

October 21, 2013

BSE Limited
National Stock Exchange of India Limited

Kind Attn: Manager-Corporate Relationship

Dear Sirs,

Sub: Proceedings of Board Meeting held on October 21, 2013

Pursuant to Clause 41 of the Listing Agreement, the Board of Directors of the Company at their meeting held today, i.e. on October 21, 2013 have approved the Un-audited Financial Results for the 2nd quarter of the financial year 2013-14 and half year ended on September 30, 2013.

Copy of the Financial Results along with Earning Release and Limited Review Certificate on the standalone financials, issued by the Statutory Auditors of the Company is enclosed herewith.

Yours truly

ZEE ENTERTAINMENT ENTERPRISES LIMITED



M Lakshminarayanan

Chief Compliance Officer & Company Secretary

Encl: As above



|| **VASUDHAIVA KUTUMBAKAM** ||
THE WORLD IS MY FAMILY

ZEE ENTERTAINMENT ENTERPRISES LIMITED

Continental Building, 135, Dr. Annie Besant Road, Worli, Mumbai - 400 018. India.



ZEE ENTERTAINMENT ENTERPRISES LIMITED

Regd. Office: 135, Continental Building, Dr. A. B. Road, Worli, Mumbai - 400 018

www.zeeentertainment.com



VASUDHAIVA KUTUMBAKAM
THE WORLD IS MY FAMILY

UNAUDITED CONSOLIDATED FINANCIAL RESULTS

Of Zee Entertainment Enterprises Ltd. and its Subsidiaries for the quarter / half year ended September 30, 2013
(₹ in Lacs)

Particulars	(Unaudited)					(Audited)
	Quarter ended Sept. 30,	Quarter ended June. 30,	Quarter ended Sept. 30,	Half year ended Sept. 30,	Year ended March 31,	
	2013	2013	2012	2013	2012	
Income from Operations						
a) Advertising Revenue	58,330	53,007	52,808	1,11,337	97,527	1,96,387
b) Subscription Revenue	45,812	42,407	39,495	88,219	75,907	1,62,338
c) Other Sales & Services	5,986	1,911	3,047	7,897	6,212	11,232
Total Income from Operations	1,10,128	97,325	95,350	2,07,453	1,79,646	3,69,957
Expenses						
a) Operating Cost	50,411	41,076	47,905	91,487	85,472	1,74,008
b) Employee benefits exp.	9,919	9,563	8,732	19,482	17,610	34,912
c) Depreciation and Amortisation exp.	908	866	954	1,774	1,942	3,988
d) Other Expenses	18,751	17,537	16,951	36,288	31,477	65,610
Total Expenses	79,989	69,042	74,542	1,49,031	1,36,501	2,78,518
Profit from Operations before Other Income and Finance Cost	30,139	28,283	20,808	58,422	43,145	91,439
Other Income	5,492	7,217	2,604	12,709	5,617	14,609
Profit from Operation before Finance Cost	35,631	35,500	23,412	71,131	48,762	1,06,048
Finance Cost	338	219	226	557	406	855
Profit before Tax	35,293	35,281	23,186	70,574	48,356	1,05,193
Tax Expenses :						
Less : Provision for Tax	11,674	12,894	4,437	24,568	13,907	32,832
Less : Short Provision for Tax earlier years	(12)	-	-	(12)	-	546
Net Profit for the Period	23,631	22,387	18,749	46,018	34,449	71,815
Add : Share of Profit/(Loss) of Associates	-	-	-	-	-	(97)
Less : Minority Interest	4	(77)	(20)	(73)	(135)	(237)
Net Profit after Tax	23,627	22,464	18,769	46,091	34,584	71,955
Minority Interest and Share of Profit/(Loss) of Associates						
Paid-up Equity Share Capital of Re. 1/- each (in Lacs)	9,600	9,595	9,540	9,600	9,540	9,540
Reserve (excluding Revaluation Reserves)	-	-	-	-	-	3,81,611
Earnings per Share (of Re. 1/- each) (not annualised) :						
a) Basic	2.46	2.35	1.96	4.81	3.62	7.54
b) Diluted	2.46	2.35	1.96	4.80	3.61	7.51

See accompanying notes to the financial results.

STATEMENT OF ASSETS AND LIABILITIES

Of Zee Entertainment Enterprises Ltd.

