



BALAJI TELEFILMS LIMITED

Results for the quarter ended June 30, 2009

Financial Highlights

Results comparison of Quarter ended June 30, 2009 with March 31, 2009

- Income from operations decreased from Rs.530.00 Mn to Rs. 397.82 Mn;
- Operating profits increased from a loss of Rs. 262.87 Mn to a profit of Rs. 8.10 Mn;
- Profit before tax up from a loss of Rs 237.53 Mn to a profit of Rs. 106.32 Mn.

Results comparison of period ended June 30, 2009 with June 30, 2008

- Income from operations decreased from Rs. 917.35 Mn to Rs. 397.82 Mn;
- Operating profits decreased from Rs. 284.85 Mn to Rs. 8.10 Mn;
- Profit before tax decreased from Rs. 326.63 Mn to Rs. 106.32 Mn.

Operational highlights

- Realisation per hour from Commissioned programming increased from Rs. 2.20 Mn in the previous quarter to Rs. 2.30 Mn;
- Realisation per hour from Sponsored programming increased from Rs. 0.37 Mn in the previous quarter to Rs. 0.53 Mn;
- 145 hours of Commissioned programming, down from 194 hours in the previous quarter;
- Decrease in Sponsored programming to 123 hours from 186 hours during the quarter;
- Launched one new show during the quarter on Zee;
- Launched one new regional show;
- 6 out of the top 50 programmes in Hindi Cable & Satellite Channels from the Company (Source: TAM Ratings for the week ended June 27, 2009, MF 4+,C & S);
- Cash and Cash Equivalents of Rs. 2,364.5 Mn as on June 30, 2009;



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Results for the quarter ended June 30, 2009

The unaudited financial results for the quarter ended June 30, 2009 were taken on record by the Board at its meeting held on July 29, 2009.

The profit and loss account is summarized below: (in Rs. Mn except per share data)

PARTICULARS	Quarter Ended June		Growth	Quarter Ended	
	30, 2009	2008		March 31st, 2009	Growth
INCOME FROM OPERATIONS	397.82	917.35	-56.63%	530.01	-24.94%
TOTAL EXPENDITURE	364.75	598.45	-39.05%	667.77	-45.38%
OPERATING PROFIT	33.08	318.90	-89.63%	(137.76)	124.01%
Depreciation	24.97	34.05	-26.67%	125.10	-80.04%
OPERATING PROFIT AFTER DEPRECIATION	8.10	284.85	-97.15%	(262.86)	103.08%
Other Income	98.22	41.49	136.72%	25.33	287.70%
PROFIT BEFORE TAX	106.32	326.63	-67.45%	(237.53)	144.76%
Provision for Taxation	16.67	103.76	-83.93%	91.26	-81.73%
NET PROFIT AFTER TAX	89.65	222.57	-59.72%	(146.27)	161.29%
EARNINGS PER SHARE (Face Value Rs. 2)	1.37	3.41	-59.72%	(2.24)	161.37%
KEY RATIOS					
Operating Margin (%)	8.31%	34.76%	-76.08%	-25.99%	131.99%
Net Profit Margin (%)	22.53%	24.26%	-7.12%	-27.60%	181.65%

Management discussion and analysis on Unaudited Financial Results of the Company for the Quarter ended June 30, 2009

Revenues

The Company recorded income from operations in the quarter of Rs. 397.82 Mn as compared to Rs. 530 Mn for the quarter ended 30 March, 2009. Revenue contribution from Commissioned programming was Rs. 331.8 Mn against Rs. 425 Mn for quarter ended March 2009, while that of Sponsored programming was Rs. 65.4 Mn as against Rs. 69 Mn in the same period. The share of commissioned programming in the revenues during the quarter was 83.5% while that of sponsored programming was 16.5%.

The revenue-wise distribution between commissioned and sponsored programming during the quarters ended June 30, 2009, March 31, 2009 and June 30, 2008, is as follows:



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Show Type	Revenue for Q ending (Rs. Mn.)			Percentage		
	Jun-09	Jun-08	Mar-09	Jun-09	Jun-08	Mar-09
Commissioned	331.76	850.60	424.99	83.5%	92.9%	86.0%
Sponsored	65.40	65.43	69.20	16.5%	7.1%	14.0%
TOTAL	397.16	916.03	494.19	100%	100%	100%

Programming Mix

Commissioned & Sponsored Programs

The hour-wise programming distribution during the quarters ended June 30, 2009, March 31, 2009 and June 30, 2008 is as follows:

Show Type	Hours for Q ending			Percentage		
	Jun-09	Jun-08	Mar-09	Jun-09	Jun-08	Mar-09
Commissioned	144.50	276.50	193.50	54.1%	68.0%	51.1%
Sponsored	122.50	130.00	185.50	45.9%	32.0%	48.9%
TOTAL	267.00	406.50	379.00	100%	100%	100%

Other Income

The Other Income during the quarter was Rs. 98.22 Mn against Rs. 25.06 Mn in the previous quarter.

Gross Block

The Company's net block is at Rs. 394.78 Mn as on June 30, 2009. The capital work in progress is Rs. 511.58 Mn upto June 30, 2009. This includes investment in construction of state-of-the art studios in order to meet increased programming requirements and further improvement in the quality along with improved production efficiency. This will also cater to the growing needs of the television and film industry.

Investments

As on June 30, 2009, the Company's total investments were at Rs. 2580.9 Mn including Rs. 300 Mn invested in a wholly owned subsidiary. Out of the above, Rs.2,307.0 Mn was invested in units of mutual funds whose market value as on June 30, 2009 was Rs. 2,369.8 Mn.

Debtors

The Company's debtors (in days of income) are at 90 days as on June 30, 2009 as compared to 85 days as on March 31, 2009.

Loans and advances

Loans and advances have increased from Rs 230.1 Mn to Rs 297.3 Mn as on June 30, 2009 as compared to the previous quarter. The Company's principal loans and advances comprised lease deposits for offices / studios and advances to subsidiaries.

Change in Programming during the quarter

The following serials were launched during the quarter:



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Serial	Channel	Frequency
Pavitra Rishta	Zee	5 Days
Brahmamudi	Gemini	5 Days

Two serials, Kankanna on Udaya TV and Kottukaari, on Surya TV, were taken off air during the quarter.

Serials on air

As on June 30, 2009, the following 11 serials of the Company were on air on various channels.

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Serial	Channel	Frequency	TRPs	Top TRPs on the same channel
Sponsored Serials (5 Shows)				
Brahmamudi	Gemini TV	5 Days	5.7	15
Kalyani	Gemini TV	5 Days	2.8	15
Kadambari	Udaya TV	5 Days	5.3	7.8
Kasthuri	Sun TV	5 Days	14.9	24.4
Kanmaneeya	Sun TV	5 Days	7.2	24.4
Commissioned Serials (6 Shows)				
Kis Desh Mein Hai Meraa Dil	Star Plus	5 Days	2.7	6.4
Tujh Sangh Preet Lagayi Sajna	Star Plus	5 Days	1.4	*2.4
Pavitra Rishta	Zee TV	5 Days	3.4	4
Kitani Mohabbat Hai	NDTV Imagine	5 Days	1.1	3
Bandini	NDTV Imagine	5 Days	#1.9	3
Koi Aane Ko Hai	Colors	3 Days	1.7	^3.2

{(Source – TAM Ratings for the week ended July 18, 2009, Category MF All India except South. *Afternoon ratings. # Top rated fiction show on the channel. ^ Weekend ratings only)}

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 achievement of such results is subject to risks, uncertainties and even inaccurate assumptions. Readers may please take a note of this.