

EARNINGS RELEASE FOR THE THIRD QUARTER ENDED DECEMBER 31, 2019

EBITDA MARGIN FOR Q3FY20 GREW TO 32.6% FROM 29.9% in Q3FY19

OPERATING REVENUE FOR Q3FY20 DECLINED BY 19.7% AGAINST Q3FY19 TO Rs. 1,559.1 MN

OPERATING EXPENDITURE FOR Q3FY20 REDUCED BY 22.9% OVER Q3FY19 TO Rs. 1,050.4 MN

Operating Highlights

- ❖ Operating revenue declined by 4.6% to ₹ 4,936.0 mn in 9MFY20 from ₹ 5,175.7 mn in 9MFY19. However, it declined by 19.7% to ₹ 1,559.1 mn in Q3FY20 from ₹ 1,942.2 mn in Q3FY19.
- ❖ Operating Expenditure reduced by 11.2% to ₹ 3,398.3 mn from ₹ 3,828.3 mn in 9MFY19, while the same reduced by 22.9% to ₹ 1,050.4 mn in Q3FY20 from ₹ 1,362.3 mn in Q3FY19.
- ❖ EBITDA for 9MFY20 improved by 14.1% to ₹ 1,537.7 mn from ₹ 1,347.4 mn EBITDA for 9MFY19, while the same declined by 12.3% to ₹ 508.7 mn from ₹ 579.9 mn for the corresponding period last financial year.
- ❖ EBITDA Margin grew from 26.0% in 9MFY19 to 31.2% in 9MFY20, while the same grew from 29.9% in Q3FY19 to 32.6% in Q3FY20.

Mumbai, India; January 23, 2020 – Zee Media Corporation Limited (ZMCL) (BSE: 532794, NSE: ZEEMEDIA) today reported consolidated revenues of ₹ 1,559.1 mn for third quarter of fiscal 2020. The Network incurred expenditure of ₹ 1,050.4 mn in the quarter. The Board of Directors, in its meeting held today, approved and took on record the financial results of ZMCL for the third quarter ended December 31, 2019.

Highlights

(₹ million)	For the Quarter Ended			Upto the Quarter Ended		
	Q3FY20	Q3FY19	YoY Growth	Q3FY20	Q3FY19	YoY Growth
Operating Revenue	1,559.1	1,942.2	-19.7%	4,936.0	5,175.7	-4.6%
Expenditure	1,050.4	1,362.3	-22.9%	3,398.3	3,828.3	-11.2%
Operating Profit (EBITDA)	508.7	579.9	-12.3%	1,537.7	1,347.4	14.1%



Condensed Consolidated Statement of Operations

The tables below present the condensed consolidated statement of operations for Zee Media Corporation Limited and its subsidiaries for the third quarter ended December 31, 2019.

Consolidated Statement of Operations

₹ million)	For the Quarter Ended			Upto the Quarter Ended		
	Q3FY20	Q3FY19	YoY Growth	Q3FY20	Q3FY19	YoY Growth
Operating Revenue	1,559.1	1,942.2	-19.7%	4,936.0	5,175.7	-4.6%
Expenditure	1,050.4	1,362.3	-22.9%	3,398.3	3,828.3	-11.2%
Operating Profit (EBITDA)	508.7	579.9	-12.3%	1,537.7	1,347.4	14.1%
Add : Other Income	17.1	22.3	-23.3%	68.7	60.8	13.1%
Less : Depreciation	221.8	138.4	60.3%	683.7	390.9	74.9%
Less : Finance cost	55.1	50.9	8.2%	186.3	129.5	43.8%
Add : Share of Profit / (Loss) of Associates	0.3	(1.7)	-114.9%	4.3	(5.8)	-173.1%
Profit Before Tax	249.2	411.2	-39.4%	740.7	882.0	-16.0%
Add : Exceptional items	(2,004.3)	-		(3,329.2)	412.1	-907.8%
Profit Before Tax (PBT) after exceptional items	(1,755.1)	411.2	-526.9%	(2,588.5)	1,294.1	-300.0%
Less : Tax Expense	63.6	139.2	-54.3%	234.1	295.8	-20.9%
Profit After Tax (PAT) from Continuing operations	(1,818.7)	271.9	-768.8%	(2,822.6)	998.2	-382.8%
Less : Minority Interest	-	-		-	8.3	-100.0%
Other Comprehensive Income	(1.0)	(4.5)	-76.9%	(13.4)	(2.6)	410.4%

