



A Listed Subsidiary of Network 18

EARNINGS RELEASE: Q3 2012-13

**TV18 Returns to Profitability
Strong Quarter for Television Operations**

New Delhi, January 19, 2012 – TV18 Broadcast Limited announced its results for the quarter ending December 31, 2012, today.

Our TV18 Business (both News and Entertainment) was on a strong growth trajectory this quarter. Reported revenues for the television and motion pictures business (including IndiaCast) stood at Rs. 512.4 crores for the quarter. Our reported operating profit for the quarter was Rs. 48.1 crores. The company turned in a profit of Rs. 21.3 crores after tax.

Our continuing broadcasting and motion pictures operations turned in a strong performance with a profit of Rs. 58.1 crores during the quarter excluding one-time expenses/revenues and losses towards our new launches and discontinued operations. Our Net Distribution Income turned positive while our Advertising Revenues grew 10% YOY.

Announcing the results, Raghav Bahl, Managing Director, Network18 said that, “I am delighted to inform our investors and stakeholders that TV18 has returned to profitability this quarter. Our Net Distribution Income has finally broken into positive territory and our recast balance sheet has helped us rationalize our interest payouts. We are now entering an exciting phase in our journey as we strengthen our existing operations and consolidate our regional acquisition.”

Commenting on the results for the quarter, B. Saikumar, Group CEO, said, “We are extremely pleased that all our broadcast operations grew their margins despite softness in the advertising environment. IndiaCast has hit a positive trajectory and stays with its focus of correcting the group's distribution revenues upwards and adding more brands and partners to its stable. The News Network will further consolidate its leadership position with the addition of ETV News to the stable. The brands across mass entertainment, English and Factual Entertainment, Kids, Music continue to grow and hold leadership positions. Importantly, all our programming initiatives in prime time and the weekend have paid off rather well on Colors and we hope to replicate this success in the regional ETV entertainment bouquet as well by investing in content and audiences.”

TV18 Consolidated Summary					
All figures in INR crores	Q3 FY13	Q3 FY12	Q2 FY13	YTD13	FY12 (Audited)
Revenues	512.4	296.6	365.1	1171.2	1409.9
News	150.4	143.0	112.2	378.9	629.4
Entertainment	234.6	155.1	145.2	501.3	624.1
New Operations including Infotainment	12.7	2.2	14.8	41.5	9.5
Distribution (IndiaCast)	144.3	0.0	95.0	239.3	0.0
Discontinued Operations - HMC and TIFC	0.0	3.1	0.0	45.4	159.7
Less: Inter Segmental Revenues	(29.6)	(6.7)	(2.1)	(35.3)	(12.8)
Operating Profit	48.1	(33.7)	14.2	77.5	(61.8)
News	37.6	9.2	13.6	74.1	50.3
Entertainment	21.6	19.6	10.7	36.6	25.6
New Operations including Infotainment	(9.9)	(35.5)	(13.3)	(40.5)	(74.3)
Distribution (IndiaCast)	(1.1)	0.0	3.9	2.8	0.0
Discontinued Operations - HMC and TIFC	0.0	(27.0)	(0.7)	4.5	(63.4)
Operating Margin	9%	-11%	4%	7%	-4%
News	25%	6%	12%	20%	8%
Entertainment	9%	13%	7%	7%	4%
New Operations including Infotainment	-78%	-	-90%	-98%	-785%
Distribution (IndiaCast)	-1%	0%	4%	1%	0%
Discontinued Operations - HMC and TIFC	0%	0%	0%	22%	-21%

*Quarterly numbers for Q3FY12 have been reclassified to ensure comparability.

** IndiaCast has been consolidated as a 100% subsidiary this quarter. This will, however change, 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.

As mentioned last quarter, effective 1st July 2012, IndiaCast is now 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, are now reporting net revenues from distribution starting last quarter. Net Distribution Income may be understood as subscription revenues earned by the company minus carriage/placement fees or any promotions/commission paid. This has 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. For Q3FY12, our Net Distribution Income stood at Rs. 17.8 crores. In order to help understand the trend for this key metric better; we are providing the historical context in the table below.

