



Balaji Telefilms

*Management Analysis of
Financial Results for the year
ended 31.3.2002*

Result Highlights

(Rs million)	Q4FY2002	Q3FY2002	% Change QoQ	FY2002	FY2001	% Change YoY
Total Revenues	328	302	8.7%	1,103	489	125.6%
Operating Profit	155	137	12.9%	460	76	501.7%
Profit Before Tax	173	136	27.3%	477	74	541.5%
Profit After Tax	89	85	4.9%	290	44	566.0%
EPS (Annualised) (Rs)	34.72	33.04		28.16	4.23	
Key Ratios						
Operating Profit Margin (%)	47.3%	45.5%		41.7%	15.6%	
PAT Margin (%)	27.2%	28.2%		26.3%	8.9%	

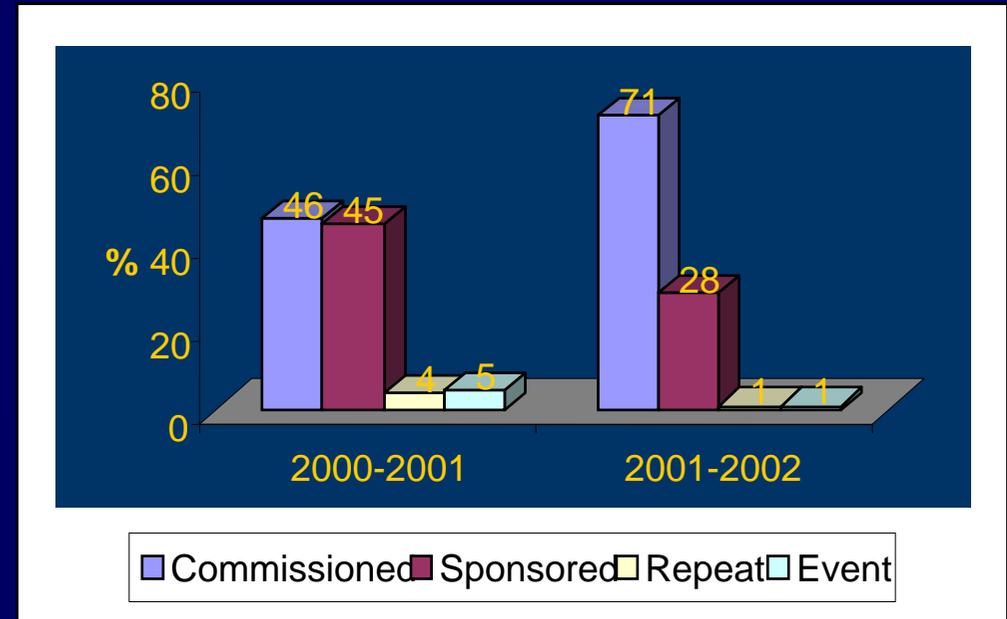
- Revenues grew 125.6% YoY for FY02
- PBT grew 541.5% YoY for FY02
- PAT grew 566% YoY for FY02
- Significant improvement in OPM & PAT Margin

Highlights (Cont...)

- Realisation per hour doubled from 0.36 million in FY01 to 0.72 million per hour in FY02
- The fresh programming hours increased from 1,237 in FY01 to 1,507 in FY02 representing growth of 22%
- Share of Commissioned Revenues increased from 46% in FY01 to 71% in FY02
- Currently, 39 Balaji shows featuring in Top 50 shows and 63 Balaji shows featuring in Top 100 shows, on satellite channels.

Revenue Mix (in million)

<u>Programming</u>	<u>2002</u>	<u>2001</u>
Commissioned	783	227
Sponsored	306	218
Repeat / Dubbed	6	19
Event	8	25



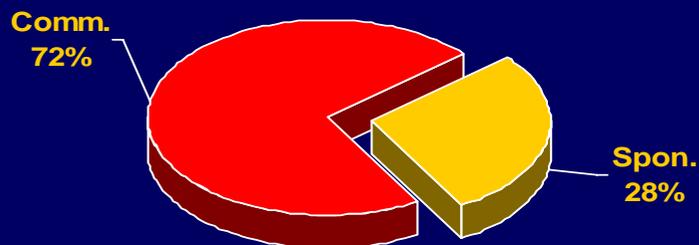
Attractive realisations per hour resulting in strong growth in revenues



