

## **EARNINGS RELEASE FOR THE SECOND QUARTER ENDED SEPTEMBER 30, 2015**

**EBITDA FOR Q2 OF FY16 GREW BY 9.7% TO RS 67.1 MN FROM RS 61.2 MN DURING THE  
CORRESPONDING PERIOD OF FY15**

**EBITDA POSTED A GROWTH OF 161.7%, INCREASING FROM RS 82.1 MN IN H1 OF FY15 TO RS 214.8  
MN IN THE CORRESPONDING PERIOD THIS YEAR**

### **Operating Highlights**

- ❖ Operating expenditure for the quarter reduced by 3.7% to Rs 1,203.3 mn in Q2 of FY16 from Rs 1,250.0 mn in Q2 of FY15
- ❖ EBITDA for Q2 of FY16 stood at Rs 67.1 mn, a growth of 9.7% over Q2 of FY15

**Noida, India; October 20, 2015** – Zee Media Corporation Limited (ZMCL), erstwhile Zee News Limited, (BSE: 532794, NSE: ZEEMEDIA), today reported consolidated revenues of Rs 1,270.4 mn for second quarter of fiscal 2016. The Network incurred Operating Expenditure of Rs 1,203.3 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 ended September 30, 2015.

Dr Bhaskar Das, Group CEO, News Cluster, said: “With hardly any content differentiators, news has become commoditized over the years. Fragmentation has also not helped the cause of the genre. However, we at Zee Media have been constantly investing on breaking the clutter and creating path-breaking content so that we can distinctly set ourselves apart from the current normal. Our breakthrough experiments in content have borne results. Zee News, the pioneer in news broadcasting in India, has turned into viewers’ first choice of late as we continue to make the content meaningful and relevant in the context of the current discourse. The bouquet of ZMCL channels and our newspaper, dna, continue to be one of India’s largest news networks and we leverage our multiple access points to reach both our viewers and advertisers, providing value to every stakeholder at every step.”

## 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 ended September 30, 2015.

### Consolidated Financials

(Rs. Million)	2nd Quarter ended		% Growth YoY	Upto 2nd Quarter ended		% Growth YoY
	Sep-15	Sep-14		Sep-15	Sep-14	
Operating Revenue	1,270.4	1,311.2	-3.1%	2,623.0	2,645.8	-0.9%
Expenditure	1,203.3	1,250.0	-3.7%	2,408.2	2,563.7	-6.1%
<b>EBITDA</b>	<b>67.1</b>	<b>61.2</b>	<b>9.7%</b>	<b>214.8</b>	<b>82.1</b>	<b>161.7%</b>
Less: Depreciation	130.2	130.1	0.1%	255.4	254.4	0.4%
Less: Finance Expenses	102.3	125.5	-18.5%	232.3	252.2	-7.9%
Add: Other Income	25.0	14.3	74.7%	40.4	23.2	74.2%
<b>Net Profit before Tax</b>	<b>(140.4)</b>	<b>(180.1)</b>		<b>(232.5)</b>	<b>(401.3)</b>	

### Consolidated Financials (Break up of Revenues)

(Rs. Million)	2nd Quarter ended		% of Total Revenues		% Growth YoY
	Sep-15	Sep-14	Sep-15	Sep-14	
Advertising Revenue	906.9	931.4	71.4%	71.0%	-2.6%
Subscription Revenue	272.4	280.7	21.4%	21.4%	-3.0%
Other Sales & Services	91.1	99.1	7.2%	7.6%	-8.0%
<b>Total Revenues</b>	<b>1,270.4</b>	<b>1,311.2</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-3.1%</b>

### Consolidated Financials (Break up of Expenditures)

(Rs. Million)	2nd Quarter ended		% of Total Revenues		% Growth YoY
	Sep-15	Sep-14	Sep-15	Sep-14	
Cost of Goods & Operations	336.4	401.3	28.0%	32.1%	-16.2%
Employee Cost	386.0	416.0	32.0%	33.3%	-7.2%
Other Expenses	480.9	432.7	40.0%	34.6%	11.1%
<b>Total Expenses</b>	<b>1,203.3</b>	<b>1,250.0</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-3.7%</b>

