

EARNINGS RELEASE FOR THE FIRST QUARTER ENDED JUNE 30, 2015

**OPERATING REVENUE FOR Q1 OF FY16 GREW BY 1.3% TO Rs 1,352.6 MN FROM Rs 1,334.6 MN in
Q1 OF FY15**

**OPERATING EXPENDITURE DECLINED BY 8.3% TO Rs 1,204.9 MN in Q1 of FY16 FROM Rs 1,313.7
MN in Q1 of FY15**

**EBITDA GREW SIGNIFICANTLY BY 606.4% TO Rs 147.7 MN IN Q1 OF FY16 FROM Rs 20.9 MN in Q1
of FY15**

Operating Highlights

- ❖ Operating revenues for Q1 of FY16 stood at Rs 1,352.6 mn, a growth of 1.3% over corresponding period of FY15
- ❖ EBITDA for Q1 of FY16 stood at Rs 147.7 mn, a growth of 606.4% over Q1 of FY15

Noida, India; August 7, 2015 – Zee Media Corporation Limited (ZMCL), erstwhile Zee News Limited, (BSE: 532794, NSE: ZEEMEDIA), today reported consolidated revenues of Rs 1,352.6 mn for first quarter of fiscal 2016. The Network incurred Operating Expenditure of Rs 1,204.9 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 June 30, 2015.

Dr Subhash Chandra, Non-executive Chairman of the Board, said: “The Indian economy has started showing sparks of movement towards the promised growth trajectory. More projects are being implemented and simultaneously, the number of stalled projects has been declining. The fact that index of industrial production grew by 3% during April-May compared to same period previous fiscal points to a revival in business sentiment in the country. In the first quarter, growth received a much needed momentum after RBI slashed its benchmark policy rate buoyed by softening of inflation. It is heartening to note that wholesale inflation was consistently negative and consumer inflation stayed within RBI’s set targets. There was positive news on agriculture front as well with better than expected monsoons, which led to a substantial increase in crops sowing compared to last year. With the macroeconomic environment promising a brighter future, the media and entertainment sector

is expected to use the emerging opportunities – increased ad spends – to chart a robust growth path.”

Dr Bhaskar Das, Group CEO, News Cluster, said: “We at Zee Media understand the ever increasing and evolving demands of customer – both viewers and advertisers – in the broadcasting ecosystem. Content is indeed the king and customer occupies the centrestage. That’s why we are exploring new areas of innovation, both in form and content, in such a way that media is again established as the fourth pillar of democracy. As a pioneer in the industry, we seek to reinforce our commitment to the mass middle through our engaging and thought provoking content. We seek to improve our understanding and increase our collaboration with the change agents who are creating a positive impact on the development of our country. This I am hopeful will help us break the clutter and create meaningful content differentiation in the highly fragmented news TV genre.”

Ashish Kirpal Pandit, CEO, ZMCL said: “As the company sets itself apart from the me-too content environment, we are hopeful that new-age advertiser will find immense value in partnering with us for pushing their communication through our differentiated media vehicles. While we are looking at investing to upgrade our content, we remain focused on maintaining a robust bottomline. As a process driven entity, we have been successful in optimizing costs which reflects in the improved EBITDA margins. We are also trying to gauge the full impact of BARC ratings and how it’s going to play out in future.”

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 fourth quarter ended March 31, 2015.

Consolidated Financials

(Rs. Million)	1st Quarter ended		% Growth YoY
	Jun-15	Jun-14	
Operating Revenue	1,352.6	1,334.6	1.3%
Expenditure	1,204.9	1,313.7	-8.3%
EBITDA	147.7	20.9	606.4%
Less: Depreciation	125.2	124.3	0.7%
Less: Finance Expenses	130.0	126.7	2.6%
Add: Other Income	15.4	8.9	73.3%
Net Profit before Tax	(92.2)	(221.2)	

Consolidated Financials (Break up of Revenues)

(Rs. Million)	1st Quarter ended		% of Total Revenues		% Growth YoY
	Jun-15	Jun-14	Jun-15	Jun-14	
Advertising Revenue	967.5	1,019.2	71.5%	76.4%	-5.1%
Subscription Revenue	286.7	249.3	21.2%	18.7%	15.0%
Other Sales & Services	98.4	66.1	7.3%	4.9%	48.9%
Total Revenues	1,352.6	1,334.6	100.0%	100.0%	1.3%

Consolidated Financials (Break up of Expenditures)

