

Network18 Investor Update Q1 FY 2009-10

NETWORK18 MEDIA & INVESTMENTS LIMITED (Group Holding Company)

- **Network 18's Q1 Consolidated Revenues Cross Rs 2.2 Bn; Grow More Than 63% YoY**
- **8 Out of 9 Channels Are Number 1 In Their Respective Categories**
 - **Colors** Leads the General Entertainment Space; Ahead of Star Plus and Zee TV
 - **CNBC-TV18** Dominates Business News Genre; Far Ahead of the No.2 Channel
 - **CNN-IBN** Maintains Top Position Among General News Channel; Delivers The Most Viewed Election Coverage
 - **CNBC AWAAZ** Leads Over Zee Business and NDTV Profit
 - **MTV** is the No.1 Youth Entertainment Channel
 - **Nickelodeon** Becomes No.1 Kid's Entertainment Channel
 - **Vh1** is the No.1 Channel in its Category
 - **IBN Lokmat** Grabs No.1 Position Among Marathi News Channels
 - **IBN7** Maintains Strong Position in Hindi News
- **Homeshop18's Commission Income At Rs 89 Mn; Grows More Than 260% YoY**
 - Executed more than 2.3 lac orders; Marking an increase of 77% over Q1 last year
 - Aired Special programs in partnership with leading consumer durable brands Samsung, Hitachi and Onida
- **Revenues From Events & Sports Management Division Grow By Almost 100%YoY**
- **Net Asset Value At Rs 153.92¹ Per Share (vs CMP of Rs 96.10²)**

TELEVISION EIGHTEEN INDIA LIMITED (Listed Subsidiary of Network18)

- **TV18's Consolidated Revenues At Rs 1.07 Bn Up 15% YoY; Turn EBITDA Positive Again**
- **Web18 Revenues Up 8% YoY; Cash Positive Next Target**
 - Cuts Operating Losses Sharply Compared To Q2/Q3 Of Previous Year; Down From Rs 175-190 Mn Per Quarter To Rs 38 Mn In Q1
 - In.Com Maintains No. 2 Position Among Indian Portals; Launch And Investment Phase Over
 - Web18's Unique Visitors Grow By 66% YOY; Ahead Of Rediff and Sify (Source: Comscore)
- **Business News Channels:**
 - Increase Market Share Despite New Launches; CNBC-TV18's Share Is More Than 1.5 Times The Combined Share Of NDTV Profit, UTVi and ET Now
 - Revenues Down 25% (YOY) In Tough Quarter; Operating Margin At 17%
 - Revenue Growth Expected To Recover, Focus On Improving Cost Efficiencies
- **Forbes India Makes Strong Debut; Receives Highly Encouraging Reviews And Sales**
- **NewsWire18 Revenues At Rs 75 Mn Up 66% YoY**
 - Unit Sales For The Quarter Up 38% YOY
 - EBITDA Marginally Negative At Rs 0.19 mn Vs EBITDA (Loss) Of Rs 27 mn In Q1 FY09
 - Adds New Products To Its Portfolio For Addressing Cost Conscious Segment
- **Infomedia18 - Restructuring Benefits Show Up In Operations; Operating Costs Down To Rs 310 Mn Compared With Rs 494 Mn In Q3 Last Year; Alibaba Sales Continue To Grow On QoQ Basis**

1) Mark to Market NAV (on the basis of unaudited financials of the Quarter ended June 30, 2009) certified by a Category 1 merchant banker - SPA Merchant Bankers Limited
 2) Current Market Price - Closing price of July 15, 2009 on National Stock Exchange

ibn18 BROADCAST LIMITED (Earlier known as Global Broadcast News Limited - Listed Subsidiary of Network18)

- **ibn18 Reports Strong 34% Y-o-Y Standalone Revenue Growth (CNN IBN + IBN7) With Profitability**
 - 34% Revenue Growth (Y-o-Y) on Revenues of Rs 56.87 Cr
 - EBITDA of Rs 6.17 cr, vs EBITDA (Loss) of Rs. 10.37 cr in Q1 last year

- **ibn18 Consolidated Revenues of 107.04 cr, EBITDA (Loss) at just Rs 2.81 cr**
 - ibn18 Consolidated figures include 33.71% share of Viacom18 and 50% share for IBN Lokmat for the entire quarter
 - Share of Revenues from Viacom18 – Rs 49.49 cr, EBITDA (Loss) of Rs 6.10 cr
 - Share of Revenues from IBN Lokmat – Rs 0.69 cr, EBITDA (Loss) of Rs 2.88 cr

- **Colors Rises to No.1 Position in April, just 9 Months from its Launch**

- **MTV, Nick & Vh1: All No.1 in their Respective Categories**
 - MTV, the undisputed No.1 in Youth Entertainment, beats prominent GECs in ratings
 - Nick consolidates position as the No.1 Kids Channel
 - Vh1 reaches No.1 in International Entertainment; Maintains uniqueness in category

- **Viacom18: Strong Revenue Run Rate – Losses Significantly Lower**

- **News Channels Maintain Leadership Positions & Healthy Ratings**
 - CNN-IBN is the Undisputed No.1 Channel for Elections 2009
 - IBN7 Maintains a Strong Position in Hindi News
 - IBN Lokmat Breaks into No.1 Position in Marathi News

- **ibn18 Completes Acquisition of 50% Stake in Viacom18 on July 13, 2009**

Network18 Media and Investments Limited:

Consolidated Unaudited Financial Performance for the Quarter Ended 30th June 2009
Rs mn.

Particulars	Q1 2009-10	Q1 2008-09
REVENUES: OPERATIONS	2265.14	1386.71
I : Revenues: Media Operations		
a) Television Eighteen India Ltd (As published)		
1) News Operations	568.57	753.35
2) Web18	142.10	131.58
3) Newswire18	74.48	44.99
4) Infomedia18	288.12	
b) ibn18 Broadcast Limited (As published)	1066.72	300.05
c) Homeshop18 (Unlisted Subsidiary)	89.28	24.65
d) Setpro18 (Unlisted Subsidiary)	184.10	135.17
e) Events & Sports Management (Division)	40.28	20.27
h) Advisory Services (Division)	3.16	0.00
II : Revenues from Investment Activities	13.94	212.59
III : Less – Inter Company Revenues	(205.61)	(235.94)
Operating Expense	2357.24	1290.22
Operating Profit	(92.10)	96.49
Operating Margin	-4.06%	6.96%
Net Outflow on Revenue Share with CNBC & CNN	(51.67)	(47.06)
Interest/Income from Investments	72.80	222.22
Interest Expense	(497.38)	(413.92)
Interest (Net)	(424.58)	(191.70)
Depreciation	(173.78)	(101.23)
Non Recurring Income	(304.88)	0.00
Non Recurring Expense	514.60	0.00
Prior period and Exceptional Items	1.49	(64.80)
Total Profit Before Tax, Minority Interest and ESOP Charge Out	(530.92)	(308.30)
Provision for Current Tax/FBT	24.18	23.25
Profits After Tax (before minority interest and ESOP charge out)	(555.10)	(331.55)
Minority Interest	(209.88)	(160.06)
Share in Losses of Associates	0.00	(42.77)
Profits After Tax and Minority Interest (before ESOP charge out)	(345.22)	(214.26)
ESOP Charge Out	(30.34)	(39.91)
Profits After Tax and ESOP charge out	(375.56)	(254.17)
Exchange Fluctuations	(24.74)	5.69
Profits After Exchange Fluctuations	(350.82)	(259.86)
Provision for Deferred tax	12.71	0.00
Net Profit After Deferred Tax	(363.53)	(259.86)
Paid up Equity Share Capital	479.43	257.51
EPS (Rs.) without ESOP charge out	(3.47)	(4.27)
EPS (Rs.) with ESOP charge out	(3.79)	(5.05)

Network18 Media and Investments Limited:
Standalone Unaudited Financial Performance for the Quarter Ended 30th June 2009

Rs mn.

Particulars	Q1 2009-10	Q1 2008-09
REVENUES: OPERATIONS	57.38	232.85
Operating Expense	88.73	41.52
Operating Profit	(31.35)	191.33
Operating Margin	-54.64%	82.17%
Net Outflow on Revenue Share with CNBC & CNN	0.00	0.00
Interest/Income from Investments	0.00	0.00
Interest Expense	(100.30)	(144.44)
Interest (Net)	(100.30)	(144.44)
Depreciation	(0.72)	(0.76)
Non Recurring Income / (Expenditure)	1.49	0.00
Total Profit Before Tax and Minority Interest	(130.88)	46.14
Provision for Current Tax/FBT	0.00	0.35
Profits After Tax	(130.88)	45.79
Minority Interest	0.00	0.00
Share in Losses of Associates	0.00	0.00
Profits After Tax	(130.88)	45.79
Exchange Fluctuations	0.00	0.00
Profits After Exchange Fluctuations	(130.88)	45.79
Provision for Deferred tax	0.00	0.00
Net Profit After Deferred Tax	(130.88)	45.79
Paid up Equity Share Capital	479.43	257.51
EPS (Rs.) without ESOP charge out	(1.36)	0.89
EPS (Rs.) with ESOP charge out	(1.36)	0.89

Television Eighteen India Limited:

Consolidated Unaudited Financial Performance for the Quarter ended 30th June 2009
Rs. mn.

Total Revenues (Part I, II, III and IV)	1073.26	929.92

Part I: News Operations

Particulars	Rs. mn.	
	Q1 2009-10	Q1 2008-09
REVENUES: NEWS OPERATIONS	568.57	753.35
Operating Expense	471.20	469.65
Operating Profit	97.37	283.70
Operating Margin	17.13%	37.66%
Net Outflow on Revenue Share with CNBC	(36.83)	(34.09)
Interest/Income from Investments	37.16	152.39
Interest Expense	(283.42)	(210.38)
Interest (Net)	(246.26)	(57.99)
Depreciation	(53.52)	(51.26)
Profit Before Tax, Minority Interest and ESOP Charge Out	(239.23)	140.36
Provision for Current Tax/FBT	3.22	13.76
Profit After Tax (before minority interest and ESOP charge out)	(242.46)	126.60
Minority Interest	0.00	0.00
Share in Profit of Associates	11.86	0.00
Profit After Tax and Minority Interest (before ESOP charge out)	(230.60)	126.60
ESOP Charge Out	10.82	29.29
Profit After Tax and ESOP Charge Out	(241.41)	97.31
Exchange Fluctuations	30.20	4.50
Profit After Exchange Fluctuations	(271.61)	92.81
Provision for Deferred Tax	11.07	0.00
Net Profit After Deferred Tax	(282.68)	92.81
Paid up Equity Share Capital	600.07	598.42
EPS (Rs.) without ESOP Charge Out	(2.27)	1.02
EPS (Rs.) with ESOP Charge Out	(2.36)	0.78

Television Eighteen India Limited:

Consolidated Unaudited Financial Performance for the Quarter ended 30th June 2009

Part II: Web18

Rs. mn.

Particulars	Q1 2009-10	Q1 2008-09
REVENUES: OPERATIONS	142.10	131.58
Operating Expense	179.98	190.97
Operating Profit	(37.88)	(59.39)
Interest/Income from Investments	0.00	0.97
Interest Expense	(4.65)	(5.10)
Interest (Net)	(4.65)	(4.13)
Depreciation	(40.70)	(17.57)
Profit Before Tax and Minority Interest	(83.23)	(81.09)
Provision for Current Tax/FBT	5.00	0.32
Profit After Tax (before minority interest)	(88.23)	(81.41)
Minority Interest	(2.33)	(1.40)
Profit After Tax and Minority Interest	(85.89)	(80.02)
Exchange Fluctuations	0.00	0.00
Profit After Exchange Fluctuations	(85.89)	(80.02)
Provision for Deferred Tax	0.00	0.00
Net Profit After Deferred Tax	(85.89)	(80.02)

Television Eighteen India Limited:
Consolidated Unaudited Financial Performance for the Quarter ended 30th June 2009

Part III: Newswire18

Rs mn.

