



Balaji Telefilms Limited -December 2013

**Investor Presentation
Q3 & 9M FY2014**

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Performance Overview

– Q3 & 9M FY14



Financial & Operating Highlights

Q3 & 9M FY14 (Standalone)

Results for Q3 FY14

- Revenues stood at ₹ 37,80 lacs {₹ 32,48 lacs in Q3 FY13}
- EBITDA is at ₹ 2,01 lacs {₹ 1,85 lacs in Q3 FY13}
- PAT is at ₹ 1,66 lacs {₹ 4,94 lacs in Q3FY13}

Results for 9M FY14

- Revenues stood at ₹ 89,59 lacs {₹ 103,25 lacs in 9M FY13}
- EBITDA is at ₹ 10 lacs {₹ 5,15 lacs in 9M FY13}
- PAT is at ₹ 9,89 lacs {₹ 8,16 lacs in 9M FY13}
- Diluted EPS not annualised was at ₹ 1.52 per share {₹ 1.25 in 9M FY13}

Financial & Operating Highlights

Q3 & 9M FY14 (Standalone) Contd...

- Focused efficiencies improved operating margins
- Other overheads costs continues to be lower as a result of strict cost controls
- Yeh Hain Mohabbatein launched on Star TV in December 3, 2013
- Hours for Hindi Commissioned programs stood at 173 hours
- Average realisation per hour was ₹ 21.18 lacs {₹ 21.79 lacs in Q3 FY13}
- Jodha Akbar is currently the No.1 show on Zee and No.2 show across Hindi GEC's

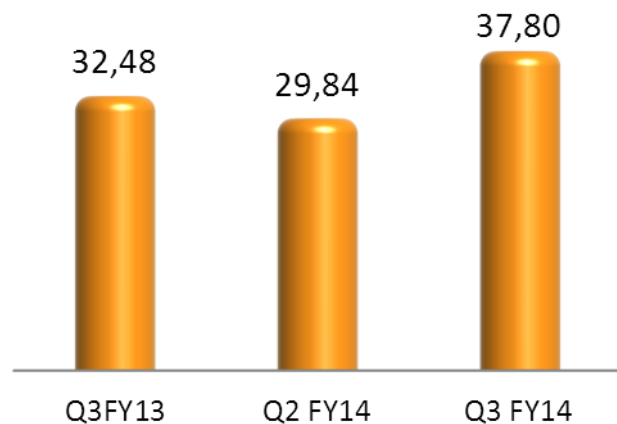
Show report for the quarter ended December 31, 2013

Shows	Channel	Time	Schedule	Position
Bade Achhe Lagte Hain	Sony TV	22.30-23.00	Monday to Thursday	No.1 Fiction show of the Channel
Jodha Akbar	Zee TV	20.00-20.30	Monday to Friday	First time ever costume drama, No. 1 on channel & No. 2 across Hindi GEC's
Pavitra Rishta	Zee TV	21.00-21.30	Monday to Friday	No.1 Fiction show of the Channel
Pavitra Bandhan	DD	20.30-21.00	Monday to Friday	Popular show of the Channel
Savdhaan India (Limited Episodes)	Life OK	22.30-23.30	Friday	Popular show of the Channel
Gumraah 3	Channel V	19.00-20.00	Sunday	Popular show of the Channel
MTV Webbed	MTV	19.00-20.00	Saturday	Popular show of the Channel
The Secret Diaries	Channel V	18.00-18.30	Monday & Tuesday	Popular show of the Channel
Yeh Hain Mohabbatein (December 3, 2013 launch)	Star TV	23.00-23.30	Monday to Friday	Popular show of the Channel

