



# HT Media Ltd

(NSE: HTMEDIA; BSE: 532662)

**Q3 FY2016 Earnings Presentation**  
**January 27, 2016**

# Table of Contents

Particulars	Slide no
Financial Highlights	3
Operational Highlights	5
Financial Overview	7
About Us	10
Contact Us	12

Conference Dial-In Numbers (January 28, 2016 at 10:00am IST)	
Primary Number	<b>+91 22 3960 0894/+91 22 6746 8394</b>
Local Access Number	<b>6000 1221</b>
<i>The numbers listed above are universally accessible from all networks and all countries</i>	
Toll Free Number	<b>USA - 1866 746 2133 UK - 0808 101 1573 Singapore - 800 101 2045 Hong Kong - 800 964 448</b>

## Management Commentary

Commenting on the results and performance, **Mrs. Shobhana Bhartia, Chairperson and Editorial Director, HT Media** said:

*“We are happy to report a strong quarter of growth across all our core businesses on the back of an increase in advertising spends during the festive season. Growth in revenue and our continuing focus on costs have resulted in higher profitability.*

*Our Hindi business continues to grow profitably; HT Mumbai & HT Delhi businesses saw year-on-year revenue growth; we successfully re-launched the Chennai radio station; and our digital businesses have reduced losses even as they have grown revenues.*

*With momentum on our side, we expect to close the financial year on a strong note. The company is well positioned to seize any opportunity that comes its way.”*

## Highlights – Q3 FY2016 vs. Q3 FY2015

- Total Revenue increased by 9% to Rs. 7,082 million.
- Advertising Revenue grew by 9.2%; Circulation Revenues grew by 4.8% vs. last year.
- EBITDA was up by 11.6% at Rs. 1,457 million; EBITDA margins at 20.6% vs. 20.1% last year.
- PAT was up by 9.4% at Rs. 809 million; PAT margins of 11.4% same as last year.
- Strong balance sheet position with Net Cash of Rs. 7,968 million.
- EPS for the quarter stood at Rs. 2.96 as compared to Rs. 2.75 in the last year.

# Financial Highlights

## Q3 FY16 (y-o-y and q-o-q)

Rs. million	Q3		y-o-y	Q3	Q2	q-o-q
	FY2016	FY2015	Growth (%)	FY2016	FY2016	Growth (%)
Advertising Revenues	5,425	4,967	9.2%	5,425	4,742	14.4%
Circulation Revenues	769	734	4.8%	769	754	2.1%
Other Revenues	888	798	11.3%	888	976	-9.0%
<b>Total Revenues</b>	7,082	6,499	9.0%	7,082	6,472	9.4%
Consumption of Raw Materials	1,909	1,925	-0.8%	1,909	1,790	6.7%
Employee Cost	1,438	1,205	19.4%	1,438	1,436	0.2%
<b>EBITDA</b>	1,457	1,306	11.6%	1,457	1,083	34.6%
<i>Margin (%)</i>	20.6%	20.1%		20.6%	16.7%	
<b>Profit after Tax (PAT)</b>	809	739	9.4%	809	480	68.5%
<i>Margin (%)</i>	11.4%	11.4%		11.4%	7.4%	
<b>Basic EPS (Rs.)</b>	2.96	2.75	7.6%	2.96	1.56	89.7%

# Operational Highlights

HTML has the second largest read newspapers in English, Hindi and Business Daily segments  
- 2014 IRS Results

	<u>2014 IRS Readership</u>	<u>2013 IRS Readership</u>
HT <sup>1</sup> - All India	4.52 million	4.34 million
HT Delhi NCR	2.30 million	2.27 million
HT Mumbai	1.44 million	1.36 million
Mint <sup>2</sup>	0.30 million	0.27 million
Hindustan (HH) - All India	14.75 million	14.25 million
HH UP & UT	8.09 million	7.63 million
HH Bihar	4.38 million	4.27 million
HH Jharkhand	1.31 million	1.40 million
HH Delhi NCR	1.07 million	1.06 million

<sup>1</sup>Hindustan Times; <sup>2</sup>Mint:Business Daily

## Digital business continues to grow robustly

- 43% increase in revenue from Digital segment to Rs. 382 million from Rs. 267 million in the same quarter last year.
- Shine.com registered revenue growth of 23.1% in Q3'FY16 vs. Q3 last year.
- HT Mobile registered a revenue growth of 81.6% in Q3'FY16 vs. Q3 last year.