Particulars	Q1 2009-10	Q1 2008-09
REVENUES: OPERATIONS	74.48	44.99
Operating Expense	74.67	71.68
Operating Profit	(0.19)	(26.69)
Interest/Income from Investments	0.06	0.00
Interest Expense	(6.30)	(6.44)
Interest (Net)	(6.24)	(6.44)
Depreciation	(7.93)	(4.52)
Profit Before Tax and Minority Interest	(14.37)	(37.64)
Provision for Current Tax/FBT	0.00	0.40
Profit After Tax (before minority interest)	(14.37)	(38.04)
Minority Interest	0.00	0.00
Profit After Tax and Minority Interest	(14.37)	(38.04)
Exchange Fluctuations	0.00	0.00
Profit After Exchange Fluctuations	(14.37)	(38.04)
Provision for Deferred Tax	0.00	0.00
Net Profit After Deferred Tax	(14.37)	(38.04)

Television Eighteen India Limited:
Consolidated Unaudited Financial Performance for the Quarter ended 30th June 2009

Part IV: Infomedia18

Rs mn.

Particulars	Q1 2009-10
REVENUES: OPERATIONS	288.12
Operating Expense	310.09
Operating Profit	(21.97)
Interest/Income from Investments	0.11
Interest Expense	(22.96)
Interest (Net)	(22.86)
Depreciation	(20.33)
Total Profit Before Tax and Minority Interest	(65.16)
Provision for Current Tax/FBT	6.14
Profit After Tax (before minority interest)	(71.30)
Minority Interest	0.00
Profit After Tax and Minority interest	(71.30)
Exchange Fluctuations	(49.28)
Profit After Exchange Fluctuations	(22.02)
Provision for Deferred Tax	1.65
Net Profit after Deferred Tax	(23.67)

Television Eighteen India Limited:

Group's Consolidated Unaudited Financial Performance for the Quarter ended 30th June 2009

Rs mn.

Particulars	Q1 2009-10	Q1 2008-09
REVENUES	1073.26	929.92
Operating Expense	1035.93	732.31
Operating Profit	37.33	197.61
Operating Margin	3.48%	21.25%
Net Outflow on Revenue Share with CNBC	(36.83)	(34.09)
Interest/Income from Investments	37.32	153.36
Interest Expense	(317.33)	(221.91)
Interest (Net)	(280.01)	(68.55)
Depreciation	(122.48)	(73.34)
Total Profit Before Tax, Minority Interest and ESOP Charge Out	(401.98)	21.63
Non Recurring Income	0.00	(64.80)
Total Profit Before Tax, Minority Interest, ESOP Charge Out but After Extra Ordinary Income	(401.98)	(43.17)
Provision for Current Tax/FBT	14.37	14.48
Profits After Tax (before minority interest and ESOP charge out)	(416.35)	(57.65)
Minority Interest	(2.33)	(1.40)
Share in Profit of Associates	11.86	0.00
Profits After Tax and Minority Interest (before ESOP charge out)	(402.16)	(56.26)
ESOP Charge Out	10.82	29.29
Profits After Tax and ESOP Charge Out	(412.97)	(85.55)
Exchange Fluctuations	(19.08)	4.50
Profits After Exchange Fluctuations	(393.90)	(90.05)
Provision for Deferred Tax	12.71	0.00
Net Profit After Deferred Tax	(406.60)	(90.05)
Paid up Equity Share Capital	600.07	598.42
EPS (Rs.) without ESOP Charge Out	(3.30)	(0.51)
EPS (Rs.) with ESOP Charge Out	(3.39)	(0.75)

ibn18 Broadcast Limited
Unaudited Standalone Financial Performance for the Quarter Ended 30th June 2009
(Rs. lakhs.)

	<u>ibn18 (CNN IBN + IBN7)</u> For the quarter Apr-Jun'09	<u>ibn18 (CNN IBN + IBN7)</u> For the quarter Apr-Jun'08
INCOME		
Income from News operations	5,598.37	4,155.11
Other income	88.25	96.68
TOTAL	5,686.62	4,251.80
EXPENDITURE		
Production, administrative and other costs	3,289.38	3,683.22
Personnel expenses	1,780.47	1,605.48
TOTAL	5,069.85	5,288.70
EBITDA	616.77	(1,036.90)
Interest and financial charges	604.30	431.23
Depreciation	308.29	287.13
TOTAL	912.59	718.36
Profit Before Tax And Exceptional Items	(295.83)	(1,755.27)
Exceptional income	5,146.00	-
Exceptional expense (Impairment/ Option Premium Written Off)	3,048.81	-
Profit/(Loss) before tax & ESOP	1,801.36	(1,755.27)
Provision for taxes (Fringe benefit tax)	49.50	29.25
ESOP Cost	57.71	34.73
Profit/(Loss) after Tax (PAT)	1,694.15	(1,819.25)

Notes:

- Figures for Jagran TV added to Q1 2008-09 ibn18 standalone figures to make it comparable with Q1 2009-10 standalone
- Exceptional Income: Other income includes Rs 5,146 lakhs as surplus earned on sale of shares by the ibn18 Trust formed under the Scheme of Arrangement approved by the Hon'ble Delhi High Court order dated 15 September 2008.
- Exceptional Expense: Represents amount of Option Premium paid by ibn18 through its wholly owned subsidiary, which has been written off as an impairment

ibn18 Broadcast Limited
Unaudited Consolidated Financial Performance for the Quarter Ended 30th June 2009
(Rs. lakhs.)

	<u>ibn18</u> <u>Standalone</u> For the quarter Apr-Jun'09	<u>Viacom18</u> For the quarter Apr-Jun'09	<u>IBN Lokmat</u> For the quarter Apr-Jun'09	<u>ibn18</u> <u>Consolidated</u> For the quarter Apr-Jun'09
ibn18's Share in JVs for the Quarter	100.00%	33.71%	50.00%	
INCOME				
Income from Operations	5,598.37	4,943.65	68.49	10,610.51
Other income	88.25	5.54	0.02	93.81
TOTAL	5,686.62	4,949.19	68.52	10,704.33
EXPENDITURE				
Production, administrative and other costs	3,289.38	4,907.62	262.73	8,459.73
Personnel expenses	1,780.47	651.87	93.45	2,525.79
TOTAL	5,069.85	5,559.49	356.18	10,985.52
EBITDA	616.77	(610.30)	(287.66)	(281.20)
Interest and financial charges	604.30	41.58	35.84	681.72
Depreciation	308.29	67.87	46.74	422.91
TOTAL	912.59	109.45	82.58	1,104.63
Profit Before Tax And Exceptional Items	(295.83)	(719.75)	(370.24)	(1,385.82)
Exceptional income	5,146.00	-	-	5,146.00
Exceptional expense (Impairment/ Option Premium Written Off)	3,048.81	-	-	3,048.81
Profit/(Loss) before tax & ESOP	1,801.36	(719.75)	(370.24)	711.36
Provision for taxes (Fringe benefit tax)	49.50	13.23	-	62.73
ESOP Cost	57.71	-	-	57.71
Profit/(Loss) after Tax (PAT)	1,694.15	(732.99)	(370.24)	590.92

Note: 'ibn18 Consolidated' includes ibn18 Standalone with 33.71% share of Viacom18 and 50% share of IBN Lokmat for the entire quarter, accounted for line-by-line in the J-V method

Network **18**



Web **18**

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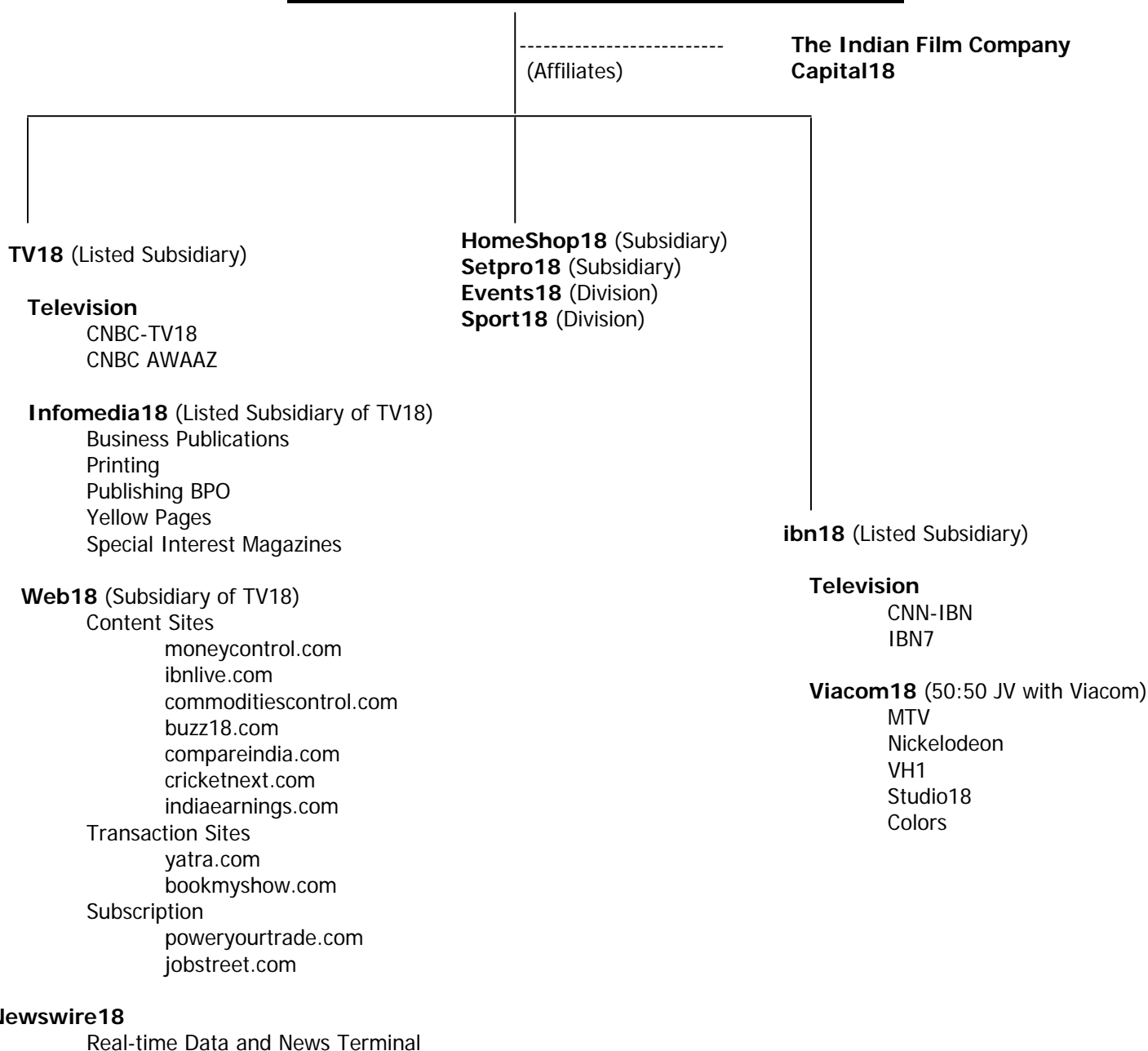
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NETWORK18 INVESTOR UPDATE

Network18[BSE: 532798,NSE: Network18] is one of India's leading full play media conglomerates with interests in television, print, internet, filmed entertainment, mobile content and allied businesses. Through its holding in Television Eighteen India Ltd (TV18) [BSE: 532299, NSE: TV-18], Network18 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 expanded into print with Infomedia18, a newly formed entity following the acquisition of Infomedia, India's leading player in the special interest publishing and printing operations space. TV18 has also announced a collaboration with Forbes media for the launch of a business magazine in India. Through its holding in ibn18 Broadcast Ltd (ibn18) [BSE: 532800,NSE: ibn18], Network18 operates in the general news and entertainment space with leading general news channels CNN-IBN and IBN7 and has launched IBN Lokmat, a Marathi news channel in partnership with the Lokmat group. ibn18 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 has launched 'Colors', a Hindi general entertainment channel. Additionally, Network18 holds the Group's online & on-air home shopping venture, Homeshop18, its full spectrum events management venture, E18 and its sports management & marketing division, Sports18.

NETWORK18 MEDIA & INVESTMENTS LIMITED



TELEVISION EIGHTEEN INDIA LIMITED**BUSINESS OVERVIEW**

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 with the acquisition of Infomedia, rechristened as Infomedia18. Infomedia18 is India's leading special interest publishing and printing operations player.