(₹ in Lacs)

Particulars	Standalone		Consolidated	
	As at Sept. 30, 2013 (Unaudited)	As at Mar. 31, 2013 (Audited)	As at Sept. 30, 2013 (Unaudited)	As at Mar. 31, 2013 (Audited)
EQUITY AND LIABILITIES				
Shareholders' Funds				
(a) Share Capital	9,600	9,540	9,600	9,540
(b) Reserves and Surplus	3,80,670	3,25,741	4,49,038	3,81,611
Sub-total - Shareholders' Funds	3,90,270	3,35,281	4,58,638	3,91,151
Minority Interest	-	-	730	333
Share Application Money	-	-	3	-
Non-Current Liabilities				
(a) Long-term Borrowings	164	150	187	171
(b) Long term Provisions	2,310	2,063	3,439	3,049
(c) Other Non Current Liabilities	-	-	1,977	1,736
Sub-total - Non-current Liabilities	2,474	2,213	5,603	4,956
Current Liabilities				
(a) Short-term Borrowings	-	-	1,721	-
(b) Trade Payables	23,758	22,638	58,176	51,723
(c) Other Current Liabilities	18,354	16,427	36,629	34,453
(d) Short-term Provisions	3,745	22,544	1,670	22,966
Sub-total - Current Liabilities	45,857	61,609	98,196	1,09,142
TOTAL - EQUITY AND LIABILITIES	4,38,601	3,99,103	5,63,170	5,05,582
ASSETS				
Non-current Assets				
(a) Fixed Assets	33,443	23,291	39,048	28,482
(b) Goodwill on Consolidation	-	-	79,097	71,269
(c) Non-current Investments	83,327	59,952	32,088	6,514
(d) Deferred Tax Assets (Net)	1,343	1,283	4,015	2,874
(e) Long Term Loans and Advances	38,224	38,086	16,632	22,544
(f) Other Non-current Assets	-	1	3,792	3,289
Sub-total - Non-current Assets	1,56,337	1,22,613	1,74,672	1,34,972
Current Assets				
(a) Current Investments	41,380	46,972	76,921	72,649
(b) Inventories	1,07,329	95,851	1,01,556	87,452
(c) Trade Receivables	81,066	71,711	1,18,247	98,903
(d) Cash and Bank Balances	2,506	23,942	17,007	53,162
(e) Short-term Loans and Advances	47,443	36,678	70,835	55,099
(f) Other Current Assets	2,540	1,336	3,932	3,345
Sub-total - Current Assets	2,82,264	2,76,490	3,88,498	3,70,610
TOTAL - ASSETS	4,38,601	3,99,103	5,63,170	5,05,582

NOTES :

- Under the Employee Stock Option Scheme 2009, during the quarter under review, the Company has issued and allotted 484,680 equity shares. Post completion of Quarter the Company has issued and allotted 211,850 Equity Shares.
- The Scheme of Arrangement to facilitate issuance of 6% Cumulative Redeemable Non-Convertible Preference Shares of Re. 1 each (Bonus Preference), as Bonus to the Equity Shareholders of the Company in the ratio of 21 (twenty one) Bonus Preference Shares

UNAUDITED FINANCIAL RESULTS

Of Zee Entertainment Enterprises Ltd. for the quarter / half year ended September 30, 2013
(₹ in Lacs)

Particulars	(Unaudited)					(Audited)
	Quarter ended Sept. 30,	Quarter ended June. 30,	Quarter ended Sept. 30,	Half year ended Sept. 30,	Year ended March 31,	
	2013	2013	2012	2013	2012	
Income from Operations						
a) Net Sales/Income from Operations	76,909	70,773	63,625	1,47,682	1,23,438	2,56,588
Total Income from Operations	76,909	70,773	63,625	1,47,682	1,23,438	2,56,588
Expenses						
a) Operating Cost	30,214	23,947	37,787	54,161	57,339	1,07,033
b) Employee Benefits Exp.	5,105	5,078	4,678	10,183	9,378	19,042
c) Depreciation and Amortisation Exp.	569	562	664	1,131	1,366	2,803
d) Other Expenses	2,881	2,817	2,605	5,698	4,689	11,478
e) Selling & Dist. Expenses	9,307	8,480	8,931	17,787	16,788	32,807
Total Expenses	48,076	40,884	54,665	88,960	89,560	1,73,163
Profit from Operations before Other Income and Finance Cost	28,833	29,889	8,960	58,722	33,878	83,425
Other Income	5,718	7,574	1,074	13,292	5,108	11,897
Profit from operations before Finance Cost	34,551	37,463	10,034	72,014	38,986	95,322
Finance Cost	61	38	44	99	54	133
Profit before Tax	34,490	37,425	9,990	71,915	38,932	95,189
Less : Provision for tax	11,692	12,466	3,191	24,158	12,383	30,517
Less : Short Provision for tax earlier years	-	-	-	-	-	603
Net Profit for the Period	22,798	24,959	6,799	47,757	26,549	64,069
Paid up Equity Share Capital Reserves (excluding Revaluation reserve)	9,600	9,595	9,540	9,600	9,540	9,540
Earnings per Share (of Re. 1/- each) (not annualised)						
a) Basic	2.38	2.61	0.72	4.98	2.78	6.71
b) Diluted	2.38	2.61	0.71	4.98	2.77	6.69

