

**MEDIA TIMES LIMITED**

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

**FOR THE PERIOD ENDED  
31 MARCH 2011**

**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***

Statement of comprehensive income

***Page Twelve***

Cash flow statement

***Page Thirteen***

Statement of changes in equity

***Page Fourteen***

Notes to the accounts

**COMPANY INFORMATION**

<b>Board of Directors</b>	Aamna Taseer (Chairman) Shehryar Ali Taseer (Chief Executive Officer) Shahbaz Ali Taseer Shehribano Taseer Omer Subhan Salamat Syed Kashan Hussain Kazmi Maimanat Mohsin
<b>Chief Financial Officer</b>	Waseem Raza
<b>Audit Committee</b>	Aamna Taseer (Chairperson) Shahbaz Ali Taseer Omer Subhan Salamat
<b>Company Secretary</b>	Nadeem Maqsood
<b>Auditors</b>	Nasir Javed Maqsood Imran Ashfaq 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 Summit 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 un audited financial statements of the Company for the nine months ended 31 March 2011.

**Operating Results**

The operating results of the Company for the nine months are summarized as follows:

	<b>31 March 2011</b>	31 March 2010
	<b>Rupees</b>	Rupees
Revenue	<b>312,859,518</b>	341,158,675
Gross profit	<b>79,246,306</b>	97,305,943
Operating cost	<b>175,358,149</b>	138,562,043
Operating loss	<b>(96,111,843)</b>	(41,256,100)
Loss after taxation	<b>(99,812,573)</b>	(54,654,112)
Earnings / (loss) per share - Basic & diluted	<b>(0.74)</b>	(0.41)

During the current period under review, the Company posted net revenue of Rs. 312.86 million as compared to Rs. 341.16 million in the corresponding period last year, while the loss after tax was Rs. 99.81 million. The negative EPS of the Company was Rs. (0.74) as compared to Rs. (0.41) in the corresponding period.

The management of the Company is continuously striving to cope with the increasing competition in print media industry. The entry of two major English newspapers in industry has made it mandatory to take a highly aggressive approach on circulation, marketing and editorial strength. At the same time coming up with better product quality and aggressive commercial approach is the only way to maintain the position achieved as the result of hard work of last one decade.

Electronic wing of Media Times is facing the same challenges from the competitors, economic situation and ever increasing industry as well as viewers demands. However the management is continuously taking cost effective yet aggressive measures to not only maintain its quality but also come up with innovative programming and precise distribution to increase MTL market share in the available resources.

Management is utilizing all means to improve the financial results of Media Times by continuously strategizing and implementing the best possible overall planning for print as well electronic wing of media times.

**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  
30 April 2011

**Shehryar Ali Taseer**  
Chief Executive Officer

## MEDIA TIMES LIMITED

### CONDENSED INTERIM BALANCE SHEET AS AT 31 MARCH 2011

	Note	(Un-Audited) 31 March 2011	(Audited) 30 June 2010
		(Rupees)	
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
<b>Tangible fixed assets</b>			
Property, plant and equipment	5	1,362,436,787	1,324,349,538
<b>Intangible assets</b>			
Long term deposits	6	152,973,870	153,173,970
Television program costs		9,695,294	9,984,926
Deferred taxation		46,121,547	52,634,756
		<u>158,318,491</u>	<u>102,981,740</u>
		<u>1,729,545,989</u>	<u>1,643,124,930</u>
<b>CURRENT ASSETS</b>			
Inventories		6,725,595	24,156,017
Current portion of television program costs		81,822,766	73,016,734
Trade debts		226,309,639	196,072,374
Loans and advances		18,929,791	21,106,509
Deposit and prepayments		13,688,066	20,474,481
Other receivables		27,417,845	25,839,092
Cash and bank balances		280,715	18,461,424
		<u>375,174,417</u>	<u>379,126,631</u>
<b>TOTAL ASSETS</b>		<u><u>2,104,720,406</u></u>	<u><u>2,022,251,561</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		1,341,382,580	1,341,382,580
Share premium		76,223,440	76,223,440
Unappropriated (loss)		(152,356,070)	(52,543,497)
<b>Total Equity</b>		<u>1,265,249,950</u>	<u>1,365,062,523</u>
<b>NON CURRENT LIABILITIES</b>			
Long term finances	7	-	391,629,002
Retirement benefits		59,544,297	45,229,862
Liabilities against assets subject to finance lease		-	125,834
		<u>59,544,297</u>	<u>436,984,698</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		254,450,282	128,843,485
Interest and mark-up accrued		20,496,723	984,777
Short term borrowings	8	481,617,362	51,262,745
Current maturities of long term liabilities		23,361,792	39,113,333
		<u>779,926,159</u>	<u>220,204,340</u>
Contingencies and commitments	9	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>2,104,720,406</u></u>	<u><u>2,022,251,561</u></u>