1. BUSINESS TELEVISION

- CNBC-TV18 – India's No.1 business medium.
- CNBC AWAAZ – India's leading consumer focused business channel

2. PUBLISHING & PRINT

- INFOMEDIA18 – India's leading special interest & B2B publisher. Publishers of Yellow Pages, 'Overdrive', 'Chip' magazine amongst others.
- FORBES INDIA – The group recently launched "Forbes India", the first Indian title of a foreign news magazine. As may be recalled, earlier in the calendar year, the I&B ministry announced a change in regulation with regards to foreign news periodicals.

3. CONSUMER INTERNET

- WEB18 – Portals across the content, transaction, subscription & mobile spectrum
 - CONTENT – In.com, Moneycontrol.com, Ibnlive.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

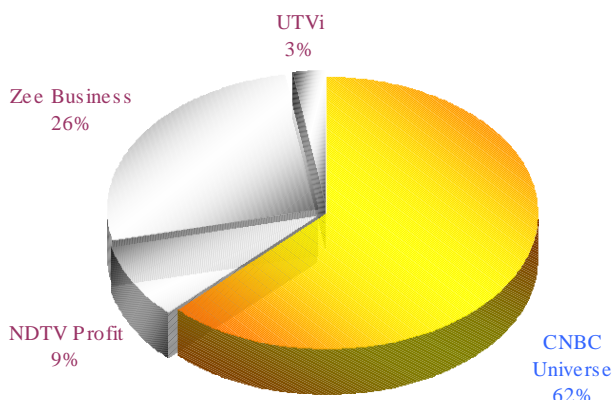
4. REAL TIME DATA & INFORMATION

- NEWSWIRE18 – India's leading provider of real-time market data and news for participants in the financial markets.

CNBC-TV18 & CNBC AWAAZ – Leadership in business news & information

CNBC-TV18 & CNBC AWAAZ's success as well as mandate is to be the most comprehensive provider of financial information & wisdom and serve the unique needs of each of these audience groups. For the quarter under review, the CNBC channels led the business news genre with 62% share. (See fig below)

CNBC-TV18 & CNBC AWAAZ: DOMINANT DUO IN BUSINESS NEWS



Source: TAM, TG: CS AB Male 25+, Market Share, Market: All India Time, Period: Apr-Jun'09, All Days 0600-2400 hrs

Out of Home: Do note that the existing TV viewership measurement mechanisms though essential do not project the actual delivery for a media platform like CNBC-TV18 & CNBC AWAAZ. The CNBC-TV18 & CNBC AWAAZ services attract a great amount of viewership out of home (OOH) especially in corporate offices, institutions, business areas, markets etc. This viewership is not captured in the commonly used TV measurement mechanisms and thus CNBC-TV18 audience reach is actually much higher.

CNBC-TV18

Key Highlights:

Programming

- News leadership** – Through the quarter, CNBC-TV18 continued to be the medium of choice for all major news developments, both from a national as well as global standpoint. This quarter was significant due to two major news events, which had a significant impact on markets and the business environment. One was the “General Elections” and the other was the “Union Budget”. In both cases, CNBC-TV18 launched a slew of special programming involving a wide array of domain experts and a diversified set of formats including on-air shows, ground events and segments in turn delivering a comprehensive coverage scale. Apart from these 2 special events, the channel continued to present benchmark daily coverage of corporate news, policy matters, industry developments and capital markets in India and from global business hubs.
- Content Differentiation** – During the period, CNBC-TV18 launched many shows and special series’ capturing all hues of business programming. From special shows such as “Tycoons with Vir Sanghvi” and “Imagining India with Nandan Nilekani” to unique formats such as “RD 360” & “Riders in the Storm”, the channel delivered topical, insightful and trend spotting programming to its viewers.

Special Properties

- CNBC-TV18 continued to engage with key stakeholders, viewers & investors as well as the industry through its multiple benchmark properties such as the much acclaimed “CFO Awards” in April and the first of its kind “Animation Awards” in May.

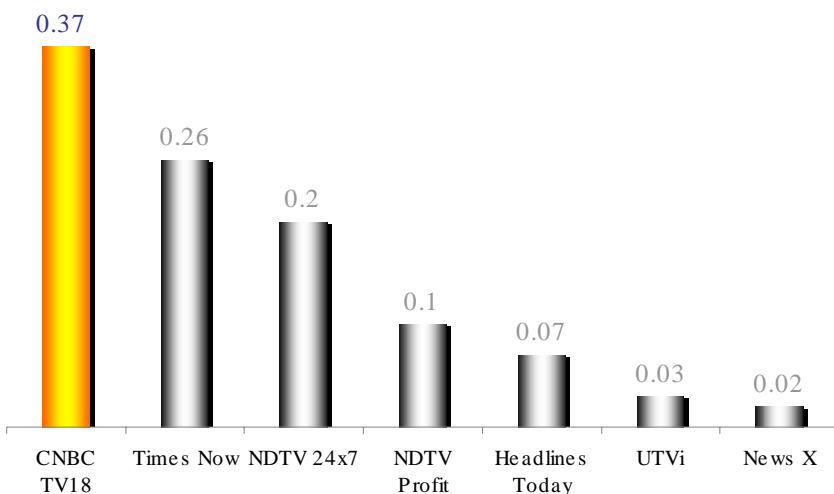
Platform Diversification

- Brand CNBC-TV18 continued to expand its platform footprint through initiatives in the online, mobile and retail domain. Noteworthy was the launch of a daily newsletter service called the “India Business Update” meant exclusively to CXO’s and business decision makers.

Viewership Performance

For period under review, CNBC-TV18 led the news genre and emerged as the nation’s most preferred news source amongst the core audiences.

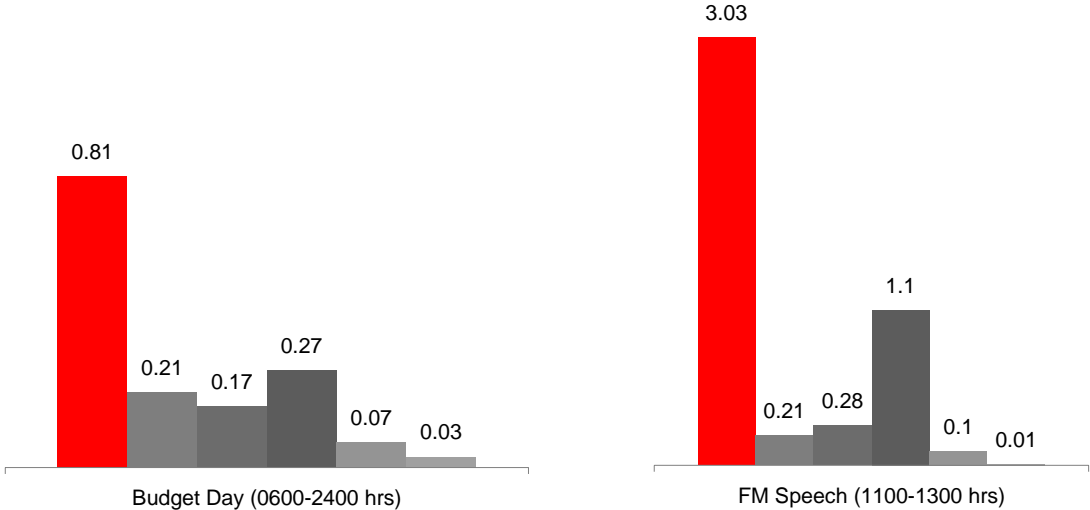
CNBC-TV18: INDIA’S MOST PREFERRED NEWS SOURCE



Source: TAM, TG: CS AB Male 25+, Market: All India, Channel Share Time Period:: Apr-Jun '09, All Days 0600-2400 hrs

CNBC-TV18: LEADS DURING THE BUDGET DAY AND FM SPEECH IN ALL INDIA

■ CNBC TV18 ■ Times Now ■ NDTV 24x7 ■ NDTV Profit ■ UTVi ■ ET Now



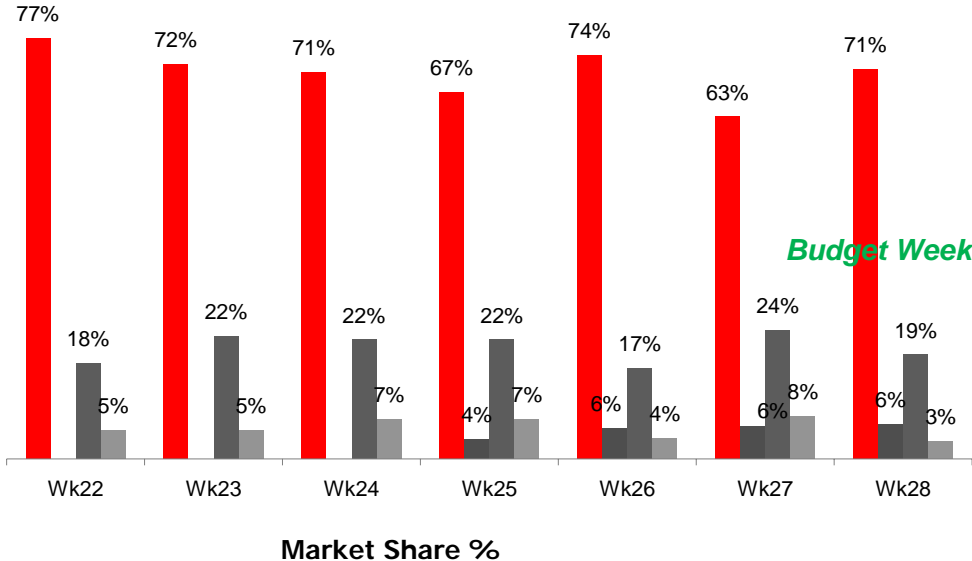
Source: TAM, TG: CS AB Males 25+ Yrs, All India. Time Period: 6th Jul'09

COMPETITIVE ACTIVITY IN ENGLISH BUSINESS NEWS

In the last year or so, the English business news genre has witnessed increased competitive activity with the foray of new players such as UTVi and now the recent launch of ET Now. However, inspite of these developments, CNBC-TV18 continues to maintain its leadership performance basis its benchmark programming and continued innovation in content, formats and marketing. (See Fig below).

CNBC-TV18: SUSTAINED LEADERSHIP

■ CNBC TV18 ■ ET Now ■ NDTV Profit ■ UTVi



Source: TAM, TG: CS AB Males 25+ Yrs, Market: All India. Time Period: Wk22-28'09, All days, 0600-2400 hrs

CNBC AWAAZ

Key Highlights:

Programming

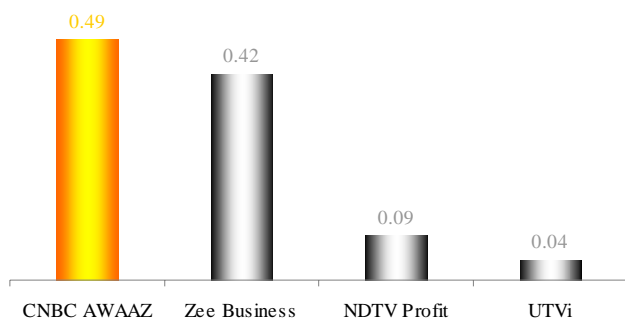
- CNBC AWAAZ launched a spate of new shows that answered the evolving needs of the Hindi speaking business consumer & investor. Shows & properties such as “Stock 20/20”, “Mutual fund monitor”, & “Stock Muqabla” advised viewers on investing choices and financial planning.

Audience Expansion & Engagement

- CNBC AWAAZ continued its benchmark initiatives that engaged with audiences and stakeholders. A key highlight was the continuation of “Money Yatra” – in which India's biggest personal finance experts have been travelling to over 30 small towns in over 15 states to educate the common man on the basics of financial planning and investing.

