EARNINGS RELEASE FOR THE QUARTER ENDED MAR. 31, 2015

Advertising Revenues of Rs 6,697 Mn

Subscription Revenues of Rs 5,108 Mn

Consolidated Operating Revenues of Rs 13,471 Mn

EBITDA of Rs 2,708 Mn; EBITDA Margin of 20.1%

Profit after Tax of Rs 2,319 Mn; PAT Margin of 17.2%

Board Recommends Equity Dividend of 225%

Q4 HIGHLIGHTS

- Advertising revenues for the quarter were Rs 6,697 million, recording a growth of 15.0% over Q4 FY14. For full year FY2015, advertising revenues increased by 12.0% to Rs 26,603 million.
- Subscription revenues were Rs 5,108 million for the quarter ended March 31, 2015. For the full year FY2015, subscription revenues were Rs 17,935 million
- During the quarter, domestic subscription revenues stood at Rs 4,175 million. For the full year FY15 the domestic subscription revenue stood at Rs. 14,240 million. Adjusting for the difference due to accounting changes necessitated by change in TRAI's content aggregator regulation like-to-like growth for the full year FY 2015 is in low teens.
- During the quarter, international subscription revenues were Rs 933 million. As outlined in the prior Earnings Releases, due to change in arrangement with various operators across international territories, the reporting of subscription revenue for the current year has undergone a change and hence previous year figures are not comparable with that of current period. For the full year FY 2015 the like-to-like growth in rupee terms was in mid-single digit

- Consolidated operating revenues for the quarter stood at Rs 13,471 million. For the full year FY2015 the Company registered operating revenue of Rs 48,837 million. The revenue figures are not comparable to corresponding figures last year owing to changes mentioned above.

- Operating profit (EBITDA) for the quarter stood at Rs 2,708 million. EBITDA Margin stood at 20.1%. For the full year FY 2015, EBITDA stood at Rs 12,537 million. EBITDA Margin for FY 2015 stood at 25.7%

- Profit after Tax (PAT) for the quarter ended March 31, 2015 was Rs 2,319 million. PAT Margin stood at 17.2%. For the full year FY 2015 PAT stood at Rs 9,755 million. PAT Margin for FY 2015 stood at 20.0%

Mumbai, May 21, 2015: Zee Entertainment Enterprises Limited (ZEE) (BSE: 505537, NSE: ZEEL.EQ) today reported its fourth quarter fiscal 2015 consolidated revenue of Rs 13,470 million. The consolidated operating profit (EBITDA) for the quarter stood at Rs 2,707 million. PAT for the quarter was Rs 2,319 million. The EBITDA margin for the quarter stood at 20.1% and the PAT margin was 17.2%. For the full year FY15 consolidated revenue stood at Rs 48,837 million. The consolidated operating profit (EBITDA) for the year stood at Rs 12,537 million. PAT for the fiscal was Rs 9,755 million. The EBITDA margin stood at 25.7% and the PAT margin was 20.0%.

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 March 31, 2015.

Mr. Subhash Chandra, Chairman, ZEE, stated, “With a stable government at the center the Indian economy has shown some signs for optimism and is expected to see a positive growth trajectory. New initiatives like the “Make in India” campaign and other reform measures have boosted confidence among investors in the successful and sustainable growth of the economy. Introduction of GST in the coming future should be a positive for the media sector. With the aforementioned developments in the economic environment we hope that the Media industry will see improvement in the revenues.”

Commenting on the results of the Company, Mr. Chandra added, “Our performance in this quarter is reflective of the investments we are making to further enhance of market position. We continue to pursue opportunities in existing and new markets that will yield long term

growth. Since, financially we are in a sound position, we are confident that we will benefit from exploring such growth opportunities in the coming year."

Mr. Punit Goenka, Managing Director & Chief Executive Officer, ZEE, commented, "This quarter, our performance has been satisfactory. As expected, advertising spends increased during the quarter backed by consistent performance of our channels. We also witnessed a sustainable growth in our subscription revenues in this period and with the implementation of digitization in Phase III and IV we expect to see our subscription revenues grow further in the future."