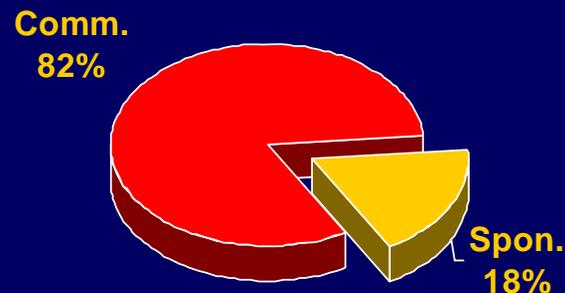
Segment wise Results for FY02

<u>Programs</u>	<u>Revenues</u> <u>(Rs.in</u> <u>million)</u>	<u>Profits</u> <u>(Rs.in million)</u>
Commissioned	796	443
Sponsored	306	96

Revenues - Percentage



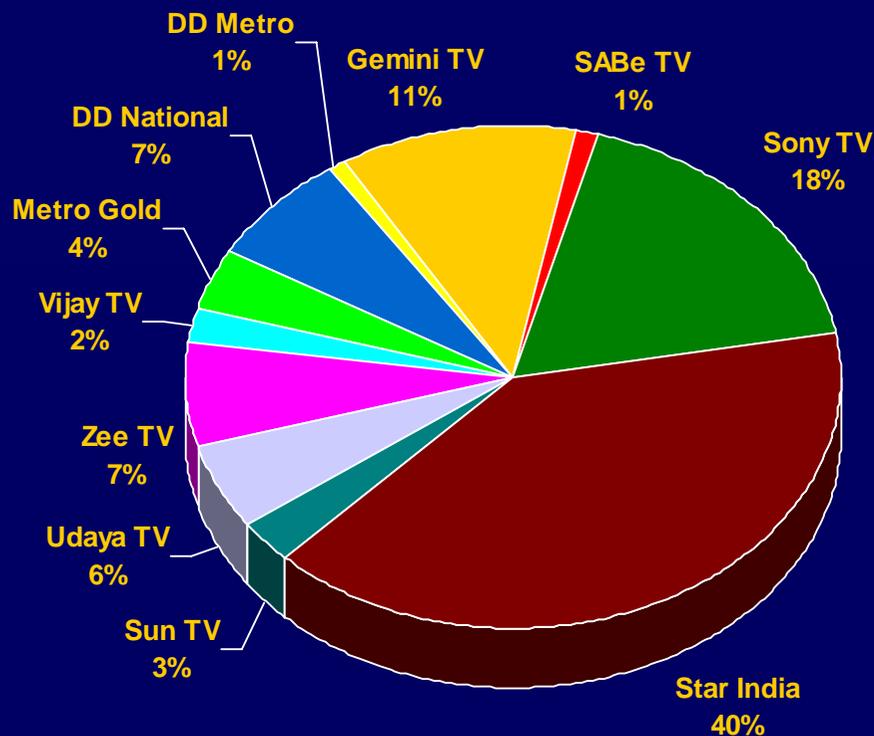
Profits - Percentage



Judicious Mix of Commissioned & Sponsored Programs



