



ZEE NEWS LIMITED

EARNINGS RELEASE FOR THE QUARTER ENDED MARCH 31, 2010

ENCOURAGING PERFORMANCE OF NEWS OPERATIONS

CONSOLIDATED REVENUES OF Rs. 601 MILLION

EBITDA OF Rs. 39 MILLION

PAT OF Rs. 28 MILLION

REGIONAL ENTERTAINMENT CHANNELS DEMERGED W.E.F JANUARY 2010

Highlights

- Pursuant to receipt of all statutory and regulatory approvals including approval of the Hon'ble High Court of Bombay, scheme of demerger of the Regional General Entertainment Channels (R-GEC) Business Undertaking has become effective on March 29, 2010, from the appointed date January 1 2010. Previous quarter numbers are hence not comparable.
- Zee News Limited (ZNL) reported encouraging numbers; Rs. 39 millions EBITDA despite the losses of Zee Tamil, Zee News Uttar Pradesh & Zee 24 Gantalu.
- The existing news operations comprising of Zee News, Zee Business, Zee 24 Taas and 24 Ghanta recorded 30% growth YOY in advertising revenues for the quarter.
- Zee News continuing with its sensible news focus gained viewership share.
- 24 Ghanta continues with its undisputed leadership amongst the Bengali news channels, while Zee 24 Taas leads the pack in Mumbai.
- Zee Business continues with its supremacy during the stock market band.
- Amongst the newly launched channels, 'Zee News UP' has emerged as the steady No.1 while 'Zee 24 Gantalu' has established its credentials as a serious news channel in a cluttered news market.

Mumbai, India; April 21, 2010 - Zee News Limited (ZNL) (BSE: 532794, NSE: ZEENEWS) today reported fourth quarter fiscal 2010 consolidated revenues of Rs. 600.6 million, consolidated EBITDA of Rs. 38.8 million, and PAT of Rs. 28.2 million. The Board of Directors in its meeting held today, has approved and taken on record the un-audited financial results of ZNL for the quarter ended on March 31, 2010.

Mr. Subhash Chandra, Chairman, ZNL, said, "Zee News Limited is all set to embark on a new and promising trajectory after the demerger of the company was formally concluded. Our aim is to consolidate our commanding position in the news genre and spread out our wings even further in the regional and national arena. The company is uniquely poised to accrue benefits from the synergies

possible from such an arrangement. Resources from across the spectrum of channels will be pooled together and shared, giving us an edge over competition and also immense cost benefits.”

Commenting on the quarter results, Mr. Chandra said, “ZNL has performed well in the last quarter of this financial. It has shown robust growth in revenues through the year, despite the fact that the market has not completely recovered from the recessionary trend. The demerger will have a financial implication that will reflect in the numbers in the future. I am confident that greater focus on a particular genre and our regional presence will unlock potential for growth, both in terms of size and earnings.”

Mr. Laxmi Narain Goel, Managing Director, ZNL said, “Our greater concentration on the regional segment has borne fruit. There are three new channels in our bouquet of which Zee News Uttar Pradesh and Zee 24 Ghantalu have now completed a one successful year of operations. Zee News UP is now firmly entrenched as the leader in the cow belt of India and is showing impressive growth in viewership numbers. Zee Ghantalu is also finding its feet, while Zee Tamil is cutting costs and experimenting with a newer and more innovative approach. These initiatives will help us make firm inroads in the southern markets as well.”

“Our revenues continue to grow through advertising and subscriptions. Our flagship channel, Zee News, has been and is the driver, but Zee Business is also making its presence felt increasingly as a top contender. Some of our other regional channels are already recognized as No. 1 players of their respective states and this is helping our top lines,” he added

Mr. Barun Das, CEO, ZNL, said, “Our fourth quarter results are extremely heartening and reflect a promising future. The demerger will throw up some exciting opportunities as we go ahead. We had leveraged the low cost entry opportunity during the economic recession and are now well placed to grow from here. With our diverse news offering, we are already the No. 1 news network of the country.”

“Our No.1 network status, as well as the individual leadership positions of several of our channels, will give us the competitive edge, even as we plan our future road map. We will continue to be vigilant about our revenue compositions and cost efficiency, and look to using our operational advantages to the utmost,” he added.

Condensed Consolidated Statement of Operations:

The table below presents the condensed statement of operations for Zee News Limited on consolidated basis for and up to the Q4 FY 2010 versus Q4 FY 2009, as published. The Q4 FY 2010 numbers do not include the performance of regional entertainment channels- Zee Marathi, Zee Bangla, Zee Talkies, Zee Telugu, Zee Kannada and Zee Cinemalu, which have now been demerged from ZNL and merged into Zee Entertainment Enterprises Limited (ZEEL). Hence the numbers are not comparable.

(Rs. Million)	4 th Quarter ended		% Growth YoY	Upto 4 th Quarter ended		% Growth YoY
	Mar-10	Mar-09		Mar-10	Mar-09	
Operating Revenue	600.6	1,384.4	-56.6%	5,293.1	5,221.3	1.4%
Expenditure	561.8	1,177.5	-52.3%	4,385.2	4,384.9	0.0%
EBITDA	38.8	206.9	-81.2%	907.9	836.4	8.5%
Less: Depreciation	22.6	28.6	-21.1%	112.4	95.2	18.1%
Less: Finance Expenses	31.0	41.5	-25.2%	259.3	210.7	23.1%
Add: Other Income	36.7	0.7		171.3	175.6	
Net Profit before Tax	21.9	137.5	-84.1%	707.5	706.1	0.2%
Less: Provision for Tax	-6.3	48.4		224.5	259.1	
Profit After Tax	28.2	89.1	-56.9%	483.0	446.9	10.4%

Revenue Streams:

ZNL's revenues are generated primarily from advertising sales and subscription income. The table below will enable a better understanding of the performance of the various revenue streams for the fourth quarter ended March 31, 2010.

(Rs. Million)	4 th Quarter ended		% of Total Revenues		% Growth YoY
	Mar-10	Mar-09	Mar-10	Mar-09	
Advertising Revenue	417.1	1,070.4	69.4%	77.3%	-61.0%
Subscription Revenue	170.8	286.1	28.4%	20.7%	-40.3%
Other Sales & Services	12.7	27.9	2.2%	2.0%	-54.5%
Total Revenues	600.6	1,384.3	100.0%	100.0%	-56.6%

Expenditure:

ZNL's main expenses include goods and operations cost, employee cost and administrative & selling expenses. The table below sets forth the percentage of cost that each type contributed to the consolidated expenses in the 4Q FY10 as compared to the corresponding period last fiscal.

(Rs. Million)	4 th Quarter ended		% of Total Expenses		% Growth YoY
	Mar-10	Mar-09	Mar-10	Mar-09	
Cost of Goods & Operations	130.2	606.5	23.2%	51.5%	-21.5%
Employee Cost	195.8	204.3	34.8%	17.4%	-4.2%
Other Expenses	235.8	366.7	42.0%	31.1%	-35.7%
Total Expenses	561.8	1,177.5	100.0%	100.0%	-52.3%

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 the Company: Zee News Limited is one of India's leading media and entertainment companies. 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 Tamil, Zee 24 Gantalu & Zee News U.P More information about Zee News Limited and its businesses is available on www.zeenews.com.