Revenue Streams

₹ million)	For the Quarter Ended			Upto the Quarter Ended		
	Q3FY20	Q3FY19	YoY Growth	Q3FY20	Q3FY19	YoY Growth
Advertising Revenue	1,437.4	1,755.1	-18.1%	4,548.7	4,619.2	-1.5%
Subscription Revenue	97.4	130.1	-25.1%	296.9	372.3	-20.2%
Other sales and services	24.3	57.0	-57.4%	90.4	184.2	-50.9%
Total Revenue from Operations	1,559.1	1,942.2	-19.7%	4,936.0	5,175.7	-4.6%

Operating Expenditure

₹ million)	For the Quarter Ended			Upto the Quarter Ended		
	Q3FY20	Q3FY19	YoY Growth	Q3FY20	Q3FY19	YoY Growth
Operating Costs	240.5	295.0	-18.5%	828.0	794.8	4.2%
Employee Benefits Expenses	380.2	388.7	-2.2%	1,213.2	1,110.4	9.3%
Marketing, Distribution and Business Promotion Expenses	80.9	220.1	-63.2%	383.4	658.1	-41.7%
Other Expenses	348.8	458.5	-23.9%	973.7	1,265.0	-23.0%
Total Expenses	1,050.4	1,362.3	-22.9%	3,398.3	3,828.3	-11.2%

Business Highlights

- ❖ The 14 news channels of ZMCL comprising 1 Global, 3 National and 10 Regional channels together continued to be one of the largest TV news networks in the country and reached more than 293 mn viewers. (Source: BARC, NCCS 2+, All India, ZMCL Channels, 24hrs, 1st Oct – 31st Dec 2019 Coverage).
- ❖ Zee News, the network's flagship news channel, continued to engage the audience with pertinent and ground-breaking content and enjoyed the 2nd highest average time spent by viewers across the Hindi news genre. (Source: BARC, NCCS 15+, HSM, 0600-2400, Wk 40'19 – 52'19 Average ATSV).



Taking forward the awareness initiative for CAA, ZEE News urged the people who supported CAB/CAA to just give a missed call to ZEE News. The campaign made history as a colossal number of over 1 Crore people have supported the initiative. Owing to immense public support, the Zee News campaign has become the biggest-ever missed call campaign in the News Genre (in India).

The channel organised an event with many prominent leaders of different parties who came forward to discuss a better future for the country.

- ❖ WION, India's first Global News channel, continues to carve out a niche for itself and attains Top English News channel position with highest viewer stickiness. (Source: BARC, NCCS 22+ Male AB, All India Urban, 0600-2400, Wk 40 – 52'19 Average ATSV).

During the quarter, channel hosted profitable engaging events like the E-mobility Summit in October, WION World Order – Talking Diplomacy and Mission Smart Cities 2020 in December with key stakeholders including ministers, industry leaders and distinguished guests.

- ❖ Zee Business, our Business News offering, reached 13.2 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Oct – 31st Dec 2019 Coverage).

To brighten up the Diwali festival, the channel continued its innovative associations and organised the second season of Diwali in Mauritius, while also creating a mark with the first ever sting operation in Business News to uncover fraudsters and steps to protect Investors' Wealth with an exclusive show "Market Mafia".

- ❖ Zee Hindustan, our 2nd national Hindi news channel, reached over 118.6 million viewers through continued focus on innovative news programming. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Oct – 31st Dec 2019 Coverage).

- ❖ Zee 24 Ghanta, the network's Bengali news offering, continued to woo the audience with its diverse content and reached more than 28.6 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Oct – 31st Dec 2019 Coverage).

To promote the cultural heritage of West Bengal, channel added to the state's festivities during Pujo through its Mahapujo & Shakti Aaradhana roadshows.