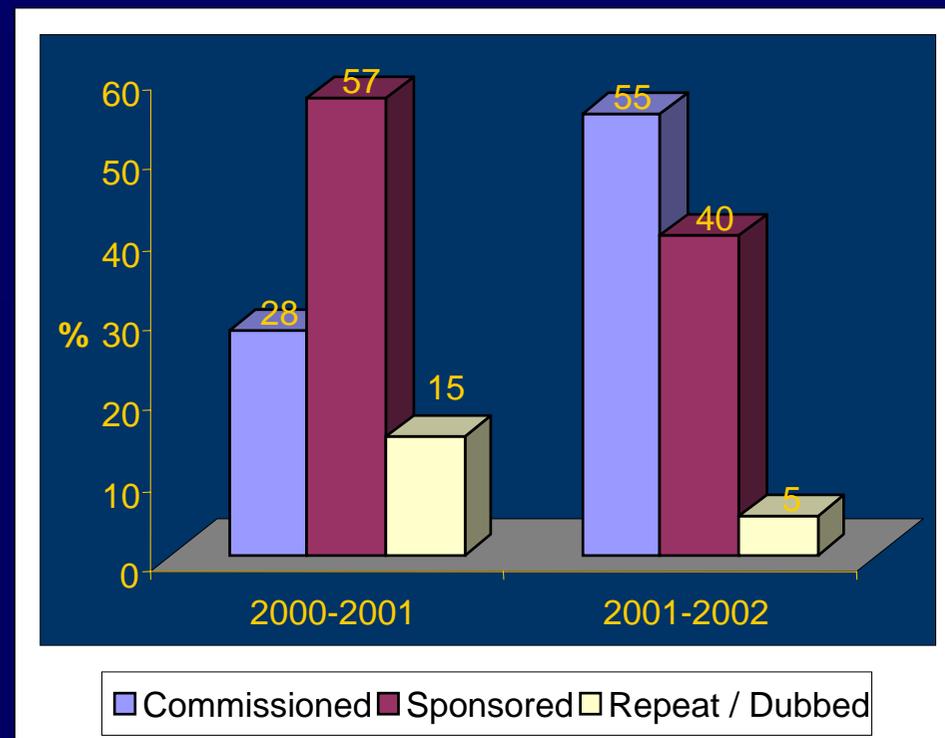
Channel wise Revenue for FY02



Across Channels; Across Languages

Programming Mix (Hours)

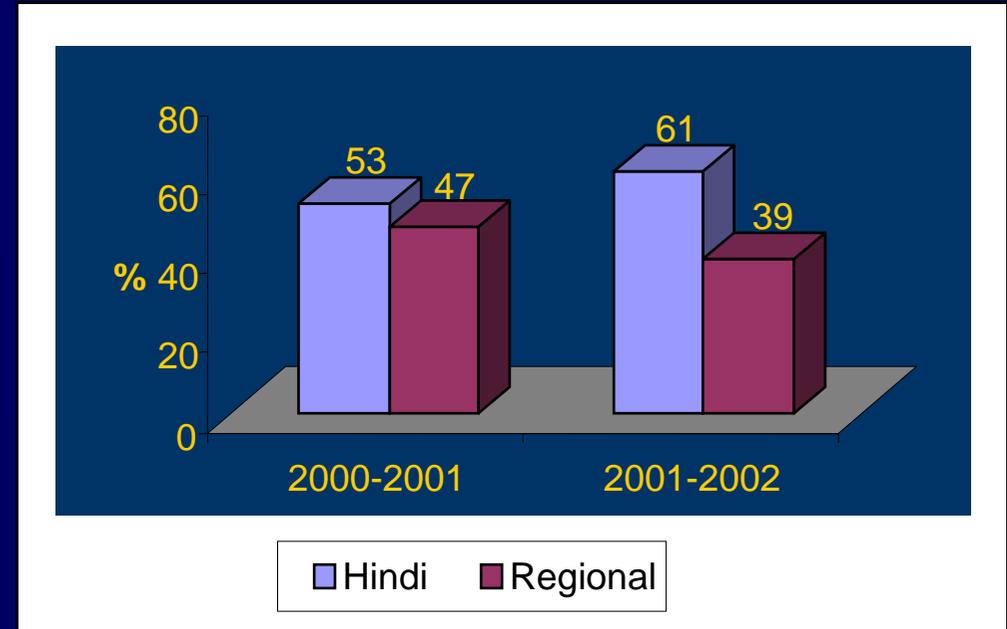
<u>Programming</u>	<u>2002</u>	<u>2001</u>
Commissioned	875	402
Sponsored	632	835
Repeat / Dubbed	77.5	220



Margin driven Business Approach

Hindi & Regional Programs (Hours)

