

MEDIA TIMES LIMITED

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

**FOR THE QUARTER AND PERIOD ENDED
31 MARCH 2013**

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

Statement of financial position

Page Ten

Income statement

Page Eleven

Statement of comprehensive income

Page Twelve

Cash flow statement

Page Thirteen

Statement of changes in equity

Page Fourteen

Notes to the financial information

MEDIA TIMES LIMITED

COMPANY INFORMATION

Board of Directors	Aamna Taseer (Chairman) Shehryar Ali Taseer (CEO) Maheen Ghani Taseer Shehribano Taseer Samira Ahmed Zia Imran Hafeez Maimanat Mohsin	Non-Executive Executive Non-Executive Executive Non-Executive Non-Executive Independent
Chief Financial Officer	Jawad Saleem	
Audit Committee	Maheen Ghani Taseer (Chairman) Aamna Taseer Imran Hafeez	
Company Secretary	Tariq Majeed	
Auditors	Nasir Javed Maqsood Imran Chartered Accountants	
Legal Advisers	Ebrahim Hosain Advocates & Corporate Counsel	
Bankers	Bank Alfalah Limited Faysal Bank Limited Habib Metropolitan Bank Limited NIB Bank Limited Allied Bank Limited Standard Chartered Bank (Pakistan) Limited	
Registrar and Shares Transfer Office	THK Associates (Pvt.) Limited Ground Floor State Life Building No.3, Dr. Zia-ud-Din Ahmed Road Karachi Tel: (021) 111-000-322	
Head Office	3rd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore, Pakistan. Tel: (042) 36623005/6/8 Fax: (042) 36623121-36623122	
Registered & Main Project Office	41-N, Industrial Area, Gulberg-II, Lahore Tel: (042) 35878614-9 Fax: (042) 35878620, 35878626	

MEDIA TIMES LIMITED

DIRECTORS' REVIEW

The Directors of **Media Times Limited** ("MTL" or the "Company") are pleased to present the un-audited financial statements of the Company for the period ended 31st March 2013.

Operating Results

The operating results of the Company are summarized as follows:

	31 March 2013	31 March 2012
	Rupees	Rupees
Revenue	226,708,203	195,352,818
Gross loss	(24,077,229)	(203,641,803)
Operating cost	100,537,491	130,332,922
Operating loss	(124,614,720)	(333,974,725)
Loss after taxation	(136,648,111)	(304,863,456)
Earnings / (loss) per share - Basic & diluted	(0.76)	(1.80)

During the period under review, the Company reported a growth of 16% with net revenues of Rs. 226.708 million as compared to Rs.195.353 million in the corresponding period last year, while the loss after tax was Rs. 136.648 million as compare to Rs 304.863 million corresponding period. The EPS of the Company was Rs. (0.76) as compared to Rs. (1.80) in the corresponding period.

Third quarter of financial year 2013 has ended with a political milestone, whereby democratic government has completed its full term. The upcoming elections are not only important for the continuity of the democratic rule, but hopefully, for achieving macroeconomic stability and growth. So while this uncertainty cannot be denied, the government must prioritize addressing stubborn structural problems in public sector enterprises and the energy sector. Media will continue playing its role in ensuring fair and free elections.