See accompanying notes to the financial results.

Select Information for the quarter ended September 30, 2013

Particulars	(Unaudited)					(Audited)
	Quarter ended Sept. 30,	Quarter ended June. 30,	Quarter ended Sept. 30,	Half year ended Sept. 30,	Year ended March 31,	
	2013	2013	2012	2013	2012	2013
PARTICULARS OF SHAREHOLDING						
Public Shareholding						
No. of Equity Shares of Re.1 each (in lacs)	5,463	5,458	5,403	5,463	5,403	5,403
Percentage of Shareholding	56.91%	56.89%	56.64%	56.91%	56.64%	56.64%
Promoters and Promoters Group Shareholding						
a) Pledge/Encumbered						
- No. of Equity Shares of Re.1 each (in lacs)	1,810	1,540	1,291	1,810	1,291	1,442
- Percentage of Share (As a % of the total Shareholding of Promoter and Promoter Group)	43.77%	37.22%	31.20%	43.77%	31.20%	34.86%
- Percentage of Shares (As a % of the total Share capital of the Company)	18.86%	16.05%	13.53%	18.86%	13.53%	15.11%
b) Non-Encumbered						
- No. of Equity Shares of Re.1 each (in lacs)	2,327	2,597	2,846	2,327	2,846	2,695
- Percentage of Share (As a % of the total Shareholding of Promoter and Promoter Group)	56.23%	62.78%	68.80%	56.23%	68.80%	65.14%
- Percentage of Shares (As a % of the total Share capital of the Company)	24.23%	27.06%	29.83%	24.23%	29.83%	28.25%

Particulars	3 Months Ended Sept. 30, 2013
INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	0
Received during the quarter	10
Disposed of during the quarter	10
Remaining unresolved at the end of the quarter	0

for every Equity Share of Re. 1 each of the Company was approved by the Members of the Company with requisite majority at the Court Convened General Meeting held on October 14, 2013. The Petition filed by the Company seeking approval of High Court to the said Scheme, shall come up for hearing in due course. The said Scheme of Arrangement shall be further subject to requisite statutory and regulatory approvals/exemptions.

- In order to expand product offering in international market, the Board of Directors of the Company has accorded in-principle approval for proposed joint venture between Asia Today Ltd, Mauritius a Wholly Owned overseas subsidiary of the Company and Voddler Group AG, Stockholm to develop a proprietary storage and streaming technology to facilitate distribution of Video on Demand on a large scale. The proposal includes investment commitment of up to USD 5 Million in the said joint venture.
- The Statutory Auditors have carried out a 'Limited Review' of the stand-alone financial results for the quarter / half year ended September 30, 2013.
- Previous period/year figures have been regrouped wherever necessary.
- The Company mainly operates only in one segment namely "Content and Broadcasting" and hence segment details are not published.
- The above unaudited financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on October 21, 2013.