Commenting on the recently launched Hindi GEC channel "&tv", Mr. Goenka said, "&tv saw the best ever launch of a Hindi GEC channel. Following its successful launch the channel has continued to deliver and entertain audiences. We aim to better this performance in the future with new and innovative programming. We have also taken the channel to select international territories as well."

Mr. Goenka further added, "This quarter we also launched two international channels, Zee World, our first dubbed and subtitled English GEC offering in the international market, in South Africa and Zee Hiburan, a localized GEC with content dubbed or subtitled in Bahasa in Indonesia."

Speaking about the outlook of the business, Mr. Goenka continued, "In a constantly evolving media and entertainment space, we have always remained true to our values and vision in bringing excellent quality entertainment to our viewers. We believe that change is the only constant and strive to explore innovative and path breaking avenues to entertain our audiences in the domestic and international space."

BUSINESS PERFORMANCE



During the quarter, **Zee TV** recorded a relative share of 18.2% among the top 6 Hindi General Entertainment Channels. The market share was even better in the *Prime Time* band, where Zee TV recorded a relative share of 21.0%. Zee TV was the No.3 channel in the genre during the quarter. The channel delivered a weekly average of 10 shows among top 50 shows during the quarter led by the top rated shows like *Kumkum Bhagya, Jamai Raja* and *Qubool Hai.* New shows launched during the quarter were *Hello Pratibha, Maharakshak Devi, Servicewali Bahu* and *DID Super Moms 2. Fear Files, Tumhi Ho Bandhu Sakha Tumhi, Dance India Dance 5* are the shows planned for launch/ launched in Q1FY16.



ZEE's **Hindi Movie Cluster –** Zee Cinema, &pictures, Zee Classic, Zee Premiere and Zee Action, lead the genre with a relative share of 32.9%. The key properties on Zee Cinema during the quarter were *Lage Raho, Shanivaar Ki Raat Sitaron Ke Saath* and *Cinema Hall*. This quarter saw the premieres of *Happy New Year* on Zee Cinema. &pictures saw the premieres of *SkyFall* and *LunchBox*.

The network operates two channels in the English entertainment and movies genre - Zee Café and Zee Studio. **Zee Café** was the no. 2 ranked channel in its genre with a relative share of 18.3% and delivered a weekly average of 11 shows in top 50 during the quarter. The top shows on Zee Café were *The Big Bang Theory, Desperate Housewives* and *America's Funniest Home Videos.* The key shows launched in the quarter were *House of Cards, Mentalist Season 7* and *Grey's Anatomy.* The top performing properties on **Zee Studio** were *The Avengers, Wild Hogs* and *MegaMind.*

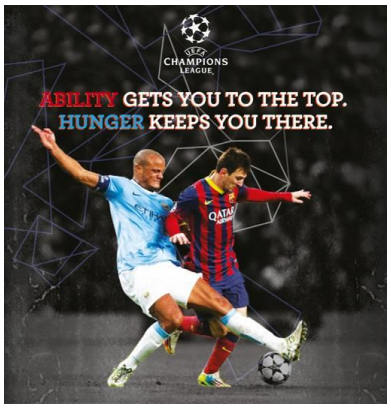
Zee Khana Khazana, the premium lifestyle channel from ZEE, continues to be at the top of ratings chart with a relative share of 39.3% in the food and lifestyle genre. The channel has firmly established itself as No. 1 lifestyle channel in the Country. The channel delivered a weekly average of 9 shows among top 10 shows during the quarter led by the top performing properties like *3 Course with Pankaj, Eat Manual* and *Bake Do Teen*. Top shows launched during the quarter were *3 Course with Pankaj, Howzzat* and *Ab Har Koi Chef.*

During the quarter, **Zee Marathi** extended its lead as No.1 channel in its genre. The channel recorded a relative share of 54.5% amongst all Marathi GECs. The channel delivered a weekly average of 8 shows among top 10 shows led by top fiction shows like *Jai Malhar, Honar Soon Me Hya Gharchi* and *Ka Re Durava* and non-fiction shows such as *Chala Hava Yeun Dya* and *Home Minister.* New launches planned during the forthcoming quarter include *Nanda Saukhyabhare.*

