

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31 DECEMBER 2011

Rs in lacs

STANDALONE							
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 31.03.11	
1	INCOME						
a)	Net sales / income from operations	12,563.15	14,518.66	13,611.91	38,885.98	39,366.15	47,914.33
b)	Other operational income	342.86	365.60	2,313.06	1,072.04	4,349.24	4,576.08
	Total income	12,906.01	14,884.26	15,924.97	39,958.02	43,715.39	52,490.41
2	EXPENDITURE						
a)	Increase / (decrease) in stock	(27.73)	8.72	(55.19)	(69.69)	(186.69)	(127.71)
b)	Purchase of raw material including traded goods	988.62	1,233.05	1,267.12	3,391.65	3,539.97	4,534.35
c)	Personnel cost	2,612.82	2,532.97	3,061.27	7,946.73	6,904.59	9,882.57
d)	Distributors' share	2,830.48	3,262.30	2,918.65	8,626.25	8,130.70	9,857.85
e)	Other direct operational expenses	1,145.62	1,417.36	1,545.33	3,855.00	5,192.61	6,185.34
f)	Depreciation and amortisation	1,751.00	1,835.05	1,601.61	5,358.42	5,003.94	6,735.07
g)	Rent	3,961.54	3,998.51	3,684.52	11,948.34	8,871.05	12,527.12
h)	Other expenditure	5,297.75	4,105.34	3,080.77	12,574.65	8,145.72	12,066.52
	Total expenditure	18,560.10	18,393.30	17,104.08	53,631.35	45,601.89	61,661.11
3	(Loss) from operations before other income, interest & exceptional items	(5,654.09)	(3,509.04)	(1,179.11)	(13,673.33)	(1,886.50)	(9,170.70)
4	Other income	1,660.47	1,303.28	671.35	3,884.07	1,388.11	1,796.73
5	(Loss) before interest & exceptional items	(3,993.62)	(2,205.76)	(507.76)	(9,789.26)	(498.39)	(7,373.97)
6	Interest expense and finance charges (net)	7,519.00	6,774.20	4,531.33	19,924.07	11,819.38	18,245.77
7	(Loss) after interest but before exceptional items	(11,512.62)	(8,979.96)	(5,039.09)	(29,713.33)	(12,317.77)	(25,619.74)
8	Exceptional items	-	-	-	-	-	-
9	(Loss) from ordinary activities before tax	(11,512.62)	(8,979.96)	(5,039.09)	(29,713.33)	(12,317.77)	(25,619.74)
10	Tax expense	0.96	-	-	1.21	-	1.56
11	(Loss) from ordinary activities after tax	(11,513.58)	(8,979.96)	(5,039.09)	(29,714.54)	(12,317.77)	(25,621.30)
12	Extraordinary items (net of tax expenses)	-	-	-	-	-	-
13	(Loss) for the period	(11,513.58)	(8,979.96)	(5,039.09)	(29,714.54)	(12,317.77)	(25,621.30)
14	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
15	Reserves excluding revaluation reserves						14,718.60
16	Earning per share for the period before extra-ordinary items (in Rupees)						
	Basic	(24.96)	(19.47)	(10.92)	(64.42)	(26.70)	(55.55)
	Diluted	(24.96)	(19.47)	(10.92)	(64.42)	(26.70)	(55.55)
17	Earning per share for the period after extra-ordinary items (in Rupees)						
	Basic	(24.96)	(19.47)	(10.92)	(64.42)	(26.70)	(55.55)
	Diluted	(24.96)	(19.47)	(10.92)	(64.42)	(26.70)	(55.55)
18	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
19	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

PARTICULARS	STANDALONE						YEAR (AUDITED) 01.04.10 to 31.03.11
	PERIOD (UNAUDITED)						
	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		
Segment Revenue / Other Income							
Film production services *	3,021.76	3,298.76	3,727.20	9,487.93	12,059.14	15,207.42	
Theatrical exhibition	9,910.78	11,487.50	11,523.54	30,430.69	30,709.52	36,105.64	
Film production and distribution	15.31	138.15	716.83	172.87	1,045.43	1,372.56	
Less: Inter segment revenue	12,947.85	14,924.41	15,967.57	40,091.49	43,814.09	52,685.62	
Net sales / income from operations	41.84	40.15	42.60	133.47	98.70	195.21	
Add: Others (unallocated)	12,906.01	14,884.26	15,924.97	39,958.02	43,715.39	52,490.41	
Total income	1,660.47	1,303.28	671.35	3,884.07	1,388.11	1,796.73	
	14,566.48	16,187.54	16,596.32	43,842.09	45,103.50	54,287.14	
Segment results (profit / (loss) before interest and tax)							
Film production services *	310.50	11.62	367.35	452.11	2,475.96	2,288.53	
Theatrical exhibition	(4,499.08)	(2,005.61)	(981.75)	(9,659.53)	(2,549.77)	(7,282.72)	
Film production and distribution	7.98	79.39	455.02	71.12	747.20	1,059.22	
Total segment results	(4,180.60)	(1,914.60)	(159.38)	(9,136.30)	673.39	(3,934.97)	
Less: Interest expense and finance charges (net)	7,519.00	6,774.20	4,531.33	19,924.07	11,819.38	18,245.77	
Less: Other unallocable expenditure net off	(186.98)	291.16	348.38	652.96	1,171.78	3,439.00	
Total loss before tax	(11,512.62)	(8,979.96)	(5,039.09)	(29,713.33)	(12,317.77)	(25,619.74)	
Capital employed (segment assets less segment liabilities)							
Film production services *	42,940.42	43,557.25	43,234.49	42,940.42	43,234.49	43,492.50	
Theatrical exhibition	58,939.06	62,609.98	73,015.41	58,939.06	73,015.41	71,499.43	
Film production and distribution	8,612.82	8,769.51	9,974.37	8,612.82	9,974.37	8,704.94	
Unallocated	(118,657.29)	(113,958.93)	(95,335.74)	(118,657.29)	(95,335.74)	(106,671.96)	
Total	(8,164.99)	977.81	30,888.53	(8,164.99)	30,888.53	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.

