



PFL

February 14, 2015

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To, The National Stock Exchange of India Limited Listing Department Exchange Plaza, Bandra Kurla Complex, Bandra (East) Mumbai – 400051 Fax Nos: 26598237 / 26598238	To, The BSE Limited Listing Department Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 Fax Nos: 22723121 / 2037 / 2039
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Dear Sir/Madam,

Ref: NSE Code: PFOCUS/ BSE Code: 532748
Subject: Outcome of Board meeting held on February 14, 2015

In terms of the Listing Agreement entered by the Company with your exchange, we would like to inform that a meeting of Board of Directors of the Company was held today i.e. February 14, 2015 and the Board has inter-alia considered and approved the un-audited financial results alongwith the Limited Review report received from the Statutory auditor viz. M/s. Deloitte Haskins & Sells, Chartered Accountants for the quarter and half year ended December 31, 2014.

Please find enclosed herewith the un-audited financial results and the Limited Review Report for the quarter and half year ended December 31, 2014.

Thanking you,

For Prime Focus Limited


Kirti Desai
Company Secretary



Encl: As above



PRIME FOCUS LIMITED
Registered Office : Prime Focus House, Opp. CBI Bank, Linking Road
Khar (West), Mumbai, Maharashtra, India, 400052
CIN: L32100MH1997PLC108981