Zee Bangla is one of the leading players in the Bangla GEC genre. During the quarter, the channel increased its relative share to 36.6%. The channel leads the non-fiction genre with 75% market share. The channel was the slot leader in 7 out of 14 prime time bands during the quarter led by the top rated fiction shows like *Raage Anuraage*, *Rajyotak* and *Diragaman* and top rated non-fiction shows like *Dadagiri Unlimited 5, Happy Parents Day* and *Didi No 1*

During the quarter, **Zee Telugu** recorded a relative channel share to 22.8%. Overall, the channel is a close no. 3 in the Telugu GEC space. The top rated fiction shows on the channel during the quarter *were Varudhini Parinayam, Mangamma Gari Manavaralu* and *Mudda Mandaram*. Key shows launched during the quarter were *Iddaru Amayilu, 3 2 1 Go* and *Super Mom.*

Zee Kannada recorded a relative share to 14.2% during the quarter. Top rated shows on the channel were *Life SuperGuru, Jothe Jotheyali* and *Srirastu Subhamastu*. This quarter saw new launches of shows like *Mr & Mrs Range Gowda, Onduralli Raja Rani, Divided* and *Love Lavike.* **Zee Tamil** recorded a relative share of 5.9% during the quarter. The top rated shows on the channel include *Solluvathellam Unmai* and *Luckka Kickka 2*.



The key properties on our **Sports channels** bouquet during the quarter included telecast of *South Africa vs West Indies cricket series, UEFA Champions League, UEFA Europa League, A-League, Sky Bet Championship, WWE Raw, WWE Specials, MotoGP* among others. The forthcoming quarter would see the telecast of events like *West Indies vs England cricket series, Sri Lanka vs Pakistan cricket series, UEFA Champions League Finals, UEFA Europa League Finals, WWE Specials, MotoGP, ATP World Tour among others.* The sports business revenues in the third quarter of FY2015 were Rs 1,680 million, while costs incurred in this quarter were Rs 1,438 million.

ZEE's **International operations** constitute a significant part of the Company's revenues. The highlights of the International Operations during the quarter were as follows:

- In Americas, Zee TV continues its dominance amongst South Asian networks. Zee TV HD and Zee Bollywood HD were launched on additional platforms.
- Lamhe and Zing currently rank among the top 10 South Asian Channels in UK.
- Zee TV Middle East's locally produced drama series Parwaaz recorded the highest program ratings ever recorded among South Asians for the month of January 2015.
- Zee TV and Zee Cinema continued to be the Number 1 South Asian channels in their respective genres in the UAE.
- Zee Aflam retained its ranking as the Number 3 movie channel in All Arabs target audience in Saudi Arabia.
- Within a month of its launch Zee World became the second best performing GEC amongst its target audience in South Africa.
- In APAC, Zee Variasi garnered its 2-year highest viewership among Malay TG. Recent launches in this territory, Zee Bioskop and Zee Nung, have gained popularity within a short period of time and are available on multiple platforms. The newly launched channel Zee Hiburan in Indonesia has been received well and is expected to gain popularity in the coming months

Launch of New Hindi GEC - &tv



CONDENSED STATEMENT OF OPERATIONS

The table below presents the condensed statement of operations for ZEEL and its subsidiaries for the fourth quarter of FY2015 versus FY2014:

(Rs million)	Fourth Quarter		*% Growth*
	FY2015 (Audited)	**FY2014 (Audited)**	**YOY**
Operating Revenues	**13,471**	**11,588**	**16.3%**
Expenditure	10,763	8,472	**27.0%**
Operating profit (EBITDA)	**2,708**	**3,115**	**-13.1%**
Add: Other Income	564	155	263.9%
Less: Depreciation	174	189	-7.9%
Less: Finance Cost	30	70	-58.6%
PBT before exceptional items	**3,068**	**3,012**	**1.9%**
Less: Tax Expense	960	784	-29.7%
Less: Short Provision for tax (Earlier Years)/ MAT (earlier period)/ Deferred Tax	(212)	66	
Profit After Tax for the Period	**2,319**	**2,162**	**7.4%**
Add: Exceptional Item	0	0	
Profit After Tax after Exceptional Items	**2,319**	**2,162**	**7.4%**
Add: Share of Profit / (Loss) of Associates	(37)	2	
Less: Minority Interest	(25)	(12)	

