

# Network18 Investor Update Q3 FY 2007-08

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## NETWORK18 MEDIA & INVESTMENTS LIMITED

(Group Holding Company)

- ❑ **All Business Units Report Surge In Revenues and Profitability**
- ❑ **Consolidated Group Revenues Up 60% (QOQ) To Rs 186 Cr**
- ❑ **Operating Profit Up 262% (QOQ) To Rs 67 Cr**
- ❑ **Profit After Tax (PAT) Rs 27 Cr (vs Loss of Rs 12.21 Cr in Q2)**
- ❑ **Network18 Declares Maiden (Interim) Dividend of 25%**
- ❑ **Network18 Promoted/AIM-listed The Indian Film Company's NAV Grows 2.38% in Quarter ([www.theindianfilmcompany.com](http://www.theindianfilmcompany.com))**
- ❑ **HomeShop18 Gears Up for Full Channel Launch**

## TELEVISION EIGHTEEN INDIA LIMITED

(Listed Subsidiary of Network18)

- ❑ **Business News Revenues Up 57% (YOY); Business News Operating Margin Back At 50%**
- ❑ **Web18 Revenues Up 161% (YOY)**
- ❑ **Web18 Page Views Cross 20-million-per-day Milestone**
- ❑ **Newswire18 Revenues Up 44% (QOQ)**
- ❑ **Infomedia (subsidiary-under-acquisition) Revenues At Rs 41 Cr; Formal Consolidation of Infomedia Results from Next Quarter**

## GLOBAL BROADCAST NEWS LIMITED

(Listed Subsidiary of Network18)

- ❑ **CNN-IBN Revenues Up 54% (YOY); Breaks Through To Net Profitability**
- ❑ **IBN7 Revenues Up 135% (YOY); Cuts Down Operating Losses (detailed numbers given separately in this Update)**
- ❑ **MTV/NICKELODEON/VH1 (Viacom18 Channels) continue to perform well in their respective genres**
- ❑ **Studio18 (Viacom18 Division) Begins Distribution Operations with Successful Films : "JAB WE MET" & "WELCOME"**

**Financial Highlights:****Network18 Media and Investments Limited**

Versus Q2 2007-08:

- Revenues – Rs 1.86 bn Up 60%
- Operating Profit - Rs 668 mn Up 262%

**Television Eighteen India Limited****Business News Operations**

Versus Q3 2006-07 (Previous year):

- Revenues - Rs 913.95 mn UP 57%
- Operating profit improves to Rs 460.60 mn from Rs 298.32 mn

**Web18****Internet and Software Operations**

Versus Q3 2006-07 (Previous year):

- Revenues - Rs 176.15 mn UP 161%
- Operating loss on account of aggressive investment - All costs being written off.

**Global Broadcast News Limited**

Versus Q3 2006-07 (Previous year):

- Revenues - Rs 387.55 mn UP 54%
- Operating Profit of Rs 103.08 mn versus Operating Loss of Rs 38.83 mn

**Operational Highlights :**

- Network18 forays into publishing space by acquiring Infomedia through its subsidiary TV18.
- Group announces strategic partnership with Forbes to launch business magazine.
- CNBC-TV18 and CNN-IBN maintain their leadership positions in Business News and General News genres respectively.
- IBN7 continues to build its franchise as a prominent player in the Hindi News market.
- CNBC-TV18 and CNBC AWAAZ dominate over two-thirds of the Business News Market.
- Web18 revenues on excellent growth trajectory – maintains leadership as India's No 1. content destination on the web.
- Homeshop18 creates infrastructure for the launch of its 24hr shopping channel.
- JV formalities with Viacom concluded. MTV, VH1, Nickelodeon on strong growth path. Viacom18 prepares to launch mass hindi general entertainment channel with a strong leadership team.
- Studio18 (Viacom18 Division) distributes superhit movies *JAB WE MET* and *WELCOME* in a few territories.

**Network18 Media and Investments Limited:**  
**Consolidated Unaudited Financial Performance for the Quarter ended 31<sup>st</sup> December 2007**  
**Rs. mn**

Particulars	Q3 2007-08	Q2 2007-08
<b>REVENUES: OPERATIONS</b>	<b>1860.90</b>	<b>1164.00</b>
<b>I : Revenues from Media Operations</b>		
<b>a) Television Eighteen India Ltd (As published)</b>		
<b>1) News Operations</b>	<b>913.95</b>	<b>735.05</b>
<b>2) Web18</b>	<b>176.15</b>	<b>123.24</b>
<b>3) Newswire18</b>	<b>35.51</b>	<b>24.69</b>
<b>b) Global Broadcast News Limited (As published)</b>	<b>387.55</b>	<b>255.66</b>
<b>c) Homeshop18 (Unlisted Subsidiary)</b>	<b>16.31</b>	<b>8.86</b>
<b>d) Setpro18 (Unlisted Subsidiary)</b>	<b>137.16</b>	<b>127.35</b>
<b>e) Events18 (Division)</b>	<b>32.24</b>	<b>11.53</b>
<b>f) Studio18 (Division up to 5<sup>th</sup> Nov. 2007)</b>	<b>5.10</b>	<b>23.11</b>
<b>II : Revenues from Investment Activities</b>	<b>403.05</b>	<b>2.64</b>
<b>III : Less - Inter Company Revenues</b>	<b>(246.12)</b>	<b>(148.13)</b>
Operating Expense	1192.90	979.40
<b>Operating Profit</b>	<b>668.00</b>	<b>184.60</b>
Operating Margin	35.90%	15.86%
Net Outflow on Revenue Share with CNBC & CNN	(80.00)	(53.70)
Interest/Income from Investments	80.30	83.20
Interest Expense	(206.60)	(165.90)
Interest (Net)	(126.30)	(82.70)
Depreciation	(90.00)	(97.80)
Other non recurring income / (expenditure)	0.00	(30.40)
<b>Total Profit Before Tax, Minority Interest and ESOP Charge Out</b>	<b>371.70</b>	<b>(80.00)</b>
Provision for Current Tax/FBT	48.70	47.10
Profits after tax (before minority interest and ESOP charge out)	<b>323.00</b>	<b>(127.10)</b>
Minority Interest	52.90	(5.00)
<b>Profits after tax and minority interest (before ESOP charge out)</b>	<b>270.10</b>	<b>(122.10)</b>
ESOP charge out	(70.40)	(84.60)
<b>Profits after tax and ESOP charge out</b>	<b>199.70</b>	<b>(206.70)</b>
Exchange Fluctuations	4.70	7.80
<b>Profits after Exchange Fluctuations</b>	<b>195.00</b>	<b>(214.50)</b>
Provision for Deferred tax	0.10	0.20
<b>Net Profit after Deferred Tax</b>	<b>194.90</b>	<b>(214.70)</b>
Paid up Equity Share Capital	254.32	254.32
<b>EPS (Rs.) without ESOP charge out</b>	<b>5.22</b>	<b>(2.56)</b>
<b>EPS (Rs.) with ESOP charge out</b>	<b>3.83</b>	<b>(4.22)</b>

**Television Eighteen India Limited:**  
Consolidated Unaudited Financial Performance for the Quarter ended 31<sup>st</sup> December 2007

**Part I: News Operations**

Rs. mn.