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
24 April 2013

Shehryar Ali Taseer
Chief Executive Officer

MEDIA TIMES LIMITED

**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2013**

Note	(Un-Audited)	(Audited)
	31 March 2013	30 June 2012
(Rupees)		
ASSETS		
NON CURRENT ASSETS		
4	859,882,135	944,673,377
5	152,440,270	152,640,370
	8,362,627	8,347,127
	170,328,653	170,328,653
	<u>1,191,013,685</u>	<u>1,275,989,527</u>
CURRENT ASSETS		
	6,697,799	5,456,063
	127,373,331	103,506,322
	9,451,380	8,774,958
	5,543,529	7,162,827
	54,035,745	32,249,387
	2,624,788	4,675,804
	<u>205,726,572</u>	<u>161,825,361</u>
	<u>1,396,740,257</u>	<u>1,437,814,888</u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Share Capital and Reserves		
Authorized capital		
180,000,000 (2012: 180,000,000) ordinary shares of Rs. 10 each.		
	<u>1,800,000,000</u>	<u>1,800,000,000</u>
	1,788,510,100	1,788,510,100
	76,223,440	76,223,440
	(1,051,683,850)	(915,035,739)
	<u>813,049,690</u>	<u>949,697,801</u>
NON CURRENT LIABILITIES		
6	99,757,368	72,961,018
	61,640,607	56,916,880
	<u>161,397,975</u>	<u>129,877,898</u>
CURRENT LIABILITIES		
	319,356,480	268,039,747
	28,642,878	15,639,749
7	50,000,000	50,000,000
	9,715,914	8,582,373
	14,577,320	15,977,320
	<u>422,292,592</u>	<u>358,239,189</u>
8	-	-
	<u>1,396,740,257</u>	<u>1,437,814,888</u>
TOTAL EQUITY AND LIABILITIES		

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

LAHORE:

CHIEF EXECUTIVE

09

DIRECTOR

MEDIA TIMES LIMITED

**CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER AND PERIOD ENDED 31 MARCH 2013**

Note	Jul - Mar	Jul - Mar	Jan - Mar	Jan - Mar
	2013	2012	2013	2012
(Rupees)				
Revenue -Net	226,708,203	195,352,818	78,015,960	73,436,591
Direct cost	(250,785,432)	(398,994,621)	(80,154,929)	(132,757,313)
Gross loss	<u>(24,077,229)</u>	<u>(203,641,803)</u>	<u>(2,138,969)</u>	<u>(59,320,722)</u>
Operating cost	(100,537,491)	(130,332,922)	(28,060,512)	(31,576,298)
Operating loss	<u>(124,614,720)</u>	<u>(333,974,725)</u>	<u>(30,199,481)</u>	<u>(90,897,020)</u>
Finance cost	(13,349,997)	(54,633,404)	(4,450,533)	(7,719,701)
	<u>(137,964,717)</u>	<u>(388,608,129)</u>	<u>(34,650,014)</u>	<u>(98,616,721)</u>
Other operating Income	2,450,147	7,907,898	943,307	4,865,017
Loss before taxation	<u>(135,514,570)</u>	<u>(380,700,231)</u>	<u>(33,706,707)</u>	<u>(93,751,704)</u>
Taxation	(1,133,541)	75,836,775	(390,080)	(780,932)
Loss after taxation	<u>(136,648,111)</u>	<u>(304,863,456)</u>	<u>(34,096,787)</u>	<u>(94,532,636)</u>
Loss per share - basic and diluted	13 (0.76)	(1.80)	(0.19)	(0.56)

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

LAHORE:

CHIEF EXECUTIVE

10

DIRECTOR

MEDIA TIMES LIMITED

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED)
FOR THE QUARTER AND PERIOD ENDED 31 MARCH 2013**

	Jul - Mar 2013	Jul - Mar 2012
	(Rupees)	
Loss after taxation	(136,648,111)	(304,863,456)
Other comprehensive income/ (loss) for the period	-	-
Total comprehensive loss for the period	(136,648,111)	(304,863,456)

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

LAHORE:

CHIEF EXECUTIVE

DIRECTOR

11

MEDIA TIMES LIMITED

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER AND PERIOD ENDED 31 MARCH 2013**

