

April 23, 2020

National Stock Exchange of India Limited Listing Department Exchange Plaza, Plot No. C/1, G-Block Bandra-Kurla Complex, Bandra (E) Mumbai – 400 051 Trading Symbol: NETWORK18	BSE Limited Department of Corporate Services- Listing P J Towers Dalal Street Mumbai – 400 001 SCRIP CODE: 532798
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Sub: Investors' Update - Standalone and Consolidated financial results for the quarter and year ended March 31, 2020.

Dear Sirs,

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.nw18.com.

You are requested to take the same on record.

Thanking you,

Yours faithfully,
For **Network18 Media & Investments Limited**



Ratnesh Rukhariyar
Group Company Secretary

Encl : As above

Network18 Media & Investments Limited

(CIN - L65910MH1996PLC280969)

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EARNINGS RELEASE: Q4 2019-20

Mumbai, 23rd April, 2020 – Network18 Media & Investments Limited today announced its results for the quarter and financial year ended 31st March 2020.

Summary Consolidated Financials

- **Rise in ranking of our flagship Entertainment channel and upsurge in News consumption helped the group post growth in ad-revenues in the quarter, even as advertising was severely impacted during late-Q4 due to the COVID-19 related lockdown.**
- **Entertainment profitability continued its improved run despite ad-headwinds, led by subscription and syndication revenue streams and broad-based cost controls.**

	Q4FY20	Q4FY19	Growth	FY20	FY19	Growth
Consolidated Operating Revenue (Rs Cr)	1,464	1,231	19%	5,357	5,116	5%
Consolidated Operating EBITDA (Rs Cr)	225	12	1855%	617	212	191%

Highlights for the quarter

- **Linear TV subscription revenue growth at 41% in Q4; B2C annuity nature provides solidity:** Benefits of a transparent and non-discriminatory B2C regime created by implementation of the NTO (New Tariff Order) in Q4FY19 continued to accrue for the entire FY20. Distribution improvements through tie-ups with cable and telecom platforms have boosted the reach and enlarged the value-proposition of our channel brands, across a varied cross-section of viewers. The contribution of subscription in revenue mix has increased to 35% in FY20, from 26% in FY19.
- **Fledgling ad-recovery in early-Q4 was upstaged by COVID-19 pandemic impact:** Improved ratings of flagship channel and base effect of NTO implementation in Q4FY19 resulted in ad-growth. This was despite continued economic weakness through the quarter, and the COVID-19 pandemic dragging advertising sharply through March. While all media have been impacted, News has been impacted to a lesser degree, as its share in TV viewership has jumped from 7% to ~20%. Digital continues to benefit from consumption tailwinds that have been further boosted during the lockdown. Entertainment has been more impacted as broadcasters have replaced original programming with re-runs due to the shuttering of content production at present.
- **Ad-recovery contingent on resumption of economic activity:** With economic activity faltering amidst a country-wide lockdown, advertising may remain suppressed for much of H1FY21. Policy interventions for protecting the affected, fiscal stimulus for kick-starting economic activity and monetary easing to infuse liquidity are expected to drive H2 towards normalcy. However, the severity of the pandemic and pace of its containment remain a key monitorable. The cost-optimisation exercise undertaken across verticals during FY20 will help us in these tough times, and will be furthered aggressively as our preparedness for the uncertain economic scenario. We remain confident that our portfolio of genre-defining brands shall weather this storm and emerge even stronger.
- **Digital partnerships (B2B) are a new revenue stream which has boosted profitability:** Amidst a tepid ad-environment, our strategy of being platform-agnostic is playing out across broadcasting as well as web-series production, helping us deliver much-improved profitability.
- **Digital-only subscription (B2C) to provide the next wave of growth:** Voot Select, the freemium entertainment offering, was launched in Mar-20 with live channels, digital-first broadcast content, and a discerning library of original content that has received audience acclaim. It aims to build upon the strength of the brand and the engagement levels the existing ad-driven model has

enjoyed. MoneyControl Pro, the behind-pay-wall product of our flagship finance portal, saw its subscriber base swell to over 1.5 lakh.

