



EARNINGS RELEASE: Q3 2012-13

Network18 and TV18 Return to Profitability Operating Businesses turn in a Strong Quarter

New Delhi, January 19, 2013 – The Network18 Group announced its results for the quarter ending December 31, 2012, today.

Key Highlights for Q3 2012-13

- Consolidated revenues for the third quarter of the year 2012-13 stood at Rs. 697.4 crores on a reported basis, a growth of ~52% over same quarter last year. Our reported operating profit for the quarter was Rs. 10.6 crores. The company turned in a profit after tax of Rs. 6.8 crores.
- 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.
- Our Digital Content and eCommerce Business grew to Rs. 119.6 crores for the quarter, doubling over the same quarter last year.

Announcing the results, Raghav Bahl, Managing Director, Network18 said that, “I am delighted to inform our investors and stakeholders that both our companies – Network18 and TV18 have returned to profitability this quarter. Our recast balance sheets helped us rationalize our interest payouts and our Television and Digital Assets turned in strong operational performances. We are now entering an exciting phase in our journey as we strengthen our existing operations and consolidate our regional broadcasting acquisition.”

Commenting on the results for the quarter, B. Saikumar, Group CEO, said, “We are extremely pleased that all our broadcast and digital content operations grew their margins despite softness in the advertising environment. Our e-commerce businesses have turned in another stellar quarter doubling over the previous year. IndiaCast has hit a positive trajectory and stays with its focus of correcting the group's distribution revenues upwards. The News Network will further consolidate its leadership position with the addition of ETV News to the stable. The broadcast 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.”

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.

NETWORK18 – Key Segmental Highlights

| Network18 Consolidated Summary | | | | | |
|---|---------------|---------------|---------------|---------------|-------------------|
| <i>All figures in INR crores</i> | Q3 FY13 | Q3 FY12 | Q2 FY13 | YTD13 | FY12 (Audited) |
| Revenues | 697.4 | 457.7 | 534.0 | 1666.9 | 1943.8 |
| Television and Motion Pictures* | 542.0 | 300.3 | 367.2 | 1161.0 | 1262.9 |
| Digital Content and eCommerce | 119.6 | 58.5 | 98.2 | 290.5 | 233.8 |
| Allied Businesses | 80.7 | 156.0 | 82.7 | 268.8 | 474.5 |
| Discontinued Operations - HMC and TIFC | 0.0 | 3.1 | 0.0 | 45.4 | 159.7 |
| <i>Less: Inter Segmental Revenues</i> | <i>(44.9)</i> | <i>(60.1)</i> | <i>(14.1)</i> | <i>(98.8)</i> | <i>(187.1)</i> |
| Operating Profit | 10.6 | (81.1) | (39.2) | (53.1) | (296.0) |
| Television and Motion Pictures* | 48.1 | (6.7) | 14.9 | 73.0 | 1.6 |
| Digital Content and eCommerce | (31.3) | (32.2) | (37.7) | (101.2) | (126.3) |
| Allied Businesses | (9.1) | (17.0) | (14.4) | (34.9) | (118.8) |
| Discontinued Operations - HMC and TIFC | 0.0 | (27.0) | (0.7) | 4.5 | (63.4) |
| <i>Less: Inter Segmental Eliminations</i> | <i>2.8</i> | <i>1.7</i> | <i>(1.3)</i> | <i>5.3</i> | <i>11.0</i> |
| Operating Margin | | | | | |
| Television and Motion Pictures* | 9% | -2% | 4% | 6% | 0% |
| Digital Content and eCommerce | -26% | -55% | -38% | -35% | -54% |
| Allied Businesses | -11% | -11% | -17% | -13% | -25% |

Television Business

| TV18 Consolidated Summary | | | | | |
|--|--------------|---------------|--------------|---------------|----------------|
| <i>All figures in INR crores</i> | 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% |

** 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.

Digital Content and eCommerce

Network18 is one of the largest Indian digital media companies in the world in terms of unique visitors as per Comscore. Our revenues for the quarter from the segment stood at Rs. 119.6 crores, registering a growth of 205%, over the corresponding quarter last year.

| Digital Content and eCommerce Summary | | | | | |
|---------------------------------------|---------------|---------------|---------------|----------------|----------------|
| All figures in INR crores | Q2 FY13 | Q3 FY12 | Q2 FY13 | YTD13 | FY12 (Audited) |
| Revenues | 119.6 | 58.5 | 98.2 | 290.5 | 233.8 |
| Digital Content | 22.4 | 18.6 | 20.4 | 59.5 | 70.2 |
| Digital Commerce | 84.4 | 29.0 | 65.3 | 194.3 | 118.8 |
| Newswire18 | 12.8 | 10.8 | 12.4 | 36.7 | 44.8 |
| Operating Profit | (31.3) | (32.2) | (37.7) | (101.2) | (126.3) |
| Operating Margin | -26% | -55% | -38% | -35% | -54% |

