

**MEDIA TIMES LIMITED**

**CONDENSED INTERIM HALF YEARLY  
FINANCIAL INFORMATION  
(Un-Audited)**

**31 DECEMBER 2009**

**MEDIA TIMES LIMITED**

**VISION**

To be a dynamic and liberal media company with the aim to inform and entertain our target market, keeping in view the truth and authenticity element.

**MISSION**

As a leading & diversified media company, our mission is to set new standards of customer satisfaction by gaining the higher market share and at the same time fulfilling our obligations towards our employees, vendors, investors and most important our readers and viewers.

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**COMPANY INFORMATION**

<b>Board of Directors</b>	Salmaan Taseer (Chairman & Chief Executive Officer) Aamna Taseer Shehryar Ali Taseer Shahbaz Ali Taseer Shehribano Taseer Maimanat Mohsin A N Rane
<b>Chief Financial Officer</b>	Suhail Ahmed
<b>Audit Committee</b>	Aamna Taseer (Chairperson of Committee) Shehryar Ali Taseer Shahbaz Ali Taseer
<b>Company Secretary</b>	Nadeem Maqsood
<b>Auditors</b>	Nasir Javed Maqsood Imran Chartered Accountants
<b>Legal Advisers</b>	Ebrahim Hosain Advocates & Corporate Counsel
<b>Bankers</b>	Soneri Bank Limited Faysal Bank Limited Standard Chartered Bank (Pakistan) Limited NIB Bank Limited Habib Metropolitan Bank Limited Arif Habib Rupali Bank Limited Al-Baraka Islamic Bank Bank Alfalah Limited
<b>Registrar and Shares Transfer Office</b>	THK Associates (Pvt.) Limited Ground Floor State Life Building No.3, Dr. Zia-ud-Din Ahmed Road Karachi Tel: (021) 111-000-322
<b>Head Office</b>	103-C/II, Gulberg-III Lahore, Pakistan Tel: (042) 35757591-4 Fax: (042) 35757590, 35877920
<b>Registered &amp; Main Project Office</b>	41-N, Industrial Area, Gulberg-II, Lahore Tel: (042) 35878614-9 Fax: (042) 35878620, 35878626

**DIRECTORS' REVIEW**

The Directors of **Media Times Limited** ("MTL" or "the Company") are pleased to present the auditors' reviewed financial statements of the Company for the six months period ended 31 December 2009.

**Operating Results**

The operating results of the Company, along with a comparative to the corresponding period last year are summarized as follows:

	<b>31 December 2009</b>	31 December 2008
	<b>Rupees</b>	Rupees
Revenue	<b>220,750,325</b>	251,074,600
Gross profit	<b>65,436,296</b>	119,360,051
Operating cost	<b>90,755,647</b>	83,480,856
Operating (loss) / profit	<b>(25,319,351)</b>	35,879,195
(Loss) / profit after taxation	<b>(33,189,671)</b>	13,267,997
Earning / (loss) per share Basic & diluted	<b>(0.25)</b>	0.13

During the current period under review, the Company posted net revenue of Rs. 220.7 million as compared to Rs. 251.1 million in the corresponding period last year, while the loss after tax was Rs. 33.2 million. The EPS of the Company was Rs. (0.25) as compared to Rs. 0.13 in the corresponding period. In last six months, overall advertisement spend of electronic and print media segment has shrunk since major sectors like banking, leasing, insurance, construction and automobiles are on cost cutting drive. The only sectors currently advertising are telecom and FMCG's but they are also on a low budget mode. The management is taking measures to offset anticipated downward trend in ad spending and increase in costs. The law and order situation of the country which is one of the major reasons of low advertisement activity in Pakistan is improving. Hopefully this factor will enhance foreign and local investors' confidence in Pakistan as a consumer economy and will boost the economic situation substantially in the coming period.

**Future Outlook**

The Company is in advanced stages of launching a new satellite channel for which the Company has applied to PEMRA for its uplinking license. The Company is going to utilize its existing resources to successfully launch and operate this new channel. The addition of this channel in the Company's bouquet will open up additional revenue streams for the Company.

