



A Listed Subsidiary of Network 18

EARNINGS RELEASE: Q2 2012-13

**Television Businesses Continue Steady Growth
IndiaCast off to a Good Start**

New Delhi, November 1, 2012 – TV18 Broadcast Limited announced its results for the quarter ending September 30, 2012, today.

Our TV18 Business (both News and Entertainment) continued to grow steadily. Reported revenues for the television and motion pictures business stood at Rs. 365.1 crores for the quarter. Our reported profit for the quarter was Rs. 14.2 crores. Our continuing broadcasting and motion pictures operations turned in a healthy profit of Rs. 28.2 crores during the quarter, excluding one-time expenses/revenues and losses towards our new launches and discontinued operations.

Announcing the results, Raghav Bahl, Managing Director, Network18 said that, “At the very outset, I would like to thank and congratulate all our investors and stakeholders for helping us in successfully closing the rights issue of TV18. TV18 is now entering a new phase in its journey with a formidable broadcast offering (post the consummation of our proposed strategic stake acquisition in ETV) and our new distribution venture - IndiaCast, in addition to a recast balance sheet. We at TV18 are excited by the immense opportunity that lies ahead for us.”

Commenting on the results for the quarter, B. Saikumar, Group CEO, said, “Our broadcast business across news and entertainment has turned in a steady performance in spite of continued softness in the advertising environment. Notably, our distribution venture, IndiaCast has had a very encouraging start and this positions us well as digitisation gets underway. The other highlight of the quarter was the motion pictures business breaking into positive territory. Going forward, we’re focused on maintaining strong operational performance, in spite of risks on the advertising front.”

TV18 Consolidated Summary					
All figures in INR crores	Q2 FY13	Q2 FY12 *	Q1 FY13*	YTD13	FY12
Revenues	365.1	267.0	293.6	658.7	1409.9
News	112.2	130.2	116.3	228.5	629.4
Infotainment	9.4	0.0	10.7	20.1	8.9
Entertainment	150.6	138.3	124.9	275.5	624.7
Indiacast**	95.0	0.0	0.0	95.0	0.0
Discontinued Operations - HMC and TIFC	0.0	0.0	45.4	45.4	159.7
Less: Inter Segmental Revenues	(2.1)	(1.6)	(3.6)	(5.7)	(12.8)
Operating Profit	14.2	6.1	15.2	29.4	(61.8)
News	13.6	15.6	23.0	36.5	50.3
Infotainment	(9.5)	(5.7)	(9.0)	(18.5)	(48.0)
Entertainment	7.0	7.3	(4.1)	2.9	(0.7)
Indiacast**	3.9	0.0	0.0	3.9	0.0
Discontinued Operations - HMC and TIFC	(0.7)	(11.1)	5.2	4.5	(63.4)
Operating Margin	4%	2%	5%	4%	-4%
News	12%	12%	20%	16%	8%
Infotainment	NA	NA	NA	NA	NA
Entertainment	5%	5%	-3%	1%	0%
Indiacast**	4%	NA	NA	NA	NA
Discontinued Operations - HMC and TIFC	NA	NA	11%	10%	-40%

*Quarterly numbers for Q2FY12 and Q1FY13 have been reclassified to ensure comparability.

** IndiaCast has been consolidated as a 100% subsidiary this quarter. This will, however, change to 75%, once the 50% capitalization by Viacom18 is complete.

Please note that the quarterly numbers used in this update have been subjected to limited review by the auditors. Segmental numbers are based on management accounts and are not audited. Quarterly numbers for relevant quarters of FY12 have been reclassified to ensure comparability. However, full year FY12 numbers are audited numbers and not reclassified.

Effective 1st July 2012, IndiaCast is managing TV18's and Viacom18's distribution operations. All prior entities/teams involved with collecting subscription and/or paying carriage and placement have been subsumed as part of IndiaCast. IndiaCast will be a 50-50 joint venture between TV18 and Viacom18. Pursuant to this development, broadcasting operations of TV18, will now report net revenues from distribution starting this quarter. Net revenues from distribution may be understood as subscription revenues earned by the company minus carriage/placement fees or any promotions/commission paid. This will have the impact of reducing our reported revenues and expenses and hence will not be comparable to previous year audited numbers but will leave EBITDA unchanged. In order to help understand the trend for this key metric better; we are providing a historical context in the table below.

