



HT MEDIA GROUP Q4 & FY 2017-18 Consolidated Financial Results

Cautionary Statements

Certain statements in this presentation may be forward-looking statements.

Such forward looking statements are subject to risks and uncertainties like regulatory changes, local political and economic developments, technological risks and many other factors that could cause our actual results to differ materially from those contained in the relevant forward-looking statements.

HT Media Group will not, in any way, be 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.

This is a quarterly webcast presentation, combining information for the public listed companies “HT Media Limited” and its subsidiary “Hindustan Media Ventures Limited”. Key objective of this presentation is to facilitate a unified platform for quarterly performance discussion pertaining to both the companies. It is neither intended to be an exhaustive review nor to provide any trading, financial, legal advice or outlook.

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Chairperson's Message

Commenting on the results and performance, **Mrs. Shobhana Bhartia, Chairperson and Editorial Director, HT Media Ltd and Hindustan Media Ventures Ltd** said:

“The advertising market continues to remain muted although local advertising has picked up, especially with small and mid-sized businesses getting used to GST. The English print business witnessed double digit top line growth on account of a low base, but the performance of the Hindi business was subdued. Still, the cost rationalisation initiative we undertook last year continues to hold us in good stead and was a significant contributor to higher profitability.

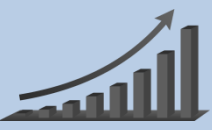
Our radio business continued on the growth path with margin expansion.

As we enter the next fiscal, the improved macroeconomic environment and the expectation of higher earnings from corporates should result in growth in advertising spends. We expect majority of sectors, especially consumption oriented ones, to grow in line with the expected GDP growth. ”

CONSOLIDATED PERFORMANCE

Highlights of the Quarter

IRS Results



✓ Strong performance in IRS reinforces the loyalty of readers towards our brands

1 hindustantimes in Delhi-NCR, Delhi-NCR + Mumbai-Greater Mumbai, Punjab*
हिन्दुस्तान in Bihar, Uttarakhand and Jharkhand

2 हिन्दुस्तान
UP and Delhi-NCR

Print



- ✓ Overall, Ad Revenue growth still eludes
- ✓ However, more categories have started firing
- ✓ Revival in local advertising volumes suggests softening of GST impact
- ✓ Newsprint rates remained flat for the quarter
- ✓ Structural costs savings across expense heads boosting the profit margins

Radio and Digital



- ✓ Radio business witnessed revenue growth coupled with continued margin expansion
- ✓ Shine revenues continue to be soft but growth in revenue from news websites
- ✓ Strong sequential growth in Pageviews and Unique users of news websites

Source : IRS 2017 details are based on Average Issue Readership (AIR), unless otherwise mentioned

*Punjab includes Chandigarh

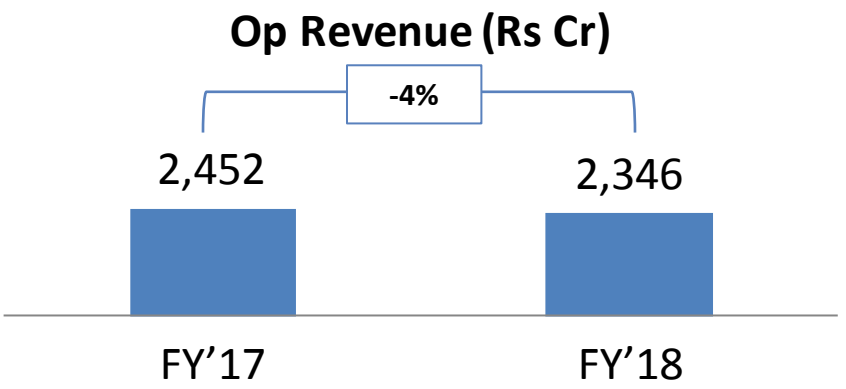
Financial Summary of the Quarter

(Rs Cr)	Q4'17	Q4'18	Change	%
Operating Revenue	585	561	-24	-4%
Operating EBITDA	73	81	7	10%
Op EBITDA margin (%)	12%	14%		
PAT	26	75	49	194%
PAT margin (%)	4%	12%		
EPS (Rs per Share)	1.1	3.2	2.1	194%
Net Cash*	1,156	1,424	267	23%

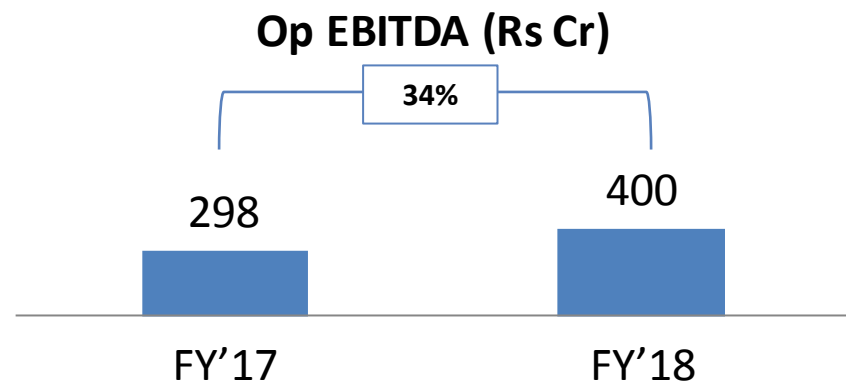
*As at 31st Mar

Full Year Performance Recap

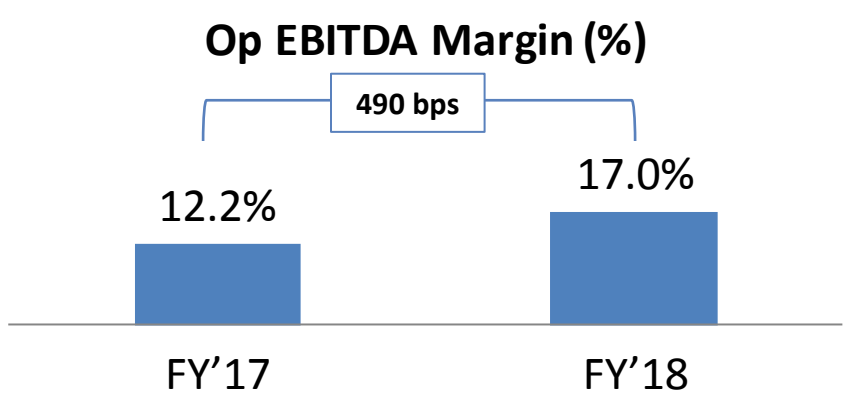
1 Revenue slowdown on account of GST and lingering effect of demonetisation