Particulars	Q3 2007-08	Q3 2006-07	Q2 2007-08
<b>REVENUES: NEWS OPERATIONS</b>	<b>913.95</b>	<b>580.43</b>	<b>735.05</b>
Operating Expense	453.35	282.11	377.45
<b>Operating Profit</b>	<b>460.60</b>	<b>298.32</b>	<b>357.60</b>
Operating Margin	50.40%	51.40%	48.65%
Net Outflow on Revenue Share with CNBC	(56.44)	(25.76)	(42.94)
Interest/Income from Investments	68.98	29.42	66.56
Interest Expense	(134.43)	(71.16)	(98.07)
Interest (Net)	(65.45)	(41.74)	(31.51)
Depreciation	(51.89)	(48.37)	(48.10)
<b>Total Profit Before Tax, Minority Interest and ESOP Charge Out</b>	<b>286.83</b>	<b>182.45</b>	<b>235.06</b>
Provision for Current Tax/FBT	35.65	7.89	26.01
Profits after tax (before minority interest and ESOP charge out)	251.18	174.56	209.05
Minority Interest			
<b>Profits after tax and minority interest (before ESOP charge out)</b>	<b>251.18</b>	<b>174.56</b>	<b>209.05</b>
ESOP charge out	40.96	28.75	48.98
<b>Profits after tax and ESOP charge out</b>	<b>210.21</b>	<b>145.81</b>	<b>160.06</b>
Exchange Fluctuations	2.00	(0.50)	8.76
Profits after Exchange Fluctuations	<b>208.22</b>	<b>146.31</b>	<b>151.30</b>
Provision for Deferred tax	0.00	0.00	0.00
<b>Net Profit after Deferred Tax</b>	<b>208.22</b>	<b>146.31</b>	<b>151.30</b>
Paid up Equity Share Capital	286.00	286.00	286.00
<b>EPS (Rs.) without ESOP charge out</b>	<b>4.36</b>	<b>6.12</b>	<b>3.50</b>
<b>EPS (Rs.) with ESOP charge out</b>	<b>3.64</b>	<b>5.12</b>	<b>2.65</b>

Revenues of Web18 and Newswire18 are given on the following pages.

**Television Eighteen India Limited:**  
Consolidated Unaudited Financial Performance for the Quarter ended 31<sup>st</sup> December 2007

**Part II: Web18**

Rs. mn.

Particulars	Q3 2007-08	Q3 2006-07	Q2 2007-08
<b>REVENUES: OPERATIONS</b>	<b>176.15</b>	<b>67.33</b>	<b>123.23</b>
Operating Expense	248.04	46.16	180.76
Operating Profit	(71.89)	21.18	(57.53)
Operating Margin		31%	
Interest/Income from Investments	0.99	0.44	2.78
Interest Expense	(4.10)	(0.17)	(2.58)
Interest (Net)	(3.11)	0.27	0.20
Depreciation	(16.07)	(1.64)	(30.87)
<b>Total Profit Before Tax and Minority Interest</b>	<b>(91.06)</b>	<b>19.81</b>	<b>(88.20)</b>
Provision for Current Tax/FBT	5.66	0.18	11.90
Profits after tax (before minority interest)	(96.72)	19.62	(100.10)
Minority Interest	(3.52)	1.97	(22.72)
<b>Profits after tax and minority interest</b>	<b>(93.21)</b>	<b>17.65</b>	<b>(77.38)</b>
Exchange Fluctuations	2.51	0.00	5.50
Profits after Exchange Fluctuations	(95.72)	17.65	(82.88)
Provision for Deferred tax	0.00	0.00	0.21
Net Profit after Deferred Tax	(95.72)	17.65	(83.09)

**Television Eighteen India Limited:**  
Consolidated Unaudited Financial Performance for the Quarter ended 31<sup>st</sup> December 2007

**Part III: Newswire18**

Rs mn.

Particulars	Q3 2007-08	Q2 2007-08
<b>REVENUES: OPERATIONS</b>	<b>35.51</b>	<b>24.69</b>
Operating Expense	52.34	46.27
Operating Profit	(16.82)	(21.58)
Interest/Income from Investments	0.00	0.00
Interest Expense	(6.30)	(3.50)
Interest (Net)	(6.30)	(3.50)
Depreciation	(4.56)	(4.21)
<b>Total Profit Before Tax and Minority Interest</b>	<b>(27.68)</b>	<b>(29.29)</b>
Provision for Current Tax/FBT	0.27	0.57
Profits after tax (before minority interest)	(27.95)	(29.86)
Minority Interest	0.00	0.00
<b>Profits after tax and minority interest</b>	<b>(27.95)</b>	<b>(29.86)</b>
Exchange Fluctuations	0.00	(0.54)
Profits after Exchange Fluctuations	(27.95)	(29.32)
Provision for Deferred tax	0.00	0.00
Net Profit after Deferred Tax	(27.95)	(29.32)

**Global Broadcast News Limited:**  
Unaudited Financial Performance for the Quarter ended 31<sup>st</sup> December 2007

Rs. mn.

Particulars	Q3 2007-08	Q3 2006-07	Q2 2007-08
<b>REVENUES: NEWS OPERATIONS</b>	<b>387.55</b>	<b>252.09</b>	<b>255.66</b>
Operating Expense	284.47	290.93	248.63
<b>Operating Profit</b>	<b>103.08</b>	<b>(38.83)</b>	<b>7.04</b>
Operating Margin	26.60%	-15.40%	2.75%
Extra-ordinary Income/(Expense)*	(18.13)	0.00	(22.84)
Net Outflow on Revenue Share with CNN	(23.49)	(10.98)	(10.80)
Interest/Income from Investments	8.48	2.11	11.94
Interest Expense	(30.41)	(27.65)	(27.51)
Interest (Net)	(21.92)	(25.55)	(15.57)
Depreciation	(16.15)	(12.89)	(13.91)
<b>Total Profit Before Tax, Minority Interest and ESOP Charge Out</b>	<b>23.40</b>	<b>(88.24)</b>	<b>(56.08)</b>
Provision for Current Tax/FBT	2.10	1.79	2.05
Profits after tax (before minority interest and ESOP charge out)	21.30	(90.03)	(58.13)
Minority Interest	0.00	0.00	0.00
<b>Profits after tax and minority interest (before ESOP charge out)</b>	<b>21.30</b>	<b>(90.03)</b>	<b>(58.13)</b>
ESOP charge out	3.22	0.00	5.72
<b>Profits after tax and ESOP charge out</b>	<b>18.08</b>	<b>(90.03)</b>	<b>(63.85)</b>
Exchange Fluctuations	0.20	(0.09)	(0.25)
<b>Profits after Exchange Fluctuations</b>	<b>17.88</b>	<b>(90.13)</b>	<b>(63.60)</b>
Provision for Deferred tax	0.00	0.00	0.00
Net Profit after Deferred Tax	<b>17.88</b>	<b>(90.13)</b>	<b>(63.60)</b>
Paid up Equity Share Capital	267.28	225.28	267.28
<b>EPS (Rs.) without ESOP charge out</b>	<b>0.79</b>	<b>(4.00)</b>	<b>(2.17)</b>
<b>EPS (Rs.) with ESOP charge out</b>	<b>0.67</b>	<b>(4.00)</b>	<b>(2.38)</b>

\* Expenses for proposed Channels represents revenue expenditure incurred prior to the launch of proposed news channels. The Company has already applied with the Ministry of Information and Broadcasting for necessary approvals.