<u>Programming</u>	<u>2002</u>	<u>2001</u>
Hindi	926	652
Regional	581	585



Multi-lingual Presence



Share in Top Hindi Programs of Satellite TV Universe

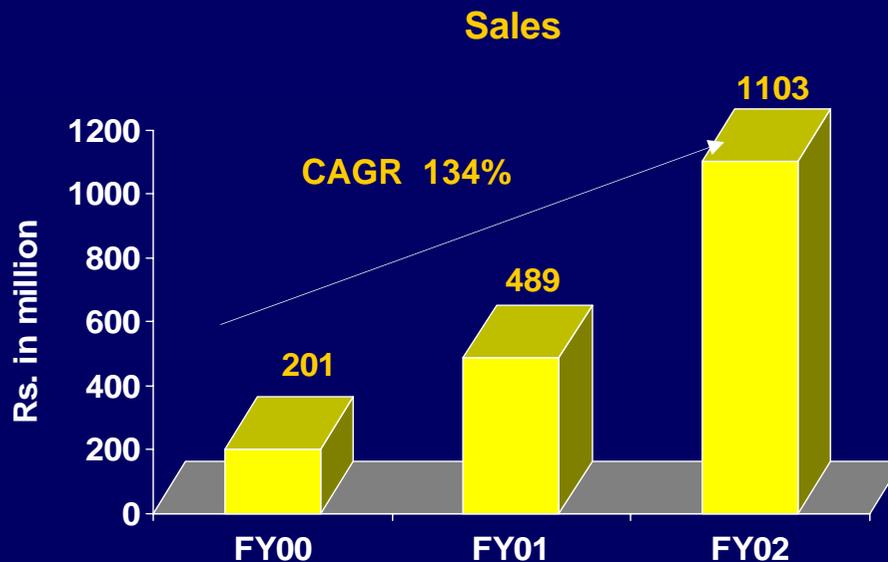
Date	Top 50	Top 20	Top 10
Sept 2, 00	11	4	2
March 4, 01	16	9	8
Sept 2, 01	24	12	8
Mar 10, 02	34	18	10
May 12, 02	39	18	10

Source – INTAM Ratings, 9 Cities, Female 15 years +, (C & S) All TV

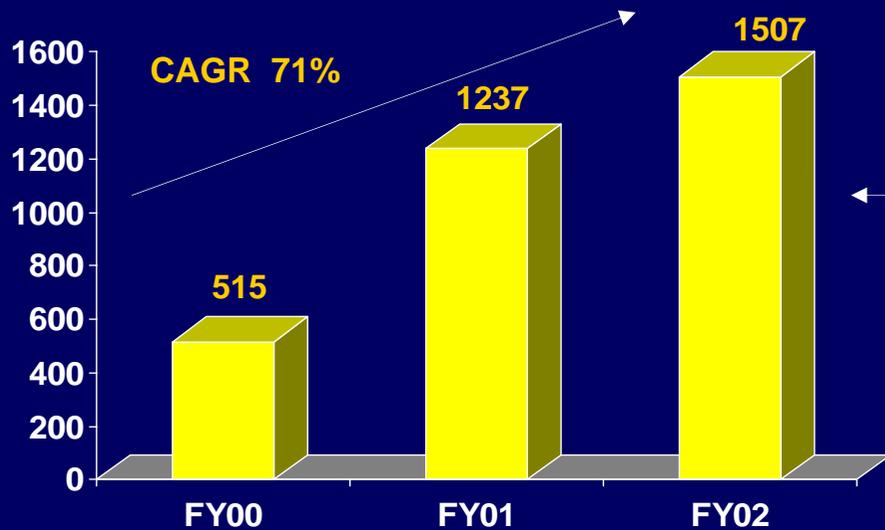


Financial Numbers

Consistent growth in Sales →



Fresh Programming Hours



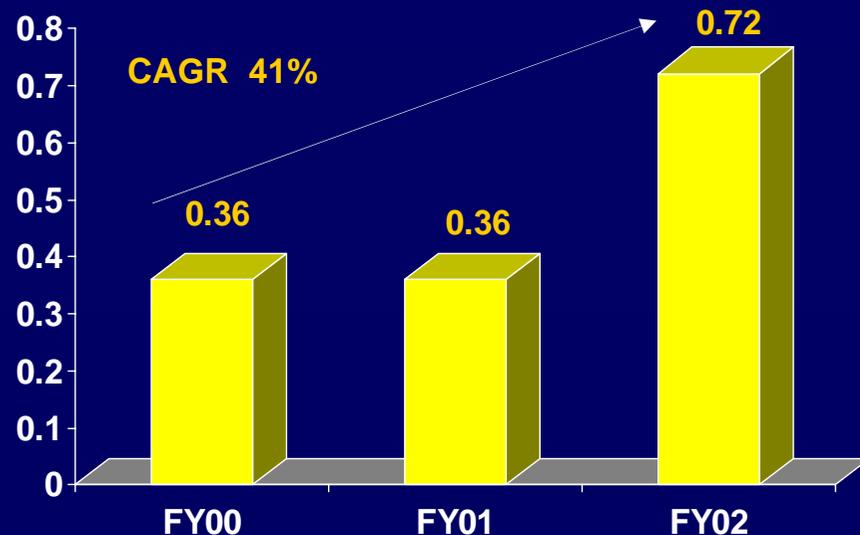
← Consistent Growth in Fresh Programming Hours