For & on behalf of the Board
Zee Entertainment Enterprises Limited
sd/-
Punit Goenka
Managing Director & CEO

Place : Mumbai
Date : October 21, 2013



EARNINGS RELEASE FOR THE QUARTER ENDED SEPT. 30, 2013

Advertising Revenues of Rs 5,833 Mn, Up 10.5% yoy

Subscription Revenues of Rs 4,581 Mn, Up 16.0% yoy

Consolidated Operating Revenues of Rs 11,013 Mn, Up 15.5% yoy

EBITDA of Rs 3,105 Mn, Up 42.7% yoy; EBITDA Margin of 28.2%

Profit After Tax of Rs 2,363 Mn, Up 26.0% yoy; PAT Margin of 21.5%

Q2 HIGHLIGHTS

- ❖ Advertising revenues for the quarter were Rs 5,833 million, recording a growth of 10.5% over Q2 FY13. Ex-sports, advertising growth for the quarter is upwards of 20%, which is higher than the industry growth rate.
- ❖ Subscription revenues were Rs 4,581 million for the quarter ended September 30, 2013, recording a growth of 16.0% over corresponding period last fiscal. During the quarter, domestic subscription revenues stood at Rs 3,350 million, while international subscription revenues were Rs 1,231 million.
- ❖ Consolidated operating revenues for the quarter stood at Rs 11,013 million, recording a growth of 15.5% as compared to the corresponding quarter last fiscal.
- ❖ Operating profit (EBITDA) for the quarter stood at Rs 3,105 million, recording a growth of 42.7% over the corresponding quarter last fiscal. EBITDA Margin expanded from 22.8% in Q2 FY13 to 28.2% in this quarter.
- ❖ Profit after Tax (PAT) for the quarter ended September 30, 2013 was Rs 2,363 million, a growth of 26.0% over corresponding period last fiscal.



Mumbai, October 21, 2013: Zee Entertainment Enterprises Limited (ZEE) (BSE: 505537, NSE: ZEEL.EQ) today reported its second quarter fiscal 2014 consolidated revenue of Rs 11,013 million. The consolidated operating profit (EBITDA) for the quarter stood at Rs 3,105 million, recording a growth of 42.7% over corresponding period of previous fiscal. PAT for the quarter was Rs 2,363 million. The EBITDA margin for the quarter stood at 28.2% and the PAT margin was 21.5%.

The Board of Directors in its meeting held today, has taken on record the unaudited consolidated financial results of ZEE and its subsidiaries for the quarter ended September 30, 2013.

Mr. Subhash Chandra, Chairman, ZEE, stated, “The Indian economy continues to face challenges of depreciating rupee, current account deficit and growing inflation. However the situation is expected to improve in the coming quarters as a result of the curbs on gold imports, a weak rupee benefiting exports, and a sharp slowdown in domestic demand pulling down consumption and investment goods’ imports. The Entertainment & Media industry growth is marginally impacted by the overall slowdown in the economy. The television sector, in particular, continues to grow on the back of better subscriber growth linked to increasing digitization.”

Commenting on the results of the Company, Mr. Chandra added, “While overall business environment has stayed slightly weak, ZEEL continues to grow its business at a healthy pace. There was an apprehension about the trends in advertising spends given the overall weakness in the economy. But television media industry has continued to grow in double digits during the second quarter. ZEE has outpaced the industry advertising revenue growth once again. We look forward to continuing our investments in creating compelling content across genres and take advantage of the growth opportunities ahead of us. We will continue to pursue growth opportunities, which would enhance long term shareholder value.”

Mr. Punit Goenka, Managing Director and Chief Executive Officer, ZEE, commented, “We are pleased with the performance during the quarter. We have seen robust growth in market share in some of our key channels and overall have been able to maintain network viewership share. Once again we have outperformed the television industry advertising revenue growth and have delivered 20% plus yoy growth (excluding sports). Despite the launch of new channels both in domestic and international markets during the quarter, we have managed to improve our EBITDA margins over the corresponding period last year. Sports performance for the quarter has been good but due to a heavy sports calendar and rupee depreciation, the business is expected to be in losses for some more time to come.”

“In line with our strategy of undertaking value-accretive investments, we launched *&pictures*, an interactive Hindi movie channel aimed at targeting the younger mindset. The channel endeavors to build upon the existing film and digital resources to create a continuing conversation with an audience that is interested in staying connected and engaged with the world around them. This quarter also saw the soft launch of *Zee Anmol*, an FTA Hindi GEC which is the first channel in the Indian television space to be simultaneously launched on mobile and television platforms. Positioned as 'Dil Choo Jaaye', *Zee Anmol* is a channel that believes in touching people's hearts through real, genuine emotions that will be depicted through some of the best shows that Indian Television has ever seen.”