- **Consolidation underway; to catapult Network18 to India's largest listed media & distribution company with revenue of >Rs 8,000 Cr:** On 17th Feb-20, the boards of Network18, subsidiary TV18, and cable companies Hathway and Den Networks approved a Scheme of Arrangement for consolidation into Network18. This merger through share-swaps is subject to all necessary approvals and the Appointed Date for the merger shall be February 1, 2020. Aggregation of a content powerhouse across news and entertainment (both linear and digital) and the country's largest cable distribution network under the same umbrella shall boost efficiency and exploit synergies, creating value for all stakeholders. The merged Network18 will be net-debt free, and enjoy a ~50% share of subscription in revenue mix; making it much more resilient. For more details, please see press release ([link](#)) and presentation ([link](#)).
- **News bouquet (20 channels) was #1 by reach and viewership market-share in FY20.**
 - TV18's Q4 average viewership share in news was 10.5%, up from 10.2% in Q3.
 - Controls on Opex and subscription revenue growth more than filled-in for the decline in advertising and helped the News Business remain profitable.
- **Entertainment bouquet (Viacom18's 32 channels + AETN18's 4 infotainment channels) is #3 amongst national players:**
 - TV18 group's Q4 entertainment viewership share was 9.9%, vs 10.1% last quarter.
 - Ad-revenue grew despite headwinds, as Colors was the top GEC for multiple weeks in the quarter, led by its marquee programmes Big Boss and Khatron ke Khiladi. A tight leash on operating costs was maintained in an unfavourable environment.
 - Continued investments in future growth engines: Investments to the tune of Rs 13 Cr in digital subscription-offerings (Voot Select and Kids) and regional movie channels (Kannada and Gujarati Cinema) were made during Q4. EBITDA includes impact from initiatives launched more than a year ago but are in gestation, including Voot and Colors Tamil.
- **Network18 digital is #2 in digital news / information category, has ~172 mn unique visitors**
 - Digital revenues were impacted by the weak ad-environment too, though lesser than in broadcasting. Continued display advertising growth in News18.com regional despite an uncertain macro-environment underscores the tailwinds in vernacular digital media.
 - Digital losses reduced sharply, led by focus on core properties.

Mr. Adil Zainulbhai, Chairman of Network18, said: *“The COVID-19 pandemic is a major black-swan event, which has dragged the economy and the advertising environment as a result. The immediate impact on ad-driven media industry will be significant; however an increasing proportion of subscription revenues will help us pull through. Amid uncertain times, the strength of our brands and our class-leading content creation capabilities continues to shine through. We are proud of the coverage being provided by the News18 Network despite trying circumstances. The growth in media consumption witnessed augurs well for the future, as some of the increased engagement will be sticky even once the pandemic tapers off. We have stayed the course on our digital impetus and sharp focus on profitability.”*

Financials for the quarter and financial year

OPERATING REVENUES (Rs Cr)	Q4FY20	Q4FY19	Growth	FY20	FY19	Growth
A) News (TV18 Standalone) @	301	288	4%	1,150	1,079	7%
B) Entertainment (Viacom18+AETN18+Indiacast) *	1,124	893	26%	4,025	3,863	4%
C) TV18 Consolidated	1,425	1,182	21%	5,175	4,943	5%
includes: Subscription	468	332	41%	1,811	1,269	43%
D) Digital, Print, Others & Intercompany elim.	40	49	-20%	182	173	5%
E) Network18 Consolidated	1,464	1,231	19%	5,357	5,116	5%

OPERATING EBITDA (Rs Cr) #	Q4FY20	Q4FY19	Growth	FY20	FY19	Growth
A) News (TV18 Standalone) @	35	31	11%	97	93	5%
B) Entertainment (Viacom18+AETN18+Indiacast) *	206	21	901%	606	221	174%
C) TV18 Consolidated	240	52	365%	703	314	124%
D) Digital, Print, Others & Intercompany elim.	-15	-40	NM	-86	-102	NM
E) Network18 Consolidated	225	12	1855%	617	212	191%

@ IBN Lokmat is a 50:50 JV and hence is not included here as per Ind-AS accounting.

* Viacom18 and AETN18 are 51% entertainment subsidiaries of TV18, while distribution-arm Indiacast is a 50:50 JV of TV18 and Viacom18. TV18's 24.5% minority stake in Telugu entertainment associate Eenadu TV (Ramoji Rao group) is not included here.

Accounting Standard IndAS 116 on Lease Accounting has been implemented w.e.f. 1st April 2019 and the Interest cost and Depreciation during the period is higher while operating costs are lower by similar amount.

