

हिन्दुस्तान

Hindustan Media Ventures Ltd.



Q4 & FY2012 Results Presentation

18 May 2012

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 Q4 and FY2012, Mrs. Shobhana Bhartia, Chairperson, HMVL, said:

“We are pleased to have ended the year on a robust note in the face of a tough macro-economic environment with revenue having surged by 20%. The latest India Readership Survey bears testimony to our ranking as one of the leading dailies across the country, further strengthening the brand equity.

Hindustan Media Ventures' growth strategy, combined with its healthy balance sheet, puts the company in a strong position to deliver sustained growth.

“We have rounded out our presence in the Uttar Pradesh and Uttarakhand markets with the launch of our 12th edition in Moradabad. The hugely successful ‘Aao Rajneeti Karein’ campaign had a tangible impact on the UP elections and further cemented our connect with readers. Going forward, our focus will be on consolidating and monetizing this key geography.”

Q4 FY2012 Performance Snapshot

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(All comparisons with Q4 FY2011)

Total revenue up 20% at Rs. 1,601 million from Rs. 1,337 million :

- 22% increase in advertising revenues to Rs. 1,136 million from Rs. 933 million primarily due to pricing improvements and UP elections
- 13% increase in circulation revenues to Rs. 346 million from Rs. 307 million due to higher circulation and realization per copy

EBITDA increases by 9% to Rs. 258 million from Rs. 237 million primarily due to :

- Robust growth in advertising revenues
- Growth partially offset by:
 - 15% increase in consumption of raw materials to Rs. 665 million from Rs. 578 million due to higher newsprint cost and higher circulation
 - 35% increase in other expenditure to Rs. 482 million from Rs. 357 million due to increase in scale of operations and a provision of Rs. 20 million for diminution in value of investments relating to 'Partnership for Growth' business

PAT increased by 7% to Rs. 137 million from Rs. 129 million

EPS (non annualized) stood at Rs. 1.87

FY2012 Performance Snapshot

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(All comparisons with FY2011)

Total revenue up 17% at Rs. 6,173 million from Rs. 5,259 million :

- 17% increase in advertising revenues to Rs. 4,392 million from Rs. 3,741 million due to growth in pricing across segments
- 10% increase in circulation revenues to Rs. 1,348 million from Rs. 1,223 million due to higher circulation

EBITDA margin expands to 19% from 18%; EBITDA increases to Rs. 1,145 million from Rs. 971 million primarily due to :

- Robust growth in advertising revenues
- Interest income on surplus funds
- Growth partially offset by:
 - 14% increase in consumption of raw materials to Rs. 2,562 million from Rs. 2,245 million due to higher newsprint prices and higher circulation
 - 23% increase in other expenditure to Rs. 1,732 million from Rs. 1,409 million due to increase in scale of operations and a provision of Rs. 80 million for diminution in value of investments relating to 'Partnership for Growth' business

PAT margin expands to 11% from 10%; PAT increases to Rs. 653 million from Rs. 536 million

EPS (annualized) stood at Rs. 8.90

Board recommends a dividend of 12%

Financial Overview

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(Rs. in millions, except EPS data)

Particulars	Three months ended			Year Ended		
	31.03.2012 (Unaudited)	31.03.2011 (Unaudited)	Shift (%)	31.03.2012 (Audited)	31.03.2011 (Audited)	Shift (%)
Net Sales / Income from operations	1,516	1,266	20%	5,857	5,070	16%
Other Operating Income	40	26	54%	125	92	36%
Total Revenue	1,556	1,292	20%	5,982	5,162	16%
Other income	45	45	1%	191	97	97%
Total Income	1,601	1,337	20%	6,173	5,259	17%
(Increase)/Decrease in Inventory	3	2		1	(2)	
Consumption of Raw Materials	665	578	15%	2,562	2,245	14%
Employees Cost	193	163	18%	733	636	15%
Other Expenditure	482	357	35%	1,732	1,409	23%
Total Expenditure	1,343	1,100	22%	5,028	4,288	17%
EBITDA	258	237	9%	1,145	971	18%
Margin (%)	16%	18%		19%	18%	
Depreciation	53	47	13%	195	164	18%
EBIT	205	190	8%	950	807	18%
Margin (%)	13%	14%		15%	15%	
Interest & finance charges	7	7	2%	33	45	-26%
Profit before tax	198	183	8%	917	762	20%
Margin (%)	12%	14%		15%	14%	
Tax Expense	61	54	12%	264	226	17%
Net Income	137	129	7%	653	536	22%
Margin (%)	9%	10%		11%	10%	
EPS	1.87	1.76	7%	8.90	7.80	14%

