

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31 DECEMBER 2011

(Rs. in lacs)

CONSOLIDATED							
SR. NO.	PARTICULARS	PERIOD (UNAUDITED)					YEAR (AUDITED)
		01.10.11 to 31.12.11	01.07.11 to 30.09.11	01.10.10 to 31.12.10	01.04.11 to 31.12.11	01.04.10 to 31.12.10	01.04.10 to 31.03.11
1	INCOME						
a)	Net sales / income from operations	20,734.88	23,079.38	21,530.98	62,723.55	64,565.57	78,146.64
b)	Other operational income	371.97	381.71	2,695.27	1,130.22	5,131.85	5,467.62
	Total income	21,106.85	23,461.09	24,226.25	63,853.77	69,697.42	83,614.26
2	EXPENDITURE						
a)	Increase / (decrease) in stock	(137.89)	150.82	(142.84)	(32.12)	(252.47)	(418.13)
b)	Purchase of raw material including traded goods	1,412.68	1,421.91	1,671.64	4,293.64	4,538.90	6,012.37
c)	Personnel cost	5,528.72	5,418.78	5,600.20	16,249.03	15,157.66	19,571.16
d)	Distributors' share	4,589.97	4,995.37	4,697.87	13,586.19	13,343.37	15,753.32
e)	Other direct operational expenses	2,216.10	3,197.67	2,490.79	8,052.95	7,835.03	9,712.15
f)	Depreciation and amortisation	3,262.22	3,443.93	3,455.34	9,931.21	9,684.58	13,226.51
g)	Rent	5,071.69	5,069.61	4,603.91	15,096.61	12,213.27	16,937.51
h)	Other expenditure	6,966.32	5,517.18	3,636.78	17,113.90	11,813.69	17,411.34
	Total expenditure	28,909.81	29,215.27	26,013.69	84,291.41	74,334.03	98,206.23
3	(Loss) from operations before other income, interest & exceptional items	(7,802.96)	(5,754.18)	(1,787.44)	(20,437.64)	(4,636.61)	(14,591.97)
4	Other income	454.23	276.05	794.07	1,336.89	1,254.35	1,412.14
5	(Loss) before interest & exceptional items	(7,348.73)	(5,478.13)	(993.37)	(19,100.75)	(3,382.26)	(13,179.83)
6	Interest expense and finance charges (net)	7,622.98	6,887.01	4,707.93	20,238.50	12,192.35	18,786.57
7	(Loss) after interest but before exceptional items	(14,971.71)	(12,365.14)	(5,701.30)	(39,339.25)	(15,574.61)	(31,966.40)
8	Exceptional items	-	-	-	-	-	-
9	(Loss) from ordinary activities before tax	(14,971.71)	(12,365.14)	(5,701.30)	(39,339.25)	(15,574.61)	(31,966.40)
10	Tax expense	83.88	(626.19)	58.31	(532.76)	71.69	1,116.37
11	Net (loss) from ordinary activities after tax	(15,055.59)	(11,738.95)	(5,759.61)	(38,806.49)	(15,646.30)	(33,082.77)
12	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13	(Loss) before minority interest	(15,055.59)	(11,738.95)	(5,759.61)	(38,806.49)	(15,646.30)	(33,082.77)
14	Minority interest	56.05	312.53	(55.18)	371.13	(107.37)	(196.68)
15	Net (loss) for the period	(15,111.64)	(12,051.48)	(5,704.43)	(39,177.62)	(15,538.93)	(32,886.09)
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	2,306.31
17	Reserves excluding revaluation reserves						1,971.85
18	Earning per share for the period before extra-ordinary items						
	Basic	(32.76)	(26.10)	(12.46)	(84.94)	(33.78)	(71.41)
	Diluted	(32.76)	(26.10)	(12.46)	(84.94)	(33.78)	(71.41)
19	Earning per share for the period after extra-ordinary items (in Rupees)						
	Basic	(32.76)	(26.10)	(12.46)	(84.94)	(33.78)	(71.41)
	Diluted	(32.76)	(26.10)	(12.46)	(84.94)	(33.78)	(71.41)
20	Public Shareholding						
	- Number of shares	16,996,804	17,421,170	17,421,170	16,996,804	17,421,170	17,421,170
	- Percentage of shareholding	36.85	37.77	37.77	36.85	37.77	37.77
21	Promoters and promoter group shareholding						
a)	Pledged / encumbered						
	- Number of shares	Nil	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	NA	NA	NA	NA	NA	NA
	- Percentage of shares (as a % of the total share capital of the Company)	NA	NA	NA	NA	NA	NA
b)	Non-encumbered						
	- Number of shares	29,129,366	28,705,000	28,705,000	29,129,366	28,705,000	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	100.00
	- Percentage of shares (as a % of the total share capital of the company)	63.15	62.23	62.23	63.15	62.23	62.23