**Jagran Television Private Limited:**  
**Unaudited Financial Performance for the Quarter ended 31<sup>st</sup> December 2007**

Rs mn.

Particulars	Q3 2007-08	Q3 2006-07	Q2 2007-08
<b>REVENUES: NEWS OPERATIONS</b>	<b>162.60</b>	<b>69.17</b>	<b>118.39</b>
Operating Expense	176.36	126.86	193.30
Operating Profit	(13.76)	(57.69)	(74.92)
Interest/Income from Investments	0.85	0.70	3.75
Interest Expense	(10.56)	(8.23)	(10.31)
Interest (Net)	(9.71)	(7.53)	(6.56)
Depreciation	(9.55)	(8.58)	(9.33)
<b>Total Profit Before Tax and Minority Interest</b>	<b>(33.03)</b>	<b>(73.80)</b>	<b>(90.81)</b>
Provision for Current Tax/FBT	2.10	0.83	2.85
Profits after tax (before minority interest)	(35.13)	(74.62)	(93.66)
Minority Interest	0.00	0.00	0.00
<b>Profits after tax and minority interest</b>	<b>(35.13)</b>	<b>(74.62)</b>	<b>(93.66)</b>
Exchange Fluctuations	0.00	(0.01)	(0.07)
<b>Profits after Exchange Fluctuations</b>	<b>(35.13)</b>	<b>(74.64)</b>	<b>(93.58)</b>
Provision for Deferred tax	0.00	0.00	0.00
<b>Net Profit after Deferred Tax</b>	<b>(35.13)</b>	<b>(74.64)</b>	<b>(93.58)</b>

*Revenues and costs of Jagran Television Private Limited have not been consolidated with Global Broadcast News Limited revenues and costs.*

# Network **18**

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[www.moneycontrol.com](http://www.moneycontrol.com)  
[www.ibnlive.com](http://www.ibnlive.com)  
[www.indiaearnings.com](http://www.indiaearnings.com)  
[www.commoditiescontrol.com](http://www.commoditiescontrol.com)  
[www.yatra.com](http://www.yatra.com)  
[www.jobstreet.com](http://www.jobstreet.com)  
[www.buzz18.com](http://www.buzz18.com)  
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[www.tech2.com](http://www.tech2.com)  
[www.biztech2.com](http://www.biztech2.com)  
[www.indiwo.com](http://www.indiwo.com)  
[www.easymf.com](http://www.easymf.com)  
[www.poweryourtrade.com](http://www.poweryourtrade.com)  
[www.compareindia.com](http://www.compareindia.com)  
[www.josh18.com](http://www.josh18.com)

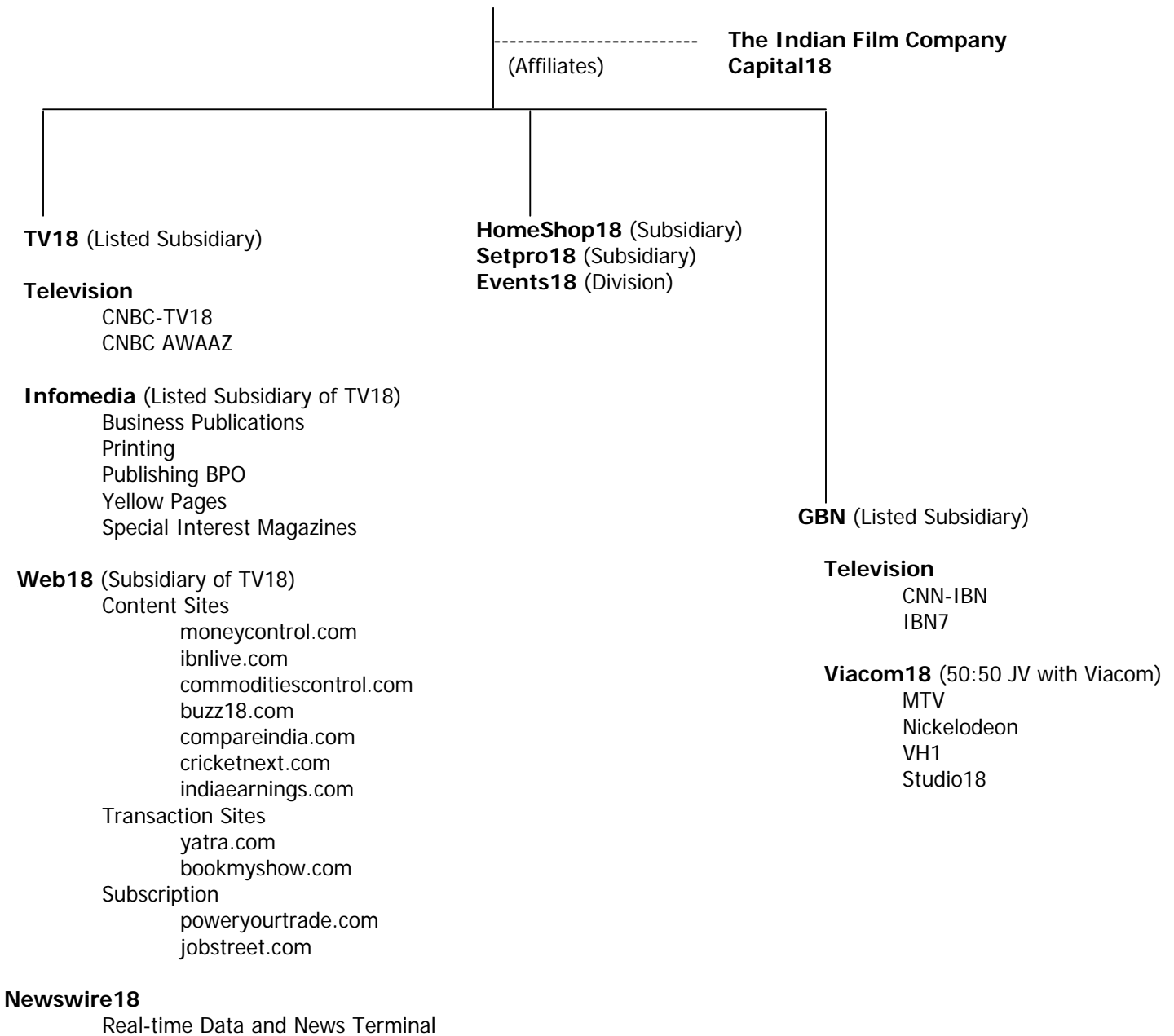
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## NETWORK 18 INVESTOR UPDATE

The Network18 corporate brand is epitomized by the maxim “Enable, Enlighten, Entertain”. Through seamless integration across all our television, online and other media properties and brand communication, Network18 strengthens its recognition as India’s leading full play media entity.

### NETWORK18 MEDIA & INVESTMENTS LIMITED



## TELEVISION EIGHTEEN – INVESTOR UPDATE

Television Eighteen India Ltd (TV18) [BSE: 532299, NSE: TV18] operates India's leading business news television channels, CNBC-TV18 and CNBC Awaaz. It also runs one of India's largest Internet players - Web18, as well as one of India's leading real time financial information and news terminals - Newswire18. TV18 has recently announced forays into print & publishing.