At MTL, we strive to maximize the long term value of our brands and are hopeful for the future. The Company is committed to face this recessionary period with financial discipline. We believe that the power of our brands and our diversified media portfolio will ensure growth in earnings over the long term and deliver substantial shareholder values for years to come.

**Changes in Board of Directors**

During the period under review, Ms. Shehribano Taseer has been appointed as Director on casual vacancy arisen on the Board due to resignation of Mr. Najam Aziz Sethi.

**General**

The Board of Directors wishes to express its pleasure and gratefulness to the shareholders for their continued support and to all the employees for their ongoing dedication and commitment to the Company.

For and on behalf of the Board of Directors

Lahore  
23 February 2010

**Salmaan Taseer**  
Chief Executive Officer

**Independent Report on Review of Condensed Interim Financial Information to the members of Media Times Limited****INTRODUCTION**

We have reviewed the accompanying condensed interim balance sheet of **Media Times Limited** as at 31 December 2009 and the related condensed interim profit and loss account, condensed interim cash flow statement, condensed interim statement of changes in equity for the half year then ended (here-in-after referred to as "Interim financial information"), and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account for the quarters ended 31 December 2008 and 2009 have not been reviewed, as we are required to review only the cumulative figures for the half year ended 31 December 2009.

**SCOPE OF REVIEW**

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**CONCLUSION**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended 31 December 2009 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan relating to interim financial reporting.

Lahore  
23 February 2010

**Nasir Javid Maqsood Imran**  
Chartered Accountants  
**Muhammad Maqsood**

## MEDIA TIMES LIMITED

### CONDENSED INTERIM BALANCE SHEET AS AT 31 DECEMBER 2009

Note	(Un-Audited) 31 December 2009	(Audited) 30 June 2009	
	(Rupees)		
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
<b>Tangible fixed assets</b>			
Property, plant and equipment	5	1,317,949,599	1,331,857,329
<b>Intangible assets</b>			
Long term deposits	6	153,307,370	153,778,370
Television program costs		15,354,417	25,105,886
Deferred tax assets		105,984,117	97,295,019
		<u>82,544,059</u>	<u>65,812,039</u>
		<u>1,675,139,562</u>	<u>1,673,848,643</u>
<b>CURRENT ASSETS</b>			
Inventories		33,717,100	95,356,362
Current portion of television program costs		49,931,879	74,987,669
Trade debts		219,964,062	189,215,583
Loans and advances		24,844,116	34,856,550
Deposit & prepayments		20,448,294	19,776,860
Other receivables		35,159,218	31,148,898
Short term investments		29,607,296	75,000,000
Cash and bank balances		<u>9,711,007</u>	<u>9,177,999</u>
		<u>423,382,972</u>	<u>529,519,921</u>
<b>TOTAL ASSETS</b>		<u><u>2,098,522,534</u></u>	<u><u>2,203,368,564</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized capital			
140,000,000 ordinary shares of Rs. 10 each.		<u>1,400,000,000</u>	<u>1,400,000,000</u>
Issued, subscribed and paid up capital		<u>1,341,382,580</u>	<u>1,341,382,580</u>
Share premium		76,223,440	76,223,440
Unappropriated (loss) / profit		<u>(12,105,801)</u>	<u>21,083,870</u>
<b>Total Equity</b>		<u>1,405,500,219</u>	<u>1,438,689,890</u>
<b>NON CURRENT LIABILITIES</b>			
Long term finances	7	<u>313,988,554</u>	340,316,051
Retirement benefits		40,352,918	36,543,504
Liabilities against assets subject to finance lease		<u>16,058,957</u>	<u>31,845,228</u>
		<u>370,400,429</u>	<u>408,704,783</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		<u>78,906,231</u>	<u>74,480,842</u>
Interest and mark-up accrued		3,679,889	7,082,595
Short term borrowings	8	<u>50,000,000</u>	<u>77,607,298</u>
Current maturities of non-current liabilities		<u>190,035,766</u>	<u>196,803,156</u>
		<u>322,621,886</u>	<u>355,973,891</u>
<b>Total Liabilities</b>		<u>693,022,315</u>	<u>764,678,674</u>
Contingencies and commitments	9	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>2,098,522,534</u></u>	<u><u>2,203,368,564</u></u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

