



HT Media Limited

Hindustan Times House, 18-20, Kasturba Gandhi Marg, New Delhi-110001

www.hindustantimes.com

**HT Media Ad Revenues up 20 % in Q1 FY 2008 at Rs 2,350 million
EBITDA at Rs 659 million**

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- ***Strong operating performance in a slow industry***
 - ***Focus on efficiencies and cost rationalisation***
 - ***Growth/operating performance outlook strong***

New Delhi, 31 July 2007

HT Media Limited today announced its financial results for the quarter ended June 30, 2007.

In Q1 FY 2008, the Company's revenues were up by 14% at Rs 2,733 million compared to Rs 2,391 million supported by ad revenue growth of 20%. EBITDA increased by 9% to Rs 659 million compared to Rs 606 million in Q1 FY2007, while PBT (Profit before tax) improved 8% to Rs. 511 million. PAT (Profit after tax) rose by 12% to Rs. 342 million translating to an EPS of Rs 1.46 (not annualized) for the quarter under review.

Commenting on the performance for Q1 FY2008, Mrs. Shobhana Bhartia, Vice Chairperson and Editorial Director, HT Media, said:

"Our business performance has been encouraging. Both our recent launches namely the business paper "Mint" and "Fever 104" are enjoying increasing consumer connect and advertising interest. The core operations showed significant improvement in the profitability margins and the Hindi segment is especially gaining significant traction both in readership & advertising. Going forward I am confident that with our existing capabilities, brand recognition and strong consumer relationships we will reap the benefits of increasing operating leverage and drive further growth."

Q1 FY2008 performance overview

(All comparisons with Q1 FY2007)

- Ad revenue grew by 20% while total revenues increased by 14% to Rs. 2,837 million from Rs.2,479 million
- Operating profit (EBIDTA) higher by 9% at Rs. 659 million from Rs.606 million
- PAT increased by 12% to Rs.342 million from Rs. 306 million
- EPS (non-annualized) stood at Rs. 1.46

Q1 FY2008 Operational progress and highlights

- **Margin expansion**

The EBITDA margin for the quarter was at 23% driven by efficiencies and productivity initiatives, excluding the investments in new businesses EBITDA margin was at 28%.

- **'Mint' becomes No.2 Business paper in the country**

In Q4' FY 2007 the company has entered business paper segment with launch of 'Mint' in association with The Wall Street Journal. Mint provides advertisers with a very premium & differentiated reader base. Response to the website www.livemint.com, which is a fully integrated financial portal providing business news, stock quotes, alerts, etc. has also been positive

- **'Fever 104' offers new and innovative products and earns a loyal consumer base**

The Company launched 'Fever 104' FM in Delhi, Mumbai and Bangalore cities during the last year. Fever has already been successful in earning a defined target audience & consequently ad volume shares in a very short span of time. Also the unique promotions like "Fever Bolo" & "Tick Tok Bingo" has helped Fever to rapidly acquire a loyal consumer base.

- **HT Mumbai edition continues to do well**

The Hindustan Times, Mumbai edition, which was restaged on 1st January 2007, continues to gain momentum and gained market share backed by improved product & brand salience.

**HT MEDIA LIMITED**

Regd. Office: Hindustan Times House, 18-20, Kasturba Gandhi Marg, New Delhi - 110001, India
UNAUDITED FINANCIAL RESULTS FOR THREE MONTHS ENDED JUNE 30, 2007

(Rs. in lacs)

