



HT Media Limited

Hindustan Times House, 18-20, Kasturba Gandhi Marg, New Delhi-110001
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**HT Media Ad Revenues up 14% in Q2 FY 2008 at Rs 2,393 million
Q2 FY 2008 PAT increases by 19% to Rs. 319 million
Exciting growth avenues to be pursued in the next six months**

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- **Healthy growth despite industry slow down and enhanced investments towards Mint & Internet**
 - **Agra and Kanpur printing facilities start operations, enabling stronger presence in Uttar Pradesh**
 - **Outlook strong – increasing focus on rapid expansion of Hindi “Hindustan”, Internet and Mint**
 - **Internet – Plan to acquire internet company in social networking and launch classified sites**

New Delhi, 26 October 2007

HT Media Limited today announced its financial results for the quarter and half year ended September 30, 2007.

Q2 FY2008 performance overview
(All comparisons with Q2 FY2007)

- Ad revenue grew by 14% while Total Revenues increased by 12% to Rs. 2,895 million from Rs.2,575 million
- Core Operating profit (EBIDTA) higher by 17% at Rs. 665 million from Rs.566 million; including investments in Mint Operating profits for the quarter improved by 3% to Rs.570 million.
- PAT increased to Rs. 319 million from Rs. 269 million up by 19%
- EPS stood at Rs. 1.36

H1 FY2008 performance overview

(All comparisons with H1 FY2007)

- Ad revenue grew by 16% while Total Revenues increased by 13% to Rs. 5,731 million from Rs.5,054 million
- Core Operating profit (EBIDTA) higher by 20% at Rs.1,418 million from Rs. 1,178 million. Operating profit including Mint investments grew by 6% at Rs.1,229 million.
- PAT increased to Rs. 661 million from Rs. 575 million up by 15%
- EPS stood at Rs. 2.82

Commenting on the performance for Q2 FY2008, Mrs. Shobhana Bhartia, Vice Chairperson and Editorial Director, HT Media, said:

“Our performance during the quarter has been encouraging. We have delivered a healthy growth both in revenue and profit despite higher brand spends and continued investments in new business initiatives. Mint, our newly launched business daily, has in a short period of time established itself as a formidable brand in the market. Our Radio and Internet businesses have given us a multi-media presence, and have helped us better meet the needs of our advertisers and consumers. Going forward, on the back of increased brand strength as well as new business initiatives, I am confident that we will be able to deliver very robust revenue and profit growth.”

Q2 FY2008 Operational progress and highlights

- **Agra and Kanpur printing facilities commence operations**

During the quarter the Company has commenced printing Hindi newspaper at Agra and Kanpur. This will enable HT Media achieve operational efficiencies and reach a wider customer base in the Hindi markets.

- **Mint consolidates its second position in business daily segment with increasing circulation & consumer connect**

Mint is the only business paper in India that is printed on white paper in a European Berliner format, with pages dedicated to news from The Wall Street Journal. The paper has already created a premium position for itself in the business paper market with advertisers as well as readers. The Company plans to launch Mint in Bangalore in the third quarter & follow it up with other key cities in near future.

- **'Fever 104' creates a premium position for itself**

Fever 104 FM which was launched by the Company in Delhi, Mumbai and Bangalore continues to do well and has created a distinct presence for itself in the segment.

- **Hindustantimes.com re-launch**

Hindustantimes.com was re-launched during the quarter with improved product & features. The consumer response to the changes has been very positive reflected in the increased page views. This is in line with the company's objective of becoming a significant player in the internet space.

Outlook

The outlook for FY08 continues to be robust on the back of expected buoyancy in ad revenue during the second half of the year and cost efficiencies coming through newsprint costs reduction and Rupee appreciation.

- **Hindustan:**

HT Media is in the process of transferring its Hindi business into a separate subsidiary through which the company plans to make significant investments in the Hindi business to expand into new geographies, scale up existing editions and become a leader in the Hindi segment.

- **Internet:**

HT Media, through its subsidiary, Firefly e-Ventures Limited, plans to foray into the web space with launch of classified verticals around Jobs, matrimonial & real Estate.

Firefly e-Ventures is in process of acquiring a social networking website which will help the company to establish its presence in the rapidly growing internet space and also complement its other proposed web initiatives.

- **Mint:**

The paper is gradually earning a loyal readership base and the Company plans to expand its geographical presence by introducing the paper in Bangalore during the third quarter and & follow it up with other key cities in near future.

- **Radio:**

HT Media, through its subsidiary, HT Music & Entertainment Company Limited, plans to bid for additional FM radio licenses in the “Phase II bidding for vacant channel” process in third quarter.

HT Music continues to invest in this segment towards brand building and plans to launch its Fever 104 in Kolkata by the end of the year.

- **Events:**

Company is focusing on creating events as separate sizable business with properties like “Leadership Summit”, “Luxury summit” and others which can drive growth as well as brand salience for the company. Company is also organizing a live concert of A.R. Rehman in the third quarter on the first anniversary of launch of Fever 104 in Delhi.