- ❖ Zee 24 Taas, India's first 24-hour Marathi news channel, reached over 40 million audiences across India. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Oct – 31st Dec 2019 Coverage).

- ❖ Zee Madhya Pradesh Chhattisgarh, through its relevant and engaging content, continued to top the genre with 32.7% market share. (Source: BARC, NCCS 15+, MPCG, 06:00-24:00 hrs, Wk 40 – Wk 52'2019, 7 channels, Share based on Impressions).

The channel organized MSME Conclave in New Delhi where MSME owners and entrepreneurs were invited to put forward their challenges and issues in the current economic scenario and to felicitate achievers from the sector.

- ❖ Zee Punjab Haryana Himachal, addressing audiences across Himachal Pradesh and Haryana besides Punjab, reached 12.4 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Oct – 31st Dec 2019 Coverage).



- ❖ Zee Uttar Pradesh Uttarakhand, our latest offering, reached more than 10.8 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Oct – 31st Dec 2019 Coverage).

Channel organized Business Leadership Conclave in Dehradun and Lucknow. The channel sought to lend a platform to the challenges and aspirations of the business community.

- ❖ Zee Bihar Jharkhand, our regional channel targeting the states of Bihar and Jharkhand, maintained its top position in the market for 11th consecutive quarter with 56.2% market share. (Source: BARC, NCCS 15+, Bihar Jharkhand, Wk 40-52'2019, 06:00-24:00 hrs, 4 Channels, Share based on Impressions).

To increase the awareness in Real Estate sector, the channel conducted a grand summit on Real Estate and felicitated the State's water conservationists through Jal Nayak Awards.

- ❖ Zee Rajasthan, our regional channel catering to Rajasthani population, reached 12.7 million viewers across India. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Oct – 31st Dec 2019 Coverage).

The channel organised a musical event planned to felicitate & recognize the supreme sacrifice of the soldiers and their family.

- ❖ Zee Salaam, our offering for Urdu audience, is at top position with 52.7% share. (Source: BARC, NCCS 15+, All India, Wk 40- 52'19, 06:00-24:00 hrs, 4 Channels, Share based on impressions).

- ❖ Zee Odisha, our 24X7 news channel for Odia audience, reached over 9.6 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Oct – 31st Dec 2019 Coverage).

The channel organised a Health Conclave, a panel discussion on Healthcare & supporting infrastructure in the state of Odisha.

- ❖ Zee 24 Kalak, our offering for Gujarati population, reached more than 14 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Oct – 31st Dec 2019 Coverage).

The channel organised an event to felicitate entrepreneurs of Gujarat who encourage the visionaries and the doers to add to the entrepreneurial spirit and social and economic development in the State.

Corporate Developments

- ❖ During the quarter ended December 31, 2019, the Company had on prudence basis and in accordance with Ind AS 109 "Financial Instruments", provided impairment loss of ₹ 2,004.3 mn in connection with its investment in Diligent Media Corporation Limited (DMCL). Accordingly, with the current provision of ₹ 2,004.3 mn during the quarter and provisions aggregating to ₹ 2,358.4 mn (including ₹ 1,033.5 mn provided during the quarter/year ended 31 March 2019 and ₹ 1,324.9 mn provided during the quarter/half-year ended 30 September 2019) made earlier, Company's entire investment of ₹ 4,362.7 mn in 436,26,56,265 - 6% Non-Cumulative Non-Convertible Redeemable Preference Shares of ₹ 1 each of DMCL stands impaired.



Channel Portfolio

National News Channels



Regional News Channels



Note: The audited financial results have been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India.

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, Zee Hindustan, Zee Punjab Haryana Himachal, Zee Madhya Pradesh Chhattisgarh, Zee 24 Taas, Zee 24 Ghanta, Zee Odisha, Zee Bihar Jharkhand, Zee Rajasthan, Zee Salaam, Zee 24 Kalak, and Zee Uttar Pradesh Uttarakhand. More information about Zee Media Corporation Limited and its businesses is available on www.zeenews.com.