Speaking about the outlook for the business, Mr. Goenka continued, “Beginning next quarter, we will see reduction in advertising inventory across the network in accordance with TRAI regulations. We are in the process of negotiations with advertisers and are confident that this will not have any major impact on revenue monetization. Digitisation will lead to fragmentation of audiences. At ZEE, we believe this presents a huge opportunity to create new products for specific segments, which will allow us to monetize this opportunity both from advertising and subscription standpoint. Therefore, we continue to innovate in terms of our content and formats.”

BUSINESS PERFORMANCE

During the quarter, **Zee TV** averaged 381,019 GTVTs recording a relative share of 17% among the top 6 Hindi GECs. The market share was even better in the *Prime Time* band, where Zee TV averaged 227,402 GTVTs recording a relative share of 19%. The channel was No.2 in the *Weekday Prime Time* band during the last two months of the quarter. The channel delivered a weekly average of 22 shows among top 100 shows during the quarter led by the top rated shows like *Qubool Hai*, *Jodha Akbar*, *Do Dil Bandhe Ek Dori Se* and *DID Super Moms*. Zee TV launched new shows *Do Dil Bandhe Ek Dori Se*, *Ek Mutthi Asman*, *Khelti Hai Zindagi Aankh Micholi* and *DID Dance Ka Tashan* during the quarter. The key shows and events planned in the forthcoming quarter include *Bh Se Bhadey*, *Dance India Dance 4* and *Zee Rishtey Awards*.

Top fiction properties on Zee TV

Qubool Hai

Jodha Akbar

Do Dil Bandhe Ek Dori Se

Zee Cinema continues to be No. 1 channel in its genre, averaging 223,660 GTVTs during the quarter with a relative share of 35% among the top 3 Hindi movie channels. The key properties of the channel during the quarter were *Shanivaar Ki Raat Sitaron Ke Saath*, *Lage*

Raho and Cinema Hall. This quarter saw premieres of blockbuster movies like *ABCD*, *Himmatwala* and *Barfi*.

The network operates two channels in the English entertainment and movies genres - Zee Café and Zee Studio. **Zee Café** has been No. 1 channel in its genre in its relevant TG and delivered a weekly average of 31 shows in top 100 during the quarter. The top shows on Zee Café were *Live Telecast of Miss World 2013*, *Rookie Blue* and *Pretty Little Liars*. The key shows launched in the quarter were *Lost*, *Big Bang Theory* and *Pretty Little Liars*. The top performing properties on **Zee Studio** were *The Mummy Returns*, *Hard Luck* and *Uninhabited*.

The other niche channels of the Company include Zee Q and Zee Khana Khazana. **Zee Khana Khazana**, India's first 24-hour food channel launched two new shows this quarter. The first being *World of Food*, an inside view into the hospitality industry with interviews with food experts and the second show called *How se Wow Tak*, a vignette based series for easy and smart cooking. The top properties on the channel were *Breakfast Express*, *Quick Chef* and *Bacha Party*.

Zee Marathi was the No.1 channel in its genre for the quarter. The channel delivered average weekly GTVTs of 107,146 recording a relative share of 42% amongst top 3 Marathi GECs. The channel delivered a weekly average of 8 shows among top 10 shows including top non-fiction shows such as *Home Minister* and *Ek Peksha Ek*. The channel launched new shows *Honar Soon Me Hya Gharchi* and *Eka Peksha Ek* during the quarter.

Top fiction properties on Zee Marathi

Honar Soon Me Hya Gharchi

Tu Tithe Me

Radha Hi Bawari

Zee Bangla delivered a weekly average of 71,787 GTVTs in the quarter ranking a clear second in the Bangla GEC genre recording a relative share of 38%. The channel leads the non-fiction genre with 75% market share. The channel delivered a weekly average of 3 shows among top 10 shows bases on average TVT during the quarter led by the top rated non-fiction shows included *Mirakkal Akkel Challenger 7*, *Sa Re Ga Ma Pa – Li'l Champs 2013* and *Dadagiri Unlimited 4*.

Top fiction shows on Zee Bangla

Rashi

Boyei Gelo

Agnipariksha

Zee Telugu averaged 60,688 GTVTs during the quarter recording a relative channel share of 19%. *Pasupu Kumkuma*, *Muddubidda* and *Varudhini Parinayam* were the top fiction shows on the channel during the quarter. *Naa Autograph Sweet Memories*, *Super Jodi* and *Police Diary-People Against Crime* were the top rated non-fiction shows. During the quarter, Zee Telugu continued to maintain the No. 1 spot in the specified primetime band of 1800 hrs to 2230 hrs during weekdays across all Telugu GECs (CS F ABC 15+ Yrs).