2012	2013			
FY	Q1	Q2	Q3	YTD
(101.2)	(16.0)	(12.5)	17.8	(10.7)

News and Infotainment Operations

News and Infotainment Summary					
<i>All figures in INR crores</i>	Q3 FY13	Q3 FY12	Q2 FY13	YTD13	FY12 (Audited)
Revenues	160.9	145.2	121.7	409.6	638.3
General News	72.3	71.9	60.3	194.7	302.8
Business News	78.0	71.1	51.9	184.2	326.6
Infotainment (AETN18)	10.5	2.2	9.4	30.6	8.9
Operating Profit	34.1	(16.2)	4.0	52.1	2.3
General News	6.9	(1.6)	(3.3)	5.8	(4.3)
Business News	30.7	10.8	16.9	68.4	54.7
Infotainment (AETN18)	(3.5)	(25.3)	(9.5)	(22.0)	(48.0)
Operating Margin	21%	-11%	3%	13%	0%
General News	10%	-2%	-6%	3%	-1%
Business News	39%	15%	33%	37%	17%
Infotainment (AETN18)	-33%	-	-101%	-72%	-

*Quarterly numbers for Q3FY12 and Q2FY13 have been reclassified to ensure comparability.

a. Business News Operations had a strong quarter with margins expanding almost threefold as compared to the same quarter last year.

- Q3FY13 revenues on a reported basis stood at Rs. 78.0 crores. Operating profit stood at Rs. 30.7 crores for the quarter as compared to Rs. 10.8 crores in Q3FY12 and Rs. 16.9 crores in Q2FY13. The significant improvement in margins came on the back of expansion of Net Distribution Income.
- Our Business News Channels – CNBC TV18 and CNBC Awaaz continued to be market leaders during the quarter.
- CNBC-TV18 successfully concluded the 8th edition of the India Business Leader Awards to celebrate excellence in leadership.

b. General News Operations broke into positive territory with 10% margins.

Q3FY13 revenues on a reported basis stood at Rs. 72.3 crores. Operating profit stood at Rs. 6.9 crores for the quarter as compared to a loss Rs. 1.6 crores in Q3FY12 and Rs. 3.3 crores in Q2FY13.

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

Q3FY13 revenues stood at Rs. 10.5 crores. While new shows engaged new audiences, HISTORY TV18's regular shows continued to enthrall old audiences. 'Pawn Stars', a show which best exemplifies our differentiated content was the most viewed in the Factual Entertainment Genre*.

** Source: TAM, Market: All India, TG: CS AB 15+, Period: Wk 51'12 All Days, 0600-2400 hrs, Dur 10 min+

Entertainment Business (100% Basis)

- Q3FY13 revenues for Viacom 18 grew to Rs. 473.5 crores, a growth of 50% over the same quarter last year. Our operating profits from our continuing business, excluding new operations, stood at Rs. 43.2 crores.
- Colors climbed to the No. 1 spot in the genre for multiple weeks in the period under review. For the quarter, it continued to be the No. 2 channel during weekday prime time with its strong fiction programming line-up. Our flagship show – ‘Balika Vadhu’ continued to lead the genre and completed 1000 episodes.
- We expanded our bouquet of offerings in the Kids Genre with the launch of Nick Jr. and Nick Teen which are Digital only offerings. With the launch of Nick Jr., we are working towards creating an eco-system to meaningfully engage mothers and toddlers.
- Viacom18 Motion Pictures released the highly acclaimed ‘Son of Sardar’ during the quarter among other movies.