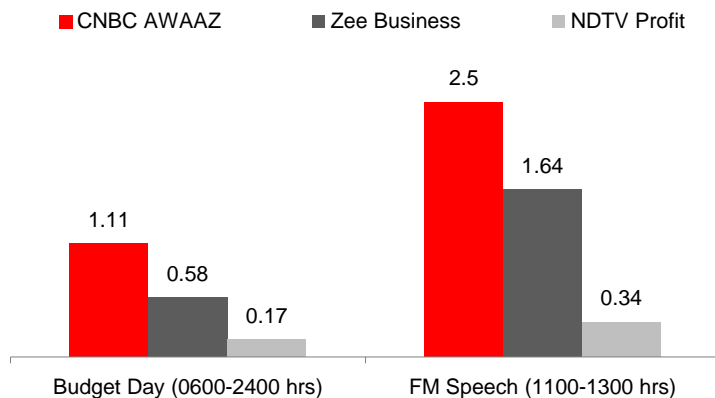
Viewership Performance

CNBC AWAAZ: LEADING FROM THE FRONT



Source: TAM, TG: CS AB Male 25+, Market: All India, Channel Share Time Period:: Apr-Jun '09, All Days 0600-2400 hrs

CNBC AWAAZ: LEADS DURING THE BUDGET DAY AND FM SPEECH IN HSM



Source: TAM, TG: CS AB Males 25+ Yrs, HSM. Time Period: 6th Jul'09

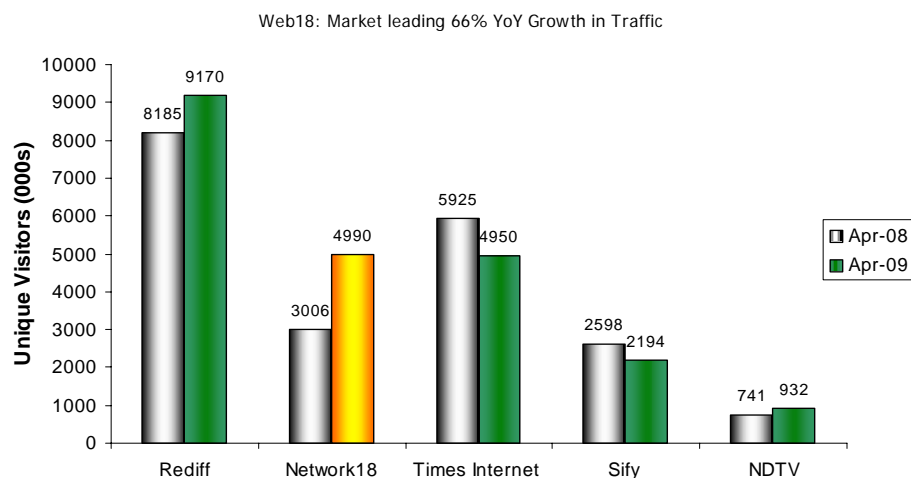
WEB18

India's leading Internet player continued to build on its leadership in the online space through strong traffic sustenance on its web portals, growth in its WAP services portfolio and continued innovation in its features & offerings.

Key Highlights:

- IN.COM, which fast emerged as the 2nd largest Indian portal since its launch in Aug 2008, continued to expand further on its presence.
- MONEYCONTROL.COM, India's No.1 financial portal, extended its market leadership further by providing benchmark financial news coverage & services to its users.
- IBNPOLITICS.COM, a "first of its kind" dedicated portal for elections coverage, became the destination of choice for General Elections 2009. The portal, launched from the ibnlive.com stable, delivered comprehensive, real time online coverage & interactivity to Indian citizens and voters with details of political parties, candidate profiles, polls, blogs and more. The portal delivered over 120 million page views across the election season.
- WEB18 WAP SERVICES – WEB18 further strengthened its strategic position in the WAP space with an impressive increase in usage traction. On a sequential basis, Web18 WAP delivered an almost 50% increase in page views and 15% rise in unique users, with over a million strong loyal user base which is set to grow further.

WEB18: STRENGTHENING LEADERSHIP



Source: Comscore

Top Publishers	Growth
Rediff	12%
NETWORK18	66%
Times Internet	-16%
Sify	-16%

INFOMEDIA18

Key Highlights:

- Infomedia18's exclusive partnership with Alibaba.com, the world's largest online B2B marketplace, continued to grow from strength to strength in this period as a result of strong customer responses.
- The new look Yellow Pages directory was launched in Pune, Vadodara and Jaipur with an encouraging response from the trade.
- Infomedia18 also began providing special printing, production & distribution services to the newly launched "Forbes India" title from the group.
- JCK and Logistics Management (erstwhile licensed with Reed Infomedia) are now published by the magazine division in Infomedia18.
- The sales structure within the BPO arm of the group was further strengthened and a re-structuring exercise completed, with a view to provide significant savings upside in due course.
- The magazine titles from Infomedia18 delivered a robust circulation performance despite the continuance of adverse market conditions.

NEWSWIRE18

Inspite of a challenging market environment, Newswire18 delivered a credible performance in the period under review:

Key Highlights:

- While Q1 has historically been a weak quarter for the business apart from being impacted by the high base effects of Q4, net new sales in this period were up 38% on a year basis.
- A significant development has been the improving operating position of Newswire18, from a financial standpoint. This period saw only a marginal increase in operating expenses on a year on year basis and as a result Newswire18 has been able to record its lowest ever operating loss.
- As part of its product development efforts, Newswire18 has restructured its product portfolio with a view to enhance its offerings and thereby increase new customer penetration and strengthen its retention levels.
- Moreover, Newswire18 has significant expansion plans through platform diversification into mobile & SMS based services as well as expansion of its geographical footprint.

FORBES INDIA



LAUNCH ISSUE COVER OF "FORBES INDIA"

FIRST INDIAN EDITION OF A FOREIGN NEWS MAGAZINE TITLE

Forbes is the world's leading business magazine and since its inception in 1917, it has stood unwavering, for one overriding principle: the unshakable belief in the power of free enterprise. In India, Forbes launched in partnership with Network18, India's leading full play media entity and the first issue of "Forbes India" hit stands on May 22nd, 2009. Forbes India is set to become India's most influential business magazine drawing from the best that Forbes has to offer worldwide.

- **FORBES INDIA EDITORIAL PHILOSOPHY:** The editorial philosophy of Forbes India seeks to help its readers connect the dots, form patterns and see beyond the obvious, giving them a completely different perspective. In doing this, it delivers sharp, in-depth and engaging stories by looking at global and domestic issues from an Indian prism. It brings to light ideas and the people generating them, in turn, allowing the reader to get the edge as a professional; and subsequently, opening up the potential for wealth creation.
- **EDITORIAL EXPERTISE:** The senior leadership team at the magazine has 200 man-years of experience in its ranks—the highest across any magazine in any category in the country and is led by a dynamic and vastly experienced editorial team.
- **IMPRESSIVE BEGINNINGS** – Commensurate with the Forbes India brand promise and comprehensive launch plan supporting it, the title has already established a strong presence in the market. Within a month and a half of launch, Forbes India has outperformed operating milestones and is on an accelerated path to operating breakeven levels as compared to initial forecasts. Forbes India has delivered impressive net paid sales of over 75% from conventional newsstands and 100% from non-conventional outlets and in terms of subscriptions the title has already surpassed existing industry benchmarks for new launches. In fact, Forbes India has emerged as the highest selling title in large format national retail chains such as Crossword, Landmark and airport bookstores and within 'Crossword', Forbes India launch issue sales have been the highest ever for any launch issue.

IBN18 Broadcast Limited

BUSINESS OVERVIEW

The first quarter of FY 2009-10 marked a turnaround from a period of global economic slowdown in FY 2008-09. For ibn18 Broadcast Limited, the quarter was a watershed, with unprecedented success across all its channels. Whether it was Colors becoming the No.1 Hindi GEC just 9 months from its launch, or CNN IBN becoming the undisputed No.1 channel for India's General Elections coverage, ibn18's channels created new milestones in their respective genres.

1. NEWS TELEVISION

- CNN-IBN: The No.1 English News Channel – The Undisputed Leader in Elections Coverage
- IBN7 – A Prominent Player in the Hindi News
- IBN LOKMAT – No.1 in Marathi News

2. ENTERTAINMENT (Viacom18)

- COLORS – The No.1 Hindi General Entertainment Channel (GEC)
- MTV – India's No.1 Youth Entertainment/ Music Channel
- Vh1 – The Only English Entertainment cum International music cum Lifestyle Channel
- NICKELODEON (NICK) – The No.1 Kids Channel

3. FILMS

- STUDIO 18 – A Full Spectrum Motion Pictures Division of Viacom18

4. INTERNET PORTALS

ibnlive.com-The internet news portal, www.ibnlive.com, (owned and managed by group affiliate Web18 Software Services Ltd.) serves as the online platform for CNN IBN.

ibnkhbar.com - IBNKhbar.com is the online platform for IBN7. The site's content is in the Hindi (Devnagari) script and is probably one of the first such initiatives by any Indian news broadcaster to take news in Hindi to a global audience.

News broadcast from CNN IBN and IBN7 is put up in text and other interactive formats on their respective sites. The sites provide streaming video feeds, downloadable tickers and breaking news alerts. IBNLive.com contains a section on investor relations which provides regular updates and statutory notices and press releases for IBN18's shareholders.

CNN-IBN – The No.1 English News Channel

'CNN-IBN' is one of the top 24 Hour English News channels in India. During the quarter, with the focus being on the Indian elections, CNNIBN proved its status as the channel that India trusts. The channel stood out with the quality of its reporting, including breaking news about new developments to in-depth analyses of the various issues. CNNIBN was the most watched English News Channel on all 5 voting days, as well as on the critical counting day.

Content & Programming:

General Elections 2009: CNN-IBN brought the most comprehensive coverage along with special shows all through the election period and emerged as the clear leader on all 5 Polling days and the Counting Day across all audience groups, across the country and across metros.

CNN-IBN's panel for elections coverage included such formidable experts as Dr. Yogendra Yadav, Nandan Nilekani, Ramachandra Guha, Inder Malhotra, P. Sainath, Lord Meghnad Desai and Dileep Padgaonkar, with analysis spearheaded by CNNIBN's Editor-in-Chief Rajdeep Sardesai and Karan Thapar.

- **Rock The Vote:** A special series that became a destination for the youth to connect with politics and elections. The series was structured as a mix of debates, stories, music videos, skits, etc. by the youth on relevant election issues. CNNIBN partnered with Hindustan Times for this initiative.
- **Face the Elections:** A Monday - Thursday 1-hour special with Rajdeep Sardesai, Sagarika Ghose and Dr. Yogendra Yadav that decoded the elections. The show brought sharp analysis and interviews with the key newsmakers
- **Kings & Queens:** A special series that brought the biographies of the biggest politicians of the country, including LK Advani, Sonia Gandhi, Jayalalitha, Mayawati and Laloo Prasad Yadav among others.
- **India Can India Will:** An election special series that focused on the election issues that resonate with urban voters. The show became a platform for angry voters of India to raise their opinions. CNNIBN partnered with Hindustan Times for the initiative.
- **Singh Parivar:** A special show with the Prime Minister Manmohan Singh's wife and daughters.
- **Advani Parivar:** A special half hour with BJP leader L.K. Advani's family: his daughter Pratibha, his son Jayant and daughter-in-law Geetika.

Melting Point

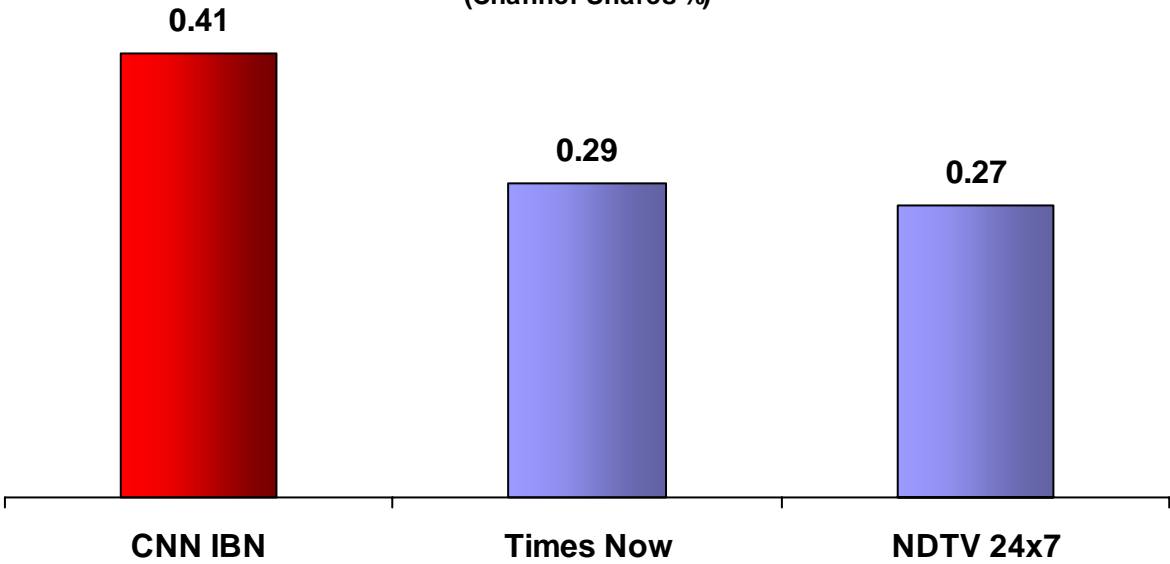
In an Environment Day special, CNN-IBN's Bahar Dutt, in a first ever documentary by a News channel, highlighted the rapid melting of the Gangotri glacier, and its perils for the river Ganga on which so much of the nation's fortunes depend.

