



Balaji Telefilms Ltd.

Balaji Telefilms Limited -June, 2014

Investor Presentation
Q1 FY2015



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Performance Overview – Q1 FY15





Financial & Operating Highlights

Q1 FY15 (Standalone)

Results for Q1 FY15

- Revenues stood at ₹ 43,50 lacs {₹ 21,95 lacs in Q1FY14}
- EBITDA profit/(loss) is at ₹ 3,80 lacs {(₹ 1,27) lacs in Q1FY14}
- Launch of two new shows had impacted the quarterly margins
- Margins improves once new shows stabilises
- PAT is at ₹ 1,96 lacs {₹ 7,43 lacs in Q1FY14}. (Q1FY14 had one time receipt on maturity of Keyman's Insurance Policy amounting to ₹ 6,73 lacs) – normalised PAT of Q1FY14 stood at Rs. 70 lacs
- Q1FY15 depreciation higher by ₹ 82 lacs due to revised schedule II compared to previous quarter

Contd....



Financial & Operating Highlights

Q1 FY15 (Standalone) Contd...

- Two new shows launched during the quarter
 - Kumkum Bhagya launched on ZeeTV on April 15 , 2014
 - Meri Aashiqui Tumse Hi launched on Colors on June 24, 2014
- Average realisation per hour was ₹ 20.42 lacs {₹ 17.61 lacs in Q1 FY14}
- Total programming hours stood at 208 hours {123 hours in Q1 FY14}
- Focused efficiencies improved operating margins
- Other overheads costs continues to be under control
- Jodha Akbar continues to be the No. 1 show on Zee and amongst the top three shows across Hindi GEC's



Show Report For the Q1FY15

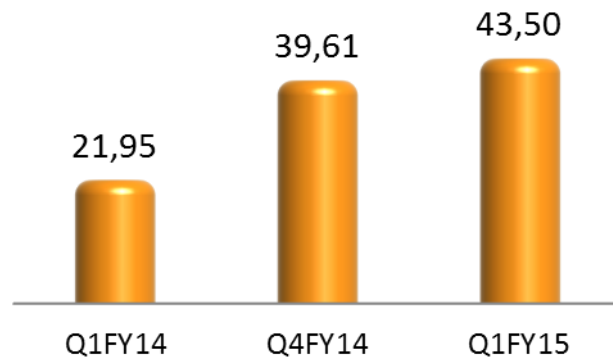
Shows	Channel	Time	Schedule
Jodha Akbar	Zee TV	20.00-20.30	Monday to Friday
Kumkum Bhagaya	Zee TV	21.00-21.30	Monday to Friday
Pavitra Rishta	Zee TV	18.30-19.00	Monday to Friday
Yeh Hain Mohabbatein	Star Plus	23.00-23.30	Monday to Sat
Meri Aashiqui Tumse Hai	Colors	22.00-22.30	Monday to Friday
Bade Achhe Lagte Hain (Discontinued in Jul 14)	Sony TV	22.30-23.00	Monday to Thursday
Pavitra Bandhan Do Dilo Ka	DD National	20.30-21.00	Monday to Friday
MTV Webbed 2 (Discontinued in Jul 14)	MTV	19.00-20.00	Saturday
Confessions of an Indian Teenager (Discontinued in May 14)	Channel V	18.00-18.30	Monday & Tuesday