ETV News and Entertainment (Non – Telugu)

Q3 Performance (On a 100% Basis)			
<i>All figures in INR Crores</i>	Revenues	EBITDA	Operating Margin
ETV News	26.3	6.6	25%
ETV Entertainment	60.3	-3.9	-6%

We have commenced the integration of ETV non-Telugu News and Entertainment operations. We believe that the opportunity is large and will require significant re-investment into content and marketing to re-gain audience traction and establish the channels as leaders in their niche genres. This re-investment could entail risks to the ETV profitability during the re-investment phase.

TV18 Broadcast Limited
Consolidated Financial Performance for the Quarter Ended 31st December, 2012

<i>All figs in INR Crores</i>	Q3 FY13	Q3 FY12	Q2 FY13	YTD13	FY12 (Audited)
Operating Revenues*	512.4	296.6	365.1	1,171.2	1,409.9
(a) Income from operations					
Broadcasting Revenues	393.5	288.8	271.7	894.1	1,250.7
<i>Advertising Revenues</i>	312.3	283.3	246.6	770.9	972.7
<i>Subscription Revenues***</i>	29.3	0.0	3.1	32.3	189.9
<i>Motion Pictures and TIFC</i>	51.9	5.5	22.1	90.9	88.0
Distribution Revenues (IndiaCast)	144.3	0.0	95.0	239.3	0.0
<i>Less: Inter Segmental Revenues</i>	<i>(29.3)</i>	<i>0.0</i>	<i>(3.1)</i>	<i>(32.3)</i>	<i>0.0</i>
(b) Other operating income (including HMC)	3.9	7.8	1.5	70.1	159.2
Operating Expenses**	464.3	330.5	350.9	1,093.7	1,471.7
(a) Staff costs	66.2	72.2	61.3	182.3	227.4
(b) Marketing, distribution and promotional expenses	174.6	72.5	124.1	345.7	460.0
(c) Production Expenses and Other expenditure	223.6	185.9	165.5	565.8	784.3
Operating Profit (EBITDA)	48.1	(33.9)	14.2	77.5	(61.8)
Continuing Operations - Broadcasting	54.5	28.5	31.0	120.3	79.4
Distribution Operations - IndiaCast	<i>(1.1)</i>	-	3.9	2.8	-
Continuing Operations - Motion Pictures	4.8	0.2	<i>(6.8)</i>	<i>(9.7)</i>	<i>(3.5)</i>
New Operations - Broadcasting	<i>(9.9)</i>	<i>(35.5)</i>	<i>(13.3)</i>	<i>(40.5)</i>	<i>(74.3)</i>
Discontinued Operations - HMC and TIFC	-	<i>(27.2)</i>	<i>(0.7)</i>	4.5	<i>(63.4)</i>
Operating Margin (%)	9%	-11%	4%	7%	-4%
Depreciation	10.6	9.1	10.9	31.1	33.5
ESOP Expenses	0.1	0.2	<i>(0.2)</i>	0.0	0.5
<i>Exceptional income - Recovery from indemnity</i>	-	-	-	-	108.6
<i>Exceptional expense - Impairment of Film rights</i>	-	-	-	-	69.3
Interest	31.5	30.2	49.1	119.1	119.7
Other Income	14.3	6.7	3.9	27.3	85.8
Profit Before Tax	20.3	(66.7)	(41.7)	(45.5)	(90.4)
Provision for tax	1.8	<i>(0.1)</i>	4.6	10.9	5.8
Net Profit After Tax	18.5	(66.6)	(46.3)	(56.3)	(96.2)
Minority Interest	<i>(2.8)</i>	<i>(13.1)</i>	<i>(5.7)</i>	<i>(13.6)</i>	<i>(22.4)</i>
Net Profit After Tax	21.3	(53.5)	(40.6)	(42.8)	(73.8)

Notes:

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 Q3FY12 have been reclassified to ensure comparability.

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

*Operating Revenues include Subscription Revenues earned on behalf of all channels in the IndiaCast bouquet.

** Operating Expenses include Carriage Fees paid on behalf of all channels, IndiaCast expenses, and the License Fees paid to the channels in the IndiaCast bouquet.

