	Profit from ordinary activities before finance costs and exceptional items	58.5	24.0	37.7	82.5	57.5	187.4
6.	Finance costs	11.9	14.9	15.3	26.8	30.3	60.5
7.	Profit from ordinary activities before exceptional items and tax	46.6	9.1	22.4	55.7	27.2	126.8
8.	Exceptional items	-	223.3	10.3	223.3	10.3	27.4
9.	Profit / (loss) from ordinary activities before tax	46.6	(214.2)	12.1	(167.6)	16.9	99.4

Notes to the Consolidated Unaudited Financial Results:

1. Pursuant to the enactment of the Companies Act, 2013 (the Act), the Group has, effective from 1st April 2014, reassessed the useful life of its fixed assets and has computed depreciation as provided in Schedule II to the Act. Consequently depreciation for the quarter and half year ended 30th September, 2014 is lower by Rs. 13.40 lakhs and higher by Rs. 716.30 lakhs respectively and the net profit is higher by Rs 13.40 lakhs and lower by Rs. 716.30 lakhs respectively. Further, based on the transitional provision provided in Schedule II, an amount of Rs. 744.15 lakhs has been adjusted with the opening reserves during the half year ended 30th September, 2014.
2. During the quarter ended 30th June, 2014, based on a review of the current and non-current assets, the Group has accounted for (a) obsolescence/impairment in the value of certain tangible and intangible assets to the extent of Rs. 12,226.68 lakhs and (b) write-off and provisions of non-recoverable and doubtful loans/advances/receivables to the extent of Rs. 8,769.80 lakhs and the same has been disclosed as Exceptional Items in the consolidated accounts. Further, Exceptional Items also includes an amount of Rs. 1,331.57 lakhs towards severance pay and consultancy charges. However, these adjustments have no impact on the future profitability and cash flows of the operating businesses of the Group.
3. Equator Trading Enterprises Private Limited ("Equator") (including its subsidiaries Panorama Television Private Limited and Prism TV Private Limited had become wholly owned subsidiary of the Company with effect from 22nd January, 2014. Hence, the consolidated results of the current period include the results of these subsidiary companies. Eenadu Television Private Limited had also become an associate with effect from 22nd January, 2014 and its results have been accounted as "Associate" under Accounting Standard 23 on Accounting for Investments in Associates in Consolidated Financial Statements. To this extent, the results of this period are not comparable with the corresponding previous period.

Business Highlights

■ **Business News Operations - CNBC-TV18, CNBC Awaaz, CNBC Bajar and CNBC-TV18 Prime HD**

- CNBC-TV18 and CNBC Awaaz maintained their leadership as the No.1 channel in their respective genres with a market share of 58%* and 65%***, an increase of 13%* and 9%** over Q1 FY15 respectively.
- CNBC-TV18 and CNBC Awaaz were also No.1 channels with 67%# and 65%## market share respectively on the Budget Day, Budget Week as well as during the Finance Minister's speech.
- CNBC Awaaz witnessed a peak market share of 80%### during market hours in Q2 FY15.

**(Source: TAM | All India | CS AB Males 25+| All days, 24 hours| Average weekly gross TVTs)*

****(Source: TAM | HSM | CS AB Males 25+| All days, 24 hours| Average weekly gross TVTs)*

#(Source: TAM All India | CS AB Males 25+| Budget Week: Wk 28'14|Budget day-10th Jul'14|Sum of 30 min TVTs)

##(Source: TAM HSM | CS AB Males 25+| Budget Week: Wk 28'14|Budget day-10th Jul'14|Sum of 30 min TVTs)

###(Source: TAM HSM | CS AB Males 25+|Wk 39'14|9:15 – 15:30 |Sum of 30 min TVTs)

General News Operations - CNN-IBN, IBN7, IBN Lokmat

- CNN-IBN was the market leader in the English news category in Q2 FY15 with a market share of 30%*. The focus of this quarter was on the newly formed government through special shows and initiatives such as 'Budget of Hope', 'Railway Budget', '100 Days - Report Card', 'Konichiwa PM Modi', 'Namaste Xi Jinping' and 'Modi meets America'.
- IBN7 sustained its strong viewership by reaching 66 million** people in this quarter.
- IBN Lokmat held the No.2 spot with a 28% market share*** in its genre. The channel is conducting a series of exclusive shows under the brand umbrella 'Ladhai Maharashtrachi' for the Maharashtra Assembly Election Campaign.

