

EARNINGS RELEASE FOR THE FIRST QUARTER ENDED JUNE 30, 2014

**TELEVISION BUSINESS OPERATING REVENUE FOR THE FIRST QUARTER OF FY15
HAS GROWN BY 33.7% TO Rs. 1,038.7 MN**

**TELEVISION ADVERTISING REVENUE FOR THE FIRST QUARTER OF FY15 HAS
GROWN BY 51.2% TO Rs. 800.1 MN**

**TELEVISION BUSINESS EBIDTA FOR THE FIRST QUARTER OF FY15 HAS GROWN
BY 42.0% TO Rs. 132.2 MN**

Mumbai, India; Aug 7, 2014 – Zee Media Corporation Limited (ZMCL), erstwhile Zee News Limited, (BSE: 532794, NSE: ZEEMEDIA), today reported first quarter of fiscal 2015 consolidated revenues of Rs. 1334.6 mn. The company incurred Operating Expenditure of Rs. 1313.7 mn in the first quarter. The Board of Directors, in its meeting held today, approved and took on record the financial results of ZMCL for the first quarter ended on June 30, 2014. The results include figures for the print business and are not comparable to the previous quarters.

Mr. Subhash Chandra, Non-executive Chairman of the Board, said “The Union budget presented in July has helped improve the investment climate and has restored business confidence. More money has been put in taxpayer’s pocket thereby enhancing his purchasing power. Emphasis on the completion of unfinished infrastructure projects to start their utilization is another positive sign. Raising FDI limits in certain sectors and disinvestment of certain PSUs would also go a long way in injecting funds into economy. While the government has taken a path of fiscal prudence, Consumer Price Inflation still remains a major area of concern, which hopefully will be better addressed through monsoon revival. The new buoyancy in the economy, backed by a well-intentioned policy push, is bound to make a positive impact on Indian media industry.”

Dr Bhaskar Das, Group CEO, News Cluster, said: “Continuing to expand our horizon, ZMCL has enlarged its reach to over 147 million users across the country, again consolidating its position as the largest private news network. We have also continued to sharpen our focus on our online medium by ensuring seamless integration of content across platforms. The network set high benchmarks in coverage of general elections, striking a rich balance between insightful analysis and reportage from the field. While we are constantly striving for creating content differentiators, the network has posted a strong growth in advertisement revenue, especially on Counting Day of general elections.”

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 first quarter ended June 30, 2014.

Consolidated Financials

(Rs. Millions)	1st Quarter ended		% Growth YoY
	Jun-14	Jun-13	
Operating Revenue	1,334.6	776.8	71.8%
Expenditure	1,313.7	683.7	92.2%
EBITDA	20.9	93.1	-77.6%
Less: Depreciation	124.3	39.3	215.9%
Less: Finance Expenses	126.7	16.4	673.3%
Add: Other Income	8.9	47.7	-81.4%
Net Profit before Tax	(221.2)	85.1	

The results include figures for the print business and are not comparable to the previous quarters.

Consolidated Financials (Break up of Revenues)

(Rs. Millions)	1st Quarter ended		% of Total Revenues		% Growth YoY
	Jun-14	Jun-13	Jun-14	Jun-14	
Advertising Revenue	1,019.2	529.0	76.4%	68.1%	92.7%
Subscription Revenue	249.3	210.0	18.7%	27.0%	18.7%
Other Sales & Services	66.1	37.8	5.0%	4.9%	74.7%
Total Revenues	1,334.6	776.8	100.0%	100.0%	71.8%

The results include figures for the print business and are not comparable to the previous quarters.

Consolidated Financials (Break up of Expenditures)

(Rs. Millions)	1st Quarter ended		% of Total Revenues		% Growth YoY
	Jun-14	Jun-13	Jun-14	Jun-14	
Cost of Goods & Operations	329.6	126.1	25.1%	18.4%	161.4%
Employee Cost	399.5	232.5	30.4%	34.0%	71.9%
Other Expenses	584.6	325.1	44.5%	47.6%	79.8%
Total Expenses	1,313.7	683.7	100.0%	100.0%	92.2%

The results include figures for the print business and are not comparable to the previous quarters.