Financial Performance - Standalone

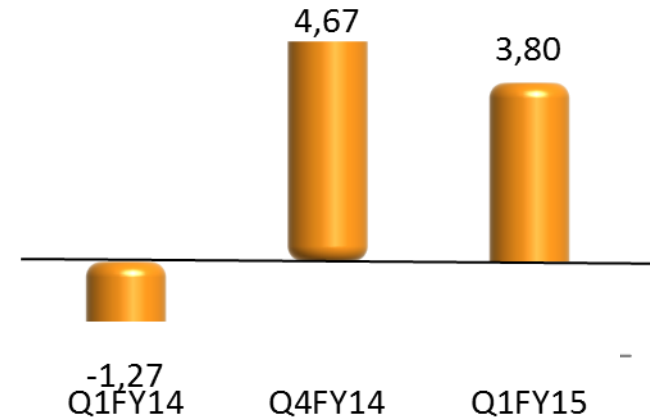
Revenue from Operations

₹ Lacs



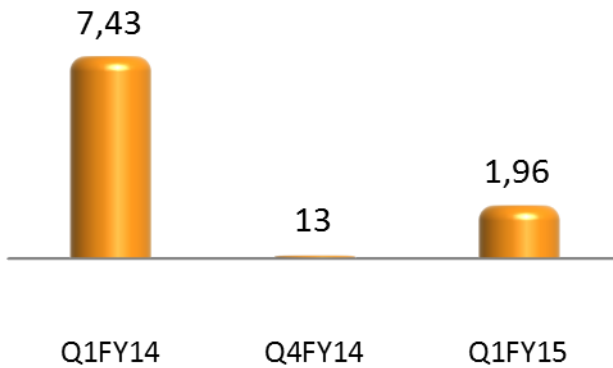
EBITDA

₹ Lacs



PAT

₹ Lacs





Financial Performance – Q1 FY15

Statement of Standalone Profit and Loss Account

Particulars	QoQ Comparison			YoY Comparison	
	Q1 FY15	Q1 FY14	% PY	Q4 FY14	% PQ
Revenue from Operations	43,49.54	21,94.71	98%	39,61.34	10%
Other Operating Income	68.95	44.87	54%	45.33	52%
Total Operating Revenue	44,18.49	22,39.58	97%	40,06.67	10%
Cost of Production	(35,76.58)	(18,33.97)	95%	(25,81.76)	39%
Gross Margin	7,72.95	3,60.74	114%	13,79.57	-44%
Gross Margin %	18%	16%	-	35%	-
Staff Cost	2,74.08	2,62.55	-14%	1,65.01	66%
Total Staff Cost	2,74.08	2,62.55	4%	1,65.01	66%
Overheads	1,87.90	2,69.84	-30%	7,92.77	-76%
EBITDA	3,79.93	(1,26.78)	-400%	4,67.13	-19%
Depreciation	2,05.33	1,79.49	14%	1,13.99	80%
Other Income	92.34	12,86.28	-93%	77.52	19%
Finance Cost	1.89	-	-	1,18.86	-98%
PBT	2,65.05	9,80.01	-73%	3,11.82	-15%
Current tax	(69.17)	2,37.46	-5%	2,98.54	-123%
PAT	1,95.88	7,42.55*	-95%	13.28	1375%

₹ in Lacs

(*Q1FY14 had one time receipt on maturity of Keyman's Insurance Policy amounting to ₹ 6,73 lacs)



Segmental Performance

Show Type	Revenue for the Quarter Ending (₹ Lacs)		
	Jun- 14	Mar- 14	Jun- 13
Programming Hours*	42,57	37,46	21,67
Revenue Per Hour	20.42	21.66	17.61
*Excludes regional segment, event business and incentives			

Total Programming Hours*	Hours for the Quarter Ending		
	Jun- 14	Mar- 14	Jun- 13
Programming Hours*	208	173	123
*Excludes regional segment and event business			



Financial & Operating Highlights

Q1 FY15 (Consolidated)

Results for Q1 FY15

- Revenues stood at ₹ 135,34 lacs {₹ 84,03 lacs in Q1FY14}
- EBITDA profit/(loss) is at ₹ 14,71 lacs {(₹ 5,02) lacs in Q1FY14}
- Q1FY15 depreciation higher by ₹ 85 lacs due to revised schedule II
- Profit/ (Loss) after tax is at ₹ 10,56 lacs {₹ 3,62 lacs in Q1FY14}. (Q1FY14 in BTL had one time receipt on maturity of Keyman's Insurance Policy amounting to ₹ 6,73 lacs)

Q1 FY15 (BMPL)

Results for Q1 FY15

- Revenues stood at ₹ 89,39 lacs {₹ 61,66 lacs in Q1FY14}
- EBITDA profit/(loss) at ₹ 11,15 lacs {(₹ 2,15) lacs in Q1FY14}
- Profit/(Loss) after tax at ₹ 8,84 lacs {(₹ 3,57) lacs in Q1FY14}

Contd.....



Financial & Operating Highlights

Q1 FY15 (Consolidated) contd....

