

Investor Update Q1 FY2009-10

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 VENTURE CONTINUES TO GROW ON QOQ BASIS**

*TV18's Audited Balance Sheet for FY 2008-09 is available on network18online.com



www.moneycontrol.com
www.bniva.com
www.indiawarnings.com
www.commoditycontrol.com
www.palra.com
www.galaxynet.com
www.buzz18.com
www.bookmyshow.com

www.cricketnext.com
www.bich2.com
www.biztech2.com
www.indiwo.com
www.oasymf.com
www.poweryourtrade.com
www.compareindia.com
www.jash18.com



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

	Rs. mn.	
Particulars	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)

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

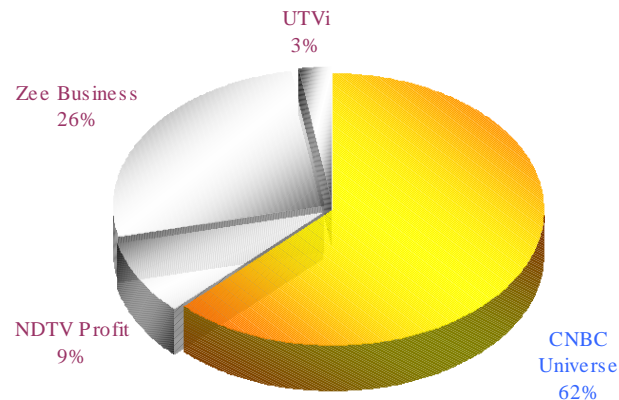
4. REAL TIME DATA & INFORMATION

- 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.

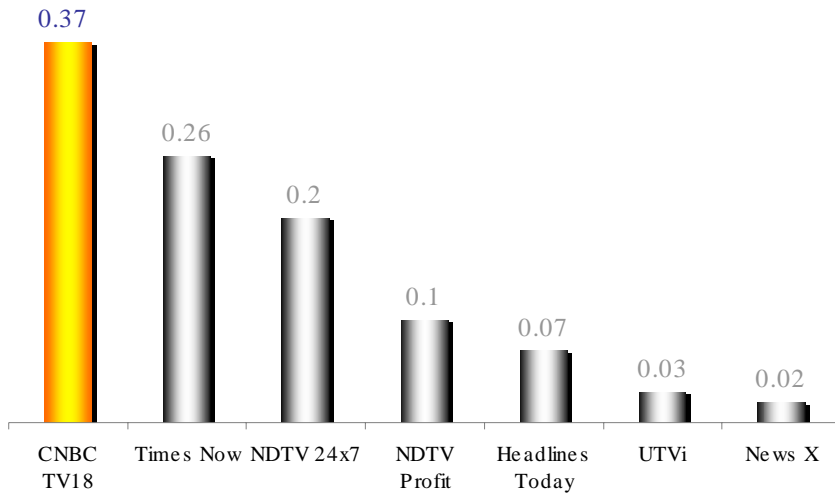
Platform Diversification

- 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.

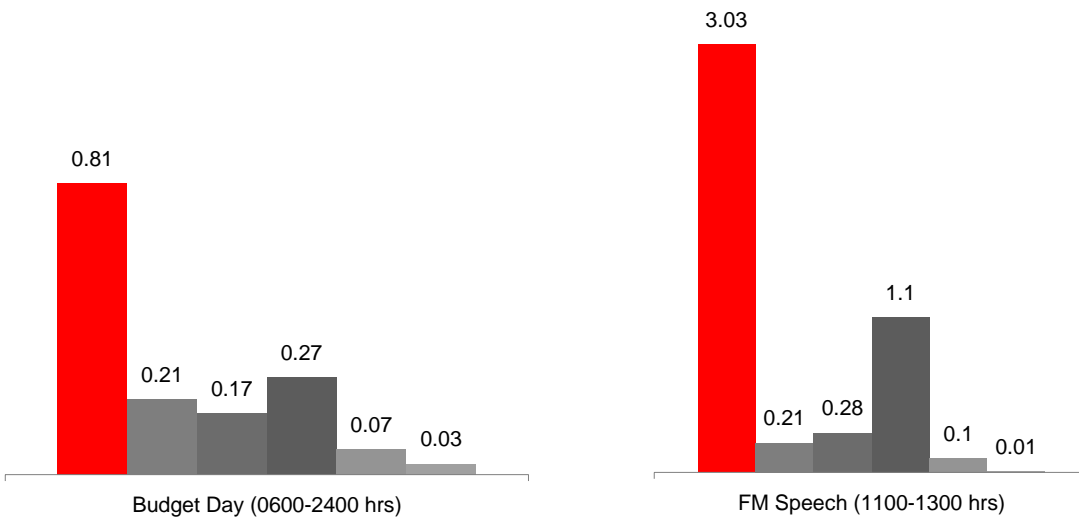
CNBC-TV18: INDIA’S MOST PREFERRED NEWS SOURCE