(Rs. Million)	1st Quarter ended		% of Total Revenues		% Growth YoY
	Jun-15	Jun-14	Jun-15	Jun-14	
Cost of Goods & Operations	316.7	416.6	26.3%	31.7%	-24.0%
Employee Cost	421.1	399.5	34.9%	30.4%	5.4%
Other Expenses	467.1	497.6	38.8%	37.9%	-6.1%
Total Expenses	1,204.9	1,313.7	100.0%	100.0%	-8.3%

Segment Results

Rs. in millions	For Q1 FY16			For Q1 FY15		
	Television	Print	Total	Television	Print	Total
Total Revenues	1,086.3	266.2	1,352.6	1,038.7	295.9	1,334.6
Total Expenses	904.7	300.2	1,204.9	906.5	407.2	1,313.7
EBITDA	181.6	(34.0)	147.7	132.2	(111.3)	20.9

Television Business - Existing Vs New Channels - For Q1

Television Business Rs. in millions	Q1 FY16			Q1 FY15			Growth		
	Existing	New	Total	Existing	New	Total	Existing	New	Total
Advertisement Revenues	740.5	56.8	797.2	773.0	27.1	800.1	-4.2%	109.8%	-0.4%
Subscription Revenues	258.4	-	258.4	210.1	-	210.1	23.0%	-	23.0%
Other Revenues	30.7	-	30.7	28.5	-	28.5	7.5%	-	7.5%
Total Expenses	771.0	133.7	904.7	753.8	152.7	906.5	2.3%	-12.5%	-0.2%
EBITDA	258.5	(76.9)	181.6	257.9	(125.7)	132.2	0.3%	-38.8%	37.4%

*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 78.5 mn viewers across the country, riding on its bouquet of 2 national and 8 regional news channels. (Source: BARC, NCCS 4+, All India, ZMCL Channels, June 2015 Reach*)

*Note: Reach only for June as BARC individual data reporting initiated on 23 May 2015)

The Network was foremost in the coverage of the hottest topic during the period, the first anniversary of NDA government, with both national channels taking stock of the nation's progress with different perspectives. **Zee News** assessed the progress in the social and general environment during an event titled *Modi Sarkar ka dna Test*, where ten Ministers from the current Cabinet – including HRD Minister Smriti Irani, Defence Minister Manohar Parrikar, and Environment, Forest and Climate Change Minister Prakash Javadekar, among others – rated their respective ministry's performance during the year on a scale of 1 to 10. The main points highlighted by the ministers were 'Make in India', doing away with policy paralysis, ease of doing business, digitization, and reforms in education system.

Zee Business provided an assessment from an economic perspective through an event titled *Modi@1*. A panel discussion comprising industry stalwarts provided insights into positives and negatives from industry's point of view. The industry was mostly upbeat with the efforts seen during the year. Thereafter, prominent Ministers from current dispensation – including, Road Transport and Highways and Shipping Minister Nitin Gadkari, Railway Minister Suresh Prabhu, and Communications and Information Technology Minister Ravi Shankar Prasad discussed the initiatives being undertaken to improve the ease of doing business. The event also marked the launch of "Making of Prime Minister," a documentary showing Narendra Modi's journey from a small tea selling boy to becoming the Prime Minister of India. To conclude the event, the keynote address was delivered by Bharatiya Janata Party President Amit Shah.

On the creative front too, Zee Media came out on top and won several awards during the PROMAXBDA INDIA 2015 AWARDS, including 2 Gold Awards – Best News/Current Affairs Promo (Zee Business) and Best On-Air Ident Design: In-House (Zee Kalinga) – and 1 Silver Award – Best News / Current Affairs Promo (Zee News).

- ❖ Zee News reached over 51.5 million viewers across the country. (Source: BARC, NCCS 4+, All India, June 2015 Reach)

The channel conducted an in-depth analysis on progress made during the 1st year of new dispensation through an event titled *Modi Sarkar ka dna Test*, where 10 Ministers from the current Cabinet discussed their respective ministries' efforts, hits and misses, as well as the way forward.

- ❖ Zee Business maintained its No. 1 position in reach in the Business News genre with 15.4 million audiences across India. (Source: BARC, NCCS 4+, All India, June 2015 Reach)

To trigger an informed debate about the impact achieved during 1st year of new government, the channel organized an event titled *Modi@1*. The event began with a panel discussion between industry experts and prominent business personalities on changes seen in business environment. It moved on to a ministerial conclave where Cabinet Ministers highlighted the achievements during past year and plans for the future.

