Hindustan Media Ventures Limited

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E-mail : corporatedept@hindustantimes.com
CIN : L21090BR1918PLC000013

18 MAY 2017

Ref: HMVL/CS/08/2017

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
Company Code: HMVL

Dear Sirs,

Sub: Presentation on the Audited Financial Results of the Company for the quarter and year ended on 31st March, 2017

Please find enclosed a presentation on the Audited Financial Results of Hindustan Media Ventures Limited for the quarter and year ended on 31st March, 2017.

Please acknowledge receipt.

Thanking you,

Yours faithfully,

For **Hindustan Media Ventures Limited**

HINDUSTAN MEDIA VENTURES LTD.

(Tridib Barat)
Company Secretary

Encl: As above

हिन्दुस्तान

Hindustan Media Ventures Ltd

(NSE: HMVL; BSE: 533217)

Q4 FY2017 Earnings Presentation

May 18, 2017

Table of Contents

Particulars	Slide no
Financial Highlights	3
Financial Overview	5
About Us	13
Contact Us	14

Conference Dial-In Numbers (19th May, 2017 at 3:30 pm IST)	
Local Access Number	**Primary +91 22 3938 1074** **+91 22 3940 3977** - Available in Ahmedabad, Bangalore, Chandigarh, Chennai, Gurgaon (NCR), Hyderabad, Kochi/Cochin, Kolkata, Lucknow, Pune
International Toll Free	**USA: 1 866 746 2133** **UK: 0 808 101 1573** **Singapore: 800 101 2045** **Hong Kong: 800 964 448**

Financial Highlights

Management Commentary

Commenting on the results and performance, **Mrs. Shobhana Bhartia, Chairperson, Hindustan Media Ventures Limited** said**:**

"Last financial year was tough for not just your company, but the media industry as a whole. A short-term economic slowdown in the second half of the year put paid to any hopes of a recovery and hit advertising spends across sectors. Still, despite subdued revenue growth, our profitability increased on the back of stable newsprint prices and wide-ranging cost management initiatives.

We see early signs of recovery in the new year. Our strong fundamentals are complemented by the overall bright prospects for regional language print media where readership and advertiser-interest continue to grow. A faster revival in economic growth will stimulate growth in advertising spends and help us deliver value to all stakeholders. "

Highlights – FY2017 vs. FY2016

- Total Revenue higher by 4.8% at INR 10,253 million; crossed INR 10,000 million mark.
- Advertising revenue increased by 0.7%; Circulation revenue increased by 4.6%
- EBITDA higher by 6.1% at INR 2,976 million; EBITDA margins at 29% vs. 28.7% last year.
- Profit after tax at INR 1,895 million; Net Profit margins at 18.5%.
- Strong balance sheet position continues with healthy cash flows.
- EPS for the year stood at INR 25.82 vs. Rs. 24.35 last year.
- Dividend for the year approved by Board at Rs. 1.20 per share.

Financial Highlights

Q4 FY17 (y-o-y and q-o-q) and FY17 vs. FY16 (y-o-y)

Rs. million	Q4 FY2017	Q4 FY2016	y-o-y Growth (%)	Q4 FY2017	Q3 FY2017	q-o-q Growth (%)	Full Year FY2017	Full Year FY2016	y-o-y Growth (%)
Advertising Revenues	1,745	1,694	*3.0%*	1,745	1,688	*3.4%*	6,912	6,861	*0.7%*
Circulation Revenues	552	523	*5.5%*	552	561	*-1.5%*	2,213	2,117	*4.6%*
Other Revenues	212	244	*-12.8%*	212	269	*-21.1%*	1,128	810	*39.2%*
Total Revenues	**2,510**	**2,461**	***2.0%***	**2,510**	**2,518**	***-0.3%***	**10,253**	**9,788**	***4.8%***
Consumption of Raw Materials	813	868	*-6.3%*	813	859	*-5.3%*	3,493	3,465	*0.8%*
Employee Cost	248	329	*-24.6%*	248	64	*286.2%*	939	1,221	*-23.1%*
Other expenses	709	552	*28.4%*	709	970	*-27.0%*	2,845	2,297	*23.9%*
EBITDA	**740**	**712**	***3.9%***	**740**	**625**	***18.4%***	**2,976**	**2,806**	***6.1%***
Margin (%)	***29.5%***	***28.9%***		***29.5%***	***24.8%***		***29.0%***	***28.7%***	
Profit After Tax (PAT)*	**424**	**445**	***-4.8%***	**424**	**438**	***-3.4%***	**1,895**	**1,787**	***6.0%***
Margin (%)	***16.9%***	***18.1%***		***16.9%***	***17.4%***		***18.5%***	***18.3%***	
Basic EPS (Rs.)	**5.77**	**6.06**	***-4.8%***	**5.77**	**5.97**	***-3.4%***	**25.82**	**24.35**	***6.0%***