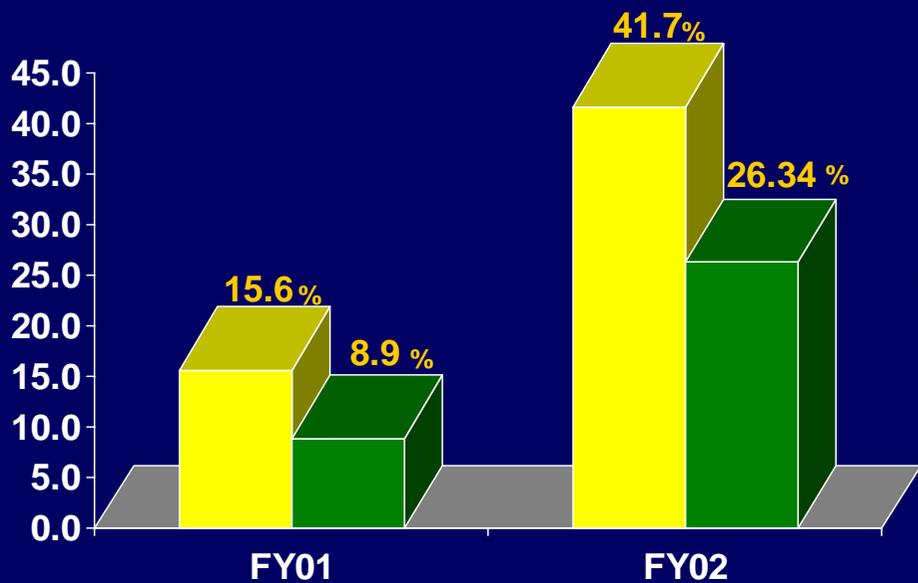
Financial Numbers

Realisations per hour doubled

Realisations per hour



OPM NPM



OPM improving on the back of better realisations



Financial Numbers

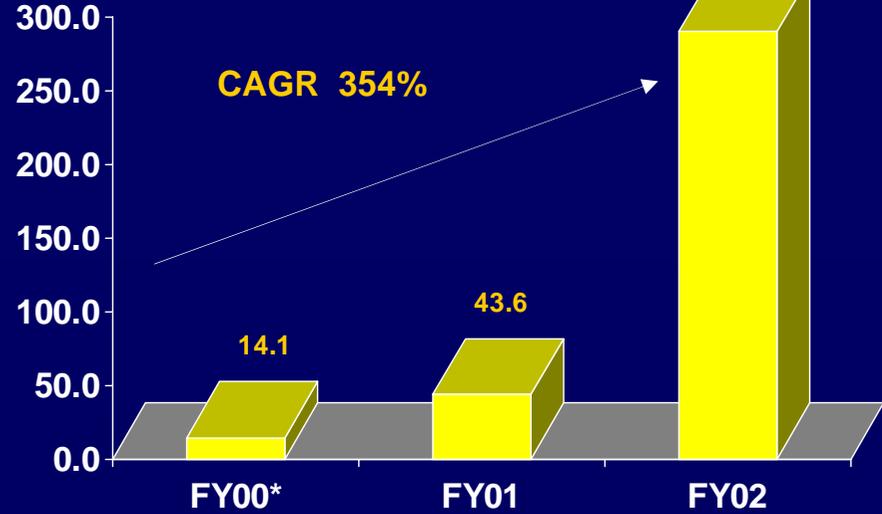
Phenomenal growth in PAT

Rs. in million

Profit After Tax

290.15

CAGR 354%



* - Profits adjusted as per 100% write-off of cost of production

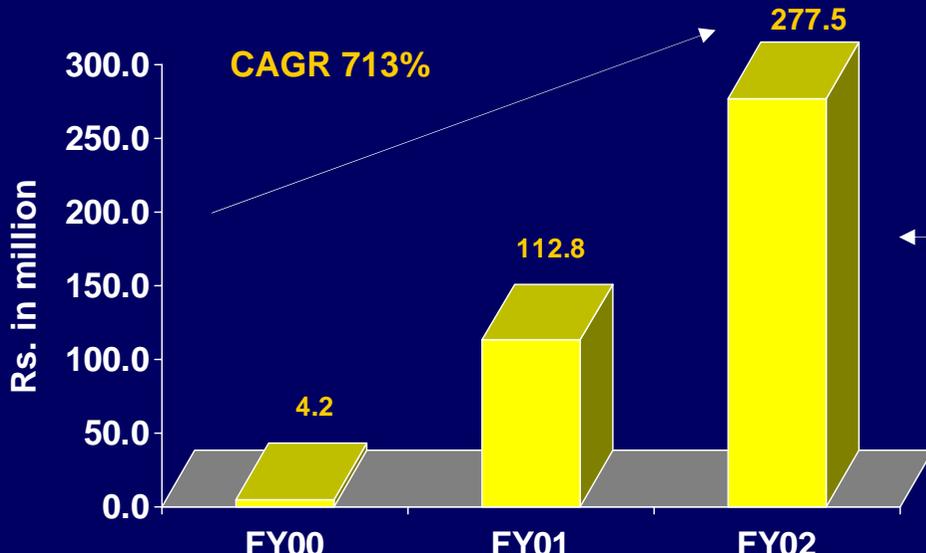
Cash & Cash Equivalents

Rs. in million

CAGR 713%

277.5

Phenomenal growth in Cash & Cash Equivalents



Key Financial Ratios

Ratio	2001-2002	2000-2001
RoNW (PAT / Net Worth)	43.85%	9.89%
RoCE (PBIT / Avg. Capital Employed)	81.31%	24.45%
Debtors Turnover (Days)	72	103
Inventory Turnover (Days)	12	37
Current Ratio	1.76	2.61
Depreciation / Gross Block	5.6	3.67
Asset Turnover (Total Income / Total Assets)	1.18	0.95



Management Structure

- **Production** : Mrs. Shobha Kapoor, Managing Director & CEO, supported by Vice president and 2 General Managers and 2 Branch Heads (Production & Operations)

Mumbai

Delhi

Chennai

Bangalore

- **Creative** : Ms. Ekta Kapoor assisted by 7 Creative Heads & 14 executive producers
- **Finance & Corporate Affairs**: Mr. Ajay Patadia, Company Secretary supported by 2 Deputy General Managers. The Company is in the process of appointing a CFO to take charge of Finance.
- **Marketing** : Mr. Rajesh Pavithran, Vice President and Mr. R. Karthikeyan, Regional Manager – Marketing, supported by teams across Delhi, Chennai and Bangalore



Key Agenda

I. Programming

- Focus on higher production values
- Innovative/designer sets to give an exclusive look
- Exploitation of existing software library
- High Value Programming



