

**EARNINGS RELEASE: Q3 2010-11**

January 27, 2011

**TELEVISION EIGHTEEN INDIA LIMITED**

(A Listed Subsidiary of Network18)

**I. Consolidated revenue growth of 14% on a reported basis, operating profit doubled to Rs. 19 crores compared to Q3 FY10.**

- Revenues grew to Rs. 147 crores during the quarter (from Rs. 129 crores in Q3 FY10); 17% growth in News Operations and 10% growth in Web Operations.
- Operating Profits grew to Rs. 19 crores driven by strong profitability in Business News Operations; we continued to invest in building our Digital Businesses in Infomedia18 and Web18.

**II. Business News Operations had another quarter of profitable growth - revenues increased by 17% and operating profits increased by 36% (Q3 FY11 over Q3 FY10).**

- Revenues grew to Rs. 79 crores during the quarter (compared to Rs. 67 crores in Q3 FY10).
- Operating profit increased to Rs. 23 crores in Q3 FY11 from Rs. 17 crores in Q3 FY10; operating profit margin stood at 29%.
- Our Business News Channels – CNBC TV18 and CNBC Awaaz continued to be market leaders with 57% market share during the quarter.

**III. Web18 recorded 10% revenue growth (Q3 FY11 over Q3 FY10) and broke even during the quarter.**

- Q3 FY11 revenues of Rs. 22 crores (against Rs. 20 crores in Q3 FY10). Quarter-on-quarter the revenues grew by 12%.
- Operating break-even for the quarter (against a loss of Rs. 3 crores in Q3 FY10).
- Moneycontrol.com and In.com, continued to be market leaders in their categories – financial portal and horizontal respectively. We also launched Markets on Mobile, M3 and IBN Live mobile apps across platforms during the last quarter.
- Bookmyshow.com continued its strong revenue growth and turned profitable on an EBITDA basis this quarter.

**IV. Newswire18 continued its profitable growth trajectory with a 24% increase in revenues to Rs. 10 crores and operating profit of Rs. 1.79 crores (against a profit of Rs. 54 lakhs in Q3 FY10).**

**V. Infomedia18 and other print operations recorded revenues of Rs. 36 crores in Q3 FY11 registering a healthy growth when compared to Q3 FY10 (adjusted for the sale of the BPO operations). Operating losses stood at Rs. 5 crores (compared to a loss of Rs. 5 crores in Q3 FY10).**

- Bangalore and Kolkata Yellow Pages were released during the quarter.

**VI. Capital18 companies grew their consolidated revenues to ~ Rs. 43 crores (excluding DEN) during the quarter (a growth of 56% compared to the same quarter last year).**

**VII. Performance of New TV18 (Pro forma) – Comparison with last year (Q3 FY10)**

	Q3 FY11			Q3 FY10			% Growth	
	Revenues	EBITDA	EBITDA Margin %	Revenues	EBITDA	EBITDA Margin %	Revenues	EBITDA
<b>TV</b>	<b>315</b>	<b>55</b>	<b>17%</b>	<b>261</b>	<b>25</b>	<b>10%</b>	<b>21%</b>	<b>118%</b>
<i>Business News</i>	79	23	29%	67	17	25%	17%	36%
<i>IBN</i>	236	32	14%	193	9	4%	22%	275%

**VIII. Performance of New TV18 (Pro forma) – Comparison with last quarter (Q2 FY11)**

	Q3 FY11			Q2 FY11			% Growth	
	Revenues	EBITDA	EBITDA Margin %	Revenues	EBITDA	EBITDA Margin %	Revenues	EBITDA
<b>TV</b>	<b>315</b>	<b>55</b>	<b>17%</b>	<b>257</b>	<b>23</b>	<b>9%</b>	<b>22%</b>	<b>141%</b>
<i>Business News</i>	79	23	29%	68	21	31%	16%	8%
<i>IBN</i>	236	32	14%	189	2	1%	25%	1792%

**Television Eighteen India Limited:**  
**Consolidated Financial Performance for the Quarter Ended 31<sup>st</sup> December, 2010**  
*(Rs Cr)*

Particulars	Q3 2010-11	Q3 2009-10	Q2 2010-11	FY 2009-10
				<i>Audited</i>
<b>REVENUES</b>	147	129	145	553

