



Movies • Broadcasting • Television • Animation

UTV Software Communications Limited

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(All amounts in Rupees thousands)

Unaudited financial results for the quarter ended June 30, 2006

Particulars	Standalone			Consolidated		
	Quarter ended Jun 30,		Year ended	Quarter ended Jun 30,		Year ended
	2006 Unaudited	2005 Unaudited	Mar 31, 2006 Audited	2006 Unaudited	2005 Unaudited	Mar 31, 2006 Audited
Revenue from operations	430,432	425,772	1,729,375	521,893	484,970	2,084,152
Other income	1,169	2,857	41,746	990	2,942	98,469
Total Revenues	431,601	428,629	1,771,121	522,883	487,912	2,182,621
Direct costs	371,596	328,116	1,505,937	402,681	363,205	1,695,084
Personnel costs	28,227	28,659	122,988	39,142	37,929	160,007
Other expenses	25,151	17,109	76,432	35,062	24,958	113,149
Total Expenditure	424,974	373,884	1,705,357	476,885	426,092	1,968,240
Earnings before Int., Depreciation and Tax	6,627	54,745	65,764	45,998	61,820	214,381
Interest expense	-	-	-	-	-	-
Depreciation	5,945	3,737	16,453	13,131	11,192	47,365
Profit before tax	682	51,008	49,311	32,867	50,628	167,016
Provision for tax	-	-	-	-	-	-
- Current	101	4,292	4,277	101	4,830	8,300
- Mat Credit Entitlements	-	-	(4,277)	-	-	(4,277)
- Deferred	269	11,269	17,065	(1,850)	10,796	18,413
- Fringe benefit tax	302	471	2,115	333	471	2,211
- Prior period	-	-	169	-	-	169
Profit after tax	10	34,976	29,962	34,283	34,531	142,200
Minority interest	-	-	-	-	(96)	-
Paidup equity share capital (Face value Rs.10 each)	194,936	194,936	194,936	194,936	194,936	194,936
Reserves (excluding revaluation reserves)	1,099,635	1,106,190	1,101,177	1,179,343	1,212,091	1,143,048
Earnings per share (Rupees) - Basic	-	1.79	1.54	1.76	1.77	7.29
- Diluted	-	1.79	1.54	1.76	1.77	7.29
Aggregate non-promoter shareholding	-	-	-	-	-	-
- No of shares	11,230,892	11,092,242	11,230,892	-	-	-
- Percentage of shareholding	57.61%	56.90%	57.61%	-	-	-

Items exceeding 10% of the total expenditure:	2006	2005	2006	2005	2006
- Footage cost	184,999	148,874	964,574	192,568	1,052,069
- Cast and technicians fees and commission	90,811	82,202	178,196	91,838	82,604

Notes to Financial Results for the quarter ended June 30, 2006

- The above results, including consolidated, are reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 24, 2006.
- The consolidated results comprise of the Company and its subsidiaries and does not include the Joint Venture - United Home Entertainment Limited (Hungama TV).
- Number of investors complaints for the quarter ended June 30, 2006 : Beginning - Nil, Received - 12, Disposed off - 12, and Pending - Nil.
- The Company paid managerial remuneration for FY 2005-06, which is in excess of the limits provided under the Companies Act, 1956. Accordingly, the Company is in the process of obtaining the approval of Shareholders and Central Government for payment of excess remuneration and is confident of obtaining the said approvals as such there is no impact on the profit and loss account.

Unaudited financial results for the quarter ended June 30, 2006 Segment performance - Revenue, Results and Capital employed

Particulars	Standalone			Consolidated		
	Quarter ended Jun 30,		Year ended	Quarter ended Jun 30,		Year ended
	2006 Unaudited	2005 Unaudited	Mar 31, 2006 Audited	2006 Unaudited	2005 Unaudited	Mar 31, 2006 Audited
Segment Revenues						
Television	234,261	152,101	711,296	234,261	152,101	711,296
Films	199,337	275,971	1,033,535	273,839	317,890	1,309,968
Allied services	-	-	-	19,370	18,629	83,392
Less: Intersegment revenues	3,167	2,300	15,456	5,577	3,650	20,504
Total Revenues	430,432	425,772	1,729,375	521,893	484,970	2,084,152
Segment results						
Television	8,244	11,521	59,798	8,244	11,521	59,798
Films	23,319	56,709	40,819	61,754	60,627	106,875
Allied services	-	-	-	1,116	3,394	26,206
Total segment results before Int. Dep. & Tax	31,562	68,230	100,617	71,113	75,542	192,879
Less :						
- Interest (Net)	-	-	-	-	-	-
- Other unallocable expenditure (net of other income)	30,880	17,222	51,306	38,226	24,914	25,863
Total Profit before tax	682	51,008	49,311	32,867	50,628	167,016
Capital Employed						
Television	405,543	309,505	430,930	405,543	466,464	430,930
Films	589,339	599,107	634,786	801,869	650,338	770,582
Allied Services	-	(3,046)	-	311,581	228,126	257,021
Unallocable	1,319,318	730,077	1,202,958	955,250	415,464	894,273
Total Assets - Liabilities	2,314,200	1,635,643	2,268,674	2,474,243	1,760,392	2,352,806

- Other expenses includes foreign exchange fluctuation charge (net) Rs 6.0 million during this quarter.
- At the meeting held on July 24, 2006, the Board of the Company, approved the following, the consummation of which is subject to requisite regulatory and shareholders approvals:
 - issue of 3,400,000 equity shares to The Walt Disney Company (Southeast Asia) Pte. Ltd. (constituting 14.9% of the enlarged share capital) at a price of Rs 192.5 per share;
 - divestment of shareholding in United Home Entertainment Ltd. (Company housing the business of Hungama TV) to The Walt Disney Company (Southeast Asia) Pte. Ltd. at an enterprise value of USD 30.5 million;
 - issue of 1,949,360 warrants to promoter, R. S. Screwvala, convertible into one equity share each of the Company, at a price of Rs 192.5 per share;
 - "Scheme of Arrangement" for the merger of subsidiary United Entertainment Solutions Limited (UESL) with the Company.
- Previous period figures have been regrouped wherever necessary.

For and on behalf of the Board

Rohinton Screwvala
Managing Director

Place : Mumbai
Date : July 24, 2006

