

EARNINGS RELEASE FOR THE SECOND QUARTER ENDED SEPTEMBER 30, 2016

**ADVERTISING REVENUES FOR Q2FY17 GREW BY 8.3% OVER Q2FY16 TO Rs 982.4 MN WHILE IT
GREW BY 7% TO Rs 2,005.8 MN FOR H1FY17 OVER H1FY16**

**EBITDA FOR Q2FY17 GREW BY 147.5% OVER Q2FY16 TO Rs 180 MN AND BY 57.9% TO Rs 357.1 MN
IN H1FY17 OVER H1FY16**

NET LOSS BEFORE TAX REDUCED FROM Rs 271.8 MN IN H1FY16 TO Rs 183.3 MN H1FY17

Operating Highlights

- ❖ Operating expenditure reduced by 9.7% to Rs 1,081.6 mn in Q2FY17 from Rs 1,197.7 mn in Q2FY16. For H1FY17, it stood at Rs 2,186.8 mn, a reduction of 8.8% over H1FY16.
- ❖ EBITDA for Q2FY17 increased by 147.5% to Rs 180 mn from Rs 72.7 mn for the corresponding period last financial year. For H1FY17, EBITDA grew by 57.9% to Rs 357.1 mn from Rs 226.2 mn in H1FY16.

Noida, India; October 27, 2016 – Zee Media Corporation Limited (ZMCL) (BSE: 532794, NSE: ZEEMEDIA) today reported consolidated revenues of Rs 1,261.6 mn for second quarter of fiscal 2017. The Network incurred Operating Expenditure of Rs 1,081.6 mn in the second quarter. The Board of Directors, in its meeting held today, approved and took on record the financial results of ZMCL for the second quarter and half year ended September 30, 2016.

Condensed Consolidated Statement of Operations

The table below presents the condensed consolidated statement of operations for Zee Media Corporation Limited and its subsidiaries for the second quarter and half year ended September 30, 2016.

Consolidated Financials

(Rs. Million)	2nd Quarter ended		% Growth	Upto 2nd Quarter ended		% Growth
	Sep-16	Sep-15		Sep-16	Sep-15	
Operating Revenue	1,261.6	1,270.4	-0.7%	2,543.9	2,623.2	-3.0%
Expenditure	1,081.6	1,197.7	-9.7%	2,186.8	2,397.0	-8.8%
EBITDA	180.0	72.7	147.5%	357.1	226.2	57.9%
Less: Depreciation / Amortisation	100.6	130.2	-22.7%	203.6	255.4	-20.3%
Less: Finance Cost	123.7	137.3	-9.9%	232.1	265.6	-12.6%
Add: Other Income	23.6	27.0	-12.3%	64.0	44.2	44.9%
Less: Exceptional Items	188.8	61.5	207.0%	188.8	61.5	-
Less: Tax Expense	(40.1)	(43.7)	-8.4%	(46.6)	(71.8)	-
Less: Minority Interest	11.0	13.1	-16.3%	22.7	22.4	1.4%
Add: Other comprehensive Income	(3.0)	(5.0)	-39.7%	(3.8)	(9.1)	-
Net Profit before Tax	(183.4)	(203.7)		(183.3)	(271.8)	

Consolidated Financials (Break up of Revenues)

(Rs. Million)	2nd Quarter ended		% of Total Revenues		% Growth YoY
	Sep-16	Sep-15	Sep-16	Sep-15	
Advertising Revenue	982.4	906.9	77.9%	71.4%	8.3%
Subscription Revenue	163.7	272.4	13.0%	21.4%	-39.9%
Other Sales & Services	115.5	91.1	9.2%	7.2%	26.7%
Total Revenues	1,261.6	1,270.4	100.0%	100.0%	-0.7%

Consolidated Financials (Break up of Expenditures)

(Rs. Million)	2nd Quarter ended		% of Total Revenues		% Growth YoY
	Sep-16	Sep-15	Sep-16	Sep-15	
Cost of Goods & Operations	338.8	337.6	31.3%	28.2%	0.4%
Employee Cost	304.5	379.7	28.1%	31.7%	-19.8%
Other Expenses	438.3	480.4	40.6%	40.2%	-8.8%
Total Expenses	1,081.6	1,197.7	100.0%	100.0%	-9.7%

Consolidated Financials (Break up of Revenues)

(Rs. Million)	Upto 2nd Quarter ended		% of Total Revenues		% Growth YoY
	Sep-16	Sep-15	Sep-16	Sep-15	
Advertising Revenue	2,005.8	1,874.4	78.8%	71.5%	7.0%
Subscription Revenue	342.6	559.1	13.5%	21.3%	-38.7%
Other Sales & Services	195.5	189.7	7.7%	7.2%	3.0%
Total Revenues	2,543.9	2,623.2	100.0%	100.0%	-3.0%

Consolidated Financials (Break up of Expenditures)