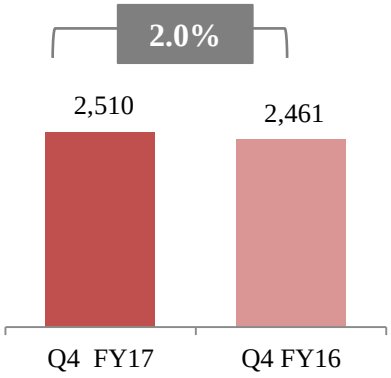
All financials are basis IndAS
Q4'FY17 and overall FY17 financials are post HTDSL carve-out and thus, not comparable with same period last year.
Q3'17 included one-time impact of HTDSL carve-out for the period Apr-Dec'2016 (9 months) and hence, not comparable with Q4'17.
* Profit after tax is post share in loss of associate (HTDSL) to the tune of (INR 41million) for FY17.

Financial Overview –Quarterly (y-o-y)

* Rs. Million

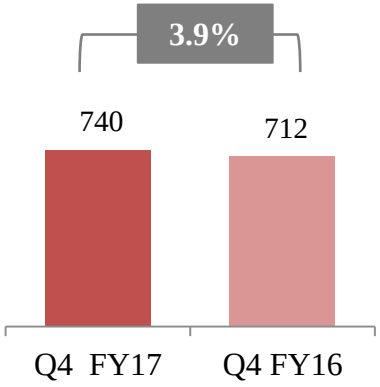
1 Revenue

- Total revenue up by 2.0% at Rs. 2,510 million from Rs. 2,461 million :
  - 3% increase in advertising revenue to Rs. 1,745 million from Rs. 1,694 million led by improvement in ad yields.
  - 5.5% increase in circulation revenue to Rs. 552 million from Rs. 523 million due to higher circulation and higher realization per copy.



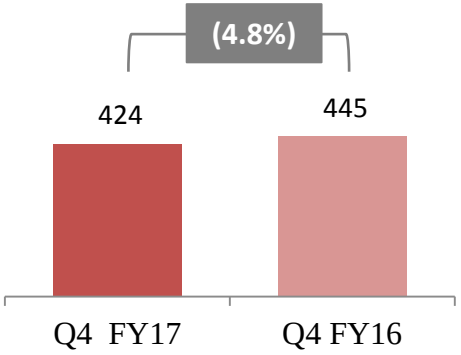
2 EBITDA margin

- EBITDA increased by 3.9% to Rs. 740 million from Rs. 712 million primarily due to
  - growth in advertising & circulation revenues coupled with 6.3% decrease in raw material costs and savings accruing from various cost rationalization initiatives.
- EBITDA margins marginally higher at 29.5% vs. 28.9% in the same period last year



3 Profit After Tax

- PAT excluding share in loss of associate is higher by 4.3% and margins at 18.5% vs. 18.1% last year.