Balance Sheet Overview

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Rs. in millions

Statement of Assets and Liabilities		As at 31/03/2012	As at 31/03/2011
A	EQUITY AND LIABILITIES		
	1 Shareholders' funds		
	(a) Share capital	734	734
	(b) Reserves and surplus	3,607	3,056
	Sub-total - Shareholders' funds	4,341	3,790
	2 Non-current liabilities		
	(a) Long-term borrowings	0	0
	(a) Deferred tax liabilities (net)	50	36
	(c) Other long-term liabilities	0	0
	(b) Long-term provisions	25	16
	Sub-total - Non-current liabilities	75	52
	3 Current liabilities		
	(a) Short-term borrowings	263	205
	(b) Trade payables	651	764
	(c) Other current liabilities	368	418
	(d) Short-term provisions	117	100
	Sub-total - Current liabilities	1,399	1,487
	TOTAL - EQUITY AND LIABILITIES ASSETS	5,815	5,329
B	ASSETS		
	1 Non-current assets		
	(a) Fixed assets	1,934	1,653
	(b) Non-current investments	53	0
	(c) Long-term loans and advances	34	57
	(d) Other non-current assets	4	4
	Sub-total - Non-current assets	2,025	1,714
	2 Current assets		
	(a) Current investments	2,074	1,890
	(b) Inventories	315	242
	(c) Trade receivables	780	771
	(d) Cash and cash equivalents	435	357
	(e) Short-term loans and advances	125	293
	(f) Other current assets	61	62
	Sub-total - Current assets	3,790	3,615
	TOTAL - ASSETS	5,815	5,329

‘Hindustan’ further consolidates its rankings across markets based on readership

As per the recent Q4 2011 IRS results, ‘Hindustan’ further consolidates its position across the geographies of its presence

- Overall, all India average readership grows to 12.05 million; growth of 5.2 % over IRS Q4 2010
- Strong leadership position in Bihar with a readership share of 74%
 - Readership grows to 4.8 million; growth of 4% over IRS Q4 2010
- No. 1 in Jharkhand market with a readership of 1.73 million; reflecting a readership share of 49%
- Fastest growing daily in Uttar Pradesh & Uttarakhand
 - Readership increases to 4.32 million; growth of 14.4% over IRS Q4 2010
 - Exclusive readership increases to 2.6 million
- Second largest Hindi daily in Delhi NCR with a readership of 1.24 million

UP and Uttarakhand footprint complete with the commissioning of new printing press in Moradabad

- New printing press commissioned on February 24, 2012 in Moradabad, an economically powerful and culturally rich zone
- The location has a print run of ~110,000 copies being distributed in the city and surrounding areas
- This completes the footprint in Uttar Pradesh and Uttarakhand with a total of 12 editions
- Expansion to enable HT Media achieve operational efficiencies, strengthen its reach and build a strong leadership position across the Indo Gangetic belt

Board recommends dividend of 12%

- The Board of Directors at their meeting on May 18, 2012 have recommended a dividend of Rs. 1.2 per equity share of Rs. 10 each; translating to 12% of face value
- Dividend for the year amounted to Rs. 88 million (excluding Dividend Distribution Tax)

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
- Improvement in advertising yields on the back of continuing readership growth
- Strong balance sheet (net cash of Rs. 2,341 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 third largest newspaper daily of India, 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 newspaper for over 70 years. 'Hindustan' has a strong regional presence with a readership of ~120 lac readers (Source: IRS Q4 2011). It enjoys a leadership position in Bihar and Jharkhand whilst consolidating its 2nd position in Delhi NCR and 3rd position in Uttar Pradesh and Uttarakhand. The Company also operates the website 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 or contact:

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