NOTES
A: Previous period figures have been regrouped wherever necessary.
B: Consequent to the enactment of the Companies Act, 2013 (Act) and its applicability for accounting periods commencing after April 1, 2014, the Company has reworked depreciation with reference to the estimated economic lives of fixed assets prescribed by Schedule II of the Act or actual useful life of assets, whichever is lower.
C: Numbers may not add up due to rounding

Consolidated operating revenues for the fourth quarter of FY2015 stood at Rs 13,471 million. Operating profit (EBITDA) for the quarter ended March 31, 2015 was Rs 2,708 million. EBITDA margin for the quarter stood at 20.1%. Profit After Tax (PAT) for the quarter ended March 31, 2015 was Rs 2,319 million. PAT margin for the quarter stood at 17.2%.

The table below presents the condensed statement of operations for ZEEL and its subsidiaries for the full year FY2015 versus FY2014:

(Rs million)	Twelve Months		*% Growth*
	FY2015 (Unaudited)	**FY2014 (Unaudited)**	**YOY**
Operating Revenues	**48,837**	**44,217**	**10.4%**
Expenditure	36,299	32,174	**12.8%**
Operating profit (EBITDA)	**12,537**	**12,043**	**4.1%**
Add: Other Income	2,278	1,807	26.1%
Less: Depreciation	673	501	34.3%
Less: Finance Cost	103	158	-34.8%
PBT before exceptional items	**14,039**	**13,190**	**6.4%**
Less: Tax Expense	4,737	4,297	10.4%
Less: Short Provision for tax (Earlier Years)/ MAT (earlier period)/ Deferred Tax	(453)	(6)	
Profit After Tax for the Period	**9,755**	**8,900**	**9.6%**
Add: Exceptional Item	0	0	-
Profit After Tax after Exceptional Items	**9,755**	**8,900**	**9.6%**
Add: Share of Profit / (Loss) of Associates	(37)	2	
Less: Minority Interest	(57)	(19)	

NOTES
A: Previous period figures have been regrouped wherever necessary.
B: Consequent to the enactment of the Companies Act, 2013 (Act) and its applicability for accounting periods commencing after April 1, 2014, the Company has reworked depreciation with reference to the estimated economic lives of fixed assets prescribed by Schedule II of the Act or actual useful life of assets, whichever is lower.
C: Numbers may not add up due to rounding

Consolidated operating revenues for the full year FY2015 stood at Rs 48,837 million. Operating profit (EBITDA) for the financial year ended March 31, 2015 was Rs 12,537 million. EBITDA margin for the fiscal stood at 25.7%. Profit After Tax (PAT) for the year was Rs 9,755 million. PAT margin stood at 20.0%.

The financial results of the quarter and full year are reflective of the change in accounting treatment of domestic and international subscription revenues. The change in accounting treatment of domestic subscription has been necessitated by the change in TRAI's content

aggregator regulation and the change in accounting treatment of international subscription revenue has been on account of change in arrangement with various operators across international territories. This has had an effect on the reported growth of subscription revenues. For the full year FY 2015 on a like-to-like basis domestic subscription has grown in low teens, while the international subscription revenue has grown in mid-single digits in rupee terms. However, there is no effect of this accounting change on the bottom line.

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 fourth quarter of FY2015 and FY2014.

