



Hindustan Media Ventures Ltd

(NSE: HMVL; BSE: 533217)

Q4 FY2016 Earnings Presentation
May 25, 2016

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Conference Dial-In Numbers (May 25, 2016 at 4:00 pm IST)	
Local Access Number	Primary +91 22 6746 8358 Secondary +91 22 3938 1073 <i>The numbers listed above are universally accessible from all networks and all countries</i>
International Toll Free	USA: 1 866 746 2133 UK: 0 808 101 1573 Singapore: 800 101 2045 Hong Kong: 800 964 448

Financial Highlights

Management Commentary

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

“We are pleased to close the year on a stronger note than the industry and plan to carry the momentum into the current year. For the year, revenue growth was driven by new initiatives, a good festive season and state elections. Stable raw material prices and superior execution have contributed to increasing the profitability of the company.

We continue to strengthen our position in Uttar Pradesh and Uttarakhand, whilst consolidating our leadership in Bihar and Jharkhand.

We expect the macroeconomic environment to improve in the coming year and are well prepared to seize the opportunity. Our focus on innovation to delight our readers, and our healthy Balance sheet gives us the confidence that we will continue to deliver value to our shareholders.”

Highlights – FY2016 vs. FY2015

- Total Revenue increased by 11.9% to Rs. 9,793 million
- Advertising revenue increased by 14.7%; Circulation revenue increased by 6.8%
- EBITDA increased by 24.9% to Rs. 2,785 million; EBITDA margins higher at 28.4%
- Profit after tax increased by 28.2% to Rs. 1,806 million; Net Profit margins were higher at 18.4%
- Strong balance sheet position with Net Cash of Rs. 6,430 million
- Annual EPS stood at Rs. 24.60 as compared to Rs. 19.19 in the last year
- Dividend for the year approved by Board at Rs. 1.20 per share.

Financial Highlights- Annual

FY16 vs. FY15

Rs. million			<i>y-o-y</i>
	FY2016	FY2015	<i>Growth</i> (%)
Advertising Revenues	6,840	5,965	14.7%
Circulation Revenues	2,144	2,007	6.8%
Other Revenues	809	779	4.0%
Total Revenues	9,793	8,750	11.9%
Consumption of Raw Materials	3,465	3,374	2.7%
Employee Cost	1,240	1,068	16.1%
EBITDA	2,785	2,229	24.9%
<i>Margin (%)</i>	28.4%	25.5%	
Profit After Tax (PAT)	1,806	1,409	28.2%
<i>Margin (%)</i>	18.4%	16.1%	
Basic EPS (Rs.)	24.60	19.19	28.2%

Financial Highlights- Quarterly

Q4 FY16 (y-o-y and q-o-q)

Rs. million	Q4			Q3		
	FY2016	FY2015	y-o-y Growth (%)	FY2016	FY2015	q-o-q Growth (%)
Advertising Revenues	1,684	1,466	14.9%	1,684	1,812	-7.1%
Circulation Revenues	534	508	5.1%	534	542	-1.4%
Other Revenues	245	204	20.4%	245	161	52.0%
Total Revenues	2,464	2,178	13.1%	2,464	2,516	-2.1%
Consumption of Raw Materials	863	791	9.0%	863	896	-3.8%
Employee Cost	343	265	29.2%	343	312	10.0%
EBITDA	700	601	16.4%	700	712	-1.8%
<i>Margin (%)</i>	<i>28.4%</i>	<i>27.6%</i>		<i>28.4%</i>	<i>28.3%</i>	
Profit After Tax (PAT)	469	389	20.5%	469	469	0.2%
<i>Margin (%)</i>	<i>19.1%</i>	<i>17.9%</i>		<i>19.1%</i>	<i>18.6%</i>	
Basic EPS (Rs.)	6.40	5.31	20.5%	6.40	6.38	0.2%

Hindustan is the second largest Hindi Daily: 2014 IRS Results

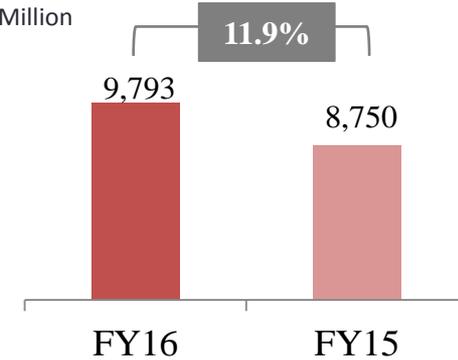
	<u>2014 IRS Readership</u>	<u>2013 IRS Readership</u>
All India	14.75 million	14.25 million
UP	7.6 million	7.2 million
Uttarakhand	0.53 million	0.43 million
Bihar	4.38 million	4.27 million
Jharkhand	1.31 million	1.40 million
Delhi NCR	1.07 million	1.06 million