**(Source: TAM | CS AB 15-54 Yrs |All India| 01st Jul – 27th Sep '14 |All Days | 24 hrs |Sum of 30 Min TVTs)*

****(Source: TAM | CS 4+| All India| 01st Jul – 27th Sep '14 | All Days | 24 hrs | Avg. Monthly Reach in Millions)*

****(Source: TAM | CS 15+|All Maharashtra All days, 24 hours| |Wk 27'14- Wk 39'14| Avg. gross weekly TVTs)*

■ **Infotainment - HistoryTV18**

- History TV18 continues to engage its audience with the highest time spent per viewer* in the Factual Entertainment genre, a lead it has maintained since its launch. Pawn Stars continued its impressive performance in primetime by leading its genre with 34% market share. The History TV 18 App continued to engage its viewers with over than 450,000 downloads since its launch.

**(Source: TAM |CS AB 15+ |Wk 27'14-Wk39'14|All days, 24 Hrs | Time Spent Per Viewer (In Mins)| 6 Metros)*

*** (Source: TAM | CS AB 15+| Wk 27'14-39'14| Weekdays, 2200-2230 hrs | Sum of 30 min TVTs| 6 Metros)*

■ **Entertainment Operations – Viacom18**

- Colors was the No.2 Hindi general entertainment channel during the weekends with its market share of 23.3%* in Q2 FY15. Non-fiction continued to create new milestones with, 'Jhalak Dikha Jaa' being sampled by 154 million viewers* and 'Comedy Nights with Kapil' continuing to run as the No.1* non-fiction show in the genre. 'Bigg Boss 8' was launched in the quarter with 71 million viewers sampling the show in the first week. The business continued to innovate in the fiction category with the launch of shows 'Shastri Sisters' and 'Udaan' during prime time and increased its weekday prime time viewership from 130** million in Q1 FY15 to 141** million in Q2 FY15.
- MTV increased its viewership by 11% over Q1 FY15 reaching 6.2 million viewers*** in Q2 FY15. The channel continued to grow its digital engagement by launching online shows such as MTV Bachelor

Pad, MTV Chase the Monsoon 2 & MTV Look and the app MTV Football Rampage on Android and iOS stores during the quarter.

- MTV Indies showed 100%**** viewership growth in Q2 since launch in March 2014 and had an unduplicated reach of 5.1# million at the end of the quarter.
- VH1 led the English entertainment genre with a 23%## market share in Q2 FY15. Comedy Central sustained its strong viewership in the quarter by premiering latest international comedies such as 'Suits Season 4' and 'House of Lies Season 3'.
- Nick attained the No.1### position in its genre this quarter and successfully conducted "Class Mein Blast", a 6-week long school contact programme in 400 schools across 11 cities.
- Viacom18 Motion Pictures successfully released 'Mary Kom' in Q2 FY15.

** (Source: TAM | CS4+Yrs |HSM)*

*** (Source: TAM | CS4+Yrs |HSM| Weekday Mon-Fri |1900 – 2400 hrs)*

**** (Source: TAM |CS 15-24 AB |HSM| Wk 27-39'14)*

***** (Source: TAM |CS 15-34 AB |8 Metro| Wk 27-39'14)*

(Source: TAM | CS 4+| All India| Wk 39'14)

(source:TAM 15-34 AB Market: 7 Metros without Chennai, 6 AM to 11 PM)

(Source: TAM| 4-14 ABC MF |All India C&S HHs|07:00 – 22:00| Average JAS '14 TVTs)

■ ETV News (Panorama Television Private Limited)

- ETV bouquet of nine general news channels continued to sustain its strong viewership.
- ETV Uttar Pradesh, ETV Madhya Pradesh Chattisgarh, ETV Rajasthan and ETV Bihar Jharkhand held the No.1 position in their respective markets with a market share of 33%*, 47%** , 21%*** and 46% **** respectively in Q2 FY15.

**(Source: TAM | CS 15+|Uttar Pradesh | 1 million+ pop. | Week 27'14 – 39'14)*

*** (Source: TAM | CS 15+|Madhya Pradesh | 1 million+ pop. | Week 27'14 – 39'14)*

**** (Source: TAM | CS 15+|Rajasthan | 1 million+ pop. | Week 27'14 – 39'14)*

***** (Source: TAM | CS 15+|All Bihar | Week 27'14 – 39'14)*

■ ETV Entertainment (Prism TV Private Limited)

- ETV Marathi increased its viewership by 10% over Q1 FY15 reaching 50* million viewers in Q2 FY15. The channel launched a fiction show in July called "Tu Majha Saangati" based on the life of Sant Tukaram.
- ETV Kannada maintained its standing in the top 3 channels its genre. The channel also launched the Kannada version of the hit show "Minute to Win It" titled "Super Minute" hosted by Superstar Ganesh.
- ETV Bangla continued to grow in a competitive regional market with an 18%** increase in viewership in Q2 FY15 over Q1 FY15.

**(Source: TAM | CS 4+ | Maharashtra | Week 27'14-38'14)*

*** (Source: TAM| CS 4+| Bengal | Wk 28'14- 40'14 | All day viewership | 0200 – 2359 hrs)*

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 Q2 FY2014-15.

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

