



A Listed Subsidiary of Network 18

## **EARNINGS RELEASE: Q3 2014-15**

**TV18 sustains growth in operating performance**  
**9M FY15 consolidated operating revenues up by 20% YoY, at Rs. 1,688.6 crore**  
**Q3 FY15 consolidated operating revenues up by 16% YoY, at Rs. 607.2 crore**  
**9M FY15 consolidated operating PBDIT up by 31% YoY, at Rs. 183.8 crore**

New Delhi, January 14, 2015 – TV18 Broadcast Limited today announced its results for the quarter / nine months ended December 31, 2014. Highlights of the un-audited financial results as compared to the previous year are:

Particulars (In Rs. Crores)	Q3 FY15	Q2 FY15	Q3 FY14	% Change w.r.t Q2 FY15	% Change w.r.t Q3 FY14	9M FY15	9M FY14	% Change w.r.t 9M FY14
Income from operations	<b>607.2</b>	553.7	525.5	9.7%	15.6%	<b>1,688.6</b>	1,404.8	20.2%
Operating PBDIT	<b>79.4</b>	56.7	77.4	40.0%	2.5%	<b>183.8</b>	140.6	30.8%
Profit Before Tax (before exceptional items and prior period items)	<b>58.8</b>	46.6	54.3	26.3%	8.3%	<b>114.5</b>	81.5	40%

### **Highlights of Operations**

- 9M FY15 operating revenues on a consolidated basis stood at Rs. 1,688.6 crore, up by 20% YoY, from Rs. 1,404.8 crore in 9M FY14.
- Operating revenues on a consolidated basis stood at Rs. 607.2 crore in Q3 FY15, up by 16% YoY, from Rs. 525.5 crore in Q3 FY14.
- 9M FY15 operating PBDIT on a consolidated basis stood at Rs. 183.8 crore, up by 31% YoY, from Rs. 140.6 crore in 9M FY14.
- 9M FY15 Profit Before Tax (before exceptional items and prior period items) on a consolidated basis stood at Rs. 114.5 crore, up by 40% YoY, from Rs. 81.5 crore in 9M FY14.
- Q3 FY15 Profit Before Tax (before exceptional items and prior period items) on a consolidated basis stood at Rs. 58.8 crore, up by 8% YoY, from Rs. 54.3 crore in Q3 FY14.

**TV18 Broadcast Limited**  
**Reported Consolidated Financial Performance for the Quarter Ended 31<sup>st</sup> December, 2014**

Particulars (In Rs. Crore)		Consolidated					
		Quarter ended			Nine months ended		Year ended (Audited)
		31 Dec'14	30 Sep'14	31 Dec'13	31 Dec'14	31 Dec'13	31 Mar'14
1.	<b>Income from operations</b>						
	(a) Income from operations	607.2	553.7	525.5	1,688.6	1,402.6	1,965.9
	(b) Other operating income	-	-	-	-	2.2	2.2
	<b>Total income from operations (net)</b>	<b>607.2</b>	<b>553.7</b>	<b>525.5</b>	<b>1,688.6</b>	<b>1,404.8</b>	<b>1,968.1</b>
2.	<b>Expenses</b>						
	(a) Programming cost	203.8	170.9	142.6	540.4	353.3	508.7
	(b) Employee benefits expense	99.5	93.8	67.5	297.2	205.7	284.7
	(c) Marketing, distribution and promotional expense	116.8	117.3	140.8	336.2	447.0	597.4
	(d) Depreciation and amortisation expense	14.4	11.0	12.1	55.0	35.2	55.8
	(e) Other expenses	107.8	115.0	97.1	331.0	258.2	366.6
	<b>Total expenses</b>	<b>542.3</b>	<b>508.0</b>	<b>460.1</b>	<b>1,559.8</b>	<b>1,299.4</b>	<b>1,813.2</b>
3.	<b>Profit from operations before other income, finance costs and exceptional items</b>	<b>64.9</b>	<b>45.7</b>	<b>65.4</b>	<b>128.8</b>	<b>105.4</b>	<b>154.9</b>
4.	Other income	4.0	12.8	6.0	22.6	23.5	32.5
5.	<b>Profit from ordinary activities before finance costs and exceptional items</b>	<b>68.9</b>	<b>58.5</b>	<b>71.4</b>	<b>151.4</b>	<b>128.9</b>	<b>187.4</b>
6.	Finance costs	10.1	11.9	17.1	36.9	47.4	60.6
7.	<b>Profit from ordinary activities before exceptional items and tax</b>	<b>58.8</b>	<b>46.6</b>	<b>54.3</b>	<b>114.5</b>	<b>81.5</b>	<b>126.8</b>
8.	Exceptional items	5.3	-	-	(218.0)	(10.3)	(27.4)
9.	<b>Profit / (loss) from ordinary activities before tax</b>	<b>64.1</b>	<b>46.6</b>	<b>54.3</b>	<b>(103.5)</b>	<b>71.2</b>	<b>99.4</b>