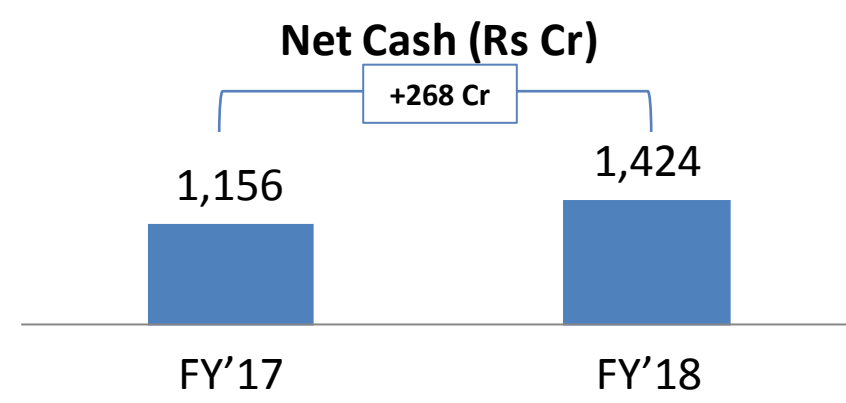
2 Intensive cost rationalisation exercise drove improvement in profits



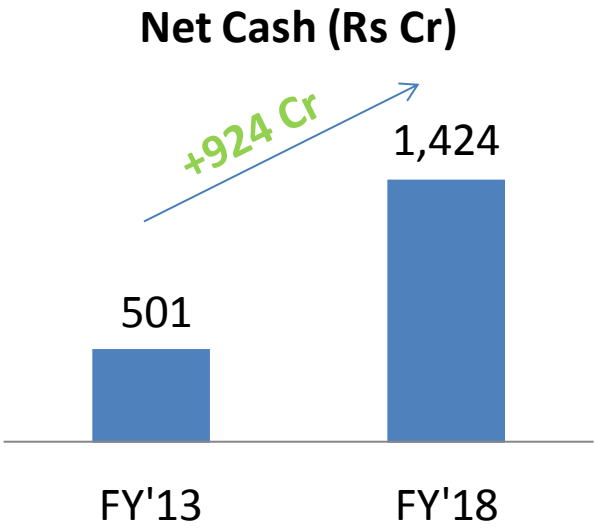
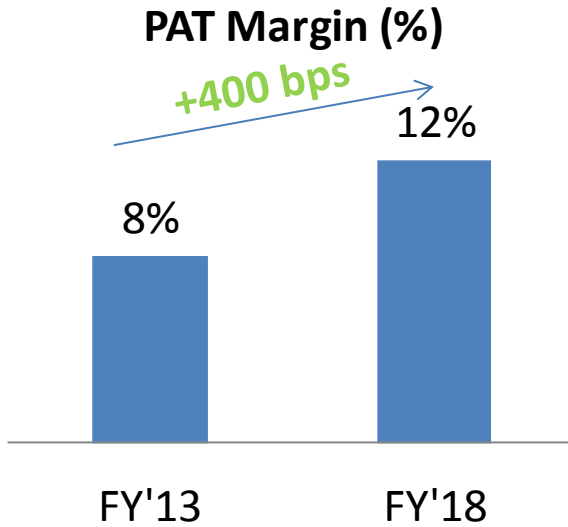
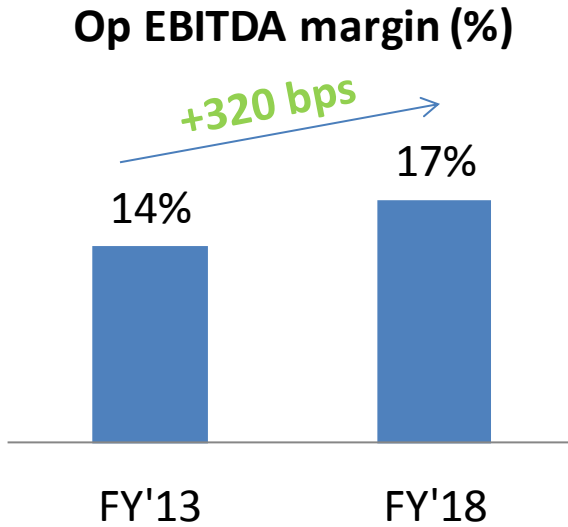
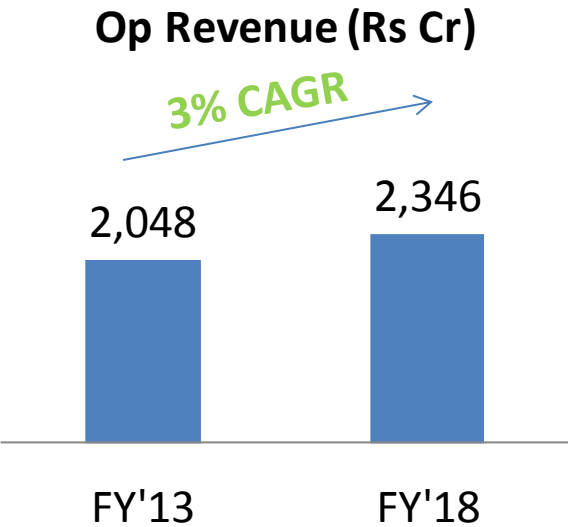
3 Margin expansion reflects ability to capture value



