

## EARNINGS RELEASE FOR THE SECOND QUARTER ENDED SEPTEMBER 30, 2018

**OPERATING PROFIT FOR Q2FY19 GREW BY 52.8% OVER Q2FY18 TO Rs 408.7 MN. FOR H1FY19, IT GREW BY 47.7% OVER H1FY18 TO Rs 767.5 MN.**

**PAT FROM CONTINUING OPERATIONS GREW TO Rs 172.5 MN IN Q2FY19 AGAINST Rs 92.1 MN IN Q2FY18. FOR H1FY19, IT GREW TO Rs 726.3 MN FROM Rs 166.1 MN IN H1FY18**

**OPERATING REVENUE FOR Q2FY19 GREW BY 35.5% OVER Q2FY18 TO Rs 1,686.6 MN. FOR H1FY19, IT GREW BY 35.3% OVER H1FY18 TO Rs 3,233.5 MN**

**ADVERTISING REVENUES FOR Q2FY19 GREW BY 34.5% OVER Q2FY18 TO Rs 1,494.3 MN. FOR H1FY19, IT GREW BY 34.5% TO Rs 2,864 MN.**

### Operating Highlights

- ❖ Operating revenue grew by 35.5% to Rs 1,686.6 mn in Q2FY19 from Rs 1,245.1 mn in Q2FY18. In H1FY19, operating revenue grew by 35.3% to Rs 3,233.5 mn from Rs 2,389.6 mn in H1FY18.
- ❖ Operating Expenditure in Q2FY19 grew by 30.7% to Rs 1,277.9 mn from Rs 977.6 mn in Q2FY18. The increase in expenditure YoY has been mainly contributed by three new channels launched during last year viz. Zee Salaam, Zee 24 Kalak and Zee Uttar Pradesh Uttarakhand.
- ❖ EBITDA for Q2FY19 grew by 52.8% to Rs 408.7 mn from Rs 267.5 mn for the corresponding period last financial year. EBITDA Margin grew from 21.5% in Q2FY18 to 24.2% in Q2FY19.

**Noida, India; October 15, 2018** – Zee Media Corporation Limited (ZMCL) (BSE: 532794, NSE: ZEEMEDIA) today reported consolidated revenues of Rs 1,686.6 mn for second quarter of fiscal 2019. The Network incurred expenditure of Rs 1,277.9 mn during the 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, 2018.

### **Highlights**

Particulars	Q2			H1		
	Q2FY19	Q2FY18	YoY Growth	Q2FY19	Q2FY18	YoY Growth
Operating Revenue	1,686.6	1,245.1	35.5%	3,233.5	2,389.6	35.3%
Expenditure	1,277.9	977.6	30.7%	2,466.0	1,869.9	31.9%
Operating Profit (EBITDA)	408.7	267.5	52.8%	767.5	519.7	47.7%

## 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 second quarter ended September 30, 2018.

Consolidated Statement of Operations

Particulars	Q2			H1		
	Q2FY19	Q2FY18	YoY Growth	Q2FY19	Q2FY18	YoY Growth
Operating Revenue	1,686.6	1,245.1	35.5%	3,233.5	2,389.6	35.3%
Expenditure	1,277.9	977.6	30.7%	2,466.0	1,869.9	31.9%
Operating Profit (EBITDA)	408.7	267.5	52.8%	767.5	519.7	47.7%
Add : Other Income	20.0	22.0	-9.5%	38.5	54.0	-28.7%
Less : Depreciation	126.4	90.3	39.9%	252.5	174.1	45.0%
Less : Finance Cost	43.5	35.8	21.4%	78.6	87.0	-9.6%
Add : Share of Profit / (Loss) of Associates	(2.9)	(16.2)		(4.1)	(39.6)	
Profit Before Tax	255.9	147.2	73.9%	470.7	273.0	72.4%
Add : Exceptional items	-	-		412.1	-	
Profit Before Tax (PBT) after exceptional items	255.9	147.2	73.9%	882.9	273.0	223.4%
Less : Tax Expense	83.4	55.0	51.5%	156.6	106.9	46.5%
Profit After Tax (PAT) from Continuing operations	172.5	92.1	87.2%	726.3	166.1	337.3%
Less : Minority Interest	-	19.8		8.3	41.3	-79.9%
Other Comprehensive Income	2.0	0.5	309.9%	2.0	(5.2)	