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 and diversify into newer mediums, company recently launched business daily "Mint" and FM radio channel "Fever 104". HT Media Ltd. has a significant online presence with HindustanTimes.com & livemint.com and also publishes two Hindi magazines *Nandan* and *Kadambini*.

The company has 17 printing facilities across the nation, with a total installed capacity of approximately 1.5 million copies per hour.

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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.



HT Media Limited

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

(Rs. in lacs)

Sl. No.	Particulars	Three months ended		Six months ended		Year ended
		30.09.2007	30.09.2006	30.09.2007	30.09.2006	31.03.2007 (Audited)
1	Net Sales/Income from Operations	28,102	24,993	55,436	48,907	103,929
2	Interest/Income from Investments	670	518	1,402	1,038	2,343
3	Other Income	175	240	475	594	1,685
	Total Income	28,947	25,751	57,313	50,539	107,957
4	Expenditure					
	a) (Increase)/Decrease in stock in trade	27	1	18	(12)	(27)
	b) Consumption of Raw Materials	11,267	10,759	22,135	20,290	43,201
	c) Employees Cost	4,233	3,482	8,255	7,030	14,768
	d) Advertising and Sales Promotion	1,982	1,063	3,428	1,909	6,378
	e) Other Expenditure	5,742	4,922	11,192	9,735	20,564
	Total Expenditure	23,251	20,227	45,028	38,952	84,884
5	Earning Before Interest, Depreciation/Amortisation, Exceptional Items and Tax (EBITDA)	5,696	5,524	12,285	11,587	23,073
6	Interest	438	379	856	718	1,425
7	Depreciation/Amortization	1,096	959	2,160	1,921	3,971
8	Profit Before Exceptional Items and Tax	4,162	4,186	9,269	8,948	17,677
9	Exceptional Items - Separation Scheme Compensation	-	-	-	26	26
10	Profit Before Tax	4,162	4,186	9,269	8,922	17,651
11	a) Provision for taxation	890	1,421	2,503	3,020	5,780
	b) Fringe Benefit Tax	78	75	156	150	365
12	Net Profit After Tax	3,194	2,690	6,610	5,752	11,506
13	Paid-up Equity Share Capital (Face value - Rs. 2 per share)	4,685	4,685	4,685	4,685	4,685
14	Reserves excluding revaluation reserves	-	-	-	-	73,699
15	Basic & Diluted Earning Per Share (in Rs.)	1.36 (not annualized)	1.15 (not annualized)	2.82 (not annualized)	2.46 (not annualized)	4.91
16	Public Shareholding					
	Number of shares (Face value - Rs. 2 per share)	73,243,945	73,243,945	73,243,945	73,243,945	73,243,945
	Percentage of shareholding	31.27%	31.27%	31.27%	31.27%	31.27%

Notes :

- The above un-audited results have been reviewed by the Audit Committee and approved by the Committee of the Board of Directors at the meeting held on October 26, 2007. The Statutory Auditors have carried out a "Limited Review" of the above results.
- 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.
- The Company during the current quarter/half year has made substantial investments in its recently launched Business Newspaper "MINT", hence the current quarter/half year figures are not comparable with corresponding quarter/half year of the previous financial year. The adjusted figures are as under: **(Rs./lacs)**

Particulars	Three months ended		Six months ended		Year ended
	30.09.2007	30.09.2006	30.09.2007	30.09.2006	31.03.2007
EBITDA As above	5,696	5,524	12,285	11,587	23,073
EBITDA of Business Newspaper "MINT"	(955)	(138)	(1,895)	(195)	(1,942)

- 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. Pursuant to this change, foreign exchange variation gain for the current quarter amounting to Rs. 7.53 lacs has been credited to the profit and loss account and has been classified under Other Income.
- The Hon'ble High Court of Delhi at New Delhi in terms of the Order passed on 13th September, 2007 has sanctioned the Scheme of Arrangement and Demerger under Section 391 of the Companies Act, 1956 between the Company and Go4i.com (India) Private Limited and their respective shareholders and creditors w.e.f. 1st July, 2006 (Appointed Date). Consequent to the above Order, the results of the demerged undertaking for the period ended September 30, 2007 have been incorporated in the accounts of the Company in the current quarter. Further, loss of Rs. 7.69 lacs of the demerged undertaking for nine months ended March 31, 2007 has been adjusted against Revenue Reserves of the Company as at that date.
- During the quarter, the Company made an additional investment of Rs. 800 lacs in the Preference Share Capital of a subsidiary company namely, HT Music and Entertainment Company Limited. The Company has also given advance against issue of Equity Share Capital amounting to Rs. 200 lacs to the Joint Venture Company namely, Metropolitan Media Company Private Limited. The Company has formed a wholly owned subsidiary company namely, Hindustan Media Limited.
- During the quarter, the members of the Company have passed an Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956 by way of Postal Ballot with requisite and overwhelming majority, regarding sale/transfer of the company's 'Hindi Business' as a separate undertaking on a 'going concern' basis, by way of a slump sale in favour of a subsidiary company.
- During the quarter, the Company has granted Options representing 773,765 equity shares and forfeited Options representing 131,960 equity shares (face value of Rs 2 each). The Options would vest as per the HTML Employee Stock Option Scheme.
- Details of number of Investor complaints/queries for the quarter ended September 30, 2007 : Pending at the beginning - Nil; Received - 30; Disposed of - 30; Pending at the end - Nil.
- The CEO and CFO certificate in respect of the above results in terms of the requirements of Clause 41 of the Listing Agreement, has been placed before the Committee of the Board of Directors.
- Previous period's figures have been regrouped, wherever considered necessary.