4 Strong Balance Sheet aided by consistent Free Cash Flow generation

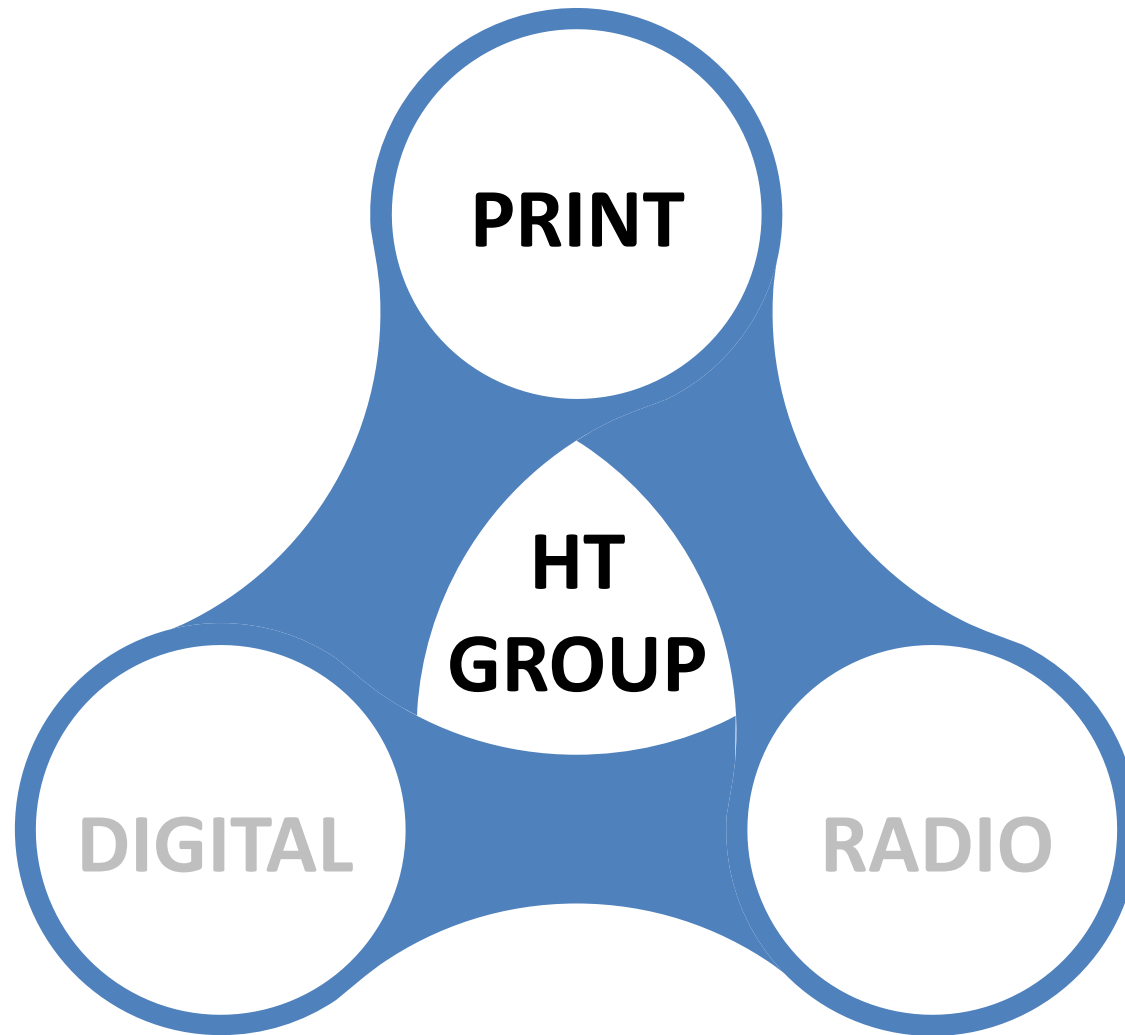


Longer Term Performance Trend



- Revenue growth impacted by macroeconomic and regulatory events in last two fiscals
- Benefits of cost rationalisation exercise evident in sharp improvement in operational profitability
- Effective utilisation of cash through investment in radio business
- Strong net cash position despite investments in radio , print and digital businesses

BUSINESS UNIT PERFORMANCE

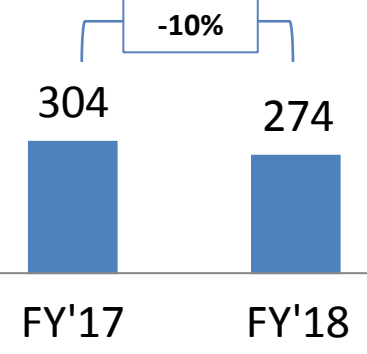
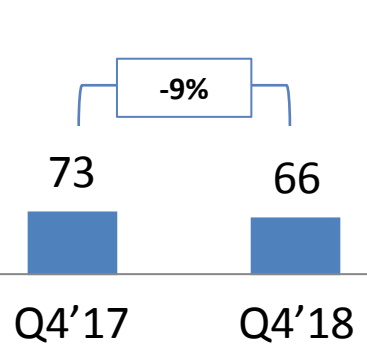
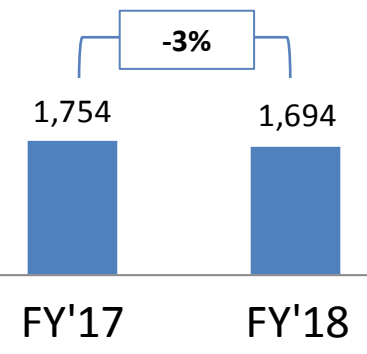
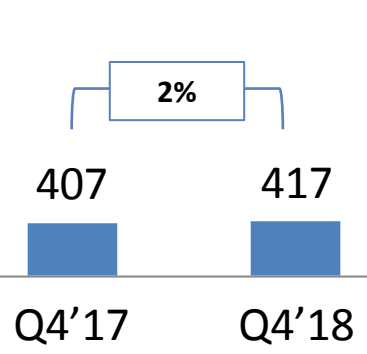


FINANCIAL PERFORMANCE

(Rs Cr)	Q4'17	Q4'18	Change	%	FY'17	FY'18	Change	%
Operating Revenue	499	496	-2	0%	2,133	2,037	-95	-4%
Operating EBITDA	77	87	10	13%	326	455	129	40%
Op EBITDA margin (%)	15%	18%			15%	22%		

AD REVENUE (RS CR)

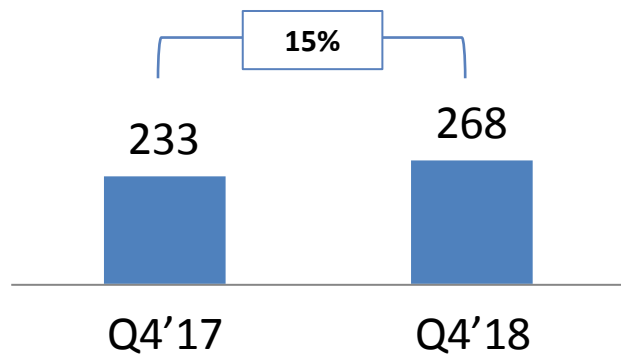
CIRCULATION REVENUE (RS CR)



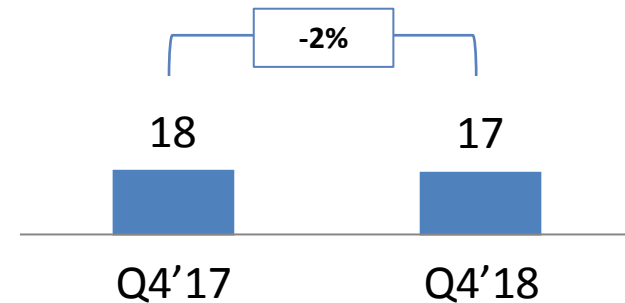
Strong margin performance even as revenue saw macro headwinds and competitive pressures

PRINT – ENGLISH

QUARTERLY AD REVENUE (RS CR)



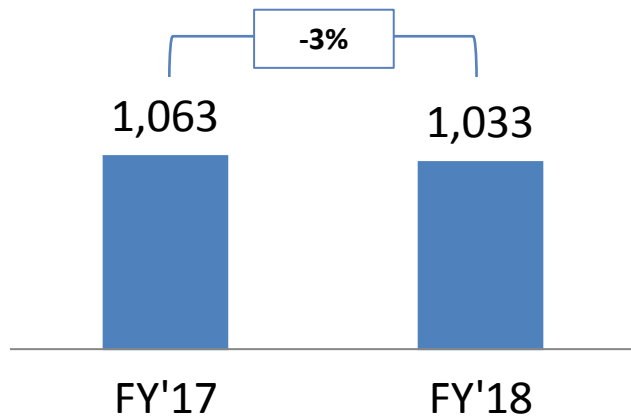
QUARTERLY CIRCULATION REVENUE (RS CR)



