

Investor Update Q2 FY09

Television Eighteen India Limited (Listed Subsidiary of Network18)

- **IN.COM MAKES A SPECTACULAR DEBUT; EMERGES AS THE 2ND LARGEST INDIAN ONLINE DESTINATION (next to rediff.com); AHEAD OF INDIATIMES.COM & NAUKRI.COM WITHIN 2 MONTHS OF BETA LAUNCH** (Source: Comscore Sep'08 & Google Analytics)
- **WEB18 NETWORK SURGES AHEAD OF ESTABLISHED ENTITIES LIKE TIMES INTERNET, FACEBOOK.COM AND SIFY.COM (in Indian markets); IN.COM SURPASSES INDIATIMES.COM; MONEYCONTROL.COM LEADS WSJ.COM AND FOOLS.COM FOR THE ENTIRE QUARTER** (Sources: Comscore Sept'08 & Alexa.com)
- **INTERNET REVENUES UP 16% (QoQ) AND 24% (YoY); AGGRESSIVE MARKETING COSTS WRITTEN OFF IN CURRENT QUARTER**
- **CNBC-TV18 and CNBC-AWAAZ MAINTAIN QoQ PERFORMANCE IN CHALLENGING ENVIRONMENT:**
 - **NEWS OPERATION'S REVENUES UP 7% (QoQ); EBITDA GAINS 13% (QoQ)**
 - **OPERATING MARGINS AT 39.60%; UP 194 bps SEQUENTIALLY**
- **CNBC-TV18 AND CNBC AWAAZ TOGETHER CORNER MORE THAN 65% MARKET SHARE; CNBC-TV18 IS DOUBLE THE SIZE OF NDTV 24x7 & TIMES NOW; CNBC AWAAZ IS DOUBLE THE SIZE OF NDTV PROFIT**
- **NEWSWIRE18 REVENUES UP 14% (QoQ) AND 107% (YoY) – PLANS TO DISTRIBUTE TERMINALS IN OVERSEAS MARKETS**
- **INFOMEDIA18 – IMPRESSIVE BEGINNING FOR ALIBABA PARTNERSHIP; “OVERDRIVE” CELEBRATES 10 YEARS OF LEADERSHIP**

* The Company has taken control of the Board of Directors of Infomedia18 Limited on August 21, 2008 and consequently the results of Infomedia18 Limited have been consolidated for the period from 21st August 2008 to 30th September 2008 on the basis of the management control.

Television Eighteen India Limited:

Consolidated Unaudited Financial Performance for the Quarter ended 30th September 2008

Rs. mn.

	Q2 2008-09	Q2 2007-08	Q1 2008-09
Total Revenues (Part I, II, III and IV)	1302.60	882.98	929.92

Part I: News Operations

Rs. mn.

Particulars	Q2 2008-09	Q2 2007-08	Q1 2008-09
REVENUES: NEWS OPERATIONS	808.23	735.05	753.35
Operating Expense	488.19	377.45	469.65
Operating Profit	320.04	357.60	283.70
Operating Margin	39.60%	48.65%	37.66%
Net Outflow on Revenue Share with CNBC	(45.04)	(42.94)	(34.09)
Interest/Income from Investments	128.56	66.56	152.39
Interest Expense	(221.11)	(101.21)	(210.38)
Interest (Net)	(92.54)	(34.64)	(57.99)
Depreciation	(55.49)	(48.10)	(51.26)
Total Profit Before Tax, Minority Interest and ESOP Charge Out	126.96	231.92	140.36
Provision for Current Tax/FBT	23.47	26.01	13.76
Profit After Tax (before minority interest and ESOP charge out)	103.49	205.91	126.60
Minority Interest	0.00	0.00	0.00
Profit After Tax and Minority Interest (before ESOP charge out)	103.49	205.91	126.60
ESOP Charge Out	27.43	48.98	29.29
Profit After Tax and ESOP Charge Out	76.06	156.93	97.31
Exchange Fluctuations	(33.28)	(5.63)	(4.50)
Profit After Exchange Fluctuations	42.78	151.30	92.81
Provision for Deferred tax	0.00	0.00	0.00
Net Profit After Deferred Tax	42.78	151.30	92.81
Paid up Equity Share Capital	599.39	286.00	598.42
EPS (Rs.) without ESOP charge out	0.59	3.50	1.02
EPS (Rs.) with ESOP charge out	0.36	2.65	0.78

Revenues of Web18, Newswire18 and Infomedia18 are given on the following pages.

