

EARNINGS RELEASE FOR THE SECOND QUARTER ENDED SEPTEMBER 30, 2019

EBITDA MARGIN FOR Q2FY20 GREW TO 27% FROM 24.2% in Q2FY19

OPERATING REVENUE FOR Q2FY20 DECLINED BY 18.8% AGAINST Q2FY19 TO Rs. 1,370.3 MN

OPERATING EXPENDITURE FOR Q2FY20 REDUCED BY 21.7% OVER Q2FY19 TO Rs. 1,000.1 MN

Operating Highlights

- ❖ Operating revenue grew by 4.4% to Rs. 3,376.9 mn in H1FY20 from Rs. 3,233.5 mn in H1FY19. However, it declined by 18.8% to Rs. 1,370.3 mn in Q2FY20 from Rs. 1,686.6 mn in Q2FY19.
- ❖ Operating Expenditure in Q2FY20 reduced by 21.7% to Rs. 1,000.1 mn from Rs. 1,277.9 mn in Q2FY19, while reducing by 4.8% to Rs. 2,347.9 mn in H1FY20 from Rs. 2,466 mn in H1FY19.
- ❖ EBITDA for H1FY20 improved by 34.1% to Rs. 1,029 mn from Rs. 767.5 mn EBITDA for H1FY19, while the same declined by 9.4% to Rs. 370.2 mn from Rs. 408.7 mn for the corresponding period last financial year.
- ❖ EBITDA Margin grew from 23.7% in H1FY19 to 30.5% in H1FY20, while growing from 24.2% in Q2FY19 to 27% in Q2FY20.

Mumbai, India; October 23, 2019 – Zee Media Corporation Limited (ZMCL) (BSE: 532794, NSE: ZEEMEDIA) today reported consolidated revenues of Rs. 1,370.3 mn for second quarter of fiscal 2020. The Network incurred expenditure of Rs. 1,000.1 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 second quarter ended September 30, 2019.

Highlights

(₹ million)	For the Quarter Ended			Upto the Quarter Ended		
	Q2FY20	Q2FY19	YoY Growth	Q2FY20	Q2FY19	YoY Growth
Operating Revenue	1,370.3	1,686.6	-18.8%	3,376.9	3,233.5	4.4%
Expenditure	1,000.1	1,277.9	-21.7%	2,347.9	2,466.0	-4.8%
Operating Profit (EBITDA)	370.2	408.7	-9.4%	1,029.0	767.5	34.1%

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 second quarter ended September 30, 2019.

Consolidated Statement of Operations

₹ million)	For the Quarter Ended			Upto the Quarter Ended		
	Q2FY20	Q2FY19	YoY Growth	Q2FY20	Q2FY19	YoY Growth
Operating Revenue	1,370.3	1,686.6	-18.8%	3,376.9	3,233.5	4.4%
Expenditure	1,000.1	1,277.9	-21.7%	2,347.9	2,466.0	-4.8%
Operating Profit (EBITDA)	370.2	408.7	-9.4%	1,029.0	767.5	34.1%
Add : Other Income	23.9	20.0	19.9%	51.6	38.5	34.2%
Less : Depreciation	235.9	126.4	86.7%	461.9	252.5	82.9%
Less : Finance cost	62.4	43.5	43.4%	131.2	78.6	66.9%
Add : Share of Profit / (Loss) of Associates	2.0	(2.9)		4.0	(4.1)	
Profit Before Tax	97.8	255.8	-61.8%	491.5	470.7	4.4%
Add : Exceptional items	(1,324.9)	-		(1,324.9)	412.1	
Profit Before Tax (PBT) after exceptional items	(1,227.1)	255.8		(833.4)	882.9	
Less : Tax Expense	37.5	83.4	-55.0%	170.5	156.6	8.9%
Profit After Tax (PAT) from Continuing operations	(1,264.6)	172.4		(1,003.9)	726.3	
Less : Minority Interest	-	-		-	8.3	-100.0%
Other Comprehensive Income	(1.7)	2.0		(12.4)	2.0	