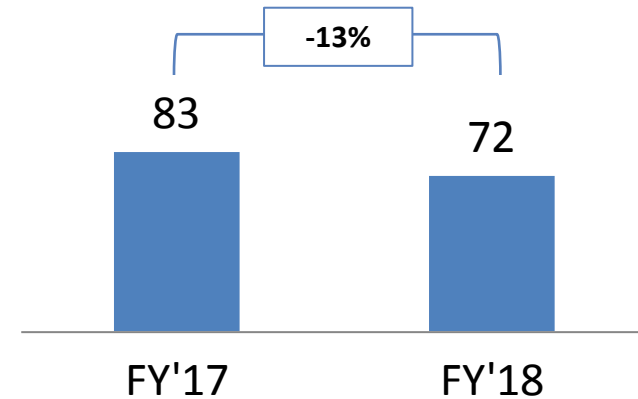
REVENUE DRIVERS

- + Revenue growth on the back of growth in volumes and yield improvement
- + Categories such as Entertainment, Real Estate, BFSI and E-commerce saw growth

FULL YEAR AD REVENUE (RS CR)



FULL YEAR CIRCULATION REVENUE (RS CR)



REVENUE DRIVERS

- + Strong national advertising revenue growth led by higher yields
- + For full year, the growth sectors are FMCG, Entertainment and Luxury
- + Newsprint prices have been soft throughout the year
- Softness in circulation revenue due to reduction in unproductive copies and migration of copies from line to subscription

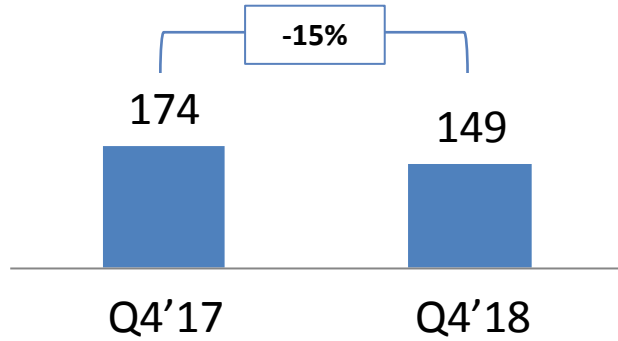
PRINT – HINDI

FINANCIAL SUMMARY

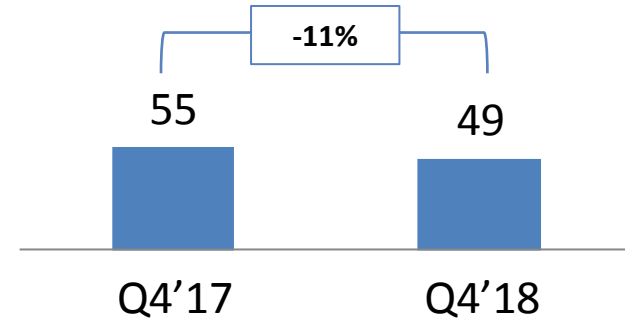
(Rs Cr)	Q4'17	Q4'18	Change	%	FY'17	FY'18	Change	%
Operating Revenue	234	202	-32	-14%	933	880	-53	-6%
Operating EBITDA	57	26	-31	-54%	206	181	-24	-12%
Op EBITDA margin (%)	24%	13%			22%	21%		
PAT	42	40	-2	-5%	190	175	-14	-8%
PAT margin (%)	17%	18%			18%	18%		
EPS (Rs per Share)	5.8	5.5	-0.3	-5%	25.8	23.9	-1.9	-8%
Net Cash*	846	1,061	215	25%	846	1,061	215	25%

*As at 31st Mar

QUARTERLY AD REVENUE (RS CR)



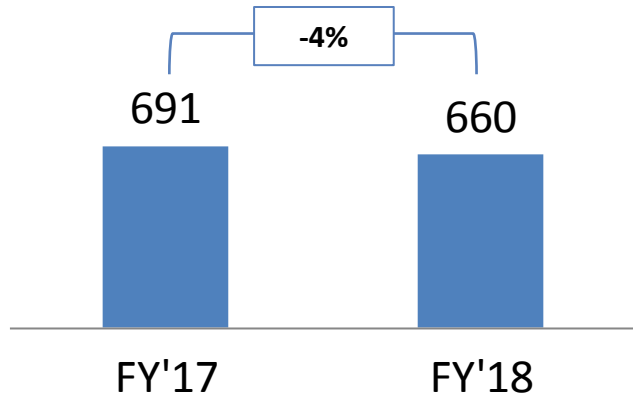
QUARTERLY CIRCULATION REVENUE (RS CR)



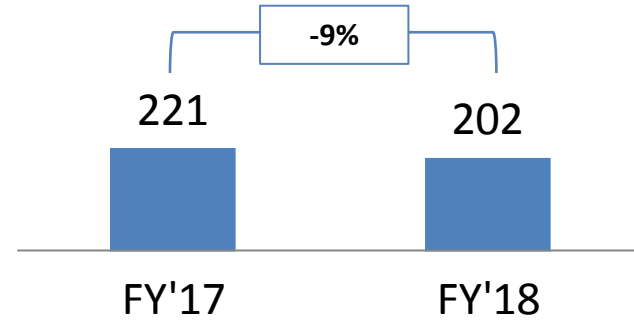
REVENUE DRIVERS

- + Some of the key categories such as Education, BFSI and Real Estate have started showing pickup in ad revenue
- Ad revenue growth impacted by UP election led political advertising in the base
- Muted ad spends continue in Auto, Medical & Health, FMCG and Durables
- Lower cover price realization due to competitive actions in UP and Bihar
- Prices for domestic newsprint saw marginal increase

FULL YEAR AD REVENUE (RS CR)

