



ZEE NEWS LIMITED  
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## ZEE NEWS LIMITED

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### EARNINGS RELEASE FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED MARCH 31, 2011

ADVERTISING REVENUES FOR Q4FY11 OF INR 560.6 MILLION, YoY Growth 34.4%, FOR THE FULL  
YEAR INR 1961.7 MILLION

CONSOLIDATED REVENUES FOR Q4FY11 OF INR 759.7 MILLION, YoY Growth 26.5%, FOR THE FULL  
YEAR INR 2,768.5 MILLION

EBITDA FOR Q4FY11 OF INR 138.0 MILLION, YoY Growth 255.5%, FOR THE FULL YEAR INR 424  
MILLION

#### Highlights

- ❖ Advertising revenues for Q4FY11 stood at Rs. 560.6 millions a YOY growth of 34.4% while the same stood at Rs. 1,961.7 millions for the year ended March 31, 2011.
- ❖ EBITDA for Q4FY11 stood at Rs. 138.0 millions a YOY growth of 255.5% for the full year ended March 31, 2011 it stood at Rs. 424 millions.
- ❖ Subscription Revenue for Q4 was Rs 174.9 millions which constituted 23% of the total revenue, while the same for the year ended March 31, 2011 stood at Rs. 735 millions.
- ❖ The existing news channels Zee News, Zee Business, Zee 24 Taas, Zee Punjabi & 24 Ghanta reported the advertising revenues for Q4FY11 at Rs. 510.5 millions a YOY growth of 28.5% while the same stood at Rs. 1,797 millions for the year ended March 31, 2011 a growth of 20.5%.
- ❖ The existing news channels Zee News, Zee Business, Zee 24 Taas, Zee Punjabi & 24 Ghanta reported the EBITDA for Q4FY11 at Rs. 247.8 millions a YOY growth of 134.4% while the same stood at Rs. 868.0 millions for the year ended March 31, 2011 a growth of 64.6%.
- ❖ Zee News Limited has emerged as not only the nation's largest news organization, but also the No.1 news network of the country in terms of relative share in the core news category. (CS AB Male 25+, Source: TAM, Period: Jan.-March 11)

- ❖ The flagship channel 'Zee News' which continued with its policy of bringing unadulterated news and indepth views on all major current affairs events, firmly ensconced the channel as the No. 1 in the Top 8 Metros in terms of time spent per viewer. (CS AB Male 25+, Source: TAM, Period: Jan.-March 11)
- ❖ 'Zee Business' remains a top contender during the crucial stock market band, the prime time for business channels. In this quarter, the channel also conducted a Distance Learning B-school Survey, arguably the first of its kind ever undertaken by a media company.
- ❖ 24 Ghanta once again emerged as the clear No. 1 in Q4 in West Bengal as well as in Kolkata in all parameters including time spent, viewership and reach in its genre. (CS 15+, Source: TAM, Period: Jan.-March 11)
- ❖ Among the newly launched news channels, Zee News UP/UK made huge inroads in the Hindi cowbelt market in terms of viewership, reach and time spent, while 24 Gantalu consolidated its grip in Andhra Pradesh.
- ❖ Zee 24 Taas reaped benefit from the growing Marathi news market and is gaining further traction.
- ❖ In line with the thinking of building a news powerhouse and hiving off entertainment, Zee Tamizh was shut down on March 31, 2011. The losses that were being incurred by the channel will help fuel company's expansion plans.

**MUMBAI, India; May 25, 2011:-** Zee News Limited (ZNL) (BSE: 532794, NSE: ZEENEWS) today reported fourth quarter fiscal 2011 consolidated revenues of Rs 759.7 million. Consolidated EBITDA stood at Rs 138.0 million.

Net Profit before tax for the quarter stood at Rs. 128.2 million. The Board of Directors, in its meeting held today, has approved and taken on record the audited financial results of ZNL for the year ended on March 31, 2011.