Sl. No.	Particulars	Three months ended		Year ended
		30.06.2007	30.06.2006	31.03.2007 (Audited)
1	Net Sales/Income from Operations	27,334	23,913	103,929
2	Interest/Income from Investments	732	520	2,343
3	Other Income	300	353	1,685
	Total Income	28,366	24,786	107,957
4	Total Expenditure			
	a) (Increase)/Decrease in stock in trade	(9)	(12)	(27)
	b) Consumption of Raw Materials	10,868	9,531	43,201
	c) Staff Cost	4,022	3,548	14,768
	d) Advertising and Sales Promotion	1,446	846	6,378
	e) Other Expenditure	5,450	4,811	20,564
	Total Expenditure	21,777	18,724	84,884
5	Earning Before Interest, Depreciation/Amortisation, Exceptional Items and Tax (EBITDA)	6,589	6,062	23,073
6	Interest	418	338	1,425
7	Depreciation/Amortization	1,064	962	3,971
8	Profit Before Exceptional Items and Tax	5,107	4,762	17,677
9	Exceptional Items - Separation Scheme Compensation	-	26	26
10	Profit Before Tax	5,107	4,736	17,651
11	a) Provision for taxation	1,613	1,598	5,780
	b) Fringe Benefit Tax	78	75	365
12	Net Profit after Tax	3,416	3,063	11,506
13	Paid-up Equity Share Capital (Face value - Rs. 2 per share)	4,685	4,685	4,685
14	Reserves excluding revaluation reserves	-	-	73,699
15	Basic & Diluted Earning Per Share (in Rs.)	1.46 (not annualized)	1.31 (not annualized)	4.91
16	Aggregate of Public Shareholding			
	Number of shares (Face value - Rs. 2 per share)	73,243,945	73,243,945	73,243,945
	Percentage of shareholding	31.27%	31.27%	31.27%

Notes :

- The above results have been subjected to "Limited Review" by the Statutory Auditors in terms of Clause 41 of the Listing Agreement.
- The above results as reviewed by the Audit Committee have been approved by the Board of Directors at its meeting held on July 31, 2007.
- The Company is engaged in the business of Printing and Publication of Newspapers and Periodicals and there are no other reportable segments as per Accounting Standard 17 on Segment Reporting.
- Provision for Taxation comprises Current Tax Expense and Deferred Tax Charge.
- Consequent to the adoption of revised Accounting Standard 15 on "Employee Benefits" by the Company, with effect from 1st April 2007 the differential liability towards leaves for the current quarter amounting to Rs. 20 lacs has been accounted under Employee Cost and additional liability for past period amounting to Rs. 205 lacs (net of tax of Rs. 105 lacs) has been adjusted against the opening balance of Revenue Reserve, as per the transitional provisions.
- During the quarter, in view of notification issued by the Ministry of Corporate Affairs dated December 07, 2006 prescribing the Companies (Accounting Standards) Rules 2006, the Company has changed the accounting policy related to recognition of foreign exchange fluctuation on fixed assets. The foreign exchange fluctuation, if any, is now being charged/ credited to the profit and loss account, which till previous year was adjusted to the carrying value of respective assets. During the current quarter there are no foreign exchange fluctuation on fixed assets.
- During the quarter, the Company has formed a wholly owned subsidiary company namely, Medialab Web Solutions Limited with an initial equity capital investment of Rs. 50 lacs. The Company has also made an additional investment of Rs. 1,250 lacs in Preference Shares of its subsidiary company namely, HT Music and Entertainment Company Limited.
- The Board of Directors of the Company have accorded in-principle approval for the sale/transfer of 'Hindi Business' of the Company as a separate undertaking to a subsidiary company.
- Details of number of Investor complaints/queries for the quarter ended June 30, 2007 : Pending at the beginning Nil; Received 15; Disposed off 15; Pending at the end Nil.
- Previous period/year figures have been regrouped, wherever considered necessary.

For and on behalf of the Board of Directors

New Delhi
July 31, 2007

SHOBHANA BHARTIA
Vice Chairperson & Editorial Director



About HT Media Limited

HT Media Limited is one of India's foremost media companies, and home to two leading newspapers in the country in English and Hindi languages - *Hindustan Times* (the flagship English daily) and *Hindustan* (Hindi daily). *Hindustan Times* was started in 1924 and it has an 80-year history as one of India's leading newspapers. As part of its strategy to expand its national presence, the company launched *Hindustan Times* in the Mumbai market on July 14, 2005. HT Media Ltd. has a significant online presence with HindustanTimes.com and also publishes two Hindi magazines *Nandan* and *Kadambini*.