### 1. Business Television

- ❑ **CNBC-TV18** - CNBC-TV18 sustains its unrivalled leadership in the business news space. It continues to have a strong, committed base of viewers and long standing relationship with advertisers and brand partners
- ❑ **CNBC AWAAZ** - CNBC AWAAZ continued to enhance its programming quality & offerings in the core markets, corporate & consumer news coverage.

### 2. Publishing and Print

- ❑ **INFOMEDIA** – Publishers of Yellow Pages, 'Overdrive', 'Chip' magazine amongst others. To be consolidated from Q4 FY08.
- ❑ **50:50 JV WITH JAGRAN PRAKASHAN** – JV to launch Hindi business daily for the Indian market.
- ❑ **FORBES STRATEGIC PARTNERSHIP** – Launch of Forbes business magazine in India followed by other titles.

### 3. Consumer Internet

- ❑ **WEB18** – Portals across the content, transaction, subscription & mobile spectrum
  - **CONTENT** – Moneycontrol.com, Ibtnlive.com, Cricketnext.com, Tech2.com, Compareindia.com
  - **TRANSACTION** – Yatra.com, Bookmyshow.com, Easymf.com, 52622 Mobile
  - **SUBSCRIPTION** - Jobstreet.com, Poweryourtrade.com, Commoditiescontrol.com, Indiaearnings.com

### 4. Real-time Data and Information

- ❑ **NEWSWIRE18** – Newswire 18 provides a real-time market data and news for participants in the financial markets. Newswire18 now has the most comprehensive coverage of the Indian financial markets and leads global terminal players in newsbreaks and depth of coverage.

## **BUSINESS ANNOUNCEMENTS**

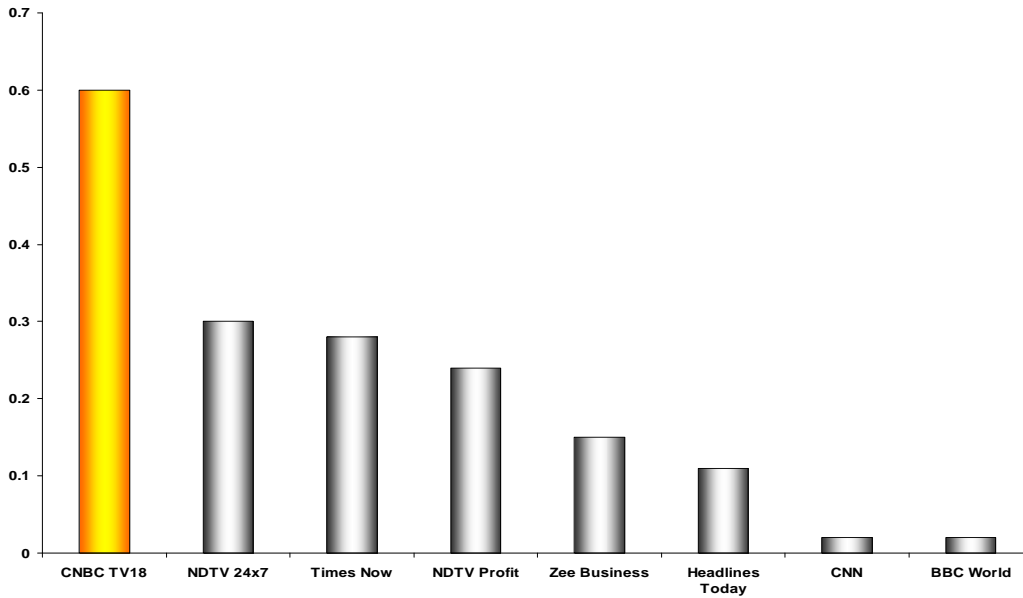
In Q3, TV18 announced its foray into publishing & print space through following strategic initiatives:

- ❑ **Acquisition of Infomedia** – Infomedia is India’s leading publisher of special interest titles (Over 20) across spaces such as technology, auto, design etc, one of the country’s leading contract publishing outsourcing outfits with clients such as Oxford Univ press, McGraw Hill, Thomson and strong distribution relationships in the Indian print market (125 distribution partners, 40000 outlets). Infomedia also owns India’s largest Yellow Pages franchise. The acquisition of Infomedia is likely to be completed within Q4
- ❑ **Collaboration with Forbes** – TV18 has announced collaboration with Forbes Media for launching the Forbes business magazine in India. This will be followed with other titles from the Forbes stable.
- ❑ **Entry into Business daily space** – TV18 has announced a 50:50 JV with Jagran Prakashan, one of India’s leading publishing majors and publishers of India’s most widely read daily, ‘Dainik Jagran’ with a mandate to launch a Hindi business daily in the Indian market.

## **PERFORMANCE HIGHLIGHTS**

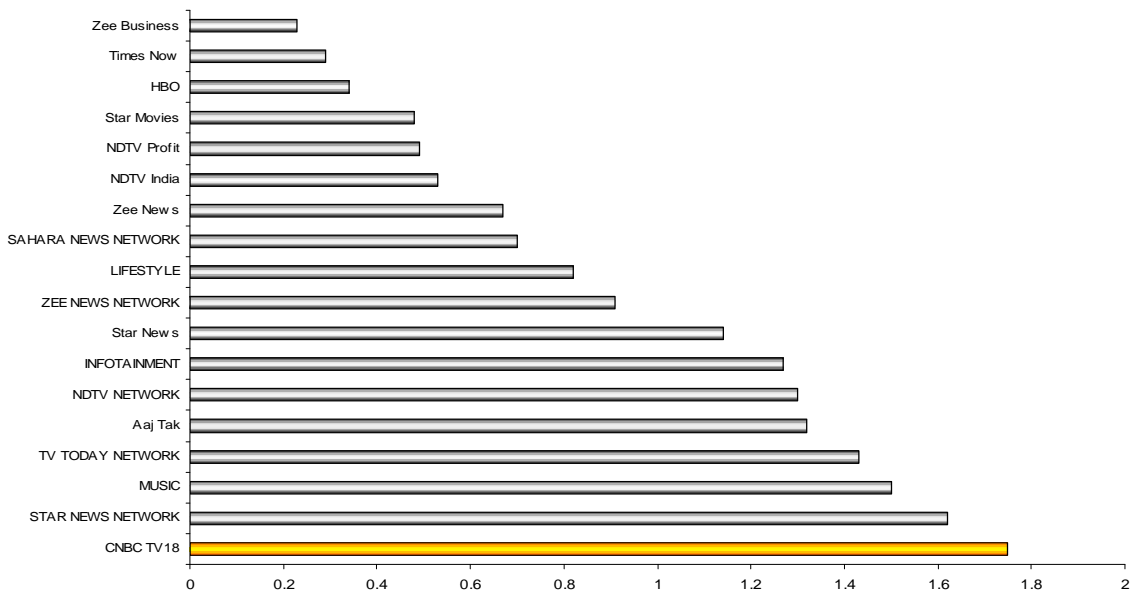
- ❑ **CNBC-TV18** – The channel’s key performance indicators are as follows:
  - **Accolades** – As earlier, CNBC-TV18 was once again adjudged as “Best Business News Channel” at the prestigious Indian Television Academy Awards.
  - **Programming** – CNBC-TV18 led from the front in its exemplary coverage & analysis of India’s economy and evolving business environment. The channel also diversified coverage for viewers with interesting new shows & formats such as ‘Heart of Business’, an acclaimed series on CSR and CNBC-TV18’s benchmark award for Indian business excellence, the ‘India Business Leader Awards’.
  - **VIEWERSHIP UPDATE Q3**