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS ENDED DECEMBER 31, 2014

Rs. in lacs

Sr No.	Particulars	Standalone					Consolidated				
		Quarter Ended		Six Months	Nine Months	Fifteen Months	Quarter Ended		Six Months	Nine Months	Fifteen Months
		31.12.2014	30.09.2014	31.12.2013	31.12.2013	30.06.2014	31.12.2014	30.09.2014	31.12.2013	31.12.2013	30.06.2014
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Part I											
1	Income from operations										
	Net sales / income from operations	3,251.75	2,280.89	5,244.19	5,532.84	15,015.19	27,354.79	29,729.70	34,966.86	21,367.73	64,696.56
	Other operating income	252.39	251.89	6.28	504.28	8.28	175.40	2,136.96	728.41	864.96	2,865.37
	Total income from operations	3,504.14	2,532.78	5,250.47	6,037.12	15,023.47	27,530.19	31,866.66	35,695.27	22,232.69	67,561.93
2	Expenses										
	Employee benefits expense	596.99	450.15	1,383.89	1,047.14	3,596.14	6,935.01	19,753.64	23,928.90	9,778.73	43,682.54
	Technician fees	379.26	411.60	1,229.54	790.86	3,973.23	6,411.47	658.96	634.78	1,570.98	1,293.74
	Technical service cost	322.41	117.59	53.18	440.00	215.23	345.61	900.78	2,238.15	112.45	3,136.93
	Depreciation and amortisation expense	523.49	544.25	883.46	1,067.74	2,840.99	4,398.56	4,895.51	4,661.70	2,516.72	9,357.21
	Other expenditure	866.16	446.69	909.73	1,312.85	2,628.38	4,558.26	6,609.97	7,776.42	8,282.79	14,386.39
	Exchange loss (net)	19.01	88.50	344.67	117.51	-	-	395.54	-	-	71.14
	Total Expenses	2,707.32	2,088.78	4,804.47	4,776.10	13,853.97	22,648.91	39,237.85	39,237.85	20,261.67	71,927.95
3	Profit from operations before other income, finance costs and exceptional items (1 - 2)	796.82	444.00	446.00	1,260.82	1,969.50	4,881.28	(1,147.74)	(3,542.68)	1,971.02	(4,366.02)
4	Other income	-	-	-	-	-	-	-	-	-	-
	a) Exchange gain (net)	-	-	-	-	2,522.37	2,105.64	-	324.39	380.15	-
	b) Others	205.71	63.94	426.96	269.65	1,058.34	1,588.17	345.44	1,418.23	183.38	1,763.67
5	Profit from ordinary activities before finance costs and exceptional items (3 & 4)	1,002.53	507.94	872.96	1,530.47	5,550.21	8,575.99	(802.30)	(1,800.04)	2,534.55	(2,602.35)
6	Finance costs	839.23	413.16	510.38	1,252.39	1,779.73	2,810.83	1,727.96	1,584.29	1,627.86	3,312.25
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 & 6)	163.30	94.78	362.58	278.08	3,770.48	6,765.16	(2,533.26)	(3,384.35)	906.69	(5,914.60)
8	Exceptional items (net) expenditure / income	-	-	-	-	-	(171.51)	1,422.38	3,427.48	12.42	4,849.82
9	Profit / (Loss) from ordinary activities before tax (7 & 8)	163.30	94.78	362.58	278.08	3,770.48	6,593.65	(3,955.64)	(8,811.83)	919.11	(10,764.42)
10	Tax expense	21.10	(5.40)	95.21	15.72	987.63	(445.50)	54.80	(3,565.60)	93.19	(3,510.80)
11	Net Profit / (Loss) from ordinary activities after tax (9 & 10)	142.14	120.22	267.37	293.80	2,782.85	6,382.27	(4,007.42)	(3,246.21)	801.09	(7,253.62)
12	Extraordinary items (net of tax expense Rs. Nil)	-	-	-	-	-	-	-	-	-	-
13	Net Profit / (Loss) after tax and before minority (11 & 12)	142.14	120.22	267.37	293.80	2,782.85	6,382.27	(4,007.42)	(3,246.21)	801.09	(7,253.62)
14	Minority interest	-	-	-	-	-	-	(390.82)	(1,045.29)	(231.51)	(1,436.21)
15	Net Profit / (Loss) for the period (13 & 14)	142.14	120.22	267.37	293.80	2,782.85	6,382.27	(3,616.50)	(2,290.92)	1,032.60	(5,817.41)
16	Paid up equity share capital (Face value - Rs. 1/- per share)	1,854.17	1,854.17	1,854.17	1,854.17	1,854.17	1,854.17	1,854.17	1,854.17	1,854.17	1,854.17
17	Reserves Excluding Revaluation Reserves as per Balance Sheet of previous accounting period	-	-	-	-	-	43,252.31	-	-	-	-
18	Earning Per Share (after exceptional items)										
	(a) Basic	0.08	0.06	0.15	0.14	1.50	3.44	(1.95)	(1.19)	0.56	(3.14)
	(b) Diluted	0.08	0.06	0.15	0.14	1.50	3.44	(1.95)	(1.19)	0.56	(3.14)
	Earning Per Share (before exceptional items and net off tax)										
	(a) Basic	0.08	0.06	0.15	0.14	1.50	3.37	(1.41)	0.27	0.56	(1.07)
	(b) Diluted	0.08	0.06	0.15	0.14	1.50	3.37	(1.41)	0.27	0.56	(1.07)
19	Debt service coverage ratio (No of times)				0.40		0.97				
20	Interest service coverage ratio (No of times)				1.32		1.94				
21	Debt - equity ratio				1.39		0.74				
PARTICULARS OF SHAREHOLDING											
1	Public Share Holding										
	- Number of shares	108,315,890	108,315,890	108,315,890	108,315,890	108,315,890	108,315,890	108,315,890	108,315,890	108,315,890	108,315,890
	- Percentage of shareholding	58.42%	58.42%	58.42%	58.42%	58.42%	58.42%	58.42%	58.42%	58.42%	58.42%
2	Promoters and Promoter Group Shareholding										
	a) Pledged / Encumbered										
	- Number of shares	39,995,000	41,286,000	47,717,000	39,995,000	47,717,000	45,612,000	39,995,000	41,286,000	47,717,000	45,612,000
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	51.87%	53.55%	61.89%	51.87%	61.89%	59.16%	51.87%	53.55%	61.89%	59.16%
	- Percentage of shares (as a % of total share capital of the Company)	21.57%	22.27%	25.73%	21.57%	25.73%	24.60%	21.57%	22.27%	25.73%	24.60%
	b) Non - encumbered										
	- Number of shares	37,106,548	35,815,548	29,384,548	37,106,548	29,384,548	31,489,548	37,106,548	35,815,548	29,384,548	31,489,548
	- Percentage of shares (as a % of total shareholding of promoters and promoter group)	48.13%	46.45%	38.11%	48.13%	38.11%	40.84%	48.13%	46.45%	38.11%	40.84%
	- Percentage of shares (as a % of total share capital of the Company)	20.01%	19.31%	15.85%	20.01%	15.85%	16.98%	20.01%	19.31%	15.85%	16.98%





PRIME FOCUS LIMITED

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Khar (West), Mumbai, Maharashtra, India, 400052