The company has 15 printing facilities across the nation, with a total installed capacity of approximately 1.5 million copies per hour.

For further information please contact:

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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.

Details to the announcement

Financial overview

- Revenues
- Total Expenditure
- Operating profits
- Finance cost
- PBT
- PAT & EPS

Outlook

Financial overview

Revenues

Particulars (Rs. Mn)	Q1 FY2008	Q1 FY2007	Shift
Turnover	2,733	2,391	14%
Interest/Income from investments	73	52	41%
Other Income	30	35	(15%)

- Advertisement revenue for the quarter grew by 20% to Rs. 2345 million driven by strong growth in Hindi, which grew by 40% during the quarter over last year.
- Interest income increased by 41% due to driven by higher interest rate environment.
- Other income was lower due to discontinuing of job-work income in Mumbai.

Total Expenditure

Particulars (Rs. Mn)	Q1 FY2008	Q1 FY2007	Shift
Raw material	1,087	953	14%
Employee cost	402	355	13%
Advt & sales promotion	145	85	71%
Other expenditure	545	481	13%

- Newsprint cost increased by 14% due to increased page levels & circulation in Mumbai and Mint, however newsprint prices moved favorably during the quarter.
- Employee cost were higher by 14% on account of increased headcount for Mint
- Advertisement and sales promotion expenditure increased by 71% due to aggressive growth initiatives undertaken for Mint & Mumbai. Also company invested behind various initiatives like Campus calling, World Music day etc to build consumer connect & improve brand salience.

Operating profits

Particulars (Rs. Mn)	Q1 FY2008	Q1 FY2007	Shift
EBIDTA	659	606	9%

- EBIDTA for the quarter under review increased by 9% to Rs 659 million compared to Rs 606 million during Q1 FY2007
- A concerted focus on enhancing efficiencies and driving productivity helped to increase EBIDTA margins despite much higher level of brand expenses. EBITDA margin for the quarter was 23% up by 4% over previous quarter (4Q FY2007). Excluding investment in new initiatives the EBITDA margin was at 28% up 4% points over Q1 Last year
- Impact of new investments on EBITDA in Q1 FY'08

EBITDA	Rs	659 Million
Mint	Rs	(94) Million
New Hindi locations	Rs	(17) Million
EBITDA excld New investments	Rs	770 Million

Finance Cost

Particulars (Rs. Mn)	Q1 FY2008	Q1 FY2007	Shift (%)
Interest	42	34	24%

- Interest cost increase was driven by higher interest rate environment

Profit Before Tax

Particulars (Rs. Mn)	Q1 FY2008	Q1 FY2007	Shift
PBT	511	474	8%

- Profit before tax increased to Rs 511 million during the quarter under review compared to Rs 474 during Q1 FY2007

Net Profits and EPS

Particulars (Rs. Mn)	Q1 FY2008	Q1 FY2007	Shift
PAT	342	306	12%
EPS (not annualized)	1.46	1.31	12%

- HT Media's PAT was higher by 12% at Rs 342 million during the quarter under review compared to Rs 306 million during Q1 FY2007
- As a result EPS for Q1 FY2008 was at Rs 1.46 an increase of 12% compared to Rs 1.31 during Q1 FY2007
- PAT margin at 12% are higher by 4% over 4Q 2007 and same as Q1 FY'2007 margin.

Outlook

- The outlook for FY 2008 continues to be strong on the back of the Company's entry into the business paper and radio segments along with its growing presence in the Hindi segments
- Advertising revenue momentum is expected to become healthy in Q3 and gain traction during the fourth quarter of the year
- With greater level of efforts being put behind Hindi business, company is now much more focused for the expansion & rapid growth of Hindustan.
- With 'Mint' gradually gaining momentum, HT Media expects it to continue to attract a quality audience
- Radio: With it's unique format & positioning Fever 104 is fast catching up with the youth in the cities of Delhi, Mumbai & Bangalore. Company believes Fever 104 will continue to build strong brand & listnership going forward.
- Backed by successful re-launch of Hindustantimes.com in Q1, the Company is in the process of introducing new websites and portals.