ZEE ENTERTAINMENT ENTERPRISES LIMITED

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UNAUDITED CONSOLIDATED FINANCIAL RESULTS

Of Zee Entertainment Enterprises Ltd. and its Subsidiaries for the quarter ended September 30, 2010

₹ *in Lacs*

Particulars	Quarter ended September 30, (Unaudited)		Half-year ended September 30, (Unaudited)		Year ended March 31, (Audited)
	2010	2009	2010	2009	2010
Sales and Services					
Advertising Revenue (Net)	**41,215**	24,761	78,905	44,557	1,06,697
Subscription Revenue	**27,368**	24,347	53,509	48,445	98,688
Other Sales & Services	**2,574**	4,940	6,441	8,639	14,593
Total Revenue	**71,157**	**54,048**	**1,38,855**	**1,01,641**	**2,19,978**
Expenditure					
Prog. & Operating Cost	**34,575**	22,291	65,077	46,209	94,520
Staff Cost	**6,429**	4,420	12,403	8,319	19,632
Selling, Admin. & Other Exp.	**11,300**	12,262	23,820	20,337	44,479
Depreciation	**563**	769	1,182	1,519	2,854
Total Expenditure	**52,867**	**39,742**	**1,02,482**	**76,384**	**1,61,485**
Operating Profit	**18,290**	**14,306**	**36,373**	**25,257**	**58,493**
Interest / Other Income	**2,397**	2,914	3,656	6,165	12,201
Profit before Finance Cost and Exceptional Items	**20,687**	**17,220**	**40,029**	**31,422**	**70,694**
Finance Cost	**47**	835	554	1,746	3,314
Profit before Exceptional Items	**20,640**	**16,385**	**39,475**	**29,676**	**67,380**
Exceptional Item	-	-	3,277	-	-
Profit Before Tax	**20,640**	**16,385**	**42,752**	**29,676**	**67,380**
Less : Provision for Tax	**8,010**	5,290	15,112	9,449	11,450
Add : Excess Provision for Tax (earlier years) written back	-	-	-	-	2,842
Add : MAT Credit Entitlement	-	-	-	-	2,884
Net Profit After Tax	**12,630**	**11,095**	**27,640**	**20,227**	**61,656**
Minority Interest	**6**	(317)	(378)	(1,375)	(1,952)

CONSOLIDATED STATEMENT OF ASSETS AND LIABILITES

Of Zee Entertainment Enterprises Ltd. and its Subsidiaries for the 6 months ended September 30, 2010

₹ *in Lacs*

Particulars	Half Year Ended Sept. 30, 2010	Half Year Ended Sept. 30, 2009
	(Unaudited)	(Unaudited)
Shareholder's Fund		
a) Share Capital	**4,890**	4,339
b) Reserves & Surplus	**4,01,596**	3,54,790
Minority Interest	**-**	7,664
Loan Funds	**9,026**	53,984
Total	**4,15,512**	4,20,777
Fixed Assets	**1,95,286**	1,82,247
Investments	**79,814**	12,836
Deferred Tax Assets	**1,316**	1,251
Current Assets, Loans and Advances		
a) Inventories	**46,860**	44,042
b) Sundry Debtors	**90,054**	78,548
c) Cash and Bank Balances	**17,313**	11,193
d) Loans and Advance	**48,176**	1,45,385
	2,02,403	2,79,168
Less : Current Liabilities and Provision		
a) Current Liabilities	**52,371**	46,996
b) Provisions	**11,825**	7,729
	64,196	54,725
Net Current Assets	**1,38,207**	2,24,443
Minority Interest	**886**	-
Miscellaneous Expenditure	**3**	-
Total	**4,15,512**	4,20,777

STATEMENT OF ASSETS AND LIABILITES

Of Zee Entertainment Enterprises Ltd. for the 6 months ended September 30, 2010

₹ *in Lacs*

Particulars (Stand-alone Position)	Half Year Ended Sept. 30, 2010	Half Year Ended Sept. 30, 2009
	(Unaudited)	(Unaudited)
Shareholder's Fund		
a) Share Capital	**4,890**	4,340
b) Reserves & Surplus	**3,03,808**	2,47,298
Loan Funds	**131**	14,465
Total	**3,08,829**	2,66,103
Fixed Assets	**19,030**	16,119
Investments	**1,89,823**	1,34,962
Deferred Tax Assets	**480**	436
Current Assets, Loans and Advance		
a) Inventories	**45,746**	31,147
b) Sundry Debtors	**55,734**	43,276
c) Cash and Bank Balances	**4,153**	1,221
d) Loans and Advance	**40,701**	77,233
	1,46,334	1,52,877
Less : Current Liabilities and Provision		
a) Current Liabilities	**45,175**	30,848
b) Provisions	**1,663**	7,443
	46,838	38,291
Net Current Assets	**99,496**	1,14,586
Total	**3,08,829**	2,66,103