Mr. Subhash Chandra, Chairman, ZNL, said, "With the year closing, we can reflect, review and state with a deep degree of satisfaction that we have achieved overall growth in line with the goals that we had set ourselves at the beginning of the year. Our company has not only established itself as a credible brand, to which national and regional news viewers turn to for information on every major event, it also takes its role as a socially responsible network seriously and aims to make a constructive imprint on society."

He added, "Another positive is that the network has outperformed competition when assessed as a business unit by posting profits in not a very favourable scenario. In retrospect, we can safely affirm

that our decision to consolidate the news business and focus on regional markets has yielded positive results.”

Mr. Punit Goenka, Managing Director, ZNL, said, “Zee News Limited remains the largest and No. 1 news network of the country. The mother channel, Zee News is the first choice for the Metro viewer, while Zee Business is tracked assiduously during stock market hours. In the vernacular space, we are leaders in West Bengal and have made significant gains in the UP/Uttarakhand and Andhra Pradesh markets. Our cost competence, operational efficiency and advantages accruing from synergies derived from a pool of resources give us an upper hand and will enable us to create greater value for long term shareholders.

Mr. Barun Das, CEO, ZNL, said, “Our focus on current deliverables even while we cement our long term strategy has ensured that we have closed another year on a positive note. The upbeat results are reflective of all-round performance, with every channel making a contribution. Advertising and subscription have continued to grow and further digitalization will only augment our position. Our ability to reinvent ourselves as per the changing dynamics and sensitivity to the need of the serious news viewers appear to have been instrumental in our success in this quarter as well as the year. The losses which would cease due to the shutdown of Zee Tamizh will now be channelised to explore expansion. Overall, we are well placed to enter the next financial with an optimistic outlook and ambitious targets.”

### Condensed Consolidated Statement of Operations

The table below presents the condensed consolidated statement of operations for Zee News Limited and its subsidiary for the fourth quarter FY 2011. In view of the recent de merger of RGEN channels with effect from the Appointed Date i.e. January 01, 2010 from ZNL to Zee Entertainment Enterprises Limited (ZEEL), numbers for the full year are not comparable with the previous year numbers.

### Consolidated Financials

(Rs. Million)	4th Quarter ended		% Growth YoY	Upto 4th Quarter ended	
	Mar-11	Mar-10		Mar-11	Mar-10
Operating Revenue	759.7	600.6	26.5%	2,768.5	5,293.1
Expenditure	621.7	561.8	10.7%	2,344.5	4,385.2
<b>EBIDTA</b>	<b>138.0</b>	<b>38.8</b>	<b>255.5%</b>	<b>424.0</b>	<b>907.9</b>
Less: Depreciation	23.2	22.6	2.8%	100.8	112.4
Less: Finance Expenses	(3.5)	(5.5)	-36.8%	15.8	90.0
Add: Other Income	9.9	0.1		11.8	2.0
<b>Net Profit before Tax</b>	<b>128.2</b>	<b>21.8</b>	<b>484.8%</b>	<b>319.2</b>	<b>707.5</b>

**Consolidated Financials (Break up of Revenues)**

(Rs. Million)	4th Quarter ended		% of Total Revenues		% Growth YoY
	Mar-11	Mar-10	Mar-11	Mar-10	
Advertising Revenue	560.6	417.1	73.8%	69.4%	34.4%
Subscription Revenue	174.9	170.8	23.0%	28.4%	2.4%
Other Sales & Services	24.2	12.7	3.2%	2.2%	90.7%
<b>Total Revenues</b>	<b>759.7</b>	<b>600.6</b>	<b>100.0%</b>	<b>100.0%</b>	<b>26.5%</b>

**Consolidated Financials (Break up of Expenditures)**

(Rs. Million)	4th Quarter ended		% of Total Expenditure		% Growth YoY
	Mar-11	Mar-10	Mar-11	Mar-10	
Cost of Goods & Operations	166.3	130.2	26.8%	23.2%	27.7%
Employee Cost	174.1	195.8	28.0%	34.8%	-11.0%
Other Expenses	281.3	235.8	45.2%	42.0%	19.3%
<b>Total Expenses</b>	<b>621.7</b>	<b>561.8</b>	<b>100.0%</b>	<b>100.0%</b>	<b>10.7%</b>