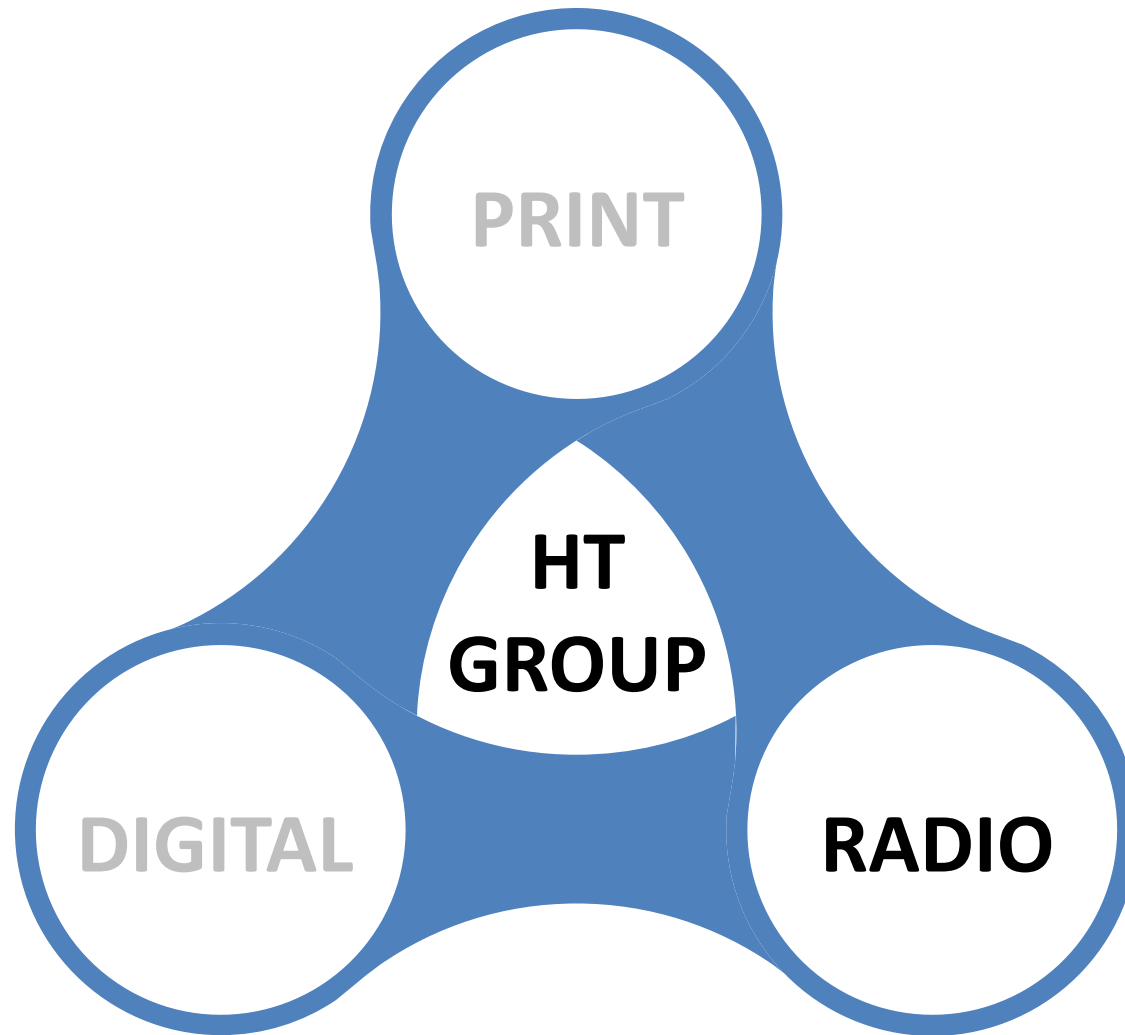


FULL YEAR CIRCULATION REVENUE (RS CR)



REVENUE DRIVERS

- + Growth sectors for full year were Luxury, Retail, BFSI and E-commerce
- + Continued expansion of circulation footprint in key markets
- Ad revenue growth impacted due to UP election related revenue in base year
- Circulation revenue impacted by competitor actions





FINANCIAL PERFORMANCE

(Rs Cr)	Q4'17	Q4'18	Change	%	FY'17	FY'18	Change	%
Operating Revenue	45	45	1	2%	159	178	19	12%
Operating EBITDA	15	28	13	90%	40	70	30	74%
Op EBITDA margin (%)	33%	61%			25%	39%		
EBIT	6	19	13	218%	10	35	24	236%
EBIT margin (%)	13%	42%			6%	19%		

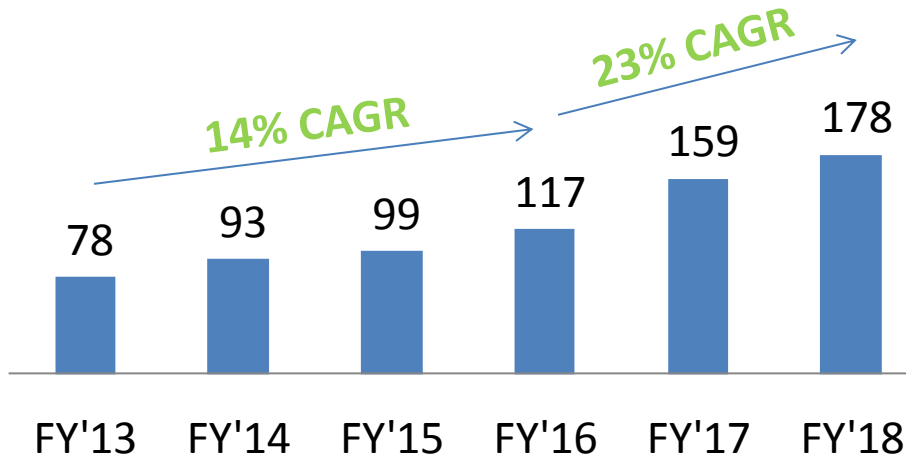
PERFORMANCE DRIVERS

- Muted topline growth in the quarter on account of Radio industry wide slowdown
- + Healthy double digit revenue growth for full year
- + Operating leverage leading to margin expansion

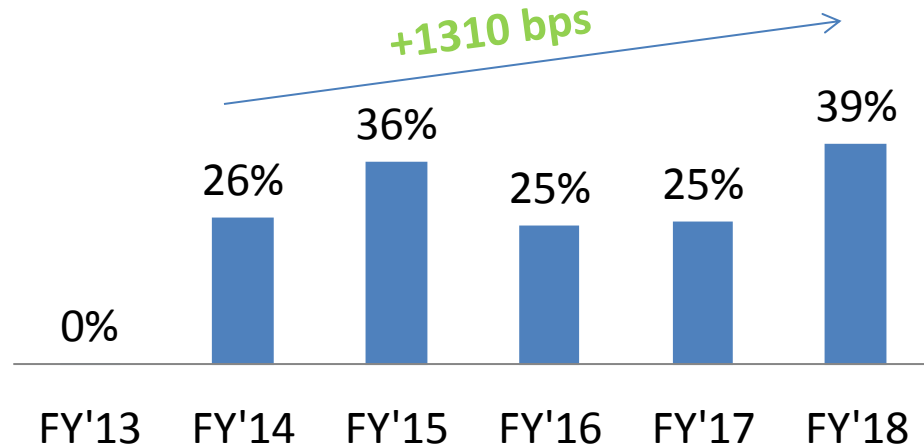


LONGER TERM PERFORMANCE TRENDS

Revenue (Rs Cr)

