



**युवाओं का  
अपना अखबार**

**Hindustan Media Ventures Ltd**

(NSE: HMVL; BSE: 533217)

**Q2 FY2016 Earnings Presentation  
October 26, 2015**

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Conference Dial-In Numbers (October 26, 2015 at 4:00 pm IST)	
Local Access Number	<b>4444 9999</b> - (079)Ahmedabad, (080) Bangalore, (044) Chennai, (040) Hyderabad, (033) Kolkata, (022) Mumbai, (011) New Delhi, (020) Pune <b>444 9999</b> - (0562) Agra, (0755) Bhopal, (0172) Chandigarh, (0484) Cochin, (0422) Coimbatore, (0124) Gurgaon, (0731) Indore, (0141) Jaipur, (0522), Lucknow, (0452) Madurai, (0120) Noida
International Participants	<b>+91 11 4444 9999</b>
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# Financial Highlights



## Management Commentary

Commenting on the results and performance, **Mrs. Shobhana Bhartia, Chairperson, Hindustan Media Ventures Limited** said:

*“We are glad to report another quarter of strong growth in revenue and profits despite significant macroeconomic stress.*

*The quarter witnessed healthy growth in advertising revenue across verticals. We also saw an increasing share of local business across all our markets. And lower raw material prices and a benign rupee continue to boost profitability.*

*We have the momentum and expect to continue on the growth path as we move forward”*

## Highlights – Q2 FY2016 vs. Q2 FY2015

- Total Revenue increased by 16.2% to Rs. 2,459 million
- Advertising revenue increased by 18.2%; Circulation revenue increased by 7.6%
- EBITDA increased by 38.9% to Rs. 711 million; EBITDA margins of 28.9%
- Profit after tax increased by 43.1% to Rs. 450 million; Net Profit margins were higher at 18.3%
- Strong balance sheet position with Net Cash of Rs. 6,301 Million
- EPS for the quarter stood at Rs. 6.14 as compared to Rs. 4.29 in the last year

# Financial Highlights

## Q2 FY16 (y-o-y and q-o-q) and H1 FY16 (y-o-y)

Rs. million	Q2		y-o-y Growth (%)	Q2 Q1		q-o-q Growth (%)	H1 H1		y-o-y Growth (%)
	FY2016	FY2015		FY2016	FY2016		FY2016	FY2015	
Advertising Revenues	1,681	1,422	18.2%	1,681	1,662	1.1%	3,343	2,977	12.3%
Circulation Revenues	534	496	7.6%	534	534	0.1%	1,068	989	7.9%
Other Revenues	245	198	23.5%	245	158	54.9%	403	472	-14.7%
<b>Total Revenues</b>	<b>2,459</b>	<b>2,116</b>	<b>16.2%</b>	<b>2,459</b>	<b>2,354</b>	<b>4.5%</b>	<b>4,813</b>	<b>4,342</b>	<b>10.8%</b>
Consumption of Raw Materials	858	848	1.2%	858	848	1.1%	1,706	1,716	-0.6%
Employee Cost	299	258	16.0%	299	287	4.0%	586	554	5.8%
<b>EBITDA</b>	<b>711</b>	<b>512</b>	<b>38.9%</b>	<b>711</b>	<b>662</b>	<b>7.4%</b>	<b>1,373</b>	<b>1,066</b>	<b>28.7%</b>
<i>Margin (%)</i>	<i>28.9%</i>	<i>24.2%</i>		<i>28.9%</i>	<i>28.1%</i>		<i>28.5%</i>	<i>24.6%</i>	
<b>Profit After Tax (PAT)</b>	<b>450</b>	<b>315</b>	<b>43.1%</b>	<b>450</b>	<b>417</b>	<b>8.0%</b>	<b>867</b>	<b>654</b>	<b>32.7%</b>
<i>Margin (%)</i>	<i>18.3%</i>	<i>14.9%</i>		<i>18.3%</i>	<i>17.7%</i>		<i>18.0%</i>	<i>15.1%</i>	
<b>Basic EPS (Rs.)</b>	<b>6.14</b>	<b>4.29</b>	<b>43.1%</b>	<b>6.14</b>	<b>5.68</b>	<b>8.0%</b>	<b>11.82</b>	<b>8.90</b>	<b>32.7%</b>