		31 March 2013	31 March 2012
	Note	(Rupees)	
Cash flow from operating activities			
Cash generated from operations	9	(26,844,363)	(84,158,132)
Decrease in Long term deposits		(15,500)	(3,823,200)
Decrease in Television programs costs		-	50,170,535
Retirement benefits paid		(196,130)	(3,676,000)
Finance cost paid		(346,868)	(41,364,896)
Taxes paid		15,499	(1,145,165)
Net cash used in operating activities		(27,387,362)	(83,996,858)
Cash flow from investing activities			
Fixed capital expenditure		(179,999)	12,798,003
Sale proceeds of operating fixed assets		119,995	8,693,453
Net cash used in investing activities		(60,004)	21,491,456
Cash flow from financing activities			
Repayment of long term finances-Net		25,396,350	(385,016,356)
Issue of right shares		-	447,127,520
Repayment of finance lease liabilities-Net		-	(2,353,414)
Net cash generated from/(used in) financing activities		25,396,350	59,757,750
Net decrease in cash and cash equivalents		(2,051,016)	(2,747,652)
Cash and cash equivalents at the beginning of the period		4,675,804	7,824,258
Cash and cash equivalents at the end of the period		2,624,788	5,076,606

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

LAHORE:

CHIEF EXECUTIVE

DIRECTOR

12

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER AND PERIOD ENDED 31 MARCH 2013**

MEDIA TIMES LIMITED

	Capital reserves (Rupees)			Revenue Reserve Unappropriated profit/(loss)	Total
	Share capital	Share premium			
Balance as at 30 June 2011	1,341,382,580	76,223,440	(215,706,155)	1,201,899,865	(304,863,456)
Net loss for the period	-	-	(304,863,456)	-	-
Balance as at 31 March 2012	1,341,382,580	76,223,440	(520,569,611)	897,036,409	897,036,409
Balance as at 30 June 2012	1,788,510,100	76,223,440	(915,035,739)	949,697,801	(136,648,111)
Net loss for the period	-	-	(136,648,111)	-	-
Balance as at 31 March 2013	1,788,510,100	76,223,440	(1,051,683,850)	813,049,690	813,049,690

13

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

LAHORE

CHIEF EXECUTIVE

DIRECTOR

MEDIA TIMES LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
(UN-AUDITED)
FOR THE QUARTER AND PERIOD ENDED 31 MARCH 2013**

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 "Zaiqa" (formerly Wikkid Plus) respectively. The principal places of the business for "Business Plus" and "Zaiqa" is situated at F-49, Block-8, KDA Scheme 5, 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 Statement of compliance

This condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. Wherever the requirements or directives issued by Securities and Exchange Commission of Pakistan differ with the requirements of IFRS, the requirements of the Companies Ordinance, 1984 or the requirements of the said directives prevail.

The disclosures made in these condensed interim financial information have, however, been limited based on the requirements of the International Accounting Standard 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 for the year ended 30 June 2012.

4 Property, Plant and Equipment

	Note	31 March 2013	30 June 2012
(Rupees)			
Operating assets	4.1	859,882,135	944,673,377
		859,882,135	944,673,377

14

MEDIA TIMES LIMITED

	Note	31 March 2013	30 June 2012
(Rupees)			
4.1 Operating assets			
Owned and leased assets:			
Opening net book value		944,673,377	1,115,046,654
Additions / transfers during the period	4.1.1	179,999	206,708,746
		<u>944,853,376</u>	<u>1,321,755,400</u>
Disposal during the period -NBV	4.1.2	(3,299)	(4,214,344)
Depreciation for the period		(84,967,942)	(137,297,589)
Impairment loss		-	(235,570,088)
Closing net book value		<u>859,882,135</u>	<u>944,673,377</u>

4.1.1 Break-up of additions/transfers

Leasehold improvements	-	5,709,656
Plant and equipment	-	198,163,937
Office equipment	55,750	1,066,628
Computers	124,249	179,600
Furniture and fixtures	-	275,000
Vehicles	-	1,313,925
		<u>179,999</u>
		<u>206,708,746</u>

4.1.2 Break-up of Disposals

Office equipment	-	216,786
Furniture & Fixture	-	103,315
Vehicles	3,299	3,894,243
		<u>3,299</u>
		<u>4,214,344</u>

5 Intangible Assets

This represents goodwill arising on merger of Total Media Limited with Media Times Limited and licenses cost.

