



UTV SOFTWARE COMMUNICATIONS LIMITED

Press Release for the quarter ended September 30, 2010

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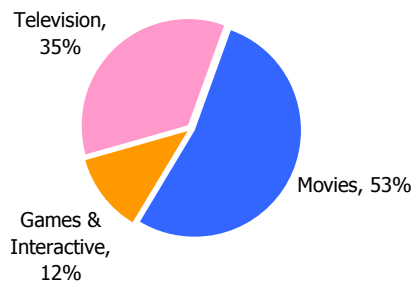
Mumbai, India; October 14, 2010 – *UTV Software Communications Limited* (UTVSOF.BO, UTVSOF.NS) today announced its results for the quarter ended September 30, 2010.

CONSOLIDATED RESULTS – PERFORMANCE HIGHLIGHTS

For the Six Months ended September 30, 2010 – Q2 FY2011 as compared to Six Months ended September 30, 2009

- Total Operating Revenues grow by 37% to Rs 4,481 million compared with Rs 3,275 million in the same period of the previous fiscal
- Income before interest, other income & exceptional items (EBIT) increased to Rs. 905 million from a loss of Rs. 178 million in the same period of the previous fiscal.
- Net Profit after Tax (PAT) increased to Rs 814 million from a loss of Rs. 214 million in the same period of the previous fiscal.
- Segmental Revenue Contribution

H1 FY2011



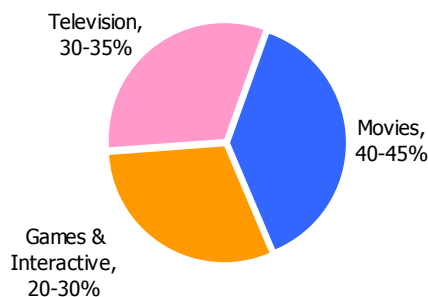
Note: Intersegment revenue contribution in the charts above is adjusted in their respective segment.

BUSINESS REVIEW & OUTLOOK

1. As previously communicated, we now report the TV Content business with Broadcasting during this quarter as part of segment called Television. A significant portion of our TV Content business used to come from Quasi Broadcasting business on Sun Network in South India where UTV generates advertising revenues by selling airtime on various channels by showcasing various programs created and aggregated by UTV. This is very similar to what we do as part of the broadcasting business and hence the reason for consolidating the segments which have similar lines of business.
2. While the company carries out the business of entertainment appealing to audiences across web and mobile, its games content subsidiaries also address a similar audience through their games. Due to the blurring of boundaries between the two we are reporting the Games

content and Interactive segments together from this quarter with a view to consolidate similar businesses.

3. Expected mix of revenues for the fiscal 2011 is:



It is important to note that UTV has little dependence on any single revenue stream and based on this mix it is the most diversified and scalable business model in the media industry today.

4. We anticipate reducing our current debt level to more reasonable levels through liquidity events such as movie co-productions and release of our AAA titles as well as some strategic initiatives. Our debt levels are now stable and in line with our mantra - "Stay consolidated" as against splitting businesses for short term gains. The company with its growing topline and profit margins, in the coming quarters, will be the key contributor to bring our debt levels down in the quarters to come. We do not envisage any significant investment in our businesses and yet looking forward to significant profits in the coming quarter to check rising debt levels.
5. We have made significant progress on Games and Interactive business primarily in Console and Mobile segment. Focus on IPs that migrate across multiple platforms of distribution – may it be a console to PC, iPhone to an iPad and various other handhelds will pay dividends in the quarters to come. On our AAA Console Games – El Shaddai unveiled itself in September at The Tokyo Game Show to rave reviews. True Games is on track to realize its 4-5 games this financial. True Games will also release its first social game by December, created at our Beijing studio. Indiagames has also turned to black from this quarter and will continue this trend and its On-hire Subscription Model has shown significant growth and quite a few of its Games have appeared in the Top 10 charts of iPhone and iPad.
6. UTV is very well placed to reap benefits from change in consumer behavior with respect to content consumption with the evolution of 3G and 4G. We have taken reasonable steps to aggregate and create original video content for such distribution and expected to have dominant share of this growing market. Strategic tie-ups with Leading Telcos have been formed and in the coming quarters will see UTV Content playing a premier role as the 3G and 4G evolves.
7. UTV has achieved its stated objective of reaching a leadership position across all our verticals and it is heartening to mention that we are now the leaders in India across segments and is now
 - i. The No. 1 Movie Studio



EARNINGS RELEASE

- ii. The No. 1 TV Content creator
- iii. The No. 1 Youth Channel
- iv. The only Indian Global Gaming company