## Radio business progressing at a steady pace

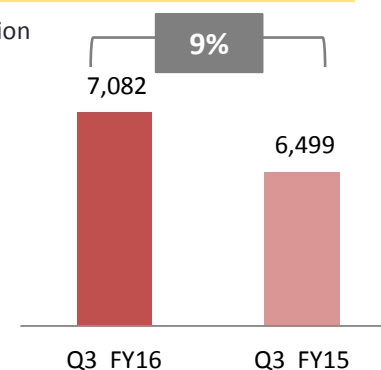
- 25% increase in reported revenue to Rs. 323 million in Q3'FY16 from Rs. 258 million in Q3 last year driven by advertising revenue growth in festive season.
- EBITDA down by (22.6%) to Rs. 107 million from Rs. 138 million owed to Chennai launch and impact of higher license fee costs; Margins at 31.2% vs. 47.8% during same period last year.

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

## 1 Revenue

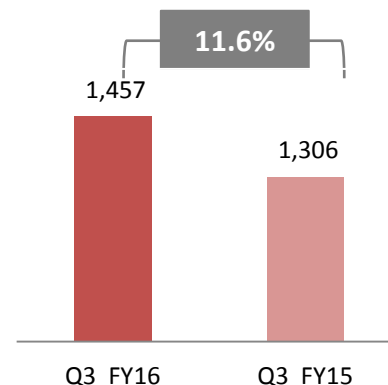
- Total revenue up 9% at Rs. 7,082 million from Rs. 6,499 million :
  - 9.2% increase in advertising revenue to Rs. 5,425 million from Rs. 4,967 million primarily due to increase in advertising volumes being partially off-set by drop in yields.
  - 4.8% increase in circulation revenue to Rs. 769 million from Rs. 734 million due to higher circulation as well net realization rate per copy.

\* Rs. Million



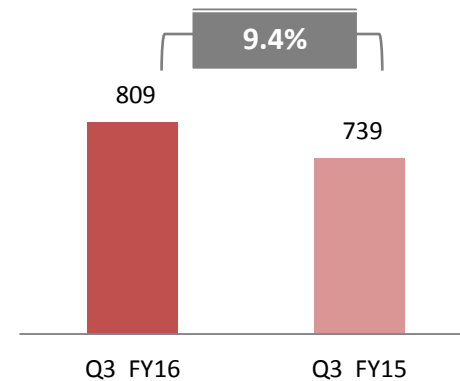
## 2 EBITDA Margin

- EBITDA 11.6% higher than last year at Rs. 1,457 million from Rs. 1,306 million primarily due to :
  - Increase in topline and decline in raw material costs by 0.8%, being partially offset by
  - (19.4%) increase in employee costs to Rs. 1,438 million on account of new hiring and increments impact; and,
  - (10.8%) increase in selling, general & admin expenses.



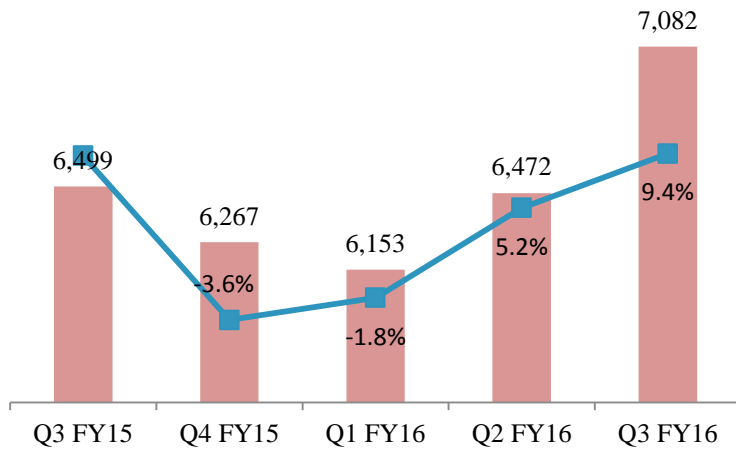
## 3 Profit After Tax

- PAT up by 9.4% to Rs. 809 million from Rs. 739 million primarily due to higher EBITDA being partially off-set by higher interest costs on Radio related borrowings and higher tax charge.