Balaji Motion Pictures Ltd (BMPL)

- Three movies were released in the current quarter
- Ek Villian crossed ₹ 100 crore NBOC
- Main Tera Hero also had a significant Box Office collection

Q1 FY15 (Consolidated)

Bolt Media Ltd (BML)

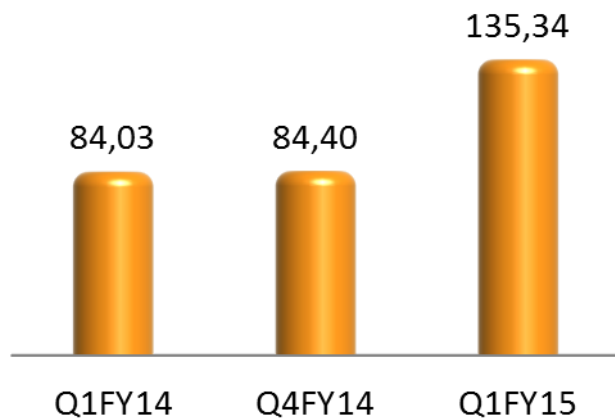
- Commissioned serials “Dharma-Kshetra” (26 episodes) and “Rakht” (10 episodes) for EPIC Television Networks Private Limited (Expected launch by Q2 of FY15)
- Yeh Jawani Ta Ra Ri (78 Episodes) for Channel V & Love By Chance (26 Episodes) for Bindaas
- Revenues stood at ₹ 2,50 lacs {₹ 83 lacs in Q1FY14}
- EBITDA loss at ₹ 24 lacs {₹ 22 lacs in Q1FY14}
- Net Loss after tax at ₹ 25 lacs {₹ 22 lacs in Q1FY14}



Financial Performance - Consolidated

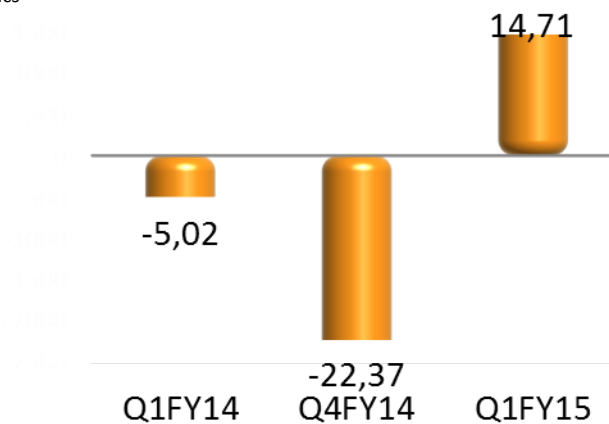
Revenue from Operations

₹ Lacs



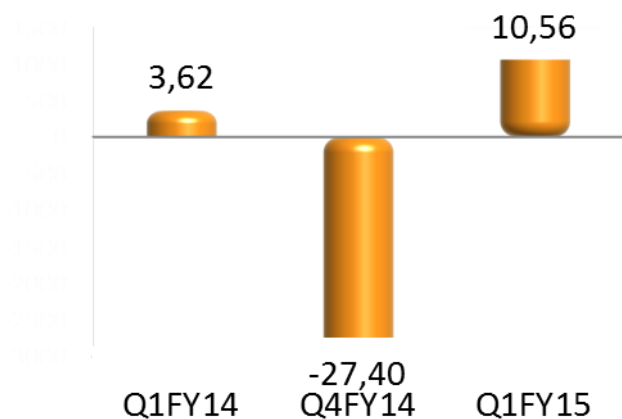
EBITDA

₹ Lacs



PAT

₹ Lacs





Financial Performance – Q1 FY15

Consolidated Statement of Profit and Loss Account

Particulars	QoQ Comparison			YoY Comparison	
	Q1 FY15	Q1 FY14	% PY	Q4 FY14	% PQ
Revenue from Operations	135,33.89	84,03.46	61%	84,40.19	60%
Other Operating Income	68.95	41.87	65%	77.34	-14%
Operating Revenue	136,02.84	84,45.33	61%	85,17.53	60%
Cost of Production of television serials / movies	(113,04.97)	(80,22.00)	41%	(93,63.43)	21%
Gross Margin	22,97.87	4,23.33	443%	(9,23.24)	-349%
Gross Margin %	17%	5%	-	-11%	-254%
Overheads - Staff cost	3,25.24	3,78.30	-14%	5,61.11	-42%
Other cost	5,01.15	5,46.89	-8%	8,29.53	-40%
EBITDA	14,71.47	(5,01.86)	-393%	(22,36.54)	-166%
Depreciation	2,18.56	1,86.40	17%	1,46.69	49%
Finance Cost	2.66	-	-	1,37.31	-98%
Other Income	94.51	12,86.28	-93%	82.79	14%
Profit / (Loss) before tax	13,44.74	5,98.03	125%	(24,37.75)	-155%
Current tax	1,50.83	2,37.47	36%	2,98.54	-49%
Profit / (Loss) after tax	10,55.57	3,60.56	149%	(27,36.29)	-139%
Share in the (loss)/profit of associates	0.3	1.06	-71%	-3.65	-108%
Net Profit / (Loss)	10,55.87	3,61.62*	149%	(27,39.94)	-139%