## Hindustan is the second largest Hindi Daily: 2014 IRS Results

	<u>2014 IRS Readership</u>	<u>2013 IRS Readership</u>
All India	14.75 million	14.25 million
UP	7.6 million	7.2 million
Uttarakhand	0.53 million	0.43 million
Bihar	4.38 million	4.27 million
Jharkhand	1.31 million	1.40 million
Delhi NCR	1.07 million	1.06 million

## Financial Overview –All comparisons are y-o-y

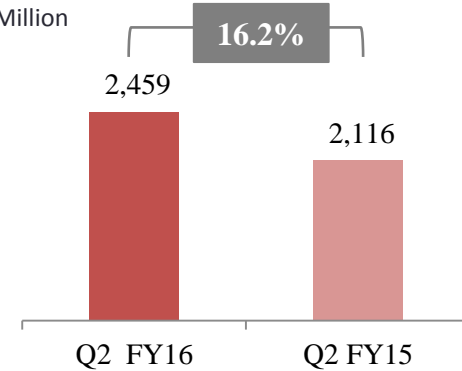


### Revenue

1

- Total revenue up by 16.2% at Rs. 2,459 million from Rs. 2,116 million :
  - 18.2% increase in advertising revenue to Rs. 1,681 million from Rs. 1,422 million primarily due to increase in advertising volumes
  - 7.6% increase in circulation revenue to Rs. 534 million from Rs. 496 million due to higher circulation and higher net realization per copy

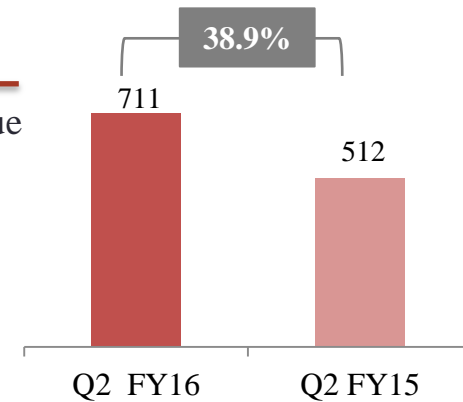
\* Rs. Million



### EBITDA margin

2

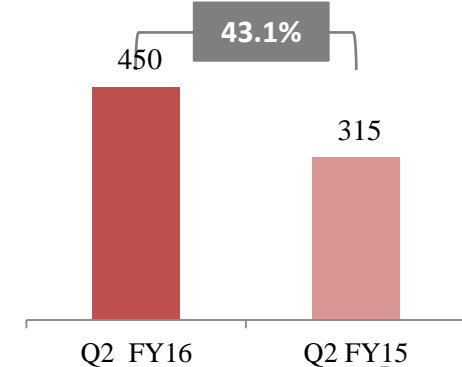
- EBITDA increased by 38.9% to Rs. 711 million from Rs. 512 million primarily due to :
  - Growth in advertising and circulation revenues
  - Marginal increase of 1.2% in raw material costs
  - 57.5% increase in other income



### Profit After Tax

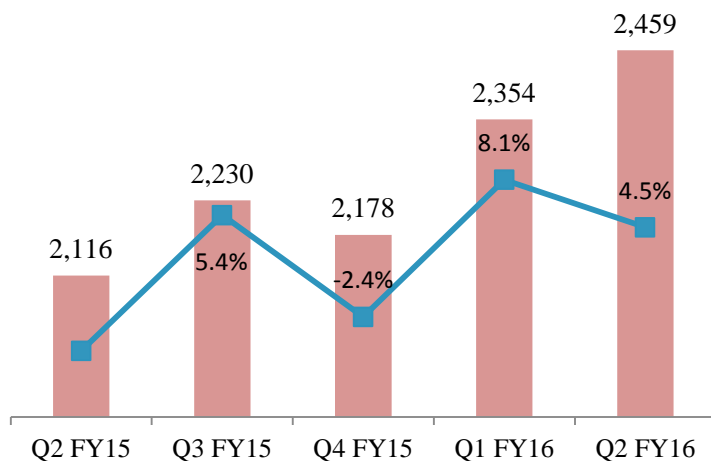
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- PAT increased by 43.1% to Rs. 450 million from Rs. 315 million due to improvement in EBITDA.