- a. **Our Digital Content operations recorded revenues of Rs. 22.4 crores, growing by ~20% year on year.** All our content properties – moneycontrol.com, in.com, ibnlive.com and fistpost.com continued to innovate and maintain their market leadership positions. Moneycontrol.com jumped to an unprecedented 14.9 MM Unique Visitors in December 2012 as per Comscore World Report.
- b. **Newswire 18** delivered revenues of Rs. 12.8 crores for the quarter. During the quarter, we announced that we have divested our entire stake in India's premier financial data and news terminal business –Newswire18.
- c. **Bookmyshow.com** had another high growth quarter doubling year on year in terms of revenues.
- d. **HomeShop18 continued to scale across key operating parameters.** Revenues grew at over 325% over the corresponding quarter last year with both our Television and eCommerce businesses continuing to maintain their leadership positions. Our margins are looking significantly better and the Television Business is now generating operational profits.

Allied Businesses

| Allied Businesses Summary | | | | | |
|----------------------------------|--------------|---------------|---------------|---------------|----------------|
| <i>All figures in INR crores</i> | Q2 FY13 | Q3 FY12 | Q2 FY13 | YTD13 | FY12 (Audited) |
| Revenues | 80.7 | 156.0 | 82.7 | 268.8 | 474.5 |
| Infomedia 18 Press | 6.1 | 42.9 | 12.8 | 28.9 | 36.4 |
| Network18 Publishing | 31.1 | - | 22.5 | 77.4 | 107.1 |
| Other Allied Businesses | 43.5 | 113.1 | 47.5 | 162.5 | 330.9 |
| Operating Profit | (9.1) | (17.0) | (14.4) | (34.9) | (118.8) |
| Infomedia 18 Press | (4.8) | (18.6) | (3.4) | (9.2) | 0.4 |
| Network18 Publishing | 2.1 | - | 0.0 | (2.8) | (66.7) |
| Other Allied Businesses | (6.3) | 1.6 | (11.1) | (22.8) | (52.5) |
| Operating Margin | -11% | -11% | -17% | -13% | -25% |
| Infomedia 18 Press | -79% | -43% | -26% | -32% | 1% |
| Network18 Publishing | 7% | 0% | 0% | -4% | -62% |
| Other Allied Businesses | -15% | 1% | -23% | -14% | -16% |

a. Publishing Operations

Network18 Publishing recorded revenues of Rs. 31.1 crores in Q3FY13 growing 40% quarter on quarter. The business was profitable during the quarter.

- b. **Forbes India's** inaugural 'Forbes India Philanthropy Awards' and the launch of the first ever India Rich List as a standalone special issue were well received by our readers.

c. Capital18 Investee Companies

Capital18 investee portfolio companies continued to grow both on revenues and profitability.

Network18 Media & Investments 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 Revenue | 697.4 | 457.7 | 534.0 | 1,667.0 | 1,943.8 |
| (a) Income from Operations | | | | | |
| <i>Television (excluding Discontinued Operations)</i> | 542.0 | 300.3 | 367.2 | 1,161.0 | 1,262.9 |
| <i>Digital Content and eCommerce</i> | 119.6 | 58.5 | 98.2 | 290.5 | 233.8 |
| <i>Allied Businesses</i> | 80.7 | 156.0 | 82.7 | 268.8 | 474.5 |
| <i>Discontinued Operations - HMC and TIFC</i> | - | 3.1 | 0.0 | 45.5 | 159.7 |
| (b) Less Inter Company Revenues | (44.9) | (60.1) | (14.1) | (98.8) | (187.1) |
| Operating Expenses | 686.8 | 539.0 | 573.1 | 1,720.18 | 2,239.9 |
| (a) Staff Expenses | 122.8 | 130.5 | 115.5 | 347.0 | 450.5 |
| (b) Non Staff Expenses | 563.9 | 408.5 | 457.7 | 1,373.2 | 1,789.3 |
| Operating Profit (EBITDA) | 10.6 | (81.2) | (39.2) | (53.2) | (296.0) |
| Continuing Operations | 10.6 | (54.1) | (38.5) | (57.7) | (232.6) |
| Discontinued Operations - HMC and TIFC | - | (27.2) | (0.7) | 4.5 | (63.4) |
| Operating Margin (%) | 2% | -18% | -7% | -3% | -15% |
| Depreciation | 19.0 | 15.5 | 18.7 | 53.9 | 61.4 |
| ESOP Expenses | 4.5 | 0.5 | 0.5 | 5.4 | 2.1 |
| Exceptional Items including Prior Period Adjustments | 58.3 | 0.0 | 65.3 | 123.6 | - |
| Interest | 53.1 | 67.1 | 91.4 | 233.0 | 270.7 |
| Other Income | 22.8 | 26.3 | 38.9 | 76.6 | 132.8 |
| Profit Before Tax | 15.2 | (138.1) | (45.7) | (145.3) | (497.4) |
| Provision for tax | 2.6 | 0.9 | 4.6 | 11.9 | 7.2 |
| Net Profit After Tax | 12.6 | (139.0) | (50.3) | (157.1) | (504.7) |
| Minority Interest | 5.4 | (53.5) | (28.0) | (52.3) | (111.7) |
| Net Profit After Tax and Minority Interest | 7.2 | (85.5) | (22.3) | (104.9) | (393.0) |
| Share in profit/(loss) of associates | (0.4) | (0.3) | (0.3) | (1.1) | 0.3 |
| Net Profit | 6.8 | (85.8) | (22.6) | (105.9) | (392.7) |