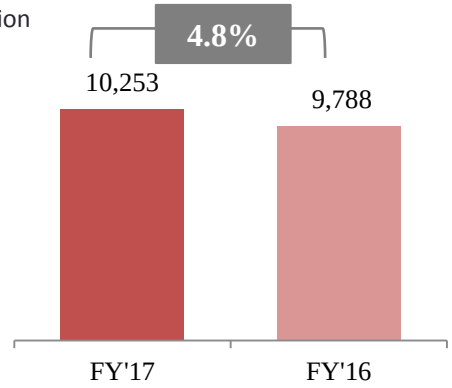


Financial Overview –Annual

1 Revenue

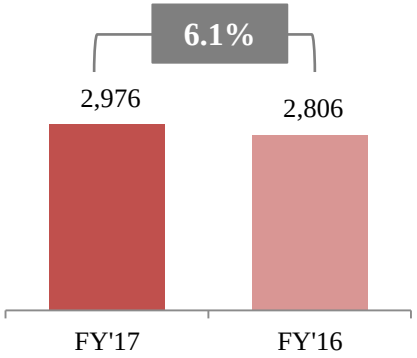
- Total revenue up by 4.8% at Rs. 10,253 million from Rs. 9,788 million :
  - 0.7% increase in advertising revenue to Rs. 6,912 million from Rs. 6,861 million lead by improvement in ad yields.
  - 4.6% increase in circulation revenue to Rs. 2,213 million from Rs. 2,117 million due to higher circulation and higher realization per copy.
  - 39.2% increase in other income due to income accruing from investments.

* Rs. Million



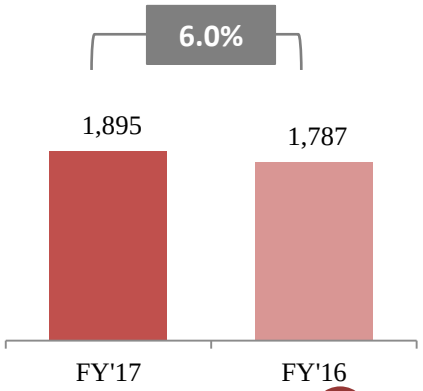
2 EBITDA margin

- EBITDA increased by 6.1% to Rs. 2,976 million from Rs. 2,806 million primarily due to
  - growth in advertising & circulation revenues coupled with savings accruing from various cost rationalization initiatives.
- EBITDA margins at 29% vs. 28.7% last year.



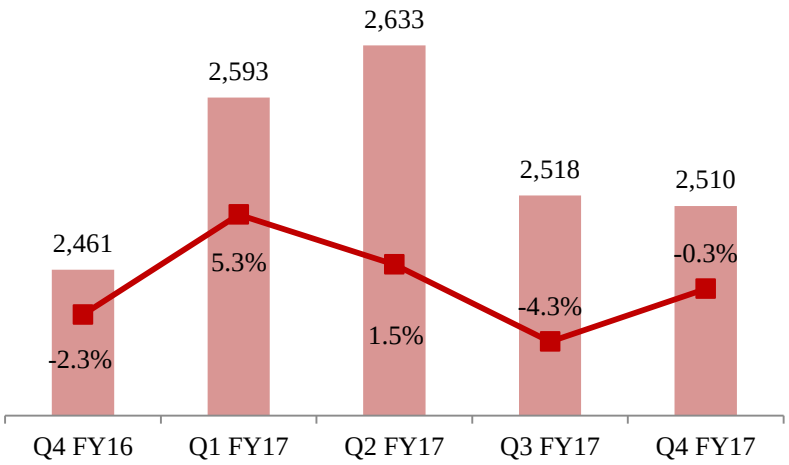
3 Profit After Tax

- PAT excluding share in loss of associate is higher by 8.3% and margins at 18.9% vs. 18.3% last year.