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER ENDED 31 DECEMBER 2011

(Rs. in lacs)

CONSOLIDATED						
PARTICULARS	PERIOD (UNAUDITED)					YEAR (AUDITED)
	01.10.11 to 31.12.11	01.07.11 to 30.09.11	01.10.10 to 31.12.10	01.04.11 to 31.12.11	01.04.10 to 31.12.10	01.04.10 to 31.03.11
Segment Revenue / Other Income						
Film production services*	5,343.79	4,660.93	5,983.04	15,139.50	20,756.85	25,143.16
Theatrical exhibition	14,783.07	16,202.92	17,219.65	44,219.53	46,026.21	54,725.08
Television / Film production and distribution	1,288.43	2,791.08	2,351.96	5,121.87	5,199.09	6,024.16
	21,415.29	23,654.93	25,554.65	64,480.90	71,982.15	85,892.40
Less: Inter segment revenue	308.44	193.84	1,328.40	627.13	2,284.73	2,278.14
Net sales / income from operations	21,106.85	23,461.09	24,226.25	63,853.77	69,697.42	83,614.26
Add: Others (unallocated)	454.23	276.05	794.07	1,336.89	1,254.35	1,412.14
Total income	21,561.08	23,737.14	25,020.32	65,190.66	70,951.77	85,026.40
Segment results (profit / (loss) before interest and tax)						
Film production services*	(852.32)	(2,057.15)	(219.45)	(4,329.95)	2,154.43	1,256.37
Theatrical exhibition	(5,103.84)	(2,676.11)	(569.56)	(11,472.03)	(4,140.29)	(10,398.59)
Television / Film production and distribution	179.36	1,000.09	436.35	1,146.06	878.94	1,149.98
Total segment results	(5,776.80)	(3,733.17)	(352.66)	(14,655.92)	(1,106.92)	(7,992.24)
Less: Interest expense and finance charges (net)	7,622.98	6,887.01	4,707.93	20,238.50	12,192.35	18,786.57
Other unallocable expenditure net off						
Less: unallocable income	1,571.92	1,744.96	640.71	4,444.83	2,275.34	5,187.59
Total loss before tax	(14,971.71)	(12,365.14)	(5,701.30)	(39,339.25)	(15,574.61)	(31,966.40)
Capital Employed (segment assets less segment liabilities)						
Film production services*	70,832.21	70,349.40	70,716.89	70,832.21	70,716.89	69,484.30
Theatrical exhibition	80,480.10	83,822.14	95,015.37	80,480.10	95,015.37	92,717.26
Television / Film production and distribution	9,220.43	9,270.71	10,463.29	9,220.43	10,463.29	8,630.51
Unallocated	(192,471.64)	(181,332.57)	(154,292.28)	(192,471.64)	(154,292.28)	(166,553.91)
Total	(31,938.90)	(17,890.32)	21,903.27	(31,938.90)	21,903.27	4,278.16

* Pursuant to the business restructuring exercise of Film production services, w.e.f 1 Oct 2011, animation business is no longer considered to be a part of this segment.