(Rs million)	Fourth Quarter		% of total revenues		% Growth
	FY2015	FY2014	FY2015	FY2014	
Advertising revenue	6,697	5,824	50%	58%	15.0%
Subscription revenue	5,108	4,635	38%	40%	10.2%
Other sales and services	1,666	1,129	12%	10%	47.6%
Total Revenues	**13,471**	**11,588**	**100%**	**100%**	**16.2%**

Refer Notes A and C above

ZEE's advertising revenues during the quarter were Rs 6,697 million, showing an increase of 15.0% y-o-y. Total subscription revenues for the quarter were Rs 5,108 million. During the current quarter, domestic subscription revenues stood at Rs 4,175 million, while international subscription revenues were Rs 933 million.

Other sales and services include syndication sales, film distribution, commission on sales, play out & transmission services, facility usage income among others. During the quarter, other sales and services stood at Rs 1,666 million. The company had recorded revenue of Rs 1,129 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 fourth quarter of FY2015 as compared to the corresponding period last year.

(Rs million)	Fourth Quarter		% total expense		% Growth
	FY2015	FY2014	FY2015	FY2014	YoY
Operating cost	6,201	5,444	58%	64%	13.9%
Employee cost	1,209	998	11%	12%	21.1%
Advertisement & Publicity Expenses	1,325	594	12%	7%	122.9%
Other Expenses	2,029	1,436	19%	17%	41.3%
Total Expenses	**10,763**	**8,472**	**100%**	**100%**	**27.0%**

Refer Notes A and C above

Operating cost in the quarter was Rs 6,201 million as compared to Rs 5,444 million in the corresponding period last fiscal, an increase of 13.9%. Employee cost has gone up by 11.0% over the corresponding period last fiscal. Advertisement and Publicity expenses in the quarter were at Rs 1,325 million, as compared to Rs 594 million in the corresponding period last fiscal, registering an increase of 122.9%. This increase was mainly on account of launch of new Hindi GEC “&tv”. Other expenses for the quarter were Rs 2,029 million compared to Rs 1,436 million in the corresponding period last year. Total costs incurred by the Company in this quarter were Rs 10,763 million, an increase of 27.0% over the corresponding period last fiscal.

CONSOLIDATED BALANCE SHEET

(Rs million)	Mar-15	Mar-14
EQUITY AND LIABILITIES		
Shareholder's Funds		
Share Capital	21,152	21,130
Reserves and Surplus	34,346	26,247
	55,498	**47,377**
Minority Interest	5	61
Non-Current Liabilities		
Long-term Borrowings	12	17
Long-term Provisions	480	335
Other Non-Current Liabilities	288	324
	781	**676**
Current Liabilities		
Trade Payables	4,204	5,050
Other Current Liabilities	4,979	3,843
Short-term Provisions	4,592	3,311
	13,775	**12,203**
Total	**70,059**	**60,317**
ASSETS		
Non-Current Assets		
Fixed Assets	4,368	4,106
Goodwill on Consolidation	7,887	7,625
Non-Current Investments	1,464	2,941
Deferred Tax Assets (net)	531	298
Long Term Loans and Advances	5,629	2,872
Other Non-Current Assets	378	361
	20,257	**18,201**
Current Assets		
Current Investments	8,291	5,349
Inventories	11,878	11,736
Trade Receivables	10,692	10,281
Cash and Bank Balances	7,365	5,644
Short-Term Loans and Advances	10,248	8,224
Other Current Assets	1,328	882
	49,802	**42,116**
Total	**70,059**	**60,317**

CORPORATE DEVELOPMENTS

Restructuring of Digital Business - At the board meeting held today (21st May 2015) the Board of Directors have approved transfer of Ditto TV business division to its wholly owned subsidiary under a Business Transfer Agreement on a Net Asset Value (NAV) based valuation effective June 1, 2015. The said subsidiary shall handle, and be responsible for, besides Ditto TV, digital properties (websites, apps etc.) of the Group and monetization of digital revenues across platforms / geographies.