Television Eighteen India Limited:

Consolidated Unaudited Financial Performance for the Quarter ended 30th September 2008

Part II: Web18

Rs. mn.

Particulars	Q2 2008-09	Q2 2007-08	Q1 2008-09
REVENUES: OPERATIONS	152.68	123.24	131.58
Operating Expense	342.48	180.77	187.53
Operating Profit	(189.80)	(57.53)	(55.95)
Interest/Income from Investments	0.77	2.78	0.97
Interest Expense	(6.87)	(2.58)	(5.10)
Interest (Net)	(6.10)	0.20	(4.13)
Depreciation	(46.36)	(30.87)	(17.57)
Total Profit Before Tax and Minority Interest and ESOP Charge Out	(242.27)	(88.21)	(77.65)
Provision for Current Tax/FBT	5.80	12.12	0.32
Profit After Tax (before minority interest and ESOP charge out)	(248.07)	(100.32)	(77.97)
Minority Interest	(10.03)	(22.72)	(1.39)
Profit After Tax and Minority Interest	(238.04)	(77.60)	(76.57)
ESOP Charge Out	8.37	0.00	3.44
Profit After Tax and ESOP Charge Out	(246.41)	(77.60)	(80.01)
Exchange Fluctuations	(0.73)	(5.50)	0.00
Profit After Exchange Fluctuations	(247.14)	(83.10)	(80.01)
Provision for Deferred tax	0.00	0.00	0.00
Net Profit After Deferred Tax	(247.14)	(83.10)	(80.01)

Television Eighteen India Limited:

Consolidated Unaudited Financial Performance for the Quarter ended 30th September 2008

Part III: Newswire18

Rs mn.

Particulars	Q2 2008-09	Q2 2007-08	Q1 2008-09
REVENUES: OPERATIONS	51.20	24.69	44.99
Operating Expense	78.96	46.28	71.68
Operating Profit	(27.75)	(21.59)	(26.69)
Interest/Income from Investments	0.00	0.00	0.00
Interest Expense	(6.87)	(3.50)	(6.44)
Interest (Net)	(6.87)	(3.50)	(6.44)
Depreciation	(5.30)	(4.21)	(4.52)
Total Profit Before Tax and Minority Interest	(39.93)	(29.30)	(37.64)
Provision for Current Tax/FBT	0.33	0.57	0.40
Profits After Tax (before minority interest)	(40.26)	(29.88)	(38.04)
Minority Interest	0.00	0.00	0.00
Profits After Tax and Minority Interest	(40.26)	(29.88)	(38.04)
Exchange Fluctuations	0.00	(0.54)	0.00
Profits After Exchange Fluctuations	(40.26)	(29.33)	(38.04)
Provision for Deferred Tax	0.00	0.00	0.00

Television Eighteen India Limited:

Consolidated Unaudited Financial Performance for the Quarter ended 30th September 2008

Part IV: Infomedia18

Rs mn.

Particulars	Q2 2008-09
REVENUES: OPERATIONS*	290.48
Operating Expense	299.62
Operating Profit	(9.14)
Operating Margin	(0.03)
Interest/Income from Investments	4.69
Interest Expense	(17.02)
Interest (Net)	(12.33)
Depreciation	(8.09)
Total Profit Before Tax and Minority Interest	(29.56)
Provision for Current Tax/FBT	0.63
Profits After Tax (before minority interest)	(30.19)
Minority Interest	(29.09)
Profits After Tax and Minority Interest	(1.10)
Exchange Fluctuations	0.00
Profits after Exchange Fluctuations	(1.10)
Provision for Deferred tax	0.00
Net Profit after Deferred Tax	(1.10)

* The Company has taken control of the Board of Directors of Infomedia18 Limited on August 21,2008 and consequently the results of Infomedia18 Limited have been consolidated for the period from 21st August 2008 to 30th September 2008 on the basis of the management control.