2012	2013		
FY	Q1	Q2	YTD
(101.2)	(16.0)	(12.5)	(28.6)

News and Infotainment Operations

News and Infotainment Summary					
<i>All figures in INR crores</i>	Q2 FY13	Q2 FY12*	Q1 FY13*	YTD13	FY12
Revenues	121.7	130.2	127.0	248.6	638.3
General News	60.3	68.3	62.1	122.4	302.8
Business News	51.9	61.9	54.2	106.1	326.6
Infotainment (AETN18)	9.4	0.0	10.7	20.1	8.9
Operating Profit	4.0	10.0	14.0	18.0	2.3
General News	(3.3)	(0.7)	2.2	(1.2)	(4.3)
Business News	16.9	16.3	20.8	37.7	54.7
Infotainment (AETN18)	(9.5)	(5.7)	(9.0)	(18.5)	(48.0)
Operating Margin	3%	8%	11%	7%	0%
General News	-6%	-1%	3%	-1%	-1%
Business News	33%	26%	38%	36%	17%

*Quarterly numbers for Q2FY12 and Q1FY13 have been reclassified to ensure comparability.

a. Business News Operations delivered a steady quarter.

- Q2FY13 revenues on a reported basis stood at Rs. 51.9 crores. Operating profit stood at Rs. 16.9 crores for the quarter.
- Our Business News Channels – CNBC TV18 and CNBC Awaaz continued to be market leaders during the quarter.
- CNBC-TV18 launched the first edition of 'Inclusive India Awards' to highlight stories of social change and empowerment.

b. Revenues from our General News Operations stood at Rs. 60.3 crores.

- CNN-IBN, India's leading English news channel continued to have ratings traction.

c. History TV18 continues to be a market leader with its innovative programming.

- Q2FY13 revenues stood at Rs. 9.4 crores and the channel had a 21%** market share in the genre.

** Source: TAM, TG: CS SEC AB 15+, Market: 6 metros, Time Period: July-Sep'12, All days, 0600-2400 hrs

Entertainment Business

- Q2FY13 revenues for Viacom 18 on a reported basis stood at Rs. 301.1 crores. Our operating profits from our continuing business, excluding new operations, grew at ~23% over the corresponding quarter last year.
- Colors turned in a steady performance in the Hindi GEC space against a highly competitive market environment. It continues to be the No. 2 channel during weekday prime time with its fiction programming. Our weekend programming led by 'Jhalak Dikhla Jaa' for the current quarter was very well received by audiences.
- MTV with its multidimensional multiplatform strategy is the channel of choice for the youth.
- Nick, our kids channel and Sonic – the channel for the action loving generation continue to engage with their target audiences.
- The world's largest comedy channel Comedy Central continues its market leadership.
- Viacom18 Motion Pictures released two successful and critically acclaimed movies during the quarter – 'Gangs of Wasseypur – Part II' and 'OMG'.

TV18 Broadcast Limited
Consolidated Financial Performance for the Quarter Ended 30th September, 2012

<i>All figs in INR Crores</i>	Q2 FY13	Q2 FY12*	Q1 FY13*	YTD13	FY12 (Audited)
Operating Revenue					
(a) Income from operations					
Advertising Revenues	246.6	243.0	212.1	458.6	972.7
IndiaCast/Subscription Revenues**	95.0	0.0	0.0	95.0	189.9
Motion Pictures and TIFC	22.1	15.1	16.9	39.0	88.0
(b) Other operating income (includes sale of Film Rights)	1.5	8.9	64.7	66.2	159.2
	365.1	267.0	293.7	658.8	1,409.9
Operating Expenses					
(a) Staff costs	61.3	53.4	54.8	116.1	227.4
(b) Marketing, distribution and promotional expenses	124.1	72.6	47.0	171.1	460.0
(c) Production Expenses and Other expenditure	165.5	135.0	176.7	342.2	784.3
	350.9	260.9	278.5	629.4	1,471.7
Operating Profit (EBITDA)	14.2	6.1	15.2	29.4	(61.8)
Continuing Operations - Broadcasting, Distribution and MP	28.2	24.3	27.2	55.4	75.9
New Operations - Broadcasting	(13.3)	(7.1)	(17.3)	(30.5)	(74.3)
Discontinued Operations - Movie sale and TIFC	(0.7)	(11.1)	5.2	4.5	(63.4)
Operating Margin (%)	4%	2%	5%	4%	-4%
Continuing Operations	8%	9%	9%	8%	5%
Depreciation	10.9	7.6	9.6	20.5	33.5
ESOP Expenses	(0.2)	(0.1)	0.1	(0.1)	0.5
Exceptional income - Recovery from indemnity	-	69.3	-	-	108.6
Exceptional expense - Impairment of Film rights	-	69.3	-	-	69.3
Interest	49.1	26.3	38.6	87.7	119.7
Other Income	3.9	19.9	9.1	13.0	85.8
Profit Before Tax	(41.7)	(7.8)	(24.0)	(65.7)	(90.4)
Provision for tax	4.6	1.5	4.5	9.1	5.8
Net Profit After Tax	(46.3)	(9.3)	(28.5)	(74.8)	(96.2)
Minority Interest	(5.7)	(1.3)	(5.1)	(10.8)	(22.4)
Net Profit After Tax	(40.6)	(8.0)	(23.5)	(64.0)	(73.8)

