

PART - I

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED AND FIFTEEN MONTHS ENDED 30 JUNE 2012

Rs in lakhs

STANDALONE		PERIOD (UNAUDITED)					YEAR (AUDITED)
SR. NO.	PARTICULARS	01.04.12 to 30.06.12	01.01.12 to 31.03.12	01.04.11 to 30.06.11	01.04.11 to 30.06.12	01.04.10 to 30.06.11	01.04.10 to 31.03.11
		(Refer note 14)	(Refer note 14)	(Refer note 15)		(Refer note 15)	
1	INCOME FROM OPERATION						
a)	Net sales / income from operations	11,859.90	9,182.69	11,804.17	59,928.57	59,718.50	47,914.33
b)	Other operational income	401.15	410.28	363.58	1,883.47	4,939.66	4,576.08
	Total income from operation	12,261.05	9,592.97	12,167.75	61,812.04	64,658.16	52,490.41
2	EXPENSES						
a)	Cost of material consumed	273.49	3.35	133.46	680.83	654.62	521.16
b)	Purchase of stock-in-trade	739.53	699.28	1,036.52	4,426.47	5,049.71	4,013.19
c)	Change in inventories	(76.20)	85.98	(50.68)	(59.91)	(178.39)	(127.71)
d)	Employee benefit expense	2,081.36	2,222.22	2,800.94	12,250.31	12,683.51	9,882.57
e)	Distributors' share	2,731.86	2,065.01	2,533.47	13,423.12	12,391.32	9,857.85
f)	Other direct operational expenses	1,310.82	825.85	1,292.02	5,991.67	7,477.36	6,185.34
g)	Depreciation and amortisation	1,797.74	1,795.59	1,772.37	8,951.75	8,507.44	6,735.07
h)	Rent	3,911.71	4,309.16	3,988.29	20,169.21	16,515.41	12,527.12
i)	Other expenses	2,474.14	5,408.22	3,171.81	20,458.22	15,239.89	12,068.08
	Total expenses	15,244.45	17,414.66	16,678.20	86,291.67	78,340.87	61,662.67
3	(Loss) from operations before other income, finance costs and exceptional items	(2,983.40)	(7,821.69)	(4,510.45)	(24,479.63)	(13,682.71)	(9,172.26)
4	Other income	1,456.95	(209.80)	920.32	5,131.22	2,717.05	1,796.73
5	(Loss) from ordinary activities before finance costs and exceptional items	(1,526.45)	(8,031.49)	(3,590.13)	(19,348.41)	(10,965.66)	(7,375.53)
6	Finance costs (net)	7,574.37	5,669.28	5,630.87	33,167.72	23,876.64	18,245.77
7	(Loss) from ordinary activities after finance costs but before exceptional items	(9,100.82)	(13,700.77)	(9,221.00)	(52,516.13)	(34,842.30)	(25,621.30)
8	Exceptional items	-	-	-	-	-	-
9	(Loss) from ordinary activities before tax	(9,100.82)	(13,700.77)	(9,221.00)	(52,516.13)	(34,842.30)	(25,621.30)
10	Tax expense	-	-	-	-	-	-
11	Net (loss) from ordinary activities after tax	(9,100.82)	(13,700.77)	(9,221.00)	(52,516.13)	(34,842.30)	(25,621.30)
12	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13	Net (loss) for the period	(9,100.82)	(13,700.77)	(9,221.00)	(52,516.13)	(34,842.30)	(25,621.30)
14	Paid-up equity share 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
15	Reserves excluding revaluation reserves						14,718.60
16	Earning per share for the period before extra-ordinary items (in Rupees)						
	Basic	(19.73)	(29.70)	(19.99)	(113.85)	(75.54)	(55.55)
	Diluted	(19.73)	(29.70)	(19.99)	(113.85)	(75.54)	(55.55)
17	Earning per share for the period after extra-ordinary items (in Rupees)						
	Basic	(19.73)	(29.70)	(19.99)	(113.85)	(75.54)	(55.55)
	Diluted	(19.73)	(29.70)	(19.99)	(113.85)	(75.54)	(55.55)