Financial Overview – Annual

1 Revenue

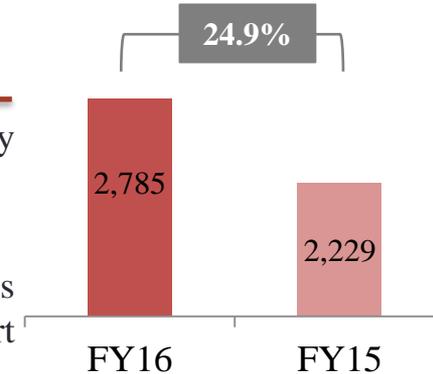
- Total revenue up by 11.9% at Rs. 9,793 million from Rs. 8,750 million :
 - 14.7% increase in advertising revenue to Rs. 6,840 million from Rs. 5,965 million primarily due to increase in advertising volumes.
 - 6.8% increase in circulation revenue to Rs. 2,144 million from Rs. 2,007 million due to higher circulation and higher net realization per copy.

* Rs. Million



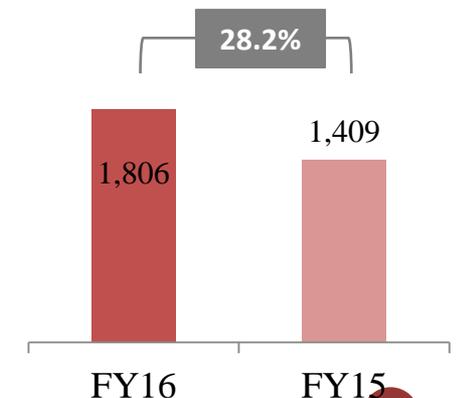
2 EBITDA margin

- EBITDA increased by 24.9% to Rs. 2,785 million from Rs. 2,229 million primarily due to :
 - Growth in advertising and circulation revenues being off-set by;
 - 16.1% increase in employee costs on account of impact of annual increments and new hiring and 10.9% increase in sales & promotion costs to support Haldwani, Lucknow, Dehradun and Kanpur launch and higher revenue.



3 Profit After Tax

- PAT increased by 28.2% to Rs. 1,806 million from Rs. 1,409 million due to improvement in EBITDA being partially off-set by increase in tax expense.

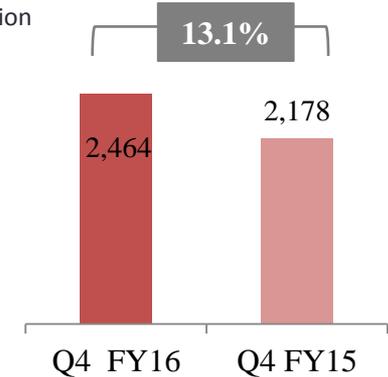


Financial Overview –Quarterly (y-o-y)

1 Revenue

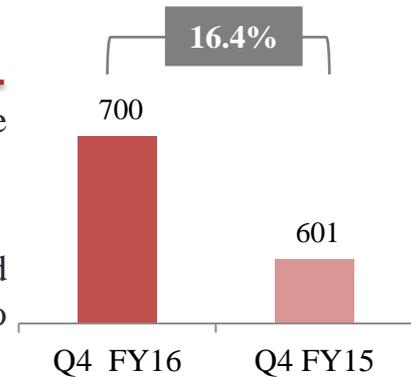
- Total revenue up by 13.1% at Rs. 2,464 million from Rs. 2,178 million :
 - 14.9% increase in advertising revenue to Rs. 1,684 million from Rs. 1,466 million primarily due to increase in advertising volumes.
 - 5.1% increase in circulation revenue to Rs. 534 million from Rs. 508 million due to higher circulation and higher net realization per copy.