➤ Business Performance

■ Network18 - Television Operations

Network18's listed subsidiary TV18 owns and operates the broadest network of channels – 56 in India spanning news and entertainment. One in every 2 Indians is a consumer of our broadcast content. We also cater to the Indian diaspora globally through 16 international channels.

- **News – National & Regional** (20 domestic channels)
 - TV18 is the biggest News network in India by reach and market-share. The bouquet has the largest number of news channels in India, and reached an **industry-leading 557 mn viewers in Q4**.
 - **CNBC TV18 maintained #1 rank** in the English Business News genre with 69% market share in Q4 FY20. During market hours (Weekdays, 8 AM to 4 PM) CNBC TV18 maintained an even higher share of 72%.
 - CNBC Awaaz continued its clear leadership in the Hindi Business News genre with 57.7% market share.
 - **News18 India was the #3 channel in the highly competitive Hindi News genre**, with an 11.3% market share in HSM (Hindi speaking markets).
 - CNN News18 garnered 10.9% market share & ranked #4 in Q4 FY20.
 - Our Regional News cluster has the highest reach (452 mn viewers in Q4) and viewership in the country amongst regional news peers. **News18 Rajasthan maintained its clear leadership with 54% share**. News18 Bihar and UP/Uttarakhand continued their #2 rank in their respective regions.
- **Entertainment – National, Regional & Digital** (32 domestic channels)
 - Flagship GEC **Colors had a strong quarter, resurrecting its ranking to #2 with a 19.6% share amongst pay-GECs**. Viewership share across all GECs in Urban+Rural was 16.4%, up from 12.8% in Q3. The channel was a Slot leader in 6 out of 12 all day prime time slots. Bigg Boss emerged to be #1 Non-Fiction property of the Hindi GE category. Season 13 was the highest rated season of Bigg Boss ever.
 - Colors Rishtey has climbed to #2 amongst repeat-programming pay-GECs.
 - **Colors Cineplex is under ramp-up** and viewership share has risen to 5.2% this quarter vs 4.7% in Q3. It launched on 1st Mar 2019 after shifting FTA channel Rishtey Cineplex from Freedish, as a full-fledged premium pay Hindi movie channel. Colors Cineplex aired 4 matches of Road Safety Legend Cricket World Series 2020, before it was curtailed due to COVID concerns.

- Nick continues to reign as #1 in the Kids genre, with a 19.8% share of genre viewership. Sonic is at #4, with a 10.5% share. **Between Nick, Sonic and Nick Jr, our Kids portfolio commanded a 34% market-share**, with a leadership in 17 out of 20 category slots.
- **In English entertainment genre, Viacom18 channels continue to occupy the top positions**, with their combined viewership shares at 67%. Comedy Central and VH1 rank #1 (34%) and #2 (24%) respectively; while Colors Infinity has a ~9% share.
- **MTV Beats has a 13.5% viewership share**, and ranks #4 in a crowded category.
- Voot, Viacom18's Over The Top (OTT) exclusive digital video destination continues to chart its success path in an intense competitive environment.
 - Its average daily viewership of 45+ minutes that is the highest amongst broadcaster-OTT apps.
 - **MAUs boosted to over 100 mn including partnership ecosystem**
 - Bigg Boss clocked 1.5Bn+ Views
 - Top shows were a mix of drama and reality, such as Choti Sardaarni, Naagin, Shakti, Khatron Ke Khiladi and Supermodel of the year
 - **Voot Select, the freemium offering was launched in Q4. Originals like Asur and Marzi were rated very highly by viewers.**
- **Our Kannada GEC portfolio was #2 in the region with ~25% viewership share** (Colors Kannada 18% + Colors Super 6%).
- Colors Marathi maintained its strong #2 rank in the genre, with viewership share rising to 25.4%.
- Viacom18 Studios (Viacom18 Motion Pictures and Tipping Point Films)
 - The Studio released its third Tamil film Kannaum Kannaum Kollaiyadithaal (KKK) in Feb'20
 - After Jamtara and Tajmahal, Tipping Point's next web-series "She" went live on Netflix in Mar'20 and has earned wide acclaim and accolades in the media, industry and among audiences.
- **Infotainment – Factual entertainment & Lifestyle** (4 channels)
 - History TV18 overall market share in the Factual entertainment genre was 15.1%. Its ranks 2nd in megacities share with a higher share at 17.6%.
 - FYI TV18's market share has risen to 56.3% in All India, and it is the #1 Lifestyle channel.