Quarterly numbers for Q3FY12 have been reclassified to ensure comparability.

** The Exceptional Items in our consolidated unaudited financial results includes gain on disposal of investment held in a subsidiary. During the quarter under review, we divested our entire stake in India's premier financial data and news terminal business – Newswire18 in line with our stated objective of divesting non-core assets to create value for the Network18 shareholders and allow infusion of growth capital in these assets to propel them to the next stage.

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

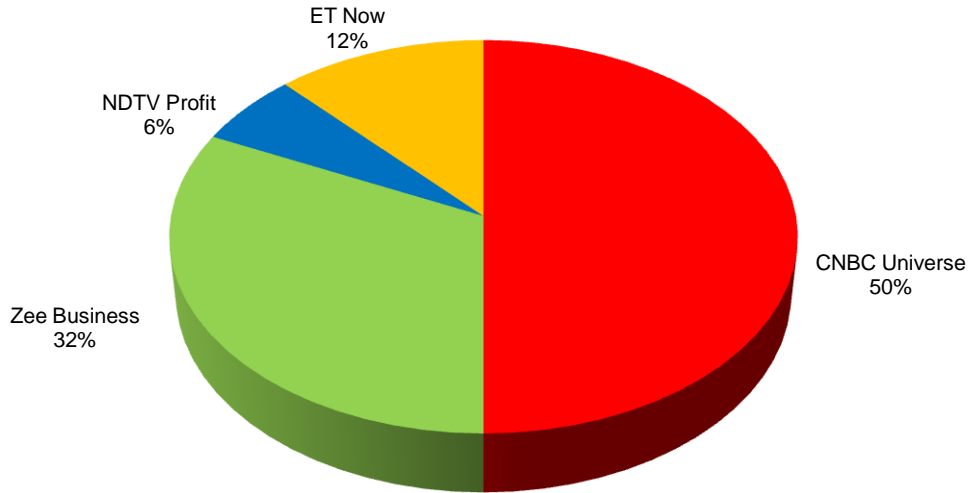
Standalone TV18 comprises CNBC TV18 + CNBC Awaaz + CNN IBN + IBN7

| <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

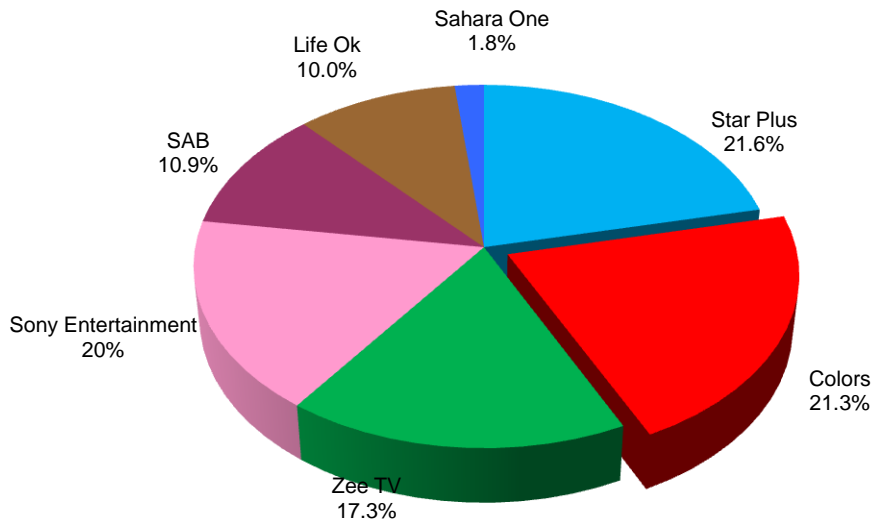
CNBC TV18 and CNBC AWAAZ – Continuing to Dominate Business News



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

A-E NETWORKS | TV 18

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

A-E NETWORKS | TV 18

HISTORY TV 18

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

A-E NETWORKS | TV 18

365 DAYS OF EXPANDING THE GENRE

HISTORY TV18 GROWS FACTUAL ENTERTAINMENT BY 29%*

CELEBRATING ONE YEAR OF HISTORY TV18

A-E NETWORKS | TV 18

HISTORY TV 18

*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:

Network18'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 FY 2012-13.

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

Network 18

