



Extraordinary Together

July 17, 2018

BSE Limited
National Stock Exchange of India Limited

Kind Attn : Manager Corporate Relationship

Dear Sirs,

Sub : Proceedings of the Board Meeting held on July 17, 2018
BSE Scrip Code: - 505537
NSE Symbol: - ZEEL EQ

The Board of Directors of the Company at the meeting held today i.e. on July 17, 2018 (which commenced at 1.30 p.m. and concluded at 3.25 p.m.) has approved the Unaudited Limited Reviewed Financial Results of the Company, both on standalone and consolidated operations for the 1st quarter of the financial year 2018-19 and three months ended on June 30, 2018.

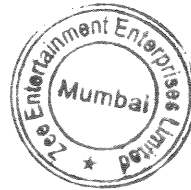
Copy of the Financial Results along with Earnings Release and Limited Review Certificate(s) both on standalone and consolidated Financial Statements issued by the Statutory Auditors of the Company are enclosed herewith.

Please note that a conference call to discuss performance of the Company has been scheduled today at 6.30 p.m. Details of such call have been uploaded on the website of the Company.

Kindly acknowledge receipt.

Yours truly,
ZEE ENTERTAINMENT ENTERPRISES LIMITED


M Lakshminarayanan
Chief Compliance Officer & Company Secretary



Encl : As above

Zee Entertainment Enterprises Limited

Regd. Office : 18th Floor, A-Wing, Marathon Futurex, N.M. Joshi Marg, Lower Parel, Mumbai - 400 013, India
P: +91 22 7106 1234 | F: +91 22 2300 2107 | CIN: L92132MH1982PLC028767 | www.zeeentertainment.com

**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF ZEE ENTERTAINMENT
ENTERPRISES LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **ZEE ENTERTAINMENT ENTERPRISES LIMITED** (the Company), for the quarter ended 30 June 2018 (the Statement), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.

This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) 34 on 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 on '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 Statement is 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 aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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4. The financial information issued earlier for the quarter ended 30 June 2017 have been restated to give effect to the composite scheme of arrangement and amalgamation between the Company and certain wholly-owned subsidiaries of the Company viz. Zee Digital Convergence Limited, Zee Unimedia Limited, Sarthak Entertainment Private Limited, as explained in note 6 to the Statement.

The financial information of the said subsidiaries and transferor entities for the quarter ended 30 June 2017 prepared in accordance with Ind AS have been reviewed by the respective entity's statutory auditors.

The adjustments made to the previously issued financial information of the Company giving effect to the above mentioned composite scheme of arrangement for the quarter ended 30 June 2017 have been reviewed by us.

Our report is not modified in respect of this matter.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A. B. Jani
Partner
Membership No. 46488

MY

Mumbai, 17 July 2018



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ZEE ENTERTAINMENT ENTERPRISES LIMITED

CIN No : L92132MH1982PLC028767

Regd. Off. 18th Floor, A Wing, Marathon Futurex, N.M.Joshi Marg, Lower Parel, Mumbai - 400013

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Standalone financial results for the quarter ended 30 June 2018

(₹ in Lakhs)

