

July 24, 2018

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 ended June 30, 2018**

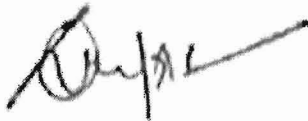
Dear Sir,

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](http://www.network18online.com).

You are requested to take the same on record.

Yours faithfully,  
For **TV18 Broadcast Limited**



**Deepak Gupta**  
**Company Secretary**

Encl. As Above

**TV18 Broadcast Limited**  
(CIN – L74300MH2005PLC281753)

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A listed subsidiary of Network18

## **EARNINGS RELEASE: Q1 2018-19**

**Mumbai, 24<sup>th</sup> July, 2018** – TV18 Broadcast Limited today announced its results for the quarter ended 30<sup>th</sup> June 2018.

### **Summary Consolidated Financials**

<b>(restated for current structure of ownership)</b>	<b>Q1FY19</b>	<b>Q1FY18</b>	<b>Growth</b>
Consolidated Operating Revenue (Rs Cr)	1,088	979	11%
Consolidated Operating EBITDA (Rs Cr)	39	14	179%

**TV18 reported a consolidated operating EBITDA of Rs. 39 crores in Q1FY19 (a sharp improvement YoY), despite impact of losses from the startup of Colors Tamil. Business-as-usual EBITDA margin for Entertainment business improved significantly, and losses in Regional News also reduced. Consolidated operating revenues at Rs 1,088 crores grew 11% YoY (on a comparable basis).**

### **Highlights for the quarter**

- **The industry environment has been recovering**, and advertising is on an upswing in general. Sentiment has been positive as growth revives in the new financial year, tempered in part by macro-factors like hardening interest rates and a depreciating INR.
- **TV18 posted 11% total revenue growth on a comparable basis:** Subscription revenues for our entire bouquet grew 10% YoY. Advertising and other revenues benefitted from the improving industry environment and our full-portfolio offering.
- **TV18's News bouquet (20 channels) is #1; News viewership share rose to 10.3%:** TV18's News bouquet gained viewership share (driven by Hindi and Regional channels) to emerge as the top news network in India. Business News maintained its growth by virtue of its industry-leading position, and General News continued to be driven by stellar performance of our Hindi News channel. Regional News revenues grew smartly after a prolonged weakness; led by improved channel performance, integrated approach (including branding) and tailwinds from government/election-related spending. Infotainment has been growing well too, helped by History TV18's new HD feed and digital extensions. All these led to an overall improvement in profitability, especially as losses in regional news fell sharply YoY on a fairly stable cost-base.
- **Viacom18 bouquet's (30 channels) share of entertainment viewership rose to 11.4%:** Colors ended the quarter as the leader in the pay-GEC charts in urban. Regional GECs in Marathi and Kannada gained, while Gujarati and Bengali too saw much improved monetization. A solid show by Kids channels and MTV Beats offset genre weakness in English entertainment and Youth.

Business-as-usual margins more than doubled: Entertainment topline growth has been constrained by lower hours of non-fiction programming and lesser film premieres compared to the base quarter, and a late start for season 3 of marquee franchise "Naagin" which has been the #1 fiction show. The tweaks in programming have resulted in an improvement in EBITDA margins for the business. Adjusting for the Rs 34 Cr losses of Colors Tamil in Q1, business-as-usual margins for Entertainment have expanded from sub-4% to 8.3%.

**Mr. Adil Zainulbhai, Chairman of Network18, said:** “Our television channels reach out to 700 million people across the country, making every 1 in 2 Indians our consumer. We have 53 domestic channels across news and entertainment, making us a formidable player. The improving advertising environment and our rising viewership are positives, as we continue investing into growing our offerings across genres.”

### Financials for the quarter

#### TV18 Consolidated - restated for current structure of ownership

OPERATING REVENUES (Rs Cr)	Q1FY19	Q1FY18	Growth
A) Business + General News (TV18 standalone)	173	153	14%
B) Regional News (ex IBN-Lokmat) + Infotainment	83	67	24%
C) Entertainment (Viacom18+Indiacast)	832	759	10%
<b>D) TV18 Consolidated #</b>	<b>1,088</b>	<b>979</b>	<b>11%</b>
includes: Subscription	301	273	10%

OPERATING EBITDA (Rs Cr)	Q1FY19	Q1FY18	Growth
A) Business + General News (TV18 standalone)	26	23	13%
B) Regional News (ex IBN-Lokmat) + Infotainment	-22	-37	NM
C) Entertainment (Viacom18+Indiacast)	35	28	25%
<b>D) TV18 Consolidated #</b>	<b>39</b>	<b>14</b>	<b>179%</b>

\* Viacom18 and Indiacast became subsidiaries of TV18 from 1st March 2018. Hence, reported financials of TV18 consolidate these entities only from that date. The above representation assumes their consolidation throughout, for comparability purposes; and hence will not match reported financials. IBN Lokmat being a 50:50 JV is not consolidated under Ind-AS accounting.

