

DEN Networks Limited
UNAUDITED FINANCIAL RESULTS
FOR THE HALF YEAR AND QUARTER ENDED 30 SEPTEMBER, 2012

| Part-I | Particulars | Consolidated | | | | | | Subsidiary | | | | | |
|--------|---|--------------------------------------|--------------------------------------|--------------------------------------|--|---------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|--|---------------------------------|--|
| | | Quarter ended 30.09.2012 (Unaudited) | Quarter ended 30.06.2012 (Unaudited) | Quarter ended 30.09.2011 (Unaudited) | Half year ended 30.09.2012 (Unaudited) | Year ended 31.03.2012 (Audited) | Quarter ended 30.09.2012 (Unaudited) | Quarter ended 30.06.2012 (Unaudited) | Quarter ended 30.09.2011 (Unaudited) | Half year ended 30.09.2012 (Unaudited) | Half year ended 30.09.2011 (Unaudited) | Year ended 31.03.2012 (Audited) | |
| 1. | Revenue | 21,060 | 19,489 | 25,656 | 40,549 | 53,948 | 114,171 | 14,673 | 10,209 | 27,676 | 20,386 | 43,435 | |
| | (a) Income from operations (see note 4) | 20,274 | 19,435 | 25,520 | 39,709 | 53,383 | 112,952 | 13,349 | 10,150 | 26,195 | 19,978 | 42,230 | |
| | (b) Other operating income | 786 | 54 | 136 | 840 | 565 | 1,219 | 1,324 | 59 | 1,481 | 408 | 1,205 | |
| 2. | Expenditure | 18,466 | 17,191 | 24,498 | 35,657 | 52,226 | 110,110 | 12,974 | 9,797 | 24,083 | 19,814 | 41,752 | |
| | (a) Content cost | 7,659 | 6,751 | 14,643 | 14,410 | 30,621 | 66,180 | 2,148 | 1,965 | 3,880 | 3,878 | 7,754 | |
| | (b) Operational, administrative and other costs | 4,700 | 4,302 | 4,294 | 9,002 | 8,510 | 18,870 | 2,316 | 2,107 | 4,417 | 4,027 | 8,834 | |
| | (c) Placement cost | 1,378 | 1,671 | 1,670 | 3,049 | 5,049 | 7,879 | 5,166 | 3,648 | 10,066 | 7,311 | 15,973 | |
| | (d) Personnel cost | 2,187 | 2,202 | 1,926 | 4,389 | 3,705 | 7,708 | 981 | 932 | 2,021 | 1,809 | 3,630 | |
| | (e) Cost of traded items | 15 | 10 | 0 | 26 | 281 | 7 | 995 | 7 | 1,137 | 331 | 405 | |
| | (f) Provision for doubtful debts/ advances (including write offs) | 715 | 618 | 349 | 1,333 | 628 | 2,194 | 237 | 80 | 426 | 116 | 505 | |
| | (g) Depreciation and amortisation expense | 1,729 | 1,556 | 1,286 | 3,285 | 2,512 | 5,381 | 1,050 | 727 | 1,973 | 1,422 | 3,054 | |
| | (h) Employees stock compensation expenses | 82 | 81 | 330 | 163 | 920 | 1,607 | 81 | 330 | 163 | 920 | 1,607 | |
| 3. | Profit / (loss) from operations before other income, interest and exceptional items (1-2) | 2,594 | 2,298 | 1,158 | 4,892 | 1,722 | 4,061 | 1,699 | 412 | 3,593 | 572 | 1,673 | |
| 4. | Other income | 551 | 571 | 340 | 1,122 | 725 | 1,489 | 1,144 | 463 | 1,756 | 914 | 1,799 | |
| 5. | Profit / (loss) before interest and exceptional items (3+4) | 3,145 | 2,869 | 1,498 | 6,014 | 2,447 | 5,550 | 2,843 | 875 | 5,349 | 1,486 | 3,472 | |
| 6. | Interest and other financial charges | 906 | 997 | 681 | 1,903 | 1,193 | 2,691 | 869 | 674 | 1,860 | 1,177 | 2,613 | |
| 7. | Profit / (loss) after interest but before exceptional items (5-6) | 2,239 | 1,872 | 817 | 4,111 | 1,254 | 2,859 | 1,974 | 201 | 3,489 | 309 | 859 | |
| 8. | Exceptional expense - Provision for diminution in value of investment | - | - | - | - | - | 2 | - | - | - | - | - | |
| 9. | Profit / (loss) from Ordinary activities before tax (7-8) | 2,239 | 1,872 | 817 | 4,111 | 1,254 | 2,857 | 1,974 | 201 | 3,489 | 309 | 859 | |
| 10. | Provision for tax | 440 | 447 | 274 | 887 | 422 | 1,002 | 525 | - | 852 | - | 72 | |
| 11 | Net profit / (loss) from ordinary activities after tax (9-10) | 1,799 | 1,425 | 543 | 3,224 | 832 | 1,855 | 1,449 | 201 | 2,637 | 309 | 787 | |
| 12. | Share of minority interest | 241 | 202 | 100 | 443 | 244 | 454 | - | - | - | - | - | |
| 13. | Share in (loss)/ profit of associates | - | - | - | - | 40 | 25 | - | - | - | - | - | |
| 14. | Net profit / (loss) (11-12+13) | 1,558 | 1,223 | 443 | 2,781 | 628 | 1,426 | 1,449 | 201 | 2,637 | 309 | 787 | |