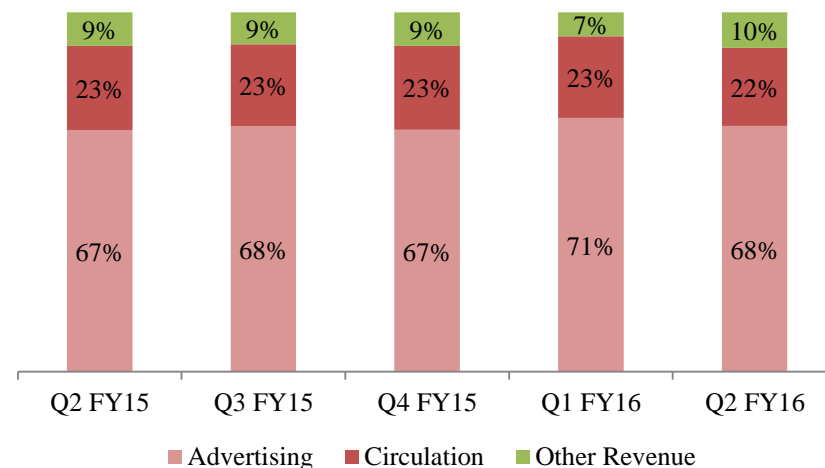


## Financial Overview

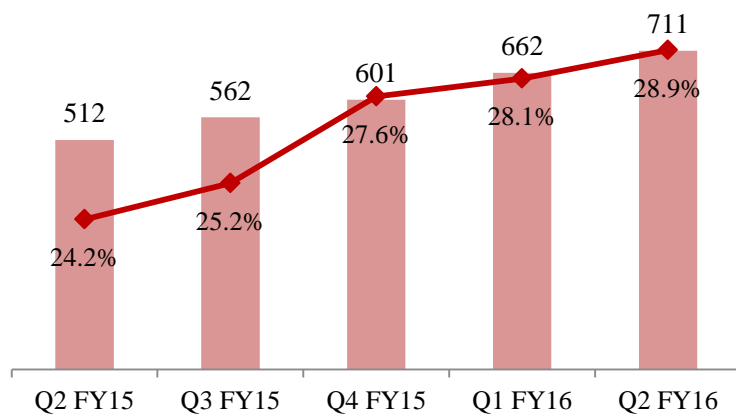
### Revenue (Rs. Million) and Growth (%)



