

**MEDIA TIMES LIMITED**

**CONDENSED INTERIM  
FINANCIAL INFORMATION**

**FOR THE PERIOD ENDED  
30 SEPTEMBER 2009**

**(Un-Audited)**

**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.

# Contents

***Page Five***

Company information

***Page Seven***

Directors' review

***Page Nine***

*Balance sheet*

***Page Ten***

Profit & loss account

***Page Eleven***

Cash flow statement

***Page Twelve***

Statement of changes in equity

***Page Thirteen***

Notes to the accounts

**COMPANY INFORMATION**

<b>Board of Directors</b>	Salmaan Taseer (Chairman & Chief Executive Officer) Aamna Taseer Shehryar Ali Taseer Shahbaz Ali Taseer Najam Aziz Sethi 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 Royal Bank of Scotland 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 first quarter's report together with un-audited financial statements of the Company for the period ended 30 September 2009.

**Operating Results**

The operating results of the Company are summarized as follows:

	<b>30 September 2009</b>	30 September 2008
	<b>(Rupees)</b>	
Revenue	<b>123,558,732</b>	143,722,756
Gross profit	<b>39,025,821</b>	69,555,091
Operating cost	<b>46,182,988</b>	49,884,326
Operating (loss) / profit	<b>(7,157,167)</b>	19,670,765
(Loss) / profit after taxation	<b>(14,297,447)</b>	7,596,213
Earnings per share - basic & diluted	<b>(0.11)</b>	0.08

During the quarter under review, the Company's revenues and profitability have squeezed as compared to the corresponding period last year. The revenue for the three months period is Rs. 123.6 million as compared to Rs. 143.7 million in the corresponding period last year, while loss after tax for the current period was Rs. 14.3 million. The main reason for the slowdown include law and order situation and prolonged recession in the country due to which sectors like banking, construction, FMCG etc. have shelved their marketing campaigns waiting for harmony in the country; resulting in lower advertisement budgets for the print and electronic media, which have adversely affected the Company revenue streams. On the cost side, recession and higher inflation rates have increased operational costs. The management has undertaken certain measures to offset anticipated downward trend in advertisement and increase in costs. To increase the revenue; MTL has opted innovative ways by using creative advertisement in its newspapers and special e-supplement production in Business Channel. In order to attract clientele, bouquet deals are offered where clients can advertise simultaneously on print and electronic media. Cost management and control remains a top priority for the Company in the coming months to overcome the adverse economic scenario.

**Future Outlook**

MTL is in the process of acquiring license from PEMRA for uplinking of an entertainment cum infotainment channel with launch expected in current fiscal year. The channel will provide a variety of content including dramas, sitcoms, talk shows, lifestyle programs, food/cookery shows etc. News and current affairs content in Business Plus will be improved further to capture wider audience and new bureau offices for the newspapers are planned in different cities.

MTL is facing short term challenges due to the current global and national recession in economy but is hopeful for the future. The management is confident that the Company has the capabilities and experience to compete in the media sector effectively and ensure that it remains one of the market leaders in years to come.