Ibnpolitics.com

CNN-IBN's newly launched website emerged as the single reference point for all political and elections reporting. IBNPolitics.com, powered by IBNLive.com, registered a staggering 126 million page views throughout the election season.

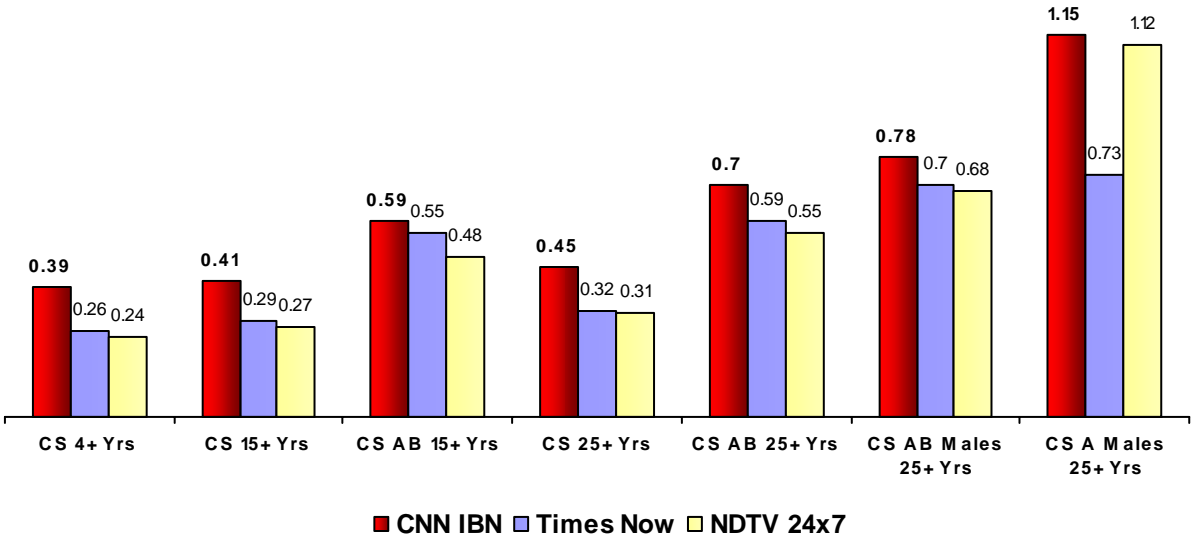
Viewership Performance

CNN IBN - The Undisputed No.1 English News Channel on Elections Counting Day
(Channel Shares %)



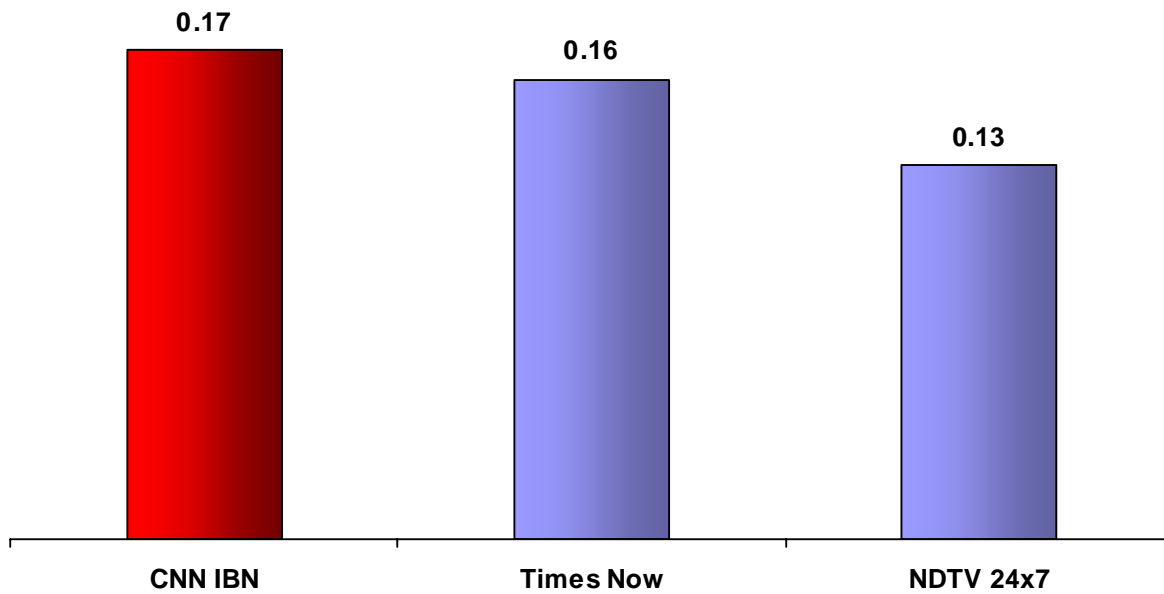
Source: TAM, TG: CS 15+; Market: All India, Time Period: Wk 20'09 , 16th May'09, Daypart 0600-2400 hrs

CNN IBN - No.1 Across All Audience Segments on Counting Day
(Channel Shares %)



Source: TAM, Market: All India, Time Period: Wk 20' 09, 16th May'09, Daypart: 0600-2400 hrs

CNN IBN - No.1 on All Polling Days & Counting Day Combined
(Channel Shares %)



Source: TAM, TG: CS15+; Market: All India; Period: Wk 16-20'09, Dates: April 16, 2009, April 23, 2009, April 30, 2009, May 7, 2009, May 13, 2009 & May 16, 2009; Daypart: 0600-2400 hrs

IBN7 – One of India's Premier Hindi News Channels

Content & Programming:

General Elections 2009: IBN7 continued its strong run in the Hindi News Genre, bringing cutting edge coverage of the General Elections 2009 and reporting strong viewership throughout the quarter. The channel, backed by the most committed journalistic force, brought its viewers the most extensive coverage and programming around the General Elections with a panel of experts joining-in the discussions and analysis of the world's biggest democratic exercise.

Key Election Shows

- **Mera Vote Meri Sarkar:** The daily show focused on all aspects of the upcoming General Elections featuring the day to day happening in the political arena and brings state by state information for its viewers with special segments like Gen X, MP Ka Report Card, etc.
- **Vote Ki Chot:** The show analysed the voting semantics of the various states of India; both big & small, in the Lok Sabha elections.
- **Yuva:** A youth-based show focusing on the strong views of young India on the elections and their expectations from the government to come in power.
- **Mudda – Election Special:** An iconic debate show of IBN7 discussing the most contentious issues of the General Elections 2009 with Sandeep Chaudhary.
- **Kings & Queens:** A show looking at the biographies of the potential Prime Ministerial candidates and politicians who were expected to play an important role in the formation of the new government.
- **Budget 2009 – Dreamz Unlimited:** Keeping the dreams and the hopes as the agenda, IBN7 initiated the budget programming covered the Budget with a holistic approach and highlighted the expectations & factors in the Budget exercise that affect the common man (in both urban and rural India), Corporate India & Young India.

Editorial & Marketing Alliances

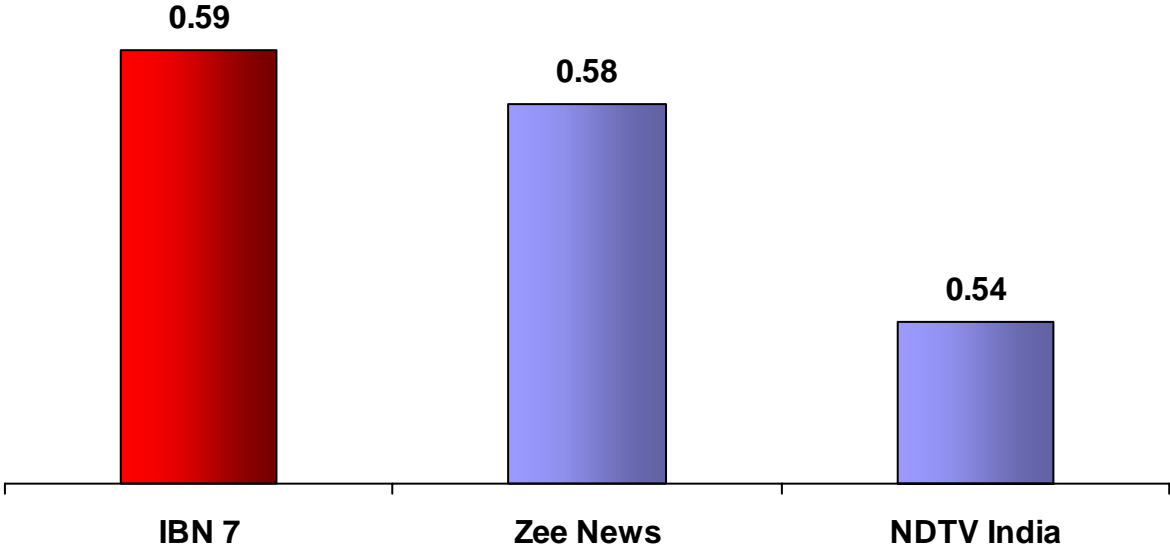
- **Jaagte Raho Hoshiyaar:** IBN7 and Hindustan joined hands to bring a special series - 'Jaagte Raho...Hoshiyaar' profiling and highlighting the candidates with criminal records ahead of each polling phase in General Elections 2009. The campaign was aimed to create awareness amongst the voters about the credentials of the candidate they were voting for.
- **7 RCR Ki Race:** IBN7 and Dainik Bhaskar joined hands for an exclusive post poll, the findings of which were revealed just ahead of the Counting Day. As it turned out, the findings of this poll were closest to the actual results of the elections.

Awards & Recognitions

Ramnath Goenka Awards 2008: Ramnath Goenka Excellence in Journalism Award for Business & Economic (Broadcast): Abhishek Upadhyay

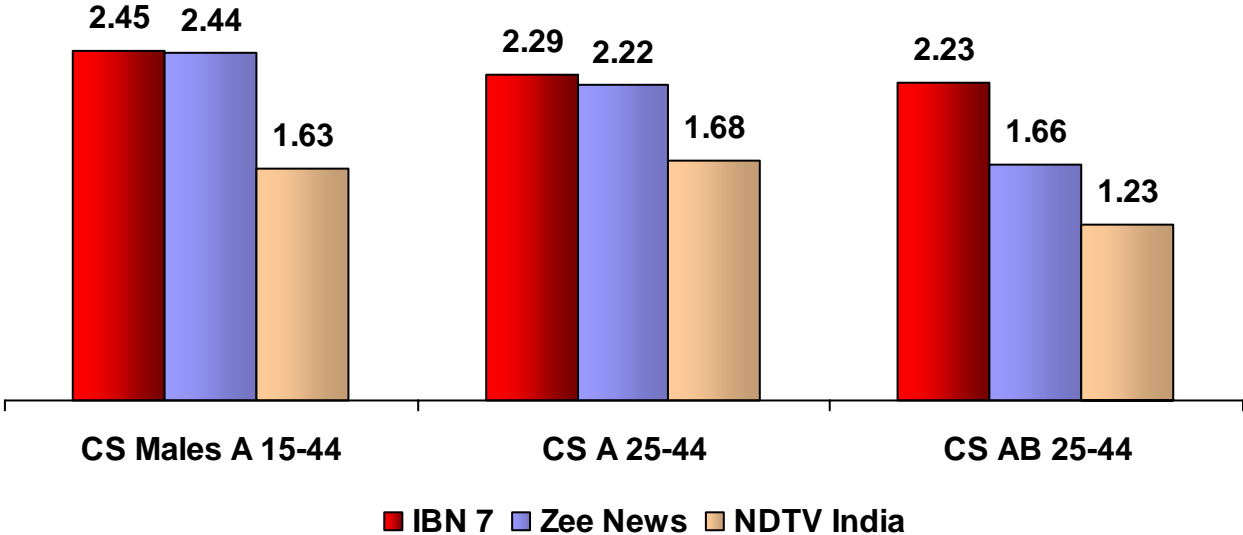
Viewership Performance

IBN7 - Channel of Choice over Peers in the Hindi News Genre
(Channel Shares %)



Source: TAM; TG: CS 15-44 AB; Markets: HSM; Time Period: Apr-Jun'09; All Days; Daypart: 0600-2400 hrs

IBN7 - Ahead of Key Competitors on Elections Counting Day
(Channel Shares %)



Source: TAM; Channel Shares (%); Markets: HSM; Period: 16th May '09; Daypart: 0600-2400 hrs

IBN LOKMAT – No.1 in Marathi News

Q1 FY 2009-10 was ground breaking for IBN Lokmat. Following its stellar coverage of the Indian general elections, IBN Lokmat rose to the No.1 slot in Marathi news for the first time. An encouraging first step, this is expected to propel the channel towards greater success over the coming months.