For HT Media Limited

New Delhi
October 26, 2007

SHOBHANA BHARTIA
Vice Chairperson & Editorial Director



Details to the announcement

Financial overview

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

Outlook

Financial overview

Revenues

Particulars (Rs. Mn)	Q2 FY2008	Q2 FY2007	Shift (%)	H1 FY2008	H1 FY2007	Shift (%)
Income from operations	2,810	2,499	12%	5,544	4,891	13%
Interest/Income from investments	67	52	29%	140	104	35%
Other Income	18	24	-27%	48	59	-20%

- Advertisement revenue for the quarter grew by 14% to Rs. 2,393 million driven by strong growth in Hindi, which grew by 25% during the quarter over last year
- Interest income for Q2 FY2008 increased by 29% due to Rs 67 million and for H1 FY2008 increased by 35% to Rs 140 million.
- Other income during the quarter under review decreased by 27% to Rs. 18 million compared to Rs. 24 million in Q2 FY07. For H1 FY2008 other income decreased by 20% to Rs. 48 million compared to Rs. 59 million in H1 FY2007.

Total Expenditure

Particulars (Rs. Mn)	Q2 FY2008	Q2 FY2007	Shift (%)	H1 FY2008	H1 FY2007	Shift (%)
Raw material	1,129	1,076	5%	2215	2,028	9%
Employee cost	423	348	18%	826	703	17%
Advt & sales promotion	198	106	87%	343	191	80%
Other expenditure	574	492	14%	1,119	974	15%

- Raw material cost during the quarter under review increased by 5% to Rs 1,129 million compared to Rs 1,076 million in Q2 FY2007. For H1 FY2008 raw material cost increased by 9% to Rs 2,215 million.
- The higher consumption of newsprint on account of increased circulation in Mint, Hindi & Mumbai was offset by, reduced newsprint prices and favorable Rupee movement against the Dollar.
- During Q2 FY2008 employee cost increased by 18% to Rs 423 million compared to Rs 348 million in Q2 FY2007. This increase in employee cost was due to additional employment for Mint and normal annual increments.
- Advertising and sales promotion expenditure increased by 87% to Rs 198 million in Q2 FY2008 compared to Rs 106 million in Q2 FY2007. For H1 FY2008 advertising and sales promotion expenditure increased by 80% to Rs 343 million compared to Rs 191 million in H1 FY2007. The expenditure was high due to growth initiatives undertaken for Mint and Brand investments in Hindi & Mumbai markets.
- For Q2 FY2008 other expenditure increased by 14% to Rs 574 million compared to Rs 492 million in Q2 FY2007. For H1 FY2008 other expenditure increased by 15% to Rs 1,119 million compared to Rs 974 million in H1 FY2007.

Operating profits

Particulars (Rs. Mn)	Q2 FY2008	Q2 FY2007	Shift (%)	H1 FY2008	H1 FY2007	Shift (%)
EBIDTA (excluding investment for Mint)	665	566	17%	1,418	1,178	20%
EBIDTA (including investment for Mint)	570	552	3%	1,229	1,159	6%

- EBIDTA for the quarter under review including investment for Mint is Rs. 570 million an increase of 3% compared to Rs 552 million during Q2 FY2007. EBITDA excluding Mint was Rs 665 million an increase of 17% over last year
- EBIDTA margin for the quarter is at 20%, excluding Mint Margin is 23% against 21% in Q2 FY2006.

Finance Cost

Particulars (Rs. Mn)	Q2 FY2008	Q2 FY2007	Shift (%)	H1 FY2008	H1 FY2007	Shift (%)
Interest	44	38	16%	86	72	19%

- Interest cost increased by 16% in Q2 FY2008 due to hardening of interest environment.

Net Profits and EPS

Particulars (Rs. Mn)	Q2 FY2008	Q2 FY2007	Shift (%)	H1 FY2008	H1 FY2007	Shift (%)
PAT	319	269	19%	661	575	15%
EPS (not annualized)	1.36	1.15	18%	2.82	2.46	15%

- PAT for Q2 FY2008 was higher by 19% to Rs 319 million compared to Rs 269 million in Q2 FY2007 as a result EPS was at Rs 1.36 for Q2 FY2008.
- For H1 FY2008 PAT increased by 15% at Rs 661 million compared to Rs 575 million in H1 FY2007 resulting in an EPS of Rs 2.82 for H1 FY2008.