To foster investor education and the need for financial planning, the channel also organized season three of its pioneering initiative *Hunt for India's Smart Investor*, which reached its conclusion with the Grand Finale held at International Convention Centre, BSE, Dalal Street, where Raghav Behani was crowned as winner.

To enable SME clusters to imbibe quality management processes and innovation for business growth, the channel organized six rounds of *Emerging Business Forum*. The forums highlight the achievements of emerging business enterprises in key clusters, provides a platform for SMEs for first hand contact among each other, and receive mentoring by eminent entrepreneurs and business leaders.

- ❖ 24 Ghanta, our Bengali news offering, reached over 8.9 million viewers. (Source: BARC, NCCS 4+, All India, June 2015 Reach)
- ❖ Zee 24 Taas, India's first 24-hour Marathi news channel, reached maximum viewers in the Marathi News genre with 12.2 million audiences across India. (Source: BARC, NCCS 4+, All India, June 2015 Reach)

Keeping in view the Network's commitment to focus on news people can use, the channel organized several expert discussions covering diverse topics, such as *Happy Living Parishad* (ways of happy living through Yoga, laughter, etc), *Smart Women Lounge* (platform for women get guidance and inspiration from achievers in various fields), and *Sutti Parishad* (ways of utilizing school vacations for fun, joy and development activities). Moreover, to provide a platform for citizens to highlight city's problems to politicians and city administrators, the channel organized its monthly event *Aapla Shahar Aapla Awaaz* in Nashik and Pandharpur.

- ❖ Zee Sangam, our regional channel catering to Uttar Pradesh and Uttarakhand, remains dominant in the region with 14.0 million viewers. (Source: BARC, NCCS 4+, All India, June 2015 Reach)

To engage citizens during the recently revived Ganjing Carnival organized by Uttar Pradesh tourism in Lucknow, the channel provided them with an opportunity to report news on

current issues through its activity *Aap bhi Reporter*. The carnival attracted more than 1 lakh visitors.

- ❖ Zee Madhya Pradesh Chhattisgarh continues to be the most preferred channel in the region through its relevant and engaging content with a market share of 69.0%. (Source: BARC, NCCS 15+, All India, June 2015 Reach)

To promote a healthy dialogue on Development of Agriculture in Madhya Pradesh with prominent ministers of the state, the channel organized *MP State Summit* in Bhopal with Chief Minister Shivraj Singh Chouhan as the chief guest. During the event, the channel also felicitated the farmers for using most innovative techniques in agriculture.

- ❖ Zee Punjab Haryana Himachal, addressing audiences across Himachal Pradesh and Haryana besides Punjab, reached more than 5.4 million viewers. (Source: BARC, NCCS 4+, All India, June 2015 Reach)

The channel organized three musical concerts to cater to the music savvy population of the region – *Baisakhi Dhamaal* in Chandigarh (to celebrate the harvest festival), *Musical Night in Sonipat* (to connect with the people), and *Shimla@200* in Shimla (to celebrate 200 years of the capital city). On the day of the concert in the Shimla, the channel also organized a conclave on *Future of Shimla* and a rally to create Environmental Awareness in the region.

- ❖ Zee Marudhara, our regional channel catering to Rajasthani population, reached more than 3.7 million viewers. (Source: BARC, NCCS 4+, All India, June 2015 Reach)
- ❖ Zee Kalinga, our 24X7 news channel for Odisha, reached more than 1.8 million viewers. (Source: BARC, NCCS 4+, All India, June 2015 Reach)
- ❖ Maurya TV, our regional channel targeting Bihar and Jharkhand, reached more than 2.7 million viewers. (Source: BARC, NCCS 4+, All India, June 2015 Reach)
- ❖ dna, our English daily for Mumbai, continued to attract the auto crazy population of the city with the seventh edition of *dna Auto Show*, a two-day event featuring cars and bikes from the stable of notable domestic and international brands, vintage cars, and cars made by students of IIT Bombay and VJTI College. The event received participation from more than 15,000 people.

To promote the eclectic interests of the citizens of Mumbai, the newspaper organized *dna MasterClass* workshops on Photography and Italian – Tuscan delicacies, where experts



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provided guidance to newcomers in the respective fields. The newspaper also provided the health freaks of the city with an opportunity to understand the new products and offerings of brands through the 2nd edition of its exhibition *Health & Wellness Show*.

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



Earnings Release for the Quarter ended June 30, 2015





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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.

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.