Financial Performance - Standalone

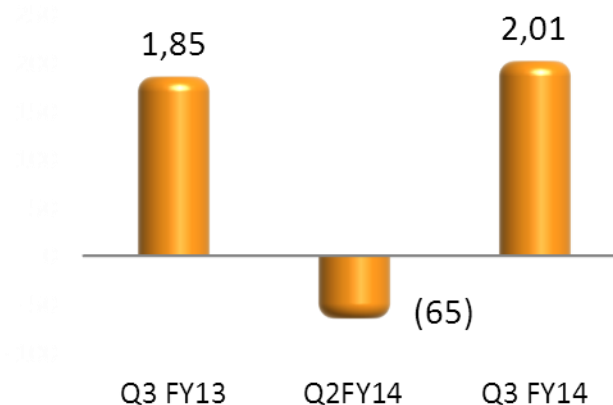
Revenue from Operations

₹ Lacs



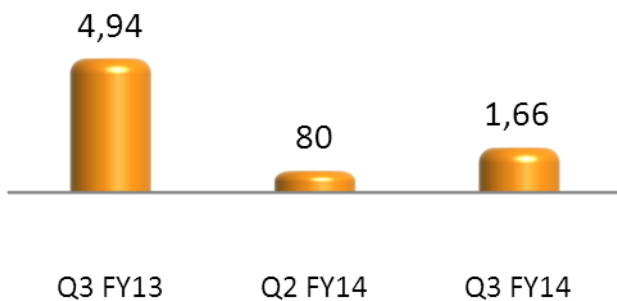
EBITDA

₹ Lacs



PAT

₹ Lacs



Financial Performance – Q3 FY14

Statement of Standalone Profit and Loss Account

Particulars	YoY Comparison			QoQ Comparison		YoY Comparison		
	Q3 13-14	Q3 12-13	% PQ	Q2 13-14	% PQ	Dec 13-14	Dec 12-13	March 13
Revenue from Operations	37,80.37	32,48.20	16%	29,83.98	27%	89,59.06	103,24.56	135,01.25
Other Operating Income	94.35	84.21	12%	48.73	94%	1,87.95	3,51.93	5,83.99
Total Operating Revenue	38,74.72	33,32.41	16%	30,32.71	28%	91,47.01	106,76.49	140,85.24
Cost of Production	(31,19.14)	(24,91.90)	25%	(25,24.82)	24%	(74,77.92)	(83,64.36)	(109,19.85)
Gross Margin	6,61.23	7,56.30	-13%	4,59.16	44%	14,81.14	19,60.20	25,81.40
Gross Margin %	17%	23%	-	15%	-	17%	19%	19%
Staff Cost	1,87.31	1,83.24	2%	1,92.57	-3%	5,56.89	5,94.47	7,51.78
Overheads	3,67.05	4,72.56	-22%	3,80.22	-3%	11,02.65	12,02.51	17,74.13
EBITDA	2,01.24	1,84.71	9%	(64.90)	410%	9.56	5,15.15	6,39.48
Depreciation	1,17.66	1,94.15	-39%	1,34.24	-12%	4,31.39	5,98.42	7,86.37
Other Income	1,23.75	3,85.87	-68%	3,01.55	-59%	17,11.57	10,47.94	18,16.81
Finance Cost	-	-	-	-	-	-	-	8.52
PBT	2,07.31	3,76.43	-45%	1,02.41	102%	12,89.73	9,64.67	16,61.41
Current tax	41.47	(1,17.56)	-65%	22	89%	3,00.93	1,48.47	3,28.45
PAT	1,65.84	4,93.99	-66%	80.41	106%	9,88.80	8,16.20	13,32.96

₹ in Lacs

Segmental Performance

Show Type	Revenue for the Quarter Ending (₹ Lacs)		
	Dec-13	Sep-13	Dec-12
Commissioned*	36,64	28,41	31,81
Revenue Per Hour	21.18	23.10	21.79
*Excludes regional segment, event business and incentives received			

Total Commissioned Revenues*	Hours for the Quarter Ending		
	Dec-13	Sep-13	Dec-12
Commissioned*	173	123	146
*Excludes regional segment and event business			

Financial & Operating Highlights

Q3 & 9M FY14 (Consolidated)

Results for Q3 FY 14

- Revenues stood at ₹ 42,30 lacs {₹ 45,74 lacs in Q3 FY13}
- EBITDA is at (₹ 5,34) lacs {₹ 7,73 lacs in Q3 FY13}
- PAT is at (₹ 5,75) lacs {₹ 10,24 lacs in Q3 FY13}

Results for 9M FY 14

- Revenues stood at ₹ 320,50 lacs {₹ 141,07 lacs in 9M FY13}
- EBITDA is at ₹ 59 lacs {₹ 12,44 lacs in 9M FY13}
- PAT is at ₹ 10,19 lacs {₹ 14,01 lacs in 9M FY13}
- Diluted EPS not annualised was at ₹ 1.56 per share {₹ 2.15 per share in 9M FY13}

Contd.....