* Rs. Million



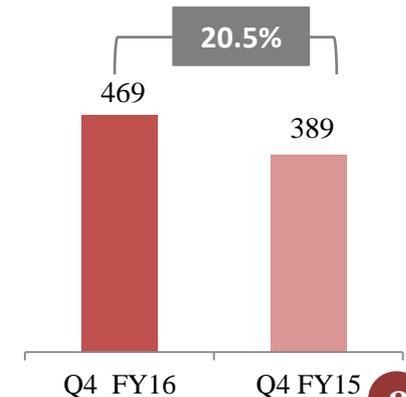
2 EBITDA margin

- EBITDA increased by 16.4% to Rs. 700 million from Rs. 601 million primarily due to :
 - Growth in advertising and circulation revenues being off-set by;
 - 29% increase in employee costs on account of impact of annual increments and new hiring and 6-9% increase in Raw material costs as well as S&M costs to support Haldwani launch and higher revenue.



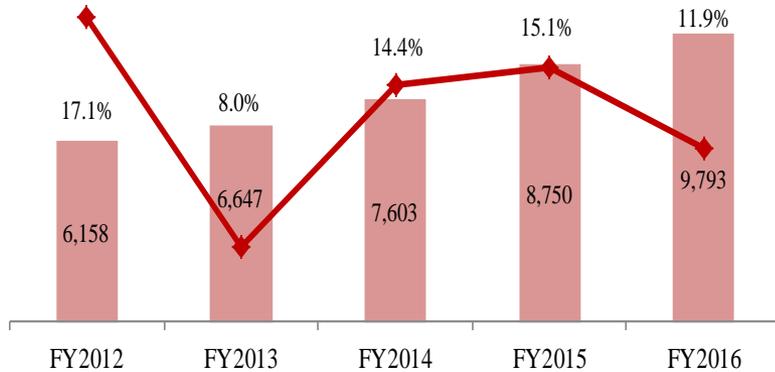
3 Profit After Tax

- PAT increased by 20.5% to Rs. 469 million from Rs. 389 million due to improvement in EBITDA being partially off-set by increase in tax expense.

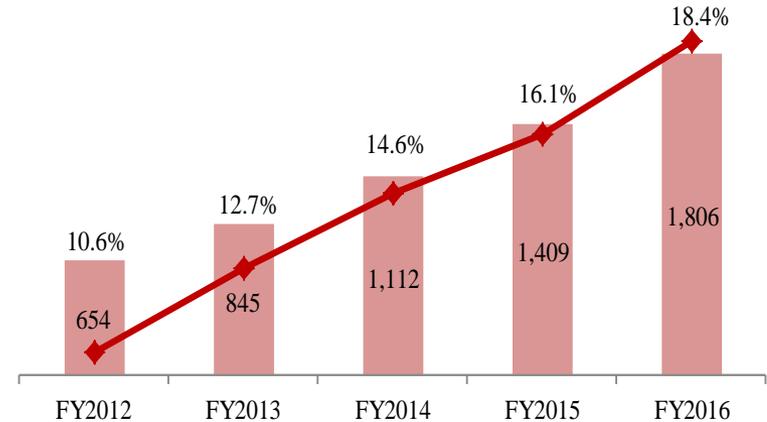


Financial Overview – Annual

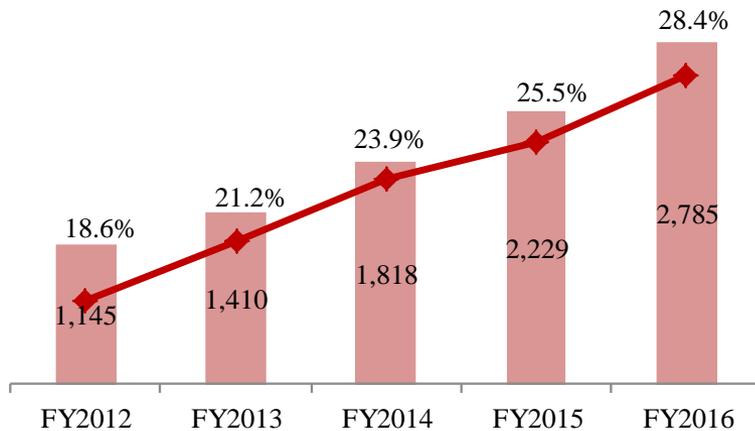
Revenue (Rs. Million) and Growth (%)