**Notes to the Consolidated Unaudited Financial Results:**

1. Pursuant to the enactment of the Companies Act, 2013 (the Act), the Group has, effective from 1<sup>st</sup> 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 nine months ended 31<sup>st</sup> December, 2014 is lower by Rs. 181.95 lakhs and higher by Rs. 534.35 lakhs respectively and the net profit is higher by Rs 181.95 lakhs and lower by Rs. 534.35 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 nine months ended 31<sup>st</sup> December, 2014.
2. During the quarter ended 30<sup>th</sup> 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 results. 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. During the quarter ended 31<sup>st</sup> December, 2014, provision for doubtful advances to the extent of Rs 525.89 lakhs has been written back.
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 22<sup>nd</sup> 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 22<sup>nd</sup> 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 maintained its leadership as the No.1 channel in its genre with a market share of 55%\* in Q3 FY15. During the quarter, CNBC-TV18 marked the completion of 15 illustrious years of leadership since inception. To celebrate the milestone, the channel had special programming featuring new shows like 'The Appointment' and ground events such as the 'Investor Summit' amongst other initiatives. Also, for the first time in the history of Indian Capital Markets, the markets opened and closed from CNBC-TV18 headquarters with NSE bell at 9:15 am and BSE gong at 3:30 pm on the day of anniversary celebrations.
- CNBC Awaaz also maintained its position as the No.1 channel in the Hindi business news genre with a market share of 61%\*\* in the quarter.
- CNBC Bajar showed consistent and accelerated growth in viewership with a 182%\*\*\* increase in Q3 FY15 over Q2 FY15.

*\*(Source: TAM | All India | CS AB Males 25+| All days, 24 hours| 01st Oct – 27th Dec '14 |basis sum of 30 min TVTs)*

*\*\*\*(Source: TAM | HSM | CS AB Males 25+| All days, 24 hours| 01st Oct – 27th Dec '14 | basis sum of 30 min TVTs)*

*\*\*\*(Source: TAM |Gujarat | CS AB Males 25+| All days, 24 hours| 01st Oct – 27th Dec '14 | 30 min TVTs)*

### ■ **General News Operations - CNN-IBN, IBN7 and IBN Lokmat**

- CNN-IBN stood at No.2 position in the English General News category in Q3 FY15 with a market share of 25%\*. Key initiatives in this quarter included special shows for the coverage of assembly elections in Maharashtra, Haryana, Jammu & Kashmir and Jharkhand under the banner 'Battle For The States' and year end programming through shows such as 'The Year that Wasn't', 'E Lounge Rewind' and 'Sports 365' to capture the essence of 2014.
- IBN7 sustained its strong viewership by reaching 65 million\*\* people in this quarter.
- IBN Lokmat continued its strong performance with a 7%\*\*\* increase in reach in Q3 FY15 over Q2 FY15. The channel launched new shows such as 'Jagachya Pathivar' - exclusive international news updates and 'Gavakadchya Batmya' - exclusive news from rural Maharashtra in the quarter. IBN Lokmat also covered the Maharashtra assembly elections under special shows such as 'Kaul Maharashtracha' and 'Faisla Maharashtracha'.

*\*(Source: TAM | CS AB 15-54 Yrs |All India| 01st Oct – 27th Dec '14 |All Days | 24 hrs |basis sum of 30 min TVTs)*

*\*\*\*(Source: TAM | CS 4+| All India| 01st Oct – 27th Dec '14 | All Days | 24 hrs | Reach in Millions)*

*\*\*\*(Source: TAM| CS15+| Maharashtra| 01st Oct – 27th Dec '14 | All days| 24 hrs)*

### ■ **Entertainment Operations – Viacom18**

- Colors emerged as the No.2 channel in Hindi general entertainment genre in Q3 FY15 with a market share of 19.9%\* and the No.1 channel on weekends prime time with a market share of 28.3%\*\* . Non-fiction show 'Comedy Nights with Kapil' continues as the No.1\* show in its genre, while 'Bigg Boss 8' was sampled by more than 157 million\* viewers in the quarter.
- MTV garnered over 5.5 million\*\*\* viewers in Q3 FY15. MTV` continued to grow its digital engagement by launching 'killboring.in', a destination for daily fun videos with an average of 2 million visits per month. MTV also enhanced its brand by launching 'MTV Get A Job' with LinkedIn where students get a chance to intern with select companies.
- MTV Indies showed 100%\*\*\*\* viewership growth in Q3 FY15 over Q2 FY15 and the Pepsi MTV Indies App received over 1,55,000 sessions in Q3 FY15 across Android and iOS.

