



# Hindustan Media Ventures Limited

(NSE: HMVL; BSE: 533217)

Q2 FY2018 Earnings Presentation

Oct 16, 2017

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## Earnings Call Details :

Date and Time	Oct 16, 2017 at 2:00 PM
Primary Number	+91 22 3960 0621
<i>The numbers listed above are universally accessible from all networks and all countries</i>	
International Toll Free Number	USA – 1 866 746 2133 UK – 0 808 101 1573 Singapore – 800 101 2045 Hong Kong – 800 964 448

## Cautionary Statements

*Certain statements in this document may be forward-looking.*

*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.*

*Hindustan Media Ventures Limited 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.*

## Management Commentary

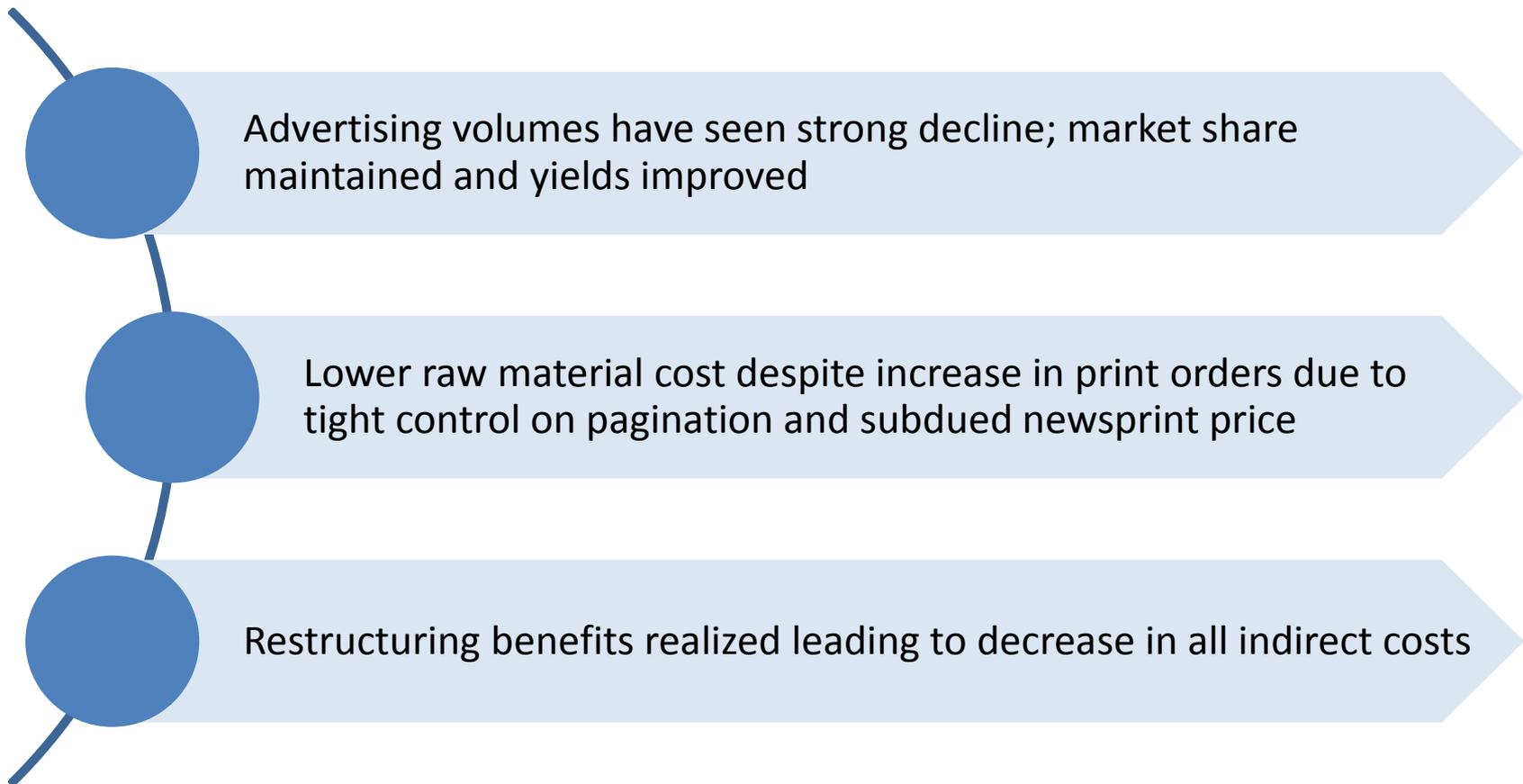


Commenting on the results and performance, **Mrs. Shobhana Bhartia, Chairperson, Hindustan Media Ventures Limited** said:

*“Weak macroeconomic trends of previous quarter continued into second quarter. Concerns around GST and impact of RERA were reflected in muted advertising spends across sectors. The organization wide cost management initiatives however have held us in good stead and we have been able to maintain margins despite lack of revenue growth.*

*We expect business sentiments to improve in second half of the year paving way for growth and therefore continue to invest behind Hindi business and in expanding our footprint in our key geographies.”*

# Highlights of the Quarter

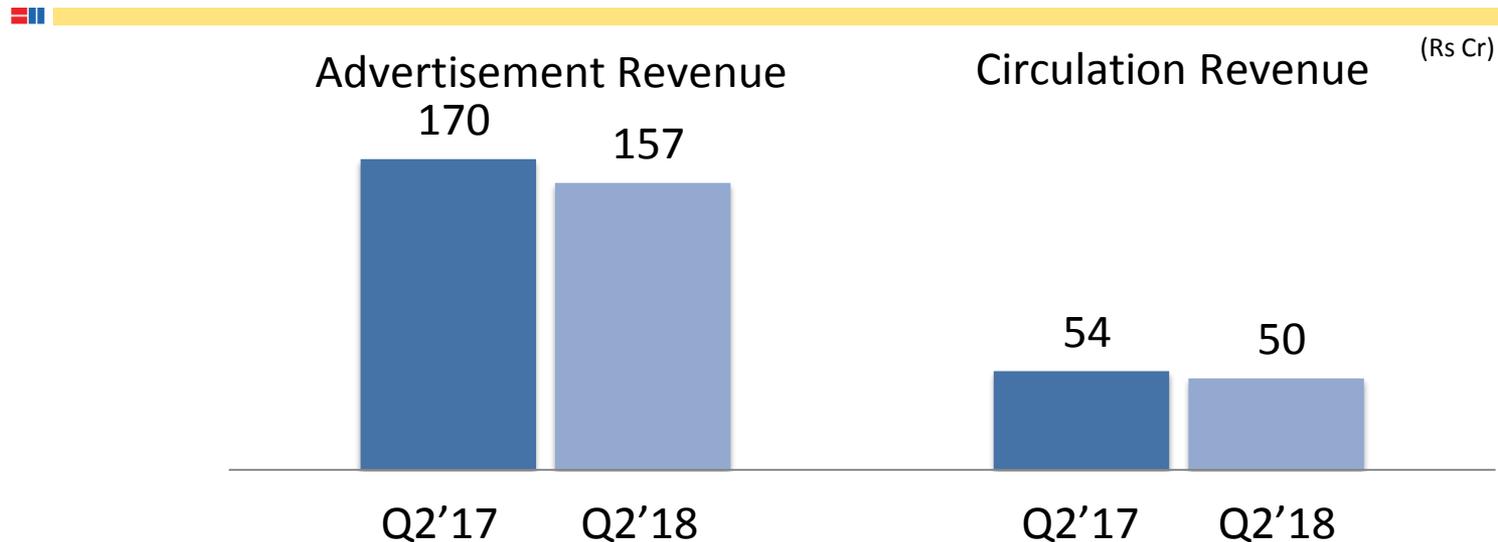


# Financial Summary

(Rs Cr)	Q2'17	Q2'18	Change	%
Operating Revenue	230	211	(19)	-8%
Operating EBITDA	50	45	(5)	-10%
Operating EBITDA margin (%)	22%	22%		
PAT	55	41	(14)	-25%
PAT margin (%)	21%	18%		
EPS (Rs per Share)	7.5	5.6	(1.9)	-25%
Net Cash*	700	868	168	24%