**CNBC-TV18 leads ALL English language News channels**



Source: TAM, Channel Share, TG: CS AB Male 25+, Time Period: 30/09/07-29/12/07, 700-2400, All Days, Market: All India

**CNBC-TV18 Leads across Genres in day-time market hours**

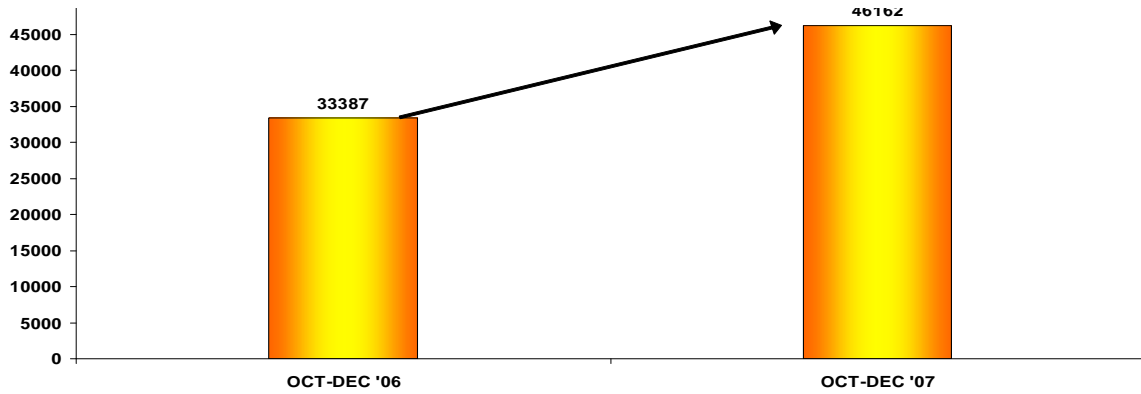


Source: TAM, Channel Share, TG: CS AB Male 25+, Time Period: 30/09/07-29/12/07, 900-1600, Weekdays, Market: All India

□ **CNBC AWAAZ** – CNBC AWAAZ, India's first consumer focused business channel crossed new milestones and strengthened its viewership in Q3. In fact, it continued to contribute substantially in the growth of business audiences in the country. The channel's key performance indicators are as follows:

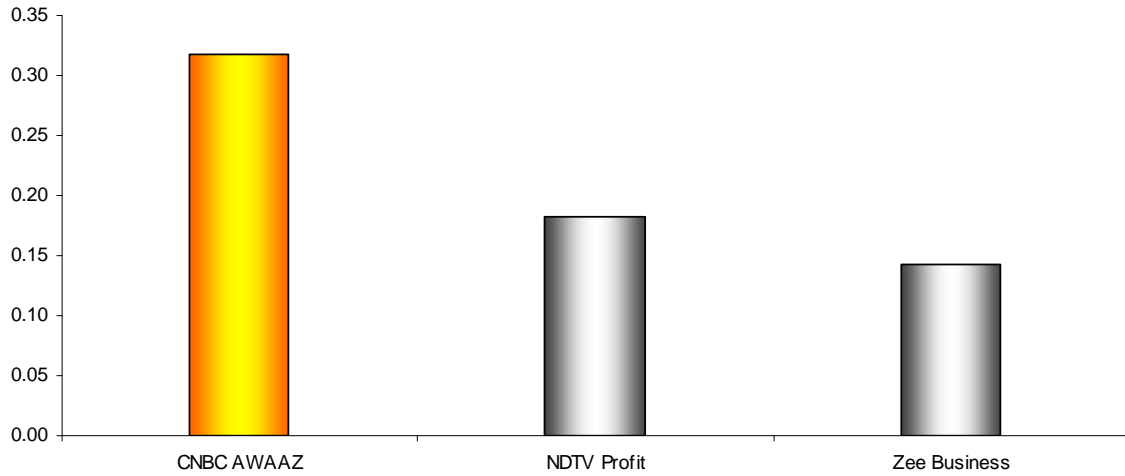
- **Programming**– The channel continued to pioneer new initiatives in areas such as Investor education with series such as 'Pehla Kadam','Stock Talk' and involving newer constituencies in the investing fold with innovations such as 'Sainik Investor Camps'.
- **VIEWERSHIP UPDATE Q3**

**Awaaz is responsible for widening the market for business news**



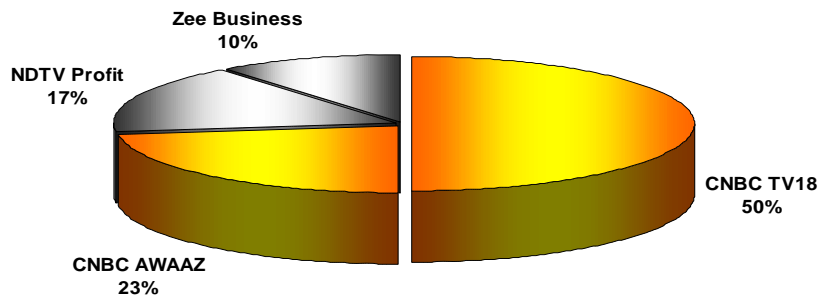
Source: TAM, Quarterly Reach ('000), TG: CS 15+, Market: HSM

**"Tarakki ki Bhasha"**



Source: TAM, Channel Share, TG: CS AB 15+, Time Period: 30/09/07-29/12/07, 700-2400, All Days, Market: HSM

**CNBC-TV18 & CNBC AWAAZ : Dominant Duo of business news with unbeatable 70% share of category**



Source: TAM, Channel Share, TG: CS AB Male 25+, Time Period: 30/09/07-29/12/07, 700-2400, Weekdays, Market: All India

## WEB18

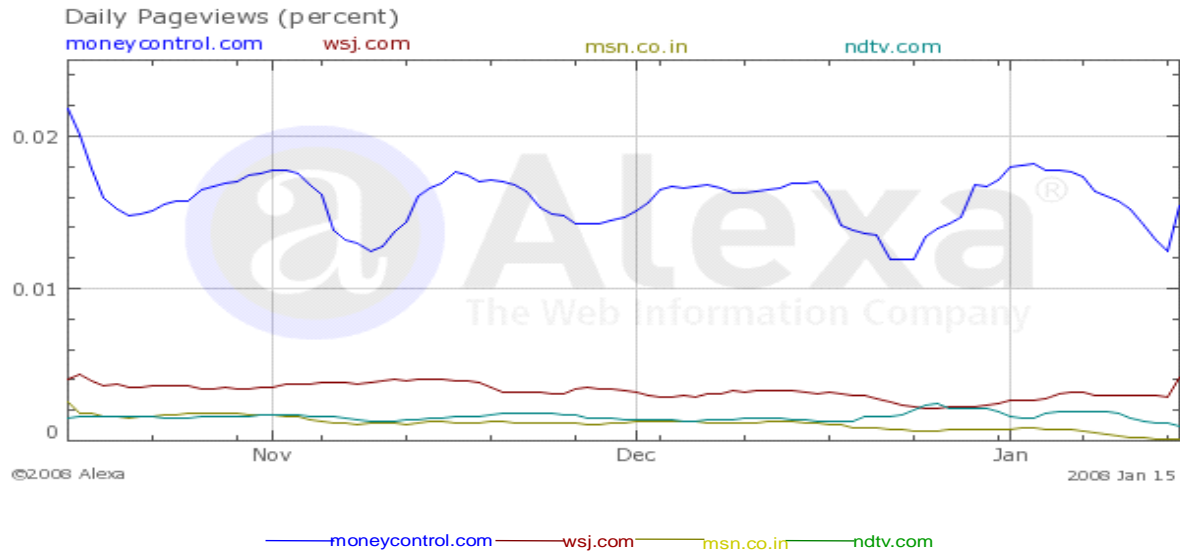
Web18 is India's No 1 content destination on the Web and has portals and sites across the content, transaction and subscription spectrum. With a variety of revenue models ranging from ad-supported models to subscription services and transaction-based offerings.

