



October 11, 2017

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, Plot No.C/1,
G-Block, Bandra-Kurla Complex,
Bandra (E), Mumbai – 400 051

BSE Limited
Department of Corporate Services- Listing
P J Towers
Dalal Street
Mumbai – 400 001

Trading Symbol: **TV18BRDCST**

SCRIP CODE: **532800**

Sub.: Investors' Update - Unaudited Financial Results (Standalone and Consolidated) for the quarter and half year ended September 30, 2017

Dear Sir / Madam,

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.network18online.com.

You are requested to take the same on record.

Thanking You,

Yours faithfully,
For **TV18 Broadcast Limited**

Deepak Gupta
Company Secretary

Encl. : As above

TV18 Broadcast Limited
(CIN – L74300MH2005PLC281753)

Regd. office: First Floor, Empire Complex, 414- Senapati Bapat Marg, Lower Parel, Mumbai-400013
T +91 22 6666 7777, 4001 9000. F +91 22 24968238 W www.network18online.com E: investors.ibn18@nw18.com





A listed subsidiary of Network18

EARNINGS RELEASE: Q2 2017-18

Mumbai, 11th October, 2017 – TV18 Broadcast Limited today announced its results for the quarter ended 30th September, 2017.

Summary Consolidated Financials

Particulars	Q2	Q2	Growth	H1	H1	Growth
	FY18	FY17	YoY%	FY18	FY17	YoY%
Revenue (incl. proportionate share of JVs)	684	659	4%	1,312	1,260	4%
Segment Operating EBITDA (incl. prop. share of JVs)	38	15	146%	36	10	275%
Revenue (as per Ind AS)	227	240	(5%)	446	451	(1%)
Operating EBITDA (as per Ind AS)	(0)	(11)	NM	(14)	(30)	NM

(Rs Crores)

TV18 posted consolidated revenues of Rs. 684 crores (including proportionate share of JVs) in Q2FY18, a 4% YoY growth. Despite industry headwinds, profitability continued to improve; led by strong performance of niches, scale-up of new initiatives and cost-control.

Highlights for the quarter

- **The quarter witnessed muted ad-revenues due to a pullback by advertisers:** The deferment of ad-spends which started in mid-June continued to hurt during till mid-September. Since then, green shoots have been visible and the growth trajectory is recovering, driven by the festive season. We believe that bottlenecks in GST implementation shall ease in due course; and the GST regime shall push the formal economy in the long run, boosting ad-spends.
- **TV18 posted 4% revenue growth (including JVs):** Entertainment business registered revenue growth even in an adverse environment, driven by rising strength of our bouquet of properties. National News revenue growth was constrained by softness in ad-spends due to macro-pressures. Regional news continued to witness weak revenues as a result of lower government and election-related advertising versus last year, dragging the bottomline.
- **TV18 share of News viewership continued its uptrend, reaching 9.3% this quarter vs <5% in Q1FY17:** Our regional cluster is now #1 in reach, and is a prime contributor to news portfolio viewership rising. Increasing traction of our revamped Hindi News channel has also helped. Our Business News channels continued their dominance in the genre, with an overall 66% share across Hindi and English.
- **Viacom18's share of entertainment viewership (ex-sports) stayed stable at ~10%.** Niche channels like Nick, Comedy Central and VH1 put in a strong show, driving advertising revenues in an otherwise adverse environment. Colors and Rishtey were in the top two in Urban and rural Hindi markets respectively. Viacom18's social-message led movie 'Toilet – Ek Prem Katha' became the top grosser of the year.
- **Consolidating on FY17 launches:** All TV channels launched last year are well on their way to reducing their operating losses. Amongst these, Rishtey Cineplex and MTV Beats are ahead of

the curve driven by overall growth in FTA and traction of Bollywood content, and Colors Super and News18 Tamil too have made rapid strides. VOOT continues to see growing traction with 40mn+ downloads, and has been awarded for innovations like its progressive web-app.

Mr. Adil Zainulbhai, Chairman of TV18, said: *“We are now the largest broadcast news company, and reach 26 states across India in 16+ languages. We continue to invest into regional platforms across both news and entertainment. Our brands have high mind-share, and audiences have appreciated our bouquet and rewarded us through consistently strong ratings. Our niche channels have also performed really well in the past quarter..”*

Financials for the quarter

- **TV18 standalone** (National news) revenues stayed near-flat; led by a tepid ad-environment. However, profitability improved substantially, led by active management of operating costs which more than offset higher employee costs.
- **Regional News** continued to witness softness in earnings, partially offsetting the positives of National News. However, encouraging viewership trends bode well for Regional news.
- **TV18 JVs (largely Viacom18)** showed 9% YoY revenue growth despite the macro-weakness, driven by the strength of the bouquet and movies released during the quarter. Profitability also improved, further helped by a scale-up in some of the new initiatives launched in Q1FY17.