(Rs. Million)	Upto 2nd Quarter ended		% of Total Expenditure		% Growth YoY
	Sep-16	Sep-15	Sep-16	Sep-15	
Cost of Goods & Operations	626.4	654.3	28.6%	27.3%	-4.3%
Employee Cost	623.6	794.5	28.5%	33.1%	-21.5%
Other Expenses	936.8	948.2	42.8%	39.6%	-1.2%
Total Expenses	2,186.8	2,397.0	100.0%	100.0%	-8.8%

Segment Results

Rs. in millions	For Q2 FY17			For Q2 FY16		
	Television	Print	Total	Television	Print	Total
Total Revenues	1,005.7	255.9	1,261.6	1,003.0	267.4	1,270.4
Total Expenses	798.2	283.4	1,081.6	897.4	300.3	1,197.7
EBITDA	207.5	(27.5)	180.0	105.6	(32.9)	72.7

Segment Results

Rs. in millions	Upto Q2 FY17			Upto Q2 FY16		
	Television	Print	Total	Television	Print	Total
Total Revenues	2,049.0	494.9	2,543.9	2,089.3	533.9	2,623.2
Total Expenses	1,642.2	544.6	2,186.8	1,798.2	598.8	2,397.0
EBITDA	406.8	(49.7)	357.1	291.1	(64.9)	226.2

Television Business - Existing Vs New Channels

Television Business Rs. in millions	Upto Q2 FY17			Upto Q2 FY16			Growth		
	Existing	New	Total	Existing	New	Total	Existing	New	Total
Advertisement Revenues	1,576.4	143.7	1,720.1	1,399.8	123.4	1,523.2	12.6%	16.4%	12.9%
Subscription Revenues	295.7	-	295.7	502.8	-	502.8	-41.2%	-	-41.2%
Other Revenues	33.2	-	33.2	63.3	-	63.3	-47.6%	-	-47.6%
Total Expenses	1,418.4	223.8	1,642.2	1,526.3	271.9	1,798.2	-7.1%	-17.7%	-8.7%
EBITDA	486.9	(80.1)	406.8	439.6	(148.5)	291.1	10.7%	-	39.7%

Television Business - Existing Vs New Channels

Television Business Rs. in millions	For Q2 FY17			For Q2 FY16			Growth		
	Existing	New	Total	Existing	New	Total	Existing	New	Total
Advertisement Revenues	776.3	70.8	847.1	659.3	66.6	725.9	17.7%	6.3%	16.7%
Subscription Revenues	140.9	-	140.9	244.4	-	244.4	-42.3%	-	-42.3%
Other Revenues	17.7	-	17.7	32.7	-	32.7	-45.9%	-	-45.9%
Total Expenses	688.4	109.8	798.2	758.7	138.7	897.4	-9.3%	-20.9%	-11.1%
EBITDA	246.5	(39.0)	207.5	177.7	(72.1)	105.6	38.7%	-	96.5%

*New Business includes Zee MPCG, Zee Rajasthan News, Zee Kalinga News, and Zee Purvaiya

Business Highlights

- ❖ The 10 news channels of ZMCL comprising 3 national and 7 regional channels reached more than 281.7 million viewers, emerging as the largest TV news network in the country. Its newspaper, dna, continued to reach a sizeable section of population in Mumbai. (Source: BARC, NCCS 4+, All India, ZMCL Channels, Jul-Sep 2016, Average Monthly Reach)

To contribute towards the Skill India Movement, the network kicked-off its *Will to Skill* initiative, which has the potential to induce a chain reaction in Indian Society where every skilled person will help skill an unskilled person for a better future.

- ❖ Zee News, the network's National news channel, reached over 168 million viewers across the country. (Source: BARC, NCCS 4+, All India, Jul-Sep 2016, Average Monthly Reach)

To cater to the sports-crazy population, the channel provided an extensive coverage of the Rio Olympics 2016 through on-ground reporting from Brazil and special programming *India Maangey Gold* across the duration of event.

- ❖ Zee Business was the most preferred channel in the Business News genre and reached 25 million viewers. (Source: BARC, NCCS 4+, All India, Jul-Sep 2016, Average Monthly Reach)

The channel organized three rounds of *Emerging Business Forum*, its initiative to bring together people from leading industries and provide them with an opportunity to identify the challenges of the SME world. The channel is reinvigorating the college-level quizzing in India through *LIC Diamond Jubilee Quiz 2016* being conducted across the country. To create financial awareness among investor community, the channel organized *Rising Investor* camps across three cities.

- ❖ 24 Ghanta, the network's Bengali news offering, maintained its leadership in the genre with 31.9 million viewers. (Source: BARC, NCCS 4+, All India, Jul-Sep 2016, Average Monthly Reach)

To cater to the music crazy population of Kolkata, the channel organized *Band Carnival* with live performance from renowned Bengali singer Somlata Acharyya Chowdhury and her band "Somlata and The Aces". The event also introduced new talent in the form of three new bands.

