

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2010

(Rs. in lacs)

CONSOLIDATED						
SR. NO.	PARTICULARS	PERIOD (UNAUDITED)				YEAR (AUDITED)
		01.07.10 to 30.09.10	01.07.09 to 30.09.09	01.04.10 to 30.09.10	01.04.09 to 30.09.09	01.04.09 to 31.03.10
1	INCOME					
a)	Net sales / income from operations	22,749.13	17,932.44	43,034.59	28,273.52	71,234.22
b)	Other operational income	1,889.10	919.14	2,436.58	1,057.71	1,818.19
	Total income	24,638.23	18,851.58	45,471.17	29,331.23	73,052.41
2	EXPENDITURE					
a)	Increase / (decrease) in stock	348.90	(54.84)	(109.63)	(254.31)	(216.68)
b)	Purchase of raw material including traded goods	1,034.54	1,286.27	2,867.26	2,469.29	5,260.78
c)	Personnel cost	4,918.09	3,133.30	9,557.46	5,952.23	13,179.28
d)	Distributors' share	4,198.88	3,410.10	8,645.50	5,592.70	15,782.51
e)	Other direct operational expenses	3,299.64	2,740.18	5,344.24	4,087.07	7,275.31
f)	Depreciation and amortisation	3,093.23	1,998.29	6,229.24	3,776.99	9,599.29
g)	Rent	4,022.08	2,978.43	7,609.36	5,613.66	12,366.15
h)	Other expenditure	4,254.06	2,842.14	8,176.91	5,271.99	13,416.89
	Total expenditure	25,169.42	18,333.87	48,320.34	32,509.62	76,663.53
3	Profit / (Loss) from operations before other income, interest & exceptional items	(531.19)	517.71	(2,849.17)	(3,178.39)	(3,611.12)
4	Other income	270.21	1,452.32	460.28	1,799.04	2,302.11
5	Profit / (Loss) before interest & exceptional items	(260.98)	1,970.03	(2,388.89)	(1,379.35)	(1,309.01)
6	Interest expense and finance charges (net)	4,213.86	3,088.59	7,484.42	6,161.97	13,561.46
7	(Loss) after interest but before exceptional items	(4,474.84)	(1,118.56)	(9,873.31)	(7,541.32)	(14,870.47)
8	Exceptional items	-	-	-	-	-
9	(Loss) from ordinary activities before tax	(4,474.84)	(1,118.56)	(9,873.31)	(7,541.32)	(14,870.47)
10	Tax expense	4.50	(20.27)	13.38	16.89	(18.92)
11	Net (loss) from ordinary activities after tax	(4,479.34)	(1,098.29)	(9,886.69)	(7,558.21)	(14,851.55)
12	Extraordinary items (net of tax expenses)	-	-	-	-	-
13	(Loss) before minority interest	(4,479.34)	(1,098.29)	(9,886.69)	(7,558.21)	(14,851.55)
14	Minority interest	(9.34)	16.45	(52.19)	(73.84)	(530.87)
15	Net (loss) for the period	(4,470.00)	(1,114.74)	(9,834.50)	(7,484.37)	(14,320.68)
16	Paid-up equity capital (face value Rs.5/-per share)	2,306.31	2,306.31	2,306.31	2,306.31	2,306.31
17	Reserves excluding revaluation reserves					35,171.82
18	Earning per share for the period before extra-					
	Basic	(9.69)	(2.42)	(21.32)	(16.23)	(31.18)
	Diluted	(9.69)	(2.42)	(21.32)	(16.23)	(31.18)
19	Earning per share for the period after extra-ordinary items (in Rupees)					
	Basic	(9.69)	(2.42)	(21.32)	(16.23)	(31.18)
	Diluted	(9.69)	(2.42)	(21.32)	(16.23)	(31.18)
20	Public Shareholding					
	- Number of shares	17,421,170	17,771,170	17,421,170	17,771,170	17,421,170
	- Percentage of shareholding	37.77	38.53	37.77	38.53	37.77
21	Promoters and promoter group shareholding					
	a) Pledged / encumbered					
	- Number of shares	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NA	NA	NA	NA	NA
	- Percentage of shares (as a % of the total share capital of the Company)	NA	NA	NA	NA	NA
	b) Non-encumbered					
	- Number of shares	28,705,000	28,355,000	28,705,000	28,355,000	28,705,000
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00	100.00	100.00	100.00	100.00
	- Percentage of shares (as a % of the total share capital of the company)	62.23	61.47	62.23	61.47	62.23