**General**

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

For and on behalf of the Board of Directors

**Lahore**  
29 October 2009

**Salmaan Taseer**  
Chairman & Chief Executive Officer

**MEDIA TIMES LIMITED**

**CONDENSED INTERIM BALANCE SHEET  
AS AT 30 SEPTEMBER 2009**

	Note	(Un-audited) 30 September 2009 (Rupees)	(Audited) 30 June 2009
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
<b>Tangible fixed assets</b>			
Property, plant and equipment	5	1,326,965,430	1,331,857,329
<b>Intangible assets</b>			
Long term deposits	6	153,542,869	153,778,370
Television program costs		23,359,936	25,105,886
Deferred tax assets		92,295,019	97,295,019
		71,161,887	65,812,039
		<u>1,667,325,141</u>	<u>1,673,848,643</u>
<b>CURRENT ASSETS</b>			
Inventories		61,852,505	95,356,362
Current portion of television program costs		72,865,809	74,987,669
Trade debts		182,169,887	189,215,583
Loans and advances		29,201,473	34,856,550
Deposit & prepayments		18,392,429	19,776,860
Other receivables		33,187,395	31,148,898
Short term investments		75,000,000	75,000,000
Cash and bank balances		12,277,064	9,177,999
		<u>484,946,562</u>	<u>529,519,921</u>
<b>TOTAL ASSETS</b>		<u><b>2,152,271,703</b></u>	<u><b>2,203,368,564</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share Capital and Reserves</b>			
Authorized capital		1,400,000,000	1,400,000,000
140,000,000 ordinary shares of Rs. 10 each.			
Issued, subscribed and paid up capital		1,341,382,580	1,341,382,580
Share premium		76,223,440	76,223,440
Unappropriated profit		6,786,423	21,083,870
<b>Total Equity</b>		<u>1,424,392,443</u>	<u>1,438,689,890</u>
<b>NON CURRENT LIABILITIES</b>			
Long term finances	7	342,853,551	340,316,051
Retirement benefits		40,061,975	36,543,504
Liabilities against assets subject to finance lease		25,087,215	31,845,228
		<u>408,002,741</u>	<u>408,704,783</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		64,249,847	74,480,842
Interest and mark-up accrued		6,553,958	7,082,595
Short term borrowings	8	57,625,601	77,607,298
Current maturities of non-current liabilities		191,447,113	196,803,156
		<u>319,876,519</u>	<u>355,973,891</u>
<b>Total Liabilities</b>		<u>727,879,260</u>	<u>764,678,674</u>
Contingencies and commitments	9	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>2,152,271,703</b></u>	<u><b>2,203,368,564</b></u>

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

LAHORE:

CHIEF EXECUTIVE

09

DIRECTOR

**MEDIA TIMES LIMITED**

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

	Note	30 September 2009 (Rupees)	30 September 2008
Revenue -Net		123,558,732	143,722,756
Direct cost		(84,532,911)	(74,167,665)
<b>Gross profit</b>		<u>39,025,821</u>	<u>69,555,091</u>
Operating cost		(46,182,988)	(49,884,326)
<b>Operating (loss)/profit</b>		<u>(7,157,167)</u>	<u>19,670,765</u>
Finance cost		(15,360,849)	(12,613,455)
		<u>(22,518,016)</u>	<u>7,057,310</u>
Gain on sale of short term investments		-	4,824,600
Other operating income		2,870,720	1,384,778
<b>(Loss)/profit before taxation</b>		<u>(19,647,296)</u>	<u>13,266,688</u>
Taxation		5,349,849	(5,670,475)
<b>Total comprehensive (loss) / income</b>		<u><u>(14,297,447)</u></u>	<u><u>7,596,213</u></u>
Earnings / (loss) per share - basic & diluted	14	(0.11)	0.08

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

LAHORE:

CHIEF EXECUTIVE

10

DIRECTOR

**MEDIA TIMES LIMITED**

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

Note	30 September 2009	30 September 2008
	(Rupees)	
<b>Cash flow from operating activities</b>		
Cash generated from operations	10 68,279,351	71,612,903
Long term deposits	1,745,950	287,639
Television programs costs	2,121,860	(34,176,789)
Retirement benefits paid	(324,600)	(1,412,289)
Finance cost paid	(15,889,486)	(9,814,852)
Taxes paid	(773,058)	(2,361,285)
<b>Net cash generated from operating activities</b>	<b>55,160,017</b>	<b>24,135,327</b>
<b>Cash flow from investing activities</b>		
Fixed capital expenditure	(22,820,751)	(101,730,792)
Intangible assets acquired	-	(422,000)
Sale proceeds of property, plant and equipment	318,052	873,000
<b>Net cash used in investing activities</b>	<b>(22,502,699)</b>	<b>(101,279,792)</b>
<b>Cash flow from financing activities</b>		
Receipt of long term finances-Net	2,537,500	70,000,000
Re-payment of short term borrowings	(19,981,697)	(11,147,000)
Re-payment of finance lease liabilities-Net	(12,114,056)	(10,220,365)
<b>Net cash (used in)/generated from financing activities</b>	<b>(29,558,253)</b>	<b>48,632,635</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>3,099,065</b>	<b>(28,511,830)</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>12,277,064</b>	<b>12,826,478</b>