*** Subscription Revenues is not equal to Net Distribution Income because some of our entities are still negative on Net Distribution Income. Wherever negative, they form part of the expenses.

Viacom18
Financial Performance for the Quarter Ended 31st December, 2012

<i>All figs in INR Crores</i>	Q3 FY13	Q3 FY12	Q2 FY13	YTD13	FY12 (Audited)
Operating Revenue	473.5	316.3	301.1	1,115.4	1,568.8
(a) Television	369.7	305.4	257.0	842.5	1,158.8
(b) Motion Pictures and TIFC	103.8	10.9	44.2	181.9	176.1
(c) HMC	0.0	0.0	0.0	91.1	233.9
Operating Expenses	443.1	351.8	288.6	1,070.1	1,697.0
(a) Staff Costs	34.7	47.2	31.0	93.3	128.3
(b) Marketing, distribution and promotional expenses	64.7	44.4	27.8	136.2	400.5
(c) Production Expenses and Other expenditure	343.6	260.2	229.8	769.5	884.5
(d) HMC Expenses	0.0	0.0	0.0	71.1	283.7
Operating Profit (EBITDA)	30.4	(35.5)	12.6	45.3	(128.3)
(a) Continuing Operations - Broadcasting	33.7	38.7	34.9	92.5	58.1
(b) Continuing Operations - Motion Pictures	9.5	0.4	(13.5)	(19.3)	(6.9)
(c) New Operations - Broadcasting	(12.9)	(20.3)	(7.5)	(36.9)	(52.6)
(d) Discontinued Operations - HMC and TIFC	0.0	(54.3)	(1.4)	9.1	(126.8)
Operating Margin (%)	6%	-11%	4%	4%	-8%
Depreciation	3.7	1.6	3.7	11.0	8.3
ESOP Expenses	0.0	0.0	0.0	0.0	0.0
Exceptional Items including Prior Period Adjustments					
- Indemnity Income	0.0	0.0	0.0	0.0	217.3
- Accelerated amortisation of film rights	0.0	0.0	0.0	0.0	(138.6)
Interest	19.4	16.7	24.7	62.6	66.5
Other Income	0.8	0.3	1.7	6.2	17.1
Profit Before Tax	8.1	(53.5)	(14.1)	(22.0)	(107.3)
Provision for tax	4.8	(0.3)	5.6	19.3	5.5
Net Profit After Tax	3.4	(53.2)	(19.8)	(41.3)	(112.8)

*Quarterly numbers for Q3FY12 have been reclassified to ensure comparability.

TV18 Broadcast Limited
Standalone Financial Performance for the Quarter Ended 31st December, 2012

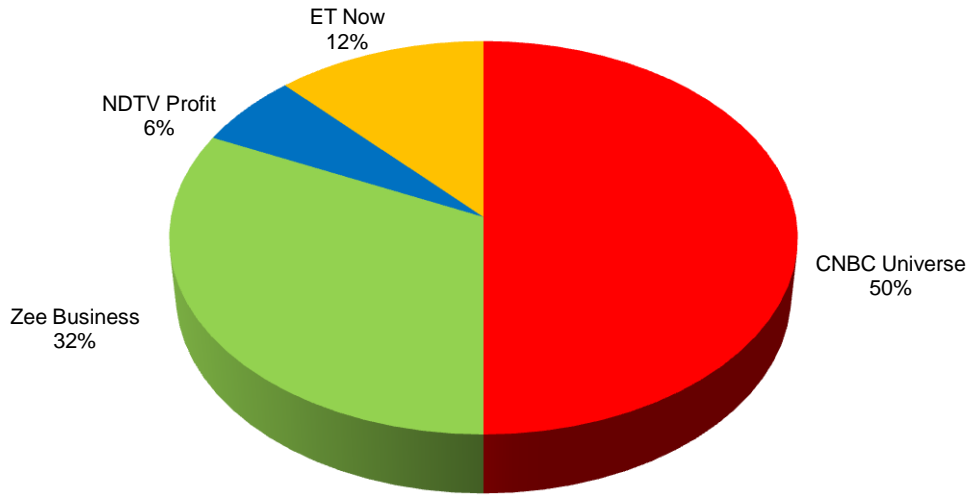
Standalone TV18 comprises CNBC TV18 + CNBC Awaaz + CNN IBN + IBN7