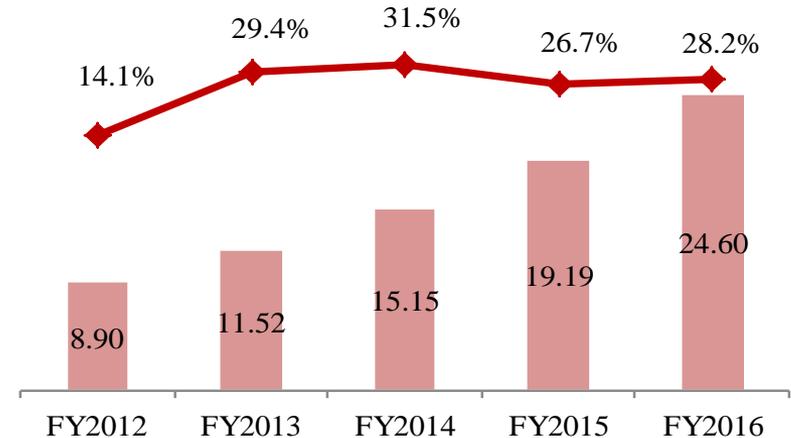
PAT (Rs. Million) and Margin (%)



EBITDA (Rs. Million) and Margin (%)

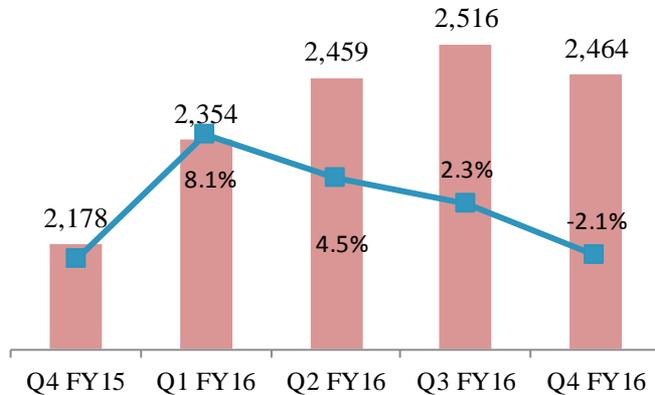


EPS (Rs.) and Growth (%)

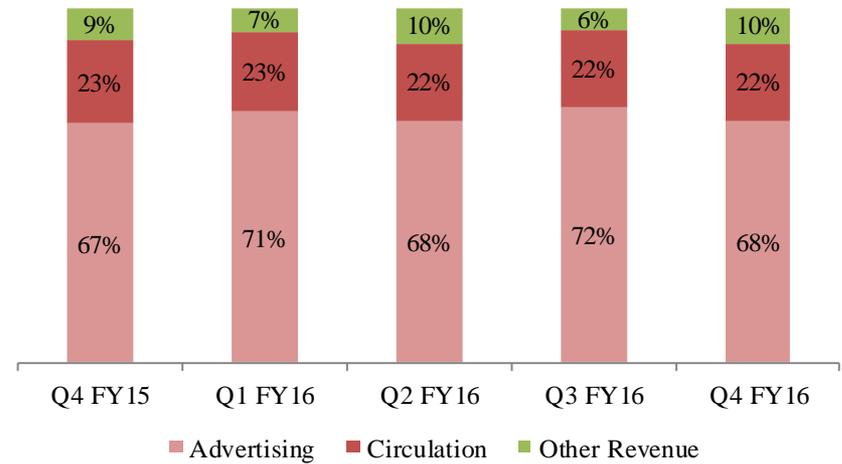


Financial Overview- Quarterly

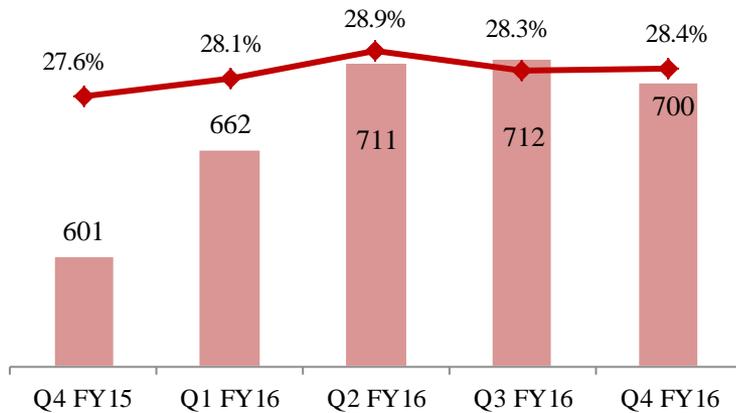
Revenue (Rs. Million) and Growth (%)