LAHORE:

CHAIRMAN & CHIEF EXECUTIVE

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DIRECTOR

## MEDIA TIMES LIMITED

### CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE HALF YEAR ENDED 31 DECEMBER 2009

Note	Half year ended		Quarter ended	
	Jul-Dec 2009	Jul-Dec 2008	Oct-Dec 2009	Oct-Dec 2008
(Rupees)				
Revenue -Net	220,750,325	251,074,600	97,191,593	107,351,844
Direct cost	<u>(155,314,029)</u>	<u>(131,714,549)</u>	<u>(70,781,118)</u>	<u>(57,546,884)</u>
<b>Gross profit</b>	<u>65,436,296</u>	<u>119,360,051</u>	<u>26,410,475</u>	<u>49,804,960</u>
Operating cost	<u>(90,755,647)</u>	<u>(83,480,856)</u>	<u>(44,572,659)</u>	<u>(33,596,530)</u>
<b>Operating (loss)/profit</b>	<u>(25,319,351)</u>	<u>35,879,195</u>	<u>(18,162,184)</u>	<u>16,208,430</u>
Finance cost	<u>(24,402,961)</u>	<u>(19,641,325)</u>	<u>(9,042,132)</u>	<u>(7,027,870)</u>
	<u>(49,722,332)</u>	<u>16,237,870</u>	<u>(27,204,316)</u>	<u>9,180,560</u>
Gain on sale of short term investment	-	4,824,600	-	-
Change in fair value of investment property	-	(6,880,000)	-	(6,880,000)
Other operating Income / (charges)	<u>904,393</u>	<u>3,112,890</u>	<u>(1,966,327)</u>	<u>1,728,112</u>
<b>(Loss)/profit before taxation</b>	<u>(48,817,939)</u>	<u>17,295,360</u>	<u>(29,170,643)</u>	<u>4,028,672</u>
Taxation	<u>15,628,268</u>	<u>(4,027,363)</u>	<u>10,278,419</u>	<u>1,643,112</u>
<b>(Loss) / profit after taxation</b>	<u>(33,189,671)</u>	<u>13,267,997</u>	<u>(18,892,224)</u>	<u>5,671,784</u>
Earnings / (loss) per share - basic and diluted	<u>(0.25)</u>	<u>0.13</u>	<u>(0.14)</u>	<u>0.06</u>
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The annexed notes from 1 to 16 form an integral part of these condensed interim financial information.

LAHORE:

CHAIRMAN & CHIEF EXECUTIVE

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DIRECTOR

**MEDIA TIMES LIMITED**

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR ENDED 31 DECEMBER 2009**

	Note	July-Dec 2009	July-Dec 2008
(Rupees)			
<b>Cash flow from operating activities</b>			
Cash generated from operations	10	80,578,789	40,401,114
Decrease in long term deposits		9,751,469	333,243
Television program costs		25,055,790	(13,578,007)
Retirement benefits paid		(4,905,530)	(6,642,754)
Finance cost paid		(27,805,687)	(16,831,554)
Taxes paid		(1,756,279)	(2,090,939)
<b>Net cash generated from operating activities</b>		<b>80,918,552</b>	<b>1,591,103</b>
<b>Cash flow from investing activities</b>			
Fixed capital expenditure		(87,416,091)	(70,434,534)
Intangible assets acquired		-	(422,000)
Sale proceeds of property, plant and equipment		38,518,926	2,079,849
Proceed from Sale of short term investment		45,000,077	77,453,750
<b>Net cash (used in) /generated from investing activities</b>		<b>(3,897,088)</b>	<b>8,677,065</b>
<b>Cash flow from financing activities</b>			
Payment of long term finances-Net		(26,327,497)	(17,529,625)
(Payment) / Receipt of short term borrowings		(27,607,298)	13,624,039
Shares issuance cost-net		-	(10,552,523)
Share deposit money received		-	3,275,000
Payment of finance lease liabilities-Net		(22,553,661)	(20,309,374)
<b>Net cash used in financing activities</b>		<b>(76,488,456)</b>	<b>(31,492,483)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>533,008</b>	<b>(21,224,314)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>9,177,999</b>	<b>41,338,308</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>9,711,007</b>	<b>20,113,994</b>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