Notes:

1. TV18 Consolidated Nos. includes 100% of TV18 Standalone, AETN18 and Indiacast (for the current quarter) and 50% share of Viacom18 and 50% share of IBN Lokmat accounted for line-by-line in the JV method.

2. Consolidated figures may not match the sum of TV18 Standalone, AETN18, 50% of Viacom18, Indiacast and 50% of IBN Lokmat on account of smaller subsidiaries not shown above. Viacom18 numbers include subsidiaries.

*Quarterly numbers for Q2FY12 and Q1FY13 have been reclassified to ensure comparability.

** IndiaCast has been consolidated as a 100% subsidiary this quarter. This will, however, change to 75%, once the 50% capitalization by Viacom18 is complete.

Viacom18
Financial Performance for the Quarter Ended 30th September, 2012

<i>All figs in INR Crores</i>	Q2 FY13	Q2 FY12*	Q1 FY13*	YTD13	FY12 (Audited)
Operating Revenue					
(a) Television	257.0	246.4	215.8	472.8	1,158.8
(b) Motion Pictures and TIFC	44.2	30.2	33.9	78.0	176.1
(c) HMC	0.0	0.0	91.1	91.1	233.9
	301.1	276.6	340.8	641.9	1,568.8
Operating Expenses					
(a) Staff costs	31.0	27.9	27.6	58.6	128.3
(b) Marketing, distribution and promotional expenses	27.8	73.3	43.7	71.5	400.5
(c) Production Expenses and Other expenditure	229.8	183.1	196.0	425.9	884.5
(d) HMC Expense	0.0	0.0	71.1	71.1	283.7
	288.6	284.3	338.4	626.9	1,697.0
Operating Profit (EBITDA)	12.6	(7.7)	2.4	14.9	(128.3)
(a) Continuing Operations - Broadcasting + Motion Pictures	21.4	17.4	8.5	29.9	51.2
(b) New Operations - Broadcasting	(7.5)	(2.9)	(16.6)	(24.1)	(52.6)
(c) Discontinued Operations - Movie sale and TIFC	(1.4)	(22.2)	10.5	9.1	(126.8)
Operating Margin (%)	4%	-2%	1%	2%	-8%
Depreciation	3.7	1.7	3.6	7.3	8.3
ESOP Expenses	0.0	0.0	0.0	0.0	0.0
Exceptional Items including Prior Period Adjustments					
- Indemnity Income	0.0	138.6	0.0	0.0	217.3
- Accelerated amortisation of film rights	0.0	(138.6)	0.0	0.0	(138.6)
Interest	24.7	16.4	18.5	43.2	66.5
Other Income	1.7	0.5	3.6	5.3	17.1
Profit Before Tax	(14.1)	(25.3)	(16.1)	(30.2)	(107.3)
Provision for tax	5.6	3.1	8.9	14.5	5.5
Net Profit After Tax	(19.8)	(28.4)	(24.9)	(44.7)	(112.8)

*Quarterly numbers for Q2FY12 and Q1FY13 have been reclassified to ensure comparability.