### PERFORMANCE HIGHLIGHTS

- ❑ **moneycontrol.com** -
  - Unique visitors to the site up 30% compared to previous quarter and page views of the site increased by 63%
  - The time spent and pages viewed was up 17% compared to previous quarter.
  - Lead horizontal sites like Indiatimes, Sify and Naukri, etc. and was the 11th most popular site on the web in India (source: Alexa).
  - Introduction of new search tools, sectoral screening to compare stocks in a particular sector and dedicated pages for rights issues, Stock split, AGM/EGMs.
- ❑ **ibnlive.com** – Remains to be No. 1 News portal. Stays ahead of ndtv.com for the entire quarter.
- ❑ **cricketnext.com** – Use of statistics module resulted in increase of visitors by 200%. Portal was redesigned for better navigation, which increased visitor stickiness.
- ❑ **indiaearnings.com** - Increased depth of the earnings/ results coverage by including new content like Director's speech, Chairman's speech, auditor's report, detailed financial results, company history etc.
- ❑ **Other Websites**
  - **tech2.com**
  - **indiwo.com**
  - **easymf.com**
  - **poweryourtrade.com**
  - **compareindia.com**
  - **josh18.com**
  - **commoditiescontrol.com**
  - **yatra.com**
  - **jobstreet.com**
  - **buzz18.com**
  - **bookmyshow.com**

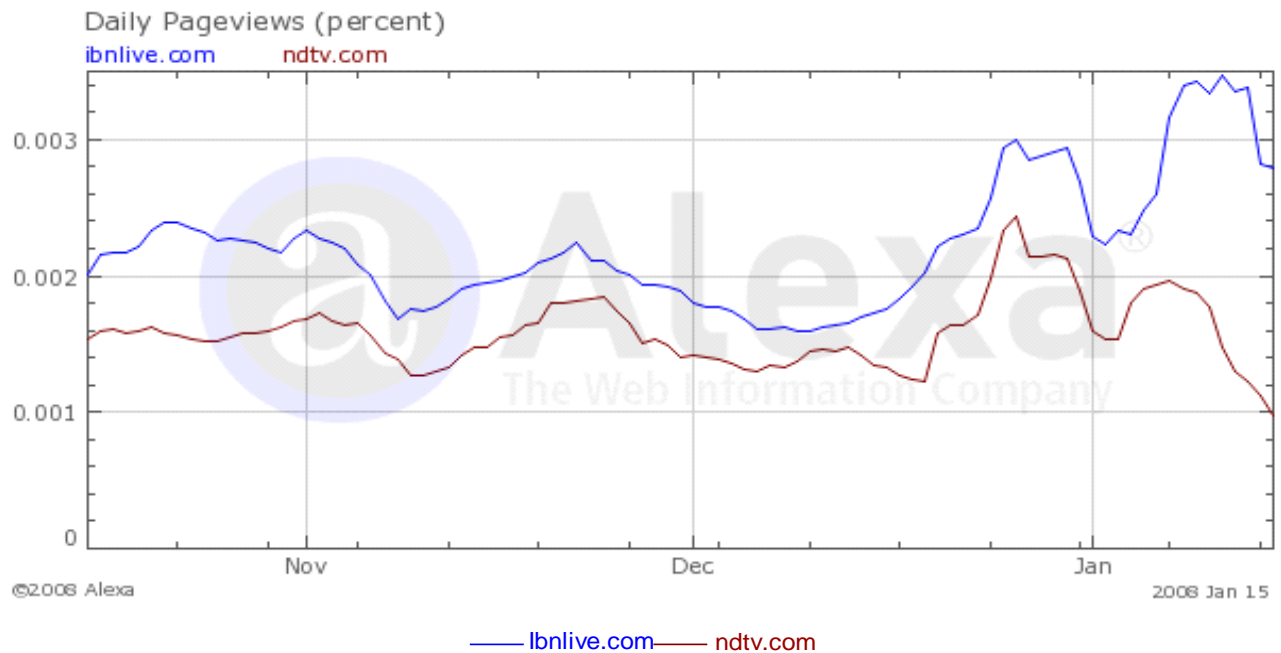
**TRAFFIC PERFORMANCE FOR LEADING WEB18 PORTALS**

**moneycontrol.com : world's leading financial portal**



Source: Alexa

**ibnlive.com : India's general news leader in the online space**



Source: Alexa

## **NEWSWIRE18**

NewsWire 18 provides a real-time market data and news for participants in the financial markets. This is the first of its kind product from an Indian company and is designed to take on global information majors such as Reuters and Bloomberg.

### **PERFORMANCE HIGHLIGHTS**

The third quarter of FY08 has provided fresh impetus to growth at NewsWire18

- ❑ **Subscription Growth** - The subscriber acquisition in this quarter has been the highest so far since the launch of the business.
- ❑ **Reach** - NewsWire18 has also embarked on an aggressive and massive outreach program for the equities market and this is expected to boost subscriber numbers and revenues from Q1 of FY09.
- ❑ **New Launches** - Also on the agenda are several product launches targeting new market segments and using new media technology.

## GLOBAL BROADCAST NEWS

GBN [BSE: 532800, NSE: GBN] has led the successful core competency expansion for Network18 from business news into the general news & entertainment space. It operates two of India's leading general news brands, CNN-IBN & IBN 7. CNN-IBN is a partnership with Time Warner, the world's largest media conglomerate while IBN 7, a leading Hindi general news channel was initiated in partnership with the Jagran Group, owners of India's largest Hindi language daily. GBN is in process of launching a Marathi news channel, IBN LOKMAT in partnership with the Lokmat Group. All these news channels embody the common spirit of unflinching journalistic integrity and a promise to deliver the latest news in the best manner possible, as it happens.

### 1. News Television –

- **CNN-IBN** – A market leader in English General News space.
- **IBN 7** – A prominent player in the Hindi News market
- **IBN LOKMAT** – A joint venture with Marathi newspaper Lpkmat. First regional news channel to be launched by GBN.