### Consolidated Financials (Break up of Revenues)

(Rs. Million)	Upto 2nd Quarter ended		% of Total Revenues		% Growth YoY
	Sep-15	Sep-14	Sep-15	Sep-14	
Advertising Revenue	1,874.4	1,950.6	71.5%	73.8%	-3.9%
Subscription Revenue	559.1	530.0	21.3%	20.0%	5.5%
Other Sales & Services	189.5	165.2	7.2%	6.2%	14.8%
<b>Total Revenues</b>	<b>2,623.0</b>	<b>2,645.8</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-0.9%</b>

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

(Rs. Million)	Upto 2nd Quarter ended		% of Total Expenditure		% Growth
	Sep-15	Sep-14	Sep-15	Sep-14	YoY
Cost of Goods & Operations	653.1	817.8	27.1%	31.9%	-20.2%
Employee Cost	807.1	815.6	33.5%	31.8%	-1.0%
Other Expenses	948.0	930.3	39.4%	36.3%	1.9%
<b>Total Expenses</b>	<b>2,408.2</b>	<b>2,563.7</b>	<b>100.0%</b>	<b>100.0%</b>	<b>-6.1%</b>

**Segment Results - For Q2**

Rs. in millions	For Q2 FY16			For Q2 FY15		
	Television	Print	Total	Television	Print	Total
Total Revenues	1,003.0	267.5	<b>1,270.4</b>	985.6	325.6	<b>1,311.2</b>
Total Expenses	901.3	302.0	<b>1,203.3</b>	880.6	369.4	<b>1,250.0</b>
EBITDA	101.7	(34.5)	<b>67.1</b>	105.0	(43.8)	<b>61.2</b>

**Segment Results - Upto Q2**

Rs. in millions	Upto Q2 FY16			Upto Q2 FY15		
	Television	Print	Total	Television	Print	Total
Total Revenues	2,089.3	533.7	<b>2,623.0</b>	2,024.4	621.4	<b>2,645.8</b>
Total Expenses	1,806.0	602.2	<b>2,408.2</b>	1,787.2	776.5	<b>2,563.7</b>
EBITDA	283.3	(68.5)	<b>214.8</b>	237.2	(155.1)	<b>82.1</b>

**Television Business - Existing Vs New Channels - For Q2**

Television Business Rs. in millions	Q2 FY16			Q2 FY15			Growth		
	Existing	New	Total	Existing	New	Total	Existing	New	Total
Advertisement Revenues	659.3	66.6	<b>725.9</b>	685.8	25.2	<b>711.0</b>	-3.9%	164.3%	2.1%
Subscription Revenues	244.4	-	<b>244.4</b>	246.2	-	<b>246.2</b>	-0.8%	-	-0.8%
Other Revenues	32.7	-	<b>32.7</b>	28.3	-	<b>28.3</b>	15.5%	-	15.5%
Total Expenses	762.1	139.2	<b>901.3</b>	754.1	126.5	<b>880.6</b>	1.1%	10.1%	2.4%
EBITDA	174.3	(72.6)	<b>101.7</b>	206.2	(101.3)	<b>104.9</b>	-15.5%	-28.3%	-3.1%

**Television Business - Existing Vs New Channels - Upto Q2**

Television Business Rs. in millions	Upto Q2 FY16			Upto Q2 FY15			Growth		
	Existing	New	Total	Existing	New	Total	Existing	New	Total
Advertisement Revenues	1,399.8	123.4	<b>1,523.2</b>	1,458.9	52.3	<b>1,511.2</b>	-4.0%	136.1%	0.8%
Subscription Revenues	502.8	-	<b>502.8</b>	456.4	-	<b>456.4</b>	10.2%	-	10.2%
Other Revenues	63.4	0.0	<b>63.4</b>	56.8	-	<b>56.8</b>	11.5%	-	11.5%
Total Expenses	1,533.1	272.9	<b>1,806.0</b>	1,507.9	279.3	<b>1,787.2</b>	1.7%	-2.3%	1.1%
EBITDA	432.9	(149.6)	<b>283.3</b>	464.1	(227.0)	<b>237.2</b>	-6.7%	-34.1%	19.4%

\*New Business includes Zee MPCG, Zee Marudhara, Zee Kalinga, and Maurya TV.