Content & Programming:

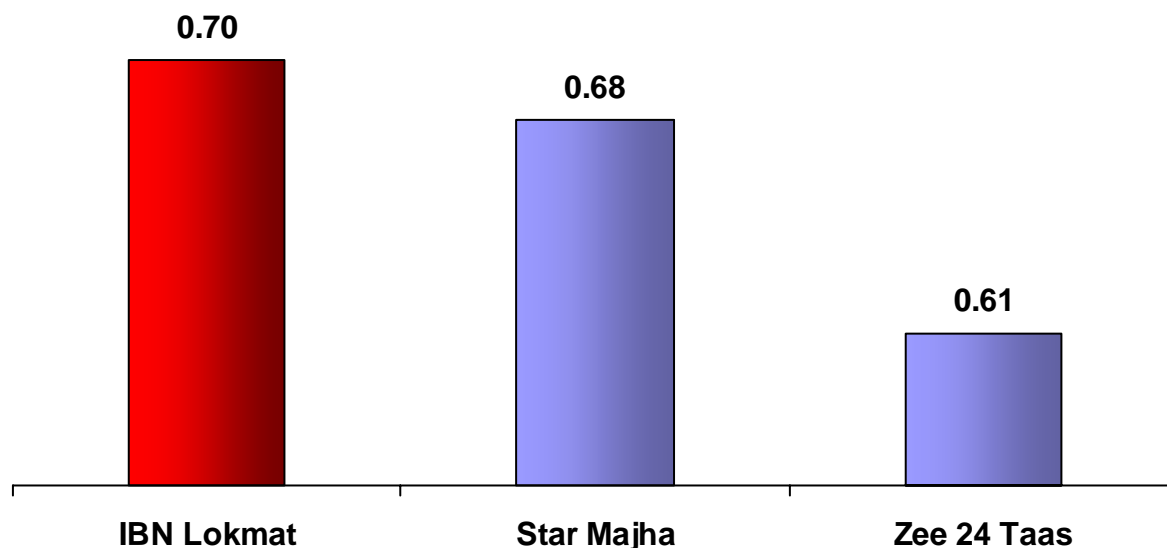
- **Maze Mat Maza Sarkar (Elections Coverage):** An exclusive one Hour daily on the General Election 2009 Updates from the State and across the nation.
- **Awaz Kunacha (Talk Show):** Talk shows that let the people question their representatives, from across the state. Hosted by Nikhil Wagle bridging people-centric issues with political leaders. The shows covered the cities like Mumbai, Pune, Nasik, Nagpur, Aurangabad, and Thane.
- **Flash Back:** Historical facts about the previous election with well known psephologist Mr. Suhas Palshikar

Impactful IBN-Lokmat Campaigns:

- Series on Local trains commuters in Mumbai having lot of problems.
- Series on MMRDA corrupt officials & needy peoples
- HIV infected students were denied admission in school in Latur. IBN-Lokmat impact made the authority to give the admission to the HIV infected students immediately.

Viewership Performance

Reaching No.1 in Marathi News (Channel Shares %)



Source: TAM ; TG: CS 15+ ; Markets: Maharashtra; All Days, Time: 0600-2400, Period: Week 24-25, 09 (Jun 7– 20, 2009)

VIACOM18

For Viacom18, Q1 FY2009-10 was a period during which it created history on several fronts. 'COLORS', the Hindi General Entertainment Channel (GEC) launched in July 2008 rose to No.1 in the ratings. MTV, which has established itself as the undisputed leader in the Youth Entertainment genre, actually had higher ratings than several GECs. Nick, the Kids channel, broke into the No.1 spot in the Kids genre. Vh1 continues to innovate in its own space, remaining a unique channel in Indian television that spans international music, lifestyle and English entertainment.

COLORS – The No.1 Hindi GEC

Colors, which has set unprecedented records in Indian Television since its launch Q1 2008-09, created history in April 2009 when, in just 9 months since its launch, it became the No.1 GEC in India, ending a 9 year unbroken stint of the erstwhile No.1 channel. This was the first time ever in Indian Television history that a new channel has risen to a No.1 position in ratings in the Hindi GEC space in such a short span of time.

While there is stiff competition for leadership among the top 3 channels in this genre, Colors has managed to consistently maintain a No1 – No.2 ranking.

Content & Programming:

The Leading Shows of the Channel Include:

- **Balika Vadhu** the number one show in the slot averaging 4.2 for the week ending 6th June 2009.
- **Jai Shri Krishna** continues to be the no.1 show in the 8:30-9pm slot averaging 3.1 for the week ending 6th June 2009.
- **Uttaran** is the no.1 show in the 10-10:30pm slot averaging 3.7 for the week ending 6th June 2009.
- **Laado** in the 10:30-11pm slot is also going strong and leads the slot with an average of 3.4 for the week ending 6th June 2009.

New Shows

Weekdays

- **Mere Ghar Aayi Ek Nanhi Pari** (Mon - Fri 9.30 pm): The story charts the ups and downs of Chandni's life and how her family supports her through everything. The show showcases the girl child and her rights.
- **'Sabki Jodi Wohi Banaata... Bhagyavidhaata'** (Mon - Fri 7.00 pm): The show tracks the story of Bindia's struggles to find a suitable groom. Out of desperation comes an unusual solution – the abduction of the groom at gun-point, followed by a forced marriage.
- **'Maat – Pitaah ke charron mein SWARG'** (Mon-Fri 7:30 – 8:00 p.m.) Set in the holy land of Vrindavan, the show follows the story of The Ramayan in a contemporary setting, by tracking the life and trials of the protagonist Shubb.

Weekends

- **Maruti Suzuki presents India's Got Talent** (Sat & Sun 9:00 p.m.): It is a one of its kind show that explores the country for hidden talent, with the aim of entertaining the nation. The show showcases the talent of singers, musicians, magicians, dancers, folk acts, impressionists, stand-up comics, unique indian acts, and anyone else with the potential to entertain the nation. It is hosted by the duo of Nikhil and Ayushmann and is judged by the eminent panel of Shekhar Kapur, Kirron Kher and Sonali Bendre.

- o **Mahavir Hanuman** (Sat 8:00 p.m.) A show that the life and times of Lord Hanuman, with a focus on lesser known incidents in his life
- o **Kahaniya Vikram Aur Betaal Ki** (Sun 11:00 a.m.): 'Vikram Aur Betaal' is based on 'Betaal Pachisi', written nearly 2,500 years ago by Mahakavi Somdev Bhatt. The show is a remake of the classic series first telecast during the 1980s
- o **Koi Aane Ko Hai** (Fri - Sun 10:00 pm): It is a first of its kind show on COLORS, introducing the genre of socio-horror. The show is formatted as a mini-series with each story showcasing a tale of recorded supernatural occurrences around the country.

Awards & Recognition

Colors had swept the Indian Television Academy (ITA) Awards held in December 2008, winning an astounding 19 awards. It also bagged two awards at the GR8 Women Achievers Awards held in February, 2009.

Q1 2009-10 saw the channel bag several awards at Promax 2009 and the 'New Talent Awards', held between May & June, 2009.

New Talent Awards:

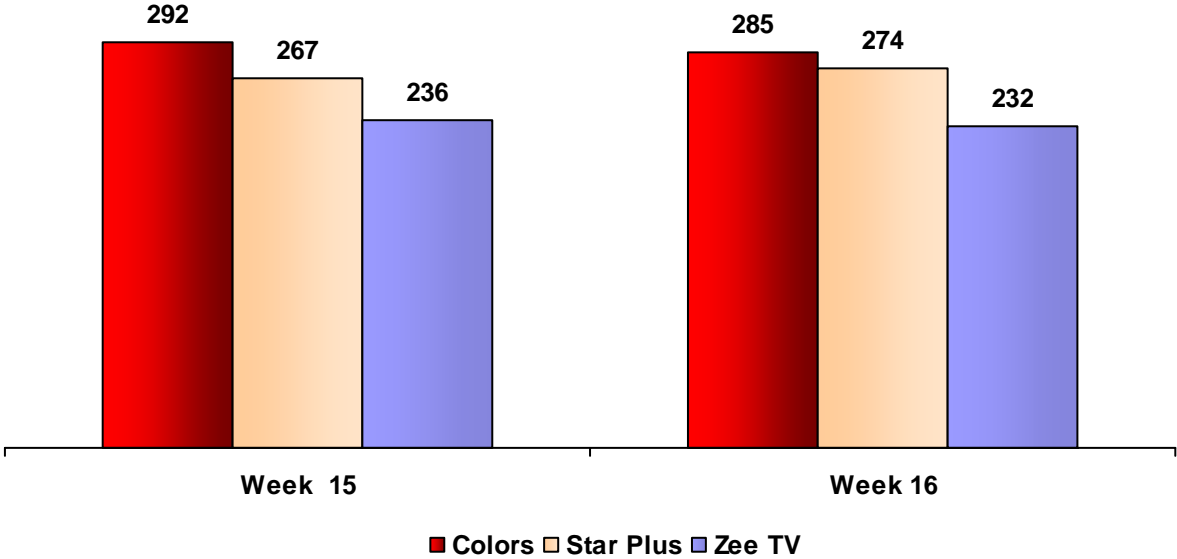
1. Best Dialog Writer (Drama): Usha Dixit - Balika Vadhu
2. Best Story Writer: Purenderu Shekhar - Balika Vadhu
3. Best Director (Fiction): Siddharth Sengupta & Pradeep Yadav - Balika Vadhu
4. Best Screenplay: Rajesh Dubey - Balika Vadhu
5. Best Costume Designing: Nellu Shroff - Balika Vadhu
6. Best Promising Show (Fiction): Balika Vadhu - Sphere Origins
7. Best Editor (Fiction): Santosh Singh - Balika Vadhu
8. Best Actor in Supporting Role (Female): Vibha Anand (Sugna)- Balika Vadhu
9. Best New Child Artist (Male): Avinash (Jagdish)- Balika Vadhu
10. Best New Child Artist (Female): Avika (Anandi)- Balika Vadhu - She gets the award from Ashvini Yardi & Meghana Malik (Ammaji)
11. Best Icon of the year (Female) - Avika (Anandi)- Balika Vadhu
12. Best Art Director - Fiction- Aroop Adhikari - Jeevan Saathi
13. Most promising New Talent of tomorrow - Saloni - CMBM

Promax 2009

1. Promax Gold - Colors- Best Channel Packaging
2. Promax Gold - Mime AV -Best Corporate AV
3. Promax Silver - Balika Vadhu –Best On Air Campaign
4. Promax Silver - Gopiyon Promo- jai shree Krishna- Best Children Promo
5. Promax Silver - Channel Ident Colors
6. Promax Silver - Mohe Rang De -Best Title Packaging