CIN: L92100MH1997PLC108981

STATEMENT OF ASSETS AND LIABILITIES AS AT DECEMBER 31, 2014

Rs. In Lacs

	Standalone		Consolidated	
	31.12.2014	30.06.2014	31.12.2014	30.06.2014
	Unaudited	Audited	Unaudited	Audited
Equity and Liabilities				
Shareholders' funds				
Share Capital	1,854.17	1,854.17	1,854.17	1,854.17
Reserves and Surplus	42,404.61	43,252.31	66,889.16	71,900.46
	44,258.78	45,106.48	68,743.33	73,754.63
Minority Interest	-	-	23,061.90	16,126.80
Non-current liabilities				
Long-term borrowings	30,171.18	26,263.47	66,665.27	57,012.70
Deferred tax liability (net)	-	-	985.06	1,186.99
Other long-term liabilities	356.75	39.70	16,159.33	6,060.84
Long-term provisions	72.98	69.98	156.02	140.50
	30,600.91	26,373.15	83,965.68	64,401.03
Current liabilities				
Short-term borrowings	36,343.05	8,571.88	58,305.15	17,736.25
Trade payables	1,385.45	2,787.60	27,754.61	12,493.07
Other current liabilities	6,101.54	5,758.35	35,203.68	18,143.39
Short-term provisions	3,999.11	4,431.86	4,152.06	4,432.33
	47,829.15	21,549.69	125,415.50	52,805.04
TOTAL	122,688.84	93,029.32	301,186.41	207,087.50
Assets				
Non-current assets				
Fixed assets				
Tangible assets	16,665.65	17,004.57	78,644.79	63,216.06
Intangible assets	293.60	321.78	101,765.09	46,008.43
Capital work-in-progress	8.44	32.00	576.39	409.03
Intangible assets under development	-	-	2,230.83	1,571.79
Non-current investments	73,634.59	23,845.96	495.99	1.04
Deferred tax asset (net)	11,934.40	11,293.43	15,211.09	11,293.43
Long-term loans and advances	5,248.07	6,211.24	9,429.10	9,388.25
Other non-current assets	-	-	6.82	6.82
	107,784.75	58,708.98	208,360.10	131,894.85
Current assets				
Current investments	-	-	6.05	6.25
Inventories	-	-	21.91	3.16
Trade receivables	5,477.21	13,921.82	51,849.83	38,526.54
Cash and bank balances	382.32	654.30	3,160.38	2,249.24
Short-term loans and advances	8,563.40	18,904.16	27,456.77	17,346.28
Other current assets	481.16	840.06	10,331.37	17,061.18
	14,904.09	34,320.34	92,826.31	75,192.65
TOTAL	122,688.84	93,029.32	301,186.41	207,087.50