Financial & Operating Highlights

Q3 & 9M FY14 (BMPL)

Results for Q3 FY 14

- Revenues stood at ₹ 1,13 lacs {₹ 13,25 lacs in Q3 FY13}
- EBITDA is at (₹ 7,49) lacs {₹ 5,88 lacs in Q3FY13}
- PAT is at (₹ 7,56) lacs {₹ 5,30 lacs in Q3 FY13}

Results for 9M FY 14

- Revenues stood at ₹ 226,84 lacs {₹ 37,83 lacs in 9M FY13}
- EBITDA is at ₹ 90 lacs {₹ 7,29 lacs in 9M FY13}
- PAT is at ₹ 69 lacs {₹ 5,90 lacs in 9M FY13}

Contd.....

Financial & Operating Highlights

Q3 & 9M FY14 (Consolidated) contd....

Balaji Motion Pictures Ltd (BMPL)

- No movies released in the current quarter
- Revenue includes talent management fees, realisation of revenues of movies released in earlier quarters of current fiscal
- Production cost comprises of old films inventory amortisation, marketing and distribution expenses of future releases i.e Shaadi ke Side Effects, Main Tera Hero and Ragini MMS 2

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Financial & Operating Highlights

Q3 & 9M FY14 (Consolidated) contd....

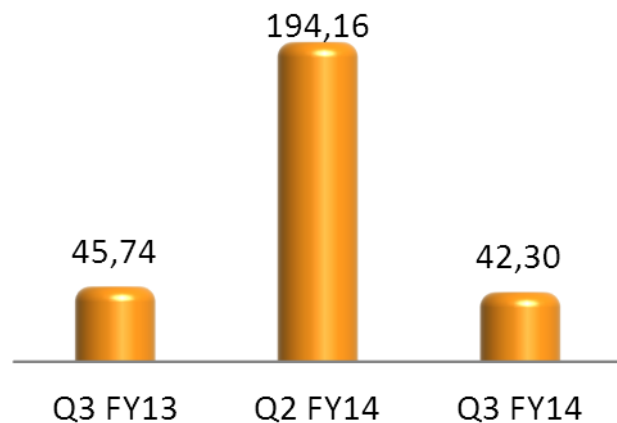
During the quarter, BOLT Media Limited a wholly owned subsidiary of BTL successfully completed

- A new advertisement for a leading personal care brand
- Commissioned two serials “Dharma-Kshetra” (26 episodes) and “Rakht” for EPIC Television Networks Private Limited. Probable date of Channel launch is March, 2014