Revenue Streams

₹ million)	For the Quarter Ended			Upto the Quarter Ended		
	Q2FY20	Q2FY19	YoY Growth	Q2FY20	Q2FY19	YoY Growth
Advertising Revenue	1,252.3	1,494.3	-16.2%	3,111.3	2,864.0	8.6%
Subscription Revenue	86.7	131.2	-33.9%	199.5	242.2	-17.6%
Other sales and services	31.4	61.1	-48.7%	66.1	127.3	-48.1%
Total Revenue from Operations	1,370.3	1,686.6	-18.8%	3,376.9	3,233.5	4.4%

Operating Expenditure

₹ million)	For the Quarter Ended			Upto the Quarter Ended		
	Q2FY20	Q2FY19	YoY Growth	Q2FY20	Q2FY19	YoY Growth
Operating Costs	226.3	244.9	-7.6%	587.5	499.8	17.6%
Employee Benefits Expenses	409.0	373.6	9.5%	833.0	721.7	15.4%
Marketing, Distribution and Busi. Promotion Expenses	80.2	230.3	-65.2%	302.5	438.0	-30.9%
Other Expenses	284.6	429.1	-33.7%	624.9	806.5	-22.5%
Total Expenses	1,000.1	1,277.9	-21.7%	2,347.9	2,466.0	-4.8%

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 323 mn viewers. (Source: BARC, NCCS 2+, All India, ZMCL Channels, 24hrs, 1st Jul – 30th Sep 2019 Coverage)

During the quarter, the network expanded its footprints into Southern India through the launch of Zee Hindustan in Tamil and Telugu languages. This is intended to make the network's content accessible to wider audience.

WION entered into a mutual partnership with Russian media outlet and information agency, Sputnik, on the sidelines of Eastern Economic Forum and Prime Minister Narendra Modi's visit to Russia. Through the partnership, the two networks aim to amplify digital and broadcast content of the two nations with technologically enhanced communication. The MoU will also help facilitate coordination and exchange of information and ideas with various communities of the two countries.

- ❖ Zee News, the network's flagship news channel, continued to engage the audience with pertinent and ground-breaking content and enjoyed the highest average time spent by viewers across the Hindi news genre. (Source: BARC, NCCS 15+, HSM, 0600-2400, Wk 27'19 – 39'19 Average ATSV)
- ❖ WION, India's first Global News channel, continues to carve out a niche for itself and was among the Top 2 English News channels enjoying highest viewer stickiness. (Source: BARC, NCCS 22+ Male AB, All India Urban, 0600-2400, Wk 27'19 – 39'19 Average ATSV)

The channel provided extensive coverage of India's participation in UN General Assembly meeting in New York in collaboration with Voice of America, USA's federal broadcasting agency.

- ❖ Zee Business, our Business News offering, reached 15.3 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Jul – 30th Sep 2019 Coverage)

During the quarter, the channel continued its innovative associations and organised the grand finale of *Super Mechanic Contest* for Car & Bike Mechanics. The channel also continued to promote the SMEs of the country and organised Season 2 of *Dare to Dream Awards* to honour the SMEs that have made it big.

- ❖ Zee Hindustan, our 2nd national Hindi news channel, reached over 136.5 million viewers through continued focus on innovative news programming. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Jul – 30th Sep 2019 Coverage)
- ❖ Zee 24 Ghanta, the network's Bengali news offering, continued to woo the audience with its diverse content and reached more than 30.4 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Jul – 30th Sep 2019 Coverage)

Continuing with the network's tradition of recognizing the contributions of women in India, the channel organised *Swayam Siddha Awards* to felicitate and celebrate the success of women from different walks of life.

- ❖ Zee 24 Taas, India's first 24-hour Marathi news channel, reached 41.7 million audiences across India. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Jul – 30th Sep 2019 Coverage)
- ❖ Zee Madhya Pradesh Chhattisgarh, through its relevant and engaging content, continued to top the genre with 29.3% market share. (Source: BARC, NCCS 15+, MPCG, 06:00-24:00 hrs, Wk 27 – Wk 39'2019, 7 channels, Share based on Impressions).

The channel sought to bring forward the current dispensations' plans for development of their respective states through *Gauravshali Madhya Pradesh* and *Gauravshali Chhattisgarh* forums where key ministers laid out the blueprints for growth.