TV18 Broadcast Limited
Standalone Financial Performance for the Quarter Ended 30th September, 2012

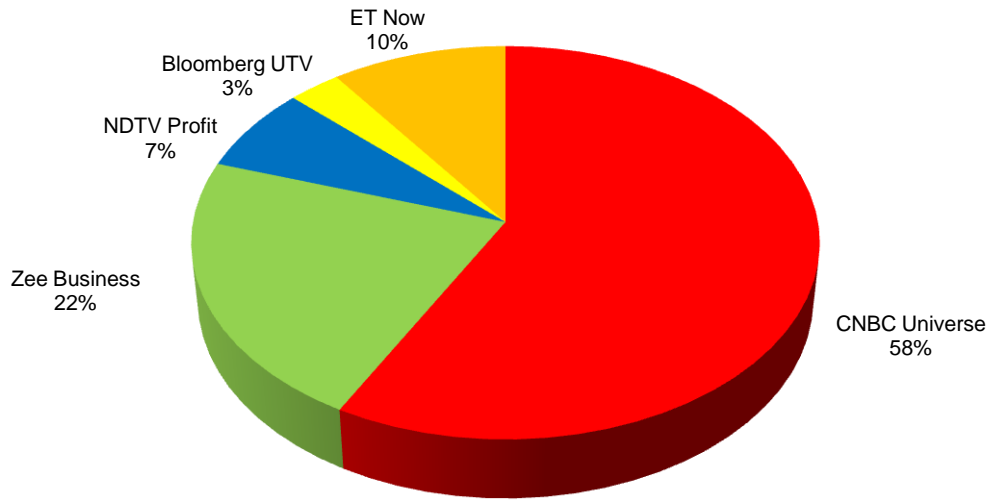
Standalone TV18 comprises CNBC TV18 + CNBC Awaaz + CNN IBN + IBN7

<i>All figs in INR Crores</i>	Q2 FY13	Q2 FY12*	Q1 FY13*	YTD13	FY12 (Audited)
Operating Revenue					
(a) Income from operations	108.4	119.7	98.8	207.2	589.0
(b) Other operating income	1.5	8.1	14.7	16.2	31.7
	109.9	127.8	113.5	223.4	620.7
Operating Expenses					
(a) Staff costs	37.0	36.9	38.0	75.0	153.6
(b) Marketing, distribution and promotional expenses	15.0	31.4	9.9	24.9	211.8
(c) Production Expenses and Other expenditure	43.2	42.5	42.4	85.5	199.5
	95.2	110.9	90.2	185.5	564.9
Operating Profit (EBITDA)	14.7	17.0	23.2	37.9	55.8
Operating Margin (%)	13%	13%	20%	17%	9%
Depreciation	5.7	6.3	5.9	11.6	24.5
ESOP Expenses	(0.2)	(0.1)	0.1	(0.1)	0.5
Exceptional Items including Prior Period Adjustments			0.0	0.0	0.0
Interest	36.5	17.8	29.1	65.6	85.4
Other Income	2.1	14.8	4.1	6.2	66.7
Profit Before Tax	(25.2)	7.8	(7.8)	(33.0)	12.1
Provision for tax	0.0	0.0	0.0	0.0	2.9
Net Profit After Tax	(25.2)	7.8	(7.8)	(33.0)	9.2

*Quarterly numbers for Q2FY12 and Q1FY13 have been reclassified to ensure comparability.

APPENDIX – Key Highlights for Q2 FY13 and Market Share Trends

CNBC TV18 and CNBC AWAAZ – Continuing to Dominate Business News



Source: TAM, Market Share
 TG: CS AB Male 25+, Market: All India, Time Period: 1st July '12– 30th September '12, All Days 0600-2400 hrs

Out of Home: Please note that the existing TV viewership measurement mechanisms though essential do not capture the actual audience delivery for a media platform like CNBC TV18 and CNBC AWAAZ. The CNBC TV18 and CNBC AWAAZ services have a large out of home (OOH) viewership especially in corporate offices, institutions, business areas, markets, etc. We believe that the reach of the CNBC Universe is much higher when the above OOH viewership is taken into account.

