

PRIME FOCUS LIMITED
Registered Office : Anand Kunj, North Avenue, Linking Road, Santacruz (W), Mumbai - 400054
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER 2008

Rs. In Lakhs

S. No	Particulars	STANDALONE					CONSOLIDATED				
		Quarter Ended		Nine Months Ended 31-Dec-08	Nine Months Ended 31-Dec-07	Year Ended 31-Mar-08	Quarter Ended		Nine Months Ended 31-Dec-08	Nine Months Ended 31-Dec-07	Year Ended 31-Mar-08
		Quarter Ended 31-Dec-08	Quarter Ended 31-Dec-07				Quarter Ended 31-Dec-08	Quarter Ended 31-Dec-07			
		Unaudited	Unaudited	Unaudited	Unaudited	Audited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Income from Sales / Services	2,434.89	2,203.34	7,154.97	6,394.63	8,572.07	9,201.52	5,546.04	26,620.53	17,028.95	22,213.30
2	Technical Service Cost	396.88	447.51	1,449.44	1,249.13	1,827.05	791.94	1,133.59	2,392.25	3,313.41	3,077.24
3	Employee Cost	315.67	201.01	782.82	500.45	834.10	4,856.69	2,026.03	13,351.82	6,164.28	8,348.11
4	General Administrative Expenses	387.74	387.29	1,140.14	892.53	1,424.63	2,072.40	1,063.50	5,592.42	2,528.43	3,964.50
5	Depreciation	588.07	268.63	1,617.15	799.62	1,604.21	1,210.52	507.57	3,030.82	1,618.99	2,892.12
6	Operating Profit before Interest (1) - (2+3+4+5)	746.53	898.90	2,165.42	2,952.90	2,882.08	269.97	815.35	2,253.22	3,403.84	3,931.33
7	Interest	379.27	133.95	873.70	365.40	727.33	534.84	255.29	1,229.86	587.57	1,097.35
8	Exceptional Item	-	22.84	-	68.52	92.44	(0.78)	22.84	14.06	68.52	579.27
9	Operating Profit after Interest & Exceptional Items (6-7-8)	367.26	742.11	1,291.72	2,518.98	2,062.31	(264.09)	537.22	1,009.30	2,747.75	2,254.71
10	Other Income	479.07	54.01	1,155.85	384.68	755.75	939.77	266.89	1,513.27	597.57	942.85
11	Net Profit (+) / Loss (-) from Ordinary Activities before Tax and Adjustments (9+10)	846.33	796.12	2,447.57	2,903.66	2,818.06	675.68	804.11	2,522.57	3,345.32	3,197.56
12	Prior Quarter Adjustments	37.63					37.63				
13	Adjustment Pursuant to the Scheme of Arrangement										
	(a) Adjustment to carrying value of assets	-	-	-	-	2,500.00	-	-	-	-	2,500.00
	(b) Withdrawn from Business Restructuring Reserve	-	-	-	-	(2,500.00)	-	-	-	-	(2,500.00)
14	Net Profit (+) / Loss (-) before Tax (11-12)	808.70	796.12	2,447.57	2,903.66	2,818.06	638.05	804.11	2,522.57	3,345.32	3,197.56
15	a. Tax Expense	249.48	209.21	755.02	676.10	153.58	249.48	209.21	755.22	676.10	21.66
	b. Prior Quarter Tax Expense	252.10					252.10				
16	Net Profit (+) / Loss (-) for the period After Tax before Minority Interest (13-14)	307.12	586.91	1,692.55	2,227.56	2,664.48	136.47	594.90	1,767.35	2,669.22	3,175.90
17	Minority Interest		-	-	-	-	(111.22)	3.27	(53.48)	181.08	222.25
18	Net Profit (+) / Loss (-) for the period After Tax (15-16)	307.12	586.91	1,692.55	2,227.56	2,664.48	247.69	591.63	1,820.83	2,488.14	2,953.65
19	Paid-up Equity Share Capital (Face Value - Rs. 10/- per share)	1,272.26	1,272.26	1,272.26	1,272.26	1,272.26	1,272.26	1,272.26	1,272.26	1,272.26	1,272.26
20	Reserves excluding Revaluation Reserves (as per Balance Sheet) of Previous Accounting Year					17,302.20	-	-	-	-	17,587.57
21	Earnings per Share (EPS)										
	a) Basic EPS	2.41	4.61	13.30	17.51	20.94	1.95	4.65	14.31	19.56	23.22
	b) Diluted EPS	2.14	4.58	11.77	17.40	20.16	1.72	4.62	12.66	19.43	22.35
22	Public Shareholding										
	Number of Shares	5,855,488	5,657,588	5,855,488	5,657,588	5,857,588	5,855,488	5,657,588	5,855,488	5,657,588	5,857,588
	Percentage of Shareholding	46.02%	44.47%	46.02%	44.47%	46.04%	46.02%	44.47%	46.02%	44.47%	46.04%