Television Eighteen India Limited:

Group's Consolidated Unaudited Financial Performance for the Quarter ended 30th September 2008

Particulars	Q2 2008-09	Q2 2007-08	Q1 2008-09
REVENUES: OPERATIONS	1302.60	882.98	929.92
Operating Expense	1209.25	604.49	728.86
Operating Profit	93.34	278.49	201.05
Operating Margin	7.17%	31.54%	21.62%
Net Outflow on Revenue Share with CNBC	(45.04)	(42.94)	(34.09)
Interest/Income from Investments	134.03	69.34	153.36
Interest Expense	(251.87)	(107.29)	(221.91)
Interest (Net)	(117.85)	(37.95)	(68.55)
Depreciation	(115.25)	(83.18)	(73.34)
Total Profit Before Tax, Minority Interest and ESOP Charge Out	(184.80)	114.41	25.07
Non-recurring Income	(33.86)	0.00	(64.80)
Total Profit Before Tax, Minority Interest, ESOP Charge Out but after Extra ordinary Income	(218.65)	114.41	(39.73)
Provision for Current Tax/FBT	30.23	38.48	14.48
Profits After Tax (before minority interest and ESOP charge out)	(248.88)	75.93	(54.21)
Minority Interest	(39.12)	(22.72)	(1.39)
Profits After Tax and Minority Interest (before ESOP charge out)	(209.77)	98.65	(52.81)
ESOP Charge Out	35.80	48.98	32.74
Profits After Tax and ESOP Charge Out	(245.57)	49.67	(85.55)
Exchange Fluctuations	(34.01)	(10.58)	(4.50)
Profits after Exchange Fluctuations	(279.58)	39.09	(90.05)
Paid up Equity Share Capital	599.39	286.00	598.42
EPS (Rs.) without ESOP charge out	(2.05)	0.87	(0.71)
EPS (Rs.) with ESOP charge out	(2.33)	0.68	(0.75)

TV **18**

Network **18**



newswire **18**

Web **18**

www.moneycontrol.com
www.ibnlive.com
www.indiaearnings.com
www.commoditiescontrol.com
www.yatra.com
www.jobstreet.com
www.buzz18.com
www.bookmyshow.com

www.cricketnext.com
www.tech2.com
www.biztech2.com
www.indiwo.com
www.easymf.com
www.poweryourtrade.com
www.compareindia.com
www.josh18.com

Infomedia **18**

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 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 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 – IN.com, Moneycontrol.com, Ibnlive.com, Cricketnext.com, Tech2.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.

PERFORMANCE HIGHLIGHTS

1. Business News Television

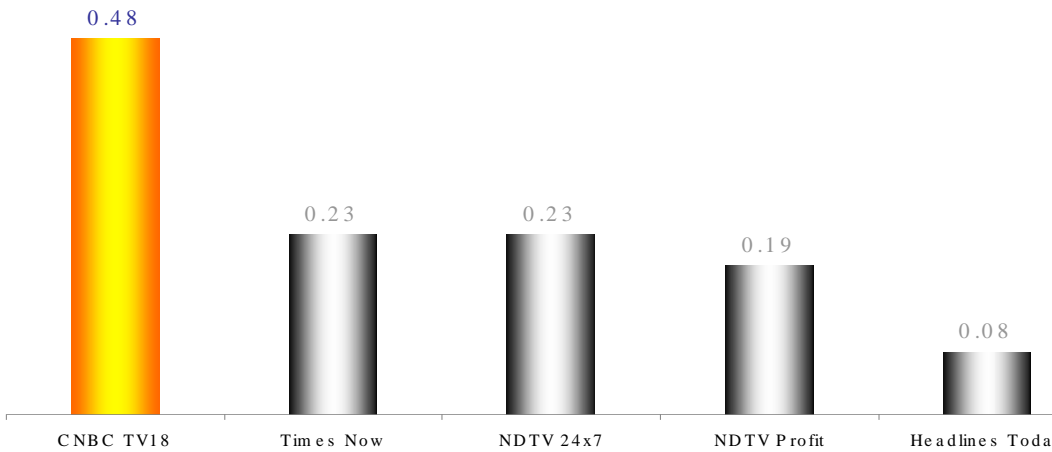
India's leading business news channels CNBC-TV18 & CNBC AWAAZ continued to be the leading sources for business information in the country ranging from investing & markets to corporate news, industry trends, consumer news and lifestyle.

