



|| VASUDHAIVA KUTUMBAKAM ||
THE WORLD IS MY FAMILY

**ZEE MEDIA CORPORATION
LIMITED**

EARNINGS RELEASE FOR THE THIRD QUARTER ENDED DECEMBER 31, 2016

ADVERTISING REVENUES FOR Q3FY17 GREW BY 10.6% OVER Q3FY16 TO Rs 1,144.3 MN WHILE IT GREW BY 8.3% TO Rs 3,150.2 MN FOR 9MFY17 OVER 9MFY16

OPERATING EXPENDITURE GREW BY 5.4% OVER Q3FY16 TO Rs 1,296.2 MN IN Q3FY17 WHILE IT REDUCED BY 4.0% OVER 9MFY16 TO Rs 3,483.0 MN IN 9MFY17

Noida, India; February 3, 2017 – Zee Media Corporation Limited (ZMCL) (BSE: 532794, NSE: ZEEMEDIA) today reported consolidated revenues of Rs 1,359.3 mn for third quarter of fiscal 2017. The Network incurred Operating Expenditure of Rs 1,296.2 mn in the third quarter. The Board of Directors, in its meeting held today, approved and took on record the financial results of ZMCL for the third quarter and nine months ended December 31, 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 third quarter and nine months ended December 31, 2016.

Consolidated Financials

(Rs. Million)	3rd Quarter ended		%	9 Months ended		%
	Dec-16	Dec-15		Dec-16	Dec-15	
Operating Revenue	1,359.3	1,444.8	-5.9%	3,903.3	4,068.0	-4.0%
Expenditure	1,296.2	1,229.4	5.4%	3,483.0	3,626.4	-4.0%
EBITDA	63.1	215.4	-70.7%	420.3	441.6	-4.8%
Less: Depreciation / Amortisation	101.8	114.2	-10.8%	305.4	369.6	-17.4%
Less: Finance Cost	123.6	103.7	19.2%	355.7	369.2	-3.7%
Add: Other Income	55.0	24.4	125.3%	119.0	68.6	73.5%
Less: Exceptional Items	-	-	-	188.8	61.5	207.0%
Less: Tax Expense	(59.3)	13.3	-	(105.9)	(58.5)	-
Add/(Less): Share of Profit/(Loss) of associates	(9.5)	-	-	(9.5)	-	-
Less: Minority Interest	4.8	16.5	-70.8%	27.5	38.8	-29.2%
Add: Other comprehensive Income	(0.9)	(3.3)	-71.4%	(4.8)	(12.4)	-61.5%
Net Profit before Tax	(63.2)	(11.2)		(246.5)	(282.8)	

Consolidated Financials (Break up of Revenues) - Q3

(Rs. Million)	3rd Quarter ended		% of Total Revenues		% Growth
	Dec-16	Dec-15	Dec-16	Dec-15	
Advertising Revenue	1,144.3	1,034.6	84.2%	71.6%	10.6%
Subscription Revenue	117.4	306.4	8.6%	21.2%	-61.7%
Other Sales & Services	97.6	103.8	7.2%	7.2%	-6.0%
Total Revenues	1,359.3	1,444.8	100.0%	100.0%	-5.9%

Consolidated Financials (Break up of Expenditures) - Q3

(Rs. Million)	3rd Quarter ended		% of Total Expenditure		% Growth
	Dec-16	Dec-15	Dec-16	Dec-15	
Cost of Goods & Operations	364.8	329.1	28.1%	26.8%	10.8%
Employee Cost	314.8	375.2	24.3%	30.5%	-16.1%
Other Expenses	616.6	525.1	47.6%	42.7%	17.4%
Total Expenses	1,296.2	1,229.4	100.0%	100.0%	5.4%

Consolidated Financials (Break up of Revenues) - 9 Months

(Rs. Million)	9 Months ended		% of Total Revenues		% Growth
	Dec-16	Dec-15	Dec-16	Dec-15	
Advertising Revenue	3,150.2	2,909.0	80.7%	71.5%	8.3%
Subscription Revenue	460.0	865.5	11.8%	21.3%	-46.9%
Other Sales & Services	293.1	293.5	7.5%	7.2%	-0.1%
Total Revenues	3,903.3	4,068.0	100.0%	100.0%	-4.0%

Consolidated Financials (Break up of Expenditures) - 9 Months

(Rs. Million)	9 Months ended		% of Total Expenditure		% Growth
	Dec-16	Dec-15	Dec-16	Dec-15	
Cost of Goods & Operations	991.2	983.5	28.5%	27.1%	0.8%
Employee Cost	938.4	1,169.7	26.9%	32.3%	-19.8%
Other Expenses	1,553.4	1,473.2	44.6%	40.6%	5.4%
Total Expenses	3,483.0	3,626.4	100.0%	100.0%	-4.0%