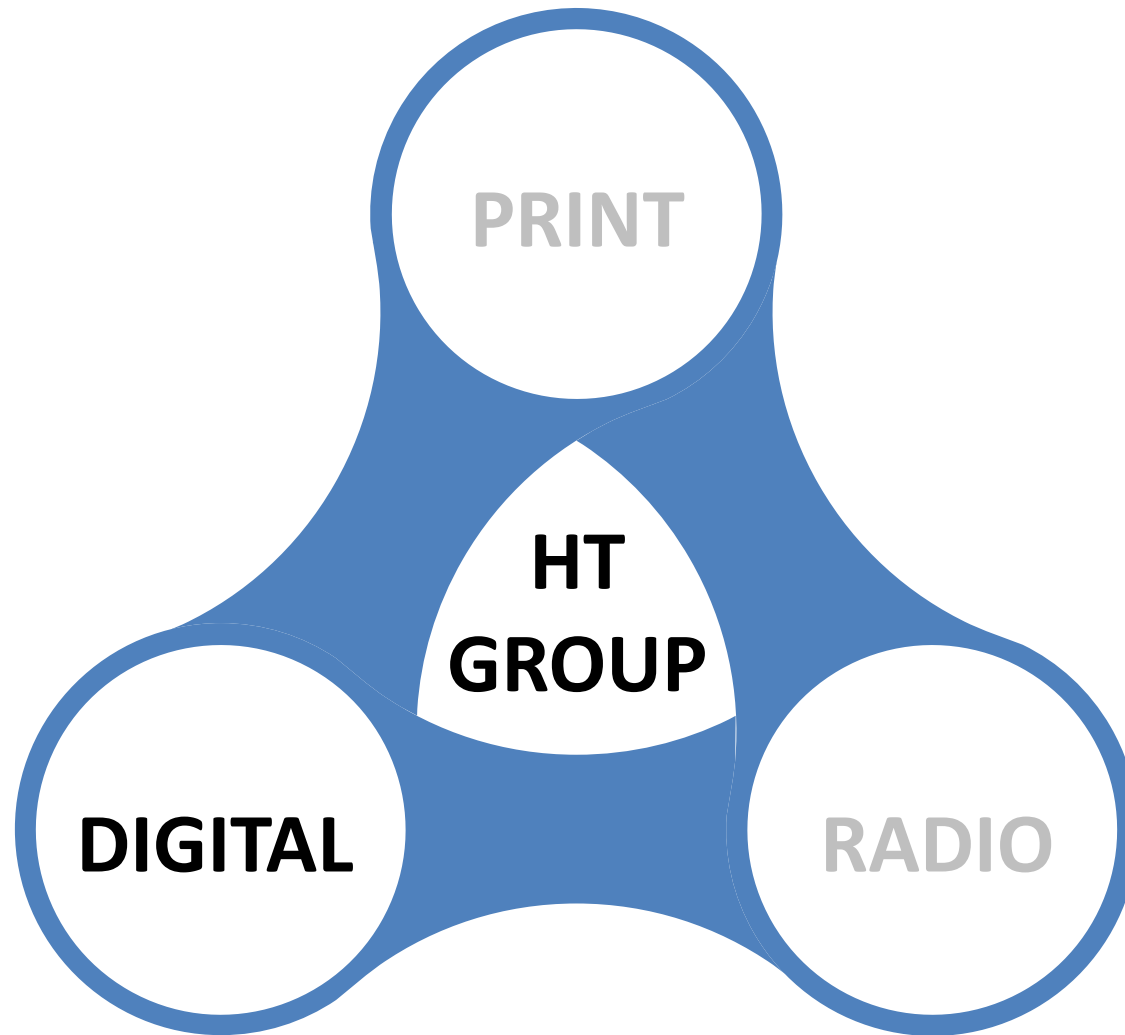


EBITDA margin (%)

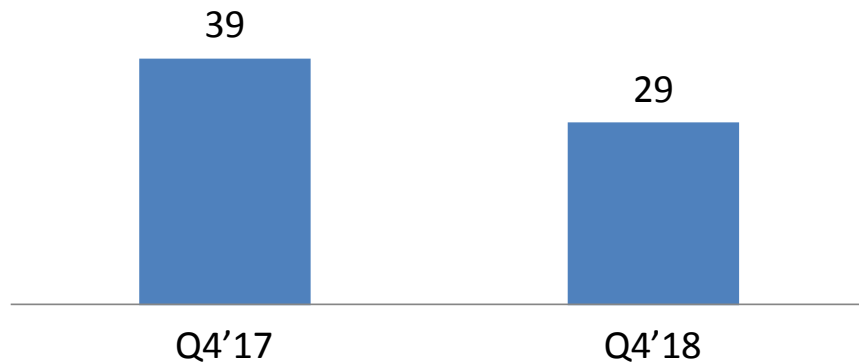


PERFORMANCE DRIVERS

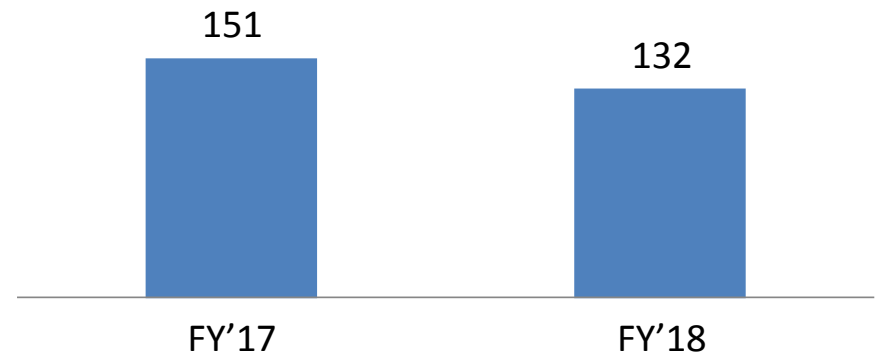
- Strong revenue growth across the years
- Pace of topline growth has increased as licenses acquired in Phase 3 auction were quickly operationalised
- Continued improvements in yield over last 5 years
- EBITDA margin has expanded as new stations have started to contribute to the bottom line



QUARTERLY REVENUE (RS CR)



FULL YEAR REVENUE (RS CR)



PERFORMANCE DRIVERS

- + News websites continue with topline growth
- Overall revenue impacted by business restructuring

BUSINESS ENVIRONMENT

Opportunities



- Signs of waning impact of De-monetisation and GST
- Pickup in Small and mid-sized businesses
- Improvement in macroeconomic environment expected to lead corporate earnings growth
- Better integration of print, radio and digital properties
- Consolidation opportunities

Challenges



- Steep increase in newsprint prices putting pressure on margin
- Rupee depreciation in recent times
- Political uncertainty over outcome of next general elections

Improvement in macroeconomic environment and the expectation of higher earnings from corporates should result in driving advertising spends as we enter the next fiscal. We hope to record better topline performance in the coming financial year.