\*As of 30<sup>th</sup> Sep

# Revenue Overview

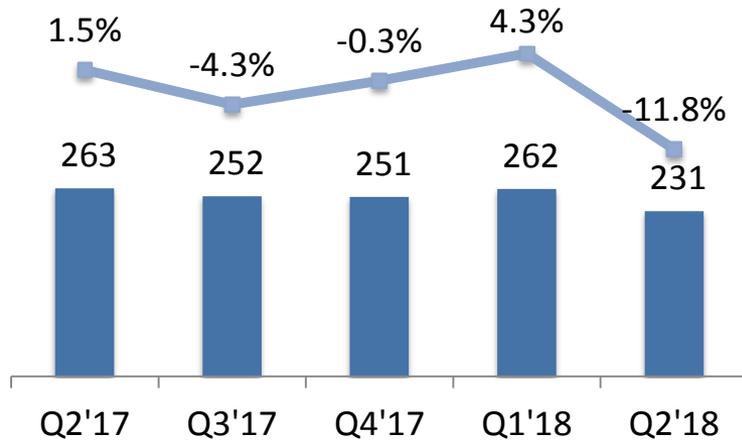


## REVENUE DRIVERS

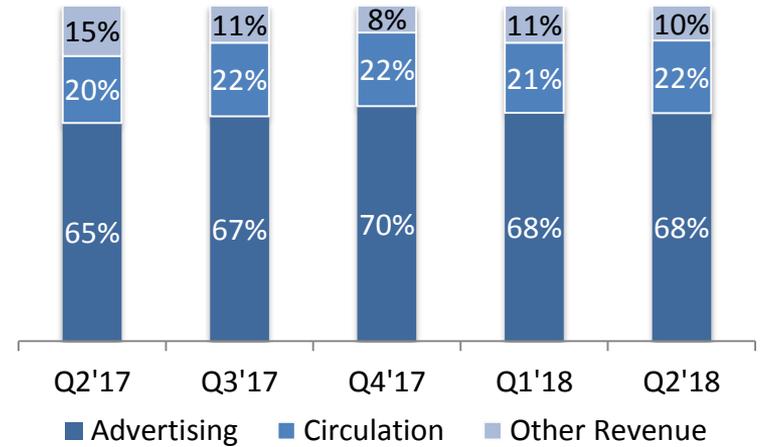
- + Improvement in yield
- + Strong performance in Automobile segment along with expanding foothold in growing categories like e-commerce and luxury
- + Continued investment in copies
- Decline in advertisement volume across sectors
- Lower cover price realization due to competitive market scenario

# Quarterly trends

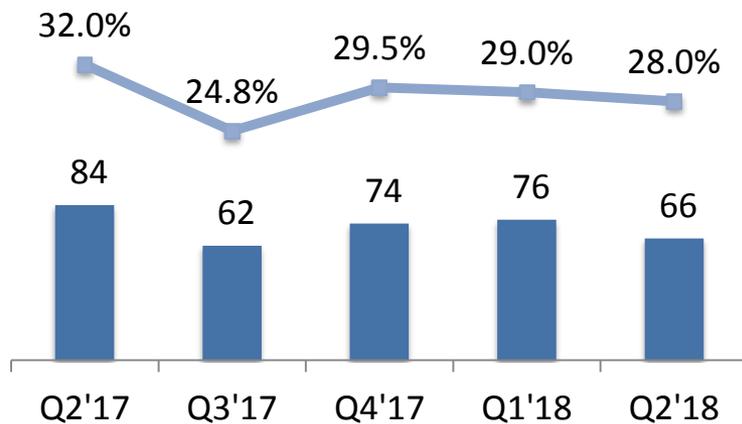
## Revenue (Rs Cr) and Growth (%)



