

Results for the quarter ended September 30, 2006 compared to previous quarter ended June 30, 2006

Financial Highlights

- Income from operations up from Rs 745.32 Mn to Rs. 779.48 Mn, an increase of 4.58% on last quarter;
- Operating profit increased from Rs 295.02 Mn to Rs 330.46 Mn, an increase of 12% on last quarter;
- Profit before tax up from Rs 286.89 Mn to Rs 364.02 Mn, an increase of 26.89% on last quarter .

Operational highlights

- Realization per hour from commissioned programming increased from Rs 3.35 Mn to Rs. 3.79 Mn, an increase of 13.13% on last quarter;
- Realization per hour from sponsored programming increased from Rs 0.42 Mn to Rs. 0.45 Mn, an increase of 7.14% on last quarter;
- Invested Rs.29.92 Mn in production & post -production equipments and studios ;
- 319 hours of total programming during the quarter;
- Balaji's programming dominate 11 of the top 25 programmes in Hindi Cable & Satellite Channels (Source:Tam Ratings for the week ended September 29, 2007 , MF 4+ , C & S);
- Cash and Cash Equivalents of Rs. 2241.91 Mn as on September 30 , 2007;
- Balaji's JV with Star for launch of channels in Southern regional languages expected to be operational by end February 2008;
- Balaji Motion Pictures Ltd., wholly owned subsidiary of the Company, released its 1 st distribution film project "Darling" during the quarter. It also released its 2 nd film distribution project "Bhool Bhulaiyaa" successfully in October 12, 2007;
- 'Khwaish' from Balaji Telefilms FZE, wholly owned subsidiary of the Company, is getting encouraging response from audiences from various countries.

Results for the quarter ended September 30, 2006

The unaudited financial results for the quarter and half year ended September 30, 2007 were taken on record by the Board at its meeting held on October 30 , 2007.

The profit and loss account is summarized below: (Rupees in Million except per share data)

Particulars	Quarter ended September 30,		Growth%	Quarter ended June 30 2007	Growth % in Q2 FY08 over Q1FY08
	2007	2006			
INCOME FROM OPERATIONS	779.48	815.13	-4.37%	745.32	4.58%

TOTAL EXPENDITURE	449.02	525.04	-14.48%	450.30	-0.28%
OPERATING PROFIT	330.46	290.09	13.91%	295.02	12.01%
Interest		-	-	-	-
Depreciation	30.70	27.51	11.60%	32.50	-5.55%
OPERATING PROFIT AFTER INTEREST & DEPRECIATION	299.76	262.58	14.16%	262.52	14.19%
Other Income	64.26	22.83	181.47%	24.37	163.68%
PROFIT BEFORE TAX	364.02	285.41	27.55%	286.89	26.89%
Provision for Taxation	101.26	92.44	9.55%	102.48	-1.19%
NET PROFIT AFTER TAX	262.76	192.97	36.17%	184.40	42.49%
EARNINGS PER SHARE (Face Value is Rs. 2)	4.03	2.96	36.15%	2.83	42.40%
KEY RATIOS					
Operating Profit Margin (%)	42.39%	35.59%		39.58%	
Net Profit Margin (%)	33.71%	23.67%		24.74%	

Management discussion and analysis on Una audited Financial Results of the Company for the quarter and half year ended September 30, 2007

Revenues

The Company recorded income from operations of Rs. 779.48 Mn during the quarter, up 4.58% q-on-q . Revenue contribution from commissioned programming was Rs.721.70 Mn, up 5.32% q-on-q while that of sponsored programming was Rs.57.78 Mn. The share of commissioned programming in the revenues during the quarter was 92.59% while that of sponsored programming was 7.41% .