DEN Networks Limited
UNAUDITED FINANCIAL RESULTS
FOR THE HALF YEAR AND QUARTER ENDED 30 SEPTEMBER, 2012

| Part-I | Consolidated | | | | | | Stand-alone | | | (Rs. In Lakhs except per share data) | |
|--|--------------------------------------|--------------------------------------|--------------------------------------|--|---------------------------------|--------------------------------------|--------------------------------------|--------------------------------------|--|--------------------------------------|--|
| | Quarter ended 30.09.2012 (Unaudited) | Quarter ended 30.06.2012 (Unaudited) | Quarter ended 30.09.2011 (Unaudited) | Half year ended 30.09.2012 (Unaudited) | Year ended 31.03.2012 (Audited) | Quarter ended 30.09.2012 (Unaudited) | Quarter ended 30.06.2012 (Unaudited) | Quarter ended 30.09.2011 (Unaudited) | Half year ended 30.09.2012 (Unaudited) | | Half year ended 30.09.2011 (Unaudited) |
| 15. Paid-up Equity Share Capital (Face value Rs. 10/-) | 13,273 | 13,273 | 13,049 | 13,273 | 13,049 | 13,273 | 13,273 | 13,049 | 13,273 | 13,049 | 13,049 |
| 16. Reserves (Net of accumulated losses) | | | | | | | | | | | |
| 17. EPS (Net annualised) | | | | | | | | | | | |
| (a) Basic EPS before and after Extraordinary items for the period, for the year to date and for the previous year (not to be annualised) | 1.19 | 0.92 | 0.34 | 2.13 | 1.09 | 1.09 | 0.90 | 0.15 | 1.99 | 0.24 | 0.60 |
| (b) Diluted EPS before and after Extraordinary items for the period, for the year to date and for the previous year (not to be annualised) | 1.18 | 0.91 | 0.33 | 2.11 | 1.06 | 1.08 | 0.89 | 0.15 | 1.97 | 0.23 | 0.59 |
| Part-II | | | | | | | | | | | |
| A Particulars of shareholding | | | | | | | | | | | |
| 1. Aggregate of Public shareholding | | | | | | | | | | | |
| (a) Number of Shares | 61,369,555 | 61,365,455 | 59,125,455 | 61,369,555 | 59,125,455 | 61,369,555 | 61,365,455 | 59,125,455 | 61,369,555 | 59,125,455 | 59,125,455 |
| (b) Percentage of Shareholding | 46.24 | 46.23 | 45.31 | 46.24 | 45.31 | 46.24 | 45.31 | 45.31 | 46.24 | 45.31 | 45.31 |
| (c) Face Value per Share (Rs.) | Rs. 10/- | Rs. 10/- | Rs. 10/- | Rs. 10/- | Rs. 10/- | Rs. 10/- | Rs. 10/- | Rs. 10/- | Rs. 10/- | Rs. 10/- | Rs. 10/- |
| 2. Promoters and promoter group Shareholding | | | | | | | | | | | |
| (a) Pledged/Encumbered | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| - Number of shares | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| - Percentage of shares (as a % of the total share capital of the company) | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil |
| (b) Non-encumbered | 71,360,420 | 71,364,520 | 71,364,520 | 71,360,420 | 71,364,520 | 71,360,420 | 71,364,520 | 71,364,520 | 71,360,420 | 71,364,520 | 71,364,520 |
| - Number of shares | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| - Percentage of shares (as a % of the total shareholding of promoter and promoter group) | 53.76 | 53.77 | 54.69 | 53.76 | 54.69 | 53.76 | 53.77 | 54.69 | 53.76 | 54.69 | 54.69 |
| - Percentage of shares (as a % of the total share capital of the company) | | | | | | | | | | | |
| B Investor complaints | | | | | | | | | | | |
| Pending at the beginning of the quarter | | | | | | | | | | | |
| Received during the quarter | | | | | | | | | | | |
| Disposed of during the quarter | | | | | | | | | | | |
| Remaining unresolved at the end of the quarter | | | | | | | | | | | |