1. The financial results of the Company for the quarter and nine months ended 31 December 2011 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 13 February 2012. The above results pertain to Reliance MediaWorks Limited as a standalone entity.
2. 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.
3. The Company has opted to publish consolidated financial results from the quarter ended 30 June 2008.
4. 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.
5. 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.
6. 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.
7. 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.
8. The Board of Directors of the Company at its meeting held on January 14, 2012 has resolved, subject to shareholder's and other requisite approvals to sell or otherwise dispose of the Company's whole or part of undertakings pertaining to the Film & Media Services and Exhibition business on going concern basis to its wholly owned subsidiaries at consideration not less than tax written 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. 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, 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.

9. 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.
10. Figures for the previous quarter / year have been regrouped / rearranged to conform to current quarter's presentation.

Place: Mumbai

For Reliance MediaWorks Limited

Date: 13 February 2012

Director



UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31 DECEMBER 2011

(Rs. in lacs)

SR. NO.	PARTICULARS	CONSOLIDATED					YEAR (AUDITED) 01.04.10 to 31.03.11
		PERIOD (UNAUDITED)					
		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	
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)

PARTICULARS	CONSOLIDATED					YEAR (AUDITED)
	PERIOD (UNAUDITED)					
	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
Less: 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

Date: 13 February 2012

For Reliance MediaWorks Limited

Director



BSR & Co.
Chartered Accountants
Lodha Excelus
1st Floor, Apollo Mills Compound
N.M. Joshi Marg, Mahalakshmi
Mumbai 400011

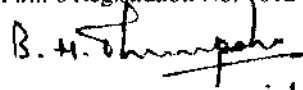
Chaturvedi & Shah
Chartered Accountants
714-715, Tulsiani Chambers
212, Nariman Point
Mumbai 400021

Review report

To the Board of Directors of Reliance MediaWorks Limited

1. We have reviewed the accompanying Statement of un-audited standalone financial results ('the Statement') of Reliance MediaWorks Limited ('the Company') for the quarter ended 31 December 2011 and the year to date results for the period from 1 April 2011 to 31 December 2011 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been reviewed by us. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors of the Company in their meeting held on 13 February 2012. Our responsibility is to issue a report on these financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement ('SRE') 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of company personnel responsible for financial and accounting matters and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared in accordance with the accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. We draw attention to note 9 of the accompanying Statement; the Company's net worth is eroded and the Company has incurred a loss of Rs 29,714.54 lakh for the period 1 April 2011 to 31 December 2011 and Rs 11,513.58 lakh for the quarter ended 31 December 2011, indicating the existence of uncertainty that may cast doubt about the Company's ability to continue as a going concern. Considering the matters set out in the said note, this Statement is prepared on a going concern basis. Our review opinion is not qualified in respect of this matter.

For **BSR & Co.**
Chartered Accountants
Firm's Registration No: 101248W

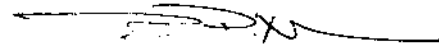


Bhavesh Dhupelia
Partner
Membership No: 042070

Mumbai
13 February 2012



For **Chaturvedi & Shah**
Chartered Accountants
Firm's Registration No: 101720W



Parag D. Mehta
Partner
Membership No: 113904



MEDIA RELEASE

RELIANCE MEDIAWORKS Q3 INCOME AT RS. 211 CRORES

SHARP RECOVERY AT OPERATING PROFIT LEVEL

Mumbai, February 13, 2012: Reliance MediaWorks Ltd., India's fastest growing film and entertainment services company and a member of the Reliance Group today announced its third quarter results for FY 2011-12.