Particulars	Quarter ended on			Year ended on
	30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
	Unaudited	Audited	Unaudited (Restated) (Refer note 6)	Audited
1 Revenue from operations	156,326	149,148	132,573	579,555
2 Other income (Refer Note 4)	4,517	50,977	37,958	98,185
Total income [1 + 2]	160,843	200,125	170,531	677,740
3 Expenses				
(a) Operational cost	57,472	64,234	48,926	219,268
(b) Employee benefits expense	11,980	11,734	12,356	47,811
(c) Finance costs	503	12,815	1,462	14,256
(d) Depreciation and amortisation expenses	4,014	3,677	2,355	13,978
(e) Advertisement and publicity expenses	10,368	10,219	10,051	44,732
(f) Fair value loss/(gain) on financial instruments at fair value through profit and loss	2,551	(6,461)	3,841	1,798
(g) Other expenses	16,051	15,135	14,200	62,783
Total expenses [3(a) to 3(g)]	102,939	111,353	93,191	404,626
4 Profit before Tax [2 - 3]	57,904	88,772	77,340	273,114
5 Tax expense :				
(a) Current tax	20,112	28,859	24,480	86,445
(b) Current tax - earlier years	-	3	-	(88)
(c) Deferred tax	1,143	(2,235)	(1,256)	(4,436)
Total tax expense [5(a) + 5(b) + 5(c)]	21,255	26,627	23,224	81,921
6 Profit for the period / year [4 - 5]	36,649	62,145	54,116	191,193
7 Other comprehensive (loss)/income				
Items that will not be reclassified to profit or loss				
(a) (i) Re-measurment of defined benefit obligation	(263)	(185)	182	504
(ii) Fair value changes of equity instruments through other comprehensive income	(111)	(1,000)	142	56
(b) Income tax relating to items that will not be reclassified to profit or loss	92	89	(63)	(150)
Total other comprehensive (loss)/income [7(a) to 7(b)]	(282)	(1,096)	261	410
8 Total comprehensive income [6 + 7]	36,367	61,049	54,377	191,603
9 Paid-up Equity share capital of ₹ 1/- each	9,605	9,605	9,604	9,605
10 Other equity				572,370
11 Earnings per share (not annualised) :				
Basic (₹)	3.82	6.47	5.63	19.91
Diluted (₹)	3.82	6.47	5.63	19.91



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Notes to standalone financial results

1. The unaudited standalone financial results have been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 17 July 2018. These results have been subjected to limited review carried out by the Statutory Auditors.
2. The unaudited standalone financial results have been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI).
3. The Company operates in a single reporting segment namely 'Content and Broadcasting'.
4. Other income in the standalone financial results for the quarter ended 30 June 2017 and quarter ended 31 March 2018 includes equity dividend income of Rs 33,250 Lakhs and Rs 43,320 Lakhs respectively received from a subsidiary company.
5. Investments of the Company in Secured Non-convertible Debentures of an entity aggregating Rs. 17,783 lakhs (including interest) are outstanding and overdue as at 30 June 2018. The Company has initiated legal action in terms of enforcing the security attached to the said debenture etc. Accordingly, the outstanding amounts are considered good of recovery.
6. The Board of Directors of the Company at their meeting held on 24 July 2017 had approved a Composite Scheme of Arrangement and Amalgamation (the Scheme) between the Company and certain wholly-owned domestic subsidiaries, inter alia, for (a) Demerger of digital media and entertainment business undertaking from Zee Digital Convergence Limited (ZDCL); (b) Demerger of advertisement sales for media business undertaking from Zee Unimedia Limited (ZUL); (c) Demerger of online media business undertaking from India Webportal Private Limited (IWPL), all vesting with the Company; and (d) Amalgamation of Sarthak Entertainment Private Limited (SEPL) with the Company.

The Scheme has been approved by the Mumbai bench of Hon'ble National Company Law Tribunal on 11 April 2018 and the certified copy of the Order approving the Scheme has been filed with the Registrar of Companies on 3 May 2018. Consequently, effect of the same has been given in the financial results in accordance with the Pooling of interest method as laid down in Appendix C of the Indian Accounting Standard (Ind AS) 103 on 'Business Combinations' relating to accounting for common control business combinations. Accordingly, the figures for quarter ending 30 June 2017 have been restated to give effect to the aforesaid scheme.

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7. Effective 1 April 2018, the Company adopted Ind AS 115 'Revenue from contracts with customers'. The effect on adoption of Ind AS 115 on the standalone financial results is insignificant.
8. During the quarter ended 30 June 2018, the Company has issued and allotted 9,450 Equity shares upon conversion of Stock Options granted under the Company's ESOP Scheme. Consequent to this allotment the Paid-up Equity share capital of the Company stands increased to 960,463,070 Equity Shares of Re 1/- each i.e. Rs. 960,463,070.

For and on behalf of the Board
Zee Entertainment Enterprises Limited

Punit Goenka

Managing Director & CEO

Place: Mumbai
Date: 17 July 2018

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**INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM
CONSOLIDATED FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF ZEE ENTERTAINMENT
ENTERPRISES LIMITED**

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **ZEE ENTERTAINMENT ENTERPRISES LIMITED** (the Parent) and its subsidiaries (the Parent and its subsidiaries together referred to as the Group), and its share of the profit/(loss) of its joint venture and associates for the quarter ended 30 June 2018 (the Statement) being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016.

