

Adlabs Films Ltd announces First Quarter Results

- **Revenues from Operations are at Rs. 105 Crore (US\$ 21 Million)**
- **Negative EBITDA from Operations at Rs. 9 Crore (US\$ 2 Million)**
- **Quarter performance not comparable as deadlock between producers/distributors and exhibitors caused no new hindi movie releases for 80% period of the quarter**
- **Sharp recovery in July with industry seeing 100% growth in monthly collections**

Mumbai, July 31, 2009: Adlabs Films Limited (Adlabs), India's fastest growing film and entertainment services company and a member of the Reliance ADA group today announced its first quarter results.

Key highlights for the first quarter of FY 2009-10 are:

- Resolution of issues between Producers, Distributors and Exhibitors.
- BIG Cinemas expanded its footprint in Netherlands in association with Pathe Theatres from June 2009, beginning with the release of New York.
- BIG Cinemas partnered with UK based More2Screen to introduce Opera on digital screens for the first time in India.
- BIG Cinemas introduced IMAX's First Digital 3D Projection System in India.
- BIG Synergy commenced production of two lead shows: India's Got Talent and Sach Ka Saamna
- Launch of film camera rentals, making Adlabs the largest film and TV equipment rental provider
- Lowry Digital, the US based subsidiary of Adlabs Films Ltd which is a leader in Image Restoration and Enhancement, was awarded the project for restoration of footage sent back to Earth from Apollo 11, including Neil Armstrong's first steps on the moon, as part of NASA's 40th anniversary celebrations of the mission this month.

This quarter is not comparable with any period for the entire film industry on account of the deadlock between the producers, distributors and exhibitors on several issues due to which there were no new hindi movie releases for 80% period of the quarter.

The company recorded a net loss of Rs. 64 Crore (US\$ 13 Million). The resolution of the issue in June has enabled the industry to regain momentum from July onwards.

Commenting on the performance, Anil Arjun, Chief Executive Officer said, “This quarter has been an aberration and has witnessed the resolution of long standing issues for the industry. Despite the absence of hindi film content, we have achieved over 80% of the revenues of the previous year’s comparable quarter for similar businesses”.

“It is very encouraging that movies released thereafter have seen a strong Box Office and in the month of July itself the industry has seen a 100% jump in the average monthly box office in the last 6 months. The line-up of movies for the remaining year is strong and we expect the performance of July to be maintained through the year. Adlabs has made strategic investments and scaled up business operations and we expect to benefit from the strong momentum in the Film and Media Industry” he added.

About Adlabs Films Ltd.

Adlabs Films Limited (Adlabs) is India’s fastest growing film and entertainment services company and a member of the Reliance ADA group

Adlabs operates BIG Cinemas, India's largest cinema chain with currently 457 screens spread across India, US, Malaysia and Netherlands.

Adlabs has a dominant and comprehensive presence in Film Services: Motion Picture Processing and DI; Visual Effects; Film Restoration and image enhancement; Digital Mastering; Studios and Equipment rentals with facilities located at US and India.

Adlabs' television venture, BIG Synergy, is among the top players in the television programming industry.

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