All viewership data is from BARC, in the respective genres.

■ Network18 - Digital

○ Digital Content

- Network18 group is a clear #2 player in Digital with ~172 mn unique visitors across all devices. Network18 Digital boasts of a 44% audience share in the digital news / information category.

MoneyControl

- Moneycontrol has consolidated its position as India's leading business and finance destination in the digital landscape. Its app continues to remain best-in-class, with industry leading monthly active users (MAUs) and engagement; and achieved highest lifetime installs and MAU this quarter.
- Moneycontrol pro (MC subscription offering) continued its growth momentum with subscriber base crossing over 1.5 lakh subscriber base in less than year of its launch. This signals a greater demand for premium content & features offered on the Moneycontrol Pro platform

News 18.com

- News 18 with its coverage across 13 languages is one of most preferred digital news destinations in the country.
- News18.com (English+ Languages) is now a strong #2 player in general news category; much ahead of the incumbents such as NDTV and India today and gradually closing the gap with the leader.
- News18 Languages is the #1 Vernacular News Destination on Mobile Web; on an aggregated basis it beat the likes of NavBharat Times, Aaj tak, Amar Ujala etc. It continues to see strong growth in viewership of over 2x over previous year with Industry leading engagement on its site.

CNBCTV18.com

- CNBC with its extensive business news coverage has grown its traffic by ~2x over last quarter.

All traffic information as per latest available Comscore data.

Digital Commerce

○ BookMyShow

- During the quarter, ~ 5 million bookmyshow apps have been installed.
- BMS continued to manage and execute live events (popular theatrical show Peppa Pig held in Q4, Sunburn Holi festival at Mumbai & Pune in March 20.
- BMS which has now also forayed into Live food festival segment, has Successfully managed the Grub Fest event held at Mumbai, Bengaluru & Kolkata in Feb & March 20.
- BMS which has its presence in South East Asia & UAE region, had successfully managed an event named “Jogjarockarta” by famous Scorpions band in March 20.
- The platform is facing pressure due to shuttering of cinema halls and event venues amidst the COVID-19 lockdown. The company is optimising costs across the board to mitigate the impact.

■ Network 18 - Print

Under its publishing division, Network18 operates 3 leading niche magazines -- ‘Overdrive’, ‘Better Photography’ and ‘Better Interiors’, along with prestigious business magazine ‘Forbes India’.

Network18 Media & Investments Limited
Reported Consolidated Financial Performance for the Quarter & Financial Year ended 31st March, 2020
 (₹ in crore)

	Particulars	Quarter Ended			Year Ended (Audited)	
		31 st Mar'20	31 st Dec'19	31 st Mar'19	31 st Mar'20	31 st Mar'19
1	Income					
	Value of Sales and Services	1,687	1,702	1,416	6,186	5,916
	Goods and Services Tax included in above	223	228	185	829	800
	Revenue from Operations	1,464	1,474	1,231	5,357	5,116
	Other Income	(1)	17	5	35	(48)
	Total Income	1,463	1,491	1,236	5,392	5,068
2	Expenses					
	Cost of Materials Consumed	0	2	1	3	2
	Operational Costs	716	637	616	2,418	2,466
	Marketing, Distribution and Promotional Expense	171	230	247	898	876
	Employee Benefits Expense	248	244	270	1,032	1,096
	Finance Costs	54	57	55	236	199
	Depreciation and Amortisation Expense	40	42	37	175	142
	Other Expenses	104	93	85	389	464
	Total Expenses	1,333	1,305	1,311	5,151	5,245
3	Profit/ (Loss) Before Share of Profit/ (Loss) of Associates and Joint Ventures, Exceptional Items and Tax (1 - 2)	130	186	(75)	241	(177)
4	Share of Profit/ (Loss) of Associates and Joint Ventures	(35)	(1)	(17)	(48)	(54)
5	Profit/ (Loss) Before Exceptional Items and Tax (3 + 4)	95	185	(92)	193	(231)
6	Exceptional Items	-	-	-	50	-
7	Profit/ (Loss) Before Tax (5 - 6)	95	185	(92)	143	(231)
8	Tax Expense					
	Current Tax	35	37	(18)	86	(56)
	Deferred Tax	1	-	2	1	3
	Total Tax Expense	36	37	(16)	87	(53)
9	Profit/ (Loss) for the Period/ Year (7 - 8)	59	148	(76)	56	(178)
10	Other Comprehensive Income					
	(i) Items that will not be reclassified to Profit or Loss	(36)	(14)	10	(64)	(19)
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss	-	-	0	-	0
	(iii) Items that will be reclassified to Profit or Loss	1	1	(1)	2	(1)
	Total Other Comprehensive Income	(35)	(13)	9	(62)	(20)
11	Total Comprehensive Income for the Period/ Year (9 + 10)	24	135	(67)	(6)	(198)
	Profit/ (Loss) for the Period/ Year attributable to:					
	(a) Owners of the Company	(43)	5	(91)	(237)	(303)
	(b) Non-Controlling Interest	102	143	15	293	125
	Other Comprehensive Income attributable to:					
	(a) Owners of the Company	(33)	(13)	9	(58)	(15)
	(b) Non-Controlling Interest	(2)	0	0	(4)	(5)
	Total Comprehensive Income attributable to:					
	(a) Owners of the Company	(76)	(8)	(82)	(295)	(318)
	(b) Non-Controlling Interest	100	143	15	289	120