This Statement, which is the responsibility of the Parent's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34 on 'Interim Financial Reporting', prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. 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 on '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 Statement is free of material misstatement. A review is limited primarily to inquiries of Parent's 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. The Statement includes the results of the following entities:

Sr. No.	Particulars
	Subsidiaries
1	Essel Vision Productions Limited
2	Zee Digital Convergence Limited (Formerly Zee Sports Limited)
3	Pantheon Productions Limited

Sr. No.	Particulars
4	Zee Unimedia Limited
5	ZEE Turner Limited
6	Margo Networks Private Limited
7	Asia Multimedia Distribution Inc.
8	Asia Today Limited (Formerly Zee Multimedia (Maurice) Limited)
9	Asia Today Singapore Pte Limited
10	Asia TV Gmbh
11	Asia TV Limited (UK)
12	Asia TV USA Limited
13	ATL Media FZ-LLC
14	ATL Media Limited (Formerly Asia Today Limited)
15	Eevee Multimedia Inc.
16	Expand Fast Holdings (Singapore) Pte Limited
17	OOO Zee CIS LLC
18	Taj TV Limited
19	Z5X Global FZ – LLC
20	Zee Entertainment Middle East FZ-LLC
21	Zee Multimedia Worldwide (Mauritius) Limited
22	Zee Studio International Limited
23	Zee Technologies (Guangzhou) Limited
24	Zee TV South Africa (Proprietary) Limited
25	Zee TV USA Inc.
26	India Webportal Private Limited
27	Idea Shop Web Private Limited
28	Fly by Wire International Private Limited
29	OOO Zee CIS Holding LLC
	Joint Venture
1	Media Pro Enterprise India Private Limited
	Associates
1	Aplab Limited
2	Asia Today Thailand Limited

4. Based on our review conducted as stated above and based on the consideration of the review reports of other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5 July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We did not review the interim financial results of 8 subsidiaries included in the consolidated unaudited financial results, whose interim financial results reflect total revenues of Rs. 30,822 lakhs for the quarter ended 30 June 2018, and total loss after tax of Rs. 882 lakhs and total comprehensive loss of Rs. 1,462 lakhs for the quarter ended 30 June 2018, as considered in the consolidated unaudited financial results. These interim financial results have been reviewed by other auditors whose reports have been furnished to us by the Management and our report on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries are based solely on the reports of the other auditors.

Our report on the Statement is not modified in respect of these matters.

6. The consolidated unaudited financial results includes the interim financial results of 21 subsidiaries which have not been reviewed by their auditors, whose interim financial results reflect total revenue of Rs. 10,162 lakhs for the quarter ended 30 June 2018 and total profit after tax of Rs. 20 lakhs and total comprehensive income of Rs. 15 lakhs for the quarter ended 30 June 2018, as considered in the consolidated unaudited financial results. The consolidated unaudited financial results also includes the Group's share of profit after tax of Rs. 176 lakhs and total comprehensive income of Rs. 176 lakhs for the quarter ended 30 June 2018, as considered in the consolidated unaudited financial results, in respect of two associates and a joint venture, based on their interim financial results which have not been reviewed by their auditors. According to the information and explanations given to us by the Management, these interim financial results are not material to the Group.

Our report on the Statement is not modified in respect of our reliance on the interim financial results certified by the Management.

For Deloitte Haskins & Sells LLP
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



A. B. Jani
Partner

Membership No. 46488



Mumbai, 17 July 2018



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ZEE ENTERTAINMENT ENTERPRISES LIMITED

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Consolidated financial results for the quarter ended 30 June 2018

(` in Lakhs)