- ❖ Zee 24 Taas, India's first 24-hour Marathi news channel, dominated the genre with 25.6% market share. (Source: BARC, NCCS 15+, Maharashtra market, Week 27-39 2016, 7 Channels, Average Weekly Share based on Impressions)

To promote the state's cultural heritage, the channel organized *Chala Kheluya Mangalagaur* during Shraavan Fest to search for the "Best Mangalagaur Group" in competitions across various cities. The channel promoted nature-friendly festival celebrations through *Eco Friendly Ganpati Contest*, the search for the most eco-friendly household Ganpati.

- ❖ India 24x7, our national Hindi news channel focusing on rural markets, reached 100.5 million audiences across India. (Source: BARC, NCCS 4+, All India, Jul-Sep 2016, Average Monthly Reach)
- ❖ Zee Madhya Pradesh Chhattisgarh, through its relevant and engaging content, continued its dominance in the genre and completed Golden Jubilee (50 weeks) as the No. 1 Channel in the region.
- ❖ Zee Punjab Haryana Himachal, addressing audiences across Himachal Pradesh and Haryana besides Punjab, reached over 14.9 million audiences across the country. (Source: BARC, NCCS 4+, All India, Jul-Sep 2016, Average Monthly Reach)

The channel organized *Agri Awards 2016* to felicitate the distinguished personalities who have brought pride and glory to the region in the field of agriculture.

- ❖ Zee Rajasthan News, our regional channel catering to Rajasthani population, continues to touch the heart of the region and led the genre with 55.4% market share. (Source: BARC, NCCS 15+, Rajasthan market, Week 27–39 2016, 3 Channels, Average Weekly Share based on Impressions)
- ❖ Zee Kalinga News, our 24X7 news channel for Odisha, reached more than 11 million viewers. (Source: BARC, NCCS 4+, All India, Jul-Sep 2016, Average Monthly Reach)

To honor the unsung heroes of Odisha who have done great work for the betterment of the society and are still unrecognized, the channel organized *Mu Paribartana* (I am the Change) on the occasion of Independence Day.

- ❖ Zee Purvaiya, our regional channel targeting Bihar and Jharkhand, reached more than 15.6 million viewers. (Source: BARC, NCCS 4+, All India, Jul-Sep 2016, Average Monthly Reach)

To recognize doctors and hospitals doing outstanding work in various fields of medical specialization, the channel organized *Healthy Living Awards*. The event also included a Health Conclave which discussed and deliberated on issues relating to health.

- ❖ DNA, our English daily, organized the multi phase *Eco Ganesha* movement for the 7th year, which comprised creating awareness on eco-friendly celebrations across prime housing societies, Juhu Beach Clean Up drive, and culminated into Eco Ganesha Awards.

To create Hepatitis awareness amongst the BEST employees, the paper organized the 2nd edition of *DNA Yellow Drive* across 25 key BEST bus depots in Mumbai and provided vital information on what can be done to prevent and eradicate the deadly disease. The paper organized the 4th edition of *DNA Vibrant Forever* workshop where industry experts demystified the myths, answered queries in cosmetic space, and concluded with live demonstrations.

Corporate Development

- ❖ **Newspaper Launch:** The Network launched the Delhi edition of DNA on 11th October 2016.
- ❖ **Acquisition:** Subsequent to September 30, 2016, the Company has acquired 49% stake in Today Merchandise Private Limited and Today Retail Network Private Limited and the Board of Directors today approved in-principle launch of a Home Shopping channel by the Company.
- ❖ **Merger:** In their meeting held on even date, the Board of Directors has given in-principle approval for Scheme of Arrangement and Amalgamation for demerger of Print Media undertaking of the Company into Diligent Media Corporation Limited (DMCL), merger of Mediavest India Private Limited and Pri Media Services Private Limited into DMCL and merger of Maurya TV Private Limited with the Company. As a part of the Scheme, the equity shares of DMCL shall be listed on stock exchanges.

Channel Portfolio

National News Channels



Regional News Channels



Newspaper



DAILY NEWS & ANALYSIS

Note: This earnings release contains results that are 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 Media Corporation 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.



॥ वाचस्पतिव्यक्तित्वम् ॥
॥ THE WORLD IS MY FAMILY ॥

About Zee Media Corporation Limited: Zee Media Corporation Limited, erstwhile Zee News Limited, is one of the leading news networks of India. It has a unique cluster of news, current affairs and regional news channels, which includes Zee News, Zee Business, India 24x7, WION, Zee Punjab Haryana Himachal, Zee Madhya Pradesh Chhattisgarh, Zee 24 Taas, 24 Ghanta, Zee Kalinga News, Zee Purvaiya and Zee Rajasthan News. It also includes newspaper dna. More information about Zee Media Corporation Limited and its businesses are available on www.zeenews.com.



Earnings Release for the Quarter ended September 30, 2016