Financial Performance - Consolidated

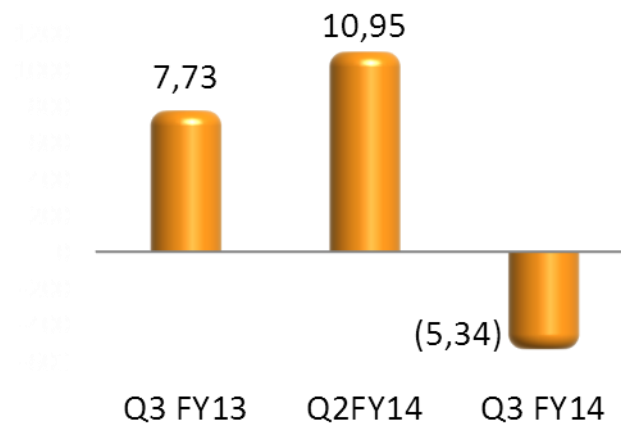
Revenue from Operations

₹ Lacs



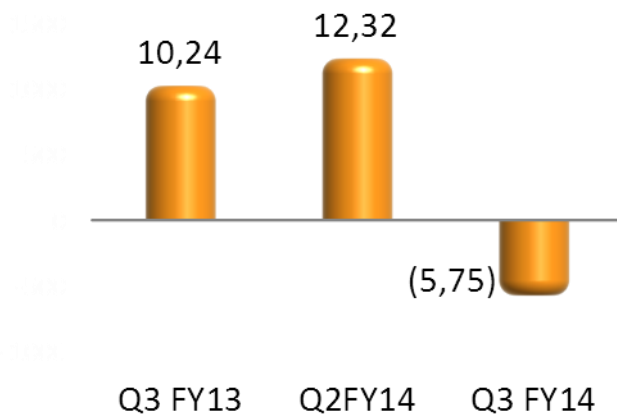
EBITDA

₹ Lacs



PAT

₹ Lacs



Financial Performance – Q3 FY14

Consolidated Statement of Profit and Loss Account

Particulars	QoQ Comparision				
	Q3 Dec '13	Q3 Dec '12	% PY	Q2 Sep '13	YTD Mar '13
Revenue from Operations	42,30.16	45,73.61	-8%	194,15.91	179,78.65
Other Operating Income	91.35	86.33	6%	45.73	6,18.83
Operating Revenue	43,21.51	46,59.94	-7%	194,61.64	185,97.48
Cost of Production of serials / movies	(38,84.51)	(29,72.71)	31%	(172,40.48)	(142,57.34)
Gross Margin	3,45.65	16,00.90	-78%	21,75.43	49,59.31
Gross Margin %	8%	35%	-	11%	28%
Overheads - Staff cost	4,36.27	3,55.11	23%	4,42.15	13,99.94
Other cost	5,34.76	5,59.59	-4%	6,83.88	21,45.36
EBITDA	(5,34.03)	7,72.54	-169%	10,95.13	7,94.81
Depreciation	1,27.72	2,01.04	-36%	1,42.28	8,01.95
Other Income	1,27.31	4,00.08	-68%	3,02.01	18,38.08
PBT	(5,34.44)	9,71.58	-155%	12,54.87	18,30.94
Current tax	41.47	(52.57)	-179%	22.00	3,72. 93
PAT	(5,75.91)	10,24.15	-156%	12,32.87	14,58.01
Share in the profit / (loss) of associates	1.12	(0.65)	-272%	(0.43)	0.17
Net Profit	(5,74.79)	10,23.50	-156%	12,32.44	14,58.19

₹ in Lacs

Financial Performance – YoY FY14

Consolidated Statement of Profit and Loss Account

Particulars	YoY Comparison		
	Q3 Dec '13	Q3 Dec '12	% PY
Revenue from Operations	42,30.16	45,73.61	-8%
Other Operating Income	91.35	86.33	6%
Operating Revenue	43,21.51	46,59.94	-7%
Cost of Production of serials / movies	(38,84.51)	(29,72.71)	31%
Gross Margin	3,45.65	16,00.90	-78%
Gross Margin %	8%	35%	-
Overheads - Staff cost	4,36.27	3,55.11	23%
Other cost	5,34.76	5,59.59	-4%
EBITDA	(5,34.03)	7,72.54	-169%
Depreciation	1,27.72	2,01.04	-36%
Other Income	1,27.31	4,00.08	-68%
PBT	(5,34.44)	9,71.58	-155%
Current tax	41.47	(52.57)	-179%
PAT	(5,75.91)	10,24.15	-156%
Share in the profit / (loss) of associates	1.12	(0.65)	-272%
Net Profit	(5,74.79)	10,23.50	-156%

₹ in Lacs

Financial Table –

Q3 FY2014 (Consolidated)