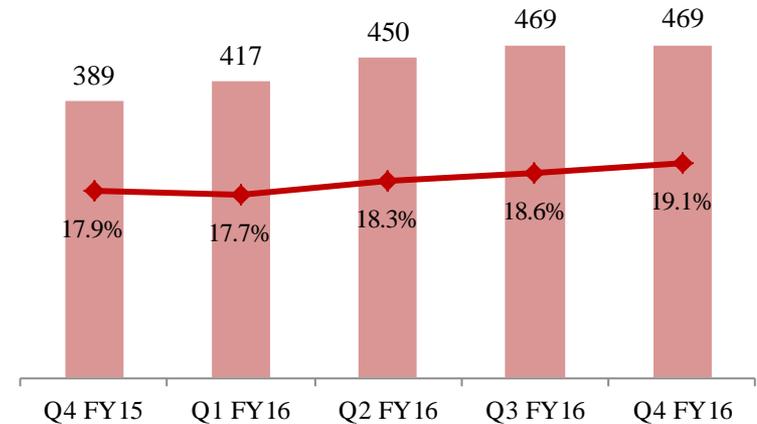
Revenue Breakdown



EBITDA (Rs. Million) and Margin (%)



PAT (Rs. Million) and Margin (%)



Financial Overview- P&L

(Rs. in millions, except EPS data)

Particulars	Three months ended			Year ended		
	31.03.2016 (Audited)	31.03.2015 (Audited)	Shift (%)	31.03.2016 (Audited)	31.03.2015 (Audited)	Shift (%)
Net Sales / Income from operations	2,239	1,993	12%	9,064	8,057	12%
Other Operating Income	36	28	28%	121	128	-6%
Total Income from operations	2,275	2,021	13%	9,185	8,186	12%
Other income	189	157	20%	607	564	8%
Total Income	2,464	2,178	13%	9,793	8,750	12%
(Increase)/Decrease in Inventory	6	1		(0)	2	
Consumption of Raw Materials	863	791	9%	3,465	3,374	3%
Employees Cost	343	265	29%	1,240	1,068	16%
Other Expenditure	553	519	7%	2,303	2,077	11%
Total Expenditure	1,764	1,576	12%	7,008	6,521	7%
EBITDA	700	601	16%	2,785	2,229	25%
Margin (%)	28%	28%		28%	25%	
Depreciation	61	57	8%	225	243	-8%
EBIT	639	545	17%	2,560	1,986	29%
Margin (%)	26%	25%		26%	23%	
Interest & finance charges	27	27	3%	113	105	8%
Profit before tax	611	518	18%	2,446	1,881	30%
Margin (%)	25%	24%		25%	21%	
Tax Expense	142	129	10%	641	472	36%
Profit after tax	469	389	21%	1,806	1,409	28%
Margin (%)	19%	18%		18%	16%	
Net Income	469	389	21%	1,806	1,409	28%
Margin (%)	19%	18%		18%	16%	
EPS (non annualized)	6.40	5.31	21%	24.60	19.19	28%

Financial Overview- Balance Sheet



(Rs. in millions)

Particulars	As at 31.03.2016 (Audited)	As at 31.03.2015 (Audited)
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	734	734
(b) Reserves and surplus	8,352	6,653
Sub-total - Shareholders' funds	9,086	7,387
2 Non-current liabilities		
(a) Deferred tax liabilities (net)	82	59
(c) Other long-term liabilities and provisions	1	1
Sub-total - Non-current liabilities	82	59
3 Current liabilities		
(a) Short-term borrowings	1,727	984
(b) Trade payables	947	972
(c) Other current liabilities and provisions	994	812
Sub-total - Current liabilities	3,668	2,768
TOTAL - EQUITY AND LIABILITIES	12,837	10,214
B ASSETS		
1 Non-current assets		
(a) Fixed assets	2,492	1,833
(b) Non-current investments	5,483	4,591
(d) Other non-current assets incl. Loans & Advances	366	555
Sub-total - Non-current assets	8,341	6,979
2 Current assets		
(a) Current investments	1,708	881
(b) Inventories	482	448
(c) Trade receivables	1,177	1,072
(d) Cash and cash equivalents	447	396
(f) Other current assets incl. Loans & Advances	682	438
Sub-total - Current assets	4,496	3,235
TOTAL - ASSETS	12,837	10,214

Key Ratios	FY16	FY15	FY 14	FY 13	FY 12
RoCE	23%	22%	21%	19%	17%
RoE	22%	21%	20%	18%	16%
Debtor Days	45	45	43	45	47

