



EARNINGS RELEASE: Q3 2015-16

Network18 delivers strong operating performance

Q3 FY16 consolidated operating revenues up by 9% YoY, at Rs. 905.6 crore

Q3 FY16 consolidated operating PBDIT up by 28% YoY, at Rs. 85.7 crore

9M FY16 consolidated operating revenues up by 9% YoY, at Rs. 2,500.4 crore

9M FY16 consolidated operating PBDIT up by 8% YoY, at Rs. 105.0 crore

Mumbai, January 15, 2016 – Network18 Media & Investments Limited today announced its results for the quarter/ nine months ended 31st December, 2015. Highlights of the un-audited financial results as compared to the previous year are:

Particulars (Rs Crores)	Q3 FY 16	Q2 FY16	Q3 FY15	% Change w.r.t Q2 FY16	% Change w.r.t Q3 FY 15	9M FY 16	9M FY 15	% Change w.r.t 9M FY 15
Income from Operations	905.6	801.1	831.9	13.0%	8.9%	2,500.4	2,285.1	9.4%
Operating PBDIT	85.7	19.2	67.1	346.1%	27.6%	105.0	97.2	8.1%
Profit/(Loss) Before Tax- before exceptional and prior period items	49.6	(8.5)	22.4		121.8%	47.0	(36.4)	

Highlights of Operations

- Operating revenues on a consolidated basis stood at Rs. 905.6 crore in Q3 FY16, up by 9% YoY, from Rs. 831.9 crore in Q3 FY15.
- Q3 FY16 consolidated operating PBDIT stood at Rs. 85.7 crore, up by 28% YoY, from Rs. 67.1 crore in Q3 FY15.
- Q3 FY16 consolidated Profit Before Tax (before exceptional items and prior period items) stood at Rs. 49.6 crore, up by 122% YoY, from Rs. 22.4 crore in Q3 FY15.
- 9M FY16 operating revenues on a consolidated basis stood at Rs. 2,500.4 crore, up by 9% YoY, from Rs. 2,285.1 crore in 9M FY15.
- 9M FY16 consolidated operating PBDIT stood at Rs. 105.0 crore, up by 8% YoY, from Rs. 97.2 crore in 9M FY15.
- 9M FY16 other income includes profit of Rs.43 crore on sale of stake in Stargaze Entertainment Private Limited.

- In 9M FY16 includes operating loss of Rs.45 crore on account of new ETV news channels and launch of Colors Infinity and also a one-time expense of Rs.10 crore for rebranding ETV regional entertainment channels as Colors.
- 9M FY15 profitability vis-à-vis 9M FY16 was significantly influenced by advertisement income on account of the General Elections and the Union Budget.
- The financials of Prism TV Private Limited (Prism) have been consolidated as a Joint Venture effective 1 August 2015 as Prism ceased to be a subsidiary and continues as a Joint Venture of the Company from the aforesaid date.
- ICRA Limited (ICRA) – the Credit Rating Agency, has assigned [ICRA] AA+ (pronounced ICRA double A plus) to the fresh long term borrowing of Rs 500 crores, reaffirmed the short term fund based/non-fund based bank limits of Rs. 230 crores to [ICRA] A1+ (pronounced ICRA A one plus) and reaffirmed/reassigned rating of the Commercial Paper Programme aggregating to Rs. 500 Crores at [ICRA]A1+ (pronounced ICRA A one plus).

Network18 Media & Investments Limited
Reported Consolidated Financial Performance for the Quarter and Nine months
Ended 31st December, 2015