CNBC-TV18

- **News Leadership** – From unparalleled coverage of the US Sub-prime crisis and global market meltdown, aided by the CNBC Global network, to a hawkish eye on all aspects of the Indian economic environment and including path breaking coverage of the Tata-Singur controversy, CNBCTV18 set new leadership standards with razor sharp news gathering and delivery.
- **Content differentiation** – CNBC-TV18 strengthened its weekend programming lineup with a slew of new shows targeting all key segments of business & lifestyle viewing. From shows exploring the current challenges of India Inc in "Riders in the Storm" to showcasing entrepreneurship glory and wealth creation in programs such as "Enterprise Inc." & "Wealth Creators". From a robust focus on personal finance in "Net Worth" to CEO lifestyles in "Business with Pleasure". From highlighting top newsmakers across the board in "Beautiful People" to the best recipes for a fruitful weekend in "Must Do". As the benchmark brand in business news, CNBC-TV18 set about to re-define genre viewing habits.
- **Benchmark Property** – Apart from the slew of new shows and specials, CNBC-TV18 continues to focus on initiating new industry leading properties. A key announcement was the launch of a B-School ranking, called the CNBC-TV18 "A of B" rankings – "The A list of B-Schools". Conducted through a dual data & perception based methodology and covering over 5000 stakeholders, the rankings are slated to be India's most comprehensive ever.

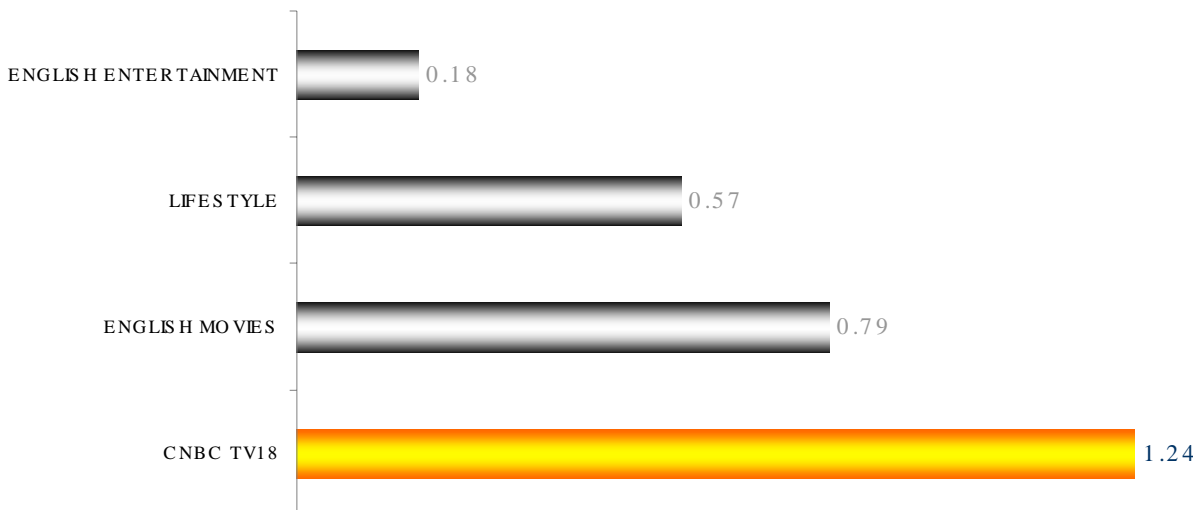
- **Viewership** – CNBC-TV18 continued to build on its leadership as India’s No.1 business medium. With new content forays, it expanded its performance audience groups and day parts.

CNBC-TV18: INDIA’S MOST PREFERRED NEWS SOURCE



Source: TAM, TG: CS AB Male 25+, Market: All India, Channel Share, Time Period: 1st Jul – 30th Sep '08, All Days, 600-2400 hrs

CNBC-TV18 - DELIVERING ACROSS GENRES



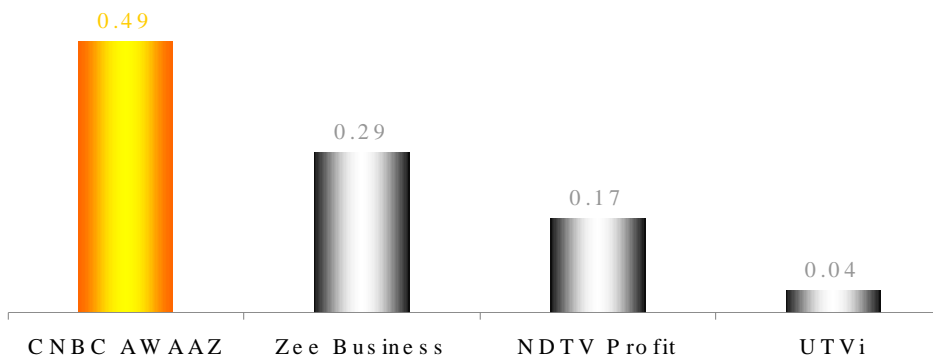
Source: TAM, TG: CS AB Male 25+, Market: All India, Channel Share, Time Period: 1st Jul - 30th Sep '08, Weekdays, 900-1600 hrs