For and On behalf of the Board

Place **Mumbai**
Date **January 30, 2009**

Director

PRIME FOCUS LIMITED

Registered Office: Anand Kunj, North Avenue, Linking Road, Santacruz (W), Mumbai – 400054

UNAUDITED FINANCIAL RESULT FOR THE QUARTER ENDED DECEMBER 31, 2008

Notes to Unaudited Financial Results for the quarter ended December 31, 2008:

1. The above results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting on January 30, 2009.
2. The results for the quarter ended December 31, 2008 are subject to "Limited Review" by the Statutory Auditors of the Company.
3.
 - a. During the nine months ended December 31, 2008, the Company acquired, through its wholly owned subsidiary, the entire capital of Frantic Films VFX Services Inc, Canada and Post Logic Studios, U.S.A, and acquired wholly owned subsidiary company, GVS Software Pvt Ltd.
 - b. During the quarter, the Company amalgamated its wholly owned subsidiary, Storemedia Technologies Pvt. Ltd.(STPL) with effect from 1st January, 2008, the appointed date, after the receipt of the court order during December 2008.
 - c. During the period ended December 31, 2008, the Company incorporated a wholly owned subsidiary company, Prime Focus Motion Pictures Limited.

Based on the above, the consolidated results for the quarter and nine months ended December 31, 2008 are not strictly comparable with the corresponding period of the previous year.

4. During the quarter, the Company changed the method of depreciation from "Written Down Value" basis to straight-line method, with effect from April 1, 2007. The impact of the change for the year ended March 31, 2008 was incorporated in the financial statements for the year then ended which was approved by the Board and adopted by the Shareholders in December 2008. The Company had not incorporated the impact of the change aggregating to Rs.178.81 Lacs in the six months ended September 30, 2008, which is included in the prior quarter adjustments. Consequent to the change in method of depreciation, depreciation for the quarter and nine months ended December 31, 2008 is higher by Rs.61.65 Lacs and Rs.53.31 Lacs respectively.
5. The Company has adjusted the foreign currency exchange differences on amounts borrowed for acquisition of fixed assets including the mark to market losses on derivative contracts, to the carrying cost of fixed assets in compliance with Schedule VI to the Companies Act, 1956, which is at variance to the treatment prescribed in Accounting Standard (AS 11) on "Effects of Changes in Foreign Exchange Rates" notified in the Companies (Accounting Standards) Rules 2006. Had the treatment as prescribed by AS-11 been followed, general administrative costs for the quarter and nine months ended December 31, 2008 would have been higher by Rs. 427.65 Lacs and Rs.1,142.96 Lacs respectively and the net profit before tax for the company would be lower by Rs.427.65 Lacs and Rs.1,142.96 Lacs for the quarter and nine months period ended December 31, 2008 respectively.
6. The Company has accounted for Foreign Currency Convertible Bonds (FCCBs) aggregating to USD 55 million as "Non-Monetary Liabilities" and hence the FCCBs has not been revalued at the exchange rate prevailing as on December 31, 2008 and continues to be stated at the exchange rate prevailing on the date of issue of FCCBs. Had the Company considered the FCCB liability as a monetary liability, general administrative costs for the quarter and nine months ended December 31, 2008 would have been higher by Rs.1,181.43 Lacs and Rs.5,112.93 Lacs respectively and the profit for the quarter and nine months ended December 31, 2008 would have been lower by Rs. 1,181.43 Lacs and Rs.5,112.93 Lacs respectively.
7. There were no investors complaints at the beginning of the quarter and no complaints were received during the quarter. Therefore no complaints were pending as on December 31, 2008.
8. Figures for the previous period/year have been regrouped / reclassified wherever necessary.

For and on behalf of the Board of Directors

**Place : Mumbai
Date : January 30, 2009**

Managing Director