Zee Kannada recorded a weekly average 31,632 GTVTs during the quarter recording a relative share of 14%, driven by popular shows like *Bharathi*, *Panduranga Vittala* and *Punarvivaha*. This quarter saw the launch of *Purushottama* and *Nithyotsava*. **Zee Tamil** averaged 22,993 GTVTs during the quarter driven by popular shows like *Solluvathellam Unmai*, *Luckka Kickka*, *Attagasam*, *Marumanam* and *Ramayanam*.

The key properties on our **Sports channels** bouquet during the quarter included telecast of *India Vs Zimbabwe* series, *West Indies/India/Sri Lanka* tri-series, *US Open*, *Tour De France* and *IAAF World Championship*. WWE continues to be a strong property attracting audiences as well as advertisers. The forthcoming quarter would see the telecast of cricketing events like *India vs. SA series*, *Pakistan vs. SA series* and *New Zealand vs. Sri Lanka series*. The sports business revenues in the second quarter of FY2014 were Rs 1,558 million, while costs incurred in this quarter were Rs 1,749 million.

ZEE's **International operations** contribute a significant part of the Company's revenues. During the quarter, the Company undertook a number of initiatives to further strengthen its dominance. Ten Cricket was launched on Rogers network across Canada. India.com was launched in the USA and Canada. Zee Khana Khazana launched for the first time in Africa on the Zuku platform to cater to the East African countries. Zee TV continues to be the No.1 South Asian channel in the Middle East with highest viewership.

CONDENSED STATEMENT OF OPERATIONS

The table below presents the condensed statement of operations for ZEE and its subsidiaries for the second quarter of FY2014 versus FY2013:

(Rs million)	Second Quarter		% Growth
	FY2014 (Unaudited)	FY2013 (Unaudited)	YOY
Operating Revenues	11,013	9,535	15%
Expenditure	7,908	7,359	7%
Operating profit (EBITDA)	3,105	2,176	43%
Add: Other Income	549	260	111%
Less: Depreciation	91	95	-5%
Less: Finance Cost	34	23	
PBT before exceptional items	3,529	2,319	52%
Less: Tax Expense	1,167	444	163%
Less: Short Provision for tax (Earlier Years)	(1)	-	
Profit After Tax for the Period	2,363	1,875	26%
Add: Exceptional Item	-	-	-
Profit After Tax after Exceptional Items	2,363	1,875	26%
Add: Share of Profit / (Loss) of Associates	-	-	
Less: Minority Interest	0	(2)	

NOTES

A: Numbers may not add up due to rounding

B: Previous period figures have been regrouped wherever necessary

Consolidated operating revenues for the second quarter of FY2014 stood at Rs 11,013 million, recording a growth of 15% as compared to the corresponding quarter last fiscal. Operating profit (EBITDA) for the quarter ended Sept. 30, 2013 was Rs 3,105 million, recording a growth of 43% on a y-o-y basis. EBITDA margin for the quarter stood at 28.2% as against 22.8% for the same quarter last year. Profit after Tax (PAT) for the quarter ended Sept. 30, 2013 was Rs 2,363 million, recording a growth of 26% over corresponding quarter last fiscal. PAT margin for the quarter stood at 21.5%.

REVENUE STREAMS

ZEE's revenues are generated primarily from advertising sales and subscription revenues. The following table sets forth the percentage of revenues that each type contributes to consolidated revenues in the second quarter of FY2014 and FY2013.

(Rs million)	Second Quarter		% of total revenues		% Growth
	FY2014	FY2013	FY2014	FY2013	
Advertising revenue	5,833	5,281	53%	55%	10.5%
Subscription revenue	4,581	3,950	42%	41%	16.0%
Other sales and services	599	305	5%	3%	96.5%
Total Revenues	11,013	9,535	100%	100%	15.5%

Refer Notes A and B above

ZEE's advertising revenues during the quarter were Rs 5,833 million, showing an increase of 10.5% y-o-y. During the corresponding quarter last fiscal, there were higher number of sports events, which are not there in Q2 FY14. Excluding sports, advertising revenue growth in Q2 FY14 is upwards of 20%. Total subscription revenues for the quarter were Rs 4,581 million, registering a growth of 16.0% over the corresponding quarter last fiscal. During the current quarter, domestic subscription revenues stood at Rs 3,350 million, while international subscription revenues were Rs 1,231 million. Domestic subscription revenues have shown an increase of 19.3% over the corresponding period last fiscal. Subscription revenues for the quarter from international operations are up by 7.9% y-o-y.