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

LAHORE: CHIEF EXECUTIVE OFFICER

09

DIRECTOR

## MEDIA TIMES LIMITED

### CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2011

	Note	Nine months ended		Quarter ended	
		Jul - Mar 2011	Jul - Mar 2010	Jul - Mar 2011	Jul - Mar 2010
(Rupees)					
Revenue -Net		312,859,518	341,158,675	87,684,823	120,408,350
Direct costs		(233,613,212)	(243,852,732)	(51,515,221)	(88,538,703)
<b>Gross profit</b>		<u>79,246,306</u>	<u>97,305,943</u>	<u>36,169,602</u>	<u>31,869,647</u>
Operating costs		(175,358,149)	(138,562,043)	(73,096,895)	(47,806,396)
<b>Operating (loss)</b>		<u>(96,111,843)</u>	<u>(41,256,100)</u>	<u>(36,927,293)</u>	<u>(15,936,749)</u>
Finance costs		(60,419,959)	(33,285,431)	(20,207,329)	(8,882,450)
		<u>(156,531,802)</u>	<u>(74,541,531)</u>	<u>(57,134,622)</u>	<u>(24,819,199)</u>
Other operating Income		4,511,074	2,116,797	1,337,329	1,212,404
<b>Loss before taxation</b>		<u>(152,020,728)</u>	<u>(72,424,734)</u>	<u>(55,797,293)</u>	<u>(23,606,795)</u>
Taxation		52,208,155	17,770,622	18,101,714	2,142,354
<b>Total comprehensive loss</b>		<u>(99,812,573)</u>	<u>(54,654,112)</u>	<u>(37,695,579)</u>	<u>(21,464,441)</u>
Earnings per share - basic and diluted	14	<u>(0.74)</u>	<u>(0.41)</u>	<u>(0.28)</u>	<u>(0.16)</u>

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

LAHORE:

CHIEF EXECUTIVE OFFICER

10

DIRECTOR

## MEDIA TIMES LIMITED

### CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS AND QUARTER ENDED 31 MARCH 2011

	Nine months ended		Quarter ended	
	Jul - Mar	Jul - Mar	Jul - Mar	Jul - Mar
	2011	2010	2011	2010
	(Rupees)		(Rupees)	
Loss after taxation	(99,812,573)	(54,654,112)	(37,695,579)	(21,464,441)
Other comprehensive income/ (loss) for the period	-	-	-	-
<b>Total comprehensive loss for the period</b>	<b><u>(99,812,573)</u></b>	<b><u>(54,654,112)</u></b>	<b><u>(37,695,579)</u></b>	<b><u>(21,464,441)</u></b>

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

LAHORE:

CHIEF EXECUTIVE OFFICER

DIRECTOR

## MEDIA TIMES LIMITED

### CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2011

	Note	Nine months ended	
		31 March	31 March
		2011	2010
		(Rupees)	
<b>Cash flow from operating activities</b>			
Cash generated from operations	10	132,399,638	133,214,908
Decrease in long term deposits		289,632	11,134,569
Television programs costs		(8,806,032)	7,443,005
Retirement benefits paid		(1,788,000)	(5,876,029)
Finance cost paid		(40,908,012)	(38,119,193)
Taxes paid		(3,199,450)	(2,277,626)
<b>Net cash generated from operating activities</b>		<b><u>77,987,776</u></b>	<b><u>105,519,634</u></b>
<b>Cash flow from investing activities</b>			
Fixed capital expenditure		<b>(126,615,514)</b>	(125,435,142)
Sale proceeds of operating fixed assets		7,598,790	38,567,476
Proceed from Sale of short term investment		-	45,000,077
<b>Net cash (used in) investing activities</b>		<b><u>(119,016,724)</u></b>	<b><u>(41,867,589)</u></b>
<b>Cash flow from financing activities</b>			
Long term finances-Net		<b>(396,629,002)</b>	(21,089,997)
Short term borrowings		430,354,617	(10,577,322)
Repayment of finance lease liabilities-Net		<b>(10,877,376)</b>	(34,916,749)
<b>Net cash generated / (used in) financing activities</b>		<b><u>22,848,239</u></b>	<b><u>(66,584,068)</u></b>
<b>Net (decrease) / increase in cash and cash equivalents</b>		<b><u>(18,180,709)</u></b>	<b><u>(2,932,023)</u></b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b><u>18,461,424</u></b>	<b><u>9,177,999</u></b>
<b>Cash and cash equivalents at the end of the period</b>		<b><u>280,715</u></b>	<b><u>6,245,976</u></b>