	31 March 2012	30 June 2011
(Rupees)		
6 Long term finances		
Banking companies and other financial institutions		
First National Bank Modarba - Secured	1,781,820	3,181,820
Associated Companies - Unsecured	99,757,368	72,961,018
	<u>101,539,188</u>	<u>76,142,838</u>
Less: current portion shown under current liabilities	(1,781,820)	(3,181,820)
	<u>99,757,368</u>	<u>72,961,018</u>

7 Short term borrowing-secured

Running Finance facility available from commercial bank under mark up arrangements amounts to Rs. 50 million (June 2012: Rs. 50 million). Mark up is charged at 3 months KIBOR plus 3.5 % per annum, payable on half yearly basis. It is secured by way of exclusive charge on present and future current and fixed assets of the Company.

MEDIA TIMES LIMITED

8 Contingencies and commitments

There is no change in contingencies and commitments disclosed in the annual financial statements for the year ended 30 June 2012 except the following:

In the year 2010 the Assistant Commissioner of Inland Revenue Lahore passed an order against the Company for alleged short payment of Rs. 6.87 million under section 11(2) & 36(1) of Sales Tax Act 1990, and imposed a penalty, equivalent to the amount of original alleged payment. The Company being aggrieved of the order of Assistant Commissioner filed appeal before Commissioner Inland Revenue Appeals-III Lahore. The Commissioner Appeals Set-a-side the appeal of the Company with directions to the assessing Officer. Subsequently the Company filed appeal in Income Tax Appellate Tribunal Lahore, the learned Appellate Tribunal also set a side the appeal for denovo proceedings. No proceedings have yet been started by Tax Department in this respect.

	31 March 2013	30 June 2012
(Rupees)		
8.1 Commitments in respect of capital expenditure	-	-
8.2 Commitments in respect of content/programs	-	-
	<u>31 March 2013</u>	<u>31 March 2012</u>
	(Rupees)	
9 Cash flow from operating activities		
Loss before taxation	(135,514,570)	(380,700,231)
Adjustment for non-cash charges and other items:		
Depreciation	84,967,942	95,756,150
Amortization of intangible assets	200,100	200,100
Amortization of CWIP	-	14,951,560
Provision for doubtful receivables - Net	6,522,428	-
Gain on disposal of operating fixed assets	(116,696)	(6,004,783)
Retirement benefits	4,919,857	5,683,691
Finance cost	13,349,997	54,633,405
Profit/(loss) before working capital changes	<u>(25,670,942)</u>	<u>(215,480,108)</u>
Effect on cash flow due to working capital changes:		
Inventories	(1,241,736)	(448,123)
Television programs costs	-	51,117,193
Trade debts	(30,389,437)	2,252,862
Loans and advances	(676,422)	6,193,584
Deposit & prepayments	1,619,298	(703,490)
Other receivables	(21,801,857)	2,357,766
Trade and other payables	51,316,733	70,552,184
	<u>(1,173,421)</u>	<u>131,321,976</u>
	<u>(26,844,363)</u>	<u>(84,158,132)</u>
10 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:

MEDIA TIMES LIMITED

	31 March 2013	31 March 2012
	(Rupees)	
Associated Companies		
First Capital Securities Corporation Limited		
Sale of goods and services	13,000	20,800
Interest on loan	389,002	46,479,874
Repayment of loan	-	426,794,204
Pace Pakistan Limited		
Building Rent	8,464,500	7,695,000
Sale of vehicle	-	340,000
Sale of goods and services	1,438,600	866,900
Advance against advertisement	25,862,900	1,649,670
Worldcall Telecom Limited		
Sale of goods and services	5,687,031	1,170,000
Building Rent	1,574,442	1,431,306
Purchase of goods & services	891,045	915,715

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

11 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 "Zaiqa" being the two satellite channels.