Notes to the Financial Results:

- 1 The consolidated financial results and the standalone financial results of the Company for the half year and quarter ended September 30, 2012 have been reviewed by the Audit Committee of the Board and have been approved by the Board of Directors at their respective meetings held on November 9, 2012.
- 2 The Statutory Auditors of the Company have carried out the Limited Review of the standalone financial results of the Company for the half year and quarter ended September 30, 2012.
- 3 With effect from April 1, 2012, Media Pro Enterprise India Private Limited [Media Pro] (a joint venture company of Star Den Media Services Private Limited which in turn is a joint venture company of Den Networks Limited) in its standalone financial results has started reporting Net Revenues (Gross Revenues less cost of distribution rights) as against reporting revenues on a gross basis in previous quarters and years. This regrouping has resulted in revenue and distribution cost being reflected by lesser amount i.e. Rs. 24,415.37 lakhs and Rs. 12,370.65 lakhs in the half year and quarter ended September 30, 2012 respectively. However, this regrouping does not have any impact on the net consolidated results of the Company.
Hence, the corresponding figures in the consolidated financial results pertaining to income from operations in previous periods are not strictly comparable.

- 4 The Initial Public Offer (IPO) proceeds have been utilised as per objects as stated in the Prospectus dated November 5, 2009 as under :-

| Objects of the Issue | (Rs. in lakhs) | |
|---|----------------|---------------|
| | Proposed | Actual |
| Investment in the development of cable television infrastructure and services | 21,000 | 21,000 |
| Investment in the development of cable broadband infrastructure and services | 2,500 | 102 |
| Investment in acquisition of content and broadcasting rights | 1,000 | 473 |
| Repayment of loans | 4,000 | 4,000 |
| Fund expenditure for general corporate purposes | 5,258 | 5,258 |
| Share Issue Expenses | 2,688 | 2,688 |
| | 36,446 | 33,521 |

The unutilised balance of Rs. 2.925 lakhs has been retained as fixed deposits with banks.

- 5 The Company has total investments of Rs. 39,765.40 lakhs in subsidiary companies and a joint venture company. Of these, the Company has investment of Rs. 10,549.99 lakhs and has balances of loans/advances of Rs. 1,883.32 lakhs in various subsidiary companies whose net worth as at September 30, 2012 (as per management certified accounts) has fully/substantially eroded. Of these, Companies with investments aggregating to Rs. 542.37 lakhs and with balances of loans/advances of Rs. 71.11 lakhs, whose net worth is fully/substantially eroded have (as per management certified accounts), earned profits for the period ended September 30, 2012. The management of the Company expects that these subsidiary companies will have positive cash flows to adequately sustain its operations in the foreseeable future. Having regard to the long term investment and strategic involvement no provision for diminution of these investments has been considered necessary.
- 6 During the half year September 30, 2012, the Company has allotted 2,240,000 Equity Shares to DNL Employees Welfare Trust for transfer to eligible employees as and when the stock options are exercised by them.
- 7 The Company is engaged in the distribution of cable television and related services which is considered as the only reportable business segment. The company's operations are based in India.