Revenue Streams

Particulars	Q2			H1		
	Q2FY19	Q2FY18	YoY Growth	Q2FY19	Q2FY18	YoY Growth
Advertising Revenue	1,494.3	1,111.0	34.5%	2,864.0	2,129.7	34.5%
Subscription Revenue	131.2	117.3	11.9%	242.2	227.2	6.6%
Other sales and services	61.1	16.8	262.7%	127.3	32.7	289.0%
Total Revenue from Operations	1,686.6	1,245.1	35.5%	3,233.5	2,389.6	35.3%

Expenditure

Particulars	Q2			H1		
	Q2FY19	Q2FY18	YoY Growth	Q2FY19	Q2FY18	YoY Growth
Operating Costs	244.9	194.5	25.9%	499.8	392.7	27.3%
Employee Benefits Expenses	373.6	310.6	20.3%	721.7	604.5	19.4%
Marketing, Distribution & Business Promotion Expenses	230.3	155.9	47.7%	438.0	286.9	52.7%
Other Expenses	429.1	316.6	35.5%	806.5	585.8	37.7%
Total Expenses	1,277.9	977.6	30.7%	2,466.0	1,869.9	31.9%

## 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 377 mn viewers. (Source: BARC, NCCS 2+, All India, ZMCL Channels, 24hrs, 1<sup>st</sup> Jul – 30<sup>th</sup> Sep 2018 Coverage)

The network instituted the *ZEE Business Travel Awards* to celebrate excellence across travel, tourism and hospitality industry. The inaugural edition, while honouring the pioneers, also discussed the way forward for this critical sector of the Indian economy. Minister of State for Tourism in India KJ Alphons was the Chief Guest and Minister of Tourism for Mauritius Anil Kumarsingh Gayan was the Sepcial Guest for the event.

- ❖ Zee News, the network's flagship news channel, continued to focus on news that touches the pulse of the nation. Consequently, the channel maintained its market share among the Top 2 new channels in the country\*. The channel continued to translate its market strength into revenues and achieved a 22% growth in H1FY19 over same period last year. (\*Source: BARC, NCCS 15+, HSM, 1st Jul – 30th Sep, 06:00-24:00 hrs, 11 channels, Share based on Impressions)
- ❖ Zee Business, our Business News offering, renewed its vigour to increase its relevance in the investor community. As a result, within the last 2 quarters, the channel nearly doubled its market share in the stock market hours from 17.3% in Q4FY18 to 33.6% in Q2FY19. (Source: BARC, HSM, NCCS 22+ Male ABC, 07:00-15:30 hrs, Weekdays, Average weekly share based on Impressions)

The channel continued to focus on the foundation of the Indian economy – the MSMEs. To highlight the problems and challenges of MSMEs in Madhya Pradesh to the concerned authorities and ministers, the channel organised *SME Express*, a series of group discussions held in MSME clusters across the state.

- ❖ Zee 24 Ghanta, the network's Bengali news offering, continued to woo the audience with its diverse content and reached more than 36.1 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1<sup>st</sup> Jul – 30<sup>th</sup> Sep 2018 Coverage)

The channel sought to open a dialogue between the government and the youth of the state through *Swapno Bhor Shonge Mukhyomatri*, an interaction between the Chief Minister and 2,000 students. The event culminated with felicitation of five young entrepreneurs.

- ❖ Zee Madhya Pradesh Chhattisgarh, through its relevant and engaging content, continued its dominance in the market with 41% share. (Source: BARC, NCCS 15+, MPCG, 1<sup>st</sup> Jul – 30<sup>th</sup> Sep 2018, 06:00-24:00 hrs, 6 channels, Share based on Impressions).