UNAUDITED FINANCIAL RESULTS

Of Zee Entertainment Enterprises Ltd. for the quarter ended September 30, 2010

₹ *in Lacs*

Particulars (stand-alone operations)	Quarter ended September 30, (Unaudited)		Half-year ended September 30, (Unaudited)		Year ended March 31, (Audited)
	2010	2009	2010	2009	2010
Income					
Net Sales/Income from Operation	**50,098**	27,994	95,365	51,887	1,27,874
Total Income	**50,098**	**27,994**	**95,365**	**51,887**	**1,27,874**
Expenditure					
Cost of Goods & Operations	**15,459**	8,431	29,286	16,604	42,567
Staff Cost	**4,075**	1,570	6,906	2,943	8,146
Depreciation	**431**	269	713	543	1,143
Admin. & Other Expenses	**2,474**	1,100	5,534	2,195	7,716
Selling & Dist. Expenses	**5,436**	3,771	11,095	8,023	16,335
Total Expenditure	**27,875**	**15,141**	**53,534**	**30,308**	**75,907**
Profit from Operations Before Other Income, Finance Cost and Exceptional Items	**22,223**	**12,853**	**41,831**	**21,579**	**51,967**
Interest / Other Income	**1,581**	2,357	2,993	5,129	10,618
Profit Before Finance Cost and Exceptional Items	**23,804**	**15,210**	**44,824**	**26,708**	**62,585**
Finance Cost	**327**	220	370	887	1,753
Profit After Finance Cost but before Exceptional Items	**23,477**	**14,990**	**44,454**	**25,821**	**60,832**
Exceptional Items (Net of Tax)	-	-	2,906	-	-
Profit Before Tax	**23,477**	**14,990**	**47,360**	**25,821**	**60,832**
Less : Provision for tax, (incl. prev. yrs)	**7,721**	4,742	14,841	8,446	10,962
Add : Excess Provision for tax (earlier years) written back	**-**	-	-	-	3,130
Add : MAT Credit Entitlement	-	-	-	-	2,884
Net Profit After Tax	**15,756**	10,248	32,519	17,375	55,884
Paid up Eq. Share Capital	**4,890**	4,340	4,890	4,340	4,890
Reserves (Excluding Revaluation reserve)	**-**	-	-	-	2,77,642
Basic & Diluted EPS before*	**3.22**	2.36	6.06	4.00	12.51
Basic & Diluted EPS after*	**3.22**	2.36	6.65	4.00	12.51
Public Shareholding					
No.of Equity Shares of Re.1 each (in lacs)	**2,797**	2,539	2,797	2,539	2,539
Percentage of Shareholding	**57.2**	58.5	57.2	58.5	58.5
Promotors and Promotors Group Shareholding -Pledge / Encumbured					
No.of Equity Shares of Re.1 each (in lacs)	**424**	615	424	615	548
% of Share (As a % of the total Shareholding of Promotor and Promotor Group)	**20.27%**	34.13%	20.27%	34.13%	30.45%
% of Shares (As a % of the total Share capital of the Company)	**8.67%**	14.16%	8.67%	14.16%	12.64%
- Non-Encumbured					
No.of Equity Shares of Re.1 each (in lacs)	**1,668**	1,186	1,668	1,186	1,253
% of Share (As a % of the total Shareholding of Promotor and Promotor Group)	**79.73%**	65.87%	79.73%	65.87%	69.55%
% of Shares (As a % of the total Share capital of the Company	**34.13%**	27.34%	34.13%	27.34%	28.86%

(*Exceptional Items)

NOTES :

1) No investor grievance was pending as on July 1, 2010. The Company received 19 letters during the quarter, all of which were resolved and none were lying unresolved as on September 30, 2010.
2) Consequent to receipt of all statutory and regulatory approvals for demerger of Education Business Undertaking in the current quarter, the company have transferred all the Assets and Liabilities of said Education Business Undertaking from the appointed date i.e. April 1, 2010 to Zee Learn Limited, hence current quarter / half yearly result includes reversal effect of its financial consolidated in 1st quarter.
3) Previous year figures have been reclassified / regrouped wherever necessary, hence stand-alone results of current quarter / half year is not comparable with that of previous year corresponding periods.
   (i) Regional General Entertainment channels (RGEC) undertaking merged w.e.f. 1st January, 2010.
   (ii) 9x business undertaking and erstwhile ETC Networks Limited merged w.e.f. 31st March, 2010, became effective in the current quarter, hence current quarter/ half yearly results includes their financials for 6 months.
4) The Company operates only in one Segment namely 'Content and Broadcasting' and hence segment details are not required.
5) The Statutory Auditors have carried out a 'Limited Review' of the stand-alone financial results for the quarter ended September 30, 2010.
6) The above results were reviewed by the Audit Committee and approved by the Board of Directors in their meeting held on 28th October 2010.

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

Place : Mumbai
Date : October 28, 2010