Other sales and services include syndication sales, play out & transmission services, commission on sales among others. During the quarter, other sales and services stood at Rs 599 million. The company had recorded revenue of Rs 305 million under this head during the corresponding period last fiscal.

EXPENDITURE

ZEE's main expenses include cost of goods and operations, employee cost, and administrative and selling expenses. The following table sets forth the percentage of costs that each type contributes to consolidated expenses for the second quarter of FY2014 as compared to the corresponding period last year.

(Rs million)	Second Quarter		% of total expenses		% Growth
	FY2014	FY2013	FY2014	FY2013	YoY
Operating cost	5,041	4,791	64%	65%	5.2%
Employee cost	992	873	13%	12%	13.6%
Selling & other expenses	1,875	1,695	24%	23%	10.6%
Total Expenses	7,908	7,359	100%	100%	7.5%

Refer Notes A and B above

Operating cost in the quarter was Rs 5,041 million as compared to Rs 4,791 million in the corresponding period last fiscal, an increase of 5.2%. Employee cost has gone up by 13.6% over the corresponding period last fiscal. Selling & other expenses in the quarter were at Rs 1,875 million, as compared to Rs 1,695 million in the corresponding period last fiscal, registering an increase of 10.6%. Total costs incurred by the Company in this quarter were Rs 7,908 million, an increase of 7.5% over the corresponding period last fiscal.

CONSOLIDATED BALANCE SHEET

(Rs million)		
	Sep-13	Mar-13
EQUITY AND LIABILITIES		
Shareholder's Funds		
Share Capital	960	954
Reserves and Surplus	44,904	38,161
	45,864	39,115
Minority Interest	73	33
Share Application Money (Rs 344,763)	0	-
Non-Current Liabilities		
Long-term Borrowings	19	17
Long-term Provisions	344	305
Other Non-Current Liabilities	198	174
	560	496
Current Liabilities		
Short-term Borrowings	172	-
Trade Payables	5,818	5,172
Other Current Liabilities	3,663	3,445
Short-term Provisions	167	2,297
	9,820	10,914
Total	56,317	50,558
ASSETS		
Non-Current Assets		
Fixed Assets	3,905	2,848
Goodwill on Consolidation	7,910	7,127
Non-Current Investments	3,209	651
Deferred Tax Assets (net)	402	287
Long Term Loans and Advances	1,663	2,254
Other Non-Current Assets	379	329
	17,467	13,497
Current Assets		
Current Investments	7,692	7,265
Inventories	10,156	8,745
Trade Receivables	11,825	9,890
Cash and Bank Balances	1,701	5,316
Short-Term Loans and Advances	7,084	5,510
Other Current Assets	393	335
	38,850	37,061
Total	56,317	50,558

CORPORATE DEVELOPMENTS DURING Q2 FY14

ESOP Scheme: The Company had instituted an Employee Stock Option Scheme in 2009 for issuance of stock options to employees under which in 2009, the Company had issued 4,340,000 options (which got doubled subsequent to the Bonus issue in 2010). During the quarter under review, the Company has issued and allotted 484,680 equity shares upon exercise of stock options at an exercise price of Rs119.90 per share. Post completion of quarter under review the Company has on October 11, 2013 issued and allotted 211,850 Equity Shares upon exercise of Stock Option at an Exercise Price of Rs. 119.90.

Scheme of Arrangement: The Scheme of Arrangement to facilitate issuance of 6% Cumulative Redeemable Non-Convertible Preference Shares of Re. 1 each (Bonus Preference), as Bonus to the Equity Shareholders of the Company in the ratio of 21 (twenty one) Bonus Preference Shares for every Equity Share of Re. 1 each of the Company was approved by the Members of the Company with requisite majority at the Court Convened General Meeting held on October 14, 2013. The Petition filed by the Company seeking approval of High Court to the said Scheme, shall come up for hearing in due course. The said Scheme of Arrangement shall be further subject to requisite statutory and regulatory approvals/exemptions.