Sr. No	Particulars	BTL Q3 2013-14 Standalone Un-Audited	BMPL Q3 2013-14 Standalone Un-Audited	BOLT Q3 2013 - 14 Standalone Un-Audited	Eliminations	BTL Q3 2013 – 14 Consolidated Un-Audited
1	a) Net Sales / Income from Operations	37,80.37	1,13.09	3,36.70	-	42,30.16
	b) Other Operating Income	94.35	-	-	3.00	91.35
	Total	38,74.72	1,13.09	3,36.70	3.00	43,21.51
2	Expenditure					
	a) Cost of Production / Acquisition and Telecast Fees	31,19.14	4,86.28	2,79.11	-	38,84.51
	b) Staff Cost	1,87.31	2,15.99	32.96	-	4,36.27
	c) Depreciation	1,17.66	10.05	0.08	-	1,27.72
	d) Other Expenditure	3,67.05	1,60.05	10.67	3.00	5,34.76
	Total	37,91.16	8,72.37	3,22.82	3.00	49,83.26
3	Profit / (Loss) from Operation Before Other Income and Finance Cost (1-2)	83.56	(7,59.28)	13.88	-	(6,61.75)
4	Other Income	1,23.75	3.55	-	-	1,27.31
5	Profit / (Loss) before Finance Cost (3+4)	2,07.31	(7,55.72)	13.88	-	(5,34.44)
6	Finance Costs	-	-	-	-	-
7	Profit / (Loss) from Ordinary Activities Before Tax (5-6)	2,07.31	(7,55.72)	13.88	-	(5,34.44)
8	Tax Expenses	41.47	-	-	-	41.47
9	Excess / (Short) Provision for Tax in respect of earlier years	-	-	-	-	-
10	Net Profit / (Loss) from continuing operations (7-8+9)	1,65.84	(7,55.72)	13.88	-	(5,75.91)
11	Net (Loss) from dis-continuing operations (before tax)	-	-	-	-	-
12	Tax Expenses on dis-continuing operations	-	-	-	-	-
13	Net Profit / (Loss) for the Period / Year (10+11-12)	1,65.84	(7,55.72)	13.88	-	(5,75.91)
14	Share of profit of associates	-	-	-	-	1.12
15	Key-Man Insurance	-	-	-	-	-
16	Net Profit / (Loss) after tax, share of profit of associates (13+14)	1,65.84	(7,55.72)	13.88	-	(5,74.79)

₹ in Lacs

Financial Table – 9M FY2014 (Consolidated)

Sr. No	Particulars	BTL YTD Q3 2013-14 Standalone Un-Audited	BMPL YTD Q3 2013-14 Standalone Un-Audited	BOLT YTD Q3 2013-14 Standalone Un-Audited	Eliminations	BTL YTD Q3 2013 – 14 Consolidated Un-Audited
1	a) Net Sales / Income from Operations	89,59.06	226,83.53	4,46.93	40.00	320,49.53
	b) Other Operating Income	1,87.95	-	-	9.00	1,78.95
	Total	91,47.01	226,83.53	4,46.93	49.00	322,28.48
2	Expenditure					
	a) Cost of Production / Acquisition and Telecast Fees	74,77.92	213,42.04	3,67.04	40.00	291,46.99
	b) Staff Cost	5,56.89	6,00.55	99.26	-	12,56.72
	c) Depreciation	4,31.39	24.86	0.22	-	4,56.39
	d) Other Expenditure	11,02.65	6,51.46	20.46	9.00	17,65.53
	Total	95,68.85	226,18.91	4,86.99	49.00	326,25.63
3	Profit / (Loss) from Operation Before Other Income and Finance Cost (1-2)	(4,21.84)	64.62	(40.05)	-	(3,97.15)
4	Other Income	10,38.57	4.03	-	-	10,42.61
5	Profit / (Loss) before Finance Cost (3+4)	6,16.73	68.66	(40.05)	-	6,45.46
6	Finance Costs	-	-	-	-	-
7	Profit / (Loss) from Ordinary Activities Before Tax (5-6)	6,16.73	68.66	(40.05)	-	6,45.46
8	Tax Expenses	3,00.93	-	-	-	3,00.93
9	Excess / (Short) Provision for Tax in respect of earlier years	-	-	-	-	-
10	Net Profit / (Loss) from continuing operations (7-8+9)	3,15.80	68.66	(40.05)	-	3,44.53
11	Net (Loss) from dis-continuing operations (before tax)	-	-	-	-	-
12	Tax Expenses on dis-continuing operations	-	-	-	-	-
13	Net Profit / (Loss) for the Period / Year (10+11-12)	3,15.80	68.66	(40.05)	-	3,44.53
14	Share of (Loss) / profit of associates	-	-	-	-	1.76
15	Key-Man Insurance	6,73.00	-	-	-	6,73.00
16	Net Profit / (Loss) after tax, share of profit of associates (13+14)	9,88.80	68.66	(40.05)	-	10,19.29