Particulars	Quarter ended on		Year ended on	
	30-Jun-18	31-Mar-18	30-Jun-17	31-Mar-18
	Unaudited	Audited	Unaudited (Restated) (Refer note 4)	Audited
1 Revenue from operations				
(a) Advertisement revenue	114,601	104,955	96,645	420,476
(b) Subscription revenue	51,864	54,652	47,911	202,873
(c) Other sales and services	10,738	12,924	9,469	45,219
2 Other income	4,975	8,812	10,106	44,035
Total income [1(a) to 1(c) + 2]	182,178	181,343	164,131	712,603
3 Expenses				
(a) Operational cost	66,832	68,931	58,634	252,752
(b) Employee benefits expense	17,138	16,383	16,689	66,566
(c) Finance costs	529	12,744	1,470	14,478
(d) Depreciation and amortisation expense	5,764	5,944	3,109	18,208
(e) Fair value loss/(gain) on financial instruments at fair value through profit and loss	2,129	(10,315)	5,321	676
(f) Advertisement and publicity expenses	14,016	13,258	12,409	57,732
(g) Other expenses	22,652	23,339	17,857	83,904
Total expenses [3(a) to 3(g)]	129,060	130,284	115,489	494,316
4 Profit before share of profit/(loss) of associates and joint ventures, exceptional item and taxes [1+2-3]	53,118	51,059	48,642	218,287
5 Share of profit/(loss) of associates/joint ventures	176	58	(56)	118
6 Profit before exceptional items and tax [4 + 5]	53,294	51,117	48,586	218,405
7 Exceptional items (Refer note 3)	-	-	-	13,461
8 Profit before tax [6 + 7]	53,294	51,117	48,586	231,866
9 Tax expense :				
(a) Current tax - current year	20,483	29,327	24,976	87,921
(b) Current tax - earlier years	-	(68)	-	(144)
(c) Deferred tax	223	(1,206)	(1,215)	(3,686)
Total tax expense [9(a) + 9(b) + 9(c)]	20,706	28,053	23,761	84,091
10 Profit for the period/year [8 - 9]	32,588	23,064	24,825	147,775
11 Other comprehensive income/(loss)				
(A) Items that will not be reclassified to profit or loss				
(a) (i) Re-measurement of defined benefit obligation	(272)	(207)	174	468
(ii) Fair value changes of equity instruments through other comprehensive income	(687)	(1,452)	322	(683)
(b) Income tax relating to items that will not be reclassified to profit or loss	94	95	(60)	(139)
(B) Items that will be reclassified to profit or loss				
(a) Exchange differences on translation of financial statements of foreign operations	9,040	4,619	(4,491)	(3,639)
Total other comprehensive income/(loss) [11(A) + 11(B)]	8,175	3,055	(4,055)	(3,993)
12 Total comprehensive income [10 + 11]	40,763	26,119	20,770	143,782
13 Profit for the year attributable to :				
Shareholders of the Company	32,638	23,099	24,839	147,910
Non-controlling interests	(50)	(35)	(14)	(135)
14 Total comprehensive income attributable to				
Shareholders of the Company	40,813	26,154	20,784	143,917
Non-controlling Interests	(50)	(35)	(14)	(135)
15 Paid-up Equity share capital of ₹ 1/- each	9,605	9,605	9,604	9,605
16 Other equity				746,565
17 Earnings per Share (not annualised) :				
Basic (₹)	3.40	2.41	2.59	15.40
Diluted (₹)	3.40	2.40	2.59	15.40



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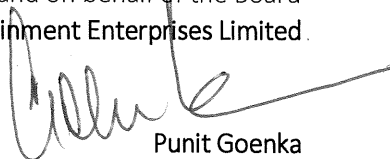
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Notes to consolidated financial results

1. The unaudited consolidated financial results of Zee Entertainment Enterprises Limited (the Company) and its subsidiaries (collectively referred as the Group) and its share of the profit/(loss) of its joint venture and associates have been reviewed by the Audit Committee and approved by the Board of Directors of the Company in their respective meetings held on 17 July 2018. These results have been subjected to limited review carried out by the Statutory Auditors.
2. The unaudited consolidated financial results have been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI).
3. During the previous year ended 31 March 2018, the Group has concluded the second phase of the transaction for disposal of Sports Broadcasting Business to Sony Pictures Networks India Private Limited resulting on a slump sale basis in a net gain of Rs. 13,461 Lakhs in the audited consolidated financial results for the year ended 31 March 2018.
4. During the previous year ended 31 March 2018, the Company has also given effect to the Scheme involving vesting of the demerged media and entertainment business of three of its subsidiaries and amalgamation of one of its subsidiary with effect from the appointed date of 1 April 2017. The figures for the quarter ended 30 June 2017 are restated.
5. During the quarter ended 30 June 2018, the Company has issued and allotted 9,450 Equity shares upon conversion of Stock Options granted under the Company's ESOP Scheme. Consequent to this allotment the Paid-up Equity share capital of the Company stands increased to 960,463,070 Equity Shares of Re 1/- each i.e. Rs. 960,463,070.
6. Effective 1 April 2018, the Company adopted Ind AS 115 'Revenue from contracts with customers'. The effect on adoption of Ind AS 115 on the consolidated financial results is insignificant.
7. The Group operates in a single reporting segment namely 'Content and Broadcasting'.

