

Hindustan Media Ventures Limited

Head Office :
C-164, Sector-63, Noida
Dist. Gautam Budh Nagar UP - 201301
Ph. : 0120 - 4765650
E-mail : corporatedept@hindustantimes.com
CIN : L21090BR1918PLC000013

Ref: HMVL/CS/08/2018

19 JUL 2018

The Listing Department
BSE Limited
P.J. Towers, Dalal Street
MUMBAI - 400 001

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No. C/1, G Block
Bandra-Kurla Complex
Bandra (East)
MUMBAI - 400 051

Scrip Code: 533217
Trading Symbol: HMVL

Dear Sirs,

Sub: Presentation on the Un-Audited Financial Results of the Company for the quarter ended on 30th June, 2018


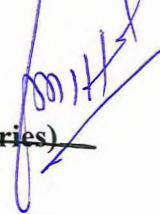
Please find enclosed a presentation on the Un-Audited Financial Results of Hindustan Media Ventures Limited for the quarter ended on 30th June, 2018.

Please acknowledge receipt.

Thanking you,

Yours faithfully,

For Hindustan Media Ventures Limited


(Authorized Signatories)


Encl: As above

Registered Office :
Budh Marg, Patna - 800001
Ph.: 0612-2223434, 2223772, 2223413, 2223314, 2222538
Fax : 0612-2226120

कादम्बिनी

हिन्दुस्तान

नंदन



HT MEDIA GROUP

Q1 FY 2018-19

Consolidated Financial Results

Cautionary Statements

Certain statements in this presentation may be forward-looking statements.

Such forward looking statements are subject to risks and uncertainties like regulatory changes, local political and economic developments, technological risks and many other factors that could cause our actual results to differ materially from those contained in the relevant forward-looking statements.

HT Media Group will not, in any way, be 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.

This is a quarterly webcast presentation, combining information for the public listed companies “HT Media Limited” and its subsidiary “Hindustan Media Ventures Limited”. Key objective of this presentation is to facilitate a unified platform for quarterly performance discussion pertaining to both the companies. It is neither intended to be an exhaustive review nor to provide any trading, financial, legal advice or outlook.

Table of Contents

PARTICULARS	SLIDE NO.
Consolidated Performance	5
Business Unit Performance	8
Print	9
Print – English	11
Print – Hindi (HMVL)	13
Radio	16
Update of Proposed Transaction	18
Annexures	22

Chairperson's Message

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

“Advertising budgets continued to shrink, affecting growth despite a favourable base effect. Our revenue growth was also hit by persisting macroeconomic challenges, although the impact of RERA and GST implementation are both waning, with businesses getting used to them. Our operating performance was also impacted by higher newsprint prices.

Amidst this, our radio business continued to grow in the double digits, and delivered yet another quarter of superior performance even as it improved its profitability. Our products are superior, brands strong and fundamentals of the business solid; but we do anticipate some short-term pressure on both growth and profitability.”

CONSOLIDATED PERFORMANCE

Highlights of the Quarter

Print

- ✓ Launched Hindustan Purnea edition during the quarter
- ✓ Muted corporate earnings and therefore low advertisement spend in Print business
- ✓ Pickup in local advertising even as national advertising growth remains elusive
- ✓ Spike in newsprint rates impacted operating margins



Radio

- ✓ Radio business continues to be on the path of healthy revenue growth in existing as well as new stations
- ✓ Delivered margin expansion with sharp focus on costs



Financial Summary of the Quarter

(Rs Cr)	Q1'18	Q1'19	Change	%
Operating Revenue	584	542	-42	-7%
Operating EBITDA	70	36	-34	-49%
Op EBITDA margin (%)	12%	7%		
PAT [#]	42	6	-36	-86%
PAT margin (%)	6%	1%		
EPS (Rs per Share)	1.8	0.2	-1.5	-86%
Net Cash [*]	1,182	1,228	46	4%

*As at 30th Jun

Includes PAT from discontinued operations

Note: All financials in this presentation correspond to continuing operations, except when stated otherwise

BUSINESS UNIT PERFORMANCE

PRINT

PRINT – ENGLISH

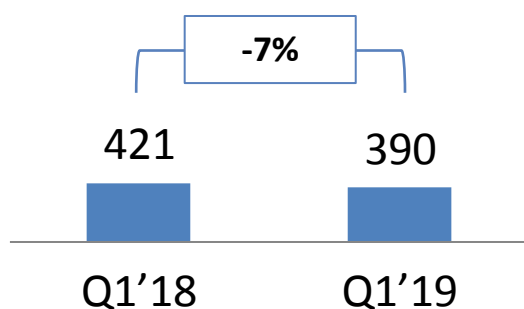
PRINT – HINDI

RADIO

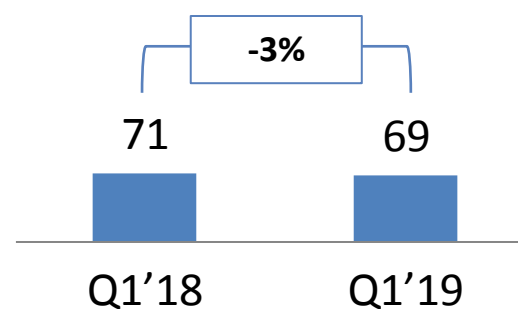
FINANCIAL PERFORMANCE

(Rs Cr)	Q1'18	Q1'19	Change	%
Operating Revenue	513	478	-35	-7%
Operating EBITDA	97	65	-33	-34%
Op EBITDA margin (%)	19%	14%		