Key Financial Highlights for Q3 of FY 2011-12:

- Total Income from Operations for Q3 at Rs. 211 crores (US\$ 42 million)
- Domestic film releases and broadcast services industry showed a marginal dip for the quarter
- Margins on Reliance MediaWorks' domestic film and media services maintained at 30%.
- Exhibition business was cash breakeven during the quarter.
- With commencement of large commissioned orders, Creative, restoration and media services showed a sharp upswing in revenue at Rs. 26 crores (US\$ 5 million) and cash breakeven in Q3 as compared to cash operating loss of Rs. 10 crores (US\$ 3 million) in trailing quarter.
- The above numbers for Q3 include charge off of Rs. 8 crores on account of start up expenses with respect to VFX and 3D Conversion outsourcing businesses, against an order book position of over Rs. 200 crores annually.
- Interest costs to sharply reduce on completion of fund raising exercises being examined.

Key Business Highlights:

- Reliance MediaWorks Burbank Technology Centre team members **have won a Academy award for Scientific and Technical Awards 2012** for the development of a unique and efficient system for the reduction of noise and other artifacts, thereby providing high quality images required by the filmmaking process.
- Reliance MediaWorks' **partnership with Los Angeles-based digital production studio Digital Domain Productions, to set up a visual effects and 3D Stereo Production services studios in Mumbai and London** that will cater to motion pictures, television, commercial, and stereo 3D conversion for catalogue projects **has commenced with artists working at Mumbai and London facilities currently.**

- Reliance MediaWorks is India's largest service provider in the film post production services space and has offered varied services such as Motion Picture Processing, Digital Intermediate (DI), Digital Cinema mastering, Promos and trailer services and visual effects for **110 out of 114 Bollywood films** that released in 2011. **The company has handled Digital Intermediate and VFX for over 55 films in 2011 which includes award winning films like Rockstar, Zindagi Na Milegi Dobara and The Dirty Picture.** Additionally, Company has recently started offering 3D Conversion services to Bollywood Studios and its first domestic project was Don 2.
- Reliance MediaWorks operates India's largest Hollywood benchmarked studios where major events such as the Prestigious Filmfare Awards, films like Singham, Agneepath and several television shows and commercials have been shot. **Currently the studios have three operational sound stages and the second phase comprising of five sound stages will be operational within 2012.**
- Reliance MediaWorks also operates one of the world's largest comprehensive digital restoration and content processing services facilities in India and **has restored over 250 legacy films in 2011** which includes titles like Sholay, Laawaris, Devdas and Do Bigha Zameen among others.
- With the stabilization of its post production facilities for broadcast shows and television commercials, Reliance MediaWorks offers world-class services and solutions from origination to playout and enjoy strong client relationships with most of the Indian production houses, studios and broadcasters. The broadcast post has handled some of India's biggest reality shows like **X-Factor, India's Got Talent and Just Dance.** The TVC post has done **over 250 commercials** for brands like Tata Sky, Maruti, and Cadburys among others.
- To strengthen the services offerings in southern India markets of Tamil and Telugu, the Company has partnered with **VenSat** to expand its VFX, CG and Animation capabilities and create a studio in Chennai ; and entered into a management agreement to manage **Annapurna Studios** and expand the Digital Post Production facility at the Hyderabad studios.
- On a same store basis, **BIG Cinemas has demonstrated growth of over 26% over the previous year**, ahead of the multiplex industry growth of 17%.
- BIG Synergy has completed over 340 hours of programming this year as compared to 240 hours last year and has a strong line-up of shows, which includes **Kaun Banega Crorepati – Tamil, Telugu and Malayalam** on Star TV's regional channels, **Sach ka Saamna** on Star One & **Foodistan** on NDTV Good Times in the coming quarter.

Subsidiarisation

- Following the Board approval on January 14, 2012, the company has commenced the process for subsidiarisation of the Company's Exhibition and Film and Media services businesses into separate 100% subsidiaries of Reliance MediaWorks. 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 and also expand products and service offerings. The subsidiarisation step is a precursor to invite Strategic and Private Equity Investors who have expressed a keen interest in investing in the specific businesses.

As a result of the investment and stabilization of business verticals, and also increased interest and depreciation charge, the Company has recorded a net loss of Rs. 150 crores (US\$ 30 million) for the quarter. This loss includes a one-time charge of Rs. 27 crores on account of CWIP write-offs and non-recurring expenditure.

About Reliance MediaWorks Limited:

Reliance MediaWorks Limited is India's fastest growing film and entertainment services company and a member of the Reliance Group.

Reliance MediaWorks operates BIG Cinemas, India's largest cinema chain with over 530 screens spread across India, the United States, Malaysia and Nepal.

Reliance MediaWorks currently has a dominant and comprehensive presence in Film Services: Motion Picture Processing and DI; Film Restoration and Image Enhancement; 3D; Digital Mastering; Studios and Equipment rentals; Visual Effects; Animation; TVC Post Production with presence across India, USA, UK, Russia and Japan.

Reliance MediaWorks' television venture, BIG Synergy, is among the top players in the television programming industry.

www.reliancemediaworks.com