LAHORE:

CHAIRMAN & CHIEF EXECUTIVE

DIRECTOR

**MEDIA TIMES LIMITED**

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE HALF YEAR ENDED 31 DECEMBER 2009**

	Share Capital	Capital reserves		Revenue Reserve		Total
		Share Premium		Unappropriated Profit/(loss)		
(Rupees)						
Balance as at 30 June 2008	1,004,782,580	97,134,032		23,662,528		1,125,579,140
Total income for the period	-	-	-	13,267,997		13,267,997
Balance as at 31 December 2008	1,004,782,580	97,134,032		36,930,525		1,138,847,137
Balance as at 30 June 2009	1,341,382,580	76,223,440		21,083,870		1,438,689,890
Total loss for the period	-	-	-	(33,169,671)		(33,169,671)
Balance as at 31 December 2009	1,341,382,580	76,223,440		(12,105,801)		1,405,500,219

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

LAHORE

CHAIRMAN & CHIEF EXECUTIVE

DIRECTOR



## MEDIA TIMES LIMITED

	01 July 2009 to 31 December 2009	01 July 2008 to 30 June 2008
	(Rupees)	
<b>8 Short term borrowing-secured</b>		
<b>Banking companies and other financial institutions</b>		
Running finance	50,000,000	50,000,000
Finance against imported merchandise	-	16,750,037
Unsecured- Book Overdraft	-	10,857,261
	<u>50,000,000</u>	<u>77,607,298</u>

### 9 Contingencies and commitments

There is no change in contingencies and commitments disclosed in the annual financial statements for the year ended 30 June 2009 except for the following:

	31 December 2009	30 June 2009
	(Rupees)	
9.1 Commitments in respect of capital expenditure	<u>737,085</u>	<u>34,255,321</u>
9.2 Commitments in respect of content/programs	<u>-</u>	<u>7,955,109</u>

### 10 Cash generated from operating activities

	July-Dec 2009	July-Dec 2008
	(Rupees)	
(Loss) / Profit before taxation	(48,817,939)	17,295,360
Adjustment for non-cash charges and other items:		
Depreciation	58,413,061	24,317,609
Amortization of intangible assets	471,000	66,700
Provision for doubtful receivables	3,255,109	4,945,028
Loss / (Gain) on disposal of property, plant and equipment	4,784,465	(647,856)
Loss / (Gain) on short term investments	-	(4,824,600)
Retirement benefits	8,714,944	6,142,815
Finance cost	24,402,981	19,641,325

#### Profit before working capital changes

51,223,621	73,816,381
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Effect on cash flow due to working capital changes:

Inventories	61,639,262	(54,589,564)
Television program costs	(8,689,098)	(24,158,354)
Trade debts	(34,003,588)	29,661,380
Loans and advances	10,012,434	2,958,011
Deposit & prepayments	(671,434)	2,143,497
Other receivables	(3,357,797)	(607,912)
Trade and other payables	4,425,389	11,177,675
	<u>29,355,168</u>	<u>(33,415,267)</u>
	<u>80,578,789</u>	<u>40,401,114</u>

### 11 Related party transactions

The related parties comprise associated companies, related group companies, directors of the Company, companies where directors also hold directorship, and key management employees. Significant transactions with related parties are as follows:

	July-Dec 2009	July-Dec 2008
	(Rupees)	
<b>Associated Companies</b>		
Purchase of goods and services	7,351,351	15,204,125
Sale of goods and services	7,585,529	7,319,061
Interest on loan	36,348,891	42,468,321
Building Rent	3,000,000	-

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## MEDIA TIMES LIMITED

All transactions with related parties have been carried out on commercial terms and conditions.

