



Results for the quarter ended September 30, 2008

Financial Highlights

Results comparison of Quarter ended September 30, 2008 with Quarter ended June 30, 2008

- Income from operations increased by 12.80% from Rs. 916.03 Mn to Rs. 1033.28 Mn;
- Operating profit decreased by 27.57% from Rs. 317.58 Mn to Rs 230.02 Mn;
- Profit before tax decreased by 20.19% from Rs. 326.34 Mn to Rs 260.44 Mn;

Results comparison of Quarter ended September 30, 2008 with Quarter ended September 30, 2007

- Income from operations increased by 32.56% from Rs. 779.48 Mn to Rs. 1033.28 Mn;
- Operating profit decreased by 30.39% from Rs. 330.46 Mn to Rs 230.02 Mn;
- Profit before tax decreased by 28.45% from Rs. 364.02 Mn to Rs 260.44 Mn;

Operational highlights

- Realisation per hour from commissioned programming increased from Rs 3.07 Mn to Rs. 3.23 Mn, an increase of 5.21% on last quarter;
- Realisation per hour from sponsored programming increased from Rs 0.50 Mn to Rs. 0.60 Mn, an increase of 20% on last quarter;
- Invested Rs. 182.26 Mn in production & post-production equipments and studios;
- 406.50 hours of total programming during the quarter;
- 12 out of the top 50 program in Hindi Cable & Satellite Channels (Source:Tam Ratings for the week ended September 27, 2008, MF 4+, C & S);
- Cash and Cash Equivalents of Rs. 2106.40 Mn as on September 30, 2008;
- Successfully launched 4 new shows during the quarter: 2 - Reality; 1 - Mythological and 1 - Fiction (Regional);
- Three new shows to be launched in 3rd quarter: 2 on NDTV Imagine & 1 on Star Plus (Replacement of 'Kahaani Ghar Ghar Kii' which went off air on October 9, 2008);
- Balaji Motion Pictures Ltd., wholly owned subsidiary of the Company, released two films titled 'Mission Istanbul' and 'C Kkompany' during the quarter. It is also releasing one film titled 'EMI – Liya Hai to Chukana Padega' in November 2008;
- Balaji Telefilms FZE, wholly owned subsidiary of the Company incorporated in Sharjah has been liquidated since September 23, 2008.



Balaji Telefilms

Results for the quarter ended September 30, 2008

The unaudited financial results for the quarter ended September 30, 2008 were taken on record by the Board at its meeting held on October 24, 2008.

The profit and loss account is summarised below:

(Rupees in Million except per share data)

Particulars	Quarter ended September 30,		Growth%	Quarter ended June 30 2008	Growth % in Q2 FY09 over Q1FY09
	2008	2007			
INCOME FROM OPERATIONS	1033.28	779.48	32.56%	916.03	12.80%
TOTAL EXPENDITURE	803.26	449.02	78.89%	598.45	34.22%
OPERATING PROFIT	230.02	330.46	-30.39%	317.58	-27.57%
Interest	-	-	-	-	-
Depreciation	34.65	30.70	12.85%	34.05	1.75%
OPERATING PROFIT AFTER INTEREST & DEPRECIATION	195.38	299.76	-34.82%	283.53	-31.09%
Other Income	65.06	64.26	1.25%	42.81	51.98%
PROFIT BEFORE TAX	260.44	364.02	-28.45%	326.34	-20.19%
Provision for Taxation	79.19	101.26	-21.80%	103.77	-23.69%
NET PROFIT AFTER TAX	181.25	262.76	-31.02%	222.57	-18.56%
EARNINGS PER SHARE (Face Value is Rs. 2 each)	2.78	4.03	-31.02%	3.41	-18.48%
KEY RATIOS					
Operating Profit Margin (%)	22.26%	42.39%		34.67%	
Net Profit Margin (%)	17.54%	33.71%		24.30%	



Management discussion and analysis on Unaudited Financial Results of the Company for the quarter ended September 30, 2008

Revenues

The Company recorded income from operations of Rs. 1033.28 Mn during the quarter, up 12.80% q-on-q. Revenue contribution from commissioned programming was Rs.969.47 Mn, up 13.97% q-on-q while that of sponsored programming was Rs.63.81 Mn. The share of commissioned programming in the revenues during the quarter was 93.82% while that of sponsored programming was 6.18%.