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER ENDED 30 SEPTEMBER  
2010

(Rs. in lacs)

PARTICULARS	CONSOLIDATED				YEAR (AUDITED) 01.04.09 to 31.03.10
	PERIOD (UNAUDITED)				
	01.07.10 to 30.09.10	01.07.09 to 30.09.09	01.04.10 to 30.09.10	01.04.09 to 30.09.09	
<b>Segment Revenue / Other Income</b>					
Film production services	7,466.00	4,742.71	14,773.81	7,631.59	16,470.19
Theatrical exhibition	15,284.50	11,511.95	28,806.56	18,599.22	48,099.97
Television / Film production and distribution	2,397.80	3,023.69	2,847.13	3,731.76	11,067.25
	25,148.30	19,278.35	46,427.50	29,962.57	75,637.41
Less: Inter segment revenue	510.07	426.77	956.33	631.34	2,585.00
Net sales / income from operations	24,638.23	18,851.58	45,471.17	29,331.23	73,052.41
Add: Others (unallocated)	270.21	1,452.32	460.28	1,799.04	2,302.11
<b>Total income</b>	<b>24,908.44</b>	<b>20,303.90</b>	<b>45,931.45</b>	<b>31,130.27</b>	<b>75,354.52</b>
<b>Segment results ( profit / ( loss ) before interest and tax )</b>					
Film production services	1,162.16	1,464.91	2,373.88	1,615.68	3,197.68
Theatrical exhibition	(1,196.75)	(844.03)	(3,570.73)	(3,832.82)	(4,953.74)
Television / Film production and distribution	394.80	852.93	442.59	980.94	4,011.04
Total segment results	360.21	1,473.81	(754.26)	(1,236.20)	2,254.98
Less: Interest expense and finance charges (net)	4,213.86	3,088.59	7,484.42	6,161.97	13,561.46
Less: Other unallocable expenditure net off unallocable income	621.19	(496.22)	1,634.63	143.15	3,563.99
<b>Total loss before tax</b>	<b>(4,474.84)</b>	<b>(1,118.56)</b>	<b>(9,873.31)</b>	<b>(7,541.32)</b>	<b>(14,870.47)</b>
<b>Capital Employed (segment assets less segment liabilities)</b>					
Film production services	67,365.93	33,280.28	67,365.93	33,280.28	53,641.28
Theatrical exhibition	95,375.55	104,696.33	95,375.55	104,696.33	108,969.12
Television / Film production and distribution	10,718.37	11,128.45	10,718.37	11,128.45	14,156.10
Unallocated	(145,238.63)	(104,465.50)	(145,238.63)	(104,465.50)	(139,288.37)
<b>Total</b>	<b>28,221.22</b>	<b>44,639.56</b>	<b>28,221.22</b>	<b>44,639.56</b>	<b>37,478.13</b>

UNAUDITED STATEMENT OF ASSETS AND LIABILITIES AS AT  
30 SEPTEMBER 2010

Rs in lacs

CONSOLIDATED			
PARTICULARS	SIX MONTHS ENDED (UNAUDITED)		YEAR ENDED (AUDITED)
	30.09.10	30.09.09	31.03.10
<b>SHAREHOLDERS' FUND</b>			
a) Share Capital	2,306.30	2,306.30	2,306.30
b) Reserve and Surplus	53,681.49	53,368.90	53,102.89
	55,987.79	55,675.20	55,409.19
<b>MINORITY INTEREST</b>	1,453.60	2,461.40	1,727.80
<b>LOAN FUNDS</b>			
a) Secured Loans	76,894.10	56,527.80	58,152.30
b) Unsecured loans	130,077.70	100,471.20	131,092.30
	206,971.80	156,999.00	189,244.60
<b>DEFERRED TAX LIABILITIES (NET)</b>	76.38	37.70	57.30
	264,489.58	215,173.30	246,438.89
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>	137,869.70	121,530.80	138,581.70
<b>GOODWILL ON CONSOLIDATION</b>	8,867.90	6,286.10	8,867.90
<b>DEFERRED TAX ASSET (NET)</b>	2.19	22.50	2.20
<b>INVESTMENTS</b>	11,887.37	1,187.69	9,174.70
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
a) Inventories	1,016.80	945.10	907.20
b) Sundry Debtors	25,063.60	22,423.20	23,447.60
c) Cash and Bank balances	11,715.70	12,073.20	8,495.90
d) Interest accrued on investment	117.50	235.20	143.80
e) Loans and Advances	70,640.90	63,218.50	63,505.20
	108,554.50	98,895.20	96,499.70
Less Current liabilities and provisions			
a) Current liabilities	27,134.97	20,148.50	21,359.51
b) Provisions	3,325.00	3,739.80	3,261.50
	30,459.97	23,888.30	24,621.01
Net current assets	78,094.53	75,006.90	71,878.69
<b>MISCELLANEOUS EXPENDITURE (TO THE EXTENT NOT WRITTEN - OFF OR ADJUSTED)</b>			
Deferred revenue expenditure	1.30	3.80	2.50
Profit and Loss Account	27,766.59	11,135.51	17,931.20
	264,489.57	215,173.30	246,438.89