Segment Results - Q3

Rs. in millions	For Q3 FY17			For Q3 FY16		
	Television	Print	Total	Television	Print	Total
Total Revenues	1,099.6	259.7	1,359.3	1,164.5	280.3	1,444.8
Total Expenses	897.6	398.6	1,296.2	960.6	268.8	1,229.4
EBITDA	202.0	(138.9)	63.1	203.9	11.5	215.4

Segment Results - 9 Months

Rs. in millions	For 9 Months ended FY17			For 9 Months ended FY16		
	Television	Print	Total	Television	Print	Total
Total Revenues	3,148.6	754.6	3,903.2	3,253.8	814.2	4,068.0
Total Expenses	2,539.8	943.1	3,482.9	2,758.8	867.6	3,626.4
EBITDA	608.8	(188.5)	420.3	495.0	(53.4)	441.6

Television Business - Existing Vs New Channels - Q3

Television Business	For Q3 FY17			For Q3 FY16			Growth		
	Existing	New	Total	Existing	New	Total	Existing	New	Total
Advertisement Revenues	899.0	83.5	982.5	776.2	76.1	852.3	15.8%	9.7%	15.3%
Subscription Revenues	92.7	-	92.7	278.9	-	278.9	-66.8%	-	-66.8%
Other Revenues	24.4	-	24.4	33.0	-	33.0	-26.1%	-	-26.1%
Total Expenses	651.0	246.6	897.6	822.7	137.6	960.3	-20.9%	79.1%	-6.5%
EBITDA	365.1	(163.1)	202.0	265.4	(61.5)	203.9	37.6%	-	-0.9%

Television Business - Existing Vs New Channels - 9 Months

Television Business	For 9 Months ended FY17			For 9 Months ended FY16			Growth		
	Existing	New	Total	Existing	New	Total	Existing	New	Total
Advertisement Revenues	2,475.3	227.1	2,702.4	2,176.0	199.4	2,375.4	13.8%	13.9%	13.8%
Subscription Revenues	388.4	-	388.4	781.7	-	781.7	-50.3%	-	-50.3%
Other Revenues	57.6	-	57.6	96.4	0.0	96.4	-40.3%	-	-40.3%
Total Expenses	2,069.4	470.2	2,539.6	2,349.0	409.5	2,758.5	-11.9%	14.8%	-7.9%
EBITDA	851.9	(243.1)	608.8	705.1	(210.1)	495.0	20.8%	-	23.0%

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

Business Highlights

- ❖ The 11 news channels of ZMCL comprising 3 national and 8 regional channels reached more than 307.5 million viewers and continued to be the largest TV news network in the country. (Source: BARC, NCCS 4+, All India, ZMCL Channels, Oct-Dec 2016, Average Monthly Reach)

To push forward the diversification of revenues, the network appointed Amit Bansal as the CEO of the recently acquired home shopping business. Amit has 16 years' experience in E-Commerce and Retail Businesses and is best known for his expertise in digital strategy, scale up, category design and management and supply chain. His professional experience spans across various roles in Flipkart, Reliance Retail and Sears.

- ❖ Zee News, the network's National news channel, reached over 203.7 million viewers across the country. (Source: BARC, NCCS 4+, All India, Oct-Dec 2016, Average Monthly Reach)

To celebrate the indomitable spirit of self-reliance displayed by some of India's most inspiring SMEs, the channel organized a series of chat shows *Kissey Kamyabi Ke* hosted by celebrity anchor Annu Kapoor.

- ❖ Zee Business was the most preferred channel in the Business News genre and reached 29.3 million viewers. (Source: BARC, NCCS 4+, All India, Oct-Dec 2016, Average Monthly Reach)

The channel reinvigorated college-level quizzing in India through *LIC Diamond Jubilee Quiz* anchored by celebrity Mandira Bedi. Actor Irrfan Khan was the Chief Guest.

- ❖ 24 Ghanta, the network's Bengali news offering, maintained its leadership in the genre with 33 million viewers. (Source: BARC, NCCS 4+, All India, Oct-Dec 2016, Average Monthly Reach)

- ❖ Zee 24 Taas, India's first 24-hour Marathi news channel, was the most preferred channel in the genre and reached 48.4 million audiences across India. (Source: BARC, NCCS 4+, All India, Oct-Dec 2016, Average Monthly Reach)

The channel provided a platform to the candidates and general public to interact with each other during the civic bodies' elections through *Ranasangram*, a 10-day on-ground event.