- VH1 led the English entertainment genre with a 41%<sup>#</sup> market share in Q3 FY15. Comedy Central sustained its strong viewership in the quarter by premiering latest international comedies and talk shows such as 'Psych' and 'Tonight Show starring Jimmy Fallon'.
- Nick maintained No.1<sup>##</sup> position in its genre this quarter with a reach of 40%<sup>##</sup> and launched special campaigns such as 'Nickelodeon Be the Boss' to celebrate Children's day throughout November.

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

*\*\*\*(Source: TAM | CS4+Yrs |HSM| Weekend Sat-Sun |1900 – 2400 hrs)*

*\*\*\*\*(Source: TAM| CS 15-24 AB| HSM)*

*\*\*\*\*\*(Source: TAM |CS 15-34 AB |8 Metros)*

*#(Source: TAM 15-34 AB| 7 Metros without Chennai| All days| 24 hrs| Wk 39'14 – Wk 52'14)*

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

## ■ ETV Entertainment (Prism TV Private Limited)

- ETV Marathi emerged as the No.2\* channel in its genre in Q3 FY15. The channel also launched two new shows in the prime time slot called 'Kamala' and 'Gaurav Maharashtra'.
- ETV Kannada emerged as the No.2\*\* channel its genre with 51 million viewers in this quarter. "Super Minute" hosted by Superstar Ganesh was the No.1\*\*\* non-fiction show in Q3 FY15.
- ETV Bangla continued to grow in its market with the launch of iconic detective series "Byomkesh Bakshi" and "Rannaghar Rockstar" hosted by megastar Mithun Chakraborty.

*\*(Source: TAM | CS Females 15+ ABC | Maharashtra )*

*\*\*\*(Source: TAM | CS 4+| Karnataka)*

*\*\*\*\*\*(Source: TAM | CS 4+| Karnataka| 2100 – 2230 hrs| Sat-Sun| Average TVTs)*

## ■ ETV News (Panorama Television Private Limited)

- ETV Rajasthan and ETV Bihar Jharkhand held the No.1 position in their respective markets with a market share of 26%\* and 44%\*\* respectively in Q3 FY15.
- ETV Uttar Pradesh and ETV News Bangla stood at No.2 position in their respective markets with a market share of 21%\*\*\* and 20%\*\*\*\* respectively in Q3 FY15.

*\*(Source: TAM | CS 15+| Rajasthan| 1 million+ pop.| Week 40'14 – 52'14)*

*\*\*\*(Source: TAM | CS 15+| All Bihar| Week 40'14 – 52'14)*

*\*\*\*\*\*(Source: TAM | CS 15+| Uttar Pradesh | 1 million+ pop.| Week 40'14 – 52'14)*

*\*\*\*\*\*\*(Source: TAM | CS 15+ |West Bengal| 1 million+ pop.| Week 40'14 – 52'14)*

## ■ Infotainment – History TV18

- History TV18 ended the year 2014 with No.1 position in December 2014 with a Market Share of 25%\* in 6 Metros and garnered the maximum time spent per viewer at 178 minutes\*\* in 6 Metros and 132\*\* minutes in all India. The channel also excelled on social media, with over 1,88,000 followers on Twitter.

*\*(Source: TAM | CS AB 15+ | 6 Metros | All days, 24 hours| 1st – 24th Dec '14 |Market Share (Basis Sum of 30min TVTs))*

*\*\*\*(Source: TAM | CS AB 15+ | All days, 24 hours| 1st Oct – 27th Dec '14 |Time Spent per viewer)*

**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](http://www.network18online.com). This update covers the company's financial performance for Q3 FY2014-15.

For further information on business and operations, please contact:

**Alok Agrawal, Group COO, Network18 Media & Investments Limited**

Tel # 0120-4341888; Fax # 0120-4324102

E-mail: [alok.agrawal@network18online.com](mailto:alok.agrawal@network18online.com)

Further information on the company is available on its website [www.network18online.com](http://www.network18online.com)

# TV 18