Q&A

Dial-in number for Q&A

+91 22 7115 8103

+91 22 6280 1202

HT Media Group


Hindustan Times House,
2nd Floor, 18-20, Kasturba Gandhi Marg
New Delhi – 110001, India

Anna Abraham

Amit Madaan

Sankalp Raghuvanshi

 IR@hindustantimes.com


 +91 11 6656 1605



Saket Somani

Karish Manchanda

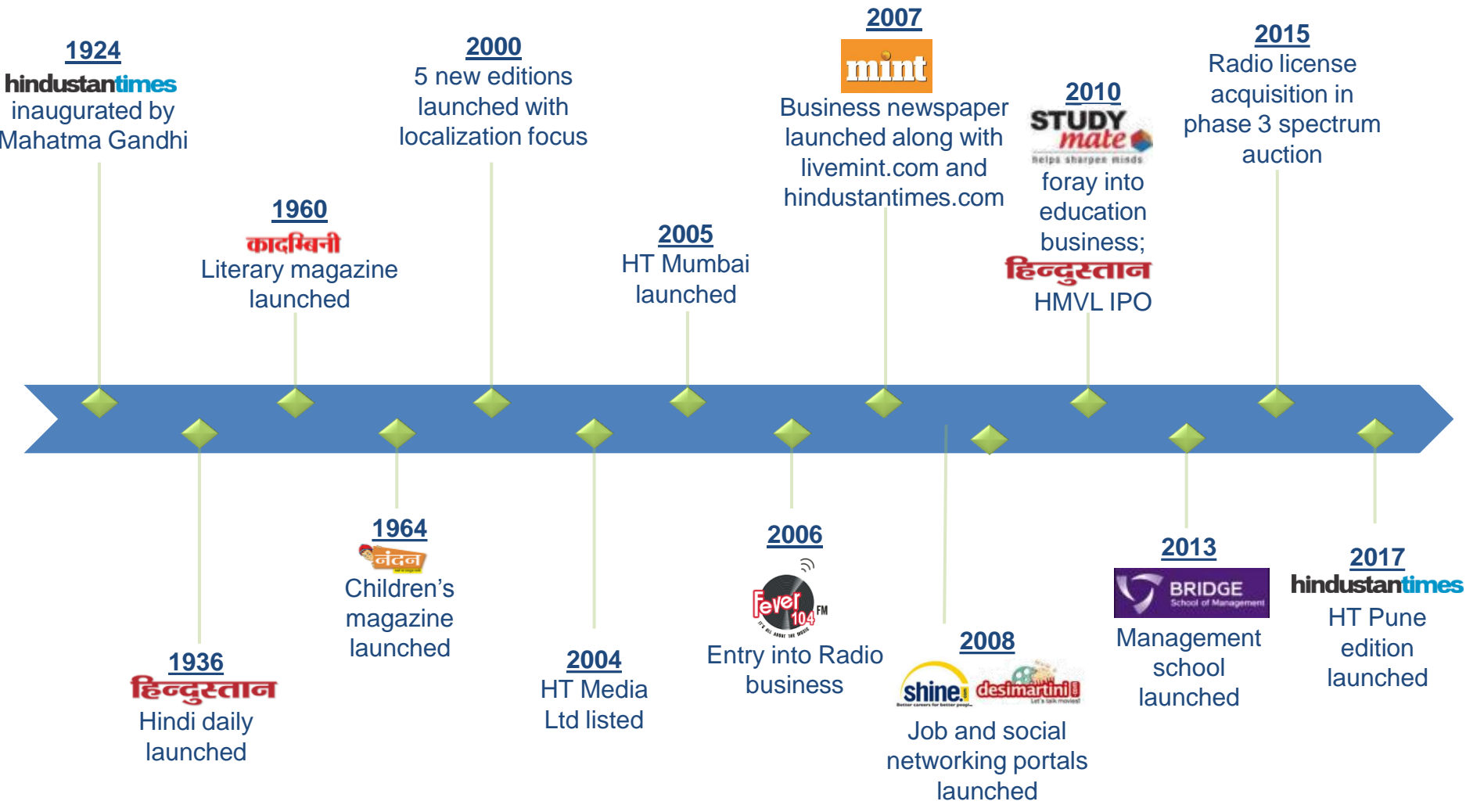
 htmedia@churchgatepartners.com

 +91 22 6169 5988



ANNEXURES

The HT Story – Enriching and Empowering India



Our evolution is marked by building lasting and trustworthy businesses in print, radio, digital and education sectors

Strong Brand Portfolio across Segments



Pan-India content distribution footprint across traditional and new age channels

Consolidated P&L – HT Media Ltd

Rs Crs (Except for EPS)	Q4'17	Q4'18	YoY Growth (%)	Q3'18	Seq Growth (%)	FY'17	FY'18	YoY Growth (%)
Operating Revenue	585	561	-4%	625	-10%	2,452	2,346	-4%
Raw Materials & change in inventory	159	161	1%	168	-5%	696	653	-6%
Employee Cost	137	130	-5%	130	0%	584	513	-12%
Other expenses	216	190	-12%	193	-1%	874	781	-11%
Operating EBITDA	73	81	10%	135	-40%	298	400	34%
Margin (%)	12%	14%	2%	22%	-7%	12%	17%	5%
Other Income	49	84	73%	64	31%	229	245	7%
EBITDA	122	165	35%	199	-17%	528	645	22%
Margin (%)	19%	26%	6%	29%	-3%	20%	25%	5%
Net Profit after Tax (PAT)	26	75	194%	124	-40%	170	307	80%
Margin (%)	4%	12%	8%	18%	-6%	6%	12%	6%
Basic EPS (Rs.)	1.1	3.2	194%	5.3	-40%	7.3	13.2	80%

Consolidated Balance sheet – HT Media Ltd

(Rs Cr)		As at 31 Mar'17	As at 31 Mar'18
A	ASSETS		
1	Non- current assets		
	Financial assets	2,039	1,838
	Property, plant and equipment	609	539
	Others	932	1,036
	Total non-current assets	3,581	3,413
2	Current assets		
	Inventories	155	125
	Financial assets	771	1,331
	Other current assets	52	90
	Total current assets	977	1,547
	Total assets	4,558	4,960
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity share capital	46	46
	Other equity	2,186	2,485
	Total equity	2,232	2,531
2	Non-controlling Interest	300	342
3	Liabilities		
	Non-current liabilities		
	Financial liabilities	17	6
	Deferred tax liabilities (Net)	3	4
	Others	20	22
	Total non-current liabilities	40	32
	Current liabilities		
	Financial liabilities	1,566	1,634
	Others	420	421
	Total current liabilities	1,986	2,055
	Total equity and liabilities	4,558	4,960