Financial Overview



Board recommends dividend of 12%

- The Board of Directors at their meeting on May 25, 2016 have recommended a dividend of Rs. 1.20 per equity share of Rs. 10 each; translating to 12% of face value
- Dividend for the year amounted to Rs. 106 million (including Dividend Distribution Tax)

Strategic Focus

Near Term Outlook

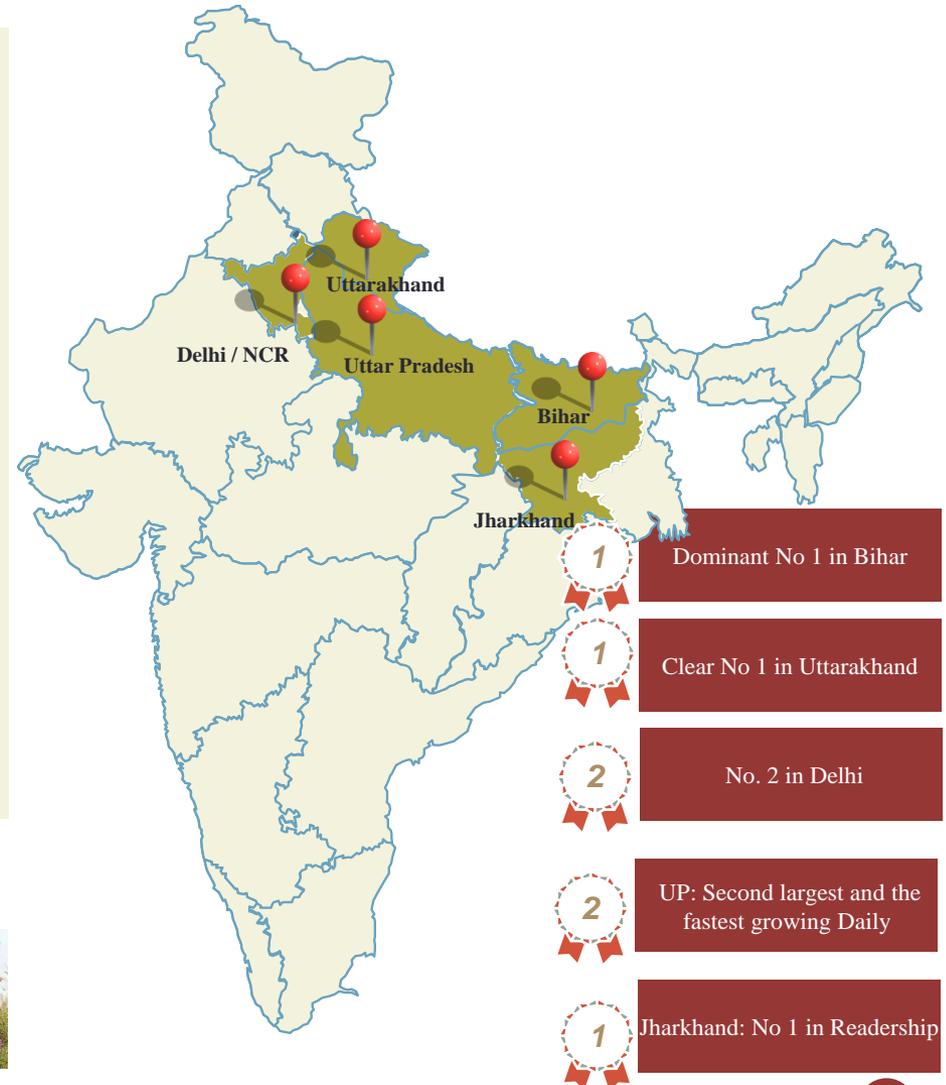
- Continue driving both volume and yield growth across geographies on the back of improving economic environment. UP to continue on its growth trajectory while increased focus on Bihar and Uttarakhand will consolidate our position.
- Focus on growing adoption of the new Hindustan app launched in January'2016.
- Strong balance sheet (net cash of Rs. 6,430 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 2nd position in Delhi and UP
- The Company also operates the website 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.

Hindustan Media Ventures Ltd

(CIN: L21090BR1918PLC000013)

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

Vinay Mittal

vinay.mittal@hindustantimes.com

+91 11 6656 1810



Deepak Goyal

deepak.goyal@hindustantimes.com

+91 124 431 0546

Priyanka Harjai

Priyanka.harjai@hindustantimes.com

+91 124 431 0588



Jitesh Bhatia

Ankul Adlakha

htmedia@churchgatepartnersindia.com

+91 22 6169 5988