AD REVENUE (RS CR)



CIRCULATION REVENUE (RS CR)



Delayed advertising recovery on account of macro factors weighed on performance of the quarter

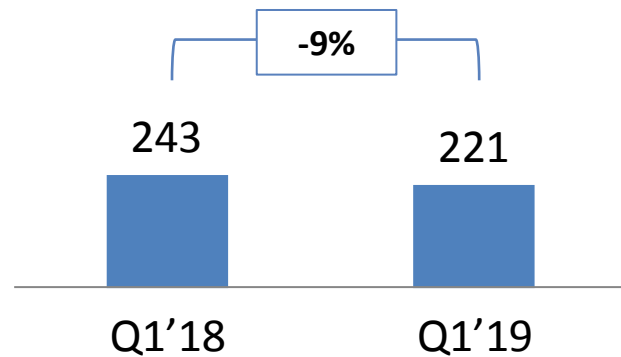
PRINT

PRINT – ENGLISH

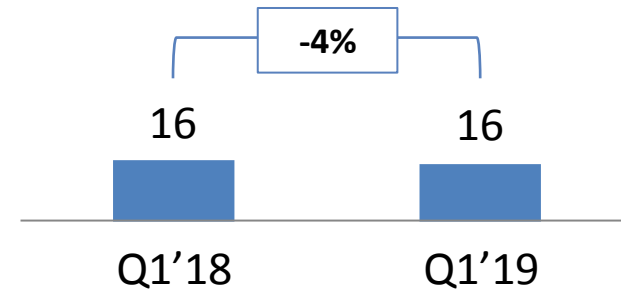
PRINT – HINDI

RADIO

QUARTERLY AD REVENUE (RS CR)



QUARTERLY CIRCULATION REVENUE (RS CR)



REVENUE DRIVERS

- + Key Sectors like Real Estate & E –commerce showed ad revenue growth. Education category posted muted growth.
- + Local to local showing better results backed by yield growth
- Muted ad spends in Government, Auto, Retail, Entertainment and BFSI categories
- National spends muted over last year

PRINT

PRINT – ENGLISH

PRINT – HINDI

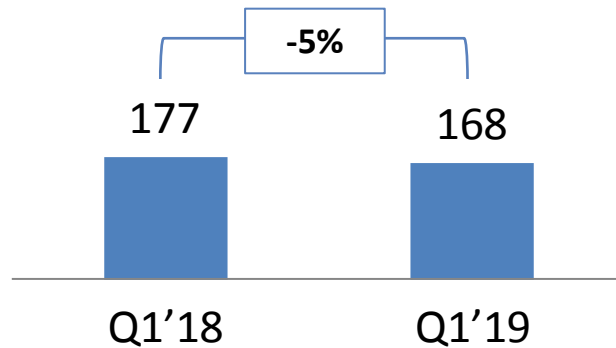
RADIO

FINANCIAL SUMMARY

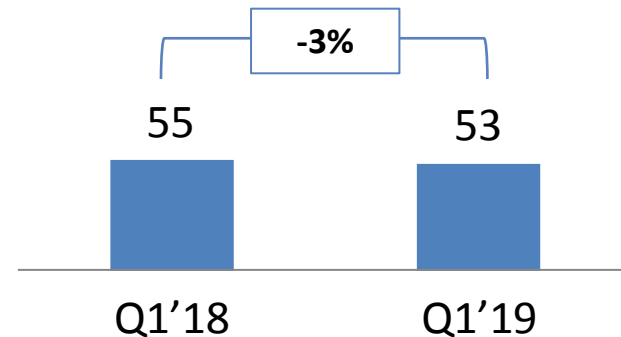
(Rs Cr)	Q1'18	Q1'19	Change	%
Operating Revenue	237	227	-10	-4%
Operating EBITDA	51	19	-32	-62%
Op EBITDA margin (%)	22%	9%		
PAT	48	13	-35	-72%
PAT margin (%)	18%	6%		
EPS (Rs per Share)	6.5	1.8	-4.7	-72%
Net Cash*	875	977	101	12%

*As at 30th Jun

QUARTERLY AD REVENUE (RS CR)



QUARTERLY CIRCULATION REVENUE (RS CR)