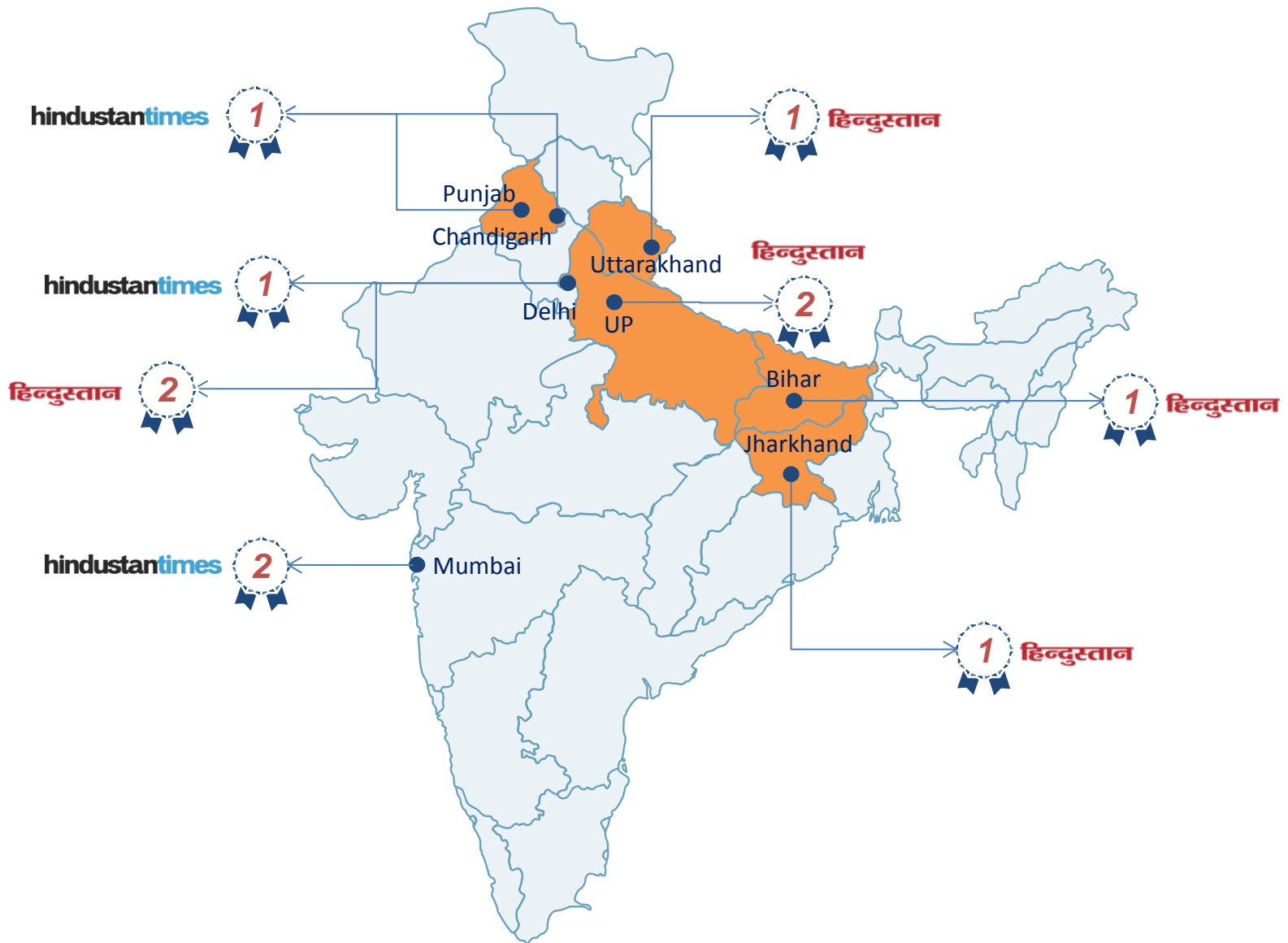
Consolidated P&L – Hindustan Media Ventures Ltd

Rs Crs (Except for EPS)	Q4'17	Q4'18	YoY Growth (%)	Q3'18	Seq Growth (%)	FY'17	FY'18	YoY Growth (%)
Operating Revenue	234	202	-14%	230	-12%	933	880	-6%
Raw Materials & change in inventory	81	87	7%	90	-2%	349	358	3%
Employee Cost	25	24	-1%	23	6%	94	94	0%
Other expenses	71	64	-10%	59	8%	285	247	-13%
Operating EBITDA	57	26	-54%	58	-55%	206	181	-12%
<i>Margin (%)</i>	<i>24%</i>	<i>13%</i>	<i>-11%</i>	<i>25%</i>	<i>-12%</i>	<i>22%</i>	<i>21%</i>	<i>-1%</i>
Other Income	17	26	54%	21	20%	92	93	1%
EBITDA	74	52	-30%	80	-35%	298	274	-8%
<i>Margin (%)</i>	<i>29%</i>	<i>23%</i>	<i>-7%</i>	<i>32%</i>	<i>-9%</i>	<i>29%</i>	<i>28%</i>	<i>-1%</i>
Net Profit after Tax (PAT)	42	40	-5%	49	-18%	190	175	-8%
<i>Margin (%)</i>	<i>17%</i>	<i>18%</i>	<i>1%</i>	<i>20%</i>	<i>-2%</i>	<i>18%</i>	<i>18%</i>	<i>0%</i>
Basic EPS (Rs.)	5.8	5.5	-5%	6.7	-18%	25.8	23.9	-8%

Consolidated Balance sheet – Hindustan Media Ventures Ltd

(Rs Cr)		As at 31 Mar'17	As at 31 Mar'18
A	ASSETS		
1	Non- current assets		
	Financial assets	820	683
	Property, plant and equipment	170	156
	Others	152	97
	Total non-current assets	1,142	936
2	Current assets		
	Inventories	47	49
	Financial assets	270	653
	Other current assets	8	12
	Total current assets	325	714
	Total assets	1,467	1,650
B	EQUITY AND LIABILITIES		
1	Equity		
	Equity share capital	73	73
	Other equity	1,093	1,258
	Total equity	1,167	1,332
2	Non-controlling Interest		
3	Liabilities		
	Non-current liabilities		
	Deferred tax liabilities (Net)	25	26
	Total non-current liabilities	25	26
	Current liabilities		
	Financial liabilities	247	257
	Others	29	35
	Total current liabilities	276	293
	Total equity and liabilities	1,467	1,650

IRS Results – Leadership Position in Key Markets



Source : IRS 2017 details are based on Average Issue Readership (AIR), unless otherwise mentioned

IRS Results – Hindustan Times Leads in Largest English Markets



Delhi-NCR

- #1 in Delhi-NCR for 15th time in a row
- Undisputed leader with AIR of 17 lakh readers



Delhi-NCR + Mumbai-
Greater Mumbai

- #1 in the two largest English daily markets combined
- Entrenched #2 in Mumbai with ~71% of Times of India's readership



Punjab

- #1 in Punjab (including Chandigarh) with an AIR of 2.5 lakh

Source : IRS 2017 details are based on Average Issue Readership (AIR), unless otherwise mentioned

IRS Results – Hindustan Continues to be a Strong Player in its Markets

 **1** in Bihar

AIR of **49 lakh**

~70% exclusive readership

 **2** in UP

AIR of **96 lakh**

~81% of market leader

59% Solus readership

 **1** in Uttarakhand

AIR of **10 lakh**

 **1** in Jharkhand

AIR of **13 lakh**

 **2** Delhi-NCR

AIR of **11 lakh**

Source : IRS 2017 details are based on Average Issue Readership (AIR), unless otherwise mentioned