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

LAHORE:

CHIEF EXECUTIVE

DIRECTOR

**MEDIA TIMES LIMITED**

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

	Share Capital	Share Premium	Unappropriated Profit/(loss)	Total
	(Rupees)			
<b>Balance as at 01 July 2008</b>	1,004,782,580	97,134,032	23,662,528	1,125,579,140
Total comprehensive income for the period	-	-	7,596,213	7,596,213
<b>Balance as at 30 September 2008</b>	<b>1,004,782,580</b>	<b>97,134,032</b>	<b>31,258,741</b>	<b>1,133,175,353</b>
<b>Balance as at 01 July 2009</b>	1,341,382,580	76,223,440	21,083,870	1,438,689,890
Total comprehensive loss for the period	-	-	(14,297,447)	(14,297,447)
<b>Balance as at 30 September 2009</b>	<b>1,341,382,580</b>	<b>76,223,440</b>	<b>6,786,423</b>	<b>1,424,392,443</b>

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

LAHORE

CHIEF EXECUTIVE

DIRECTOR

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION  
(UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

**1 The Company and its operations**

Media Times Limited (the "MTL" and or "Company") was incorporated in Pakistan on 26 June 2001 as a Private Limited Company under the Companies Ordinance, 1984 and was converted into Public Limited Company on 06 March 2007. The Company is listed on Karachi and Lahore Stock Exchanges. The registered office of the Company is located at 41-N, Industrial Area, Gulberg II, Lahore and is engaged in printing and publishing daily English and Urdu news papers by the name of "Daily Times" and "AajKal" respectively and also engaged in production, promotion, advertisement, distribution and broadcasting of television programs through satellite channels by the name of "Business Plus" and "Wikkid Plus" respectively. The principal places of the business for "Business Plus" and "Wikkid Plus" is situated at Suite No. 302-304, The Plaza, G-7, Block-9, Clifton Karachi and for Newspapers is at 41-N, Industrial Area, Gulberg II, Lahore. The Company has also applied to (PEMRA) for grant of license for entertainment channel which is under the process of approval.

**2 Basis of preparation**

The condensed interim financial information is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984 and is un-audited. This condensed interim financial information is being presented in accordance with the requirements of the International Accounting Standard "IAS - 34 Interim Financial Reporting".

**3 Significant accounting judgments and estimates**

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by the management in applying accounting policies and the key sources of estimation were the same as those that were applied to the financial statements as at and for the year ended 30 June 2009.

**4 Significant Accounting policies**

The accounting policies adopted for the preparation of these condensed interim financial information are the same as those applied in the preparation of financial statements of the Company for the preceding year ended 30 June 2009. Revised International Accounting Standard (IAS) 1 "Presentation of Financial Statements" which is applicable for accounting years beginning on or after 01 January 2009, requires 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be shown in performance statement. Companies can choose whether to present one performance statement (the statement of comprehensive income) or two statements (profit and loss account and statement of comprehensive income).

Since, there is no other comprehensive income, the company preferred to present single statement for profit and loss and profit after tax represent total comprehensive income of the Company.

Note	30 September 2009	30 June 2009
	(Rupees)	

**5 Property, Plant and Equipment**

Operating assets	5.1	1,108,577,977	1,133,914,650
Capital work in-progress-at cost		218,387,453	197,942,679
		<u>1,326,965,430</u>	<u>1,331,857,329</u>

	30 September 2009	30 June 2009
	(Rupees)	

**5.1 Break-up of additions**

**Owned and leased assets:**

Opening net book value		1,133,914,650	1,118,958,249
Additions / transfers during the period	5.1.1	2,375,977	161,411,809
		<u>1,136,290,627</u>	<u>1,280,370,058</u>
Disposal during the period-NBV	5.1.2	(641,624)	(60,954,897)
Depreciation for the period		(27,071,026)	(85,500,511)
Closing net book value		<u>1,108,577,977</u>	<u>1,133,914,650</u>