CNBC Awaaz

India's first consumer focused business channel crossed new milestones, strengthened its viewership and continued to contribute substantially in the growth of business audiences in the country

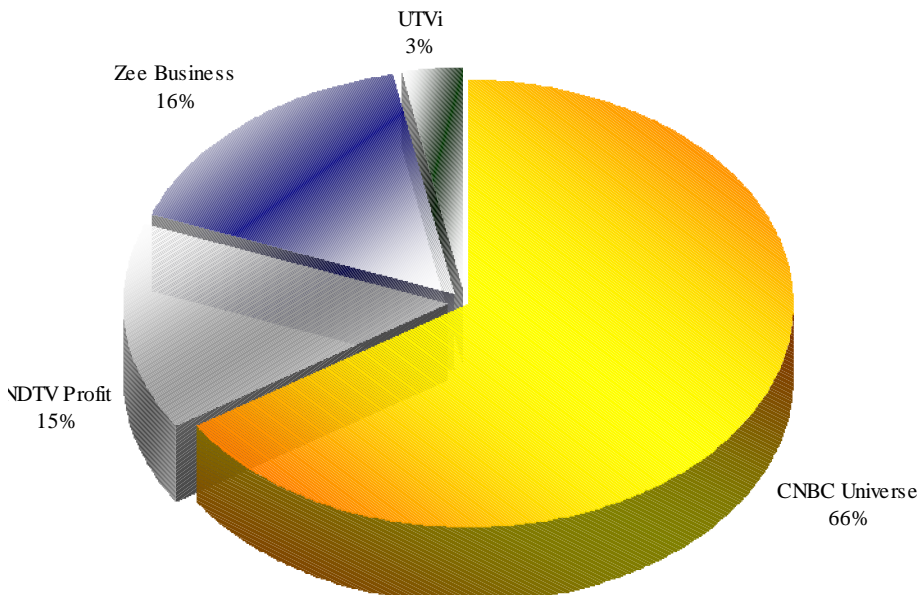
- **Content Leadership** –A new series christened “Kya Karein Hum”, advising consumers and investors alike on investing choices, was launched in sync with the volatile movements in the markets and the economy.
- **Audience Expansion and Engagement** – The ongoing CNBC AWAAZ ‘Money Yatra’ series continue to reach new frontiers. As part of its 15 state schedule, the series covered towns in Rajasthan where India's biggest personal finance experts to educate the common man on the basics of financial planning.
- **Benchmark Properties** – The CNBC AWAAZ Consumer Awards 2008, a definitive benchmark for brands targeting the elusive Indian consumer, was one of the most successful industry events for the marketing and advertising fraternity this year. The awards are based on an exhaustive survey of 10,000 consumers in 21 cities by the Nielsen Company.

CNBC AWAAZ - LEADING FROM THE FRONT



Source: TAM, TG: CS AB Male 25+, Market: HSM, Channel Share, Time Period: 1st Jul -30th Sep '08, All Days, 600-2400 hrs

CNBC-TV18 & CNBC AWAAZ - DOMINANT DUO OF BUSINESS NEWS



Source: TAM, TG: CS AB Male 25+, Market: All India, Market Share, Time Period: 1st Jul – 30th Sep '08, All Days 600-2400 hrs

2. NEW MEDIA – ONLINE / WEB18

WEB18 -India's leading Internet player continued to build on its leadership in the Indian online space with its most recent launch, IN.COM which is fast growing to be India's No.1 general interest online destination while still in a beta phase.

IN.COM MAKES A SMASHING DEBUT, BUILDS ON LAUNCH MOMENTUM, ESTABLISHES LEADERSHIP **In.com emerges as India's 2nd largest Online Destination** **Propels WEB18 to 2nd largest Indian Web Network**

Web18 unveiled IN.COM in this quarter and the site is already on the path to becoming India's leading general interest online destination. IN.COM is set to redefine online usage with a unique user proposition, which builds on the strongest benefits that the Internet delivers and then maps that to community choices through a smart aggregation model. IN.com has a rich horizontal offering - from reading news, blogs, feeds and information to watching videos, from listening to music to playing games, from mailing to searching for products, holidays, marriage partners and much more. The site has an impressive content width with the largest online collection of licensed music in India and a vast repertoire of online games, apart from delivering the first fully indigenously developed, globally benchmarked email service. Within a couple of months of being available in beta mode, IN.com has made a spectacular start.