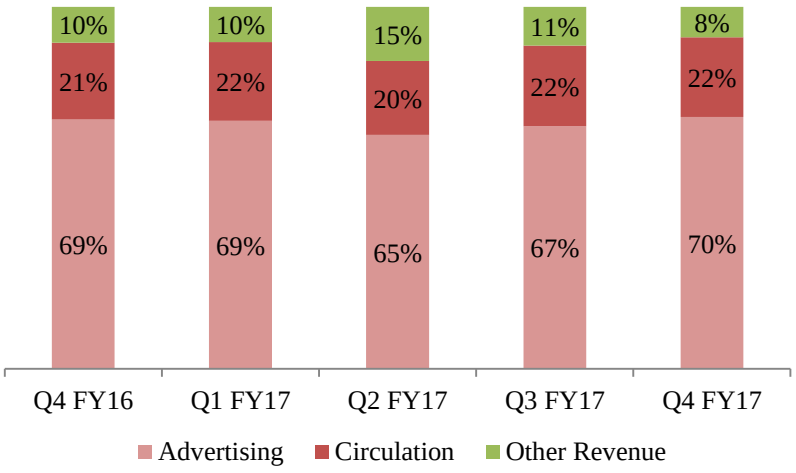


Financial Overview- Quarterly

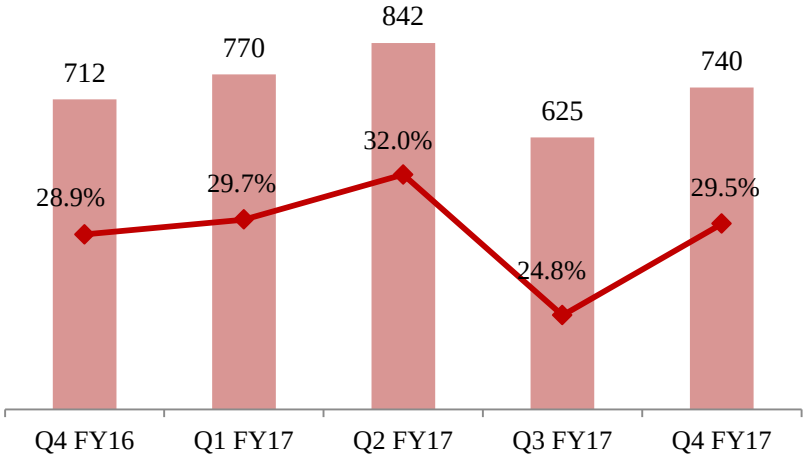
Revenue (Rs. Million) and Growth (%)



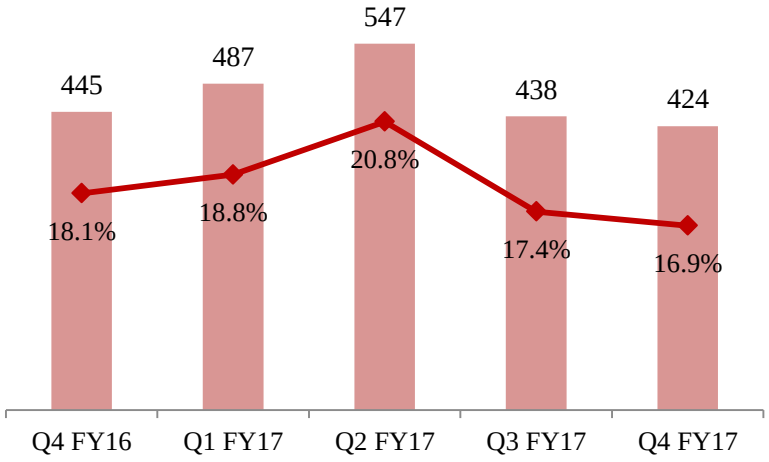
Revenue Breakdown



EBITDA (Rs. Million) and Margin (%)



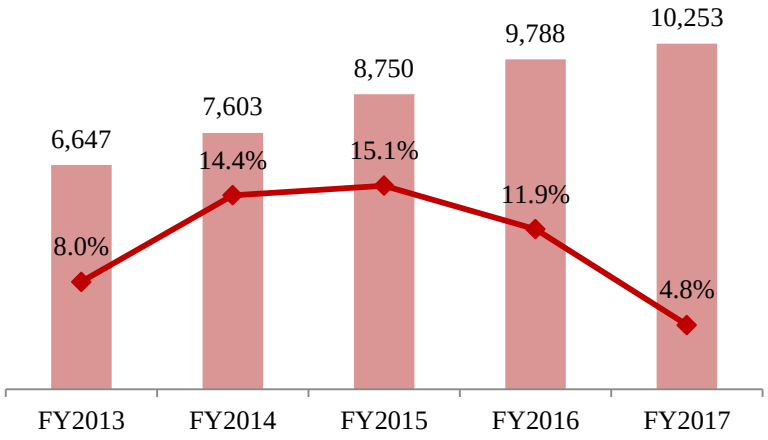
PAT (Rs. Million) and Margin (%)