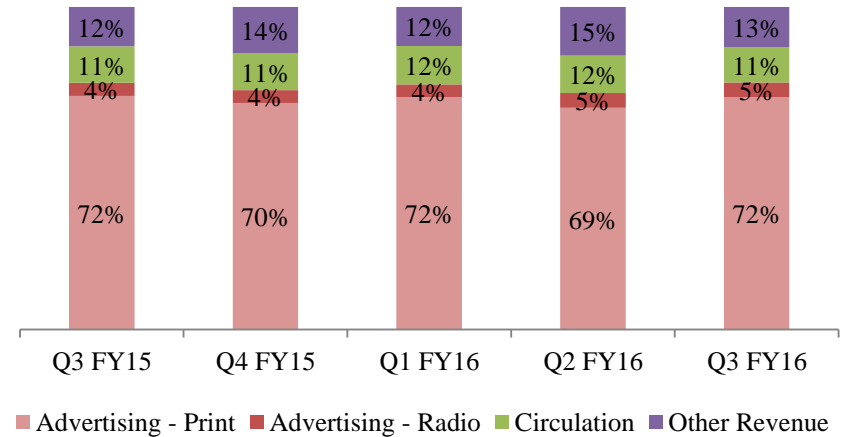


# Financial Overview – Quarterly

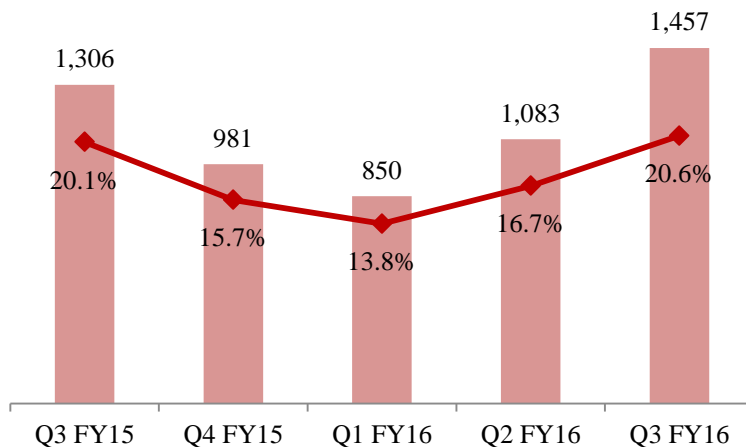
## Revenue (Rs. Million) and Growth (%)



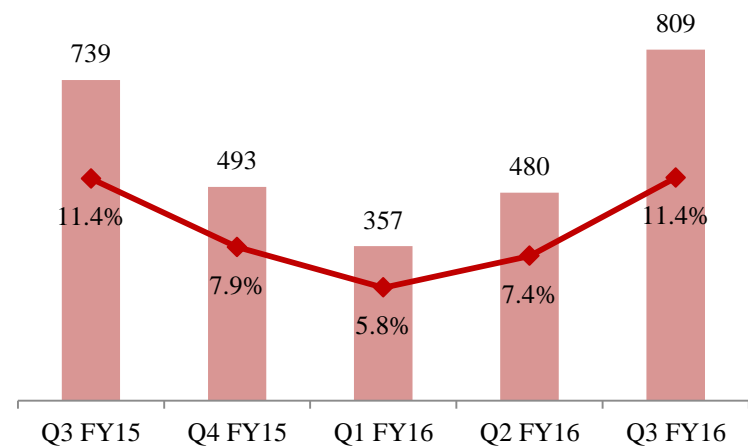
## Revenue Breakdown (%)



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



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





# Financial Overview – P&L

Particulars <i>(Rs. in millions, except EPS data)</i>	Three months ended		
	31.12.2015 (Un- audited)	31.12.2014 (Un- audited)	Shift (%)
Net Sales / Income from operations	6,749	6,015	12%
Other Operating Income	62	40	54%
<b>Total Income from operations</b>	<b>6,811</b>	<b>6,055</b>	<b>12%</b>
Other income	271	444	-39%
<b>Total Income</b>	<b>7,082</b>	<b>6,499</b>	<b>9%</b>
(Increase)/Decrease in Inventory	(8)	2	
Consumption of Raw Materials	1,909	1,925	-1%
Employees Cost	1,438	1,205	19%
Other Expenditure	2,286	2,061	11%
<b>Total Expenditure</b>	<b>5,625</b>	<b>5,193</b>	<b>8%</b>
<b>EBITDA</b>	<b>1,457</b>	<b>1,306</b>	<b>12%</b>
<b>Margin (%)</b>	<b>20.6%</b>	<b>20.1%</b>	
Depreciation	247	248	0%
Interest & finance charges	209	107	95%
<b>Profit before tax</b>	<b>1,001</b>	<b>951</b>	<b>5%</b>
<b>Margin (%)</b>	<b>14.1%</b>	<b>14.6%</b>	
Exceptional Items	-	139	
Tax Expense	193	72	167%
<b>Profit after tax</b>	<b>809</b>	<b>739</b>	<b>9%</b>
<b>Margin (%)</b>	<b>11.4%</b>	<b>11.4%</b>	
Minority interest - (Profit) / Loss	(121)	(94)	
<b>Net Income</b>	<b>688</b>	<b>640</b>	<b>8%</b>
<b>Margin (%)</b>	<b>9.7%</b>	<b>9.8%</b>	
<b>EPS (non annualised)</b>	<b>2.96</b>	<b>2.75</b>	