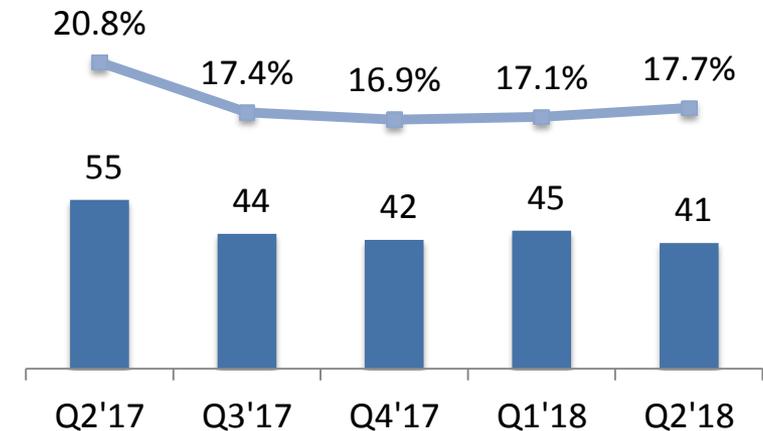
## Revenue Breakdown



## EBITDA\* (Rs Cr) and Margin (%)



## PAT\* (Rs Cr) and Margin (%)



\*Q3'17 included one-time impact of HTDSL carve-out for the period Apr-Dec'2016 (9 months) and hence, not comparable with Q4'17, Q1,18 & Q2'18

# Business Restructuring

## KEY ACTIONS APPROVED BY BOARD

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### Stake Sale In HT Digital Streams Ltd.

- The Board of Directors at its meeting held on 24 Aug'17, approved a proposal for sale of Company's entire investment (42.83%) in HT Digital Streams Limited (associate company) to HT Digital Ventures Limited (fellow subsidiary company) for a consideration of Rs 76.75 Cr
- Post the proposed sale , HT Digital Streams Limited shall cease to be an Associate of the Company

### IESPL demerger into HMVL

- Transfer of B2C division of IESPL which is in higher Education business by way of demerger scheme to HMVL

## Near Term Strategic Priorities

- Better monetization of copies through higher yield
- Product excellence to drive differentiation and build loyalty and adoption
- Persistent investment into copies in core markets
- Continue focus on cost management
- Leveraging the #1 position in Bihar and Jharkhand