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED FOR THE QUARTER AND FIFTEEN MONTHS ENDED 30 JUNE 2012

Rs in lakhs

PARTICULARS	STANDALONE					YEAR (AUDITED)
	PERIOD (UNAUDITED)					
	01.04.12 to 30.06.12 (Refer note 14)	01.01.12 to 31.03.12 (Refer note 14)	01.04.11 to 30.06.11 (Refer note 15)	01.04.11 to 30.06.12	01.04.10 to 30.06.11 (Refer note 15)	
Segment Revenue / Other Income						
Film production services*	2,404.02	2,374.98	3,167.41	14,266.93	18,374.83	15,207.42
Theatrical exhibition	9,876.62	7,136.71	9,032.41	47,444.02	45,138.05	36,105.64
Film production and distribution	9.54	115.56	19.41	297.97	1,391.97	1,372.56
	12,290.18	9,627.25	12,219.23	62,008.92	64,904.85	52,685.62
Less: Inter segment revenue	29.13	34.28	51.48	196.88	246.69	195.21
Net sales / income from operations	12,261.05	9,592.97	12,167.75	61,812.04	64,658.16	52,490.41
Add: Others (unallocated)	1,456.95	(209.80)	920.32	5,131.22	2,717.05	1,796.73
Total income	13,718.00	9,383.17	13,088.07	66,943.26	67,375.21	54,287.14
Segment results (profit / (loss) before interest and tax)						
Film production services*	(32.31)	(234.13)	129.99	185.67	2,418.52	2,288.53
Theatrical exhibition	(1,863.74)	(6,328.06)	(3,154.84)	(17,192.66)	(10,437.56)	(7,282.72)
Film production and distribution	3.28	(9.72)	(16.25)	64.68	1,042.97	1,059.22
Total segment results	(1,892.77)	(6,571.91)	(3,041.10)	(16,942.31)	(6,976.07)	(3,934.97)
Less: Finance costs (net)	7,574.37	5,669.28	5,630.87	33,167.72	23,876.64	18,245.77
Less: Other unallocable expenses net off unallocable income	(366.32)	1,459.58	549.03	2,406.10	3,989.59	3,440.56
Total loss before tax	(9,100.82)	(13,700.77)	(9,221.00)	(52,516.13)	(34,842.30)	(25,621.30)
Capital employed (segment assets less segment liabilities)						
Film production services*	41,939.86	42,230.69	43,911.70	41,939.86	43,911.70	43,492.50
Theatrical exhibition	53,609.53	55,732.54	67,839.44	53,609.53	67,839.44	71,499.43
Film production and distribution	8,192.62	8,189.34	8,656.57	8,192.62	8,656.57	8,704.94
Unallocated	(104,257.89)	(97,439.32)	(112,594.20)	(104,257.89)	(112,594.20)	(106,671.96)
Total	(515.88)	8,713.25	7,813.51	(515.88)	7,813.51	17,024.91

* 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.

PART - II**INFORMATION FOR THE QUARTER AND FIFTEEN MONTHS ENDED 30 JUNE 2012**

SR. NO.	PARTICULARS	PERIOD (UNAUDITED)					Rs in lakhs
							YEAR (AUDITED)
		01.04.12 to 30.06.12	01.01.12 to 31.03.12	01.04.11 to 30.06.11 (Refer note 15)	01.04.11 to 30.06.12	01.04.10 to 30.06.11 (Refer note 15)	01.04.10 to 31.03.11
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding						
	- Number of shares	16,996,804	16,996,804	17,421,170	16,996,804	17,421,170	17,421,170
	- Percentage of shareholding	36.85	36.85	37.77	36.85	37.77	37.77
2	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	29,129,366	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	63.15	62.23	63.15	62.23	62.23

	PARTICULARS	QUARTER ENDED 30 JUNE 2012
B	INVESTOR COMPLAINTS	
	Pending at the beginning of the quarter	-
	Received during the quarter	2
	Disposed of during the quarter	2
	Remaining unresolved at the end of the quarter	-

1. The financial results of the Company for the quarter and fifteen months ended 30 June 2012 have been subjected to a limited review by the statutory auditors of the Company and reviewed by the audit committee and also approved by the Board of Directors at the meeting held on 11 August 2012. The above results pertain to Reliance MediaWorks Limited as a standalone entity.
2. The Company has opted to publish consolidated financial results from the quarter ended 30 June 2008.
3. The Board of Directors in its meeting held on 15 May 2012, has extended the financial year of the Company till 30 September 2012, which has been approved by the Registrar of Companies vide its approval dated 28 June 2012. Accordingly, the financial statements of the Company will be drawn for a eighteen months period ending 30 September 2012.
4. During the quarter ended 31 March 2012, the Company has allotted 2,950,000 10% Redeemable Non Convertible Preference Shares at a price of Rs. 1,000/- per share having face value of Rs.5 each on a private placement basis.
5. During the quarter ended 31 March 2012, the Company has issued 11% 3500 Secured Redeemable Non Convertible Debentures (Debentures) having face value of Rs. 1000,000 each on a private placement basis. The said Debentures are listed on National Stock Exchange (NSE), after quarter ended 31 March 2012.
6. 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.
7. 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.
8. During the quarter ended 31 December 2011, 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 lakhs, Company has vacated properties on as it where basis for a total consideration of Rs.450 lakhs. The carrying cost of capital work in progress net of aforesaid consideration aggregating to Rs.2,146 lakhs has been charged off to the statement of profit and los.
9. The shareholders of the Company have approved on February 21, 2012 through postal ballot the resolution to sell or otherwise dispose of the Company's whole or part of undertakings pertaining to the Film & Media Services and Exhibition business on a going concern basis to its wholly owned subsidiaries at consideration not less than tax written down values as the board may decide and on such terms and conditions and in such manner as may be decided by the board and the wholly owned subsidiaries. Since necessary approval from lenders and other appropriate authorities are still awaited, the Company has not executed relevant agreements with its subsidiaries. The appropriate accounting treatment / disclosures will be given once the requisite approvals are obtained.