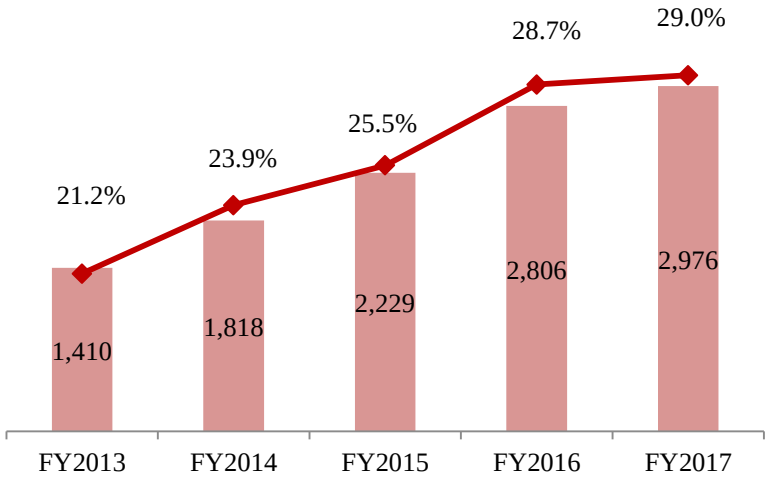
Q3'17 included one-time impact of HTDSL carve-out for the period Apr-Dec'2016 (9 months) and hence, not comparable with Q4'17.

Financial Overview – Annual

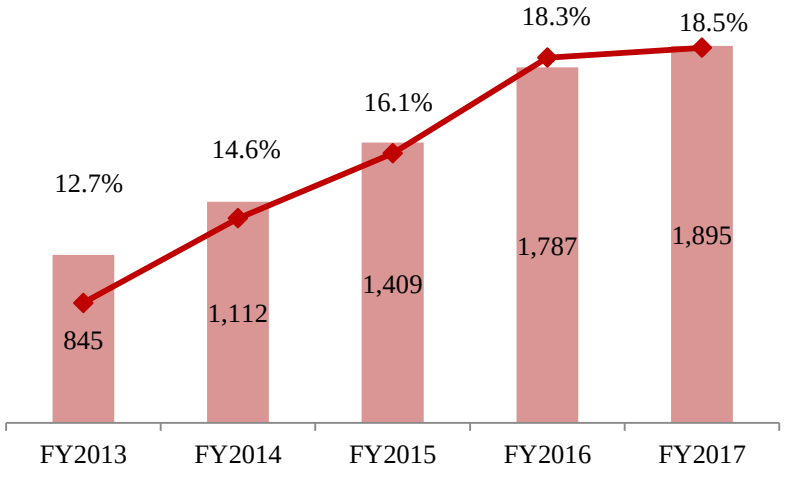
Revenue (Rs. Million) and Growth (%)



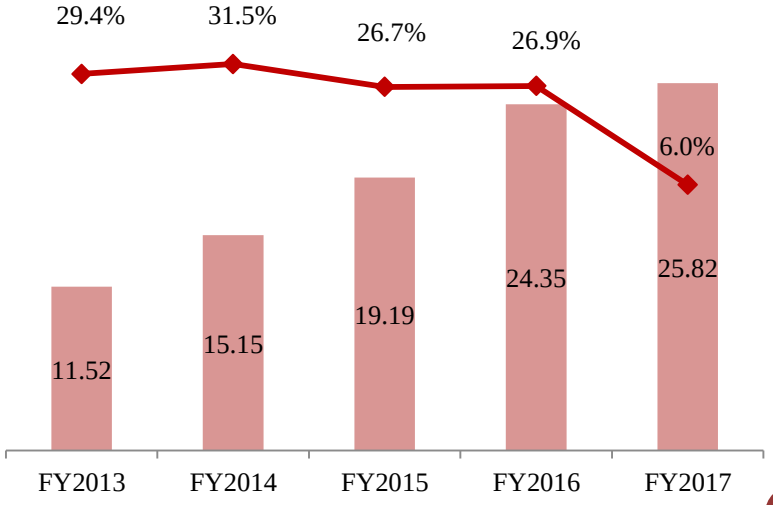
EBITDA (Rs. Million) and Margin (%)



PAT (Rs. Million) and Margin (%)



EPS (Rs.) and Growth (%)