**5.1.1 Break-up of additions/transfers**

Leasehold improvements	2,206,891	9,331,923
Plant and equipment	-	141,439,296
Office equipment	55,850	5,508,160
Computers	113,236	3,891,475
Furniture and fixtures	-	142,795
Vehicles	-	1,098,160
	<u>2,375,977</u>	<u>161,411,809</u>

**5.1.2 Break-up of Disposals**

Land Free hold	-	20,400,263
Building on free hold land	-	28,680,377
Leasehold Improvements	-	2,170,660
Plant and equipment	-	1,494,201
Office equipment	-	3,922,186
Computers	571,312	1,309,968
Furniture & Fixture	-	1,520,960
Vehicles	70,312	1,456,282
	<u>641,624</u>	<u>60,954,897</u>

**6 Intangible Assets**

This represents goodwill arised on merger of Total Media Limited with Media Times Limited, licenses and software cost.

	30 September 2009	30 June 2009
	(Rupees)	

**7 Long term finances**

**Banking companies and other financial institutions**

First National Bank Modarba - Secured	7.1	15,000,000	20,000,000
Soneri Bank Limited - Secured	7.2	48,750,000	52,812,500
		<u>63,750,000</u>	<u>72,812,500</u>
Associated Companies - Unsecured	7.3	431,017,011	419,417,011
		<u>494,767,011</u>	<u>492,229,511</u>

**Less: current portion**

	(151,913,460)	(151,913,460)
	<u>342,853,551</u>	<u>340,316,051</u>

## MEDIA TIMES LIMITED

- 7.1 The Company has arranged a Modaraba finance from First National Bank Modaraba for an amount of Rs. 30 million (June 2009 : 30 million) against security of various equipment, Stores and Spares, Furniture & Fixture, Plant & Machinery, Vehicles etc. for the period of three years. The Mark up is charged @ 12.27% per annum based on Timely Payment Profit Rate(TPPR), payable on half yearly basis.
- 7.2 Long term financing availed from commercial bank under mark up arrangements for an amount of Rs. 65 million (June 2009: Rs. 65 million). Mark up is charged at 6 months KIBOR plus 3% per annum. These are secured by way of first pari passu charge on fixed assets of the Company amounting to Rs. 100 million (June 2009: Rs. 100 million).
- 7.3 This represents unsecured long term loans from associated companies carrying mark-up at the rate 16.50 % to 18.00% per annum (June 2009:17.50% to 18%).

	30 September 2009	30 June 2009
	(Rupees)	

### 8 Short term borrowing

#### Banking companies and other financial institutions

Running finance - Secured	8.1	50,000,000	50,000,000
Finance against imported merchandise - Secured	8.2	7,625,601	16,750,037
Unsecured- Book Overdraft		-	10,857,261
		57,625,601	77,607,298

8.1 Running Finance facility available from commercial bank under mark up arrangements amounts to Rs. 50 million (June 2009: Rs. 50 million). Mark up is charged at 3 months KIBOR plus 3.5% per annum, payable on quarterly basis. It is secured by way of first hypothecation charge on certain current and fixed assets of the Company.

8.2 This facility available from commercial bank under mark up arrangements amounts to Rs. 45.40 million (June 2009: Rs.45.40 million). Mark up is charged at 3 months KIBOR plus 1.5% per annum, payable on quarterly basis. It is secured by way of pledge of imported news print papers at company's godowns.

### 9 Contingencies and commitments

There is no change in contingencies disclosed in the annual financial statements for the year ended 30 June 2009.