- ❖ Zee Punjab Haryana Himachal, addressing audiences across Himachal Pradesh and Haryana besides Punjab, reached 13.2 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Jul – 30th Sep 2019 Coverage)
- ❖ Zee Uttar Pradesh Uttarakhand, our latest offering, reached more than 20.8 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Jul – 30th Sep 2019 Coverage)

The channel 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 Bihar Jharkhand, our regional channel targeting the states of Bihar and Jharkhand, maintained its top position in the market for 10th consecutive quarter with 53.1% market share. (Source: BARC, NCCS 15+, Bihar Jharkhand, Wk 26-39'2019, 06:00-24:00 hrs, 4 Channels, Share based on Impressions)

The channel provided an extensive coverage of the Kanwar Yatra and organized a religious musical evening *Baba Nagariya* in Deoghar with Bhojpuri star Pawan Singh.

- ❖ Zee Rajasthan, our regional channel catering to Rajasthani population, reached 32.1 million viewers across India. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Jul – 30th Sep 2019 Coverage)

The channel organized *Ullas Police Awards* to honour the state's police officers who have performed outstanding acts of bravery whilst on or off duty. Through *Women Empowerment Awards*, the channel recognized women achievers from different streams.

- ❖ Zee Salaam, our offering for Urdu audience, has been enjoying the highest viewer stickiness for 10 consecutive quarters since its inception. (Source: BARC, NCCS 15+, HSM, Wk 8'17 – Wk 39'19, 06:00-24:00 hrs ATSV, 4 Channels)
- ❖ Zee Odisha, our 24X7 news channel for Odia audience, reached over 9.9 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Jul – 30th Sep 2019 Coverage)
- ❖ Zee 24 Kalak, our offering for Gujarati population, reached more than 15.7 million viewers. (Source: BARC, NCCS 2+, All India, 24hrs, 1st Jul – 30th Sep 2019 Coverage)

Corporate Developments

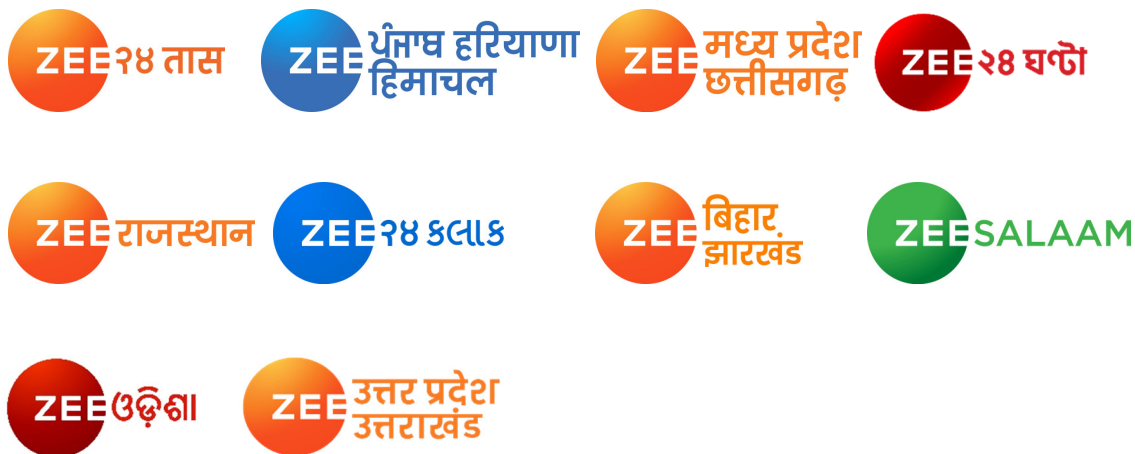
- ❖ During the quarter under review:
 - Mr. Ashok Venkatramani resigned as Managing Director of the Company with effect from July 10, 2019
 - Mr. Sumit Kapoor resigned as Chief Financial Officer of the Company with effect from September 14, 2109
 - Mr. Dinesh Garg was appointed as Executive Director – Finance and nominated as Chief Financial Officer of the Company with effect from September 20, 2019
 - Mr. Sudhir Chaudhary was nominated as Chief Executive Officer of the Company with effect from September 20, 2019

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.