FY16 and FY17 financials are based on IndAS

Financial Overview: P&L

Particulars (Rs. in millions, except EPS data)	Three months ended 31.03.2017	Three months ended 31.03.2016	Three months ended Shift (%)	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended Shift (%)
Net Sales / Income from operations	2,315	2,238	3.4%	9,212	9,058	1.7%
Other Operating Income	28	33	-16.2%	121	119	1.8%
Total Income from operations	**2,343**	**2,272**	**3.1%**	**9,333**	**9,177**	**1.7%**
Other income	167	189	-11.9%	921	611	50.7%
Total Income	**2,510**	**2,461**	**2.0%**	**10,253**	**9,788**	**4.8%**
Consumption of Raw Materials	813	863	-5.8%	3,494	3,465	0.9%
(Increase)/Decrease in Inventory	0	6		(2)	(0)	
Employees Cost	248	329	-24.6%	939	1,221	-23.1%
Other Expenditure	709	552	28.4%	2,845	2,297	23.9%
Total Expenditure	**1,770**	**1,749**	**1.2%**	**7,277**	**6,982**	**4.2%**
EBITDA	**740**	**712**	**3.9%**	**2,976**	**2,806**	**6.1%**
Margin (%)	***29.5%***	***28.9%***		***29.0%***	***28.7%***	
Depreciation & Amortisation	50	61	-17.5%	202	225	-10.2%
EBIT	**689**	**651**	**5.9%**	**2,774**	**2,581**	**7.5%**
Margin (%)	***27.5%***	***26.4%***		***27.1%***	***26.4%***	
Interest & finance charges	34	27	25.2%	161	113	42.5%
Profit before tax	**655**	**624**	**5.1%**	**2,612**	**2,467**	**5.9%**
Margin (%)	***26.1%***	***25.3%***		***25.5%***	***25.2%***	
Tax Expense	191	178	6.8%	676	680	-0.5%
Profit after tax	**464**	**445**	**4.3%**	**1,936**	**1,787**	**8.3%**
Margin (%)	***18.5%***	***18.1%***		***18.9%***	***18.3%***	
Share of profit/ (loss) of Associate	(41)	-		(41)	-	
Net Income	**424**	**445**	**-4.8%**	**1,895**	**1,787**	**6.0%**
Margin (%)	***16.9%***	***18.1%***		***18.5%***	***18.3%***	
EPS	**5.77**	**6.06**	**-4.8%**	**25.82**	**24.35**	**6.0%**

Financial Overview- Balance Sheet

Particulars (Rs. in millions)	As at 31.03.2017 (Audited)	As at 31.03.2016 (Audited)
A ASSETS		
1 Non- current assets		
Property, plant and equipment	1,735	1,798
Investment property	62	33
Intangible assets	694	694
Investment in an associate (equity)	704	-
Financial assets	8,198	5,832
Income Tax Assets (net)	-	9
Other non-current assets	31	17
Total non-current assets	**11,424**	**8,382**
2 Current assets		
Inventories	471	482
Financial assets	2,699	3,789
Other current assets	79	181
Total current assets	**3,249**	**4,452**
Total assets	**14,672**	**12,834**
B EQUITY AND LIABILITIES		
1 Equity		
Equity share capital	734	734
Other equity	10,934	8,373
Total equity	**11,668**	**9,107**
2 Liabilities		
2A Non-current liabilities		
Deferred tax liabilities (Net)	249	163
Total non-current liabilities	**249**	**163**
2B Current liabilities		
Financial liabilities	2,470	3,476
Other current liabilities	209	197
Provisions	29	45
Income tax liabilities (net)	49	43
Total current liabilities	**2,756**	**3,564**
Total equity and liabilities	**14,672**	**12,834**

Key Ratios	FY 14	FY15	FY16	FY17
RoCE	20.6%	22.1%	22.7%	19.5%
RoE	19.9%	20.9%	19.5%	16.2%
Debtor Days	42	44	44	45

Dividend Declaration

Board recommends dividend of 12%

- The Board of Directors at their meeting on May 18, 2017 have recommended a dividend of Rs. 1.20 per equity share of Rs. 10 each; translating to 12% of face value.
- Dividend for the year amounted to Rs. 88.1 million (excluding Dividend Distribution Tax)

