



HT Media Limited

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Total revenue up 12% to Rs. 13,360 million for FY 2009 & 6% to Rs. 3,375 million for Q4 FY 2009

FY 2009 EBITDA margin at 16% despite cost pressures and financial headwinds

New Delhi, 18 May 2009.

HT Media Limited today announced its financial results for the fourth quarter and year ended 31 March, 2009. The highlights of the firm's operational and financial performance in 2008-09:

- **HT Media maintains prime position among readers according to the Indian Readership Survey, Round 1 2009 released in May 2009**
 - **Hindustan Times maintains its leadership position in Delhi and the national capital region, while growing by 4% in Mumbai**
 - **Hindustan continues to be the third largest, but fastest growing Hindi daily**
 - **Mint, India's second largest business daily, grows its readership by 25%, significantly narrowing the gap with the market leader in key markets**
- **Radio gains traction across stations; becomes No.1 station in Mumbai and Bengaluru while maintaining its No.2 position in Delhi**
- **Job portal 'Shine' crosses 2.2 million user registrations; focuses on leveraging offline synergies by revamping its print offering 'Shine weekly'**
- **Cost optimization initiatives help increase company's profitability and create a strong growth platform**
- **Dividend recommended - 15%**

Q4 FY2009 performance overview

(All comparisons with Q4 FY2008)

- Despite the prevailing tough macro environment for advertising across sectors, total revenue has increased to Rs. 3,375 million in Q4 FY2009 as compared to Rs. 3,172 million in the corresponding quarter last year primarily on account of:
 - Rs. 74 million from the merger of the radio business effective from 1 January 2009.
 - 5% increase in advertisement revenue of the publishing segment to Rs. 2,797 million in Q4 FY2009 from Rs. 2,655 million in Q4 FY 2008.
- EBITDA has declined to Rs. 503 million in Q4 FY 2009 from Rs. 724 million in Q4 FY 2008; operating profits are subdued as a result of higher newsprint prices and adverse foreign currency movements. In addition, the adverse economic environment has also led to a slowing in advertising revenue resulting in a decline in EBITDA.
- PAT decreased to Rs. 234 million in Q4 FY 2009 from Rs. 416 million in Q4 FY 2008 primarily on account of higher newsprint prices; adverse foreign currency movements; slowing growth in advertising revenue; and exceptional items namely provision for decline in value of long term investments.
- EPS stood at Rs. 1.00.

FY2009 performance overview

(All comparisons with FY2008)

- Total revenue has increased 12% to Rs. 13,360 million from Rs. 11,974 million primarily on account of:
 - Rs. 74 million arising from the merger of Radio business effective from 1 January 2009.
 - 11% increase in advertisement revenue of publishing segment to Rs. 11,299 million in FY2009 from Rs. 10,137 million in FY 2008.
- EBITDA has declined to Rs. 2,200 million in FY 2009 from Rs. 2,636 million in FY 2008; operating profits are subdued as a result of higher newsprint prices and adverse foreign currency movements.
- PAT decreased to Rs. 852 million in FY 2009 from Rs. 1,445 million in FY 2008 primarily on account of higher newsprint prices, adverse foreign currency movements; slowing growth in advertising revenue; and exceptional items namely consultancy charges for drawing up of strategic plans for new areas of business and provision for decline in value of long term investments.
- EPS stood at Rs. 3.64

The Board of Directors at their meeting on May 18, 2009 also recommended a dividend of 15% translating to Rs 0.30 per equity share of face value Rs 2.

Commenting on the performance for Q4 & FY2009, Mrs. Shobhana Bhartia, Chairperson and Editorial Director, HT Media, said:

“I am pleased to report an encouraging financial performance despite the challenges in the macro environment. While our current operations have turned out steady results, our investments in new initiatives will ensure that we maintain our growth going forward.

Our results for the full year indicate a tenacity of purpose in the face of strong global economic turbulence. In spite of the economic headwinds, our business strategy has made heartening progress. We have increased our penetration in the Hindi heartland and have consolidated our position in the English dailies segment. We are delighted with the progress made by Mint and Radio. Both have established an enduring brand presence. Our operations in the Internet segment continue to vindicate our trust placed in them.

We remain committed and are on course in implementing our growth plans which combined with the results they have already yielded, encourages me to remain confident of our performance outlook going forward.”

Q4 FY2009 & FY2009 - Operational progress and highlights

• Latest Indian Readership Survey validates the progress made by HTML across its businesses

HT Media's dailies maintain strong growth in readership across India as per IRS survey 2009 Round 1 released in May 2009:

- Hindustan Times, the second largest English daily in India continues to maintain its leadership position in Delhi NCR while the Mumbai edition continues its upward trend with a 4% growth in readership.
- Hindustan, the third largest newspaper in the country continues to witness healthy momentum. Overall, average issue readership grew by 1% while registering 6% growth in the UP region, thus reducing the gap significantly with the competition.
- Mint witnessed a growth of almost 25% in readership to 175,000 across India. Mint has clearly established itself as a strong no.2 in the business daily segment while reducing the gap significantly with the competition.

• Hindustan Times wins India's leading journalism award while maintaining its strong foothold and market share in tough advertising market

Hindustan Times has won the Ramnath Goenka Excellence in Journalism Awards 2007-08 that is regarded as India's leading journalism prize. This is a reflection of the Company's determination to practice journalism of a kind that makes a difference to the lives of its readers while increasing its market share in Delhi & Mumbai markets. In addition, the company is undertaking trail runs for its 'state of the art' printing facility in Mumbai, which is expected to

commence shortly. The launch of the new printing facility will provide further impetus to growth in Mumbai.

