



EARNINGS RELEASE: Q2 2015-16

Q2 FY16 consolidated operating revenues up by 8% YoY, at Rs.801.1 crore
H1 FY16 consolidated operating revenues up by 10% YoY, at Rs.1,594.8 crore
Q2 FY16 consolidated operating PBDIT at Rs.19.2 crore, up by 11% YoY

Mumbai, October 14, 2015 – Network18 Media & Investments Limited today announced its results for the quarter/ half year ended 30th September, 2015. Highlights of the un-audited financial results as compared to the previous year are:

Particulars (In Rs. Crores)	Q2 FY16	Q1 FY16	Q2 FY15	H1 FY16	H1 FY15
Income from operations	801.1	793.6	744.8	1,594.8	1,453.2
Operating PBDIT	19.2	0.1	17.4	19.3	30.0
Profit(Loss) Before Tax-before exceptional and prior period items	(8.5)	5.8	(14.8)	(2.6)	(58.7)

Highlights of Operations

- FY16 half-yearly operating revenue on a consolidated basis stood at Rs.1,594.8 crore, up 10% YoY from Rs.1,453.2 crore in H1 FY15.
- Quarterly operating revenue on a consolidated basis stood at Rs.801.1 crore in Q2 FY16, up 8% YoY from Rs.744.8 crore in Q2 FY15.
- In Q2 FY16, consolidated operating PBDIT stood at Rs.19.2 crore, up 11% YoY from Rs.17.4 crore in Q2 FY15.
- Q2 FY16 Loss Before Tax (before exceptional and prior period items) on a consolidated basis reduced to Rs.8.5 crore, from a loss of Rs.14.8 crore in Q2 FY15.
- H1 FY16 Loss Before Tax (before exceptional and prior period items) on a consolidated basis reduced to Rs.2.6 crore, from a loss of Rs.58.7 crore in H1 FY15.
- H1 FY16 EBITDA includes profit of Rs.43 crore on sale of stake in Stargaze Entertainment Private Limited.
- Colors Infinity, an English GEC channel, was launched during the current quarter, and incurred a loss of Rs.19 crore.
- In H1 FY16, there was loss of Rs.19 crore on account of new ETV news channels; there was also a one-time expense of Rs.10 crore for rebranding ETV regional entertainment channels as Colors.
- H1 FY15 profitability vis-à-vis H1 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.

Network18 Media & Investments Limited
Reported Consolidated Financial Performance for the Quarter and Half-Year
Ended 30th September, 2015

Particulars (In Rs. Crore)	Quarter ended			Half Year ended		Year
	30 Sep'15	30 Jun'15	30 Sep'14	30 Sep'15	30 Sep'14	31 Mar'15
1. Income from operations						
(a) Income from operations	795.1	786.1	736.1	1,581.2	1,435.9	3,108.8
(b) Other operating income	6.0	7.5	8.7	13.6	17.3	17.8
Total income from operations	801.1	793.6	744.8	1,594.8	1,453.2	3,126.6
2. Expenses						
(a) Programming cost	190.6	206.3	172.4	397.0	341.9	768.4
(b) Distribution, advertising and business promotion	208.2	211.2	220.7	419.5	412.6	825.4
(c) Cost of materials consumed	0.7	0.7	1.9	1.4	5.5	5.7
(d) Employee benefits expenses	162.5	159.8	135.4	322.3	282.5	569.3
(e) Depreciation and amortisation expense	20.0	18.5	19.4	38.5	57.2	75.2
(f) Other expenses	219.9	215.4	197.1	435.2	380.6	804.8
Total expenses	801.9	811.9	746.9	1,613.9	1,480.3	3,048.8
3. Profit/(loss) from ordinary activities before other income, finance costs, exceptional items, prior period items and tax	(0.8)	(18.3)	(2.1)	(19.1)	(27.1)	77.8
4. Other income	15.4	48.9	16.3	64.3	28.3	64.8
5. Profit/(loss) from ordinary activities before finance costs, exceptional item, prior period items and tax	14.6	30.6	14.2	45.2	1.2	142.6
6. Finance costs	23.1	24.8	29.0	47.8	59.9	113.2
7. Profit/(loss) from ordinary activities after finance costs but before exceptional items, prior period items and tax	(8.5)	5.8	(14.8)	(2.6)	(58.7)	29.4
8. Exceptional items- (expense)/ income	-	-	-	-	(1,045.4)	(1,055.4)
9. Profit/(loss) from ordinary activities after exceptional items but before prior period items and tax	(8.5)	5.8	(14.8)	(2.6)	(1,104.1)	(1,026.0)
10. Prior period (expense)/ income	-	-	-	-	(63.5)	(64.0)
11. Profit/(loss) before tax	(8.5)	5.8	(14.8)	(2.6)	(1,167.6)	(1,090.0)