₹ in Lacs

About Balaji Telefilms



About Balaji Telefilms

- A leading entertainment house in India since 1994
- Demonstrated ability to create high quality content
- Executed over 15,000 hours of television content in Hindi, Tamil, Telugu, Kannada, Malayalam and Bengali entertainment across genres
- Owning 19 modern studios and 31 editing suites - more than any Indian company in Media Entertainment Sector
- Strong presence in Hindi General Entertainment Channels (GECs) and Regional GECs across India
- Moved towards HD programming to enhance viewing experience
- Youngest entrant in motion pictures - quickly recognized amongst the top 5 studios in film production in India
- Expanding presence in Motion Pictures across genres and budgets – ALT Entertainment & Balaji Motion Pictures

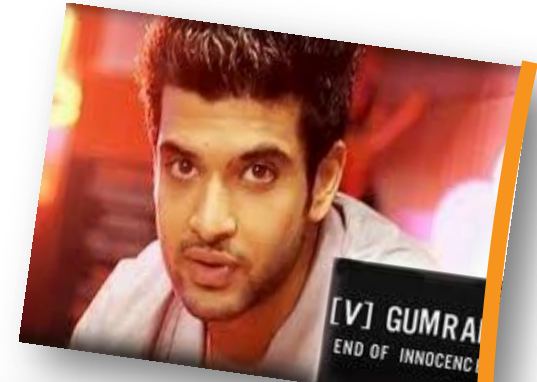


Television



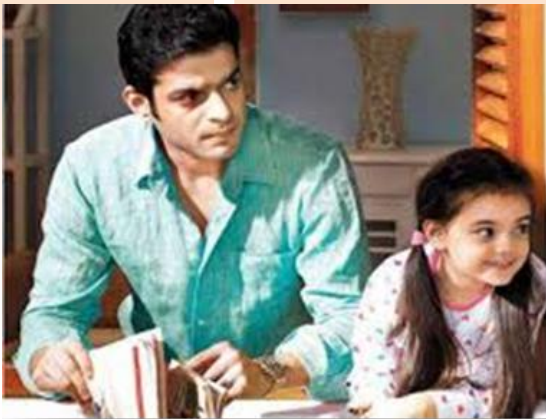
Business Overview - Television

- Television entertainment has been the foundation stone for Balaji Telefilms Limited (BTL)
- Ability to create newer and diverse story lines owing to strong creativity
- High TRP ratings - a testimony of Company's strength in creativity
- Rich experience in entertainment and a proven ability in gauging the pulse of masses
- Almost all programs are aired at prime time. Key programmes like Pavitra Rishta, Bade Achche Lagte Hai, Jodha Akbar, Yeh Hai Mohabbatein and Pavitra Bandhan well accepted by viewers, reflected in its strong TRPs
- Gumraah, Savdhan, MTV-Webbed new shows based on crime incidents gained popularity among viewers
- Serials broadcasted across a number of channels including Star, Sony, Zee, Doordarshan, Channel V and Life OK
- Entry of newer broadcasters and digital media - leading to more demand for variety and content



Key Revenue Drivers - Television

- Commissioned programming is the key revenue driver for the television division
- Improving realisation in the Commissioned programming
- Television revenues expected to expand owing to demand from satellite channels for our premium television serials
- Pavitra Rishta, Bade Achche Lagte Hai, Jodha Akbar, Yeh Hain Mohabbatein and Pavitra Bandhan are all amongst the top 30 programs
- India is the world's third largest television market in terms of number of households