Near-term Outlook

Strategic Focus

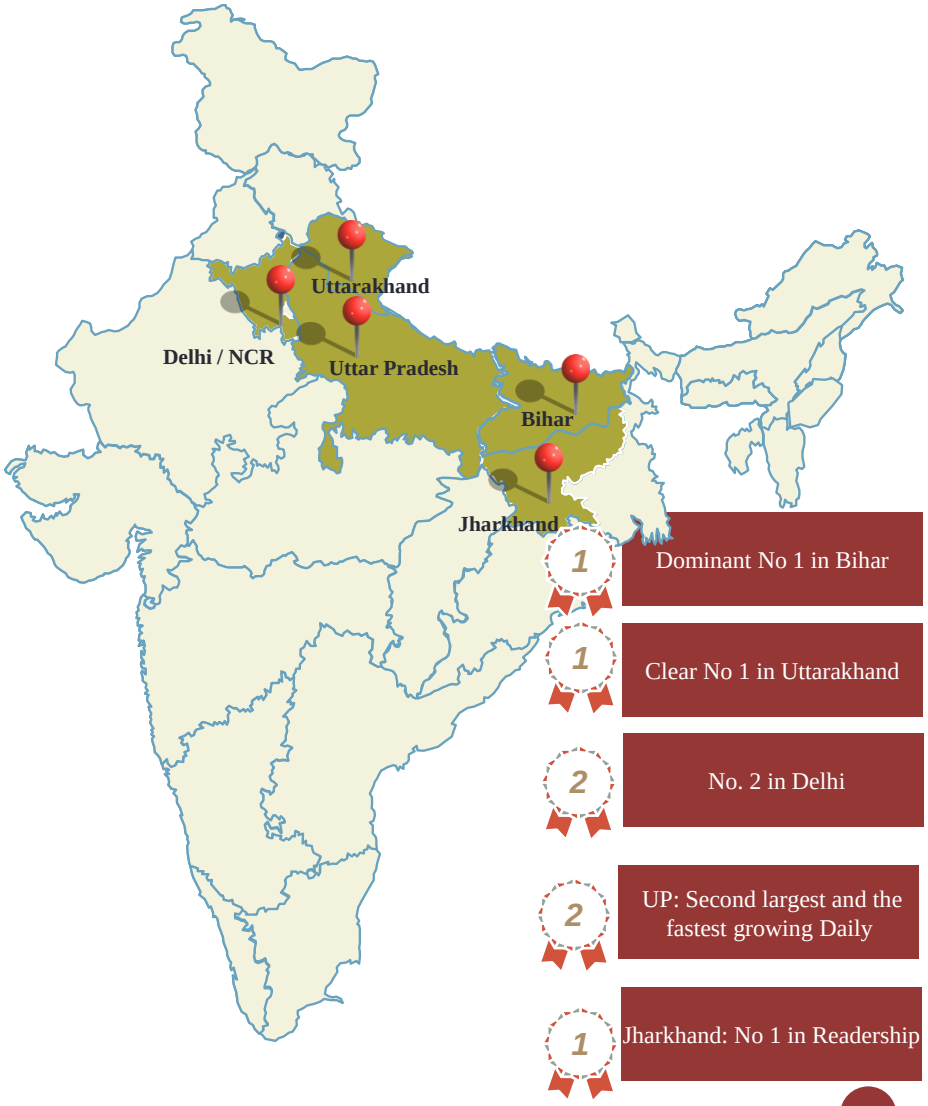
- Preparing to drive both volume and yields as signs of early recovery become visible.
- Continue to build copies in core markets to deepen our presence; Optimize cover prices.
- Tight control on costs to improve productivity.

Hindustan Media Ventures: At a Glance

Company Background

- HMVL is one of the leading print media companies engaged in the printing and publishing of 'Hindustan', the second largest newspaper daily of India based on total readership. Also publishes two Hindi magazines 'Nandan' and 'Kadambini'
- 'Hindustan' was first published in 1936 amidst the freedom movement, and has been one of India's eminent newspapers for over 70 years HMVL was listed on the BSE & NSE in 2010
- 'Hindustan' has a strong regional presence and enjoys a leadership position in Bihar, Jharkhand and Uttarakhand whilst consolidating its 2nd position in Delhi and UP
- The Company also operates the website www.livehindustan.com, which complements the newspaper and focuses on providing news in Hindi with regional content

Market Leadership Positions



* Basis Average Issue Readership (IRS 2014)

Safe Harbour

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. Hindustan Media Ventures 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.

Hindustan Media Ventures Ltd
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Anna Abraham Amit Madaan IR@hindustantimes.com	*+91 11 6656 1601*	हिन्दुस्तान
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