For and on behalf of the Board
Zee Entertainment Enterprises Limited.


Punit Goenka
Managing Director & CEO

Place: Mumbai
Date: 17 July 2018

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Financial Results for the quarter ended 30 June 2018



(₹ in lakhs)

Sl. No.	Particulars	Standalone			Consolidated		
		Quarter ended on 30/06/2018	Quarter ended on 30/06/2017 (Restated)	Year ended on 31/03/2018	Quarter ended on 30/06/2018	Quarter ended on 30/06/2017 (Restated)	Year ended on 31/03/2018
1	Total income from operations*	156,326	132,573	579,555	177,203	154,025	668,568
2	Profit/(Loss) for the period (before Tax, Exceptional and/or Extraordinary items)	57,904	77,340	273,114	53,294	48,586	218,405
3	Profit/(Loss) for the period before tax (after Exceptional and/or Extraordinary items)	57,904	77,340	273,114	53,294	48,586	231,866
4	Profit/(Loss) for the period after Tax (after Exceptional and/or Extraordinary items)	36,649	54,116	191,193	32,588	24,825	147,775
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	36,367	54,377	191,603	40,763	20,770	143,782
6	Equity Share Capital	9,605	9,604	9,605	9,605	9,604	9,605
7	Other equity (excluding revaluation reserves)			572,370			746,565
8	Earnings per Share (of Rs. 1/- each) (for continuing operations)						
	Basic (Rs.) (Not Annualised)	3.82	5.63	19.91	3.40	2.59	15.40
	Diluted (Rs.) (Not Annualised)	3.82	5.63	19.91	3.40	2.59	15.40

*Excludes other income

Notes :

1. The above is an extract of the detailed format of unaudited Financial Results filed by the Company with the Stock Exchanges under Regulation 33 of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015. The full format of the Unaudited Financial Results are available on the Stock Exchange websites. (www.bseindia.com and www.nseindia.com) and also on Company's website at www.zeeentertainment.com.

2. This financial statement has been prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 (the Act), as applicable and guidelines issued by the Securities and Exchange Board of India (SEBI).

Place: Mumbai

Date: 17 July 2018



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Strong start to fiscal 2019

Domestic advertising revenue grew by 22.3% to Rs. 10,870 mn in Q1FY19

Domestic subscription revenue grew by 12.3% to Rs. 4,252 mn in Q1FY19

EBITDA for Q1FY19 at Rs. 5,657 mn, EBITDA Margin of 31.9%

PAT for Q1FY19 at Rs. 3,264 mn, up by 31.4% YoY

Digital initiatives have started yielding results

Q1FY19 HIGHLIGHTS

- ❖ Advertising revenue for the quarter was Rs. 11,460 million, recording a growth of 18.6% YoY. Domestic advertising revenue grew by 22.3% YoY to 10,870 million. International advertising revenue for the quarter was Rs. 590 million.
- ❖ Subscription revenue for the quarter was Rs. 5,186 million. Domestic subscription revenue grew by 12.3% YoY to Rs. 4,252 million. International subscription revenue was Rs. 934 million.
- ❖ EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) for the quarter stood at Rs. 5,657 million and EBITDA margin stood at 31.9%.
- ❖ ZEEL was the #1 television entertainment network with an all-India viewership share of 19.2%.
- ❖ ZEE5 witnessed growth across viewership metrics and is amongst the top-5 digital entertainment platforms in the country.
- ❖ Zee Studios released 3 movies - *Beyond the Clouds* (Hindi), *Parmanu* (Hindi) and *Nude* (Marathi).



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Mumbai, July 17, 2018: The Board of Directors in its meeting held today, has approved and taken on record the unaudited consolidated financial results of Zee Entertainment Enterprises Limited (ZEEL) (BSE: 505537, NSE: ZEEL.EQ) and its subsidiaries for the quarter ended June 30, 2018.