1. The consolidated financial results of the Company for the quarter / nine months ended 31 December 2012 have been reviewed by the audit committee and approved by the Board of Directors at the meeting held on 13 February 2012. The above financials pertain to Reliance MediaWorks Limited and its subsidiaries and joint ventures.
2. The Company has opted to publish consolidated financial results. Standalone financial results for the quarter / nine months ended 31 December 2011 can be viewed on the website of the Company, National Stock Exchange of India Limited and Bombay Stock Exchange Limited at www.reliancemediaworks.com, www.nseindia.com and www.bseindia.com respectively.
3. Details of standalone financial information is: Turnover Rs. 12,906.01 lacs for the quarter (2011: Rs.15,924.97 lacs), loss before tax for the quarter Rs. 11,512.62 lacs (2011: Rs. 5,039.09 lacs), loss after tax for the quarter Rs. 10,788.79 lacs (2011: Rs. 5,039.09 lacs).
4. During the previous year, auditors of one of the Subsidiary company had qualified their opinion on accounting treatment for recognition of deferred revenue expenditure to the tune of Rs. 1,733.96 lacs pertaining to start up and stabilization costs of the business. Had the Subsidiary not followed the said accounting treatment, the loss for last year would have been higher by Rs. 1,733.96 lacs and the Debit balance in Profit and Loss Account would have been higher by like amount. The Company has continued with the treatment of recognition for deferred revenue expenditure. No amounts have been recognised during the current year as deferred revenue expenditure. The amount recognised during the previous year has been amortised starting from the current quarter on the basis of commencement of operations.

The Subsidiary has established a business of conversion of 2D to 3D movies, film restoration, image processing, content format processing with a focus on international markets and has established a substantially large and well recognised facility in SEZ with demonstrated capabilities and client relationship for the coming years. The Subsidiary had incurred substantial costs on start up and test runs. Because of the aforesaid factors, the Subsidiary had recognized deferred revenue expenditure in the previous year.

5. The Company received 5 investor complaints and resolved these complaints during the quarter. No complaint was pending at the beginning or at the end of the quarter.
6. One of the US subsidiary of the Company, was a defendant in a law suit regarding termination of lease. During the previous year, said subsidiary received an adverse order for claim of damages by the landlord to the tune of USD 49 lacs. The subsidiary has filed an appeal against the judgment. No provision is required as we are confident of reversal of the judgment during the appeal.
7. During the quarter ended 30 June 2011, the Company has sold its shareholding in Sri Ramakrishna Theaters Limited ('SRTL') comprising of 403,574 equity shares aggregating 89.68% of the issued equity share capital of SRTL, whereupon SRTL has ceased to be subsidiary of the Company.
8. During the quarter ended 30 June 2011, the Company has sold its shareholding in Cineplex Private Limited ('CPL') comprising of 250,000 equity share aggregating 50.00% of the issued equity share capital of CPL, whereupon CPL has ceased to be joint venture of the Company.

9. The Statement of un-audited financial results for the quarter/ nine months ended 31 December 2010 was qualified on account of non restatement of Foreign Currency Convertible Bonds ('FCCB') liability at the period-end exchange rate in accordance with Accounting Standard 11 - 'The Effects of Changes in Foreign Exchange Rates' prescribed in the Companies (Accounting Standards) Rules, 2006, Consequently, the foreign exchange fluctuation gain for the quarter / nine months ended 31 December 2010 aggregating to Rs. 153.27 lacs and Rs. 46.77 lacs respectively has not been recognized by management. Had the company restated the liability for the FCCB at period end rate loss before tax for the quarter ended 31 December 2010 and for the nine months ended 31 December 2010 would have been lower by Rs. 153.27 lacs and Rs. 46.77 lacs respectively. During the quarter and year ended 31 March 2011, the FCCB's were redeemed and the Company has recognised a realized loss of Rs 1,489.63 lacs.
10. During the current quarter, the Company has amicably settled two of its major disputes with landlords in connection with Conducting Agreements signed for acquisition of Exhibition properties. As against the claims of Rs. 7,027 lacs, Company have vacated properties on as it where basis for a total consideration of Rs. 450 lacs. The carrying cost of capital work in progress net of aforesaid consideration aggregating to Rs. 2,146 lacs has been charged off to the profit and loss account and included in determination results for the quarter.
11. Considering the substantial losses incurred by the Company, its net worth has been eroded. However, having regard to improved operational performance on account of stabilization of new businesses in films and media services, financial support from its promoters and restructuring exercise being implemented etc, the financial statements have been prepared on the basis that the Company is a going concern and that no adjustments are required to the carrying value of assets and liabilities.
12. Figures for the previous quarter have been regrouped / rearranged to conform to current quarter's presentation.

Place: Mumbai

For Reliance MediaWorks Limited

Date: 13 February 2012

Director