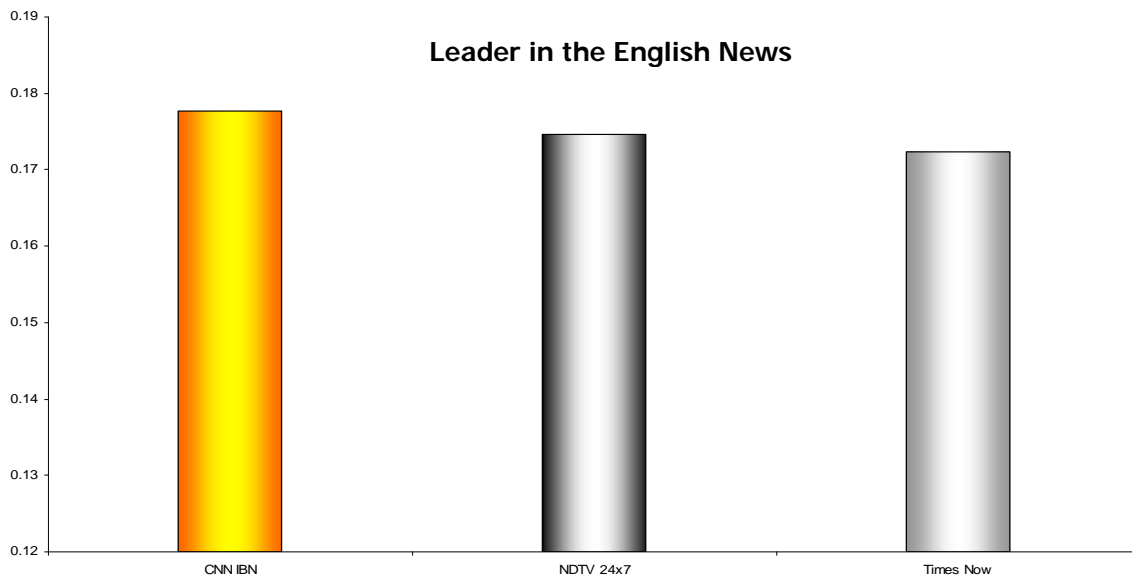
### 2. Entertainment –

- **VIACOM18** -
  - MTV
  - VH1
  - NICKELODEON
  - STUDIO18
  - MASS GENERAL ENTERTAINMENT CHANNEL (to be launched)

## PERFORMANCE HIGHLIGHTS

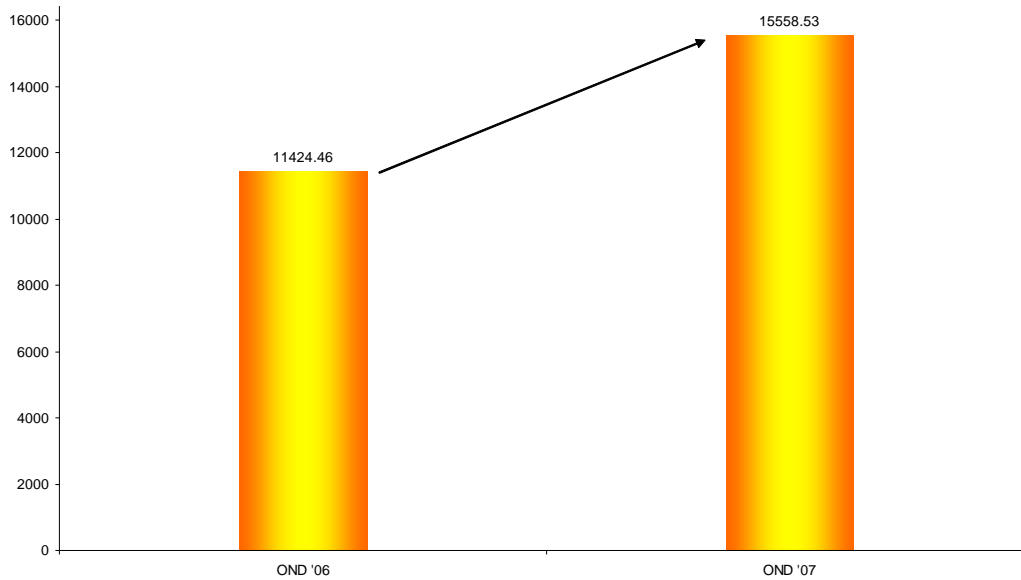
**CNN-IBN** - Channel performance has been exemplary in Q3 as well. Key indicators are as follows:

- **Accolades:** CNN-IBN was awarded the coveted “Best English News Channel” award at the prestigious Indian Television Academy Awards.
  
- **Programming :** In programming, CNN-IBN led from the front with its benchmark coverage of key news making events such as the Gujarat Assembly elections, Nandigram issue and partnered path breaking initiatives such as the Hindustan Times Leadership Summit. It continued to strengthen its pioneering initiatives such as Citizen Journalist etc.
  
- **VIEWERSHIP UPDATE Q3**



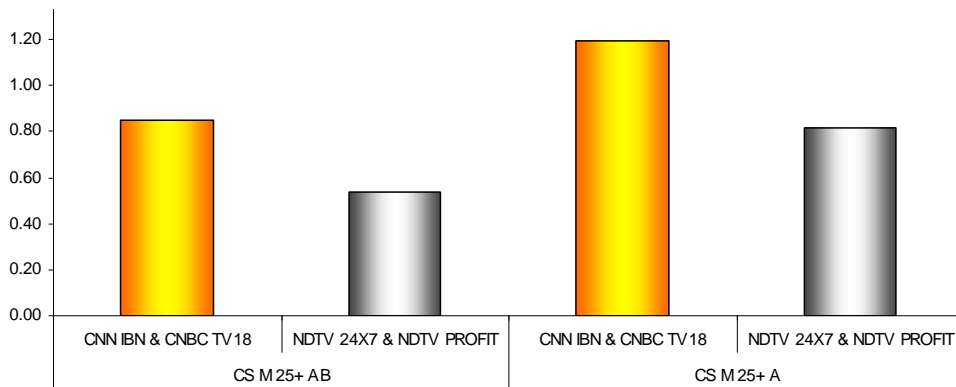
Source: TAM, Channel Share, TG: CS 4+, Period: 16/09/07-22/12/07, 700-2400, All Days, All India