TV18 Broadcast Limited
Reported Consolidated Financial Performance for the Quarter and Half-Year
Ended 30th September, 2015

Particulars (In Rs. Crore)	Quarter ended			Half Year ended		Year Ended
	30 Sep'15	30 Jun'15	30 Sep'14	30 Sep'15	30 Sep'14	31 Mar'15
1. Income from operations						
Income from operations	608.5	596.7	553.7	1,205.2	1,081.4	2,318.4
Income from operations (net)	608.5	596.7	553.7	1,205.2	1,081.4	2,318.4
2. Expenses						
(a) Programming cost	191.9	208.5	170.9	400.4	336.6	757.5
(b) Employee benefits expense	117.9	113.4	93.7	231.2	197.7	399.1
(c) Marketing, distribution and promotional expense	127.0	135.9	117.4	262.9	219.5	449.8
(d) Depreciation and amortisation expense	11.9	10.9	11.0	22.9	40.5	40.0
(e) Other expenses	134.2	127.2	115.0	261.3	223.2	459.5
Total expenses	582.9	595.9	508.0	1,178.7	1,017.5	2,105.9
3. Profit from operations before other income, finance costs and exceptional items	25.6	0.8	45.7	26.5	63.9	212.5
4. Other income	12.9	8.3	12.8	21.1	18.6	51.3
5. Profit from ordinary activities before finance costs and exceptional items	38.5	9.1	58.5	47.6	82.5	263.8
6. Finance costs	12.2	13.3	11.9	25.6	26.8	47.8
7. Profit from ordinary activities before exceptional items and tax	26.3	(4.2)	46.6	22.0	55.7	216.0
8. Exceptional items- Income /(Expense)	-	-	-	-	(223.3)	(233.3)
9. Profit / (loss) from ordinary activities before tax	26.3	(4.2)	46.6	22.0	(167.6)	(17.3)

Business Highlights

■ Network18 Digital

Network18 is one of the largest digital media companies in India attracting over 21 million* unique visitors per month in Q2 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 278 million* average monthly page views and over 4.2 million* average unique visitors per month.
- **News – IBNLive.com, Firstpost.com and News18.com:** During the quarter, IBNLive registered close to 5 million* average unique visitors per month with 48 million* average monthly page views. News18 launched its Bengali site along with a special microsite for Bihar Elections, increasing its presence to 13 states. Firstpost also had a strong quarter, registering close to 5 million* average unique visitors per month and over 32 million* average monthly page views.

▪ Digital Commerce

- **HomeShop18** strengthened its distribution network with addition of 31 more towns across states like Bihar, Gujarat, Haryana, Maharashtra, Rajasthan, Uttar Pradesh and Madhya Pradesh. This quarter saw some new programming concepts and properties like 'Monsoon Sale', 'Clearance sale', '5 Day Super Sale', 'Now or Never' and 'Shopping Ka Shubharambh'. The channel reached out to an average of 47 million¹ users per month.
- **BookMyShow** had significant growth in traffic with over 82 million visits on average per month in Q2 FY16, an increase of 17% compared to the previous quarter. The average page views grew to 2 billion per month for the quarter. BookMyShow successfully launched its own wallet to enhance customer experience and reach out to cash customers, activating 1.5 lakh wallets on the first day.