- 1 The consolidated financial results of the Company for the quarter ended 30 September 2010 have been reviewed by the audit committee and approved by the Board of Directors at the meeting held on 30 October 2010. The above financials pertain to Reliance MediaWorks Limited (formerly known as Adlabs Films Limited) and its subsidiaries, joint ventures and associates.
- 2 The Company has opted to publish consolidated financial results. Standalone financial results for the quarter and six months ended 30 September 2010 can be viewed on the website of the Company, National Stock Exchange of India Limited and Bombay Stock Exchange Limited at [www.reliancemediaworks.com](http://www.reliancemediaworks.com), [www.nseindia.com](http://www.nseindia.com) and [www.bseindia.com](http://www.bseindia.com) respectively.
- 3 Details of standalone financial information is: Turnover Rs. 14,847.88 lacs for the quarter (2010: Rs. 11,111.83 lacs), for six months Rs. 27,790.42 lacs (2010: Rs. 16,204.92 lacs), loss before tax for the quarter Rs. 4,108.49 lacs (2010: Rs. 6,99.47 lacs) , for the six months Rs. 7,278.68 lacs (2010: Rs. 7,309.94 lacs), loss after tax for the quarter Rs. 4,108.49 lacs (2010: Rs. 6,99.47 lacs) , for the six months Rs. 7,278.68 lacs (2010: Rs. 7,309.94 lacs).
- 4 There were no complaints from the investors pending at the beginning of the quarter. The Company received 17 complaints and resolved these complaints during the quarter and consequently there are no complaints pending at the end of the quarter.
- 5 During the financial period ended 31 March 2008, the Company classified the liability towards Foreign Currency Convertible Bonds ('FCCB') as non-monetary liability inter-alia on the basis of the trend of earnings, movement of the Company's share prices and conversion option exercised by the FCCB holders. The Company continues to classify the liability towards FCCB as a non-monetary liability as the FCCB's are due for redemption / conversion on or before January 2011 which is during the current financial year and consequently, the Company will be able to account for the actual profit or loss, if any, instead of accounting for uncertain estimated amount based on volatile movements in exchange rates. During the quarter, the Company has revised the conversion price to Rs. 421.97 as against the earlier price of Rs. 543.42 on demerger of Radio Division. The confirmation from trustees of the FCCB's holder is awaited. Consequently, the foreign exchange fluctuation loss for the quarter / six months ended 30 September 2010 aggregating to Rs. 900.51 lacs (2010: Rs. 453.95 lacs) and Rs. 106.49 lacs (2010: Rs. 336.65 lacs) respectively has not been recognized by management. Cumulative loss not recognized in respects of outstanding FCCB's is Rs. 1378.74 lacs (2010: Rs. 3,326.01 lacs). Said classification and consequent non-restatement is subject matter of qualification in the limited review report issued by the auditors for the quarter ended 30 June 2010. Had the company restated the liability for the FCCB at period end rate loss before tax for the quarter ended 30 September 2010 and for the six months ended 30 September 2010 would have been higher by Rs. 900.51 lacs (2010: Rs. 453.95 lacs) and Rs. 106.49 lacs (2010: Rs. 336.65 lacs) respectively. However, Company continues with non-restatement of the FCCB for the reasons given above.
- 6 Figures for the previous quarter / year have been regrouped / rearranged to conform to current quarters presentation.
- 7 The figures of previous six months was partly impacted by the strike between producers, distributors and exhibitors.

Place: Mumbai

**For Reliance MediaWorks Limited**

Date: 30 October 2010

Director