- o Available for access since July 2008, IN.COM is already the 2nd largest Indian online destination, thus ensuring Web18's ascendance to being the 2nd largest web network (Source: Comscore Sep'08) in the country.
- o With an already robust registration base of over 1.5 million users, over 3 million page views & over 500,000 visits a day, IN.COM is on its way to leadership in the horizontal portal space.

IN.COM's launch has been supported through a comprehensive marketing activity, capitalizing on the promotional synergies of Network18 and supplemented by some external spends.

IN.COM - INDIA'S LEADING GENERAL INTEREST ONLINE DESTINATION

The screenshot displays the IN.COM website interface within a Windows Internet Explorer browser window. The browser's address bar shows the URL 'http://www.in.com/'. The website header includes the 'in.com' logo and navigation icons for 'Read', 'Listen', 'Watch', 'Play', 'Find', 'Shop', and 'Mail'. Below the header, there is a 'find' section with a search bar and various category links. The main content area is divided into several sections: 'what's in' featuring a news article about Ganguly, 'listen' with music thumbnails, and 'watch' with video thumbnails. A 'Sign in' box is located on the right side of the page. The browser's status bar at the bottom shows 'Internet' and '100%' zoom level.

IN.COM – PROPELLING WEB18 TO THE 2ND LARGEST INDIAN WEB NETWORK

			Total Unique Visitors (000)	% Reach
Total Internet : Total Audience			30,719	100.0
TOP INDIAN ORIGIN SITES			N/A	N/A
1	[P]	Rediff.com India Ltd	9,555	31.1
2	[P]	Web18 (Network18)	6,330	20.6
3	[P]	Times Internet Limited	5,454	17.8
4	[P]	Naukri	4,777	15.6
5	[P]	Indian Railways	4,013	13.1

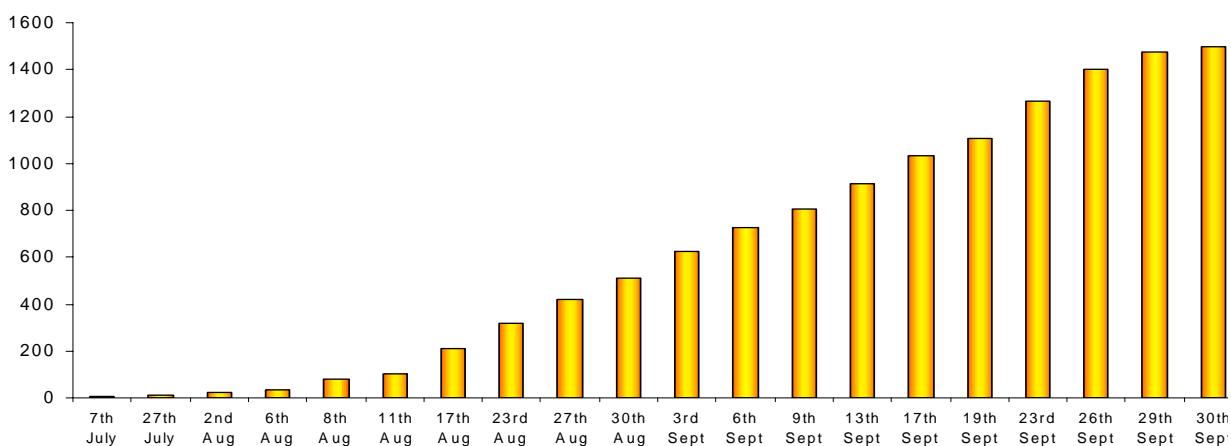
Source: Comscore data for top sites (September, 2008), Geography – India, Top 100 web properties (Undup.)

