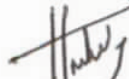


To
**The Board of Directors,
Zee Media Corporation Limited,**
135, Continental Building,
Dr. A.B. Road, Worli,
Mumbai- 400 018

Re: Limited Review Report for the Quarter/Nine months ended 31 December, 2014

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of **Zee Media Corporation Limited** (the "Company") for the Quarter/Nine months ended 31 December, 2014 ("the Statement") being submitted by the Company pursuant to requirement of Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the Accounting Standards specified under Companies Act 1956 (which are deemed to be applicable as per Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, have not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of Shares as well as percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in term of Clause 35 of Listing Agreements with the Stock Exchanges and the particulars relating to investor complaints disclosed in Select Information for the Quarter ended 31 December 2014 of the Statement, from details furnished by the Registrars.

For **MGB & Co. LLP**
Chartered Accountants
Firm Registration Number 101169W/W-100035



Hitendra Bhandari
Partner
Membership Number 107832



Mumbai, 22 January, 2015

EARNINGS RELEASE FOR THE THIRD QUARTER ENDED DECEMBER 31, 2014

**OPERATING REVENUE HAS GROWN BY 52.6% FROM Rs. 916.8 MN IN Q3 OF FY14 TO
Rs. 1398.7 MN IN THE CORRESPONDING PERIOD OF FY15**

**ADVERTISING REVENUE POSTED A GROWTH OF 63.1%, INCREASING FROM 613.9
MN IN Q3 OF FY14 TO Rs. 1001.3 MN IN Q3 OF FY 15**

**SUBSCRIPTION REVENUE GREW BY 12.3% FROM Rs. 270.0 MN IN Q3 OF FY14 TO Rs.
303.3 MN IN Q3 OF FY15**

Operating Highlights

- ❖ Operating revenue for the quarter grew by 52.6% to Rs. 1,398.7 mn in Q3 of FY15 from 916.8 mn in Q3 of FY14
- ❖ Advertisement revenue in Q3 of FY15 stood at Rs. 1001.3 mn, growing by 63.1% over the corresponding period last year
- ❖ Subscription Revenue also witnessed a growth of 12.3%, from 270.0 mn in Q3 of FY14 to 303.3 mn in Q3 of FY15
- ❖ EBITDA for Q3 of FY15 stood at Rs. 167.9 mn

Noida, India; January 22, 2015 – Zee Media Corporation Limited (ZMCL), erstwhile Zee News Limited, (BSE: 532794, NSE: ZEEMEDIA), today reported third quarter of fiscal 2015 consolidated revenues of Rs. 1,398.7 mn. The Network incurred Operating Expenditure of Rs. 1,230.8 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 ended on December 31, 2014.

Dr Subhash Chandra, Non-executive Chairman of the Board, said: “The New Year has started on a bullish note with the federal bank cutting the policy rate to revive the engines of growth. While the government has been taking ample policy initiatives to boost investor confidence in the country, the



॥ VASUDHAIVA KUTUMBAKAM ॥
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rate cut is an effort to compliment the current dispensation in putting India on high growth trajectory. With up to \$ 8 bn expected to flow in post the reform in key sectors like pharma, insurance and others, we expect that economy will finally pick pace and the ease of doing business will significantly improve. The increase in the FDI limit in insurance to 49% besides reviving the sector will also have a multiplier effect, especially in fulfilling the much needed infrastructure financing. The easing of inflation has also brought cheer to the common man and has given opportunity to the government to experiment. With the economy outlook looking brighter quarter after quarter, I hope that the media and entertainment industry will also benefit in the mid to long run.”

Dr Bhaskar Das, Group CEO, News Cluster, stated: “We continue to reach the highest number of consumers across India through our TV channels. Consolidating our position as the largest news network, Zee Media Corporation Limited (ZMCL) reached over 116 mn consumers through its 2 national channels and 8 regional channels. Striving to create content differentiator in a me-too market, we are investing strategically into content that aligns with big news events. The increased focus on content has been made possible by robust growth in advertisement revenue. I am also happy to note that the government is favorably viewing broadcasters’ opposition to the whole paradigm on the ad cap regulation.”