Reaching out to newer audiences



Source: TAM, Av. Weekly Reach (000s), TG: CS 15+, 0200-2559, All Days, All India

CNN-IBN & CNBC-TV18 : Preferred choices for India's core news viewers

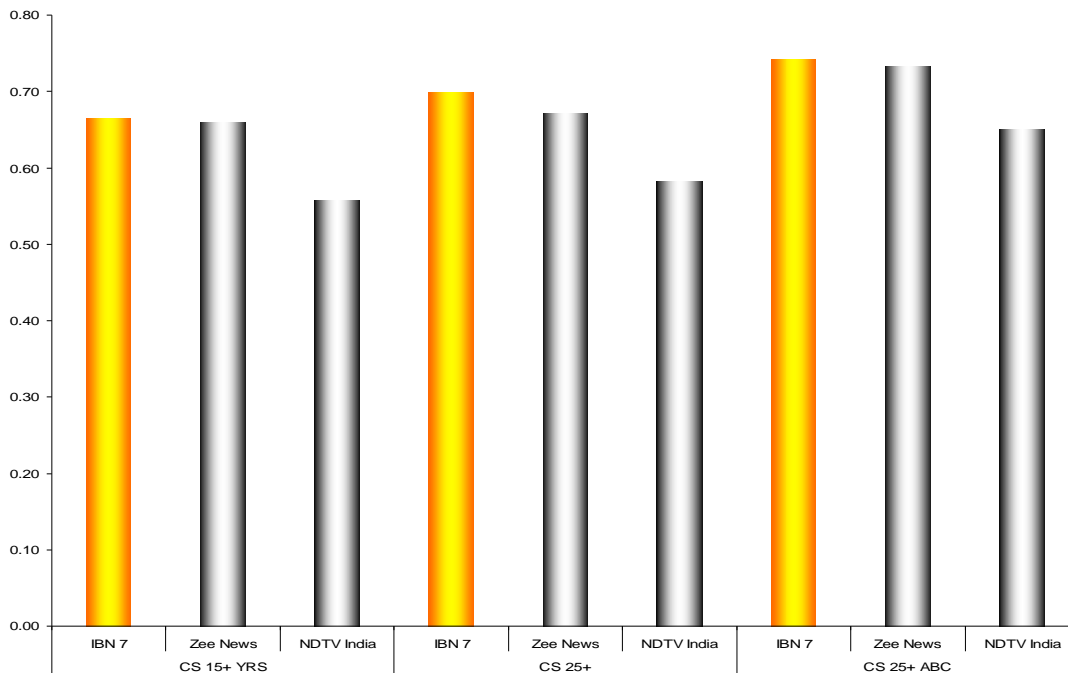


Source: TAM, Channel Share, Period: 30/09/07-29/12/07, 700-2400, All Days, Market: All India

**IBN 7** – IBN 7 has sustained its momentum as one of India’s fastest growing Hindi news channels. With a slew of new editorial initiatives, the channel has performed admirably in Q3 as well. Some key performance indicators are as follows:

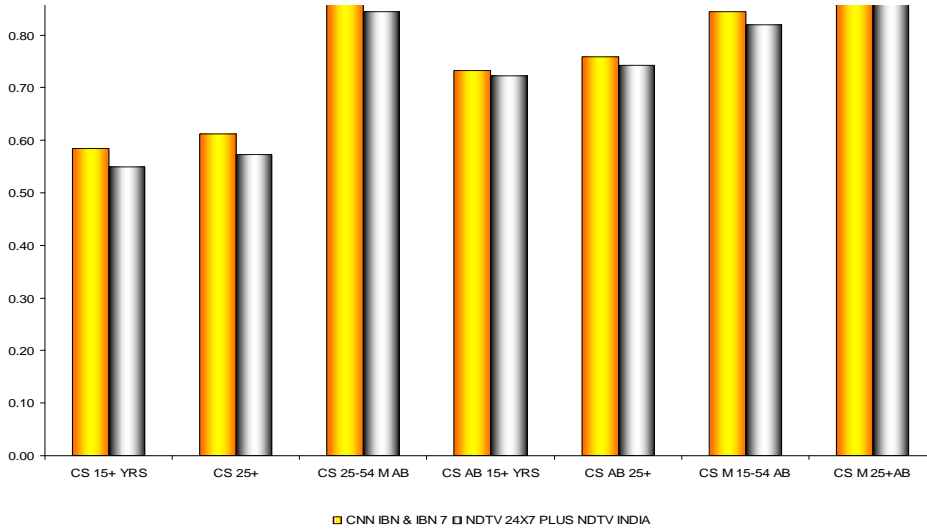
- ❑ **Programming** : From a programming perspective, IBN 7 generated tremendous viewer interest through its dedicated coverage on the Gujarat Elections and special coverage of the state through viewer polls such as ‘Sabse Bada Gujarati’. In addition, the channel focused on partnerships in entertainment content, festive programming etc.
- ❑ **Announcements** : IBN 7 consolidation from Jagran is underway and should be completely executed by Q4.
- ❑ **VIEWERSHIP UPDATE Q3**

### Prime time – another time to watch IBN7



Source: TAM, Channel Share, Period: 16/09/07-22/12/07, 1800-2400, All Days, HSM

**CNN-IBN & IBN7 : leaders in General News**



Source: TAM, Channel Share, Period: 30/09/07-29/12/07, 700-2400, All Days, All India

**IBN LOKMAT** – The process of launch of the Marathi news channel is well underway. With key personnel hired and the facility being set up, IBN LOKMAT should be ready to broadcast in a short time.

## VIACOM18

GBN also operates a joint venture with Viacom, called Viacom18 which houses the MTV, VH1 and Nickelodeon channels in India - as also Studio18, the Group's filmed entertainment operation and will be launching a Hindi general entertainment channel. MTV, VH1 & NICKELODEON continue to perform well in their respective markets.

### PERFORMANCE HIGHLIGHTS

#### MTV

- ❑ Continues to build on its leadership position as India's Youth Channel
- ❑ Revenues showing strong year-on- year growth
- ❑ To launch several entertainment and reality shows this year
- ❑ MTV India launched in U.S.A., Australia and New Zealand to cater to the Indian Diaspora.

#### VH1

- ❑ India's only international music and lifestyle destination
- ❑ Brand leveraged across several events including VH1's own Jazz Masters

#### NICKELODEON

- ❑ Nickelodeon was the fastest growing channel in the genre in 2007.
- ❑ Is No 1 in time spent and a close No 3 in overall market share – market share growth on a strong trajectory
- ❑ Nickelodeon continues to increase its base of loyal audiences amongst the 4-14 age group of the country.

**STUDIO 18** - The 360-degree motion pictures & filmed entertainment division of Viacom18, strengthened its presence across the distribution, production and acquisition spectrum. Key performance indicators were as follows:

- ❑ **Distribution** – Studio18 distributed films such as 'Jab We Met' & 'Welcome' became one of the most successful grossers at the box office in 2007 and received awards as well. Both films released in Q3.
- ❑ **Syndication** – Studio 18 pioneered a new mechanism for exploitation of television rights for 'Jab We Met' and this was well received by the industry. The television rights were categorized into satellite, terrestrial, cable, IPTV, DTH, Pay Per View and were sold to general entertainment channels on a 'By telecast' basis.
- ❑ **Acquisitions and Production** – Studio18 acquired some leading forthcoming films as well as initiated production for new projects spanning a range of films including its first regional foray as well as animation.

**HOMESHOP18 (DIVISION OF NETWORK18)**

HOMESHOP18 has emerged as a leading virtual retail service in the country with the objective of leveraging the fast expanding retail opportunity in the country through a home shopping network and a credible online shopping destination. In Q3, Homeshop18 has sustained its momentum in customer acquisition (Total customer base of 200,000), expansion of product portfolio and addition of new alliance partners into its fold.

**E18 (DIVISION OF NETWORK18)**

E18 is the events division of NETWORK 18 launched recently. In its early stages, E18 has begun impressively, establishing itself as a reputed player in the events & activation space. In Q3, E18 staged concerts of globally renowned music bands such as 'Scorpions', 'America', strengthened its presence in the B2B event space and its corporate business vertical. It has also signed on new acts such as 'Def Leppard' for the coming year and has a robust pipeline of confirmed events.

**INVESTOR COMMUNICATION:**

Network18's ongoing investor communication endeavors to adopt best international practices and the Group's 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 person mentioned below, or from the companies website [www.network18online.com](http://www.network18online.com). This update covers the company's financial performance for Q3 FY 2007-08.

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