OPERATING REVENUES (Rs Cr)	Q2FY18	Q2FY17	Growth
A) TV18 standalone (Business + General News)	158	160	-1%
B) Regional News (ex IBN-Lokmat) + Infotainment	69	80	-13%
C) TV18 consolidated (as per Ind-AS)	227	240	-5%
D) 50% each of Viacom18 + IBN Lokmat + Indiacast	457	419	9%
E) TV18 group (as per proportionate consolidation) - Segment P&L	684	659	4%

PROFIT BEFORE TAX (Rs Cr)	Q2FY18	Q2FY17	Growth
A) TV18 standalone (Business + General News)	28	18	56%
B) Regional News (ex IBN-Lokmat) + Infotainment	-41	-38	NM
C) TV18 Controlled businesses (as per Ind-AS)	-13	-20	NM
D) 50% each of Viacom18 + IBN Lokmat + 75% of Indiacast*	26	17	53%
E) TV18 group (as per proportionate consolidation) - Segment P&L	13	-3	NM

- *Viacom18 (entertainment) is not consolidated into TV18 financials under Ind-AS accounting as it is a 50% JV. We report TV18's 50% share of Viacom18 earnings in segment financials (proportionately consolidated), as part of "Revenue from JVs" and "PBT of JVs".*
- ** Indiacast is a 50:50 JV between TV18 and Viacom18, hence effective holding by TV18 is 75%.*

All launches made in FY 16-17 are now part of our business-as-usual operations and reporting.

Business Performance

■ Television Operations

TV18 owns and operates the largest network of channels – 51 in India spanning news and entertainment. We also cater to the Indian diaspora globally through 16 international feeds.

▪ News – National & Regional

- **CNBC TV18 maintained #1 rank** in the English Business News genre with **55% market share** in Q2 FY18. During market hours (Weekdays, 8 AM to 4 PM) CNBC TV18 maintained an even higher share of 63% and was #1 in the genre.
- **CNBC Awaaz** continues to be dominant in the Hindi Business News genre with **67% market share**. During Trading Hours (8 AM to 4 PM on weekdays), CNBC Awaaz maintained 76% market share in the genre.
- **CNN News18 market-share grew to 9%** in Q2 FY18 in All India & is ranked #5 in the English News genre.
- **News18 India was amongst the top 5 Hindi News Channels** in HSM in Q2 FY18. Its market share continued to rise, reaching 10.3% in Q2 FY18, higher compared to 5.4% in Q2 FY17 and 10.2% in Q1 FY18. **In Mega Prime Time**, News18 India maintained a slot share of 12.9% in Q2 FY18 in HSM vis-à-vis 7.0% in Q2 FY17; and thus was amongst the top 3 Hindi News Channels.
- **Our Regional News cluster has the highest reach in the country**, with 457 Mn audiences tuning into the network in Q2 FY18. The regional news cluster viewership (including IBN Lokmat) as a percentage of total news viewership continued its uptrend, reaching a high of 4.8% in the quarter, vs 2.5% in Q3 FY17.

▪ Entertainment – National, Regional & Digital

- **Colors was #2 in Urban HSM, with leadership in key primetime slots.** Colors had 3 or more shows amongst the top 10 shows in the genre consistently. Its new fiction show 'Mahakali' made a strong debut at #2, and 'Khatron Ke Khiladi' was the top rated non-fiction show in the genre.
- **Rishtey Cineplex**, the FTA movie channel launched in Q1FY17 maintained its #5 position in the genre (#2 in FTA movies), while its **market-share continued to rise to 8.4%**. The genre-leader has 11.4% market-share.
- Nick continued its leadership in the Kids genre, with a 17.5% share of viewership. **Between Nick and Sonic, our Kids portfolio commanded a 27.6% market-share.** Nick and Sonic each have 2 shows in the top 10.