## Business Performance

TV18 owns and operates the largest network of channels – 53 in India spanning news and entertainment. We also cater to the Indian diaspora globally through 16 international feeds.

- **News – National, Regional & Digital**
  - **TV18 News bouquet's overall viewership grew to 10.3%** of the news universe, overtaking all competitors. The bouquet has the largest number of new channels in India, and it reaches an industry-leading 670 mn people.
  - **CNBC TV18 maintained #1 rank** in the English Business News genre with **66% market share** in Q1 FY19. During market hours (Weekdays, 8 AM to 4 PM) CNBC TV18 maintained an even higher share of 72% and was #1 in the genre.
  - **CNBC Awaaz** continues to be dominant in the Hindi Business News genre **with 68% market share**. During Trading Hours (8 AM to 4 PM on weekdays), CNBC Awaaz maintained 70% market share in the genre.
  - **CNN News18 garnered 9.2% Market share** in All India & ranked #4.
  - News18 India was amongst the top 4 Hindi News Channels in HSM in Q1 FY19 with 11.9% market share. In Q1 FY19, **News18 India continues to be the channel of choice in the key Evening Prime Time** in HSM Mega Cities where it was #1 amongst competition (18.1% time-band share).
  - Our Regional News cluster (including News18 Lokmat) has the **highest reach and viewership in the country**; with 597 Mn audiences tuning into the network and viewership share which has **risen further to 4.7%**. News18 Rajasthan continues to be the leader #1 in the genre, with more than 75% market share.
  - TV18 launched CNBC TV18.com; the digital counterpart of its flagship business news brand CNBC-TV18 on 6<sup>th</sup> April, 2018. CNBC TV18.com is a premium digital platform offering a mix of original and smartly curated coverage of news, analysis and trends about the stock market, business and economy.
- **Entertainment – National, Regional & Digital**
  - Flagship pay-GEC Colors ended the quarter as a leader **in Urban HSM**. **During the quarter, the channel averaged a ~17% viewership share in urban pay GECs**, and had an 8.3% overall viewership share in Urban+Rural. The new fiction launch 'Naagin Season 3', witnessed the highest opening for any fiction launch across Hindi GECs. 'Dance Deewane', opened with average viewership of 7.6million, highest across any dance show format.
  - **Rishtey Cineplex remained a solid #3 in the cluttered Hindi movie genre** with a 9.2% viewership share. The channel was launched in Q1FY17 with a relatively small movie-library and has scaled up very well riding on smartly curated content and FTA delivery model; leading to a break-even within 1.5 years of launch.

- Nick continues its leadership in the Kids genre, with a 17.1% share of viewership. **Between Nick, Sonic and Nick Jr, our Kids portfolio commanded a 27.3% market-share.** Moving beyond TV, Nickelodeon Children's Film Festival, a first of its kind event was held at INOX across 13 cities in 21 cinema screens, where our top 5 TV movies were displayed.
- **In English entertainment, Viacom18 channels continue to occupy the top three positions,** with their combined viewership shares at 58.5%. Comedy Central and VH1 rank #1 (24 %) and #2 (20.8%) respectively; while Colors Infinity has a ~13.6% share to rank #3.
- **MTV is the leader in youth channels,** with 30.6% viewership. New shows MTV Dating in the Dark and LoveSchool Season 3 were launched.
- MTV Beats continued on its growth trajectory as **the fastest growing Hindi music channel,** with viewership share rising to 14.3% viewership share in a crowded category. It celebrated "Musical June" with special programming across 30 days with 30 artists like Kailash Kher, Sonu Nigam etc.
- VOOT, Viacom18's Over The Top (OTT) exclusive digital video destination is the #2 broadcaster OTT in the country. **VOOT gross downloads have risen to ~80mn, and average daily viewership is 40+ minutes.**
- **Colors Kannada continues its strong #1 position** in Kannada regional entertainment with a 33.1% market share, and 6 of the top 10 shows. Colors Super (2<sup>nd</sup> Kannada GEC, launched in July 2016) garnered another 7.7% viewership, taking the Viacom18 portfolio's genre share to a dominant ~41%.
- Colors Marathi maintained its #2 position in the genre, with viewership share rising to 19.5%. Big Boss Marathi boosted the channel profile and monetization.
- **Colors Bangla is the fastest growing Bengali GEC,** maintaining its #3 spot.
- **Colors Tamil has carved out 4-5% viewership share** in the most competitive regional market, driven by its cinematic content and urban pull.
- **Infotainment – Factual entertainment & Lifestyle**
  - In Megacities, History TV18 ranks 2nd in the Factual entertainment genre. History TV18 HD ranks #1 amongst HD channels in the genre, with a market share of 24%.
  - In Megacities, FYI TV18 ranked #1 channel in the Lifestyle genre, taking 31.5% 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 ended 30<sup>th</sup> June 2018

(₹ in crore)