## **Business Highlights**

- ❖ ZMCL continues to be one of India's largest news networks, reaching 91.3 million viewers across the country, riding on its bouquet of 2 national and 8 regional news channels. (Source: BARC, NCCS 4+, All India, ZMCL Channels, Q2 2015 Average Monthly Reach)

During the quarter, Zee News, the network's flagship channel, continued its endeavour to provide credible and authentic news that directly impacts people's lives. As a socially conscious channel that seeks to stand out among the culture of tabloid journalism, Zee News has made a direct connect with viewers by making news relevant to their daily lives. The results were visible as it emerged as the No. 1 Hindi News channel by share from week 36 to week 39. (Source: BARC, NCCS 15+, Wk 36-39 '15, 0700 to 2400 hrs)

Raising the level of debate on the much talked about India's Growth Story, our business channel, Zee Business, provided an engaging platform in the form of *Ministerial Conclave* to people from various walks of life, including ministers, industry experts, and policy makers among others, to ask the Government relevant questions on how it plans to tackle the challenges. The event started with a panel discussion which included heads of industry bodies, top leaders of companies, as well as founders of start-ups to gain multiple perspectives. Thereafter, the discussion involved ministers who highlighted what has improved and what are their plans for further growth of the country. Some of the notable names who were part of the discussion were Road & Transport Minister Nitin Gadkari, Environment & Forests Minister Prakash Javadekar, Railways Minister Suresh Prabhu, MoS for Parliamentary Affairs Mukhtar Abbas Naqvi, MoS for Civil Aviation & Tourism Dr. Mahesh Sharma, and MoS in PMO Dr. Jitendra Singh.

- ❖ Zee News, the network's National news Channel, reached over 60.8 million viewers across the country. (Source: BARC, NCCS 4+, All India, Q2 2015 Average Monthly Reach)
- ❖ Zee Business maintained its No. 1 position in reach in the Business News genre with 16.7 million audiences across India. (Source: BARC, NCCS 4+, All India, Q2 2015 Average Monthly Reach)

To educate and empower investors about various financial instruments and to enable them to plan their investments in a better manner, the channel organized *Aapka Faayda* investor camps in Chandigarh and Ludhiana.

The channel continued its initiative to enable SME clusters to imbibe quality management processes and innovation for business growth by organizing five rounds of *Emerging Business Forum*. The forum highlights the achievements of emerging business enterprises in



key clusters and provides a platform to SMEs for first hand contact with each other and an opportunity to receive mentoring by eminent entrepreneurs and business leaders.

- ❖ 24 Ghanta, our Bengali news offering, reached over 10.1 million viewers. (Source: BARC, NCCS 4+, All India, Q2 2015 Average Monthly Reach)
- ❖ Zee 24 Taas, India's first 24-hour Marathi news channel, 13.0 million audiences across India. (Source: BARC, NCCS 4+, All India, Q2 2015 Average Monthly Reach)

The channel organized *Aapla Shahar Aapla Awaaz* in Trimbakeshwar and Pune to provide a platform to citizens to raise their civic problems with politicians and administrators.

To promote state's cultural heritage, the channel organized *Shravan Fest*, which included a search for the "Best Mangalagaur Group" in competitions across various cities culminating into the grand finale at Mumbai.

Zee 24 Taas sought to make a difference to the lives of poor students by organizing *Toppers Parishad*. The event was meant to generate donation for students who have excelled in Class 10 exams but cannot afford further education.

- ❖ Zee Sangam, our regional channel catering to Uttar Pradesh and Uttarakhand, remains dominant in the region with 19.9 million viewers. (Source: BARC, NCCS 4+, All India, Q2 2015 Average Monthly Reach)

To promote discussion on women empowerment and issues that need to be addressed for their development, the channel organized *Aadhi Abadi* conclave inviting participation from eminent personalities of Uttar Pradesh, including Chief Minister Akhilesh Yadav as the Chief Guest.