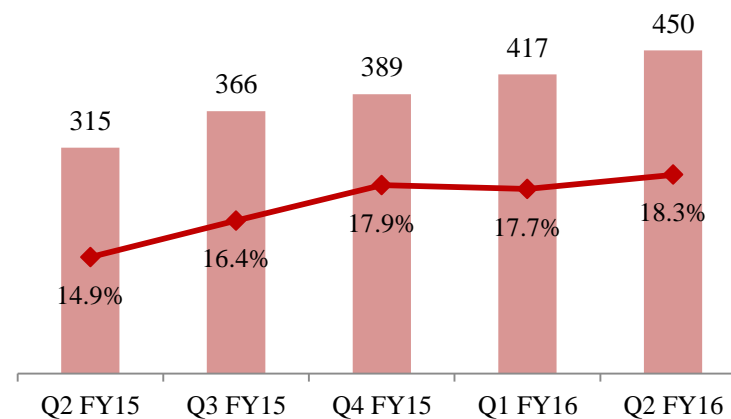
### Revenue Breakdown



### EBITDA (Rs. Million) and Margin (%)



### PAT (Rs. Million) and Margin (%)



# Financial Overview: P&L



Particulars (Rs. in millions, except EPS data)	Three months ended			Six months ended		
	30.09.2015	30.09.2014	Shift (%)	30.09.2015	30.09.2014	Shift (%)
	(Un-audited)	(Un-audited)		(Un-audited)	(Un-audited)	
Net Sales / Income from operations	2,235	1,940	15%	4,450	4,012	11%
Other Operating Income	34	55	-37%	57	84	-33%
<b>Total Income from operations</b>	<b>2,269</b>	<b>1,995</b>	<b>14%</b>	<b>4,506</b>	<b>4,096</b>	<b>10%</b>
Other income	190	121	58%	307	246	25%
<b>Total Income</b>	<b>2,459</b>	<b>2,116</b>	<b>16%</b>	<b>4,813</b>	<b>4,342</b>	<b>11%</b>
(Increase)/Decrease in Inventory	4	0		(2)	(1)	
Consumption of Raw Materials	858	848	1%	1,706	1,716	-1%
Employees Cost	299	258	16%	586	554	6%
Other Expenditure	588	499	18%	1,151	1,007	14%
<b>Total Expenditure</b>	<b>1,749</b>	<b>1,604</b>	<b>9%</b>	<b>3,441</b>	<b>3,276</b>	<b>5%</b>
<b>EBITDA</b>	<b>711</b>	<b>512</b>	<b>39%</b>	<b>1,373</b>	<b>1,066</b>	<b>29%</b>
<b>Margin (%)</b>	<b>28.9%</b>	<b>24.2%</b>		<b>28.5%</b>	<b>24.6%</b>	
Depreciation	53	65	-17%	108	126	-14%
<b>EBIT</b>	<b>658</b>	<b>447</b>	<b>47%</b>	<b>1,264</b>	<b>940</b>	<b>34%</b>
<b>Margin (%)</b>	<b>26.7%</b>	<b>21.1%</b>		<b>26.3%</b>	<b>21.7%</b>	
Interest & finance charges	30	29	5%	59	53	11%
<b>Profit before tax</b>	<b>627</b>	<b>418</b>	<b>50%</b>	<b>1,205</b>	<b>887</b>	<b>36%</b>
<b>Margin (%)</b>	<b>25.5%</b>	<b>19.8%</b>		<b>25.0%</b>	<b>20.4%</b>	
Tax Expense	177	104	70%	338	234	45%
<b>Profit after tax</b>	<b>450</b>	<b>315</b>	<b>43%</b>	<b>867</b>	<b>653</b>	<b>33%</b>
<b>Margin (%)</b>	<b>18.3%</b>	<b>14.9%</b>		<b>18.0%</b>	<b>15.0%</b>	
<b>Net Income</b>	<b>450</b>	<b>315</b>	<b>43%</b>	<b>867</b>	<b>653</b>	<b>33%</b>
<b>Margin (%)</b>	<b>18.3%</b>	<b>14.9%</b>		<b>18.0%</b>	<b>15.0%</b>	
<b>EPS (non annualized)</b>	<b>6.14</b>	<b>4.29</b>	<b>43%</b>	<b>11.82</b>	<b>8.90</b>	<b>33%</b>



## Financial Overview: Balance Sheet

Particulars (Rs. in millions)	As at 30.09.2015 (Un-Audited)	As at 31.03.2015 (Audited)
<b>A EQUITY AND LIABILITIES</b>		
<b>1 Shareholders' funds</b>		
(a) Share capital	734	734
(b) Reserves and surplus	7,520	6,653
<b>Sub-total - Shareholders' funds</b>	<b>8,254</b>	<b>7,387</b>
<b>2 Non-current liabilities</b>		
(a) Deferred tax liabilities (net)	79	59
(c) Other long-term liabilities and provisions	1	1
<b>Sub-total - Non-current liabilities</b>	<b>79</b>	<b>59</b>
<b>3 Current liabilities</b>		
(a) Short-term borrowings	1,275	985
(b) Trade payables	1,147	972
(c) Other current liabilities and provisions	672	812
<b>Sub-total - Current liabilities</b>	<b>3,093</b>	<b>2,768</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>11,427</b>	<b>10,214</b>
<b>B ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Fixed assets	1,830	1,833
(b) Non-current investments	3,598	4,591
(d) Other non-current assets incl. Loans & Advances	389	555
<b>Sub-total - Non-current assets</b>	<b>5,816</b>	<b>6,979</b>
<b>2 Current assets</b>		
(a) Current investments	2,860	881
(b) Inventories	475	448
(c) Trade receivables	1,254	1,072
(d) Cash and cash equivalents	393	396
(f) Other current assets incl. Loans & Advances	629	438
<b>Sub-total - Current assets</b>	<b>5,610</b>	<b>3,235</b>
<b>TOTAL - ASSETS</b>	<b>11,427</b>	<b>10,214</b>

Key Ratios	H1' FY16	FY15	FY 14	FY 13
RoCE	23.3%	22.1%	20.6%	18.8%
RoE	22.2%	20.9%	19.9%	17.9%
Debtor Days	47	45	43	45