<i>All figs in INR Crores</i>	Q3 FY13	Q3 FY12	Q2 FY13		YTD13	FY12 (Audited)
Operating Revenue	147.7	140.8	109.9		371.1	620.7
(a) Income from operations	143.8	133.1	108.4		350.9	589.0
(b) Other operating income	3.9	7.7	1.5		20.1	31.7
Operating Expenses	109.1	130.3	95.2		294.6	564.9
(a) Staff costs	39.3	46.3	37.0		114.3	153.6
(b) Marketing, distribution and promotional expenses	22.4	35.7	15.0		47.3	211.8
(c) Production Expenses and Other expenditure	47.4	48.3	43.2		133.0	199.5
Operating Profit (EBITDA)	38.6	10.5	14.7		76.5	55.8
Operating Margin (%)	26%	7%	13%		21%	9%
Depreciation	5.7	6.0	5.7		17.4	24.5
ESOP Expenses	0.1	0.2	(0.2)		0.0	0.5
Exceptional Items including Prior Period Adjustments	0.0	0.0	0.0		0.0	0.0
Interest	21.6	21.7	36.5		87.2	85.4
Other Income	11.2	3.6	2.1		17.4	66.7
Profit Before Tax	22.3	(13.8)	(25.2)		(10.7)	12.1
Provision for tax	0.0	0.0	0.0		0.0	2.9
Net Profit After Tax	22.3	(13.8)	(25.2)		(10.7)	9.2

**Quarterly numbers for Q3FY12 have been reclassified to ensure comparability.*

APPENDIX – Key Highlights for Q3 FY13 and Market Share Trends

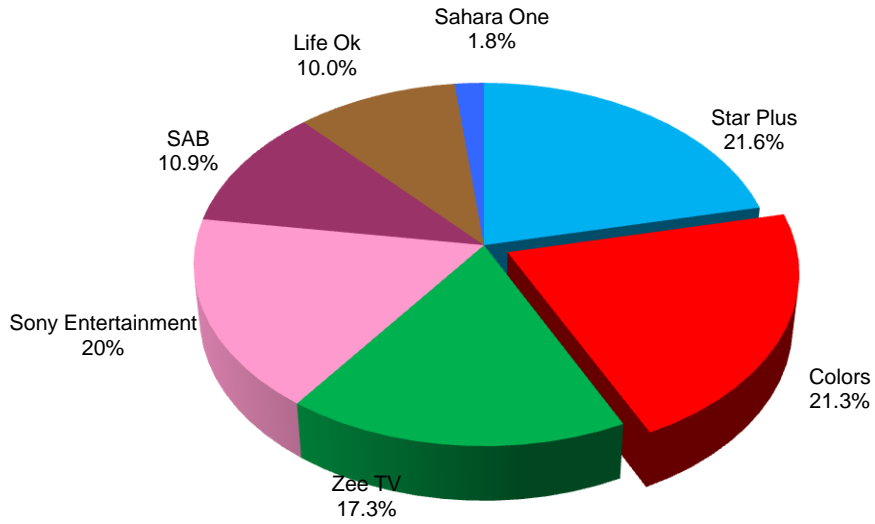
CNBC TV18 and CNBC AWAAZ – Continuing to Dominate Business News