- **Hindustan continues to show robust growth along with the launch of a printing facility at Allahabad**

On the back of robust growth in advertising revenue of Hindustan, the company continues to invest aggressively in UP. In continuation of the expansion strategy of Hindustan, HT Media inaugurated its printing facilities at Allahabad in January 2009 enabling a deeper reach in key towns of UP. The company intends to further grow its presence in UP by launching new printing facilities in two other key towns in the near future. This will enable HT Media to achieve operational efficiencies and build a strong leadership position across the Indo Gangetic belt i.e. states of Bihar, Jharkhand, UP, Uttarakhand and Delhi.

- **Radio gaining traction across stations; has become No.1 station in Mumbai and Bengaluru while maintaining its No.2 position in Delhi**

Despite the weakening advertisement market in metros, HTML's radio business has done well in 4QFY09. This has been primarily on account of focused footprint in four metro cities, unique programming format, robust revenue growth with focus on local advertisers and cost control measures. In addition, the listenership continues to grow in all the metro cities.

- **Mint continues to strengthen its position in business dailies segment**

Despite weak advertising markets, Mint continued to gain traction on the back of latest IRS results and strong readership. Mint continues to be the second largest business daily with a readership of 175,000 across India. The company plans to expand footprint of Mint with the Kolkata edition that will be launched shortly and other editions that will be launched later in the year.

- **Shine database crosses 2.2 million; focusing on leveraging offline online synergy through revamp of its print offering 'Shine weekly'**

In order to leverage synergies between its offline and online offerings, HTML has revamped its print jobs supplement, and branded it 'Shine weekly'. Apart from differentiation on account of the product, namely a unique patented matching technology, world class design, salary benchmarking utility, privacy and anonymity protection tools that make this website unique in India, Shine weekly will make Shine a more acceptable and a clearly differentiated proposition as compared to the competition. Because of its increasing popularity, Shine.com, a job portal launched in June 2008 through a wholly owned subsidiary Firefly e-Ventures Limited, currently has 2.2 million registered users.

- **Cost optimization measures initiated earlier start yielding results**

HTML initiated various cost optimization measures across the organization such as the rationalization of newsprint consumption, overheads and manpower optimization that have started yielding the desired results in terms of enhanced efficiency. These benefits have been realized partly in Q4 FY2009 and are expected to contribute towards profitability going forward.

Outlook

Despite the economic slowdown, the outlook of the company remains promising on the back of several initiatives undertaken:

- Focused approach towards revenue generation and cost optimization measures such as the increase in cover prices, reduction in newsprint consumption through rationalization of grammage and pagination, rationalization of overheads and manpower, will add to the profitability in the near future
- Strong balance sheet with a net debt of Rs. 2,075 million as at 31 March 2009 provides us a stable platform to execute our expansion plans across businesses
- Investments made in Hindustan and Radio have started showing results and expected to contribute significantly going forward
- Strong readership growth in Mint should translate into commensurate revenue going forward. Expansion in Kolkata and Chennai in the near future will complete the national presence.
- Continued investment in Internet and mobile marketing segment will enable us to offer the consumers a complete package in advertising across markets and products

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's subsidiary HT Music and Entertainment Company Limited 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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Note: *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. HT Media 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.*

Financial Performance of HT Media Limited (Standalone)

(Rs. in lacs)

Particulars	Three months ended			Year ended		
	31.03.2009 (Unaudited)	31.03.2008 (Unaudited)	Shift (%)	31.03.2009 (Audited)	31.03.2008 (Audited)	Shift (%)
Net Sales / Income from operations	33,382	31,335	7%	132,304	118,623	12%
Other Operating Income	367	383	-4%	1,296	1,113	16%
Total Revenues	33,749	31,718	6%	133,600	119,736	12%
Other income	642	848	-24%	2,177	2,956	-26%
Total Income	34,391	32,566	6%	135,777	122,692	11%
(Increase)/Decrease in Inventory	24	24		(10)	35	
Consumption of Raw Materials	12,825	11,183	15%	54,020	45,582	19%
Employees Cost	5,942	4,974	19%	20,358	17,558	16%
Advertising and Sales Promotion	2,896	2,599	11%	11,474	9,202	25%
Other Expenditure	7,676	6,543	17%	27,932	23,952	17%
Total Expenditure	29,363	25,323	16%	113,774	96,329	18%
EBITDA	5,028	7,243	-31%	22,003	26,363	-17%
EBITDA margin (%)	15%	22%		16%	21%	
Depreciation	1,553	1,171	33%	5,501	4,467	23%
Interest & finance charges	910	432	111%	3,169	1,773	79%
Profit before tax	2,565	5,640	-55%	13,333	20,123	-34%
PBT margin (%)	7%	17%		10%	16%	
Exceptional Items	603	-		1,882	-	
Tax Expense	(381)	1,481	-126%	2,928	5,668	-48%
Net income	2,343	4,159	-44%	8,523	14,455	-41%
Net Income margin (%)	7%	13%		6%	12%	
EPS	1.00	1.78		3.64	6.17	

Disclosure of Consolidated Financial Results: Total Income: Rs. 13,796 million (previous year Rs. 12,471 million), Net Profit after Tax: Rs. 9 million (previous year Rs. 1,013 million) and EPS: Rs. 0.04 (previous year Rs. 4.33) on face value of Rs. 2/-.

Consolidated results comprise of results of the Company and its three wholly owned Subsidiary, three partly owned subsidiary and a 50% owned Joint Venture.