## Strategic Focus

### Near Term Outlook

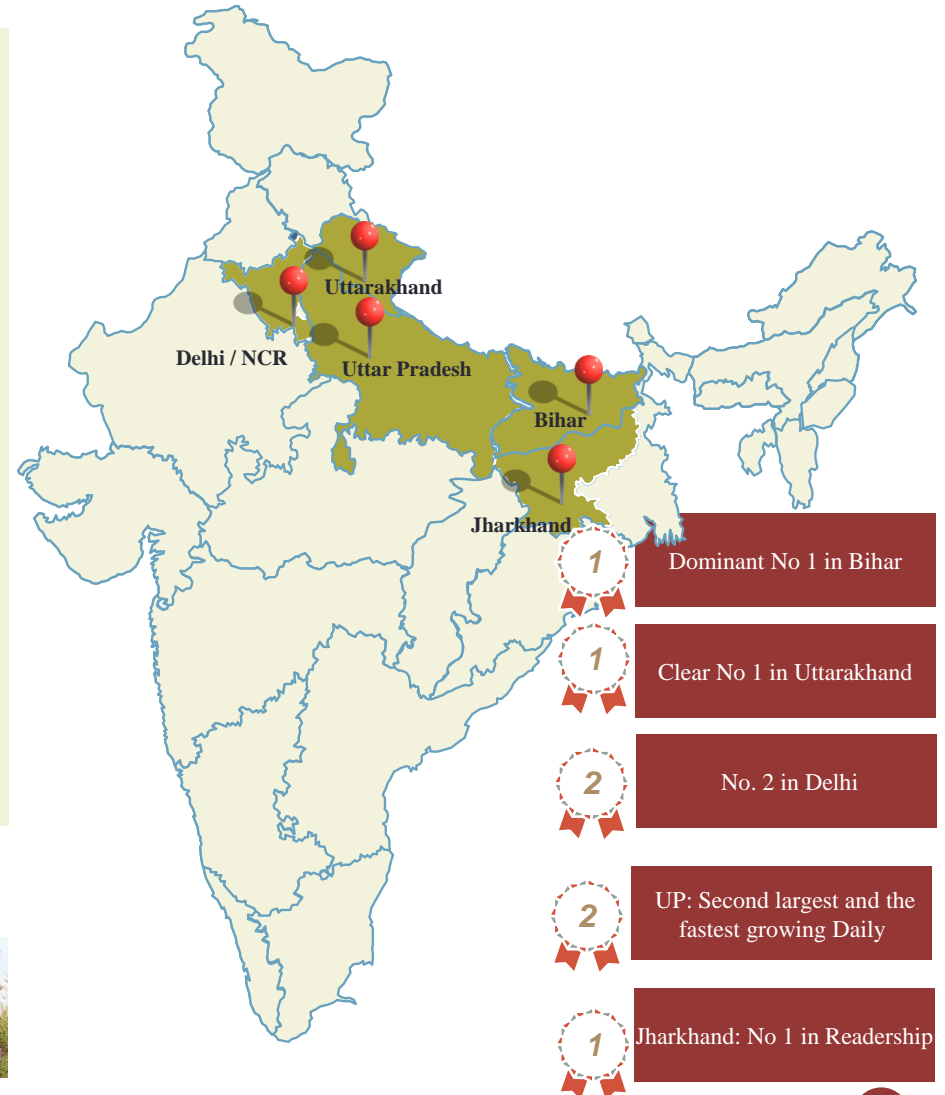
- Continue driving both volume and yield growth across geographies on the back of improving economic environment and festive season spending.
- Bihar/ Jharkhand belt to continue increased traction due to State elections and growth potential.
- Strong balance sheet (net cash of Rs. 6,301 million) capable of funding its expansion.

## Hindustan Media Ventures: At a Glance

### Company Background

- 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. Also publishes two Hindi magazines 'Nandan' and 'Kadambini'
- 'Hindustan' was first published in 1936 amidst the freedom movement, and has been one of India's eminent newspapers for over 70 years. HMVL was listed on the BSE & NSE in 2010
- 'Hindustan' has a strong regional presence and enjoys a leadership position in Bihar, Jharkhand and Uttarakhand whilst consolidating its 2<sup>nd</sup> position in Delhi and UP
- 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

### Market Leadership Positions





## Safe Harbour

*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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