PRIME FOCUS LIMITED

Registered Office : 2nd Floor, Main Frame IT Park, Building H, Royal Palms
Near Aarey Colony, Goregaon (East), Mumbai - 400065

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND SIX MONTHS PERIOD ENDED SEPTEMBER 30, 2013

Rs. In lacs

Sr No.	Particulars	Standalone						Consolidated					
		Quarter Ended			Six Months Ended		Year Ended	Quarter Ended			Six Months Ended		Year Ended
		30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013	30.09.2013	30.06.2013	30.09.2012	30.09.2013	30.09.2012	31.03.2013
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Net sales / income from operations	4,747.85	5,023.15	5,008.17	9,771.00	9,447.72	18,288.23	19,605.75	18,846.89	19,638.38	38,452.64	38,459.12	76,216.25
2	**Expenses**												
	Employee benefits expense	1,144.97	1,067.28	697.66	2,212.25	1,316.85	3,130.76	7,984.97	7,700.03	10,426.41	15,685.00	19,168.60	38,495.50
	Technician fees	1,332.16	1,411.53	1,444.51	2,743.69	2,932.61	5,704.57	1,589.48	1,711.59		3,301.07	1,355.28	
	Depreciation and amortisation expense	910.10	847.43	959.65	1,757.53	1,814.02	3,480.43	2,843.85	2,247.31	2,103.16	5,091.16	4,180.93	9,988.57
	Other expenditure	916.45	964.25	1,077.93	1,880.70	2,137.74	3,981.28	5,523.69	5,167.49	4,860.97	10,691.18	9,121.82	20,191.74
	Exchange loss (net)	-	-	867.70	-	-	-	-	-	690.68	-	-	-
	Total Expenses	**4,303.68**	**4,290.49**	**5,047.45**	**8,594.17**	**8,201.22**	**16,297.04**	**17,941.99**	**16,826.42**	**18,081.21**	**34,768.41**	**33,826.64**	**68,675.81**
3	**Profit / (Loss) from operations before other income, finance costs and exceptional items (1 - 2)**	**444.17**	**732.66**	**(39.28)**	**1,176.83**	**1,246.50**	**1,991.19**	**1,663.76**	**2,020.47**	**1,557.17**	**3,684.23**	**4,632.48**	**7,540.44**
4	Other income:												
	a) Exchange gain (net)	1,096.12	1,770.92	-	2,867.04	358.79	816.72	2,036.98	1,405.66	-	3,442.64	563.81	675.27
	b) Others	323.83	307.55	393.54	631.38	567.76	1,128.34	405.84	277.50	663.10	683.34	789.12	1,065.92
5	**Profit from ordinary activities before finance costs and exceptional items (3 ± 4)**	**1,864.12**	**2,811.13**	**354.26**	**4,675.25**	**2,201.05**	**3,936.25**	**4,106.58**	**3,703.63**	**2,220.27**	**7,810.21**	**5,985.42**	**9,281.63**
6	Finance costs	576.79	692.56	593.30	1,269.35	1,054.38	2,299.51	1,109.13	1,304.84	1,080.39	2,413.97	1,859.78	4,182.51
7	**Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 ± 6)**	**1,287.33**	**2,118.57**	**(239.04)**	**3,405.90**	**1,146.67**	**1,636.74**	**2,997.45**	**2,398.79**	**1,139.88**	**5,396.24**	**4,125.64**	**5,099.12**
8	Exceptional items - expenditure / (income)	-	-	-	-	-	10,765.65	41.86	721.68	-	763.54	-	10,765.65
9	**Profit / (Loss) from ordinary activities before tax (7 ± 8)**	**1,287.33**	**2,118.57**	**(239.04)**	**3,405.90**	**1,146.67**	**(9,128.91)**	**2,955.59**	**1,677.11**	**1,139.88**	**4,632.70**	**4,125.64**	**(5,666.53)**
10	Tax expense	412.20	480.22	(78.12)	892.42	373.89	(3,204.62)	550.58	749.34	97.92	1,299.92	997.42	(3,981.79)