Key Agenda (Cont...)

II. Focus on Satellite Channels

- Increase programming hours on major channels
- Strive to further improve realisations
- Increased emphasis on incentivised price structure
- Strengthen position on Afternoon Band
- Strive to further expand Prime Time Band



Key Agenda (Cont...)

III. Increasing exposure on Southern Regional Channels

- Venturing into the last of South Indian Market – “Kerala”
- Increase in programming hours on Gemini, Udaya and Sun TV



Key Agenda (Cont...)

IV. High Value Programming

High Value Wholesome Entertainment Programming

- Presently, weekend programming largely movie based
- Live events are expensive
- Opportunity for innovative themes

Film Production

- Small budget commercial movies budget ranging from Rs30 to 50mn
- Movies to be tied up with television broadcasters before launching
- Does not intend to make high budget / star cast movies



15 Serials On Air – 59 Shows per week

Channel (Language)	Serial	Frequency in Week	TRPs* (week ended 12/05/02)	Top TRPs* on the same channel (week ended 12/05/02)
Gemini TV (Telugu)	Pavitrabandham	5 Days	8.44	10.62
	Kkalavaari Kkodalu	5 Days	4.85	
Udaya TV (Kannada)	Kavayanjali	5 Days	12.88	14.97
	Kannadi	5 Days	8.4	
Star India (Hindi)	Kyunki Saas Bhi Kabhi Bahu Thi	4 Days	12.76	12.76
	Kahaani Ghar Ghar Kii	4 Days	11.38	
	Kaahin Kissii Roz	4 Days	6.38	
	Kalash	1 Day	5.04	
	Kasauti Zindagi Kay	4 Days	8.7	
Sony TV (Hindi)	Kkusum	5 Days	6.57	6.57
	Kutumb	4 Days	5.17	
	Kuch Jukhi Palke	4 Days		
Zee TV (Hindi)	Koshish Ek Aasha	1 Day	1.86	4.11
	Kohi Apna Sa	4 Days	4.11	
	Kitne Kool Hain Hum	4 Days		

* - Intam Ratings : 9 Cities, Fe 15+ (Cable & Satellite) All TV

Strengths across the Value Chain