Change in Directors – Prof. R Vaidyanathan, Independent Director, resigned as at close of 31st March 2015 upon completion of 7 years as Independent Director of the Company. The Board has approved the appointment of Mr Manish Chokhani as an Independent Director with effect from 1st April 2015. Profile of Mr Manish Chokhani is as under:

Mr. Manish Chokhani, a Chartered Accountant and MBA from London Business School, is one of India's most respected investors and financial experts. He started his career in the financial markets in 1990, rose to become MD & CEO of Enam Securities and in 2011 led Enam's $400 million merger with Axis Bank to create Axis Capital Ltd. (ACL) wherein he held the position of MD & CEO until November 2013.

Apart from Axis and Enam, Mr. Manish Chokhani is associated with TPG Growth India as its Chairman and is on the board of Westlife Development (McDonalds India licensee), Shoppers Stop (leading retailer) and Laxmi Organic (IFC investee chemical company) as an Independent Director.

Equity Dividend: The Board of Directors of the Company at the meeting held today have approved payment of Equity Dividend of Rs 2.25 per equity share of Re 1 each (equivalent to 225%) on the paid up equity capital, subject to approval by the shareholders

ESOP Scheme: The Company had instituted an Employees Stock Option Scheme in 2009 for issuance of stock options to employees. As at March 31, 2015 there are no ESOP options in force.

Legal Claim against BCCI: In connection with the legal claim preferred by the Company against the Board of Control for Cricket in India (BCCI), for termination of Media rights contract for telecast of cricket matches between India and other countries in neutral overseas territories, the Honorable Arbitration Tribunal has in November 2012 passed an Arbitral Award of Rs. 1,400 Million (approx.) payable by BCCI to the Company. BCCI has challenged the said award in the Chennai High Court. The said receivable has not been given effect to these results pending receipt of award amount from BCCI

SHAREHOLDING PATTERN

The total shares outstanding of the Company as of March 31, 2015 are 960,448,720. The shareholding pattern as of March 31, 2015 is given below:

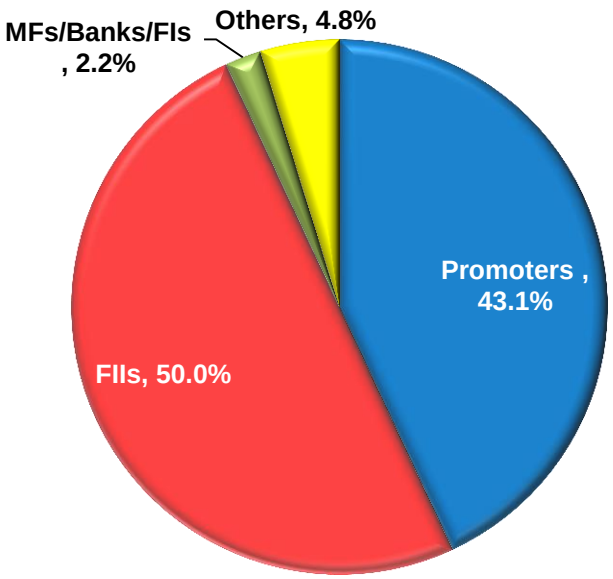


Figure: Shareholding pattern as on March 31, 2015

Note: This earnings release contains consolidated results that are unaudited, and prepared as per Indian Generally Accepted Accounting Principles (GAAP).

CHANNEL PORTFOLIO

VASUDHAIVA KUTUMBAKAM
THE WORLD IS MY FAMILY

169 COUNTRIES | 33 DOMESTIC CHANNELS
36 INTERNATIONAL CHANNELS | 960+ MN VIEWERS
120000+ HOURS OF TV CONTENT



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 959 million viewers across 169 countries.

Pioneer of television entertainment industry in India, ZEE's well known brands include Zee TV, &tv, Zee Cinema, Zee Action, Zee Classic, &pictures, Zee Anmol, Zee Smile, Ten Sports, Ten Cricket, Ten Action, Ten Golf, Zee Cafe, Zee Studio, Zee Salaam, Zing, ETC Music, Zee Khana Khazana, Zee Q and Zindagi. 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 and Zee Tamizh. The company's HD offerings include Zee TV HD, Zee Cinema HD, &tv HD, Zee Studio HD, &pictures 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.zeetelevision.com.