₹ in Lacs

(*Q1FY14 in BTL had one time receipt on maturity of Keyman's Insurance Policy amounting to ₹ 6,73 lacs)



Financial Table –

Q1 FY15 (Consolidated)

Sr. No	Particulars	BTL Q1 FY15 Standalone	BMPL Q1 FY15 Standalone	BOLT Q1 FY15 Standalone	Eliminations	BTL Q1 FY15 Consolidated
1	a) Net Sales / Income from Operations	43,49.54	89,38.96	2,50.07	4.68	135,33.89
	b) Other Operating Income	68.95	-	-	-	68.95
	Total	44,18.49	89,38.96	2,50.07	4.68	136,02.84
2	Expenditure					
	a) Cost of Production / Acquisition and Telecast Fees	35,76.58	74,88.05	2,45.02	-	113,04.97
	b) Staff Cost	1,51.99	1,52.35	20.90	-	3,25.24
	c) Depreciation	2,05.33	12.97	0.26	-	2,18.56
	d) Other Expenditure	3,09.99	1,82.62	8.54	4.68	5,01.15
	Total	42,43.89	78,36.00	2,74.72	4.68	123,49.93
	Profit / (Loss) from Operation Before Other Income and Finance Cost					
3	(1-2)	1,74.60	11,02.96	(24.65)	-	12,52.90
4	Other Income	92.34	2.16	-	-	94.51
5	Profit / (Loss) before Finance Cost (3+4)	2,66.94	11,05.12	(24.65)	-	13,47.41
6	Finance Cost	1.89	0.77	-	-	2.66
7	Profit / (Loss) from Ordinary Activities Before Tax (5-6)	2,65.05	11,04.35	(24.65)	-	13,44.75
8	Tax Expenses	(69.17)	2,20.00	-	-	1,50.83
	9 Net Profit / (Loss) from continuing operations (7-8)	1,95.88	8,84.35	(24.65)	-	10,55.57
10	Share of (Loss) / profit of associates	-	-	-	-	0.30
11	Net Profit / (Loss) after tax, share of profit of associates (9+10)	1,95.88	8,84.35	(24.65)	-	10,55.87

₹ in Lacs



Balaji Telefilms Ltd.

About Balaji Telefilms

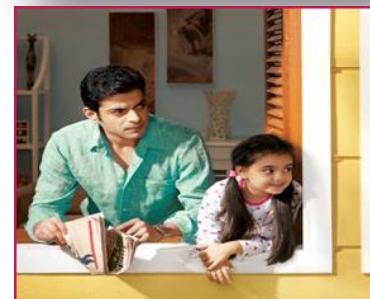




Balaji Telefilms Ltd.

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 KumKum Bhagya, Pavitra Rishta, Bade Achche Lagte Hai, Jodha Akbar, Yeh Hain 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, Colours, Zee, Doordarshan, Channel V and Life OK
- Entry of newer broadcasters and digital media - leading to more demand for variety and content

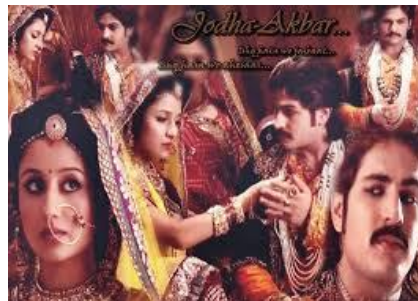




Balaji Telefilms Ltd.

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, Kum Kum Bhagya, 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





Balaji Telefilms Ltd.

