



HT Media Limited

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**Total Revenues up 2% in Q1 FY2010 at Rs. 3,351 million;
Resource optimization measures pay off; EBITDA margin at 22%**

New Delhi, July 27, 2009.

HT Media Limited today announced its financial results for the first quarter ended 30 June, 2009. The highlights of the firm's operational and financial performance are:

- **Hindustan Times relaunched in July 2009 with innovative editorial content, design and layout; enhancing the newspaper's appeal among the youth**
- **'State of the art' printing facility at Mumbai commissioned, strengthening presence in that region**
- **Mint launched in Kolkata and Chennai, completing its national presence**
- **Fever continues to maintain momentum, has stabilized itself among top 3 stations across the key markets of Mumbai, Delhi & Bengaluru**
- **'Shine.com', recruitment portal registration crosses 2.5 million candidates**
- **Robust growth in Hindustan and cost optimization initiatives continue to drive Company's profitability**

Q1 FY2010 performance overview

(All comparisons with Q1 FY2009)

- Total revenues increased by 2% at Rs. 3,351 million compared with Rs. 3,272 million primarily on account of:
 - Increase of 24% in circulation revenues to Rs. 444 million from Rs. 358 million due to improved realization and increase in cover prices

- Rs. 88 million on account of merger of the Radio business; the merger is effective from 1 January 2009
- These increases have been offset to the extent of marginal decline in advertisement revenues to Rs. 2,781 million from Rs. 2,805 million
- Operating margins for the quarter remained stable at 22% due to reduced spend on advertising and sales promotion expenses. Despite continuing slackness in the advertising markets and higher newsprint cost of inventory, EBIDTA was marginally higher at Rs. 756 million from Rs. 745 million
- PAT was recorded at Rs. 324 million from Rs. 377 million due to higher depreciation and exceptional items, namely, provision for diminution in value of a joint venture of the Company
- EPS stood at Rs. 1.38

Commenting on the performance for Q1 FY2010, Mrs. Shobhana Bhartia, Chairperson and Editorial Director, HT Media, said:

“We are enthused by our performance in the quarter under review. We have taken several initiatives across our businesses, some of which have already begun to show results. The relaunched ‘Hindustan Times’ will be of interest to the growing large population of young readers. Our business daily ‘Mint’ has attained the status of a national player having been launched in Kolkata and Chennai. ‘Hindustan’ remains a strong focus area as we consistently look to expand our presence in North India.

Our Radio & Internet business also continue to gain traction. The scale, strength and salience of our businesses have enabled us to demonstrate resilience in a difficult macro environment. In addition, several cost optimization measures taken earlier, have started yielding results. I believe we are well positioned to leverage opportunities as the economy improves.”

Q1 FY2010 Operational progress and highlights

• **‘Hindustan Times’ relaunched**

As part of the long-term strategy of staying focused on the younger generation and the emphasis on keeping up to date with the changing news consumption patterns, whereby consumers are getting more news from dynamic mediums like TV and Internet, ‘Hindustan Times’, the flagship newspaper has been relaunched with a new design in July 2009.

With innovation in editorial content and the design and layout, this move is intended to attract the interest of young readers, while the incisive and in-depth coverage would generate more interest among the older readers. The re-launch is the culmination of 18 months of effort led by well-known newspaper designer Mario Garcia, whose portfolio boasts the likes of ‘The Wall Street Journal’, ‘Xpress’, ‘La Tribune’ and ‘Mint’.

- **New press commissioned in Mumbai**

In continuation of its strategy of staying focused and making long-term investments in Mumbai markets, HT Media has commissioned its state-of-the-art printing facilities at Mumbai in May 2009. This will enable HT Media to enhance its product appeal and also achieve operational efficiencies across its publications in Mumbai and nearby markets.

- **'Mint' expands its reach to Kolkata and Chennai**

The Company has launched 'Mint' in two new markets, namely, Kolkata and Chennai during the quarter. These new launches combined with its strong presence in Delhi, Mumbai, Bengaluru, Chandigarh and Pune completes its national presence. In a span of over 2 years, its readership has grown to more than 200,000 every day. With a readership of 175,000 in the Delhi and Mumbai editions (IRS 09), and a circulation of 25,000 plus in the other cities, 'Mint' is today a strong and a growing No. 2 player in its category. With these expansions, premium positioning and strong readership base, 'Mint' is set to become the choice of advertisers in the near future.