Segment revenues and results

Following is an analysis of the Company's revenue and results by reportable segment.

	Print Media	Electronic Media	Total
	(Rupees)		
For the period ended 31 March 2013			
Revenue -Net	174,716,895	51,991,308	226,708,203
Direct cost	(163,498,526)	(87,286,906)	(250,785,432)
Gross profit/(loss)	11,218,369	(35,295,598)	(24,077,229)
Operating cost	(67,897,286)	(32,640,206)	(100,537,491)
Operating loss	(56,678,917)	(67,935,804)	(124,614,720)
Finance cost	(13,336,036)	(13,961)	(13,349,997)
Other operating income	2,333,451	116,696	2,450,147

17

MEDIA TIMES LIMITED

	Print Media	Electronic Media	Total
	(Rupees)		
Loss before taxation	(67,681,502)	(67,833,069)	(135,514,570)
Taxation			(1,133,541)
Loss after taxation			(136,648,111)
For the period ended 31 March 2012			
Revenue -Net	159,115,298	36,237,520	195,352,818
Direct cost	(193,028,798)	(205,965,823)	(398,994,621)
Gross profit/(loss)	(33,913,500)	(169,728,303)	(203,641,803)
Operating cost	(93,533,117)	(36,799,805)	(130,332,922)
Operating loss	(127,446,617)	(206,528,108)	(333,974,725)
Finance cost	(50,561,706)	(4,071,698)	(54,633,404)
Other operating income	4,380,656	3,527,242	7,907,898
Loss before taxation	(173,627,667)	(207,072,564)	(380,700,231)
Taxation			75,836,775
Loss after taxation			(304,863,456)

Segment assets and liabilities

Reportable segments assets and liabilities are reconciled to total assets and liabilities as follows:

As at 31 March 2013

Segment assets for reportable segments	1,167,837,942	58,573,662	1,226,411,604
Unallocated corporate assets			170,328,653
Total assets as per balance sheet			1,396,740,257
Segment liabilities	414,230,034	169,460,533	583,690,567
Consolidated total liabilities			583,690,567

As at 31 March 2012

Segment assets for reportable segments	1,313,218,460	269,118,491	1,582,336,951
Unallocated corporate assets			248,227,087
Total assets as per balance sheet			1,830,564,038
Segment liabilities	320,210,650	166,198,459	486,409,109
Consolidated total liabilities			486,409,109

Other Segment information

	Print Media	Electronic Media	Total
	(Rupees)		
For the period ended 31 March 2013			
Segment capital expenditure	179,999	-	179,999
Depreciation and amortization	39,993,800	45,174,242	85,168,042

18

MEDIA TIMES LIMITED**For the period ended 31 March 2012**

Segment capital expenditure	<u>106,000</u>	<u>96,844,477</u>	<u>96,950,477</u>
Depreciation and amortization	<u>49,567,699</u>	<u>46,388,551</u>	<u>95,956,250</u>

12 Taxation

The provision for taxation for the period ended 31 March 2013 has been made on an estimated basis.

<u>31 March 2013</u>	<u>31 March 2012</u>
(Rupees)	

13 Loss per share - basic & diluted

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

Loss after taxation attributable to ordinary share holders -Rupees	<u>(136,648,111)</u>	<u>(304,863,456)</u>
Weighted average number of ordinary shares - Numbers	<u>178,851,010</u>	<u>169,616,855</u>
Loss per share - Basic & diluted Rupees	<u>(0.76)</u>	<u>(1.80)</u>

14 Date of authorization for issue

This un-audited condensed interim financial information for the period ended 31 March 2013 was authorized for issue on 24 April 2013 by the Board of Directors of the Company.

15 General

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

MEDIA TIMES LIMITED