CNN-IBN: A Favourite among Indian Audiences





CNN-IBN IS No.1 ENGLISH NEWS CHANNEL

JAN'12 TO TILL DATE THIS YEAR



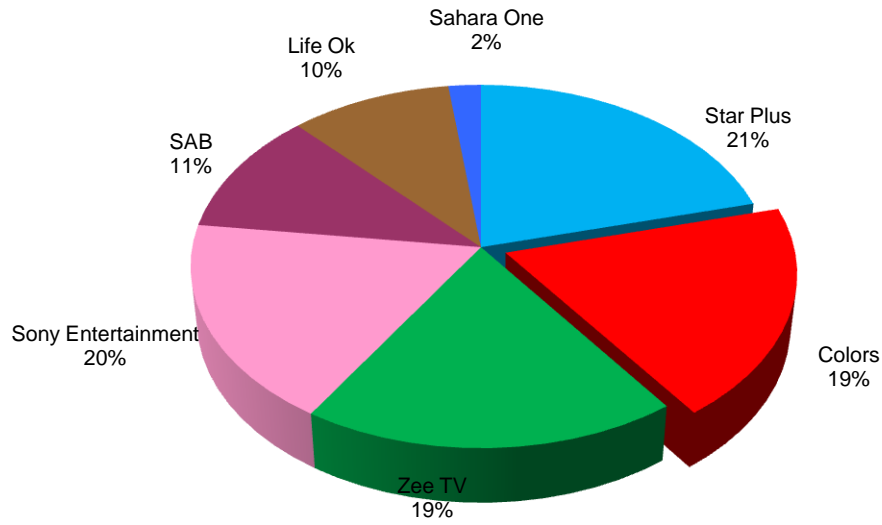
Channel	% Channel Share
CNN-IBN	0.09
Times Now	0.08
NDTV 24x7	0.05
Headlines Today	0.04
News X	0.01



Source: TAM, TG, CS 15+, Market: All India / Men+ (Incl. Metros) Period: Wk 01 '12 - Wk 39 '12, 0600-2400, All Days

"TV18 Broadcast Limited is proposing, subject to market conditions and other considerations, an offer of its equity shares on rights basis and has filed a Letter of Offer with the BSE Limited and National Stock Exchange of India Limited (the "Stock Exchanges"). The Letter of Offer is available on the website of SEBI at www.sebi.gov.in, the websites of the Stock Exchanges at www.bseindia.com and www.nse-india.com, and the websites of the Lead Managers at www.icicisecurities.com and www.rbs.in. Investors should note that investment in equity shares involves a high degree of risk and are requested to refer to "Risk Factors" in the Letter of Offer. The Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "US Securities Act"), or any state securities laws in the United States and may not be offered or sold in the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the US Securities Act) except in a transaction exempt from the registration requirements of the US Securities Act and in accordance with any applicable U.S. state securities laws."

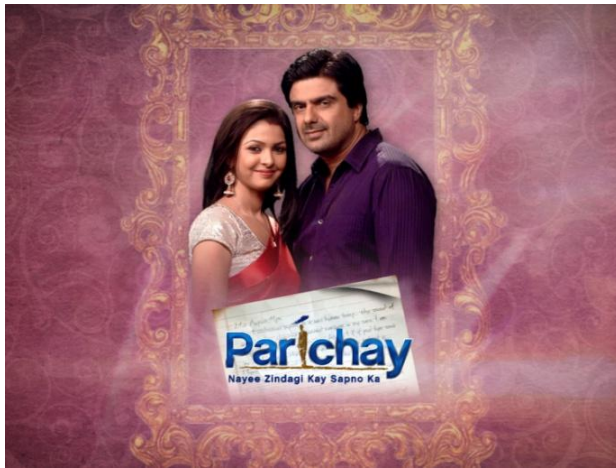
COLORS – A Preferred Choice for General Entertainment in India



Source: TAM; Hindi Speaking Markets; TG: CS 4+; Q2 FY2013: All Days, 0000-2359 hrs