Ashish Kirpal Pandit, CEO, ZMCL said: “On top of the learning curve of how to make broadcasting operations profitable, we at ZMCL are hopeful that our regional bouquet will stabilize soon and start yielding positive returns. We also expect that the impact of digitization will come into full play very soon. We are confident about the business which will be backed by high quality shows that will hit the screen very soon.”

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 ended December 31, 2014.

Consolidated Financials

(Rs. Million)	3rd Quarter ended		% Growth YoY	Upto 3rd Quarter ended		% Growth YoY
	Dec-14	Dec-13		Dec-14	Dec-13	
Operating Revenue	1,398.7	916.8	52.6%	4,044.5	2,523.9	60.3%
Expenditure	1,230.8	773.8	59.1%	3,794.5	2,213.0	71.5%
EBITDA	167.9	143.0	17.4%	250.0	310.9	-19.6%
Less: Depreciation	120.3	39.1	207.4%	374.7	113.6	229.7%
Less: Finance Expenses	133.8	35.9	272.8%	386.0	76.7	403.1%
Add: Other Income	3.1	41.5	-92.6%	26.3	138.7	-81.1%
Net Profit before Tax	(83.1)	109.5		(484.4)	259.3	

Note: Financials for last year and current year for the corresponding period are not comparable due to inclusion of our newspaper dna's financials.

Consolidated Financials (Break up of Revenues)

(Rs. Million)	3rd Quarter ended		% of Total Revenues		% Growth YoY
	Dec-14	Dec-13	Dec-14	Dec-13	
Advertising Revenue	1,001.3	613.9	71.6%	67.0%	63.1%
Subscription Revenue	303.3	270.0	21.7%	29.5%	12.3%
Other Sales & Services	94.1	32.9	6.7%	3.6%	186.1%
Total Revenues	1,398.7	916.8	100.0%	100.0%	52.6%

Consolidated Financials (Break up of Expenditures)

(Rs. Million)	3rd Quarter ended		% of Total Revenues		% Growth YoY
	Dec-14	Dec-13	Dec-14	Dec-13	
Cost of Goods & Operations	352.9	163.8	28.7%	21.2%	115.4%
Employee Cost	397.6	260.5	32.3%	33.7%	52.6%
Other Expenses	480.3	349.5	39.1%	45.2%	37.4%
Total Expenses	1,230.8	773.8	100.0%	100.0%	59.1%

Consolidated Financials (Break up of Revenues)

(Rs. Million)	Upto 3rd Quarter ended		% of Total Revenues		% Growth YoY
	Dec-14	Dec-13	Dec-14	Dec-13	
Advertising Revenue	2,951.9	1,672.1	73.0%	66.3%	76.5%
Subscription Revenue	833.3	729.0	20.6%	28.9%	14.3%
Other Sales & Services	259.3	122.8	6.4%	4.9%	111.2%
Total Revenues	4,044.5	2,523.9	100.0%	100.0%	60.3%

Consolidated Financials (Break up of Expenditures)

(Rs. Million)	Upto 3rd Quarter ended		% of Total Expenditure		% Growth
	Dec-14	Dec-13	Dec-14	Dec-13	YoY
Cost of Goods & Operations	1,170.7	458.5	30.9%	20.7%	155.4%
Employee Cost	1,213.2	739.7	32.0%	33.4%	64.0%
Other Expenses	1,410.6	1,014.8	37.2%	45.9%	39.0%
Total Expenses	3,794.5	2,213.0	100.0%	100.0%	71.5%

Segment Results

Rs. in millions	For Q3			Upto Q3		
	Television	Print	Total	Television	Print	Total
Total Revenues	1,093.2	305.5	1,398.7	3,117.6	926.9	4,044.5
Total Expenses	892.5	338.3	1,230.8	2,679.6	1,114.9	3,794.5
EBITDA	200.7	(32.8)	167.9	438.0	(188.0)	250.0