For the first quarter of fiscal 2019, ZEEL reported consolidated revenue of Rs. 17,720 million. Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) was Rs. 5,657 million with an EBITDA margin of 31.9%. PAT for the quarter was Rs. 3,264 million.

Mr. Subhash Chandra, Chairman, ZEEL, commented, "The year has commenced on a positive note, for both the company as well as the economy. Government initiatives to aid the farming sector, coupled with the normal monsoon for the third successive year is encouraging for the rural economic growth. The growth in consumption, now being driven by rural as well, bodes well for advertising spends. In addition, increasing availability and adoption of digital medium, across different sectors, will have a positive effect on the country's growth trajectory."

Mr. Punit Goenka, Managing Director & CEO, ZEEL, commented, "We are happy with the all-round performance of our portfolio during the first quarter of this fiscal. Our domestic advertising growth of 22% was driven by higher ad spends across categories and increase in our network viewership share. Based on our discussions with the advertisers and the visibility on ad campaigns, we believe that the ad growth for the industry could be higher than the initial estimates for this financial year.

On the subscription front, TRAI has notified that the new tariff order will come into effect starting January 2019. We have started discussions with our distribution partners for seamless transition to the new regime. If implemented as envisaged, the regulation would be beneficial for all the stakeholders and could be a catalyst for ARPU growth. Even under the new regime we will be able to grow our subscription revenue at a healthy pace.

ZEE5, our digital OTT offering, is already amongst the top-5 digital entertainment platforms in India. We are confident that the pace of subscriber addition will further accelerate with the roll-out of original content and exclusive movie premieres. We are on track to be the largest producer of digital content in the country and are committed to make ZEE5 the #1 entertainment destination for digital consumers.

Our domestic broadcast portfolio further increased its market share and continues to be the leading television entertainment network in the country. The increase in viewership share is across the markets with strong traction particularly in our regional channels. We believe that there is still room for monetizing the increase in market share, which will allow us to grow ahead of the market."



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BUSINESS PERFORMANCE

Domestic Broadcast Business

ZEEL continued to improve its viewership share as the #1 network in the non-sports entertainment segment. In the first quarter of FY19, ZEEL had an all-India viewership share of 19.2%. The increase in viewership was driven by the improved performance in several regional language markets while the network maintained its leadership in the pay and FTA Hindi GEC segment.

Zee TV maintained its leadership position in the pay Hindi GEC segment. The channel is the leader in the core prime time viewership band. In the Hindi FTA segment, **Zee Anmol** was the leader and **Big Magic** continued to perform strongly. The **Hindi Cinema** cluster maintained its leadership position in the pay **Hindi movie** genre.

ZEEL's **Regional entertainment** portfolio delivered strong performance across markets during the quarter. **Zee Marathi** garnered a higher viewership share and continues to be the leader in the market. In West Bengal, **Zee Bangla** gained significant traction and became the leading channel in the urban market. **Zee Telugu** increased its share and was the second ranked channel in the Andhra Pradesh and Telangana market. **Zee Kannada** continued to be the second ranked channel in Karnataka. **Zee Tamil** further improved its market share and was the third ranked channel in the market. **Zee Sarthak** continued to maintain its strong leadership position in the Oriya market and **Big Ganga** sustained its strong viewership in the Bhojpuri market.

Our English movie channel, Zee Studio was renamed as **&flix** during the quarter. With a total of 400+ movies in library and 52 premiers, it will give a larger-than-life experience to the audience. **Zee Café**, with its strong line-up of English shows, continues to be an audience favourite for English entertainment. **&privé HD**, the premium destination for English movies, continues to entertain consumers with its rich catalogue of movies.

International Business

During the quarter, ZEEL's International business revenue was Rs. 1,951 million. The advertising revenue grew by 2.1% on a comparable basis (In Q1FY18, Rs. 198 mn of advertising revenue pertaining to sports business was part of International ad revenue) while the subscription revenue declined by 6.6%. Break-down of international business revenues for the first quarter is as below:

- Advertisement Revenue of Rs. 590 mn
- Subscription Revenue of Rs. 934 mn
- Other Sales and Services of Rs. 427 mn



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Digital Business

ZEE5, since launch in mid-February, has been gaining significant traction and witnessing growth across viewership metrics of MAUs, video views and engagement levels. It is already amongst the top 5 entertainment platforms in the country. We are confident that the pace of subscriber addition will further accelerate driven by the strong line-up of original content.