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Notes to unaudited financial results for the quarter and six months ended December 31, 2014:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on February 14, 2015. The statutory auditors have carried out a limited review of the Standalone results of the Company.
2. During the previous quarter ended September 30, 2014, pursuant to the approval of Shareholders', the Company's Authorised Share Capital has been increased from Rs. 2500 lac to Rs. 3500 lac.
3. Pursuant to the enactment of the Companies Act, 2013 ("the Act"), effective 1st April, 2014, the Company has revised the estimated useful lives of its fixed assets to ensure compliance with the stipulations of Schedule II to the Act. Accordingly, the unamortized depreciable amounts of the fixed assets as at 1st July, 2014 have been charged over the revised remaining useful lives. This has the impact of decreasing depreciation charge for the quarter and six months ended December 31, 2014 by Rs.58 lac and Rs.76 lac respectively. Further, in accordance with the stipulations of the said Schedule, written down values of fixed assets, whose lives had expired as at 1st July, 2014 aggregating Rs. 102 lac (net of tax) have been adjusted against retained earnings.
4. The Post Production business is the primary segment for the Company. Since, the Company's entire operations are governed by the same set of risks and returns, these have been considered as representing a single segment.
5. There were no investor complaints pending at the beginning of the quarter. During the Quarter, the Company received no investor complaints and there was no investor complaint pending at the end of the quarter.
6. During the quarter ended June 30, 2014, the Company sold its 'backend business' which includes (a) business of providing the services of conversion of 2D audio visual/moving images to stereo 3D audio visual/moving images provided by the Company to Prime Focus World N.V., a company incorporated and operating under the laws of Netherlands ("PFW") ("Conversion Business"); and (b) the business of providing the services of computer generated film visual special effects by the Company to PFW ("VFX Business"), to Prime Focus World Creative Services Pvt. Ltd., an indirect controlled subsidiary, by way of slump sale. Consequently, the figures for the current quarter exclude the 'backend business' and hence are not comparable with the figures for the corresponding quarter ended December 31, 2013.
7. The Board of Directors in the meeting held on July 02, 2014 had approved issuance of 23,076,923 and 90,384,615 equity shares to Monsoon Studio Private Limited and Reliance MediaWorks Limited, respectively, on a preferential basis, subject to requisite statutory approvals. Of these 67,307,692 equity shares to Reliance Media Works Limited are to be issued for a consideration other than cash towards the transfer of its film and media services business to the Company. The said issue of equity shares on a preferential basis was approved by the shareholders at the Extra-ordinary General Meeting ("EGM") held on August 01, 2014. The issuance would be effected upon receipt of all the necessary statutory approvals. The completion of the Preferential Allotment is subject to fulfillment of certain conditions for which a long stop date of December 31, 2014 was set out in the definitive agreements signed for the Preferential Allotment. The agreement was amended to extend the long stop date to March 31, 2015 and another EGM was held on January 28, 2015 for approving issue of equity shares on preferential basis in which meeting, the approval of shareholders was obtained.
8. In the Board of Directors meeting held on July 02, 2014 approval was granted to introduce and implement Employee Stock Option Scheme titled 'PFL-ESOP Scheme 2014' whereby stock options upto 6% of the paid up capital of the Company (post preferential allotment) aggregating 17,932,738 stock options would be issued to eligible employees of the Company, its subsidiaries and associates. The said scheme was approved by the shareholders in the Extra-ordinary General Meeting held on August 01, 2014.
9. Pursuant to the approval of the Board of Directors in their Meeting held on January 28, 2015, has entered into a licensing and 3D conversion partnership with Canada's Gener8 Media Corp. ("Gener8"), a global leader in 3D conversion technology, which will secure an exclusive worldwide license to use the Gener8's proprietary 3D conversion technology G83D™ throughout the entertainment industry. This transaction is subject to customary closing conditions, including obtaining all requisite regulatory approvals.
10. Ratio have been calculated as follows:
 - a. Debt Service Coverage Ratio = Profit before exceptional items, Interest on long term loans, Depreciation and Tax/ (Principal repayment / transfer of total long term loans + Interest on long term loans).
 - b. Interest Service Coverage Ratio = Profit before exceptional items, Interest on long term loans, Depreciation and Tax/ Interest on long term loans.
 - c. Debt Equity Ratio = Total borrowings (principal)/ Shareholders Funds.



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11. The previous financial year of the Company was for a period of 15 months from April 01, 2013 to June 30, 2014. Figures for the period ended December 31, 2013 have been given to comply with the clause 41 requirement to provide "Year to Date (YTD) figures for the previous year" and are for a period of 9 months from April 01, 2013 to December 31, 2013. Hence, such figures are not comparable with the figures for the YTD upto December 2014, which are for a period of 6 months from July 01, 2014 to December 31, 2014.

12. Previous period figures have been regrouped and re-arranged wherever necessary.

For and on behalf of the Board of Directors

Place: Mumbai
Date: February 14, 2015




Ramakrishnan Sankaranarayanan
Managing Director

**INDEPENDENT AUDITORS' REVIEW REPORT
TO THE BOARD OF DIRECTORS OF
PRIME FOCUS LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **PRIME FOCUS LIMITED** ("the Company") for the quarter and six months ended December 31, 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosures in Part II - Select Information referred to in paragraph 4 below. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the Accounting Standards specified under the Companies Act, 1956 (which are deemed to be applicable as per Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreements with the Stock Exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. Further, we also report that we have traced the number of shares as well as the percentage of shareholding in respect of the aggregate amount of public shareholding and the number of shares as well as the percentage of shares pledged/encumbered and non-encumbered in respect of the aggregate amount of promoters and promoter group shareholding in terms of Clause 35 of the Listing Agreements and the particulars relating to investor complaints disclosed in Part II - Select Information for the quarter and six months ended December 31, 2014 of the Statement, from the details furnished by the Management.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No.117364W)



Abhijit A. Damle
Partner
(Membership No. 102912)

Mauritius , February 14, 2015