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

LAHORE:

CHIEF EXECUTIVE OFFICER

DIRECTOR

**MEDIA TIMES LIMITED**

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE NINE MONTHS ENDED 31 MARCH 2011**

	Capital reserves			Revenue Reserve		Total
	Share capital	Share premium	Share	Unappropriated profit/(loss)		
(Rupees)						
Balance as at 30 June 2009	1,341,382,580	76,223,440	76,223,440	21,083,870	1,438,689,890	
Net loss for the period	-	-	-	(54,654,112)	(54,654,112)	
<b>Balance as at 31 March 2010</b>	<b>1,341,382,580</b>	<b>76,223,440</b>	<b>76,223,440</b>	<b>(33,570,242)</b>	<b>1,384,035,778</b>	
Balance as at 30 June 2010	1,341,382,580	76,223,440	76,223,440	(52,543,497)	1,365,062,523	
Net loss for the period	-	-	-	(99,812,573)	(99,812,573)	
<b>Balance as at 31 March 2011</b>	<b>1,341,382,580</b>	<b>76,223,440</b>	<b>76,223,440</b>	<b>(152,356,070)</b>	<b>1,265,249,950</b>	

13

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

LAHORE

CHIEF EXECUTIVE OFFICER

DIRECTOR

**MEDIA TIMES LIMITED**

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION  
(UN-AUDITED)  
FOR THE NINE MONTHS ENDED 31 MARCH 2011**

**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 Exchnages. 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 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 new satellite channel which is under the process of approval.

**2 Basis of preparation**

The condensed interim financial information have been presented in accordance with the requirements of the "International Accounting Standard 34 - Interim Financial Reporting" as applicable in Pakistan and are unaudited. This condensed interim financial information does not include all of the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2010. Further, these accounts are being circulated to the shareholders in accordance with the requirements of section 245 of the Companies Ordinance 1984.

**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 2010.

**4 Significant Accounting policies**

Accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual financial statements of the Company for the year ended 30 June 2010.

**5 Property, Plant and Equipment**

Note	31 March 2011	30 June 2010
(Rupees)		
Operating assets	1,145,781,508	1,234,004,913
Capital work-in-progress-at cost	216,655,279	90,344,625
	<b>1,362,436,787</b>	<b>1,324,349,538</b>

14

## MEDIA TIMES LIMITED

	Note	31 March 2011	30 June 2010
(Rupees)			
<b>5.1 Operating assets</b>			
<b>Owned and leased assets:</b>			
Opening net book value		1,234,004,913	1,133,914,650
Additions / transfers during the period / year	5.1.1	304,860	235,946,530
		<u>1,234,309,773</u>	<u>1,369,861,180</u>
Disposal during the period / year -NBV	5.1.2	(3,172,426)	(6,459,208)
Depreciation for the period / year		(85,355,839)	(129,397,059)
		<u>1,145,781,508</u>	<u>1,234,004,913</u>
<b>5.1.1 Break-up of additions/transfers</b>			
Leasehold improvements		-	4,296,991
Plant and equipment		-	228,363,749
Office equipment		304,860	2,376,301
Computers		-	750,967
Furniture and fixtures		-	120,022
Vehicles		-	38,500
		<u>304,860</u>	<u>235,946,530</u>
<b>5.1.2 Break-up of Disposals</b>			
Plant and equipment		-	2,949,639
Office equipment		-	7,677
Computers		-	436,759
Vehicles		3,172,426	3,065,133
		<u>3,172,426</u>	<u>6,459,208</u>
<b>6 Intangible Assets</b>			
This represents goodwill arised on merger of Total Media Limited with Media Times Limited and licenses cost.			
		31 March 2011	30 June 2010
(Rupees)			
<b>7 Long term finances</b>			
<b>Banking companies and other financial institutions</b>			
First National Bank Modarba - Secured		5,000,000	10,000,000
Associated Companies - Unsecured		-	391,629,002
		<u>5,000,000</u>	<u>401,629,002</u>
<b>Less: current portion shown under current liabilities</b>		(5,000,000)	(10,000,000)
		<u>-</u>	<u>391,629,002</u>