We have already released 14 *ZEE5 Originals* across six languages and have 20 more originals lined up for release in Q2. We are on track to be the largest digital original content producer in the country and have plans to launch one tentpole property every quarter. *Karenjit Kaur*, our first tentpole property was released yesterday and its trailer registered more than 25 mn video views on YouTube in a week's time. Along with the strong slate of original content, ZEE5 will premiere 150 exclusive movies across languages over the next twelve months. Another big draw for the viewers is the premium content from countries like South Korea, Turkey, Spain, France etc, dubbed in multiple Indian languages. Our expansive movie library, live television, catch up content, kids and lifestyle shows make it a wholesome bouquet of entertainment for every segment of audience. Our investments in Margo Networks and Tagos Design are an integral part of our digital strategy which will help us increase engagement with the audience. This, along with our strong content catalogue will make ZEE5 the #1 entertainment destination for digital consumers.

Movies & Music Business

Zee Studios, our movie production division, released three movies during the quarter – *Parmanu* (Hindi), *Beyond the Clouds* (Hindi) and *Nude* (Marathi). While *Parmanu* was well received at the box office, *Nude* won critical praise and was selected for screening at several international film festivals.

Zee Music Company, our music label, continued with its library expansion of both Bollywood as well as regional music. Further improving its performance, the music label registered ~4.1 billion views on YouTube in Q1. Zee Music Company is the second most subscribed Indian music channel on YouTube with over 19 million subscribers.



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CONDENSED STATEMENT OF OPERATIONS

Consolidated operating revenue for the first quarter of FY19 stood at Rs. 17,720 million, recording a growth of 15.0% on YoY basis. EBITDA for the quarter ended June 30, 2018 was Rs. 5,657 million, translating into EBITDA margin of 31.9%. Profit After Tax (PAT) for the quarter was Rs. 3,264 million.

The following table presents the consolidated financial statement of ZEEL and its subsidiaries for the first quarter of FY19:

(Rs. million)	Q1FY19	Q1FY18	Growth
Operating Revenue	17,720	15,403	15.0%
Expenditure	12,064	10,559	14.3%
EBITDA	5,657	4,844	16.8%
Add: Other Income	498	1,011	-50.8%
Less: Depreciation	576	311	85.4%
Less: Finance Cost	53	147	-64.0%
Less: Fair Value Through P&L	213	532	
PBT before exceptional items	5,312	4,864	9.2%
Add: Exceptional Items	-	-	
PBT after exceptional items	5,274	4,864	
Less: Tax Expense	2,071	2,376	-12.9%
Add: Share of Profit of Associates	18	(6)	
Less: Minority Interest	(5)	(1)	
Profit After Tax (PAT)	3,264	2,484	31.4%

NOTES

A: Previous period figures have been regrouped wherever necessary.

B: Numbers may not add up due to rounding



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REVENUE STREAMS

ZEEL has three sources of revenue - advertising, subscription and other sales and services. Other sales and services include revenues from our movie production business, content syndication, music label and commission on sales amongst others. The following table contains break-down of consolidated revenues.

(Rs. million)	Q1FY19	Q1FY18	Growth
Advertising revenue	11,460	9,665	18.6%
Subscription revenue	5,186	4,791	8.3%
Other sales and services	1,074	947	13.4%
Total Revenue	17,720	15,403	15.0%

Refer Notes A and B above

Advertising revenue

During the quarter, ZEEL's consolidated advertising revenue grew by 18.6% YoY to Rs. 11,460 million. Domestic advertising revenue growth at 22.3% continued to be strong driven by demand across categories and partly aided by lower growth in the base quarter. While ad spends by consumer goods companies are increasing as their traction in rural markets improve, the growth in other categories also continues to be strong. The advertising revenue growth is underpinned by the continuous increase in our network market share over the last few quarters.