- In English entertainment, VH1 and Comedy Central occupied #3 and #2 positions respectively; while **Colors Infinity rose to #4 with a ~11% share.**
- **MTV continued to hold the #1 slot** in the Youth entertainment genre. Reality show 'Splitsvilla X' attained the highest weekly rating ever across all seasons. The channel launched 'MTV Dropout', the first Indian TV show to create a startup.
- MTV Beats launched last year (by replacing MTV Indies) **is the fastest growing Hindi music channel.** It has grabbed 11% market-share, and remains in the top 5 channels of the genre.
- VOOT, Viacom18's Over The Top (OTT) exclusive digital video destination was commercially launched in May'16. **VOOT gross downloads have risen to 40mn+, and usage metrics continue to see excellent traction, especially amongst millennials.** It was selected among 'Top Trending' and 'Most Entertaining' Apps of 2016 by Google Play Store. VOOT's Progressive Web App (Mobile website built using web technologies that acts and feels like an app) launched in Jun 2017 has been recognized as one of the top global innovations of 2017 by International Broadcasting Convention. **VOOT recently launched its 1st 'Reality' Original 'Stupid Man Smart Phone'.**
- **Colors Kannada retained its strong #1 position** in Kannada regional entertainment with a 33% market share. The channel has 6 out of the top 10 shows in the genre, underscoring its dominance. **Colors Super (2nd Kannada GEC, launched in July 2016) has garnered 8% market share, making it #1 amongst the second tier channels in the genre and #5 overall.**
- Colors Marathi and Bangla were #2 and #3 in their genres respectively.
- Viacom18 Motion Pictures' project '**Toilet – Ek Prem Katha**' **has been the top grosser of the year**, and has also won accolades for its socially relevant subject. 'Lucknow Central' was the other release in Q2.
- **Infotainment – Factual entertainment & Lifestyle**
 - History TV18 was the #1 channel in Megacities in the Factual Entertainment genre, with 25% market share.
 - History TV18 HD was launched during the quarter, and ranked no. 1 in the first week of launch in the Factual HD genre, garnering 47% market share.
 - FYI TV18 was ranked as the #2 channel in the Lifestyle genre in Megacities, taking 29% market share.

All viewership data is from BARC, in the respective time-periods and genres. All HD versions of channels have been added to their SD counterpart viewership.

TV18 Broadcast Limited

Reported Standalone Financial Performance for the Quarter and Half year ended 30th September, 2017

(₹ in crores)

	Particulars	Quarter ended			Half year ended		Year ended (Audited)
		30 th Sept' 17	30 th Jun' 17	30 th Sept' 16	30 th Sept' 17	30 th Sept' 16	31 st Mar' 17
	Value of sales and services	186	153	160	339	292	667
	GST included in above	28	-	-	28	-	-
	Revenue from operations	158	153	160	311	292	667
	Other income	7	7	9	14	19	37
1	Total Income	165	160	169	325	311	704
2	Expenses						
	(a) Employee benefits expense	62	59	52	121	100	196
	(b) Marketing, distribution and promotional expense	19	21	25	40	51	93
	(c) Finance costs	3	4	6	7	10	19
	(d) Depreciation and amortisation expense	4	5	4	9	6	18
	(e) Other expenses	49	50	64	99	126	256
	Total Expenses	137	139	151	276	293	582
3	Profit before Tax (1 - 2)	28	21	18	49	18	122
4	Tax expense						
	Current Tax	9	7	-	16	-	21
5	Profit for the period (3 - 4)	19	14	18	33	18	101
6	Other Comprehensive Income						
	Items that will not be reclassified to profit or loss	(0)	(2)	(1)	(2)	(3)	(2)
7	Total Comprehensive Income for the period (5 + 6)	19	12	17	31	15	99

TV18 Broadcast Limited

Reported Consolidated Financial Performance for the Quarter and Half year ended 30th September, 2017

(₹ in crores)

	Particulars	Quarter ended			Half year ended		Year ended (Audited)
		30 th Sep'17	30 th Jun'17	30 th Sep'16	30 th Sep'17	30 th Sep'16	31 st Mar'17
	Value of sales and services	267	219	240	486	451	979
	GST included in above	40	-	-	40	-	-
	Revenue from operations	227	219	240	446	451	979
	Other income	7	8	10	15	20	43
1	Total Income	234	227	250	461	471	1,022
2	Expenses						
	(a) Employee benefits expense	100	95	86	195	163	332
	(b) Marketing, distribution and promotional expense	46	51	59	97	113	208
	(c) Finance costs	5	4	7	9	11	22
	(d) Depreciation and amortisation expense	15	15	12	30	21	56
	(e) Other expenses	81	87	106	168	205	409
	Total Expenses	247	252	270	499	513	1,026
3	Profit/ (Loss) before non-controlling interests/ share of profit of associate and joint ventures (1 - 2)	(13)	(25)	(20)	(38)	(42)	(4)
4	Share of profit of associate and joint ventures	26	19	18	45	25	35
5	Profit/ (Loss) before tax (3 + 4)	13	(6)	(2)	7	(17)	31
6	Tax Expense						
	(a) Current Tax	8	7	-	16	-	24
	(b) Deferred Tax	(2)	1	-	(2)	(1)	1
	Total tax expense	6	8	-	14	(1)	25
7	Profit/ (Loss) for the period (5 - 6)	7	(14)	(2)	(7)	(16)	6
8	Other Comprehensive Income						
	(a) Items that will not be reclassified to profit or loss	2	(4)	(2)	(3)	(4)	(2)
	(b) Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	(1)
	(c) Items that will be reclassified to profit or loss	3	(1)	(5)	3	3	(5)
	Total Other Comprehensive Income	5	(5)	(7)	-	(1)	(8)
9	Total Comprehensive Income for the period (7 + 8)	12	(19)	(9)	(7)	(17)	(2)
	Profit/ (Loss) for the period attributable to:						
	(a) Owners of the Company	7	(12)	3	(5)	(8)	19
	(b) Non-controlling interest	-	(2)	(5)	(2)	(8)	(13)
	Other comprehensive income attributable to:						
	(a) Owners of the Company	5	(5)	(7)	-	(1)	(8)
	(b) Non-controlling interest	-	-	-	-	-	-
	Total comprehensive income attributable to:						
	(a) Owners of the Company	12	(17)	(4)	(5)	(9)	11
	(b) Non-controlling interest	-	(2)	(5)	(2)	(8)	(13)