The revenue-wise distribution between commissioned and sponsored programming during the quarter ended September 30, 2008, September 30, 2007 and June 30, 2008, is as follows:

Programming	Rs. Mn			Percentage		
	Q2FY09	Q2FY08	Q1FY09	Q2FY09	Q2FY08	Q1FY09
Commissioned	969.47	721.70	850.60	94	93	93
Sponsored	63.81	57.78	65.43	6	7	7
Total	1033.28	779.48	916.03	100	100	100

Channelwise Revenue

The Channelwise Revenue distribution during the quarter ended September 30, 2008, September 30, 2007 and June 30, 2008, is as follows:

Channels	Rs. Mn			Percentage		
	Q2FY09	Q2FY08	Q1FY09	Q2FY09	Q2FY08	Q1FY09
Star, Sony, Zee & 9X	969.47	721.70	850.60	93.83	92.59	92.86
Sun	22.42	18.55	22.24	2.17	2.38	2.43
Gemini	24.89	20.23	24.94	2.41	2.60	2.72
Udaya	15.11	11.06	14.67	1.46	1.41	1.60
Surya	1.39	7.94	3.58	0.13	1.02	0.39
Total	1033.28	779.48	916.03	100.00	100.00	100.00



Balaji Telefilms

Programming Mix

Commissioned & Sponsored Programs:

The hour wise programming distribution during the quarter ended September 30, 2008, September 30, 2007 and June 30, 2008, is as follows:

Programming	No. of Hours			Percentage		
	Q2FY09	Q2FY08	Q1FY09	Q2FY09	Q2FY08	Q1FY09
Commissioned	305.50	190.50	276.50	74	60	68
Sponsored	106.00	128.50	130.00	26	40	32
Total	406.50	319.00	406.50	100	100	100

Other Income

The Other Income during the quarter was Rs. 65.06 Mn against Rs. 42.81 Mn in the previous quarter.

Gross Block

The Company's gross block is at Rs. 1104.02 Mn as on September 30 2008.

The capital work in progress is Rs. 430.43 Mn up to September 30, 2008. 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, 2008, the Company's investments were at Rs. 2286.82 Mn. including Rs. 300.00 Mn invested in wholly owned subsidiary. The Company invested surplus funds mostly in liquid/floating rate funds and short term funds with the principal aim of safety. *The market value of investments as on September 30, 2008 was Rs.2046.93 Mn excluding investments made in subsidiary.*

Debtors

The Company's debtors (in days of income) have been at 157 days as on September 30, 2008 primarily due to launch of new programs during the quarter.

Inventories

The Company's inventories (in days of turnover) have been at 18 days as on September 30, 2008.

Loans and advances

Loans and advances decreased from Rs 325.62 Mn as on June 30, 2008 to Rs. 292.29 Mn as on September 30, 2008. The Company's principal loans and advances comprised lease deposits for offices / studios.

**Change in Programming during the quarter**

Serial	Channel	Frequency	Remarks
Kuchh Is Tara	Sony	4 Days	End Date: Aug. 28,2008
Kaun Jeetga Bollywood Ka Ticket	9X	1 Day (2 Hours)	Start Date: July 06, 2008 End Date: Sep. 28, 2008
Kaabhi Kabhi Pyaar Kaabhi Kabhi Yaar	Sony	2 Days (1 Hour)	Start Date: July 09, 2008 End Date: Aug. 21, 2008
Kahaani Hamaaray Mahabharat Ki	9X	4 Days	Start Date: July 07, 2008
Kahe Na Kahe	9X	4 Days	End Date: July 3, 2008
Kalyanee	Surya TV	5 Days	End Date: July 11, 2008
Koottukaari	Surya TV	5 Days	Start Date: Sept. 15, 2008

Serials on air

- As on September 30, 2008, the following 13 serials of the Company were on air across various channels.

Serial	Channel	Frequency	TRPs	Top TRPs on the same channel
Sponsored Serials (20 Shows / Week)				
Kalyanee	Gemini TV	5 Days	10.07	15.84
Kadambarii	Udaya TV	5 Days	9.91	12.64
Kasthuree	Sun TV	5 Days	15.00	20.81
Koottukaari	Surya TV	5 Days	19.86	6.00
Commissioned Serials (35 Shows/ Week)				
Kyunki Saas Bhi Kabhi Bahu Thi	Star Plus	4 Days	3.57	6.57
Kahaani Ghar Ghar Kii		4 Days	3.40	
Kis Desh Mein hai Meraa Dil		4 Days	4.19	
Karam Apnaa Apnaa		5 Days	1.43	
Kayamath		4 Days	2.04	
Kasturi		4 Days	2.96	
Kasamh Se	Zee TV	4 Days	4.12	4.56
Kahaani Hamaaray Mahabharat Ki	9X	4 Days	0.97	1.21
Kya Dill Mein Hai (1 Hour)		2 Days	0.65	

{(Source – TAM Ratings for the week ended September 27, 2008, 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 achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Readers may please take a note of this.