

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-C

CURRENT REPORT UNDER SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17.2(c) THEREUNDER

1. Date of Report (Date of earliest event reported)
Nov 17, 2017
2. SEC Identification Number
5213
3. BIR Tax Identification No.
000-917-916
4. Exact name of issuer as specified in its charter
GMA Network, Inc.
5. Province, country or other jurisdiction of incorporation
Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
GMA Network Center, EDSA corner Timog Avenue, Diliman, Quezon City
Postal Code
1103
8. Issuer's telephone number, including area code
(632) 982-7777
9. Former name or former address, if changed since last report
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10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA

Title of Each Class	Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding
Preferred Shares	7,499,507,184
Common Shares	3,361,047,000
11. Indicate the item numbers reported herein
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GMA Network, Inc.
GMA7

PSE Disclosure Form 4-31 - Press Release
References: SRC Rule 17 (SEC Form 17-C)
Section 4.4 of the Revised Disclosure Rules

Subject of the Disclosure

GMA Network posts higher recurring revenues of P11.796 Billion in 9M 2017

Background/Description of the Disclosure

GMA Network posts higher recurring revenues of P11.796 Billion in 9M 2017

Other Relevant Information

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Filed on behalf by:

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Designation	Vice President



PRESS RELEASE (for immediate publication)

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GMA Network posts higher recurring revenues of P11.796 billion in 9M 2017

(Quezon City, Philippines – November 17, 2017) – Leading broadcast company GMA Network, Inc. (GMA) recorded recurring revenues of P11.796 billion in the first nine months of 2017, nearly half a billion or 4 percent higher than the same period last year.

January to September airtime sales from regular advertisers yielded a 3 percent or P342.6 million climb from a year ago, arising from the combined contributions of GMA’s airtime revenue platforms GMA-7, GMA News TV, Regional TV, and Radio. Absolute airtime sales year-on-year, however, was reduced by 10 percent due to the absence of last year’s political advertisements amounting to about P1.5 billion.

The Company posted substantial revenue growth from its international operations and other businesses which rose to P1.268 billion in nine months, up by 12 percent or P138 million year-on-year.

Meanwhile, despite the significant boost in last year’s top line by revenues from political advertisements, GMA’s consolidated revenues from January to September 2017 slipped by only a single digit or 8 percent.

Notably, GMA managed to keep its total operating expenses at bay even with the production of top caliber TV programs during the period, recording an OPEX increase of only 2 percent at P8.583 billion.

With the absence of political ads, earnings before interest, taxes, depreciation and amortization (EBITDA) wrapped up at P4.492 billion, down 21 percent or P1.178 billion from the same period last year. Consolidated net income after tax settled at P2.324 billion, 25 percent lower than last year.

GMA Network remained the frontrunner in national urban TV ratings (NUTAM) during the third quarter of the year, garnering an average total day people audience share of 42.5 percent, ahead of ABS-CBN’s 37.7 percent, based on data from Nielsen TV Audience Measurement.

“We are confident that we will be able to sustain our TV ratings leadership for the remainder of the year, as we continue to lead our competitor entering the last two months of 2017,” said GMA Network Chairman and CEO Felipe L. Gozon.

GMA International and Digital lead with strong growth surge

GMA's international operations, comprised mainly of channels GMA Pinoy TV, Life TV, and News TV International, raked in total revenues in subscription/licensing and advertising of P935.8 million, up 9 percent from the same period last year.

Moreover, revenues from subsidiaries' operations registered at P332.7 million in nine months, growing by 22 percent. Leading the pack was GMA New Media, Inc. (NMI), GMA's digital media and technology arm, with sales from external sources of P132.6 million, up 57 percent year-on-year.

NMI and its subsidiaries are well poised to mark the year as one of significant growth and achievements as the team capped off the third quarter with an increase in consolidated net income of 160 percent and a climb in gross sales of 39 percent. Online advertising sales also kept an upward trajectory with a year-to-date (YTD) growth of 116 percent to P188.4 million versus the same period in 2016. MediaMerge gained the most for this period as its net profit skyrocketed by 1023 percent while Digify, Inc. steadily increased by 23 percent.

Metrics for the GMA portal were better overall with pageviews for GMANetwork.com reaching more than 1.58 billion in nine months, or a growth of 12 percent from last year. The growth was mainly due to the increase in pageviews from the GMA Entertainment website which improved by 79 percent while its average monthly users expanded by 20 percent year-on-year. The readership base for GMA News Online, on the other hand, was also stable as average monthly users rose by 5 percent this year.

GMA Worldwide (GWI), the Network's subsidiary responsible for syndicating Kapuso programs to the international market, has improved its net income by 81.5 percent versus last year. Recently, GWI was able to ink a partnership with Thai company JKN Global Media which will air GMA dramas on Thai TV next year.

GMA Records, on the other hand, generated a net income growth of 277 percent from the same period last year. (30)