**Part I: News Operations**

*(Rs Cr)*

Particulars	Q3 2010-11	Q3 2009-10	Q2 2010-11	FY 2009-10
				<i>Audited</i>
<b>REVENUES: NEWS OPERATIONS</b>	<b>79</b>	<b>67</b>	<b>68</b>	<b>273</b>
Operating Expense (incl CNBC revenue share)	56	51	47	223
<b>Operating Profit</b>	<b>23</b>	<b>17</b>	<b>21</b>	<b>50</b>
Operating Margin	29%	25%	31%	18%
Other Income		0	0	22
Depreciation	6	5	4	20
Interest (Net)	(0)	(22)	(0)	(89)
Prior Period and Exceptional Items		4	0	(4)
<b>Total Profit Before Tax, Minority Interest, ESOP Charge Out &amp; Exchange Fluctuations</b>	<b>17</b>	<b>(15)</b>	<b>16</b>	<b>(41)</b>
Provision for Current Tax/FBT	4	0	7	0
<b>Profit After Tax (before Minority Interest, ESOP charge out &amp; Exchange Fluctuations)</b>	<b>12</b>	<b>(15)</b>	<b>9</b>	<b>(41)</b>
Minority Interest	0		0	0
Share in Loss of Associates	0		0	0
<b>Profit After Tax and Minority Interest</b>	<b>12</b>	<b>(15)</b>	<b>9</b>	<b>(41)</b>
ESOP charge out & Exchange Fluctuations	0	5	1	13
<b>Profit After ESOP Charge Out &amp; Exchange Fluctuations</b>	<b>12</b>	<b>(20)</b>	<b>9</b>	<b>(55)</b>
Provision for Deferred Tax	1	1	2	5
<b>Net Profit After Deferred Tax</b>	<b>11</b>	<b>(21)</b>	<b>6</b>	<b>(60)</b>
Paid up Equity Share Capital	91	68	90	68
<b>EPS (Rs.)</b>	<b>0.02</b>	<b>(1.56)</b>	<b>0.01</b>	<b>(4.42)</b>

**Television Eighteen India Limited:  
Consolidated Financial Performance for the Quarter Ended 31<sup>st</sup> December, 2010**

**Part II: Web18**

*(Rs Cr)*

Particulars	Q3 2010-11	Q3 2009-10	Q2 2010-11	FY 2009-10
				<i>Audited</i>
<b>REVENUES: OPERATIONS</b>	<b>22</b>	<b>20</b>	<b>19</b>	<b>73</b>
Operating Expense	22	22	20	82
<b>Operating Profit</b>	<b>(0)</b>	<b>(3)</b>	<b>(1)</b>	<b>(9)</b>
Operating Margin	0%	<b>(14%)</b>	<b>(3%)</b>	<b>(13%)</b>

**Television Eighteen India Limited:  
Consolidated Financial Performance for the Quarter Ended 31<sup>st</sup> December, 2010**

**Part III: Newswire18**

*(Rs Cr)*

Particulars	Q3 2010-11	Q3 2009-10	Q2 2010-11	FY 2009-10
				<i>Audited</i>
<b>REVENUES: OPERATIONS</b>	<b>10</b>	<b>8</b>	<b>10</b>	<b>33</b>
Operating Expense	9	8	10	31
<b>Operating Profit</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>2</b>
Operating Margin	17%	6%	1%	6%

**Television Eighteen India Limited:  
Consolidated Financial Performance for the Quarter Ended 31<sup>st</sup> December, 2010**

**Part IV: Infomedia18** (and other print operations)

*(Rs Cr)*

Particulars	Q3 2010-11	Q3 2009-10	Q2 2010-11	FY 2009-10
				<i>Audited</i>
<b>REVENUES: OPERATIONS</b>	<b>36</b>	<b>33</b>	<b>48</b>	<b>174</b>
Operating Expense	41	38	57	191
<b>Operating Profit</b>	<b>(5)</b>	<b>(5)</b>	<b>(9)</b>	<b>(17)</b>
Operating Margin	-14%	-15%	-19%	-10%
Depreciation	1	2	2	8
Interest (Net)	(1)	(2)	(1)	(9)
<b>Total Profit Before Tax and Minority Interest</b>	<b>(7)</b>	<b>(9)</b>	<b>(11)</b>	<b>(34)</b>
Prior Period and Exceptional items	(0)	0	5	0
<b>Total Profit Before Tax, Minority Interest, ESOP Charge Out &amp; Exchange Fluctuations</b>	<b>(7)</b>	<b>(9)</b>	<b>(16)</b>	<b>(34)</b>
Provision for Current Tax/FBT	0	0	0	1
<b>Profit After Tax (before Minority Interest, ESOP charge out &amp; Exchange Fluctuations)</b>	<b>(7)</b>	<b>(9)</b>	<b>(16)</b>	<b>(34)</b>
Minority Interest	(0)	0	(0)	(16)
<b>Profit After Tax and Minority Interest</b>	<b>(7)</b>	<b>(9)</b>	<b>(16)</b>	<b>(18)</b>
ESOP charge out & Exchange Fluctuations	1	(4)	(0)	(14)
<b>Profit After ESOP Charge Out &amp; Exchange Fluctuations</b>	<b>(8)</b>	<b>(6)</b>	<b>(16)</b>	<b>(4)</b>
Provision for Deferred Tax	0	0	(0)	(1)
<b>Net Profit after Deferred Tax</b>	<b>(8)</b>	<b>(6)</b>	<b>(15)</b>	<b>(4)</b>