Joint Venture with Vodder Group AG: In order to expand product offering in international market, the Board of Directors of the Company has accorded in-principle approval for proposed joint venture between Asia Today Ltd, Mauritius a wholly owned overseas subsidiary of the Company and Vodder Group AG, Stockholm to develop a proprietary storage and streaming technology to facilitate distribution of Video on Demand on a large scale. The proposal includes investment commitment of up to USD 5 Million in the said joint venture.

SHAREHOLDING PATTERN

The total shares outstanding of the Company as of September 30, 2013 are 959,990,800. The shareholding pattern as of September 30, 2013 is given below:

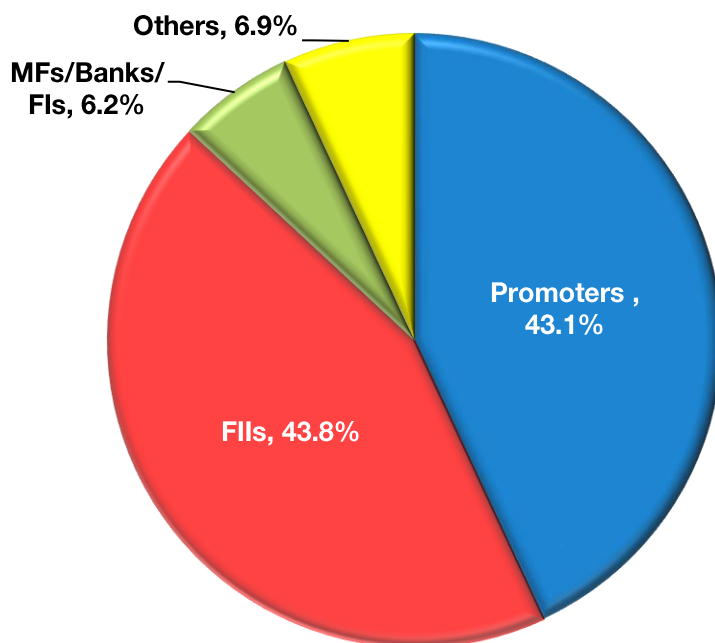


Figure: Shareholding pattern as on September 30, 2013



Note: This earnings release contains consolidated results that are unaudited, and 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 Entertainment Enterprises 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 Entertainment Enterprises Limited ("ZEE")

Zee Entertainment Enterprises Limited is one of India's leading television media and entertainment companies. It is amongst the largest producers and aggregators of Hindi programming in the world, with an extensive library housing over 120,000 hours of television content. With rights to more than 3,500 movie titles from foremost studios and of iconic film stars, ZEE houses the world's largest Hindi film library. Through its strong presence worldwide, ZEE entertains over 670 million viewers across 169 countries. ZEE has been selected Business Superbrands 2010-11, Industry Validated.

Pioneer of television entertainment industry in India, ZEE's well known brands include Zee TV, Zee Cinema, Zee Premier, Zee Action, Zee Classic, & pictures, Zee Anmol, Zee Smile, 9X, Ten Sports, Ten Cricket, Ten Action, Ten Golf, Zee Cafe, Zee Studio, Zee Trendz, Zee Jagran, Zee Salaam, Zing, ETC Music, Zee Khana Khazana and Zee Q. The company also has a strong offering in the regional language domain with channels such as Zee Marathi, Zee Talkies, Zee Bangla, Zee Bangla Cinema, Zee Telugu, Zee Kannada, Zee Tamizh and ETC Punjabi. The company's recently launched HD offerings include Zee TV HD, Zee Cinema HD, Zee Studio HD and Ten HD.

ZEE and its affiliate companies have leading presence across the media value chain including television broadcasting, cable distribution, direct-to-home satellite services, digital media and print media amongst others. More information about ZEE and its businesses is available on www.zeeentertainment.com.

Jolly Bhavan #2, 1st Floor,
7, New Marine Lines, Churchgate,
Mumbai - 400 020

T : +91-22-6633-2330
F : +91-22-6635-1545
E : mgbco@mgbco.com
W : www.mgbco.com

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

Re: Limited Review Report for the Quarter/ Half Year ended 30 September, 2013.

We have reviewed the accompanying statement of unaudited financial results of **Zee Entertainment Enterprises Limited** for the quarter/ half year ended 30 September, 2013 ("the Statement") except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. The 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.

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.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **MGB & Co**
Chartered Accountants
Firm Registration Number 101169W



Hitendra Bhandari
Partner
Membership Number 107832



Mumbai, 21 October, 2013