- ❖ Zee Madhya Pradesh Chhattisgarh continues to be the most preferred channel in the region through its relevant and engaging content with a reach of 8.8 million. (Source: BARC, NCCS 4+, All India, Q2 2015 Average Monthly Reach)

To promote a discussion on 'Skill Development' and 'Make in Chhattisgarh', the channel organized *Chhattisgarh State Summit* with state's cabinet ministers, industry experts, and Chief Minister Raman Singh.

The channel also entered into a partnership with Chhattisgarh government for attaining plantation target of 10 Cr in one year through *Paudhe Lagao Selfie Banao* initiative, which encourages people to plant a tree and share their selfies.

To promote a strategic discussion on development of information technology in the state, the channel organized *Madhya Pradesh IT Summit* with Chief Minister Shivraj Singh Chouhan as Chief Guest.

- ❖ Zee Punjab Haryana Himachal, addressing audiences across Himachal Pradesh and Haryana besides Punjab, reached more than 6.1 million viewers. (Source: BARC, NCCS 4+, All India, Q2 2015 Average Monthly Reach)

Keeping up with its tradition of promoting dialogue between the citizens and the legislature, the channel commissioned a monthly series, *Sarkar Se Samwaad*, across the cities of Punjab and Haryana. It provided a platform to citizens to voice their opinion before political leaders.

To create awareness against drug abuse among the youth of Punjab, the channel organized a *Musical Night* concert in Jalandhar.

- ❖ Zee Marudhara, our regional channel catering to Rajasthani population, reached more than 5.4 million viewers. (Source: BARC, NCCS 4+, All India, Q2 2015 Average Monthly Reach)

The channel recognized the sacrifices made by the soldiers of the state by honoring the war widows through its event *Hai Naman Unko*. The channel also organized *Healthy Living Awards* to felicitate organizations and individuals working for the betterment of the healthcare sector in Rajasthan.

- ❖ Zee Kalinga, our 24X7 news channel for Odisha, reached more than 2.2 million viewers. (Source: BARC, NCCS 4+, All India, Q2 2015 Average Monthly Reach)

To promote a discussion on growth of India after 68 years of independence and where we failed to achieve the true sense of Independence, the channel organized an Independence Day forum titled *Bhul Rahila Keunthi*. To spread the message of preventive healthcare and to create a healthy heart environment, the channel organized a *Walkathon* on the occasion of World Heart Day.

- ❖ Maurya TV, our regional channel targeting Bihar and Jharkhand, reached more than 3.5 million viewers. (Source: BARC, NCCS 4+, All India, Q2 2015 Average Monthly Reach)

The channel provided an extensive coverage of the Kanwar Yatra and organized a religious musical evening *Baba Nagariya*.

- ❖ dna, our English daily, celebrated its 10<sup>th</sup> anniversary on 31<sup>st</sup> July 2015 with a power packed special edition. The newspaper organized the multi phase *Eco Ganesha* movement for the



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THE WORLD IS OUR FAMILY

sixth year, which comprised creating awareness on vendors providing eco-friendly idols, Big Eco Idea Award, Juhu Beach Clean Up drive, and culminated into Eco Ganesha Awards.

The newspaper organized several events to enable the citizens to manage their healthcare better. To help expectant mothers manage their pregnancy better so that they can give birth to a healthy baby and also, take proper care of the newborn, the newspaper organized a *Peri Natal workshop* with reputed panelists in Thane. The paper organized the *dna Health Show* for the third year to provide preventive health check-up and consultation facility to citizens dealing with a busy lifestyle.

To celebrate the World Photography Day, the paper organized *dna Photo Path*, a special initiative that covered the entire ecosystem of photography from asking readers to send in their entries, to organizing a workshop and concluding it with a two-day exhibition.



**Channel Portfolio**

**National News Channels**



**Regional News Channels**



**Newspaper**



**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 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, Zee Punjab Haryana Himachal, Zee Madhya Pradesh Chhattisgarh, Zee 24 Taas, 24 Ghanta, Zee Kalinga, Zee Sangam, Maurya TV and Zee Marudhara. It also includes newspaper dna. More information about Zee Media Corporation Limited and its businesses are available on [www.zeenews.com](http://www.zeenews.com).