### 12 Segment reporting

Segment information is presented in respect of the Company's business. The primary format, business segment, is based on the Company's management reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one year.

The Company's operations comprise of the following main business segments:

-Print media which comprises of "Daily Times" and "AajKa" being the Daily English and Urdu newspapers respectively.

-Electronic media comprises of "Business Plus", and "Wikkid Plus" being the two satellite channels.

#### Segment analysis for the period ended 31 December 2009.

	Print Media	Electronic Media	Total
	(Rupees)		
<b>Total revenue - net</b>	<u>182,898,488</u>	<u>37,851,837</u>	<u>220,750,325</u>
<b>Loss before tax and unallocated expenses</b>	(4,250,733)	(44,567,206)	(48,817,939)
Unallocated corporate expenses			
Taxation			15,628,268
<b>Loss after taxation</b>			<u>(33,189,671)</u>

#### Segment assets and liabilities

Segment assets	1,438,717,197	577,261,279	2,015,978,476
Unallocated segment assets	-	-	82,544,059
Consolidated total assets			<u>2,098,522,535</u>

#### Segment liabilities

	<u>563,820,184</u>	<u>129,202,131</u>	<u>693,022,315</u>
<b>Segment capital expenditure</b>	<u>36,238,399</u>	<u>51,177,692</u>	<u>87,416,091</u>
Depreciation and amortization	<u>30,789,910</u>	<u>28,094,151</u>	<u>58,884,061</u>

#### Segment analysis for the period ended 31 December 2008

<b>Total revenue - net</b>	<u>176,490,902</u>	<u>74,583,698</u>	<u>251,074,600</u>
<b>Profit before tax and unallocated expenses</b>	14,763,729	2,531,631	17,295,360
Unallocated corporate expenses			
Taxation			(4,027,363)
<b>Profit after taxation</b>			<u>13,267,997</u>

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**MEDIA TIMES LIMITED**

	Print Media	Electronic Media	Total
	(Rupees)		
<b>Segment assets and liabilities</b>			
Segment assets	1,274,232,711	730,161,817	2,004,394,528
Unallocated segment assets	-	-	39,976,957
Consolidated total assets			<u>2,044,371,485</u>
<b>Segment liabilities</b>	<u>730,045,049</u>	<u>182,756,823</u>	<u>912,801,872</u>
<b>Segment capital expenditure</b>	<u>34,271,959</u>	<u>16,379,040</u>	<u>50,650,999</u>
Depreciation and amortization	<u>9,241,404</u>	<u>15,142,904</u>	<u>24,384,308</u>

**13 Taxation**

The provision for taxation for the half year ended 31 December 2009 has been made on an estimated basis.

**14 Earnings per share - basic and diluted**

There is no dilutive effect on the basic earnings per share of the Company, which is based on:

	01 July to 31 December 2009	01 July to 31 December 2008
	(Rupees)	
(Loss)/profit after taxation attributable to ordinary share holders -Rupees	<u>(33,189,671)</u>	<u>13,267,997</u>
Weighted average number of ordinary shares - Numbers	<u>134,138,258</u>	<u>100,478,258</u>
Earnings per share - Basic and diluted Rupees	<u>(0.25)</u>	<u>0.13</u>

**15 Date of authorization for issue**

This un-audited condensed interim financial information for the half year ended 31 December 2009 was authorised for issue on 23 February 2010 by the Board of Directors of the Company.

**16 General**

16.1 Figures have been rounded off to the nearest of rupee.

LAHORE

CHAIRMAN &amp; CHIEF EXECUTIVE

DIRECTOR

**MEDIA TIMES LIMITED**