Subscription revenue

Domestic subscription revenue for the quarter increased by 12.3% YoY whereas international subscription revenue declined by 6.6% YoY. As per the TRAI notification on 3rd July, the new tariff order will come into effect 180 days from the date of notification. We have already started discussions with our distribution partners for seamless transition to the new regime. We believe that the regulation could be beneficial for all the stakeholders in the value chain and improve the overall customer experience. Our medium-term outlook of domestic subscription growth remains unchanged.



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EXPENDITURE

ZEEL's total expenditure in Q1FY19 stood at Rs. 12,064 million, higher by 14.3% YoY compared to Q1FY18. The following table gives the break-down of costs.

<i>(Rs million)</i>	Q1FY19	Q1FY18	Growth
Operating cost	6,683	5,863	14.0%
Employee cost	1,714	1,669	2.7%
A&P Expense	1,402	1,241	13.0%
Other Expenses	2,265	1,786	26.9%
Total Expense	12,064	10,559	14.3%

Refer Notes A and B above

Programming cost for the quarter at Rs 6,683 million increased by 14.0% YoY. This increase is driven by higher original programming hours across the network, higher movie amortization costs and content cost for ZEE5. Advertising, publicity and other expenses for the quarter grew 21.2% YoY to Rs 3,667 million.



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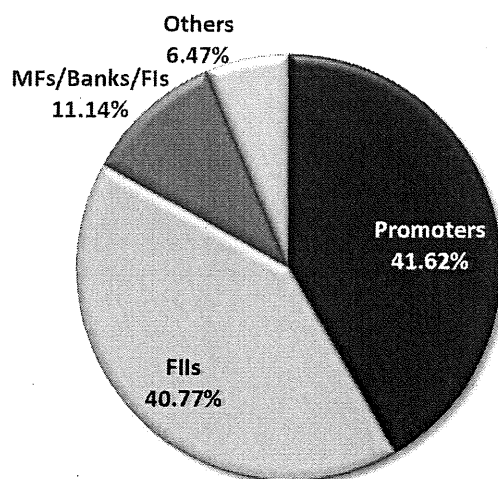
CORPORATE DEVELOPMENTS

During the quarter under review:

- The Company had on April 14, 2018 declared and paid Preference Dividend of Re. 0.48 per Share for FY 2017-18 on the Bonus Preference Shares of face value of Rs. 8 each.
- The Company had on April 10, 2018, issued and allotted 9,450 Equity Shares upon exercise of the Stock Options granted under ESOP Scheme, resulting in the increase in the Paid-up Equity Share Capital of the Company to 960,463,070 equity shares of Re 1/- each.

SHAREHOLDING PATTERN

The total outstanding shares of the Company as of June 30, 2018 were 960,463,070. The shareholding pattern as of June 30, 2018 is given below:



Shareholding pattern as on June 30, 2018





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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 ("ZEEL")

Zee Entertainment Enterprises Limited is one of India's leading media and entertainment companies. It is amongst the largest producers and aggregators of entertainment content in the world, with an extensive library housing over 250,000 hours of television content. With rights to more than 4,200 movie titles from foremost studios and of iconic film stars, ZEEL houses the world's largest Hindi film library. Through its strong presence worldwide, ZEEL entertains over 1.3 billion viewers across more than 170 countries.

Pioneer of television entertainment industry in India, ZEEL's well-known brands include Zee TV, &tv, Zee Anmol, Big Magic, Zee Cinema, &pictures, Zee Action, Zee Classic, Zee Anmol Cinema, Zee Cafe, &flix, Zing, ETC Bollywood. The company also has a strong offering in the regional language domain with channels such as Zee Marathi, Zee Talkies, Zee Yuva, Zee Bangla, Zee Bangla Cinema, Zee Telugu, Zee Cinemalu, Zee Kannada, Zee Tamil, Zee Sarthak and Big Ganga. The company's HD offerings include Zee TV HD, &tv HD, Zee Cinema HD, &pictures HD, Zee Marathi HD, Zee Talkies HD, Zee Bangla HD, Zee Tamil HD, Zee Telugu HD, Zee Cinemalu HD, &flix HD, Zee Café HD and &privé HD. ZEE5, ZEEL's OTT platform has 100,000+ hours of catch-up content and 90+ live TV channels. The company has a strong presence in the movies and music space through Zee Studios and Zee Music Company respectively.

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 ZEEL and its businesses is available on www.zeeentertainment.com.