Television Business - Existing Vs New Channels - For Q3

Television Business Rs. in millions	Q3 FY15			Q3 FY14			Growth		
	Existing	New	Total	Existing	New	Total	Existing	New	Total
Advertisement Revenues	759.5	33.3	792.8	569.4	44.5	613.9	33.4%	-25.1%	29.1%
Subscription Revenues	271.2	-	271.2	270.0	-	270.0	0.5%	-	0.5%
Other Revenues	29.2	-	29.2	32.9	-	32.9	-11.2%	-	-11.2%
Total Expenses	782.7	109.8	892.5	696.2	77.6	773.8	12.4%	41.5%	15.3%
EBITDA	277.2	(76.5)	200.7	176.1	(33.1)	143.0	57.4%	131.0%	40.4%

Television Business - Existing Vs New Channels - Upto Q3

Television Business Rs. in millions	Upto Q3 FY15			Upto Q3 FY14			Growth		
	Existing	New	Total	Existing	New	Total	Existing	New	Total
Advertisement Revenues	2,218.3	85.6	2,303.9	1,575.8	96.3	1,672.1	40.8%	-11.2%	37.8%
Subscription Revenues	727.6	-	727.6	729.0	-	729.0	-0.2%	-	-0.2%
Other Revenues	86.1	-	86.1	122.8	-	122.8	-29.9%	-	-29.9%
Total Expenses	2,290.6	389.0	2,679.6	2,008.4	204.6	2,213.0	14.0%	90.2%	21.1%
EBITDA	741.4	(303.4)	438.0	419.2	(108.3)	310.9	76.9%	180.3%	40.9%

*New Business includes Zee MPCG, Zee Marudhara, Zee Kalinga and Maurya TV.

Business Highlights

- ❖ ZMCL continues to be one of India's largest news network, reaching 116.0 mn viewers across India, riding on its varied bouquet of 2 national and 8 regional news channels. This doesn't include Mumbai Edition of DNA and news websites, DNA newspaper and digital platforms – zeenews.com, dnaindia.com, Facebook, YouTube and Twitter. (Source: TAM,

CS 4+, All India, ZMCL Channels, Q3 Reach; Internal subscription figures, DNA, Mumbai; Google Analytics, Facebook and Twitter)

- ❖ Zee News, our flagship channel, reached over 39.3 million viewers across the country. (Source: TAM, CS 4+, All India, Q3 Weekly Avg Reach)

With its reformatory tag line of “*Soch Badlo Desh Badlo*”, Zee News continued its endeavour to bring about a positive change in the society through its thought provoking programming and editorial led initiatives. The channel unveiled a new signature tune which is an attempt to reaffirm its commitment to bring to its viewers unbiased news and incisive analysis and also to increase brand affinity. In line with the importance accorded to Delhi elections, the channel also started “*Delhi Ki Teevr Mudrika*”, a branded bus that is covering all the assembly constituencies and taking stock of the performance of MLAs.

- ❖ Zee Business reached 10.9 million audiences across India (Source: TAM, CS 4+, All India, Q3 Weekly Avg Reach)

Continuing its pioneering initiative of promoting investor education and the need for financial planning, Zee Business organized *Hunt for India's Smart Investor*. It has become the largest reality show in the business news genre and aims to identify the country's smartest investor. Dedicated to honoring India's financial market experts for empowering the retail investor, the channel also instituted *India's Best Market Analyst Awards*. The award acknowledges leading market analyst who have played a pivotal role in encouraging participation in the capital markets.

- ❖ 24 Ghanta, our Bengali news offering, reached over 6.9 million viewers across India. (Source: TAM, CS 4+, All India, Q3 Weekly Avg Reach)

In its endeavor to integrate the brand with the lifestyle of Bengali audience, 24 Ghanta carried out various on-ground events like celebration of biggest festival in the state, Durga Puja, across 15 branded pandals in Kolkata with interactive live coverage. In one of the pandals, chief minister Mamata Banerjee inaugurated the “*Samaj Sebi Sarbajanin Puja*”. The channel also launched “*24 Gahtna Pojar Gaan CD*” during the event.