## MEDIA TIMES LIMITED

	Note	31 March 2011	30 June 2010
(Rupees)			
<b>8 Short term borrowing-secured</b>			
<b>Banking companies and other financial institutions</b>			
Running finance	8.1	50,000,000	50,000,000
Associated Companies - Unsecured		431,617,362	-
Unsecured- Book Overdraft		-	1,262,745
		<u>481,617,362</u>	<u>51,262,745</u>
<b>8.1</b>	This includes short term finance facility available from commercial bank under mark up arrangement. Mark up is charged at 6 months KIBOR plus 3.5% (June 2010: 3 months KIBOR plus 3.5%) per annum, payable on half yearly basis. It is secured by way of first hypothecation charge on certain current and fixed assets of the Company.		
<b>9 Contingencies and commitments</b>			
There is no change in contingencies and commitments disclosed in the annual financial statements for the year ended 30 June 2010 except for the following:			
		31 March 2011	30 June 2010
(Rupees)			
9.1	Commitments in respect of capital expenditure	-	814,524
9.2	Commitments in respect of content/programs	-	6,434,709
		<u>31 March 2011</u>	<u>31 March 2010</u>
(Rupees)			
<b>10 Cash generated from operating activities</b>			
Loss before taxation		(152,020,728)	(72,424,734)
Adjustment for non-cash charges and other items:			
	Depreciation	85,355,839	90,287,669
	Amortization of intangible assets	200,100	537,700
	Provision for doubtful receivables	65,050,805	3,255,109
	(Gain)/loss on disposal of operating fixed assets	(4,426,364)	4,343,284
	Loss / (gain) on short term investment	-	187,299
	Retirement benefits	16,102,435	11,749,275
	Finance cost	60,419,959	33,285,431
	<b>Profit before working capital changes</b>	<u>70,682,046</u>	<u>71,221,033</u>
Effect on cash flow due to working capital changes:			
	Inventories	17,430,422	56,041,003
	Television programs costs	6,513,209	27,842,130
	Trade debts	(95,288,070)	(34,628,662)
	Loans and advances	2,176,718	4,936,088
	Deposit & prepayments	6,786,415	904,093
	Other receivables	(1,507,898)	(138,408)
	Trade and other payables	125,606,796	7,037,631
		<u>61,717,592</u>	<u>61,993,875</u>
		<u>132,399,638</u>	<u>133,214,908</u>
<b>11 Related party transactions</b>			
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 2011	31 March 2010
	(Rupees)	
<b>Associated Companies</b>		
Purchase of goods and services	4,174,914	11,235,740
Sale of goods and services	13,527,700	13,781,804
Interest on loan	50,999,579	53,457,496
Building Rent	4,950,000	4,500,000

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 "Zaiqa" being the two satellite channels.

#### Segment analysis for the period ended 31 March 2011.

	Print Media	Electronic Media	Total
	(Rupees)		
<b>Total revenue - net</b>	266,336,865	46,522,653	312,859,518
<b>Loss before tax and unallocated expenses</b>	(132,375,068)	(19,645,660)	(152,020,728)
Unallocated corporate expenses - Taxation			52,208,155
<b>Loss after taxation</b>			(99,812,573)
<b>Segment assets and liabilities</b>			
Segment assets	1,422,573,624	523,828,291	1,946,401,915
Unallocated segment assets	-	-	158,318,491
Consolidated total assets			2,104,720,406
<b>Segment liabilities</b>	659,843,678	179,626,778	839,470,456
<b>Segment capital expenditure</b>	87,860	217,000	304,860
Depreciation and amortization	42,389,462	43,166,478	85,555,939

## MEDIA TIMES LIMITED

	Print Media	Electronic Media	Total
	(Rupees)		
<b>Segment analysis for the period ended 31 March 2010</b>			
<b>Total revenue - net</b>	278,483,556	62,675,119	341,158,675
<b>Loss before tax and unallocated expenses</b>	13,409,734	(85,834,468)	(72,424,734)
Unallocated corporate expenses			17,770,622
Unallocated corporate - Taxation			(54,654,112)
<b>Segment assets and liabilities</b>			
Segment assets	1,474,448,751	530,470,294	2,004,919,045
Unallocated segment assets	-	-	85,288,454
Consolidated total assets			2,090,207,500
<b>Segment liabilities</b>	582,493,326	123,678,395	706,171,721
<b>Segment capital expenditure</b>	158,344,770	72,277,552	230,622,322
Depreciation and amortization	48,211,643	42,613,726	90,825,369

### 13 Taxation

The provision for taxation for the nine months ended 31 March 2011 has been made on an estimated basis.

### 14 Earnings / (loss) per share - basic & diluted

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

	31 March 2011	31 March 2010
	(Rupees)	
Loss after taxation attributable to ordinary share holders -Rupees	(99,812,573)	(54,654,112)
Weighted average number of ordinary shares - Numbers	134,138,258	134,138,258
Earnings per share - Basic Rupees	(0.74)	(0.41)

### 15 Date of authorization for issue

This un-audited condensed interim financial information for the nine months ended 31 March 2011 was authorized for issue on 30 April 2011 by the Board of Directors of the Company.

### 16 General

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