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', 'Once Upon a Time in Mumbai Dobaara', 'Shaadi Ke Side Effects', 'Raagini MMS 2', 'Main Tera Hero', 'Kuku Mathur Ki Jhand Ho Gayi' and 'Ek Villian'
- 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

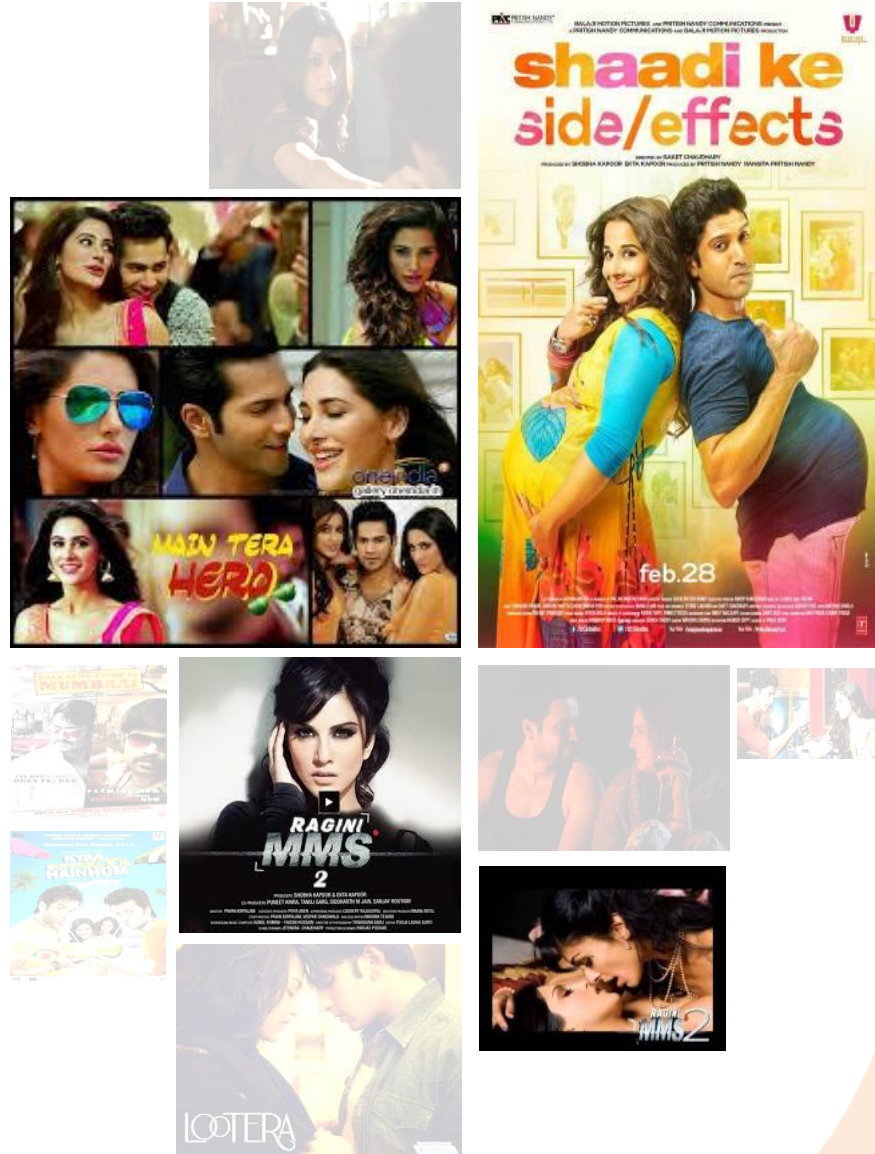


Balaji Telefilms Ltd.

Growth in Creative Content Library

Content Library

- Owns a film library of over ~20 films till date
- Diversified, balanced product mix of Movies
- Swiftly ramping up scale and output
- Opportunity to exploit old content on new emerging platforms
- Provides stable, recurring cash flows and de-risks the business model





Business Essentials



Forward and Backward Integration

- Strong content creativity leading to better scripts
- Setting up of distribution network in Mumbai and Delhi territories
- Long standing relationships within the film fraternity



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 like Dharma, Phantom, etc.
- Tying up with well regarded star casts and directors
- Creative intelligence in production



Key Revenue Drivers

- Rapidly 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
- Audiences acceptance for newer genre movies and their ability to spend for a better cinematic experience
- Balaji's content portfolio comprises of more than 20 films - expected to hit the silver screen in the near term
- Many countries offer rebates for film shoots resulting in lower cost of production
- New emerging platforms
- 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 – FY2015

- 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 and languages
- Creating films across budgets – leverage brand, scale and 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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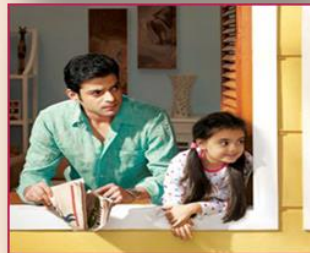
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Thank You



Balaji Telefilms Ltd.