REVENUE DRIVERS

- + Some key categories showing pickup in ad revenue include Auto, FMCG, E-commerce and Real Estate.
- + Cover price actions have started yielding returns. Sequential revenue growth of 9%.
- + Local volumes and yield on a growth trajectory
- National advertising witnessed pressure on yields and spends
- Despite poor base, there was hardly any growth in education category
- Muted ad spends in Government, Classifieds, Retail, Medical/Health & Fitness, Durables and BFSI categories

PRINT

PRINT – ENGLISH

PRINT – HINDI

RADIO

FINANCIAL PERFORMANCE

(Rs Cr)	Q1'18	Q1'19	Change	%
Operating Revenue	42	47	5	12%
Operating EBITDA	11	14	3	27%
Op EBITDA margin (%)	26%	30%		
EBIT	2	5	3	130%
EBIT margin (%)	5%	11%		

PERFORMANCE DRIVERS

- + Operating leverage continues to drive margin expansion
- + Real Estate and Auto categories led ad revenue growth

UPDATE ON PROPOSED TRANSACTION

Proposed Transaction – Radio Business

Merger of Metro Radio Business of HT Media with Radio business of Next Mediaworks Ltd (NMW)

Transaction Rationale	<ul style="list-style-type: none">▪ Metro markets contribute 60-65% of the total radio advertising revenues▪ Fever has been successful with metro market focused business strategy▪ The merged entity will have the widest reach in the top 7 metro markets▪ This will also bring benefits of synergy which will help in further strengthening the operating margins
Consideration	<ul style="list-style-type: none">▪ Equity deal
Structuring	<ul style="list-style-type: none">▪ Single scheme of arrangement whereby relevant business will all be combined in one entity which is the current listed company 'NMW'
Scheme of Arrangement	<ul style="list-style-type: none">▪ Envisages the following<ul style="list-style-type: none">– Demerger of the radio business of HT Media (excluding stations in Hyderabad and Uttar Pradesh) to NMW– Amalgamation of HT Music & Entertainment Company Ltd (HTM) with NMW– Demerger of the FM radio business of Next Radio Ltd (NRL) to NMW▪ NMW to issue shares as consideration for the above business transfers
Post Transaction Holding	<ul style="list-style-type: none">▪ Consequent to implementation of proposed transaction, HT Media and its shareholders will hold 74% of the equity share capital of NMW while current shareholders of NRL and NMW will hold the balance 26%

Q&A

Dial-in number for Q&A

+91 22 7115 8103

+91 22 6280 1202

HT Media Group


Hindustan Times House,
2nd Floor, 18-20, Kasturba Gandhi Marg
New Delhi – 110001, India

Anna Abraham

Amit Madaan

Sankalp Raghuvanshi

 IR@hindustantimes.com


 +91 11 6656 1605



Saket Somani

Ravi Gothwal

 IR@hindustantimes.com

 +91 22 6169 5988



ANNEXURES

Consolidated P&L – HT Media Ltd

Rs Crs (Except for EPS)	Q1'18	Q1'19	YoY Growth (%)	Q4'18	Seq Growth (%)
Operating Revenue	584	542	-7%	546	-1%
Raw Materials & change in inventory	164	187	14%	161	17%
Employee Cost	94	75	-21%	97	-23%
Other expenses	255	245	-4%	215	14%
Operating EBITDA	70	36	-49%	74	-51%
<i>Margin (%)</i>	12%	7%	-5%	13%	-7%
Other Income	61	27	-56%	96	-72%
EBITDA	132	63	-52%	169	-63%
<i>Margin (%)</i>	20%	11%	-9%	26%	-15%
Net Profit after Tax (PAT)*	42	6	-86%	75	-92%
<i>Margin (%)</i>	6%	1%	-5%	12%	-11%
Basic EPS (Rs.)	1.8	0.2	-86%	3.2	-92%

*Includes PAT from discontinued operations

Note: All Financials in this presentation correspond to continuing operations, except when stated otherwise

P&L – Hindustan Media Ventures Ltd

Rs Crs (Except for EPS)	Q1'18	Q1'19	YoY Growth (%)	Q4'18	Seq Growth (%)
Operating Revenue	237	227	-4%	202	12%
Raw Materials & change in inventory	94	106	13%	87	22%
Employee Cost	23	28	24%	24	15%
Other expenses	69	73	5%	64	14%
Operating EBITDA	51	19	-62%	26	-27%
<i>Margin (%)</i>	22%	9%	-13%	13%	-5%
Other Income	25	8	-68%	26	-69%
EBITDA	76	27	-64%	52	-47%
<i>Margin (%)</i>	29%	12%	-17%	23%	-11%
Net Profit after Tax (PAT)	48	13	-72%	40	-67%
<i>Margin (%)</i>	18%	6%	-13%	18%	-12%
Basic EPS (Rs.)	6.5	1.8	-72%	5.5	-67%