Particulars (In Rs. Crore)	Quarter ended (Unaudited)			Nine months ended (Unaudited)		Year Ended (Audited)
	31 Dec'15	30 Sep'15	31 Dec'14	31 Dec'15	31 Dec'14	31 Mar'15
1. Income from operations						
(a) Income from operations	899.7	795.1	819.3	2,480.9	2,255.1	3,108.8
(b) Other operating income	5.9	6.0	12.6	19.5	30.0	17.8
Total income from operations	905.6	801.1	831.9	2,500.4	2,285.1	3,126.6
2. Expenses						
(a) Programming cost	212.5	190.6	202.1	609.5	546.5	768.4
(b) Distribution, advertising and business promotion	203.3	208.3	214.0	622.8	626.6	825.4
(c) Cost of materials consumed	0.9	0.7	1.6	2.3	4.6	5.7
(d) Employee benefits expenses	159.3	162.5	143.1	481.7	425.7	569.3
(e) Depreciation and amortisation expense	23.1	20.0	23.8	61.6	80.9	75.2
(f) Other expenses	243.9	219.9	203.9	679.1	584.6	804.8
Total expenses	843.0	802.0	788.5	2,457.0	2,268.9	3,048.8
3. Profit/(loss) from ordinary activities before other income, finance costs, exceptional items, prior period items and tax	62.6	(0.9)	43.4	43.4	16.2	77.8
4. Other income	9.8	15.4	6.6	74.1	34.9	64.8
5. Profit from ordinary activities before finance costs, exceptional item, prior period items and tax	72.4	14.5	50.0	117.5	51.1	142.6
6. Finance costs	22.7	23.0	27.5	70.5	87.4	113.2
7. Profit/(loss) from ordinary activities after finance costs but before exceptional items, prior period items and tax	49.7	(8.5)	22.5	47.0	(36.3)	29.4
8. Exceptional items- (expense)/ income	-	-	5.3	-	(1,040.1)	(1,055.4)
9. Profit/(loss) from ordinary activities after exceptional items but before prior period items and tax	49.7	(8.5)	27.8	47.0	(1,076.4)	(1,026.0)
10. Prior period (expense)/ income	-	-	-	-	(63.5)	(64.0)
11. Profit/(loss) before tax	49.7	(8.5)	27.8	47.0	(1,139.9)	(1,090.0)

TV18 Broadcast Limited
Reported Consolidated Financial Performance for the Quarter and Nine months
ended 31st December, 2015

Particulars (In Rs. Crore)	Quarter ended (Unaudited)			Nine months ended (Unaudited)		Year Ended (Audited)
	31 Dec'15	30 Sep'15	31 Dec'14	31 Dec'15	31 Dec'14	31 Mar'15
1. Income from operations						
Income from operations	692.4	608.5	607.2	1,897.6	1,688.6	2,318.4
Income from operations (net)	692.4	608.5	607.2	1,897.6	1,688.6	2,318.4
2. Expenses						
(a) Programming cost	214.4	191.9	203.8	614.8	540.4	757.5
(b) Employee benefits expense	114.3	117.9	99.5	345.6	297.2	399.1
(c) Marketing, distribution and promotional expense	112.9	127.0	116.7	375.8	336.2	449.8
(d) Depreciation and amortisation expense	12.6	11.9	14.4	35.5	55.0	40.0
(e) Other expenses	147.0	134.2	107.8	408.2	331.0	459.5
Total expenses	601.2	582.9	542.3	1,779.9	1,559.8	2,105.9
3. Profit from operations before other income, finance costs and exceptional items	91.2	25.6	64.9	117.7	128.8	212.5
4. Other income	11.9	12.8	4.0	33.0	22.6	51.3
5. Profit from ordinary activities before finance costs and exceptional items	103.1	38.5	68.9	150.7	151.4	263.8
6. Finance costs	10.8	12.2	10.1	36.4	36.9	47.8
7. Profit from ordinary activities before exceptional items and tax	92.3	26.3	58.8	114.3	114.5	216.0
8. Exceptional items- Income /(Expense)	-	-	5.3	-	(218.0)	(233.3)
9. Profit / (loss) from ordinary activities before tax	92.3	26.3	64.2	114.3	(103.5)	(17.3)

Business Highlights

■ Network18 Digital

Network18 is one of the largest digital media companies in India attracting over 23 million* unique visitors per month in Q3 FY16.

▪ Digital Content

- **Business/Finance: Moneycontrol.com** continued to be a dominant player in the news category across parameters on the web during the quarter, with 238 million* average monthly page views and over 4.2 million* average unique visitors per month. Moneycontrol launched a new Android and iOS versions of Moneycontrol App
- **News – IBNLive.com, Firstpost.com and News18.com:** IBNLive was among the top 5 most visited English news websites in India*. It had 3.5 million* unique visitors per month and average time spent per visit on the website were 5 minutes*. The site has an impressive social media presence, with over 3.7 million Facebook followers and more than 2 million Twitter fans. Firstpost also had a strong quarter, registering close to 7 million* average unique visitors per month and over 35 million* average monthly page views. News18.com had 3.6 lacs* unique visitors per month, who spent an average of over 3.6 minutes* on the website.