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



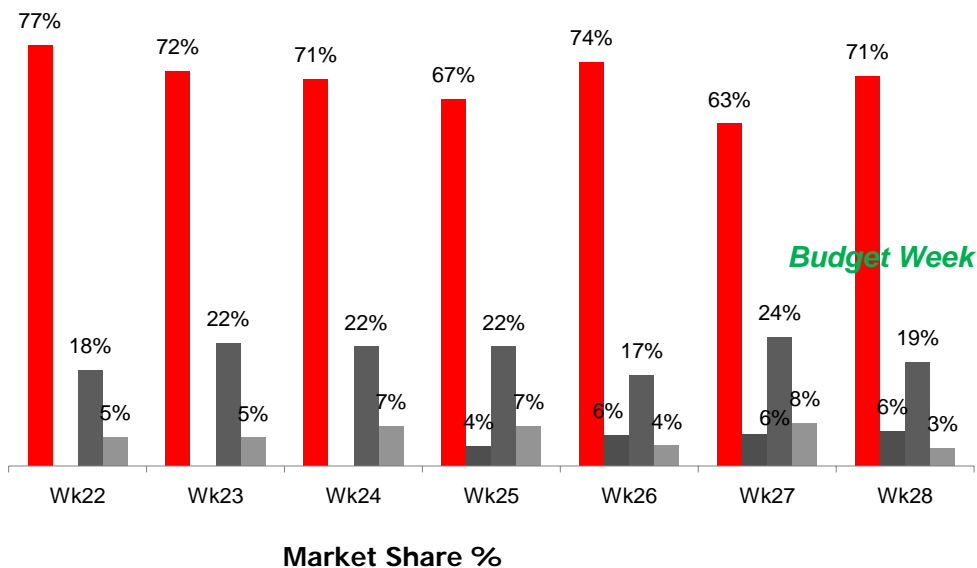
Source: TAM, TG: CS AB Males 25+ Yrs, All India. Time Period: 6th Jul'09

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

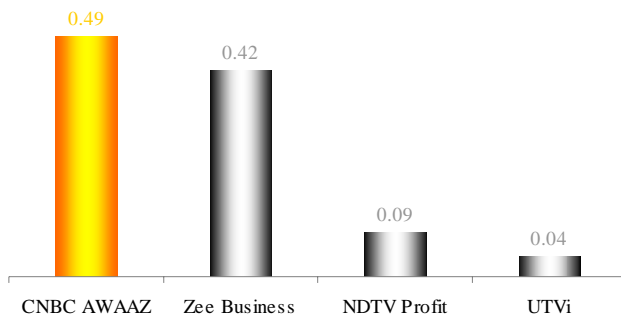
- CNBC AWAAZ launched a spate of new shows that answered the evolving needs of the Hindi speaking business consumer & investor. Shows & properties such as “Stock 20/20”, “Mutual fund monitor”, & “Stock Muqabla” advised viewers on investing choices and financial planning.

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.

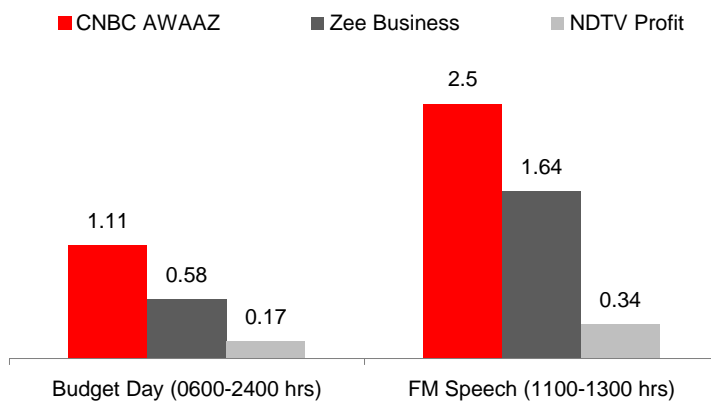
Viewership Performance

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

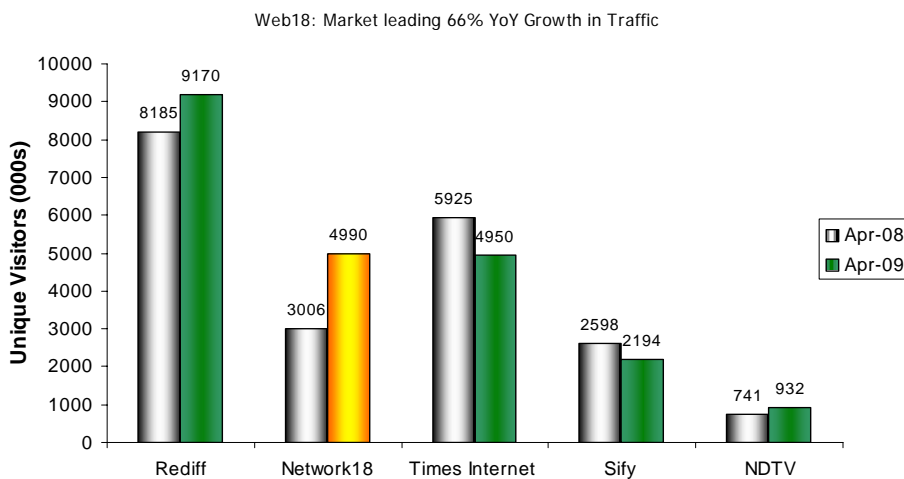
WEB18

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.

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 Q1 FY 2008-09.

For further information on Business and Operations contact:
Haresh Chawla, Group CEO, Network18
Tel # 022-40019186; Fax # 022-66618984;
e-mail: haresh.chawla@network18online.com

For further information on financials contact:
R D S Bawa, Group CFO, Network18
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