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# ANNEXURES

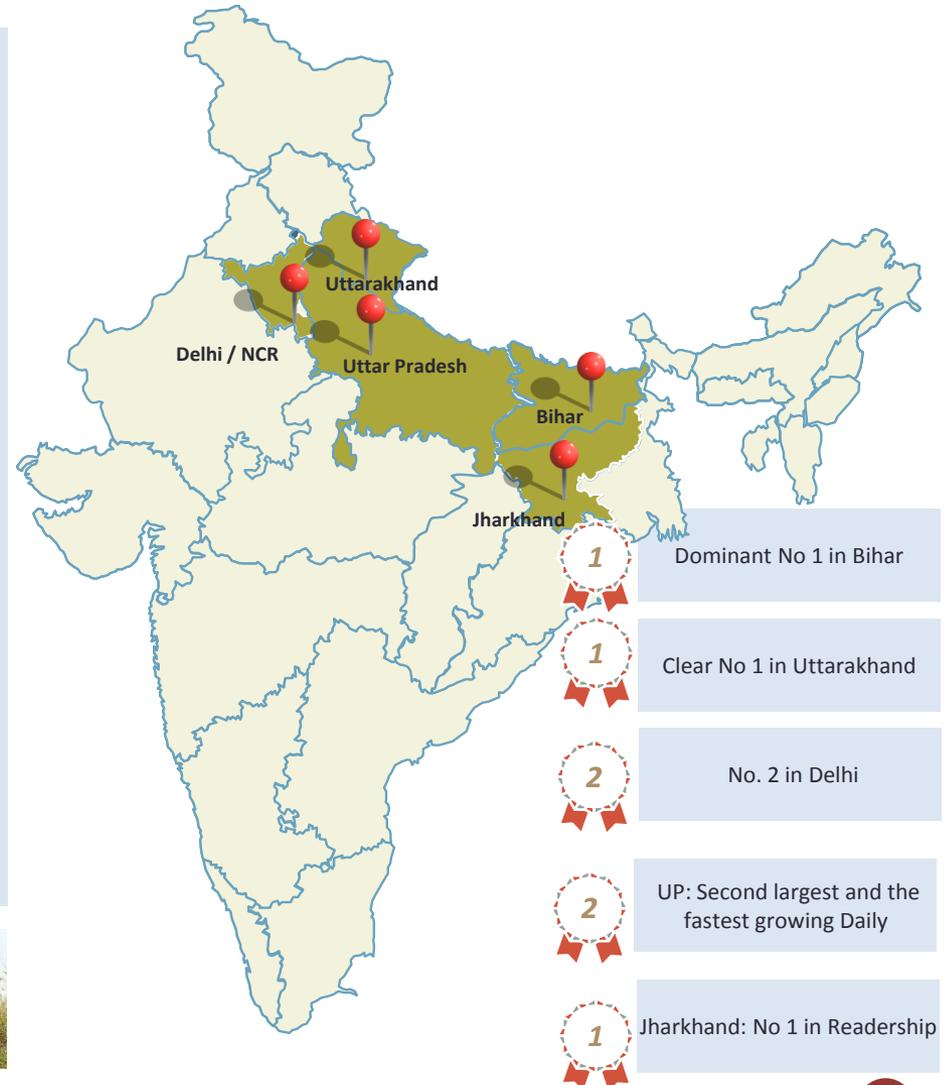
# Hindustan Media Ventures: At a Glance

## 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



# P&L

(Rs Cr)	Q2'17	Q2'18	Y-o-Y Growth (%)
Advertising Revenues	170	157	-7.7%
Circulation Revenues	54	50	-7.5%
Other Operating Revenues	6	4	-25.4%
Operating Revenue	230	211	-8.1%
Consumption of Raw Materials	88	87	-1.1%
Employee Cost	32	23	-28.7%
Other expenses	58	55	-5.6%
Operating EBITDA	50	45	-10.1%
<i>Margin (%)</i>	22.0%	21.5%	-0.5%
Other Income	34	20	-39.5%
EBITDA	84	66	-21.9%
<i>Margin (%)</i>	32.0%	28.4%	-3.5%
Net Profit After Tax (PAT)	55	41	-25.2%
<i>Margin (%)</i>	20.8%	17.7%	-3.1%
Basic EPS (Rs.)	7.45	5.57	-25.2%

# Balance Sheet



(Rs Cr)

Consolidated Statement of Assets and Liabilities		As at 30.09.2017
<b>A</b>	<b>ASSETS</b>	
<b>1</b>	<b>Non- current assets</b>	
	Property, plant and equipment	161
	Capital work in progress	5
	Investment property	6
	Intangible assets	68
	Financial assets	828
	Other non-current assets	2
	<b>Total non-current assets</b>	<b>1,070</b>
<b>2</b>	<b>Current assets</b>	
	Inventories	67
	Investment in an associate	64
	Financial assets	415
	Other current assets	17
	<b>Total current assets</b>	<b>563</b>
	<b>Total assets</b>	<b>1,632</b>

(Rs Cr)

Consolidated Statement of Assets and Liabilities		As at 30.09.2017
<b>B</b>	<b>EQUITY AND LIABILITIES</b>	
<b>1</b>	<b>Equity</b>	
	Equity share capital	73
	Other equity	1,169
	<b>Total equity</b>	<b>1,242</b>
<b>2</b>	<b>Liabilities</b>	
	<b>Non-current liabilities</b>	
	Deferred tax liabilities (Net)	25
	<b>Total non-current liabilities</b>	<b>25</b>
	<b>Current liabilities</b>	
	Financial liabilities	332
	Provisions	5
	Income tax liabilities (net)	9
	Other current liabilities	19
	<b>Total current liabilities</b>	<b>365</b>
	<b>Total equity and liabilities</b>	<b>1,632</b>