- **'Fever' stabilizing as one of top 3 stations across key markets**

With its continued innovation and unique programming format, Fever continues to grow its listenership and maintains its position as one of top 3 stations across Delhi, Mumbai and Bengaluru. This is building up traction among advertisers, leading to higher utilization of inventory and momentum for a robust revenue growth across the key stations.

- **Shine.com registration crosses 2.5 million candidates**

The number of users registered on Shine.com, the job portal launched in June 2008 through the Company's wholly owned subsidiary Firefly e-Ventures Limited, has crossed 2.5 million. This is a reflection of the confidence shown in the job portal and its differentiation with competition. The job portal differentiates with the competition on account of several innovative features which include a unique patented matching technology, world-class design, salary benchmarking utility, privacy and anonymity protection tools.

- **Cost optimization measures adds to profitability**

In line with the objective of enhancing efficiency and focus on resource optimization, HT Media undertook various initiatives including the reduction of paginations, manpower optimization and rationalization of overheads across the organization in Q3 & Q4 FY2009. The initiatives have started yielding results and are expected to contribute to improved profitability going forward.

Outlook

The outlook of the Company remains promising on the back of several initiatives undertaken:

- Focused approach towards building up revenue growth and tapping uptick in the economy, while maintaining focus on cost optimization.
- Continue executing expansion plans across businesses on the back of strong balance sheet with a net debt of Rs. 1,755 million as at 30 June 2009.
- Investments made in 'Hindustan' and Radio have started showing results and expected to contribute significantly going forward.
- Strong readership growth and national presence in 'Mint' should translate into commensurate revenue going forward.
- Continue investments in Internet and mobile marketing segment; thereby, becoming preferred choice of advertisers across different advertising platforms.

About HT Media Limited

HT Media Limited is one of India's foremost media companies, and home to three leading newspapers in the country in English, Hindi and business segments – 'Hindustan Times' (English daily), 'Hindustan' (Hindi daily) and 'Mint' (business daily). 'Hindustan Times' was started in 1924 and it has an 80-year history as one of India's leading newspapers. The Company also has four FM radio stations "Fever 104" in Delhi, Mumbai, Bengaluru and Kolkata. The Company has also made a foray into the Internet space through its subsidiary Firefly e-Ventures Limited and has launched a new job portal www.Shine.com. These are in addition to the existing websites livemint.com and hindustantimes.com. HT Media along with Bennett Coleman & Co. Limited has entered into an equal partnership joint venture to publish an English morning tabloid in Delhi & NCR titled Metro Now. In addition, the Company has entered into a 51:49 joint venture (JV) with German media group Hubert Burda to leverage HT Media's expertise in printing and publishing and capture opportunities in the booming high-end magazine and catalogue printing space in India and the Asia-Pacific region. HT Media also publishes two Hindi magazines Nandan and Kadambini.

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Financial Performance of HT Media Limited

(Rs. in millions, except EPS data)

| Particulars | Three months ended | | |
|------------------------------------|---------------------------|---------------------------|-------------|
| | 30.06.2009 (Unaudited) | 30.06.2008 (Unaudited) | Shift (%) |
| Net Sales / Income from operations | 3,281 | 3,247 | 1% |
| Other Operating Income | 70 | 25 | 178% |
| Total Revenues | 3,351 | 3,272 | 2% |
| Other income | 65 | 57 | 16% |
| Total Income | 3,416 | 3,329 | 3% |
| (Increase)/Decrease in Inventory | (4) | (6) | |
| Consumption of Raw Materials | 1,229 | 1,197 | 3% |
| Employees Cost | 573 | 451 | 27% |
| Advertising and Sales Promotion | 176 | 265 | -34% |
| Other Expenditure | 686 | 677 | 1% |
| Total Expenditure | 2,660 | 2,584 | 3% |
| EBITDA | 756 | 745 | 1% |
| EBITDA margin (%) | 22% | 22% | |
| Depreciation | 163 | 129 | 27% |
| Interest & finance charges | 78 | 51 | 52% |
| Profit before tax | 515 | 565 | -9% |
| PBT margin (%) | 15% | 17% | |
| Exceptional Items | 45 | - | |
| Tax Expense | 146 | 188 | -23% |
| Net income | 324 | 377 | -14% |
| Net Income margin (%) | 9% | 11% | |
| EPS (Not Annualized) | 1.38 | 1.61 | |