IN.COM – SPECATACULAR GROWTH MOMENTUM SURPASSES ESTABLISHED NAMES WITHIN 2 MONTHS

Items 1 to 2000			Total Unique Visitors (000)	% Reach
Total Internet : Total Audience			30,719	100.0
TOP INDIAN ORIGIN SITES			N/A	N/A
1	[M]	REDIFF.COM	9,319	30.3
2	[M]	IN.COM	4,819	15.7
3	[M]	NAUKRI.COM	4,094	13.3
4	[E]	MSN.CO.IN	4,032	13.1
5	[P]	NIC.IN	3,827	12.5
6	[M]	BHARATSTUDENT.COM	3,731	12.1
7	[M]	INDIATIMES.COM	3,252	10.6
8	[S]	MONSTERINDIA.COM	2,974	9.7
9	[M]	INDIANRAIL.GOV.IN	2,735	8.9
10	[M]	IRCTC.CO.IN	2,387	7.8

Source: Comscore data for top sites (September, 2008), Geography – India, Top 2000 web domains

IN.COM – RAPID GROWTH BUILDING A 1.5 MILLION STRONG REGISTERED BASE WITHIN 2 MONTHS

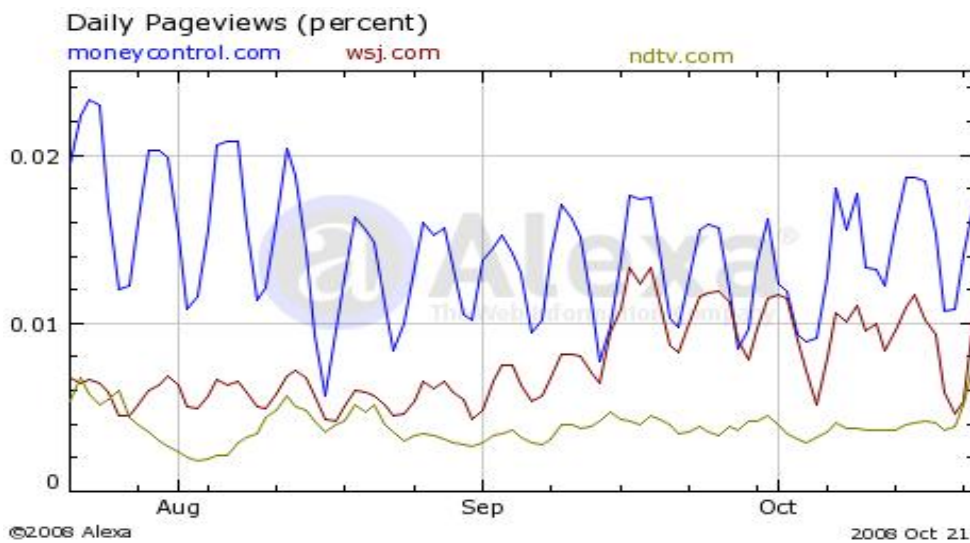


1.5 Million registrations by 30th September (All figures in '000s)

Source: Google Analytics

- **MOBILE18** – Web18 continued to strengthen its mobile offering with a slew of new initiatives, including creating WAP products for each of its leading online brands: Moneycontrol (July18th), Tech2 (Oct3rd) Cricketnext (Aug 10th), IBNlive (Aug15th).
 - Moneycontrol mobile is now doing 2.7 million Page Views in a month with 250,000 Unique Visitors (Sep 2008). We expect this number to grow in the months ahead.
- **ORGANIC GROWTH** – Web18's current portfolio of brands continued to strengthen their presence with various content expansion and user engagement initiatives.

MONEYCONTROL.COM - WORLD'S LEADING FINANCIAL DESTINATION



NEWSWIRE18

- Despite the volatility in the financial market sentiment, Newswire18 Q2 unit sales grew 15% and revenues grew 15% sequentially.
- Newswire18 has also started foreign operations in Q2 by launching its products in one neighboring country and plans to cover one new country in each quarter.
- Newswire18 continues to employ aggressive business growth strategies, keeping in mind the evolving market scenario.

INFOMEDIA18

- Alibaba sales team made an impressive beginning with a strong order book.
- Leading Infomedia18 B2C title "Overdrive", celebrated 10 years of its existence with a special issue. "Overdrive" brand has been extended onto television with shows on TV18 news channels.
- "Better Photography" celebrated 11 years of existence.
- "Chemicals World" & "Modern Pharmaceuticals" were converted into monthly titles, due to readership demand and advertiser interest.
- Q2 B2B revenue grew by 10%, whilst B2C revenue grew by 6%.

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 person mentioned below, or from the companies website www.network18online.com. This update covers the company's financial performance for Q2 FY 2008-09.

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Tel # 0120-4341700; Fax # 0120-4324110;

e-mail: rds.bawa@network18online.com

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