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

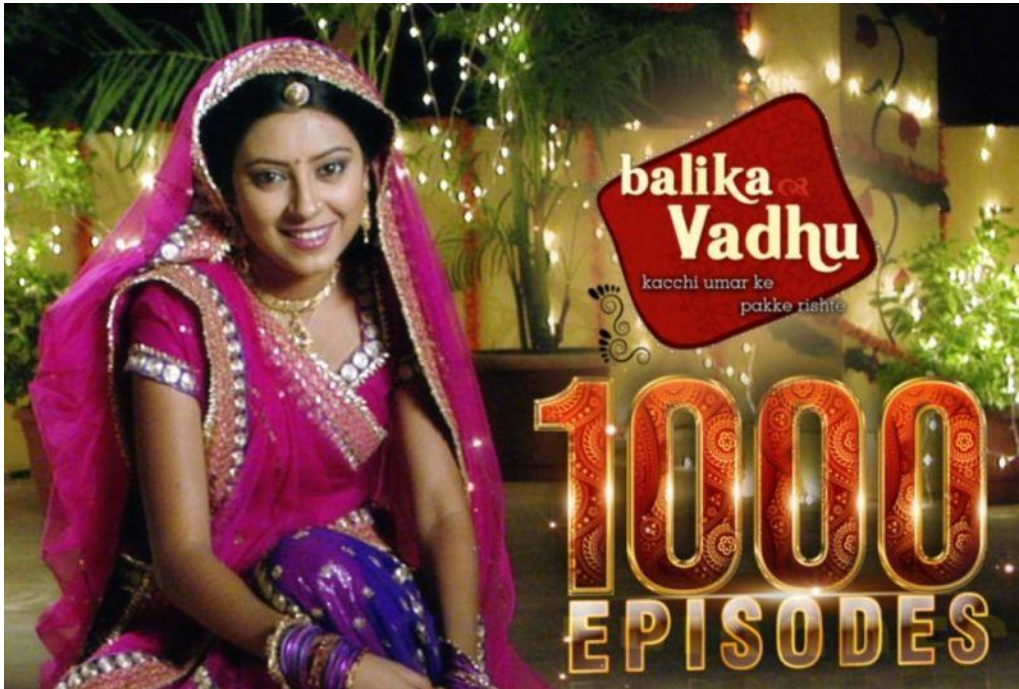
Out of Home: Please note that the existing TV viewership measurement mechanisms though essential do not capture the actual audience delivery for a media platform like CNBC TV18 and CNBC AWAAZ. The CNBC TV18 and CNBC AWAAZ services have a large out of home (OOH) viewership especially in corporate offices, 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.

COLORS – A Preferred Choice for General Entertainment in India



Source: TAM; Hindi Speaking Markets; TG: CS 4+; Q3 FY2013: All Days, 0000-2359 hrs

COLORS – Our Fiction Shows Rock the Charts



NICK Jr: Engaging with Toddlers and their Mothers



History – One Year of Redefining Factual Entertainment

365 DAYS OF DIFFERENTIATED CONTENT

HISTORY TV18 DELIVERS HIGHEST TIME SPENT PER VIEWER @ 26 MIN Vs. DISC (25 MIN) & NGC (19 MIN)*

CELEBRATING ONE YEAR OF HISTORY TV18

*Source: [All India, CS AB 15+, 0600-2400 hrs, average weekly TSV for week 42'11-39'12]

365 DAYS OF EXPANDING THE GENRE

HISTORY TV18 GROWS FACTUAL ENTERTAINMENT BY 29%*

CELEBRATING ONE YEAR OF HISTORY TV18

*Source: [All India, CS AB 15+, 0600-2400 hrs, 13 weeks pre History TV18 launch (WK 28-40'11) vs. post History TV18 launch (wk 42'11-39'12)]

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 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.

For further information on Business and Operations, please contact:

B. Saikumar, Group CEO, Network18

Tel # 022-40019163; Fax # 022-66618984

e-mail: sai.kumar@network18online.com

For further information on financials, please contact:

R D S Bawa, Group CFO, Network18

Tel # 0120-4341700; Fax # 0120-4324110;

e-mail: rds.bawa@network18online.com

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

TV 18