**Note: Digital18 revenues and expenses have been consolidated in Infomedia.**

**Television Eighteen India Limited:**  
**Consolidated Financial Performance for the Quarter Ended 31<sup>st</sup> December, 2010**  
*(Rs Cr)*

Particulars	Q3 2010-11	Q3 2009-10	Q2 2010-11	FY 2009-10
				<i>Audited</i>
<b>REVENUES</b>	<b>147</b>	<b>129</b>	<b>145</b>	<b>553</b>
Operating Expense (incl CNBC revenue share)	127	120	133	527
<b>Operating Profit</b>	<b>19</b>	<b>9</b>	<b>12</b>	<b>26</b>
Operating Margin	13%	7%	8%	0%
Other Income	0	0	0	22
Depreciation	11	12	10	49
Interest (Net)	(0)	(25)	(2)	(101)
Prior Period and Exceptional items	(0)	9	5	(9)
<b>Total Profit Before Tax, Minority Interest, ESOP Charge Out &amp; Exchange Fluctuations</b>	<b>9</b>	<b>(37)</b>	<b>(5)</b>	<b>(112)</b>
Provision for Current Tax/FBT	4	0	7	2
<b>Profit After Tax (before Minority Interest, ESOP charge out &amp; Exchange Fluctuations)</b>	<b>4</b>	<b>(37)</b>	<b>(12)</b>	<b>(114)</b>
Minority Interest	(0)	1	1	(24)
Share in Loss of associates	4	2	(3)	(23)
<b>Profits After Tax and Minority Interest (before ESOP charge out)</b>	<b>8</b>	<b>(40)</b>	<b>(14)</b>	<b>(113)</b>
ESOP charge out & Exchange Fluctuations	1	2	1	(0)
<b>Profit After ESOP Charge Out &amp; Exchange Fluctuations</b>	<b>7</b>	<b>(42)</b>	<b>(15)</b>	<b>(113)</b>
Provision for Deferred Tax	1	1	2	5
<b>Net Profit After Deferred Tax</b>	<b>6</b>	<b>(43)</b>	<b>(17)</b>	<b>(117)</b>
Paid up Equity Share Capital	91	68	90	68
<b>EPS (Rs.)</b>	<b>0.34</b>	<b>(3.08)</b>	<b>(0.04)</b>	<b>(8.68)</b>

**NET DEBT POSITION TABLE**

<i>All Values in Rs Cr</i>	Gross Debt		Cash & Equivalents (Liquid Mutual Funds)		Net Debt		Net Debt Net of Working Capital	
	Dec 31, 2010	Sep 30, 2010	Dec 31, 2010	Sep 30, 2010	Dec 31, 2010	Sep 30, 2010	Dec 31, 2010	Sep 30, 2010
<b>TV18</b>	765	773	119	200	646	573	341	292
<b>IBN18</b>	384	349	102	266	281	82	(44)	(229)