11	**Net Profit / (Loss) from ordinary activities after tax (9 ± 10)**	**875.13**	**1,638.35**	**(160.92)**	**2,513.48**	**772.78**	**(5,924.29)**	**2,405.01**	**927.77**	**1,041.96**	**3,332.78**	**3,128.22**	**(1,684.74)**
12	Extraordinary items (net of tax expense Rs. Nil)	-	-	-	-	-	-	-	-	-	-	-	-
13	**Net Profit / (Loss) after tax and before minority (11 ± 12)**	**875.13**	**1,638.35**	**(160.92)**	**2,513.48**	**772.78**	**(5,924.29)**	**2,405.01**	**927.77**	**1,041.96**	**3,332.78**	**3,128.22**	**(1,684.74)**
14	Minority interest	-	-	-	-	-	-	270.61	74.92	87.57	345.53	75.40	346.36
15	**Net Profit / (Loss) for the period (13 ± 14)**	**875.13**	**1,638.35**	**(160.92)**	**2,513.48**	**772.78**	**(5,924.29)**	**2,134.40**	**852.85**	**954.39**	**2,987.25**	**3,052.82**	**(2,031.10)**
16	Paid-up equity share capital (Face value - Rs. 1/- per share)	1,854.17	1,854.17	1,488.67	1,854.17	1,488.67	1,854.17	1,854.17	1,854.17	1,488.67	1,854.17	1,488.67	1,854.17
17	Reserves Excluding Revaluation Reserves as per Balance Sheet of previous accounting year						39,135.35						53,582.32
18	Earning Per Share (before and after extraordinary items - not annualised)												
	(a) Basic	0.47	0.88	(0.11)	1.36	0.52	(3.63)	1.15	0.46	0.64	1.61	2.06	(1.24)
	(b) Diluted	0.47	0.88	(0.10)	1.36	0.46	(3.63)	1.15	0.46	0.57	1.61	1.82	(1.24)
19	Debt service coverage ratio (No of times)				1.40		0.13						
20	Interest service coverage ratio (No of times)				3.16		0.41						
21	Debt - equity ratio				0.86		0.99						
	PARTICULARS OF SHAREHOLDING												
1	**Public Share Holding**												
	- Number of shares	108,315,890	109,222,444	73,079,734	108,315,890	73,079,734	109,629,724	108,315,890	109,222,444	73,079,734	108,315,890	73,079,734	109,629,724
	- Percentage of shareholding	58.42%	58.90%	49.09%	58.42%	49.09%	59.12%	58.42%	58.91%	49.09%	58.42%	49.09%	59.12%
2	**Promoters and Promoter Group Shareholding**												
	a) Pledged / Encumbered												
	- Number of shares	45,108,000	58,474,100	43,003,000	45,108,000	43,003,000	53,822,000	45,108,000	58,474,100	43,003,000	45,108,000	43,003,000	53,822,000
	- Percentage of shares (as a % of the total shareholding of promoters and promoter group)	58.50%	76.74%	56.74%	58.50%	56.74%	71.02%	58.50%	76.74%	56.74%	58.50%	56.74%	71.02%
	- Percentage of shares (as a % of total share capital of the Company)	24.33%	31.54%	28.89%	24.33%	28.89%	29.03%	24.33%	31.54%	28.89%	24.33%	28.89%	29.03%
	b) Non - pledged / encumbered												
	- Number of shares	31,993,546	17,720,892	32,784,712	31,993,546	32,784,712	21,965,712	31,993,546	17,720,892	32,784,712	31,993,546	32,784,712	21,965,712
	- Percentage of shares (as a % of total shareholding of promoters and promoter group)	41.50%	23.26%	43.26%	41.50%	43.26%	28.98%	41.50%	23.26%	43.26%	41.50%	43.26%	28.98%
	- Percentage of shares (as a % of total share capital of the Company)	17.25%	9.56%	22.02%	17.25%	22.02%	11.85%	17.25%	9.56%	22.02%	17.25%	22.02%	11.85%