- ❖ Zee 24 Taas, India's first 24-hour Marathi news channel, reached 14.2 million viewers across India. (Source: TAM, CS 4+, All India, Q3 Weekly Avg Reach).

As a socially conscious channel, Zee 24 Taas executed a special campaign on road safety, especially as more and more cases of drunken driving resulting into fatal accidents are being

reported in Mumbai and other cities of Maharashtra. The channel also organized a fitness seminar in Mumbai with participation from eminent personalities in fitness and health sector. The channel also carried forward its high pitched election activity in October 2014 by executing 16-city canter activity under which an anchor on board a branded vehicle sought public opinion on who should be the next CM of Maharashtra.

- ❖ Zee Sangam, our regional channel catering to Uttar Pradesh and Uttrakhand, reached over 7.1 million viewers across India. (Source: TAM, CS 4 +, All India, Q3 Weekly Avg Reach)

The channel initiated and executed first-of-its-kind “*Retail Utsav*”, a consumer fair that was organized in Noida. The channel also organised “*Sangam Samman Awards*” with an aim to recognize the entrepreneurial spirit of UP.

- ❖ Zee Madhya Pradesh Chhattisgarh continues to be No. 1 choice in the region with 27.0% channel share, reaching more than 5.7 million viewers across India with relevant and engaging content. (Source: TAM, CS 4+ All India, Q3 Weekly Avg Reach; Channel Share CS 15+, MPCG ,Q3)

- ❖ Zee Punjab Haryana Himachal, addressing audiences across Himachal Pradesh and Haryana besides Punjab, reached more than 2.7 million viewers (Source: TAM, CS 4+, All India, Q3 Weekly Avg Reach)

The channel made a high impact with comprehensive coverage of Haryana elections through “*Naya Safar Naya Haryana*” road campaign that reached more than 1 lakh people across 80 towns. The channel also organized “*Hunar*”, a painting competition in Ludhiana where more than 700 students participated on the eve of Children’s Day.

- ❖ Zee Marudhara, which has been transformed into a full-fledged news channel, reached more than 1.6 million viewers across India. (Source: TAM, CS 4+, All India, Q3 Weekly Avg Reach)
- ❖ Zee Kalinga, our 24X7 news channel, expanded its reach to more than 1.4 million viewers across India. (Source: TAM, CS 4+, All India, Q3 Weekly Avg Reach)
- ❖ Maruya TV, our regional channel targeting Bihar and Jharkhand, reached more than 1.1 million viewers across India. (Source: TAM, CS 4+, All India, Q3 Weekly Avg Reach)
- ❖ In the third quarter, zeenews.com attracted over 34 million unique users as against 29 million unique users in second quarter, an increase of 15.5%. The website recorded 82 million visits as against 66 million in second quarter, an increase of 24.6%. Zeenews.com registered with

160 million page views as compared to 132 million page views in the previous quarter, an increase 21.0% in page views. The regional sections of the website also put up a good performance with visits to Hindi, Bengali and Marathi websites growing by 57.8%, 36.6% and 18.9% respectively.

Corporate Development

- ❖ With effect from December 12, 2014, consequent to further acquisitions, Maurya TV Private Limited, a Company engaged in the business of Broadcasting of a regional television channel 'Maurya TV' (catering to Bihar & Jharkhand market), became a Wholly owned Subsidiary of the Company.
- ❖ With a view to fund Capex, repayment of certain loans of the Company and funding for repayment of certain loans of subsidiary(ies) of the Company, the Company has proposed raising of upto Rs. 200 Crores by way of Rights Issue of Equity Shares to the existing shareholders of the Company. In this regard the Company has filed a Draft Letter of Offer with the Securities Exchange Board of India and Stock Exchanges on 2nd January 2015.

Channel Portfolio

National News Channels



Regional News Channels



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