## Strategic Focus

### Near Term Outlook

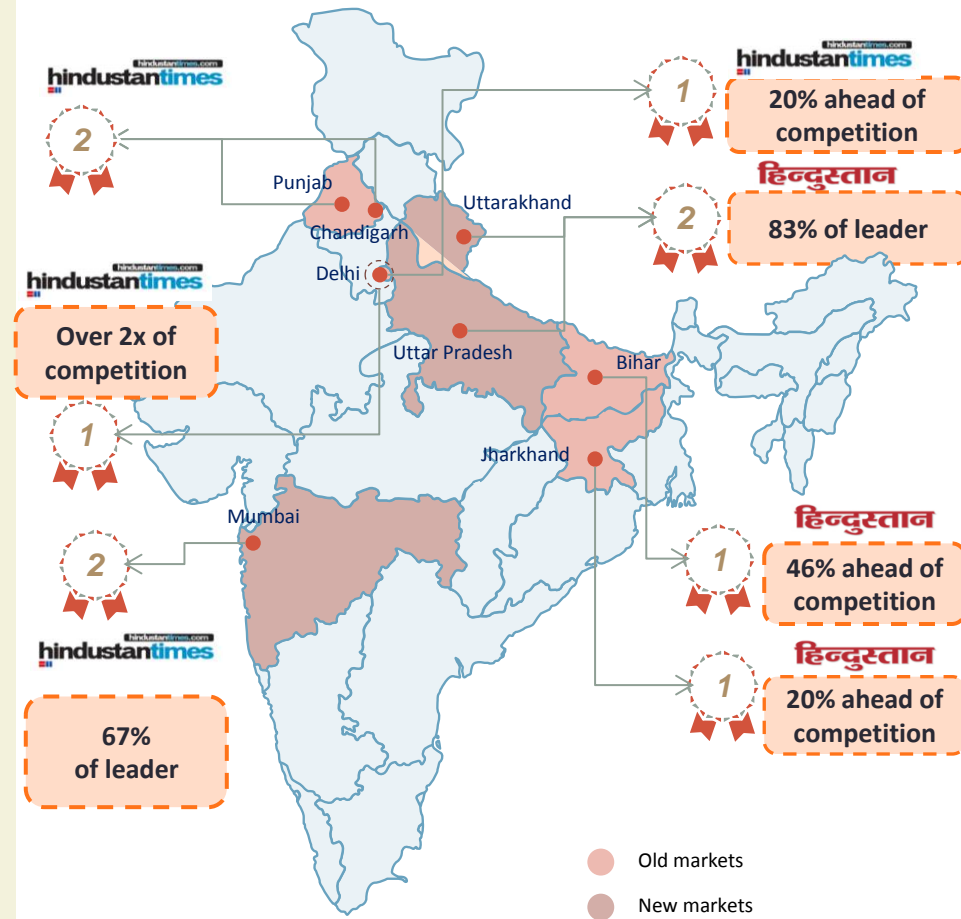
- Operationalize new Radio stations acquired in Phase-III auctions.
- Improve profitability of Digital segment by focusing on growing revenue exponentially.
- Leverage the strong balance sheet (net cash of Rs. 7,968 million) to fund expansion.



## Company Background

- HTML is one of the leading print media companies engaged in the printing and publishing of ‘Hindustan Times’, ‘Hindustan’ (thru its subsidiary) and ‘Mint’, the second largest newspaper dailies of India based on total readership in English, Hindi and Business segments respectively.
- ‘Hindustan Times’ was started in 1924 and has a more than 85-year history as one of India’s leading newspapers.
- The Company has four FM radio stations - “Fever 104” in Delhi, Mumbai, Bengaluru and Kolkata. Post Phase-III auctions wherein we have won 10 stations and acquisition of a station in Chennai, we will have radio footprint across 6 metro markets and in all key towns of UP.
- The Company also operates a job portal in the internet space, called www.Shine.com. This is in addition to the existing websites livemint.com and hindustantimes.com.
- HT Media also publishes two Hindi magazines Nandan and Kadambini through its subsidiary Hindustan Media Ventures Limited.

## Market Leadership Positions



Pan-India content distribution footprint across traditional (Print and Radio) and new-age digital channels (e.g. Internet and Mobile)





*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.*

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