

**Zee Learn Limited reports profit for the Q3 FY 2015**

Mumbai, 2nd February, 2015: Zee Learn Limited, a leading player in core education, reported its Q3 FY15 financial results on 30th January 2015, which is tabulated hereunder:

Standalone Financial highlights*Rs in Mn*

Particulars	Q3 FY15	Q3 FY14	Growth	9M FY15	9M FY14	Growth
Revenue from Operations	198.38	227.03	-13%	798.95	801.34	0%
Operating EBITDA	44.32	4.29	933%	177.60	78.84	125%
Operating EBITDA (%)	22%	2%		22%	10%	
Other Income	13.58	0.50	2616%	29.00	27.03*	7%
EBITDA	57.90	4.79	1109%	206.60	105.87	95%
Finance Cost	31.90	21.26	50%	97.33	51.66	88%
Depreciation	15.05	17.31	-13%	51.28	50.18	2%
PBT	10.95	(33.78)		57.99	4.03*	1339%
PAT	10.95	(33.78)		57.99	4.03*	1339%

**(Includes onetime foreign exchange gain of Rs. 18.56 mn)*

Commenting on the performance, K.V.S.Seshasai, CEO, Zee Learn Ltd said, “We have delivered on our promise of profitability for the third successive quarter. The Company has shown significant growth in profit after tax, both for the current quarter and for the 9 month period, due to strong growth in revenue from operations in our core businesses of preschools and K-12 schools and on account of operational efficiencies that we could leverage by scaling down our non-core businesses.

We have improved our Operating EBITDA margins from 2% in Q3FY14 to 22% in Q3FY15 and from 10% in 9M FY14 to 22% in 9M FY15.

Our top line growth is muted on account of transferring the operations of servicing educational content of Television channel ZeeQ to its group company, Zee Entertainment Enterprises Ltd and due to planned de-growth in non-core businesses. As a result, the top line of the Company is negatively impacted in 9 months



period as compared to the same period last year. However during this period, our core business of pre-schools and schools grew at a strong 20%.

Our strategy at the beginning of the year was to focus all our efforts and investments into preschools and K-12 schools, and that has given us very encouraging results. We will continue to focus on scaling up our core business operations. Our growth across these verticals is as per set targets and we are confident of delivering steady growth in the coming quarters.”

Standalone Financial performance of core business sans ZeeQ is tabulated hereunder:

Rs in Mn

Particulars	Q3 FY15	Q3 FY14	Growth	9M FY15	9M FY14	Growth
Revenue from Operation	193.71	180.01	8%	748.77	683.10	10%
Operating EBITDA	43.85	(8.92)		172.56	55.88	209%
Operating EBITDA (%)	23%	(5%)		23%	8%	
Other Income	13.58	0.50	2633%	29.00	27.03*	7%
Reported EBITDA	57.43	(8.42)	-782%	201.56	82.91	143%
Finance Cost	31.90	21.26	50%	97.32	51.66	88%
Depreciation	15.05	17.31	-13%	51.28	50.18	2%
PBT	10.48	(47.00)		52.96	(18.93)*	
PAT	10.48	(47.00)		52.96	(18.93)*	

**(Includes onetime foreign exchange gain of Rs. 18.56 mn)*

Key Highlights:

- Preschool signup up by 55% in Q3FY15 vis-a vis Q3FY14 and 33% in 9M FY15 vis-a vis 9M FY14
- Growth in enrollments of 25% in 9M FY15 vis-a vis 9M FY14 in its pre schools operation
- Growth in enrollments of 31% in 9M FY15 vis-a vis 9M FY14 in its K-12 schools operation
- Growth in revenue from operation(Sans ZeeQ operation) is by 8% over same quarter last year and by 10% over 9M last year
- Operating EBITDA margins (Sans ZeeQ operation) up from (5)% in Q3FY14 to 23% in Q3FY15 and from 8% in 9M FY14 to 23% in 9M FY15
- Net profits (Sans ZeeQ operation) for the Q3FY15 stands at Rs. 10.48 mn vis-à-vis loss of Rs. 47.00 mn in Q3FY14.
- Net profits (Sans ZeeQ operation) for the 9M FY15 stands at Rs. 52.96 mn vis-à-vis loss of Rs. 18.93 mn in 9M FY14.



Zee Learn Limited

Business Update

Zee Learn Limited

Zee Learn Limited is the educational division of Essel Group. Listed on National Stock Exchange (NSE) & Bombay Stock Exchange (BSE), it is one of the leading education companies in India. As a significant player in Core Education, Zee Learn is set to ride on an increasing demand for quality education and development with the fastest growing chain of preschools & K-12 schools.

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