The revenue-wise distribution between commissioned and sponsored programming during the quarter ended September 30, 2007, September 30, 2006 and June 30, 2007 is as follows :

Programming	Rs. Mn			Percentage		
	Q2FY08	Q2FY07	Q1FY08	Q2FY08	Q2FY07	Q1FY08
Commissioned	721.70	765.30	685.22	93	94	92
Sponsored	57.78	49.82	59.85	7	6	8
Total	779.48	815.12	745.07	100	100	100

Channel Wise Revenue

The Channelwise Revenue distribution during the quarter ended September 30, 2007, September 30, 2006 and June 30, 2007 is as follows:

Channels	Rs. Mn			Percentage		
	Q2FY08	Q2FY07	Q1FY08	Q2FY08	Q2FY07	Q1FY08
Star, Sony, Zee, Zoom	721.70	765.30	685.22	92.59	93.90	91.97
Sun	18.55	1.72	16.92	2.38	0.21	2.27
Gemini	20.23	17.35	20.44	2.60	2.13	2.74
Udaya	11.06	17.40	12.82	1.41	2.13	1.72
DD Network	0	1.66	0	0	0.20	0
Surya	7.94	11.69	9.67	1.02	1.43	1.30
Total	779.48	815.12	745.07	100.00	100.00	100.00

Programming Mix

Commissioned & Sponsored Programs

The hour wise programming distribution during the quarter ended September 30, 2007, September 30, 2006 and June 30, 2007, is as follows:

Programming	No. of Hours			Percentage		
	Q2FY08	Q2FY07	Q1FY08	Q2FY08	Q2FY07	Q1FY08
Commissioned	190.50	297.50	204.50	60	61	59
Sponsored	128.50	189.50	142.00	40	39	41
Total	319.00	487.00	346.50	100	100	100

Other Income

The Other Income during the quarter was Rs. 64.26 Mn against Rs. 24.37 Mn in the previous quarter.

Gross Block

The Company's gross block is at Rs. 802.26 Mn as on September 30 2007. The capital work in progress is Rs. 73.24 Mn up to September 30, 2007. This includes production / post-production equipments and construction of the state-of-the art studios in order to meet the increased programming requirements and further improve the quality of programming.

Investments

As on September 30, 2007 , the Company's investments were at Rs. 2339.80 Mn. including Rs. 181.85 Mn invested in subsidiaries. The Company invested surplus funds in liquid/floating rate funds and short term funds with the principal aim of safety. The market value of investments as on September 30 , 2007 was Rs.2235.70 Mn.

Debtors

The Company's debtors (in days of income) have been at 78 days as on September 30, 2007 .

Inventories

The Company's inventories (in days of turnover) have been at 9 days as on September 30, 2007.

Loans and advances

Loans and advances decreased from Rs 477.69 as on June 30, 2007 to Rs. 313.21 Mn as on September 30 , 200 7. The Company's principal loans and advances comprised lease deposits for offices / studios.

Change in Programming during the quarter

Serial	Channel	Old Frequency	New Frequency
Karam Apnaa Apnaa	Star	4 days	5 days w.e.f. Aug. 20,2007

Serials on air

As on September 30, 2007 the following 1 1 serials of the Company were on air on various channels.

Serial	Channel	Frequency	TRPs	Top TRPs on the same channel
Sponsored Serials (20 Shows / Week)				
Kalyanee	Gemini TV	5 Days	14.55	16.22
Kadambarii	Udaya TV	5 Days	13.78	13.82
Kasthuree	Sun TV	5 Days	17.11	24.91
Kalyanee	Surya TV	5 Days	11.23	23.69

Commissioned Serials (30 Shows/ Week)				
Kyunki Saas Bhi Kabhi	Star Plus	4 Days	6.04	6.04
Bahu Thi				
Kahaani Ghar Ghar Kii		4 Days	5.88	
Kasautii Zindagii Kay		4 Days	4.70	
Karam Apnaa Apnaa		5 Days	2.62	
Kayamath		4 Days	3.73	
Kasturi		4 Days	4.38	
Kasamh Se	Zee TV	5 Days	4.03	7.06

{(Source – TAM Ratings for the week ended September 30, 2006, Category MF 4+ (C & S))}

For further information on results, please contact us on following nos.:

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Safe Harbor

Certain statements in this update concerning our future growth prospects are forward looking statements, which involve a number of risks, and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the Company.