The proposed subsidiarisation will better position the Company to pursue strategic growth opportunities in its specific businesses and enable the Company to enhance its business, revenues and profitability, expand products and service offerings and create a suitable platform of having a distinct and separate technical and financial collaboration with the strategic partners / investors, if required.

10. Considering the adverse foreign exchange fluctuation and interest rates, the Company had terminated the assigned derivative contracts pertaining to interest rate swap after the quarter ended 31 March 2012 i.e. on 3 April 2012. The Company had incurred loss of Rs. 2,435.27 lakhs on pre-mature termination of this contract. This accounting treatment was subject matter of a qualification by the auditors of the Company for the quarter / twelve month period ended 31 March 2012. The Company has accounted the loss of Rs. 2,435.27 lakhs during the current quarter, the same being the loss for the current quarter.

11. Considering the continuing substantial losses incurred by the Company, its net worth has eroded. However, having regard to improved operational performance on account of stabilisation of new businesses in films and media services, financial support from its promoters, further restructuring exercise being implemented etc, the financial statements of the Company have been prepared on the basis of going concern and no adjustments are required to the carrying value of assets and liabilities. The auditors of the Company had put matter of emphasis on the aforesaid matter in the limited review report for the quarter ended 31 March 2012 and the same remarks is continued in the current quarter.

Post period end, the Company executed an indicative non-binding term sheet with a private equity fund to acquire a substantial minority stake through an investment of Rs. 60,500 lakhs in our Company's film and media services division. The investment is proposed to be made into the subsidiary of our Company, into which our film and media services division will be transferred. No definitive agreement has been executed in respect of the proposed transaction.

The Company had taken appropriate steps as stated above and in note no. 4 and 5 above.

12. Swanston Multiplex Cinemas Private Limited, a Joint Venture of the Company operated a multiplex cinema. The lease of the multiplex cinema has been terminated by the landlord. Considering the termination of the lease, the Company has provided for diminution in the value of investments amounting to Rs. 825.10 lakhs. (Refer note 14)
13. The Company has entered into an agreement to sell its shares in the wholly owned subsidiary - Rave Entertainment and Food Nepal Private Limited during the current quarter, subject to approval of regulatory authorities, which has been obtained by the Company post the quarter.
14. The Company has published its results for the quarter / twelve month period ended 31 March 2012 on 15 May 2012, which was subject to limited review by the Statutory Auditors of the Company.

Subsequently an audit was conducted by the Statutory Auditors of the company for the twelve month period ended 31 March 2012 for the purpose of filing its draft letter of offer to issue its equity shares on a rights basis.

On account of additional information available during the course of the audit, the Company recorded certain adjustments which resulted in an increase in other income by Rs. 13.22 lakhs, other expenditure by Rs. 1,825.06 lakhs and finance costs by Rs. 465.98 lakhs, thereby increasing the loss after tax for the quarter / twelve month period ended 31 March 2012 by Rs. 2,277.82 lakhs.

For the purpose of these results, the Company has incorporated the aforesaid adjustments in the quarter ended 31 March 2012 published as comparative information to the results for the quarter / fifteen months ended 30 June 2012 to bring the results for the quarter / twelve months ended 31 March 2012 in line with the audited financial statements of the Company.

15. The current financial year of the Company extends till 30 September 2012. Hence, the data in respect of the fifteen months from 1 April 2010 to 30 June 2011 has been derived as a summation of the data for the year ended 31 March 2011 and the quarter ended 30 June 2011. Accordingly, results for the quarter ended 30 June 2011 have been included as the corresponding quarter.

16. Figures for the previous quarter / periods have been regrouped / rearranged to confirm to current quarter's presentation.

Place: Mumbai

For Reliance MediaWorks Limited

Date: 11 August 2012

Director