TV18 Broadcast Limited

Reported Consolidated Segment Information for the Quarter and Half year ended 30th September, 2017

Particulars	(₹ in crores)					
	Quarter ended			Half year ended		Year ended (Audited)
	30 th Sep' 17	30 th Jun' 17	30 th Sep' 16	30 th Sep' 17	30 th Sep' 16	31 st Mar' 17
1 Segment Revenue						
(a) Media operations	637	624	652	1,261	1,234	2,602
(b) Film Production and Distribution	47	4	9	51	28	92
Total	684	628	661	1,312	1,262	2,694
Less: Inter Segment Revenue	-	-	2	-	2	17
Total Segment Revenue	684	628	659	1,312	1,260	2,677
Less: Revenue related to joint ventures	457	409	419	866	809	1,698
Revenue from Operations	227	219	240	446	451	979
2 Segment Results						
(a) Media operations	18	(11)	13	7	5	64
(b) Film Production and Distribution	6	(6)	(3)	-	(6)	-
Total	24	(17)	10	7	(1)	64
Add: Inter Segment eliminations	1	2	(1)	3	(1)	(2)
Profit/ (Loss) before finance cost and tax	25	(15)	9	10	(2)	62
Add:						
(a) Finance cost	(11)	(11)	(15)	(23)	(26)	(53)
(b) Un-allocable expenses	(11)	(10)	(10)	(22)	(20)	(42)
(c) Interest income	7	21	9	29	18	33
(d) Un-allocable Income	3	6	4	9	7	21
3 Profit/ (Loss) before tax	13	(9)	(3)	3	(23)	21
Less: Profit/(Loss) before tax of joint ventures	26	16	17	41	19	25
4 Profit/ (Loss) before tax (excluding joint ventures)	(13)	(25)	(20)	(38)	(42)	(4)
5 Share of profit of associate and joint ventures	26	19	18	45	25	35
6 Profit/ (Loss) before tax (4+5)	13	(6)	(2)	7	(17)	31
7 Tax expense	6	8	-	14	(1)	25
8 Profit/ (Loss) before non-controlling interest (6-7)	7	(14)	(2)	(7)	(16)	6
9 Less: Non-controlling interest	-	(2)	(5)	(2)	(8)	(13)
10 Profit/ (Loss) after taxes, non-controlling interest and share of profit of associate and joint ventures (8-9)	7	(12)	3	(5)	(8)	19
11 Segment Assets						
(a) Media operations	3,925	4,005	3,790	3,925	3,790	3,784
(b) Film Production and Distribution	325	260	267	325	267	258
(c) Unallocated	816	816	932	816	932	860
Sub-Total	5,066	5,081	4,989	5,066	4,989	4,902
Inter segment elimination	(27)	(28)	(29)	(27)	(29)	(32)
Total Segment Assets	5,039	5,053	4,960	5,039	4,960	4,870
12 Segment Liabilities						
(a) Media operations	886	1,006	952	886	952	878
(b) Film Production and Distribution	57	30	36	57	36	26
(c) Unallocated	728	676	618	728	618	618
Sub-Total	1,671	1,712	1,606	1,671	1,606	1,522
Inter segment elimination	(2)	(2)	(3)	(2)	(3)	(3)
Total Segment Liabilities	1,669	1,710	1,603	1,669	1,603	1,519

The Segment Information has been prepared in line with the review of operating results by the chief operating decision maker (CODM) including the results of the joint ventures which were hitherto consolidated using proportionate consolidation method under the previous GAAP but have now been accounted for under equity method of accounting under Ind AS. The Group considers these joint ventures as part of 'Operating Segments' as defined under Ind AS 108. Accordingly, the difference between amounts reported as segment information and as per the Consolidated financial results relate to operations of joint ventures.

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 FY18.

For further information on business and operations, please contact:

Abhishek Agarwal,
TV18 Broadcast Limited
E-mail: abhishek.agarwal@nw18.com

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

TV 18