Segment Results

Rs. in millions	Television	Print	Total
Total Revenues	1,038.7	295.9	1,334.6
Total Expenses	906.5	407.2	1,313.7
EBITDA	132.2	(111.3)	20.9

Television Business - Existing Vs New Channels

Television Business Rs. in millions	Q1FY15			Q1FY14			Growth		
	Existing	New	Total	Existing	New	Total	Existing	New	Total
Advertisement Revenues	773.0	27.1	800.1	523.5	5.5	529.0	47.7%	395.1%	51.2%
Subscription Revenues	210.1	-	210.1	210.0	-	210.0	0.1%		0.1%
Other Revenues	28.5	-	28.5	37.8	-	37.8	-24.6%		24.6%
Total Expenses	753.8	152.7	906.5	633.8	49.9	683.7	18.9%	205.9%	32.6%
EBITDA	257.8	(125.6)	132.2	137.5	(44.4)	93.1	87.5%		42.0%

* Existing Business includes Zee News, Zee Business, Zee 24 Taas, Zee PHH, Zee Sangam, 24 Ghanta, Zee 24 Gantalu (FY14).

*New channels include Zee Madhya Pradesh Chhattisgarh, Zee Marudhara and Zee Kalinga

Business Highlights

- ❖ ZMCL continues to be the largest News Network in India reaching over 147.4 million viewers with its National and Regional News channels and through its digital platforms – zeenews.com, dnaindia.com, Facebook, YouTube and Twitter. (Source: TAM, CS 4+, All India, ZMCL Channels, Q1 Reach; Google Analytics, Facebook and Twitter)

- ❖ Zee News, our flagship channel, reached over 117.6 million viewers across India. (Source: TAM, CS 4+, All India, Q1 Reach)

Riding the excitement created by general elections, Zee News dished out special programs like *Singhasan Ka Final* and *Sabse Bada Faisla* which was a 100-hour nonstop coverage of the counting day. With Football World Cup fever grabbing attention post elections, Zee News roped in former India captain Bhaichung Bhutia for Goal, a special show which gave insight into every match.

- ❖ *dna*, a strong newspaper brand with its presence in Mumbai, Pune and Bangalore is now a part of ZMCL family. *dna* continued to evolve as a smart tool for accessing information through innovative and pro-reader style of presenting news and information using 'Newsicles' to capture the lead story in a Why-Where-Who format thus providing for maximum information in minimum read time. *Young Turks* feature was brought which showcased the young achievers.

- ❖ Zee Business reached 55.5 million audiences across India (Source: TAM, CS 4+, All India, Q1 Reach)

The channel continued with its flagship initiatives of *Sensex Ka Sultan*, India's first derivatives reality show, and Emerging Business Forum, country's largest SME discussion forum. In addition, the channel also organized SME Growth Series, a powerful new initiative spanning seven key markets engaging the growth drivers of India.

- ❖ 24 Ghanta, our Bengali news offering, reached over 17.0 million audiences across India. (Source: TAM, CS 4+, All India, Q1 Reach)

24 Ghanta stood out with its clear stand of unbiased and fearless reporting and widest coverage of general elections in Bengal. The channel also offered a special show *Brazil e Judhhyo* meaning War in Brazil with celebrity footballer and anchor Jose Ramirez Barreto to the football crazy state.

- ❖ Zee 24 Taas, India's first 24-hour Marathi news channel, reached 30.6 million viewers across India. (Source: TAM, CS 4+, All India, Q1 Reach).

The channel won Gold (Category – Outdoor) and Silver (Category – Print) at India's most prestigious advertising awards event - Goafest 2014 for its ad campaign 'Every side of the story'.