1) (Source: TAM| All India | CS 4+| Q2 FY16 | All days, 24 hrs| Avg. Monthly reach)
*(As per independent industry data sources)

■ Publishing

- **Network18 Publishing:** Under its publishing division, Network18 operates 3 leading brands, 'Overdrive', 'Better Photography' and 'Better Interiors' across print and digital media. During Q2 FY16, Overdrive had close to 4 million* page views and over 310,000* unique visitors per month.

- **Forbes:** The Forbes India Entrepreneurship Summit held in Mumbai on 10th July, 2015 was a huge success. Eminent personalities like Harsh Mariwala, Dilip Piramal, Chitra Ramkrishna and Ronnie Screwvala spoke at the event.

**(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 50%¹ and 58%² market share, respectively.
- CNN-IBN continued to be a dominant player, with a market share of 14%³ in Q2 FY16. IBN Lokmat continued to expand its digital footprint with over 1.3 million Facebook fans, 11,000+ Twitter followers and over 11 million views on YouTube.
- Colors was the No.1⁴ channel in prime time and continued to be No.2⁴ in weekly gross viewership in the genre. MTV led the youth genre with a viewership of over 5.5 million⁵ during this quarter.
- Colors Infinity, a new English general entertainment channel was successfully launched, with premium international content and a disruptive show line up of 3 episodes back to back- 7 days 7 shows format. Vh1 was the No.1 in the English Entertainment & Music Genre with 35%⁶ market share. Comedy Central refreshed its brand ideology to 'Your Happy Place' with an all new line-up of 'feel good' comedies.
- Nick continued to lead the kids category⁷.
- Colors Kannada continued as a strong No.1 player with 39%⁸ market share. Colors Marathi continued to be the No.2 channel in the its genre with 24%⁹ market share.
- History TV18 sustained its strong performance through Q2 FY16 with 17%¹⁰ market share, drawing viewers with a host of its popular series and exciting new content. The channel also continued its strong standing on social media with the maximum number of Twitter followers¹¹ (252,000) in its genre.
- ETV Bihar Jharkhand and ETV Rajasthan continued to be dominant players in their respective markets, reaching out to 8 million¹² and 12 million¹² viewers respectively.
- Viacom18 Motion Pictures' 'Drishyam' and 'Manjhi' gathered highly positive response from critics and audience alike.

1) (Source: BARC| All India| NCCS AB Males 22+| Wk 27 to Wk 39'15 | All days, 24 hours)

2) (Source: BARC| HSM| NCCS AB Males 22+| Wk 27 to Wk 39'15 | All days, 24 hours)

3) (Source: BARC| All India | NCCS AB 15+| Wk 27'15 to Wk 39'15| All Days,24 Hrs)

4) (Source: BARC| HSM| NCCS 4+| Prime Time : 1830-2400| Wk 25-38'15)

5) (Source: BARC| HSM | 15-30 AB| Week 38'15)

6) (Source: BARC|NCCS AB 15+| All India 1Mn+| Wk 26-37'15)

7) (Source: BARC, All India, Ratings 000s, 4-14 NCCS ABC, 07:00 –22:00, week 27-38 '2015)

8) (Source: BARC| Karnataka| NCCS 4+ | Wk 26'15 to Wk 38'15| All days)

9) (Source : BARC| Maharashtra| NCCS 4+| Wk 26 to Wk 38, 2015)

10) (Source: BARC| All India| NCCS AB 15+| Wk 27 to Wk 39'15 | All days, 24 hours)

11) (Source: Twitter (6th October 2015))

12) (Source: TAM| All India | CS 4+| Q2 FY16 | All days, 24 hrs| Avg. Monthly reach)

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 Q2 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

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