	30 September 2009	30 June 2009
	(Rupees)	

#### Commitments in respect of:

9.1 Capital expenditure	11,755,321	34,255,321
9.2 Content/programs	6,480,109	7,955,109

## MEDIA TIMES LIMITED

	30 September 2009	30 September 2008
	(Rupees)	

### 10 Cash generated from operating activities

(Loss)/profit before taxation	(19,647,296)	13,266,688
Adjustment for non-cash charges and other items:		
Depreciation	27,071,025	12,154,651
Amortization of intangible assets	235,501	33,350
Provision for doubtful receivables	2,600,000	2,050,483
Loss/(gain) on disposal of property, plant and equipment	323,574	(42,500)
Gain on sale of short term investments	-	(4,824,600)
Retirement benefits	3,843,071	2,866,209
Finance cost	15,360,849	12,613,455
<b>Profit before working capital changes</b>	<b>29,786,724</b>	<b>38,117,736</b>
Effect on cash flow due to working capital changes:		
Inventories	33,503,857	(6,137,053)
Television programs costs	5,000,000	4,043,265
Trade debts	4,445,696	12,246,644
Loans and advances	5,655,077	(5,624,919)
Deposit & prepayments	1,384,431	(2,285,779)
Other receivables	(1,265,439)	(1,017,967)
Trade and other payables	(10,230,995)	32,270,976
	<b>38,492,627</b>	<b>33,495,167</b>
	<b>68,279,351</b>	<b>71,612,903</b>

### 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:

	30 September 2009	30 September 2008
	(Rupees)	
<b>Associates:</b>		
Purchase of goods and services	1,721,037	5,110,785
Sale of goods and services	3,862,910	3,724,901
Interest on loan	19,491,941	20,281,901

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 segments comprise of the following main businesses:

- Print media which comprises of "Daily Times" and "AajKal" being the Daily English and Urdu newspapers respectively.
- Electronic media comprises of "Business Plus", and "Wikkid Plus" being the two satellite channels.



## MEDIA TIMES LIMITED

### Segment analysis for the period ended 30 September 2009

	Print Media	Electronic Media	Total
	(Rupees)		
<b>Total revenue - net</b>	93,629,147	29,929,585	123,558,732
<b>Profit before tax and unallocated expenses</b>	(3,478,801)	(16,168,495)	(19,647,296)
Unallocated corporate expenses			
Taxation			5,349,849
Loss after taxation			(14,297,447)
<b>Segment assets and liabilities</b>			
Segment assets	1,491,598,678	589,511,138	2,081,109,816
Unallocated segment assets	-	-	71,161,887
Consolidated total assets			2,152,271,703
<b>Segment liabilities</b>	602,825,982	125,053,278	727,879,260
<b>Segment capital expenditure</b>	8,900,093	13,920,658	22,820,751
Depreciation and amortization	13,312,669	13,993,857	27,306,526
<b>Segment analysis for the period ended 30 September 2008</b>			
<b>Total revenue - net</b>	106,042,837	37,679,919	143,722,756
<b>Profit before tax and unallocated expenses</b>	17,445,087	(4,178,399)	13,266,688
Unallocated corporate expenses			
Taxation			(5,670,475)
Profit after taxation			7,596,213
<b>Segment assets and liabilities</b>			
Segment assets	1,330,970,249	807,414,209	2,138,384,459
Unallocated segment assets	-	-	38,226,353
Consolidated total assets			2,176,610,811
<b>Segment liabilities</b>	787,268,738	256,166,721	1,043,435,459
<b>Segment capital expenditure</b>	57,986,551	43,744,241	101,730,792
Depreciation and amortization	6,481,579	5,706,422	12,188,001

## MEDIA TIMES LIMITED

### 13 Taxation

Provision for taxation for the quarter ended 30 September 2009 has been made on an estimated basis.

	30 September 2009	30 September 2008
	(Rupees)	
<b>14 Earnings per share - basic and diluted</b>		
There is no dilutive effect on the basic earnings per share of the Company, which is based on;		
(Loss)/profit after taxation attributable to ordinary share holders -Rupees	(14,297,447)	7,596,213
Weighted average number of ordinary shares - Numbers	134,138,258	100,478,258
Earnings per share - Basic Rupees	(0.11)	0.08
<b>15 Date of authorization for issue</b>		
This un-audited condensed interim financial information for the quarter ended 30 September 2009 was authorized for issue on 29 October 2009 by the Board of Directors of the Company.		
<b>16 General</b>		
Figures have been rounded off to the nearest of rupee.		