- ❖ Zee Sangam changed its channel identity as a regional channel with national perspective. Zee Sangam was No. 1 with a channel share of 33.4% and reached over 20.7 million viewers across India. (Source: TAM, CS 4 +, All India, Q1 Reach and CS15+, UP UK for channel share)
- ❖ Zee Madhya Pradesh Chhattisgarh continued to make inroads into Central India reaching more than 17.4 million viewers across India with relevant and engaging content (Source: TAM, CS 4+ All India, Q1 Reach)
- ❖ Zee Punjab Haryana Himachal which now addresses a much wider range of audience in North India, reached more than 14.5 million viewers (Source: TAM, CS 4+, All India, Q1 Reach)
- ❖ Zee Marudhara is now reaching more than 5.7 million viewers across India. (Source: TAM, CS 4+, All India, Q1 Reach)
- ❖ Zee Kalinga has expanded its reach to more than 2.2 million viewers across India. (Source: TAM, CS 4+, All India, Q1 Reach)
- ❖ In the first quarter of FY15, zeenews.com attracted over 28 million unique users, 63 million visits with 161 million page views registering an increase of 21.5% in visits, 10.3% in unique visitors and 37.1% in page views over last quarter of previous financial year. The website also registered its highest traffic ever in May 2014 with over 27 million visits, 13 million unique visitors and 79 million page views. The regional sections of the website also put up a good performance with visits to Hindi, Bengali and Marathi websites growing by 24.4%, 57.7% and 72.9% respectively. Zee Media Facebook pages crossed 8 million likes. (Source – Google Analytics, Facebook).

Corporate Development

The Scheme of Amalgamation ("The Scheme") for merger of Essel Publishers Private Limited ("EPPL") with the Company was approved by the Honorable Bombay High Court vide Order passed on May 2, 2014, with Appointed Date being April 1, 2014. The Scheme has been made effective on May 27, 2014 and hence given effect to in the financial statements of the current quarter. As per the Scheme, all assets and liabilities of EPPL vested on the Company were accounted at their respective fair values as per Accounting Standard 14. In pursuance of the Scheme, the Company had on June 9, 2014 issued and



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allotted 122,381,817 Equity Shares of Re 1 each fully paid up to the shareholders of EPPL, which has resulted in (i) increase in paid-up capital of the Company to 362,145,773 Equity Shares of Re. 1 each; and (ii) increase in shareholding of Promoters and Promoter Group to 69.11%.

Upon effectiveness of the Scheme of Amalgamation, the consolidated financial statements of the Company includes financials of Zee Akaash News Pvt Limited (a 60% subsidiary engaged in the business of broadcasting of a Bengali News Channel '24 Ghanta') and financials of 3 subsidiaries of EPPL vested on the Company in pursuance of the Scheme of Amalgamation, viz., Mediavest India Private Limited, Diligent Media Corporation Limited (an entity engaged in publishing of dna newspaper) and Pri-Media Services Pvt Ltd (an entity engaged in the business of printing inter alia of dna newspaper). Additionally the Consolidated financial statement includes, Company's share in an Associate entity, Maurya TV Private Limited, wherein the Company holds 37.87% equity stake.

The Board of Directors of Diligent Media Corporation Limited (a Subsidiary of the Company), had approved a Scheme of Arrangement for demerger of Media Business Undertaking (comprising of Non-News Business) to vest with Zee Entertainment Enterprises Limited, with effect from the Appointed Date of March 31, 2014. The Scheme is subject to approval of Honorable Bombay High Court. In view of the said Scheme, the Consolidated figures for the quarter include revenue of `Rs. 7.6 mn`, expenses of `Rs. 26.6 mn` and net loss of `Rs. 19.0 mn` pertaining to the Media Business Undertaking of Non-News Business of Diligent Media Corporation Limited.

Mr. Alok Agrawal resigned as Whole Time Director and CEO of the company with effect from May 12, 2014.

Channel Portfolio

National News Channels



Earnings Release for the Quarter ended June 30, 2014



Regional News Channels



Print



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.



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About Zee Media Corporation Limited: Zee Media Corporation Limited, erstwhile 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 Punjab Haryana Himachal, Zee Madhya Pradesh Chhattisgarh, Zee 24 Taas, 24 Ghanta, Zee Kalinga, Zee Sangam and Zee Marudhara. It also owns print business under the brand dna. More information about Zee Media Corporation Limited and its businesses is available on www.zeenews.india.com.