TV18 Broadcast Limited
Reported Consolidated Financial Performance for the Quarter & Financial Year ended 31st March, 2020
 (₹ in crore)

	Particulars	Quarter Ended			Year Ended (Audited)	
		31 st Mar'20	31 st Dec'19	31 st Mar'19	31 st Mar'20	31 st Mar'19
1	Income					
	Value of Sales and Services	1,644	1,648	1,362	5,985	5,723
	Goods and Services Tax included in above	219	223	180	810	780
	Revenue from Operations	1,425	1,425	1,182	5,175	4,943
	Other Income	4	21	15	82	35
	Total Income	1,429	1,446	1,197	5,257	4,978
2	Expenses					
	Operational Costs	710	629	608	2,368	2,440
	Marketing, Distribution and Promotional Expense	165	223	215	866	826
	Employee Benefits Expense	218	210	234	893	955
	Finance Costs	33	35	29	142	101
	Depreciation and Amortisation Expense	38	40	35	166	132
	Other Expenses	91	83	73	344	408
	Total Expenses	1,255	1,220	1,194	4,779	4,862
3	Profit/ (Loss) Before Share of Profit of Associate and Joint Venture, Exceptional Items and Tax (1 - 2)	174	226	3	478	116
4	Share of Profit of Associate and Joint Venture	2	15	10	39	36
5	Profit/ (Loss) Before Exceptional Items and Tax (3 + 4)	176	241	13	517	152
6	Exceptional Items	-	-	-	15	-
7	Profit/ (Loss) Before Tax (5 - 6)	176	241	13	502	152
8	Tax Expense					
	Current Tax	34	36	(19)	85	(61)
	Deferred Tax	-	-	2	-	3
	Total Tax Expense	34	36	(17)	85	(58)
9	Profit/ (Loss) for the Period/ Year (7 - 8)	142	205	30	417	210
10	Other Comprehensive Income					
	(i) Items that will not be reclassified to Profit or Loss	(4)	(1)	0	(8)	(9)
	(ii) Income Tax relating to items that will not be reclassified to Profit or Loss	-	-	0	-	0
	(iii) Items that will be reclassified to Profit or Loss	0	0	0	0	0
	Total Other Comprehensive Income	(4)	(1)	0	(8)	(9)
11	Total Comprehensive Income for the Period/ Year (9 + 10)	138	204	30	409	201
	Profit/ (Loss) for the Period/ Year attributable to:					
	(a) Owners of the Company	78	122	28	243	167
	(b) Non-Controlling Interest	64	83	2	174	43
	Other Comprehensive Income attributable to:					
	(a) Owners of the Company	(4)	(1)	0	(7)	(9)
	(b) Non-Controlling Interest	0	0	0	(1)	0
	Total Comprehensive Income attributable to:					
	(a) Owners of the Company	74	121	28	236	158
	(b) Non-Controlling Interest	64	83	2	173	43

INVESTOR COMMUNICATION:

Network18'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.nw18.com. This update covers the company's financial performance for Q4 FY20.

For further information on business and operations, please contact:

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Further information on the company is available on its website www.nw18.com

Network 18