In line with the network's commitment to recognise the contributions and sacrifices of armed and para military forces, the channel organised *Ek Shaam Desh Ke Naam*, an entertainment night dedicated to soldiers. The channel organised *Smart CG, Educated CG* conclave to promote discussions around current scenario in higher and primary education system and developments required to further improvements.

- ❖ Zee Punjab Haryana Himachal, addressing audiences across Himachal Pradesh and Haryana besides Punjab, continued to enjoy the highest viewer stickiness in the market. (Source: BARC, NCCS 15+, PHCHPJ&K, 06:00-24:00 hrs, Wk 27 – 39'2018 ATSV)

To mobilise opinions and suggestions on future planning for the state of Punjab, the channel organised *Punjab Varta*, a ministerial conclave with key ministers from current dispensation as well as key opposition leaders. The channel also promoted dialogue on the status of healthcare in the state through *Nirogya*, a health conclave which discussed the initiatives being undertaken to improve the medical and health condition of the people.



- ❖ Zee Rajasthan, our regional channel catering to Rajasthani population, reached 14.2 million viewers across India. (Source: BARC, NCCS 2+, All India, 24hrs, 1<sup>st</sup> Jul – 30<sup>th</sup> Sep 2018 Coverage)

To honour the armed forces, the channel organised an entertainment night *Hai Naman Unko* where 20 martyrs' wives were felicitated by the Union Minister of State for Information & Broadcasting Rajyavardhan Singh Rathore.

- ❖ Zee Uttar Pradesh Uttarakhand, our latest offering, reached more than 8.5 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1<sup>st</sup> Jul - 30<sup>th</sup> Sep 2018 Coverage)

The channel organised *Health Conclave* to recognise and felicitate the achievements in the field of health and medicine sector in Uttar Pradesh.

- ❖ Zee Bihar Jharkhand, our regional channel targeting the states of Bihar and Jharkhand, dominated the market with 49.4% market share. (Source: BARC, NCCS 15+, Bihar Jharkhand, 1<sup>st</sup> Jul – 30<sup>th</sup> Sep 2018, 06:00-24:00 hrs, 4 Channels, Share based on Impressions)

- ❖ Zee Salaam, our offering for Urdu audience, has been making a consistent impact and led the genre with 42.4% market share. (Source: BARC, NCCS 15+, HSM, 1<sup>st</sup> Jul – 30<sup>th</sup> Sep 2018, 06:00-24:00 hrs, 5 Channels, Share based on Impressions)

- ❖ 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 2+, All India, 24hrs, 1<sup>st</sup> Jul – 30<sup>th</sup> Sep 2018 Coverage)

- ❖ WION, India's first Global News channel, continues to carve out a niche for itself and reached over 9.6 million viewers across India. (Source: BARC, NCCS 2+, All India, 24hrs, 1<sup>st</sup> Jun – 30<sup>th</sup> Sep 2018 Coverage)

- ❖ Zee Hindustan, our 2<sup>nd</sup> national Hindi news channel, reached more than 179.8 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1<sup>st</sup> Jul – 30<sup>th</sup> Sep 2018 Coverage)

- ❖ Zee Kalinga News, our 24X7 news channel for Odisha, reached over 16.8 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1<sup>st</sup> Jul – 30<sup>th</sup> Sep 2018 Coverage)

- ❖ Zee 24 Kalak, our offering for Gujarati population, reached more than 15.1 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1<sup>st</sup> Jul - 30<sup>th</sup> Sep 2018 Coverage)

- ❖ Our flagship digital property Zeenews.com received 722 million page views as compared to 574 million during the same quarter last year, an increase of 26%. 24Ghanta.com, our Bengali news offering, continued to engage the new age viewers and was the No. 1 Bengali news site^ on mobile devices. (Source: \*Google Analytics, Jul – Sep 2018; ^comScore, Jul – Aug 2018)

## 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 Kalinga News, Zee Bihar Jharkhand, Zee Rajasthan, Zee Salaam, and Zee 24 Kalak. More information about Zee Media Corporation Limited and its businesses is available on [www.zeenews.com](http://www.zeenews.com).