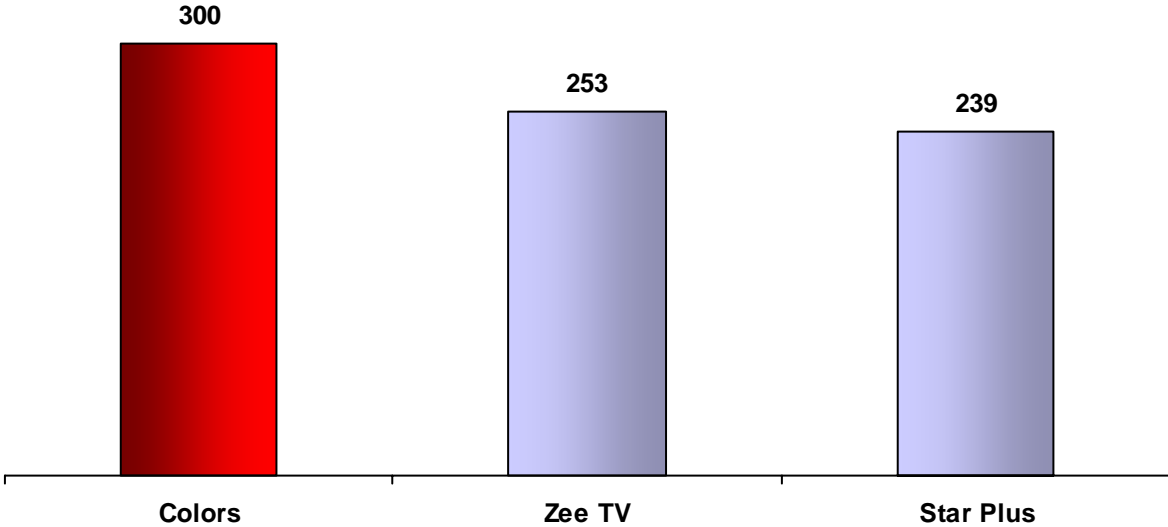
Viewership Performance

Colors - India's No.1 GEC in Just 9 Months Since Launch



Source: TAM, CS 4+, HSM, GRPs; Wk 15: Apr 3-11, 2009; Wk 16: Apr 12 - 18, 2009

Colors - The Undisputed No.1 in the Latest Week



Source: TAM, CS 4+, HSM, GRPs; Period: Jun 28 – Jul 4, 2009

Strategy & Growth Drivers

- **Launching in the Afternoon Band:** Currently, on weekdays, COLORS has original programming only COLORS during primetime hours, whereas some competitors have a full blown afternoon schedule. COLORS is exploring opportunities to launch its afternoon band and strengthen its leadership
- **Strengthening Weekend Band:** Weekend programming will be further strengthened with shows in the 8pm-9pm slot on Saturdays and Sundays with Chote Miyan Season II and Mahaveer Hanumaan.
- **Big Ticket Shows:**
 - **Khatron ke Khiladi Season II** – This Action centred reality show Khatron Ke khiladi with Akshay Kumar is set to make its second appearance on the channel
 - **Big Boss:** The biggest reality show in India is also set to come back on its second outing on COLORS

MTV – The No.1 Youth Entertainment Destination

Content & Programming strategy:

MTV today has emerged as India's leading youth media brand and continues to build innovative programming formats & engagement platforms to cement that position further. MTV's strategy involves gradually becoming a youth centric entertainment channel, increase its stickiness, build the MTV universe beyond television to other platforms and monetize the brand through alternative revenue streams.

Content & Programming:

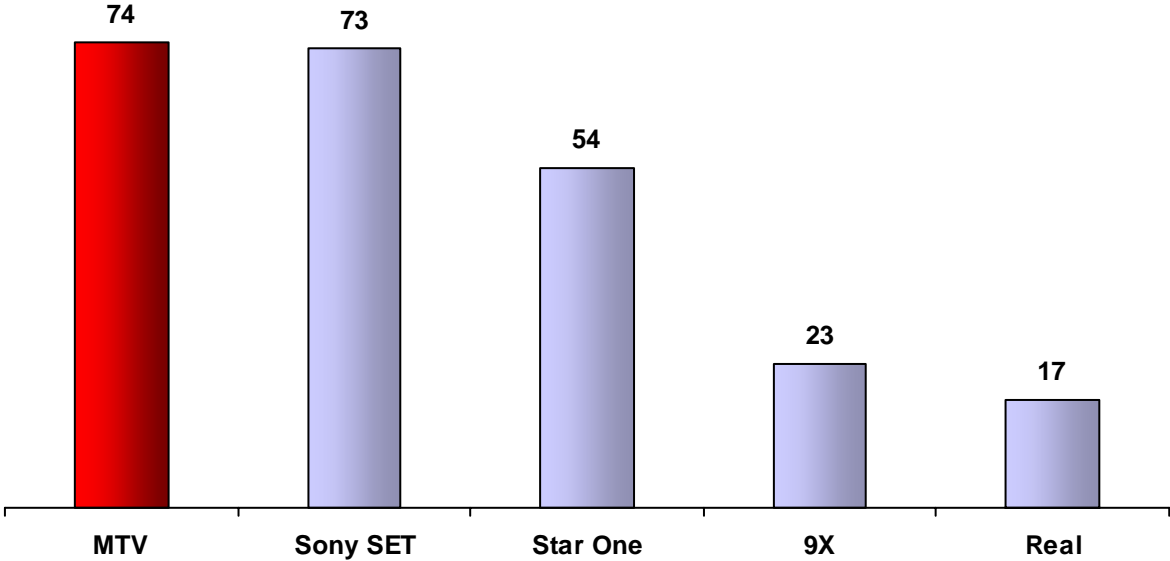
- MTV's shows such as ROADIES 6.0 & SPLITSVILLA 2.0 and its other programming attract a loyal viewership. Besides these, MTV has launched several new shows including MTV I-superstar (a zero to hero reality series), MTV On the Job 2 (a competitive show showcasing alternative careers), MTV Wassup (news & views that matter to young people & delivered MTV style), and MTV Eat This (the weird food guide).
- It continues to innovate and introduce newer content ideas such as "Connected", India's first ever twin game show and popular reality shows such as "Fast & the gorgeous", "Teen diva" and "Stunt mania".

Platform diversification

- MTV continues to expand its brand with engaging online initiatives such as MTV Battleground.
- Its consumer products division, MTV branded products saw robust off takes from the market. Along with Portico, MTV launched a line of premium towels and linen. MTV also produced a Roadies cheat code DVD, tied up with majors such as Archies for branded stationary, cards & novelties, and struck an alliance with BILT for premium copy paper.

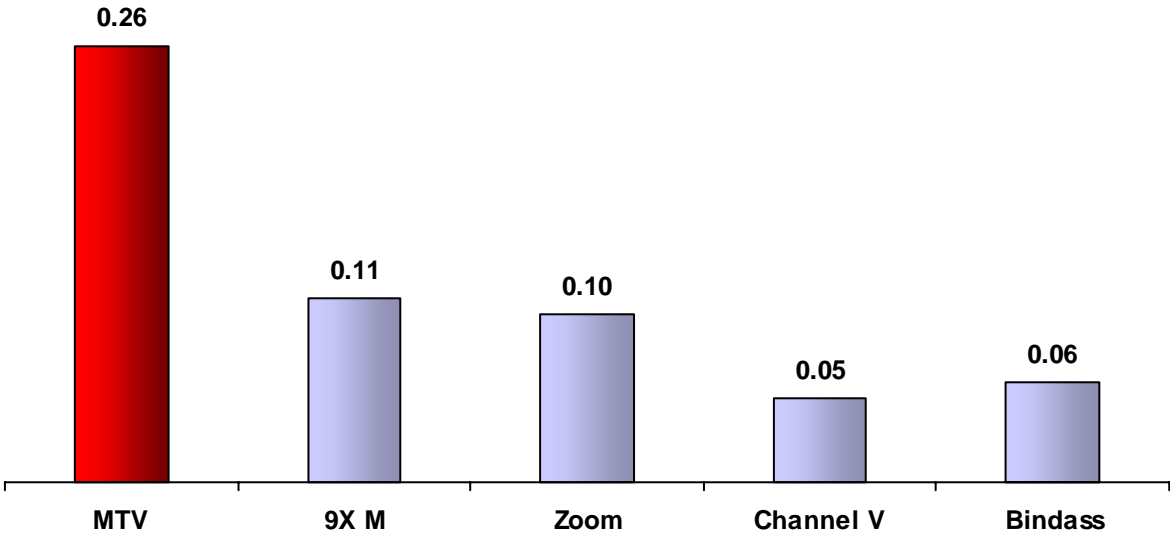
Viewership Performance

MTV - Higher GRPs than Even Prominent GECs



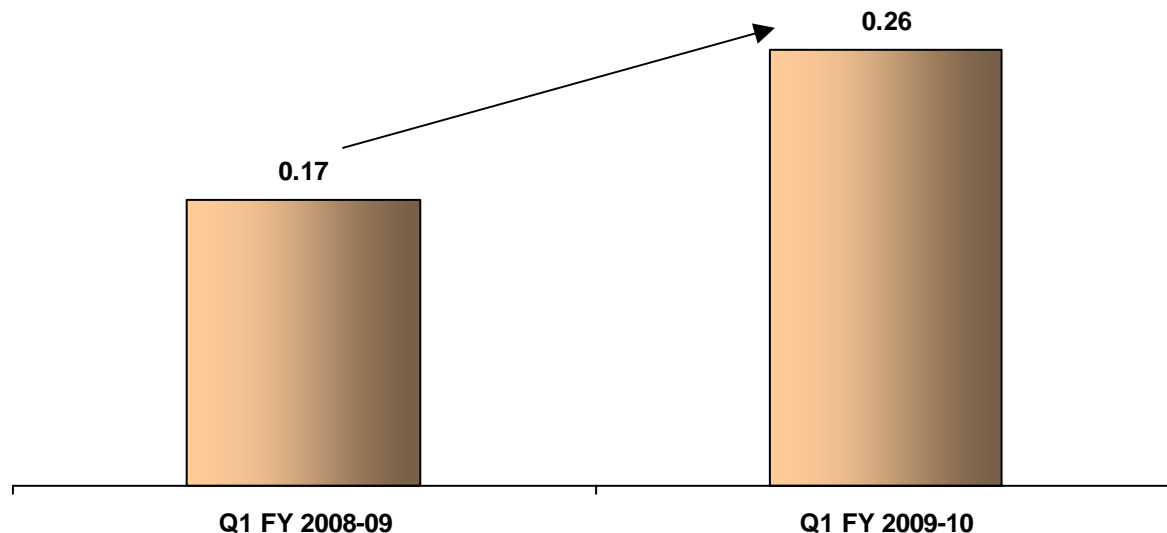
Source: TAM GRPs; CS 4+, Markets: HSM, Period: Apr 12 - 18, 2009

MTV - More than Double the Ratings of its Nearest Peers



Source: TAM; TVRs; Markets: HSM; Category: 15-24 AB; Period: Apr-Jun; Daypart: 07:00-24:00

MTV - Ratings in Q1 Jump 53% Compared to Q1 Last Year



Source: TAM; TVRs; Markets: HSM; Category: 15-24 AB; Period: AMJ 2008 vs AMJ 2009; Daypart: 07:00-24:00

NICK – The No.1 Kids Channel

The first quarter saw Nick demonstrate its leadership in the Kids genre. Firing on all cylinders, Nick is now regarded as the No.1 channel in Kids (average of Jan-Jun 2009 ratings). Nick has shown a huge growth of 52% in TVRs compared to Q1 last year. It is also the only Kids channel whose reach grew 43%, along with growing stickiness, indicated by Time Spent increasing from 131 mins to 141 mins. Nick clocked the highest GRPs of 196 GRPs, becoming the only channel in the genre to do so.