- ❖ India 24x7, earlier our national channel for rural markets, had a significant overlap of audiences with Zee News when the latter was converted into a Free to Air Channel. Moreover, India 24x7 has a very strong presence in Uttar Pradesh / Uttarakhand markets. Therefore, the management has decided to position it as an Uttar Pradesh / Uttarakhand channel.

To kick-start the coverage on forthcoming assembly elections in Uttar Pradesh, the channel organized the first of its series of *Jung-E-Awadh - Janadesh 2017* conclaves with Chief Minister Akhilesh Yadav as Chief Guest.

- ❖ Zee Madhya Pradesh Chhattisgarh, through its relevant and engaging content, continued its dominance in the genre with a 55.0% market share. (Source: BARC, NCCS 15+, MP/CG market, Week 40-52 2016, 6 channels, Average Weekly Share based on Impressions)

Continuing with its endeavor of providing avenues to promote the state's talent, the channel organized *Dance Chhattisgarh Dance*, a dancing talent hunt show. The auditions were held across four cities and the finale was judged by celebrity choreographer Terrence Lewis.

To discuss the development of education and industry in Madhya Pradesh during the tenure of current government, the channel organized a state summit *Shivraj Ke 11 Saal* with Chief Minister Shivraj Singh Chouhan and key ministers of the state. The channel provided a platform to discuss the successes of and challenges faced by the current dispensation in Chhattisgarh through another state summit *Raman Sarkar Ke 13 Saal* with Chief Minister Dr Raman Singh and key ministers of the state.

- ❖ Zee Punjab Haryana Himachal, addressing audiences across Himachal Pradesh and Haryana besides Punjab, remained the dominant player in the genre with 55.3% market share. (Source: BARC, NCCS 15+, PHCHPJ market, Week 40–52 2016, 2 channels, Average Weekly Share based on Impressions)

To initiate discussions on the upcoming assembly elections in Punjab, the channel launched a series of panel discussions *Punjab Ki Baat* in Amritsar, Patiala and Ludhiana with leaders of different political parties discussing the burning issues of the state. The channel organized *Swasthya Samman* to felicitate the distinguished personalities who have brought pride and glory to the region in the field of health.

- ❖ Zee Rajasthan News, our regional channel catering to Rajasthani population, continues to touch the hearts of the region and led the genre with 63.1% market share. (Source: BARC, NCCS 15+, Rajasthan market, Week 40–52 2016, 3 Channels, Average Weekly Share based on Impressions)

The channel organized *Police Awards* to honor the state's police officers who have performed outstanding acts of bravery whilst on or off duty. The channel also organized *Real Estate Conclave* to initiate a dialogue between the real estate players and government bodies for evaluating the current scenario and to felicitate the achievers from the sector.

- ❖ Zee Kalinga News, our 24X7 news channel for Odisha, reached more than 11 million viewers. (Source: BARC, NCCS 4+, All India, Oct-Dec 2016, Average Monthly Reach)
- ❖ Zee Purvaiya, our regional channel targeting Bihar and Jharkhand, reached more than 16.6 million viewers. (Source: BARC, NCCS 4+, All India, Oct-Dec 2016, Average Monthly Reach)

Corporate Development

- ❖ **Appointment:** The Board decided to appoint Mr Jagdish Chandra as the CEO – Regional News Channels. Mr Chandra is an ex-senior bureaucrat who took voluntary retirement from Indian Administrative Services and is known for his successful tenures as Chairman of Rajasthan Cooperative Dairy Federation, Commissioner of Jaipur Development Authority (JDA) and Transport Commissioner. He was also responsible for driving regional news channels of ETV and establishing them as regional powerhouse.
- ❖ **Channel Launch:** The Network launched its global English News Channel WION for commercial purposes in December 2016.
- ❖ **Demerger:** The Scheme of Arrangement and Amalgamation, approved by the Board in October 2016, inter alia for demerger of Print Media Undertaking of the Company into Diligent Media Corporation Limited (DMCL), merger of Mediavest India Pvt Ltd and Pri-Media Services Pvt Ltd into DMCL and merger of Maurya TV Pvt Ltd with the Company, was cleared by SEBI / Stock Exchanges by issuance of Observation letters dated January 16, 2017. The Company has filed an application seeking appropriate directions from Honorable National Company Law Tribunal, Mumbai Bench, in connection with the said Scheme.

Channel Portfolio

National News Channels



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.

About Zee Media Corporation Limited: Zee Media Corporation 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, WION, India 24x7, 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.