Motion Picture



Business Overview – Motion Pictures



- Leveraging creative abilities and experience to produce films with rich and well appreciated content yet maintaining efficient cost structures
- Successful offerings till date include 'Raagini MMS', 'Shor In the City', 'Once upon a time in Mumbai', 'Shootout at Lokhandwala', 'Kya Kool Hain Hum' and 'The Dirty Picture'
- Successfully released 'Ek Thi Dayan', 'Shootout at Wadala', 'Lootera' and 'Once Upon a Time in Mumbai Dobaara'
- New offerings planned include 'Shaadi Ke Side Effects', 'Raagini MMS 2', 'Main Tera Hero' and 'Kuku Mathur Ki Jhand Ho Gayi'
- Strategic thrust on sequels and series:
 - ❖ Hugely successful model internationally – Harry Potter, Batman, X-Men, American Pie
 - ❖ Strong brand franchise – easier acceptance and connect with audiences

Growth in Creative Content Library

Content Library: Key Competitive Advantage

- Increase in film library
- Diversified, balanced product mix of Movies
- Swiftly ramping up scale
- Opportunity to exploit old content on new emerging platforms
- Provides stable, recurring cash flows and de-risks the business model



Content Pipeline

Sr. No.	Particulars	Star Cast	Expected Release Month
1	Shaadi ke Side Effects	Farhan, Vidya Balan	Feb-14
2	Ragini MMS 2	Sunny Leone	Mar-14
3	Main Tera Hero	Varun Dhawan, Ileana D'Cruz	Apr-14
4	Kuku Mathur Ki Jhand Ho Gayi	New Comers	Apr-14
5	Villain	Siddharth Malhotra, Shraddha Kapoor	Jul-14
6	Kya Kool Hai Hum - 3	Tusshar Kapoor & Others	Nov-14
7	Romil & Juggal	Yet to be finalized	Dec-14
8	Anurag Kashyap - Untitled	Amitabh Bachchan & others	Feb-15
9	Inder Kumar – Untitled	Yet to be finalized	Mar-15

This list of films is for illustrative purposes only and is not exhaustive. All information for the films that have not yet been released is tentative and subject to change. Due to the uncertainties involved in the development and production of films, the date of their completion can be significantly delayed, planned talent can change and, in certain circumstances, films can be cancelled or not approved by the Indian Central Board of Film Certification.

Strategies – Motion Pictures



Forward and Backward Integration

- Strong content creativity leading to better scripts
- Setting up of distribution network in Mumbai and Delhi territories
- Proven ability to identify the right idea and content which is a long drawn process



Robust Movie Slate

- Building a strong movie pipeline including small, medium and high budget films for the next couple of years



Satellite Syndication

- Exploring best possible deals for cable & satellite licensing deals including music rights
- Pre-licensing deals help de-risk the Company's revenues assuring returns



Distribution and marketing

- Theatrical rights sold closer to the date of release to achieve optimal value
- Presence across large, medium and small budgeted movies – Ability to bundle the package with broadcasters
- Leverage on strong industry relationships and experience



Strategic Partnerships

- Co-production with leading production houses across the spectrum
- Tying up with well regarded star casts and directors

Key Revenue Drivers - Films

- Expanding number of multiplexes resulting in growth opportunities and better reach
- Company's theatrical performance improved owing to strong content driven by increasing number of multiplex theatres with rising average ticket prices
- Balaji's content portfolio comprises of more than 25 films - expected to hit the silver screen in the near term
- Film catalogue monetised through television syndication deals by providing digital content for DTH satellite, music, IPTV & video on demand and internet channels



Business Outlook



Business Outlook – FY2014

- A leading content creator across Television and Motion Pictures
- Newer show formats for television content through a wholly owned subsidiary
- Focusing on creating original and diverse show content to retain leadership
- Exploring opportunities across channels, languages
- Creating films across budgets – leverage brand, scale, presence
- Building film marketing and distribution capabilities
- Diverse movie slate to capture audiences across genres
- Leverage opportunities in regional markets by expanding network

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