COLORS - Robust Performance across Fiction, Reality and Movies





Existing Fiction Shows Lead Their Respective Slots

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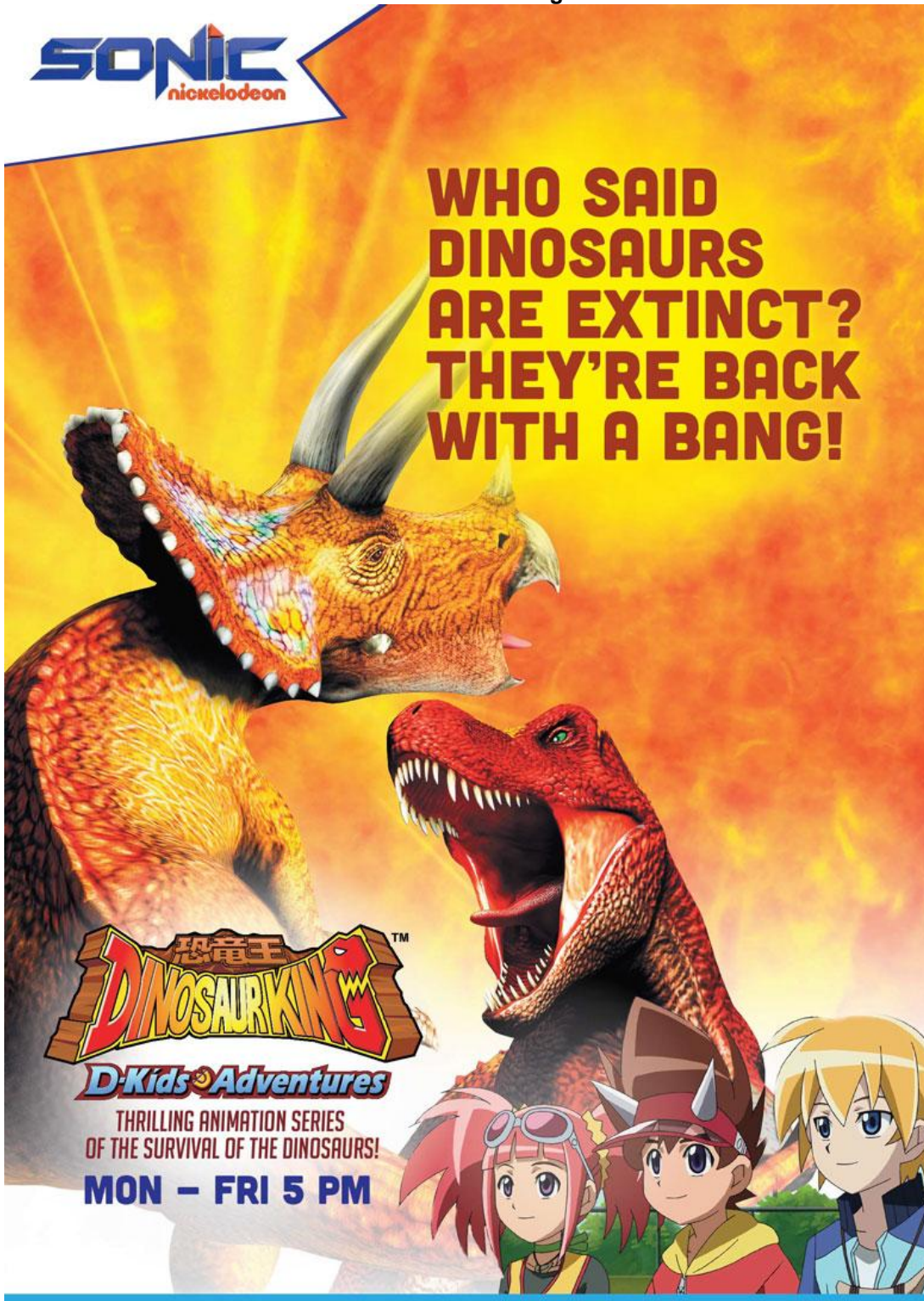
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MTV: India's No. 1 Youth Brand

MTV TOPS the SOCIAL MEDIA Brand Equity Rating
IN THE NIELSEN MCKINSEY INCITE STUDY

The Top 100 brands in India were assessed and ranked by their social media brand equity score

MTV emerged number **#1** among the entertainment brands

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Vh1: No. 1 English Entertainment and Lifestyle Channel



History – Redefining Factual Entertainment



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Delivers 5 NGRPs across channels*



Presents

THE GREATEST INDIAN

Powered by Samsung GALAXY S III



&



*Source: TAM, Market All India, TG CS 4+ & CS AB 15+, 15th August, 24 Hrs

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TV18 Broadcast Limited is proposing, subject to market conditions and other considerations, an offer of its equity shares on rights basis and has filed a Draft Letter of Offer with the Securities and Exchange Board of India. The Draft Letter of Offer is available on the website of SEBI at www.sebi.gov.in and the websites of the Lead Managers at www.icicisecurities.com and www.rbs.in. Investors should note that investment in equity shares involves a high degree of risk and are requested to refer to "Risk Factors" in the Draft Letter of Offer. The Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "US Securities Act"), or any state securities laws in the United States and may not be offered or sold in the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S under the US Securities Act) except in a transaction exempt from the registration requirements of the US Securities Act and in accordance with any applicable U.S. state securities laws.

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 FY2012-13.

Kindly note that we have temporarily discontinued our practice of holding a quarterly investor call in the light of our proposed acquisition announced on January 3, 2012. We will re-start regular quarterly calls once the process is completed. Our Investor Update read in conjunction with our Statutory Filings will continue to provide details of our operations.

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e-mail: rds.bawa@network18online.com

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

TV 18

