

# हिन्दुस्तान

Hindustan Media Ventures Ltd.



Q1 FY2014 Results Presentation

19 July 2013

**Certain statements in this document may be forward-looking. Such forward-looking statements are subject to certain risks and uncertainties like regulatory changes, local political or economic developments, technological risks, and many other factors that could cause our actual results to differ materially from those contemplated by the relevant forward looking statements. Hindustan Media Ventures Limited will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.**

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**Commenting on the performance for Q1 FY2014, Mrs. Shobhana Bhartia, Chairperson, HMVL, said:**

*“Performance has been robust in the new financial year with a healthy growth in revenue and a significant improvement in profitability.*

*That’s the result of improved traction in advertising revenue led by the Uttar Pradesh and Uttarakhand markets, combined with a sustained focus on reducing costs.*

*With a strong brand, a growing readership, and a healthy balance sheet, we are confident that we will continue to deliver value to our shareholders.”*

# Q1 FY2014 Performance Snapshot

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(All comparisons with Q1 FY2013)

**Total revenue** up 13% at Rs. 1,887 million from Rs. 1,665 million :

- 14% increase in advertising revenues to Rs. 1,326 million from Rs. 1,166 million due to increase in advertising volumes
- 12% increase in circulation revenues to Rs. 421 million from Rs. 375 million due to higher realization per copy

**EBITDA** increases by 46% to Rs. 480 million from Rs. 330 million primarily due to :

- Growth in advertising and circulation revenues
- 1% decline in consumption of raw materials to Rs. 685 million from Rs. 690 million due to decline in newsprint consumption

Growth partially offset by:

- 12% increase in other expenditure to Rs. 506 million from Rs. 452 million due to increase in production expenses
- 10% increase in employee costs to Rs 215 million from Rs 195 million

**PAT** increased by 57% to Rs. 303 million from Rs. 193 million

**EPS** (non annualized) stood at Rs. 4.13

# Financial Overview

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(Rs. in millions, except EPS data)

Particulars	Three months ended		
	30.06.2013 (Unaudited)	30.06.2012 (Unaudited)	Shift (%)
Net Sales / Income from operations	1,773	1,567	13%
Other Operating Income	31	28	8%
<b>Total Income from operations</b>	<b>1,804</b>	<b>1,595</b>	<b>13%</b>
Other income	83	70	18%
<b>Total Income</b>	<b>1,887</b>	<b>1,665</b>	<b>13%</b>
(Increase)/Decrease in Inventory	1	(2)	
Consumption of Raw Materials	685	690	-1%
Employees Cost	215	195	10%
Other Expenditure	506	452	12%
<b>Total Expenditure</b>	<b>1,407</b>	<b>1,335</b>	<b>5%</b>
<b>EBITDA</b>	<b>480</b>	<b>330</b>	<b>46%</b>
<b>Margin (%)</b>	<b>25%</b>	<b>20%</b>	
Depreciation	53	53	0%
<b>EBIT</b>	<b>427</b>	<b>277</b>	<b>54%</b>
<b>Margin (%)</b>	<b>23%</b>	<b>17%</b>	
Interest & finance charges	7	13	-42%
<b>Profit before tax</b>	<b>419</b>	<b>264</b>	<b>59%</b>
<b>Margin (%)</b>	<b>22%</b>	<b>16%</b>	
Tax Expense	116	71	64%
<b>Net Income</b>	<b>303</b>	<b>193</b>	<b>57%</b>
<b>Margin (%)</b>	<b>16%</b>	<b>12%</b>	
<b>EPS (non annualised)</b>	<b>4.13</b>	<b>2.64</b>	<b>57%</b>

# Operational Highlights

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## **‘Hindustan’ continues to be the fastest growing national daily in the country**

As per the recent Q4 2012 IRS results, ‘Hindustan’ further strengthened its position as second largest newspaper in the country, increasing the lead over competition, based on Total Readership

- Overall, all India average readership grows to 12.25 million; growth of 2% over IRS Q4 2011
- Maintains leadership position in Bihar with a readership share of 68%; Readership at 4.81 million
- No. 1 in Jharkhand market with a readership of 1.69 million, reflecting a readership share of 46%
- Continues to be the fastest growing daily in Uttar Pradesh & Uttarakhand
  - Readership increases to 4.62 million; growth of 7% over IRS Q4 2011
  - Exclusive readership at 2.97 million
- Second largest Hindi daily in Delhi NCR with a readership of 1.19 million

## **Offer for Sale of 2.64% shares**

Offer for Sale of approximately 19 Lac shares of HMVL concluded on July 11, 2013 resulting in dilution of promoters holdings to 75% from 77.64%

*Q1 2013 IRS results not published; IRS data for Q4 2012 given above*

## **HMVL's business outlook continues to look strong on the back of:**

- Continuous readership growth to be fueled by strengthening brand and leveraging opportunities
- Increasing prosperity and rise in consumption in rural regions points towards a strong growth in advertising revenues
- Strong balance sheet (net cash of Rs. 3,404 million) capable of funding its expansion



# About us

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Hindustan Media Ventures Limited (HMVL) is one of the leading print media companies engaged in the printing and publishing of 'Hindustan', the second largest newspaper daily of India based on Total Readership, along with two Hindi magazines 'Nandan', a children's magazine and 'Kadambini', a general interest magazine. HMVL went public & was listed on BSE & NSE on July 21, 2010. 'Hindustan' began publication in 1936 owing its origins to and serving as a medium for the freedom movement, and has been one of India's eminent newspapers for over 70 years. 'Hindustan' has a strong regional presence with readership of 12.25 million readers (Source: IRS Q4 2012). It enjoys a leadership position in Bihar and Jharkhand whilst consolidating its 2nd position in Delhi and 3rd position in Uttar Pradesh and Uttarakhand. The Company also operates the website [www.livehindustan.com](http://www.livehindustan.com), which complements the newspaper and focuses on providing news in Hindi with regional content.

**For further information please visit [www.hmvl.in](http://www.hmvl.in) or contact:**

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