

**RELIANCE MEDIAWORKS Q1 INCOME UP 42%,
COMPARED TO TRAILING QUARTER****Q1 OPERATING LOSS DOWN 50%, COMPARED TO TRAILING QUARTER**

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

Key Financial Highlights for Q1 of FY 2011-12:

- Total Income from Operations for Q1 at Rs. 198 crores (US\$ 44 million), increase of 42% as compared to trailing quarter
- Operating loss for Q1 has reduced to Rs. 19 crores (US\$ 4 million), down 50% as compared to trailing quarter
- Operating loss for Q1 includes Rs. 8 crores incurred 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 cost to sharply reduce post completion of the Rights Issue.

Key Business Highlights:

- The quarter has shown significant improvement in film releases as compared to the trailing quarter, resulting in **Exhibition revenues increasing by 52%** over trailing quarter. Starting from Q2, there are **23 wide releases scheduled till end of 2011, which will have significant positive impact on the company's Exhibition and Film and Media services business.**
- The company has invested substantially in building infrastructure, skillsets, manpower for leveraging the outsourcing opportunities through its Media BPO and the returns are expected to flow from Q2 onwards. The current order book value is over Rs. 200 crores annually.
- Reliance MediaWorks' **has partnered 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 from August 2011 in phases.
- BIG Synergy has a strong line-up of **6 shows currently on air**, which includes Aap Ki Kacheri 3 on Star Plus, Tech Quiz on NDTV Good Times, KBC – Bengali and Bhojpuri on Mahuaa TV, Simi selects India's most desirable on Star World and Savithri on Gemini TV.
- BIG Synergy also has a slate of **7 new television shows in the pipeline** to go on air in the near future, beginning with Kaun Banega Crorepati – Season 5 which airs on Sony from 15th August.

Reliance MediaWorks has significantly completed its investment phase. It has received board approval for **raising an amount upto Rs. 500 crore by way of rights offer** of equity shares to the Company's



shareholders and the process is underway. The funds raised through Rights Issue would be utilized, inter alia, for substantially reducing the debt of the company, incurred for creating the asset base.

As a result of the investment and stabilization of business verticals, resulting in increased interest and depreciation charge, the company has recorded a net loss of Rs. 120 crores (US\$ 27 million) for the quarter.

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 550 screens spread across India, the United States, Malaysia, Nepal and Netherlands.

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.

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