Content & Programming:

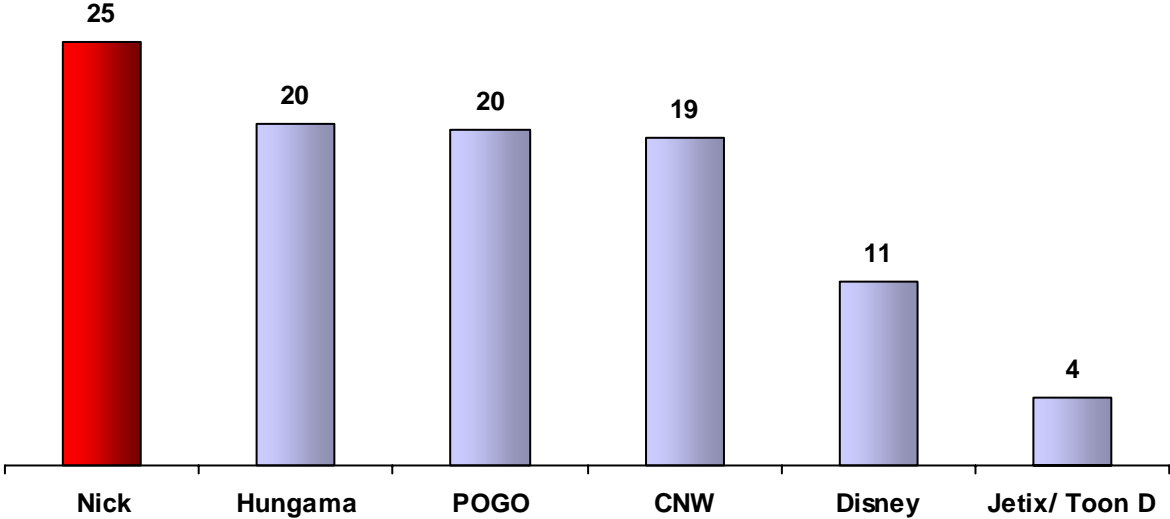
- Nick launched its first Indian animation Little Krishna, which surpasses all launches across the category
- New seasons of Ninja, Perman and Maruko Chan keep kids glued to Nick through the summer vacation

Platform Diversification

- The Nick brand continues its expansion in the consumer products segment. Consumers have responded enthusiastically to branded board games, books and school accessories..

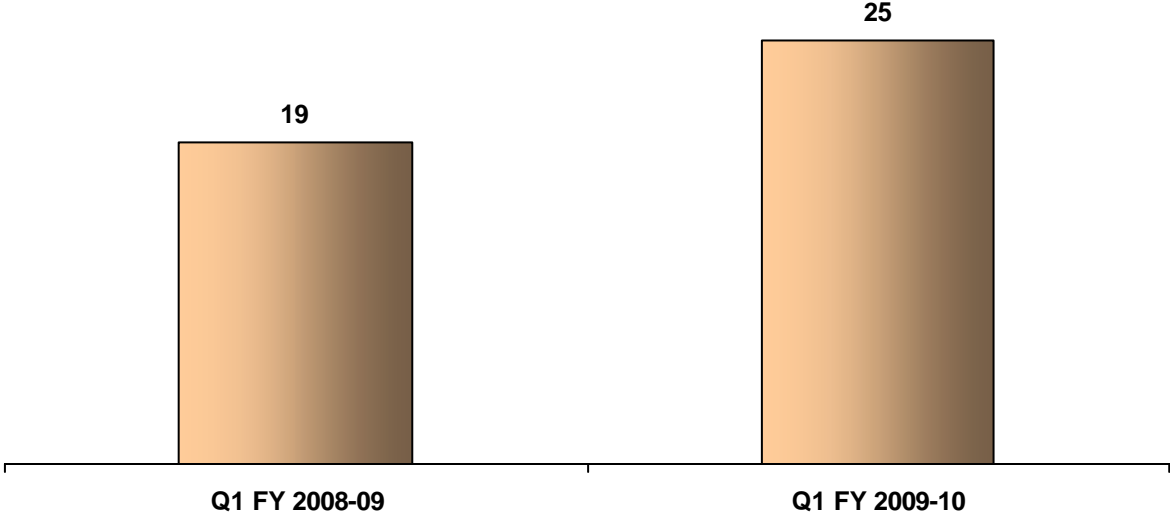
Viewership Performance

Nick - The No.1 Kids Entertainment Channel
(Relative Share %)



Source: TAM TG: MF 4-14 ABC, HSM1L+, Time Period: April - June, 2009; Daypart: 07:00 – 22:00

Nick - Sharpest Y-o-Y Rise in Relative Share in Kids Genre
(Relative Share % - Apr-Jun 2008 vs Apr-Jun 2009)



Source: Relative shares based on TAM TG: MF 4-14 ABC, HSM1L+, Time Period: April - June, 2008 vs April – June, 2009; Daypart: 07:00 – 22:00

VH1 – No.1 in International Entertainment

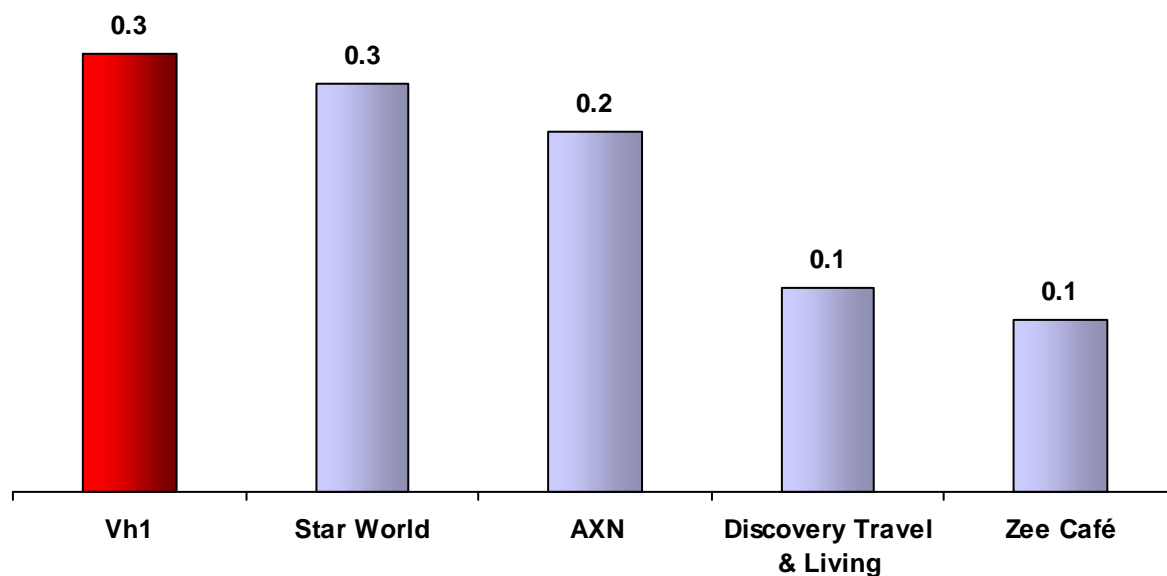
Vh1's unique appeal as India's only International Entertainment cum Lifestyle cum International Music channels saw it become the No.1 channel among all International Entertainment channels. Vh1 will continue to introduce new programmes and change its programming mix to appeal to an even larger audience.

Content & Programming:

- The channel runs multiple series format shows such as i.e. Saturday Night Live, Big Brother, Yo Momma & Punk'd
- During this quarter, it launched the critically acclaimed cartoon series, South Park, backed by aggressive marketing
- The channel continues to be the destination of choice for international music acts in the country as has built its engagement with audiences through its properties such as VH1 Jazz masters, etc.
- Vh1's properties, including Vh1 Hip Hop Hustle, Vh1 Handpicked and Vh1 Dance 101 have generated high interest with audiences

Viewership Performance

Vh1 - No.1 in its Category (Category Share %)



Source: TAM, TG CS 15-34, AB, Markets: 7 Metros, excl Chennai, Period May 17-23, 2009, Daypart: 07:00 - 24:59

STUDIO18 – The Film's Division

The 360-degree motion pictures & filmed entertainment division of Viacom18 had an inactive quarter owing to the strike between Film Producers and Multiplex operators. With the strike over now, it will start launching movies, starting with 'Luck'.

NETWORK18 INVESTOR UPDATE

HOMESHOP18 (A Subsidiary Of Network18)

The business objective of Homeshop18 is to participate in and leverage the fast expanding retail opportunity by building a robust and scalable virtual retail business. It's in process of building a credible home shopping network that not just provides the "best in class" products and services to consumers but also assists them in taking "well informed purchases decisions". A virtual retail service that on one hand will enable the consumers to take well informed purchase decisions through specially developed infotainment led TV content, and at the same time an on ground logistics foot print and a web enabled fulfillment mechanism that will deliver quality, value and convenience to his doorstep. Recently, it launched India's First 24 hour Home Shopping Channel.

Key Highlights:

Despite a challenging environment, Homeshop18 delivered a credible performance both in terms of sales as well as viewership for its home shopping TV channel. Apart from the fact that this has traditionally been a weaker quarter on account of holiday travel and also due to the effects of the slowdown, TV viewership levels were also skewed due to large events such as the IPL, T20 World Cup and the General elections. Some of the highlights of Q1 '09 are as under:

- **Sales, Product portfolio & Customer management:** Total executed orders increased by 77% over Q1 '08. Also, there were 156 new product offers introduced on the channel during this period. The CRM base crossed the 1.4 million mark. The repeat base stood at 18% of total customer base, for the quarter
- **Channel Viewership:** The cumulative reach for the channel was an impressive 26.2 million.
- **Programming :**
 - HomeShop18 also ran special shows in partnership with leading durable brands such as Samsung, Hitachi and Onida during the quarter, featuring such products as ACs, LCD TV, Digital Cameras, Microwave Ovens and DVD Players.
 - HomeShop18 produced a diverse range of theme based shows covering Spirituality (The "Art of Living" Show featuring Sri Sri Ravi Shankar and special Art of Living Merchandise including Yoga, Chants & Shlokas in the form of VCDs and Audio CDs); Education (with special competitive exam preparation material for AIEEE, CAT & MAT).
- **Special Promotions :**
 - HomeShop18 celebrated its 1st Year Anniversary in April with a grand promotion - Sab ki Jeet Pakki (Everybody Wins).
 - It also launched a "Take 20% Value Back Offer" in June that ran alongside the T20 Cricket World Cup.

E18 (A Division Of Network18)

E18 is the events division of NETWORK18. E18 is fast establishing itself as a reputed player in the events & activation space and has a robust pipeline of confirmed events across verticals.

Key highlights:

- **Corporate Business:** During the quarter, E18 executed events for major brands such as Motilal Oswal, Lupin, Colors, Forbes, Samsung & Yahoo
- **B2B events:** E18 has launched seminars & event properties in the Defense, BPO, & Environment space. It also successfully completed the HR Summit Series.
- **Entertainment:** The entertainment vertical of E18 continues to build on its growing reputation with 3 new properties with international hit music acts such as Michael Bolton, Foreigner & properties like Thriller Live.

SPORT18 (A Division Of Network18)

SPORT18 is the sports management division of Network18. SPORT18 is focused on emerging growth opportunities within the business of sports in India including but not limited to rights management and representation, licensing & advisory and sponsorship marketing. Since launch, SPORT18 has managed to carve a niche for itself in the highly challenging & cluttered sports management business with some early significant moves. A large part of its growth has come from marquee properties such as the marketing & broadcasting rights of the **Professional Golf Tour of India (PGTI)**, **horse racing rights from Royal Western India Turf Club (RWITC)** and the **broadcast rights for the benchmark city marathons in Mumbai, Delhi and Bangalore**. Sport18 was instrumental in creating value for these benchmark sports properties by attracting "best fit" sponsorships such as Aircel for PGTI amongst others and it continues to consolidate the presence of these properties on the sporting landscape of the country.

Key highlights:

- **Bangalore Cyclothon** – A significant addition to the growing roster of SPORT18 managed properties is the soon to be launched "Cyclothon" in Bangalore. This will be India's first professionally managed international style cycling race in the nation's IT capital. This will also be a major positioning exercise for the state of Karnataka and Bangalore on an international stage.
- **Motorsports** – In another significant milestone, SPORT18 has won the exclusive consulting mandate for managing India's largest motorsports talent hunt organized by one of the country's biggest battery manufacturers, Amaron. This special series of events will travel to 10 cities across India and Narain Karthikeyan, India's leading formula race drivers will be endorsing this.

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 person mentioned below, or from the companies website www.network18online.com. This update covers the company's financial performance for Q1 FY 2009-10.

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