	Particulars	Quarter ended			Year ended (Audited)
		30 <sup>th</sup> Jun'18	31 <sup>st</sup> Mar'18	30 <sup>th</sup> Jun'17	31 <sup>st</sup> Mar'18
1	<b>Income</b>				
	Value of sales and services	203	268	153	835
	Goods and Service tax included in above	30	40	-	100
	Revenue from operations	173	228	153	735
	Other income	1	8	7	30
	<b>Total Income</b>	<b>174</b>	<b>236</b>	<b>160</b>	<b>765</b>
2	<b>Expenses</b>				
	Operational costs	31	46	22	134
	Marketing, distribution and promotional expense	25	38	21	94
	Employee benefits expense	66	58	59	235
	Finance costs	8	6	4	19
	Depreciation and amortisation expense	5	5	4	19
	Other expenses	25	36	28	115
	<b>Total Expenses</b>	<b>160</b>	<b>189</b>	<b>138</b>	<b>616</b>
3	<b>Profit before tax (1 - 2)</b>	<b>14</b>	<b>47</b>	<b>22</b>	<b>149</b>
4	<b>Tax Expense</b>				
	Current tax	5	18	8	52
5	<b>Profit for the period (3 - 4)</b>	<b>9</b>	<b>29</b>	<b>14</b>	<b>97</b>
6	<b>Other Comprehensive Income</b>				
	Items that will not be reclassified to profit or loss	2	(1)	(2)	(1)
7	<b>Total Comprehensive Income for the period (5+6)</b>	<b>11</b>	<b>28</b>	<b>12</b>	<b>96</b>

## TV18 Broadcast Limited

Reported Consolidated Financial Performance for the Quarter ended 30<sup>th</sup> June, 2018

(₹ in crore)

	Particulars	Quarter ended			Year ended (Audited)
		30 <sup>th</sup> Jun'18	31 <sup>st</sup> Mar'18	30 <sup>th</sup> Jun'17	31 <sup>st</sup> Mar'18
<b>1</b>	<b>Income</b>				
	Value of sales and services	1,264	863	219	1,665
	Goods and Services Tax included in above	176	105	-	190
	Revenue from operations	1,088	758	219	1,475
	Other income	8	7	8	29
	<b>Total Income</b>	<b>1,096</b>	<b>765</b>	<b>227</b>	<b>1,504</b>
<b>2</b>	<b>Expenses</b>				
	Operational costs	511	356	39	493
	Marketing, distribution and promotional expense	184	142	51	282
	Employee benefits expense	240	142	95	429
	Finance costs	18	11	4	27
	Depreciation and amortisation expense	33	23	15	69
	Other expenses	114	79	48	213
	<b>Total Expenses</b>	<b>1,100</b>	<b>753</b>	<b>252</b>	<b>1,513</b>
<b>3</b>	<b>Profit/ (loss) before share of profit of associate and joint ventures, exceptional items and tax (1 - 2)</b>	<b>(4)</b>	<b>12</b>	<b>(25)</b>	<b>(9)</b>
<b>4</b>	Share of profit of associate and joint ventures	7	5	19	69
<b>5</b>	<b>Profit/ (loss) before exceptional items and tax (3 + 4)</b>	<b>3</b>	<b>17</b>	<b>(6)</b>	<b>60</b>
<b>6</b>	Exceptional items	-	-	-	-
<b>7</b>	<b>Profit/ (loss) before Tax (5 - 6)</b>	<b>3</b>	<b>17</b>	<b>(6)</b>	<b>60</b>
<b>8</b>	<b>Tax expense</b>				
	Current tax	11	19	7	53
	Deferred tax	(1)	(1)	1	(1)
	<b>Total tax expense</b>	<b>10</b>	<b>18</b>	<b>8</b>	<b>52</b>
<b>9</b>	<b>Profit/ (loss) for the period (7 - 8)</b>	<b>(7)</b>	<b>(1)</b>	<b>(14)</b>	<b>8</b>
<b>10</b>	<b>Other Comprehensive Income</b>				
	(i) Items that will not be reclassified to profit or loss	1	1	(4)	0
	(ii) Income tax relating to items that will not be reclassified to profit or loss	0	(0)	0	(0)
	(iii) Items that will be reclassified to profit or loss	19	6	(1)	1
	<b>Total Other Comprehensive Income</b>	<b>20</b>	<b>7</b>	<b>(5)</b>	<b>1</b>
<b>11</b>	<b>Total Comprehensive Income for the period (9 + 10)</b>	<b>13</b>	<b>6</b>	<b>(19)</b>	<b>9</b>
	<b>Profit/ (loss) for the period attributable to:</b>				
	(a) Owners of the Company	(12)	(3)	(12)	9
	(b) Non-controlling interest	5	2	(2)	(1)
	<b>Other comprehensive income attributable to:</b>				
	(a) Owners of the Company	20	6	(5)	1
	(b) Non-controlling interest	(0)	1	(0)	(0)
	<b>Total comprehensive income attributable to:</b>				
	(a) Owners of the Company	8	3	(17)	10
	(b) Non-controlling interest	5	3	(2)	(1)

**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 Q1 FY19.

For further information on business and operations, please contact:

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



# TV18