*Note: Numbers are for the consolidated entities*

TV **18**

Network **18**

TV **18**



newswire **18**

Infomedia **18**

*moneycontrol.com*  
INDIA'S NO.1 FINANCIAL PORTAL

**in**.com

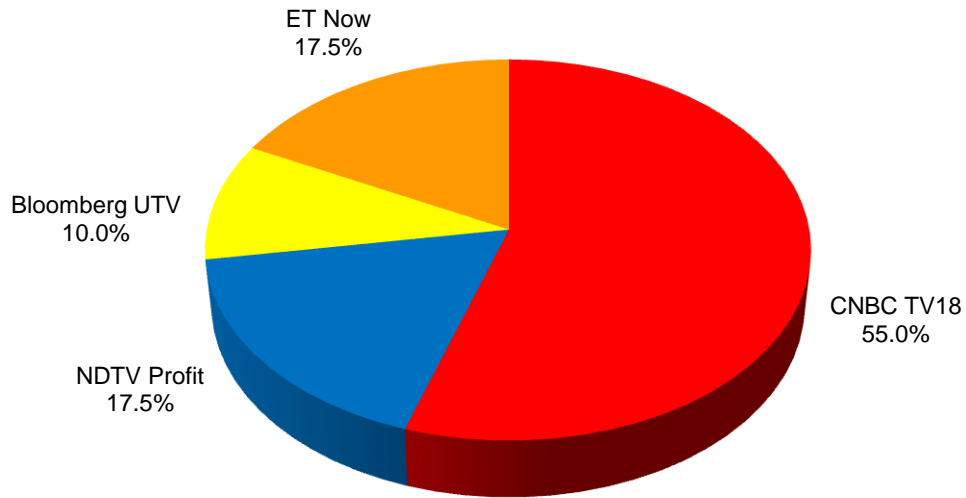
Web **18**

Book **my** Show

**IBN** Live **5**

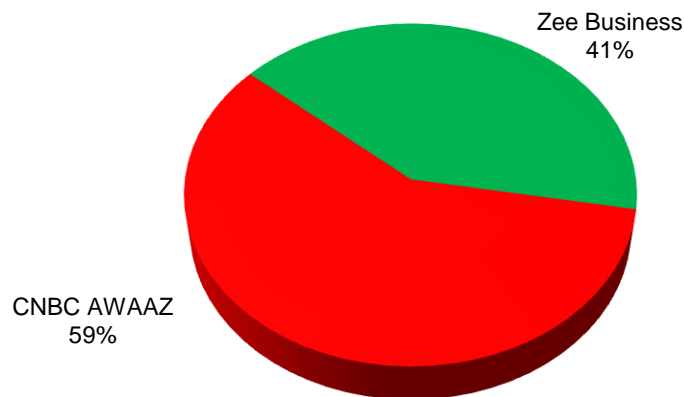
**APPENDIX – KEY MARKET SHARE TRENDS**

**CNBC-TV18: UNDISPUTED LEADERSHIP IN ENGLISH BUSINESS NEWS**



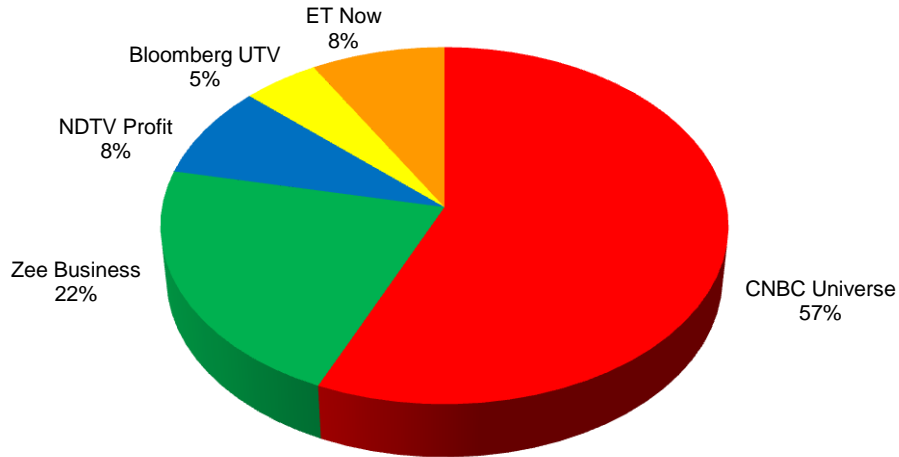
Source: TAM, TG: CS AB Male 25+; Market: All India; Time Period: Q3 FY2011, All Days 600-2400 hrs

**CNBC AWAAZ: INDIA'S NO 1 HINDI BUSINESS NEWS CHANNEL**



Source: TAM, Market Share, TG: CS AB Male 25+, Market: HSM, Time Period:: 1<sup>st</sup> Oct – 25<sup>th</sup> Dec '10, All Days 0600-2400 hrs

**CNBC TV18 and CNBC AWAAZ – DEFINING BUSINESS NEWS**



Source: TAM, Market Share, TG: CS AB Male 25+, Market: All India, Time Period:: 1<sup>st</sup> Oct – 25<sup>th</sup> Dec '10, All Days 0600-2400 hrs

**Out of Home:** Please note that the existing TV viewership measurement mechanisms though essential do not capture the actual audience delivery for a media platform like CNBC TV18 and CNBC AWAAZ. The CNBC TV18 and CNBC AWAAZ services have a large viewership out of home (OOH) especially in corporate offices, institutions, business areas, markets, etc. The CNBC Universe reach is much higher when the above OOH viewership is taken into account,

**INVESTOR COMMUNICATION**

TV18'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](http://www.network18online.com). This update covers the company's financial performance for Q3 FY 2010-11.

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