PRIME FOCUS LIMITED MUMBAI

PRIME FOCUS LIMITED

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STATEMENT OF ASSETS AND LIABILITIES AS AT SEPTEMBER 30,2013

Rs. In Lacs

	Standalone		Consolidated	
	30.09.2013	31.03.2013	30.09.2013	31.03.2013
	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	40,801.20	39,135.35	85,756.40	53,582.32
	42,655.37	**40,989.52**	**87,610.57**	**55,436.49**
Minority Interest	-	-	7,533.67	6,410.93
Non-current liabilities				
Long-term borrowings	26,136.50	26,024.98	52,514.43	33,063.60
Other long-term liabilities	47.00	108.80	2,256.69	1,773.28
Long-term provisions	101.85	85.71	152.21	125.22
	26,285.35	**26,219.49**	**54,923.33**	**34,962.10**
Current liabilities				
Short-term borrowings	8,406.44	11,214.99	14,672.48	29,945.96
Trade payables	3,927.76	3,342.93	5,282.75	6,095.32
Other current liabilities	12,101.45	6,535.18	19,611.18	17,501.15
Short-term provisions	13.04	13.04	13.23	13.23
	24,448.69	**21,106.14**	**39,579.64**	**53,555.66**
TOTAL	**93,389.41**	**88,315.15**	**189,647.21**	**150,365.18**
Assets				
Non-current assets				
Fixed assets				
Tangible assets	20,966.90	21,752.63	65,433.79	55,123.97
Intangible assets	833.74	943.46	36,470.88	31,047.49
Capital work-in-progress	26.31	14.21	480.01	2,064.26
Intangible assets under development	-	-	603.18	634.11
Non-current investments	25,074.04	25,068.11	954.09	1.04
Deferred tax asset (net)	4,800.56	5,256.51	3,920.98	4,706.50
Long-term loans and advances	9,908.86	5,642.98	10,451.01	8,015.15
Other non-current assets	-	-	6.82	1,690.69
	61,610.41	**58,677.90**	**118,320.76**	**103,283.21**
Current assets				
Current investments	-	-	7.97	6.50
Inventories	-	-	5.62	44.87
Trade receivables	10,440.73	13,197.36	37,409.54	25,486.69
Cash and bank balances	2,449.84	1,051.71	12,270.80	4,912.01
Short-term loans and advances	18,476.26	14,880.02	9,401.49	6,311.65
Other current assets	412.17	508.16	12,231.03	10,320.25
	31,779.00	**29,637.25**	**71,326.45**	**47,081.97**
TOTAL	**93,389.41**	**88,315.15**	**189,647.21**	**150,365.18**

PRIME FOCUS LIMITED MUMBAI

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Notes to Unaudited Standalone Financial Results for the Quarter and Six months ended September 30, 2013:

1. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 14, 2013. The statutory auditors have carried out a limited review of the Standalone results of the Company.

2. On September 17, 2013, Company received an approval from its shareholders through a postal ballot, for sale of 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.', a company incorporated in India and an indirect controlled subsidiary of the Company on a going concern basis by way of slump sale for a total consideration not less than Rupees equivalent of USD 38 million.

3. 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 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.

4. 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. The Company received two investor complaints during the quarter. There was no investor complaint pending at the end of the quarter.

6. Previous period / year figures have been regrouped and re-arranged wherever necessary.

For and on behalf of the Board of Directors

PRIME FOCUS LIMITED MUMBAI

Naresh Malhotra
Chairman and Whole-time Director

Place: Mumbai
Date: November 14, 2013

Deloitte Haskins & Sells

Chartered Accountants
Tower 3, 27th - 32nd Floor
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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 September 30, 2013 ("the Statement"), being submitted by the Company pursuant to Clause 41of 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 provide 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 notified under the Companies Act, 1956 (which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs) and other recognised accounting practices and policies, 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 September 30, 2013 of the Statement, from the details furnished by the Management.

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

Abhijit A. Damle
Partner
(Membership No. 102912)

Mumbai, November 14, 2013