8 The statement of assets and liabilities is as follows :

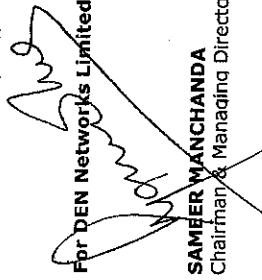
Consolidated

| Particulars | | As at 30.09.2012 (Unaudited) | As at 31.03.2012 (Audited) |
|-------------|--|------------------------------------|----------------------------------|
| A | EQUITY AND LIABILITIES | | |
| 1 | Shareholder's fund | | |
| | (a) Share capital | 13,233 | 13,238 |
| | (b) Reserves and surplus | 70,629 | 67,156 |
| | | 84,152 | 80,454 |
| 2 | Share application money pending allotment | 632 | 325 |
| 3 | Minority interest | 7,111 | 6,160 |
| 4 | Non-current liabilities | | |
| | (a) Long-term borrowings | 17,433 | 19,018 |
| | (b) Deferred tax liabilities | 564 | 262 |
| | (c) Other long-term liabilities | 49 | 151 |
| | (d) Long-term provisions | 1,717 | 524 |
| | | 19,763 | 19,955 |
| 5 | Current liabilities | | |
| | (a) Short-term borrowings | 16,852 | 1,930 |
| | (b) Trade payables | 30,538 | 25,926 |
| | (c) Other current liabilities | 17,887 | 17,560 |
| | (d) Short-term provisions | 130 | 77 |
| | | 65,407 | 45,493 |
| | Sub-total-Current liabilities | | |
| | | 177,065 | 152,387 |
| B | ASSETS | | |
| 1 | Non-current assets | | |
| | (a) Fixed assets | | |
| | i Tangible assets | 36,691 | 25,660 |
| | ii Intangible assets | 2,101 | 2,674 |
| | iii Capital work in progress | 13,780 | 7,548 |
| | (b) Goodwill on consolidation | 29,034 | 29,316 |
| | (c) Non current investments | 312 | 0 |
| | (d) Deferred tax assets | 3,209 | 2,279 |
| | (e) Long-term loans and advances | 11,977 | 8,971 |
| | (f) Other non current assets | 976 | 1,028 |
| | | 98,080 | 77,476 |
| 2 | Current assets | | |
| | (a) Current investments | 4,370 | 2,233 |
| | (b) Trade receivables | 30,567 | 28,195 |
| | (c) Cash and cash equivalents | 24,552 | 30,063 |
| | (d) Short-term loans and advances | 12,009 | 11,149 |
| | (e) Other current assets | 7,487 | 3,271 |
| | | 78,985 | 74,911 |
| | Sub-total-Current assets | | |
| | | 177,065 | 152,387 |
| | TOTAL-EQUITY AND LIABILITIES | | |
| | | 177,065 | 152,387 |
| | Sub-total-Non current assets | | |
| | | 98,080 | 77,476 |
| | Sub-total-Current assets | | |
| | | 78,985 | 74,911 |
| | TOTAL-ASSETS | | |
| | | 177,065 | 152,387 |

Standalone

| Particulars | | As at 30.09.2012 (Unaudited) | As at 31.03.2012 (Audited) |
|-------------|------------------------------------|------------------------------------|----------------------------------|
| A | EQUITY AND LIABILITIES | | |
| 1 | Shareholder's fund | | |
| | (a) Share capital | 13,273 | 13,049 |
| | (b) Reserves and surplus | 65,911 | 62,662 |
| | | 79,184 | 75,711 |
| 2 | Non-current liabilities | | |
| | (a) Long-term borrowings | 17,217 | 18,946 |
| | (b) Deferred tax liabilities (net) | 211 | - |
| | (c) Other long-term liabilities | 43 | 43 |
| | (d) Long-term provisions | 428 | 389 |
| | | 17,899 | 19,378 |
| 3 | Current liabilities | | |
| | (a) Short-term borrowings | 14,743 | 1,884 |
| | (b) Trade payables | 15,127 | 8,877 |
| | (c) Other current liabilities | 10,226 | 9,240 |
| | (d) Short-term provisions | 18 | 6 |
| | | 40,114 | 20,007 |
| | | 137,197 | 115,096 |
| B | ASSETS | | |
| 1 | Non-current assets | | |
| | (a) Fixed assets | | |
| | i Tangible assets | 27,675 | 19,166 |
| | ii Intangible assets | 1,028 | 1,247 |
| | iii Capital work in progress | 11,466 | 7,403 |
| | (b) Non current investments | 39,765 | 39,313 |
| | (c) Long-term loans and advances | 4,401 | 3,342 |
| | (d) Other non current assets | 973 | 975 |
| | | 85,308 | 71,446 |
| 2 | Current assets | | |
| | (a) Current investments | 2,947 | 2,233 |
| | (b) Trade receivables | 17,054 | 11,946 |
| | (c) Cash and cash equivalents | 15,997 | 19,803 |
| | (d) Short-term loans and advances | 11,231 | 7,947 |
| | (e) Other current assets | 4,660 | 1,721 |
| | | 51,889 | 43,650 |
| | | 137,197 | 115,096 |

9 The amounts for the previous periods have been reclassified/ regrouped to conform to the classifications adopted in the current quarter.



For DEN Networks Limited

SAMIR MANCHANDA
Chairman & Managing Director

New Delhi
November 9, 2012