▪ Digital Commerce

- **HomeShop18** – The Customer base of Homeshop18 crossed 16.8 million in this quarter. In terms of distribution, it further enhanced the visibility by launching the channel on DD Free Dish-DTH platform in November 2015. The DTH platform has approximately 18 million subscribers PAN India. LCD TV, Dry fruit combo, Hair Straightner, Celebrity jewellery collection are some of the new products that were launched in Q3
- **BookMyShow** had significant growth in traffic with over 69 million visits on average per month in Q3 FY16. The average page views grew to 1.9 billion per month in the quarter. The BookMyShow wallet activations crossed 2 Million users in this quarter

■ Publishing

- **Network18 Publishing:** Under its publishing division, Network18 operates 3 leading brands, 'Overdrive', 'Better Photography' and 'Better Interiors' across print and digital media. During Q3 FY16, Overdrive had close to 3 million* page views and over 540,000* unique visitors per month.

- **Forbes:** Forbes India saw the highest number of subscriber copies circulated for any month in Dec 2015. The Richlist and Celeb100 special issues were a huge success and promoted across various platforms. Two sessions of the CEO Dialogues were held in this quarter.

(* Source: As per independent industry data sources)

■ Television Operations

- CNBC-TV18 and CNBC Awaaz continued to be No.1 business news channels in their genres with 41%¹ and 53%² market share, respectively.
- CNN-IBN continued to be a consistent player, reaching out to more than 36 million viewers³. CNN IBN emerged as the #3 General English News channel with 19% Market Share⁴.
- IBN Lokmat reached out to 34 million viewers⁵ during the quarter and emerged as the #3 Marathi News channel with 28% Market Share⁶
- In December, Colors was the No.1 pay channel with a viewership share of 13%⁷. MTV was No.2 in its Genre with a viewership share of 25%⁸
- In the English Entertainment space, Vh1 was the No.1 in the English entertainment and music Genre with 24%⁹ market share. “The Stage”, the 1st indigenous English singing talent show in India was launched on Colors Infinity.
- Nick continued to lead the Kids genre with a viewership share of 30%¹⁰
- Colors Kannada continued as a strong No.1 player with 40%¹¹ market share. Colors Marathi continued to be the No.2 channel in its genre with 24%¹² market share
- History TV18 has been a consistent & strong #2 in the genre across 6 Megacities, with a viewership share of 24%¹³ drawing viewers with a host of its popular series and exciting new content.
- ETV Bihar/Jharkhand, ETV Rajasthan and ETV Uttar Pradesh/UK continued to be dominant players in their respective markets, occupying #1 position¹⁴

1) (Source: BARC, NCCS A 22+ Males, All India, Nov '15-Dec'15, All Days, 24 hrs. Share basis ratings'000)

2) (Source: BARC, NCCS AB 22+ Males, HSM, Nov '15-Dec'15, All Days, 24 hrs. Share basis ratings'000)

3) (Source: BARC| All India | All NCCS 4+| 10th Oct'15-31st Dec'15| All Days,24 Hrs coverage 'Mn)

4) (Source: BARC, TG: NCCS AB 15+ Yrs, Market: All India, Time Period: 10th Oct'15-31st Dec'15, 24 Hrs, All Days, share basis ratings'000)

5) (Source: BARC| Mah/Goa, All NCCS 4+, 10th Oct'15-31st Dec'15, All Days, 24 hrs coverage 'Mn)

6) (Source: BARC| Mah/Goa, All NCCS 15+, 10th Oct'15-31st Dec'15, All Days, 24 hrs share basis ratings'000)

7) (Source: BARC, HSM, NCCS 4+, Weeks 49-52, NCCS All, All India)

8) (Source: BARC, TG: CS 15-21, All NCCS, Market: All India, Weeks 49-52, All Days, 0200-2359 hrs)

9) (Source: BARC, TG: CS 15-40, NCCS AB, Market: 6 Mega Cities, Weeks 49-52)

10) (Source: BARC, TG: CS 4 – 14, NCCS ABC, All India, Weeks 49-52, All Days, 0700-2200 hrs)

11) (Source: BARC| Karnataka| Weeks 49-52, 4+,NCCS All, All India)

12) (Source : BARC| Maharashtra| Weeks 49-52, 4+,NCCS All, All India)

13) (Source: BARC, 6 Megacities, NCCS AB15+, Weeks 49-52)

14) (Source: TAM| All India | CS 4+| Q3 FY16 | All days, 24 hrs)

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 FY16.

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

Network 18



IndiaCast



Network 18 Publishing

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