**Consolidated Financials (Break up of Revenues)**

(Rs. Million)	Upto 4th Quarter ended		% of Total Revenues	
	Mar-11	Mar-10	Mar-11	Mar-10
Advertising Revenue	1,961.7	4,189.8	70.8%	79.1%
Subscription Revenue	735.3	992.7	26.6%	18.8%
Other Sales & Services	71.5	110.6	2.6%	2.1%
<b>Total Revenues</b>	<b>2,768.5</b>	<b>5,293.1</b>	<b>100.0%</b>	<b>100.0%</b>

**Consolidated Financials (Break up of Expenditures)**

(Rs. Million)	Cum. For full year		% of Total Expenditure	
	Mar-11	Mar-10	Mar-11	Mar-10
Cost of Goods & Operations	589.5	1,946.6	25.1%	44.4%
Employee Cost	692.5	787.4	29.5%	18.0%
Other Expenses	1,062.5	1,651.2	45.4%	37.6%
<b>Total Expenses</b>	<b>2,344.5</b>	<b>4,385.2</b>	<b>100.0%</b>	<b>100.0%</b>

**Consolidated Financials (Break up of Existing & New Businesses)**

(Rs. Million)	4th Quarter FY 2011			4th Quarter FY 2010			Growth		
	Existing	New	Total	Existing	New	Total	Existing	New	Total
Total Revenue	711.7	48.0	759.7	576.5	24.1	600.6	23.5%	98.8%	26.5%
Total Expenses	463.9	157.8	621.7	470.8	91.0	561.8	-1.4%	73.3%	10.7%
<b>EBIDTA</b>	<b>247.8</b>	<b>(109.8)</b>	<b>138.0</b>	<b>105.7</b>	<b>(66.9)</b>	<b>38.8</b>	<b>134.4%</b>	<b>64.2%</b>	<b>255.5%</b>
<b>EBIDTA Margins</b>	<b>34.8%</b>	<b>229.0%</b>	<b>18.2%</b>	<b>18.3%</b>	<b>-277.2%</b>	<b>6.5%</b>			

\* New Businesses includes Zee UP News, Zee 24 Ghantalu & Zee Tamiz

**Consolidated Financials (Break up of Existing & New Businesses)**

(Rs. Million)	Cum. For full year FY 2011			Cum. For full year FY 2010		
	Existing	New	Total	Existing	New	Total
Total Revenue	2,594.8	173.7	2,768.5	3,934.1	1,359.0	5,293.1
Total Expenses	1,726.8	617.7	2,344.5	2,599.0	1,786.2	4,385.2
EBIDTA	868.0	(444.0)	424.0	1,335.1	(427.2)	907.9
EBIDTA Margins	33.5%	255.6%	15.3%	33.9%	-31.4%	17.2%

\* New Businesses includes Zee UP News, Zee 24 Ghantalu & Zee Tamiz

**Note: This earnings release contains results that are un-audited, and prepared as per Indian Generally Accepted Accounting Principles (GAAP).**

**Caution Concerning Forward-Looking Statements**

This document includes certain forward-looking statements. These statements are based on management's current expectations or beliefs, and are subject to uncertainty and changes in circumstances. Actual results may vary materially from those expressed or implied by the statements herein due to changes in economic, business, competitive, technological and/or regulatory factors. Zee News Limited is under no obligation to, and expressly disclaims any such obligation to, update or alter its forward-looking statements, whether as a result of new information, future events, or otherwise.

**About Zee News Limited** Zee News Limited is the leading news network of India. It has a unique cluster of news, current affairs and regional news channels, which includes Zee News, Zee Business, Zee Punjabi, Zee 24 Taas, Zee 24 Gantalu & Zee News U.P More information about Zee News Limited and its businesses is available on [www.zeenews.com](http://www.zeenews.com).