

**CONDENSED INTERIM
FINANCIAL INFORMATION**

**FOR THE PERIOD ENDED
30 SEPTEMBER 2011**

(Un-Audited)

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

Board of Directors	Aamna Taseer (Chairman) Shehryar Ali Taseer (Chief Executive Officer) Shahbaz Ali Taseer Shehribano Taseer Omer Subhan Salamat Syed Kashan Hussain Kazmi Maimanat Mohsin
Chief Financial Officer	Waseem Raza
Audit Committee	Syed Kashan Hussain Kazmi (Chairman) Aamna Taseer Shahbaz Ali Taseer
Company Secretary	Nadeem Maqsood
Auditors	Nasir Javed Maqsood Imran Ashfaq Chartered Accountants
Legal Advisers	Ebrahim Hosain Advocates & Corporate Counsel
Bankers	Al-Baraka Islamic Bank Bank Alfalah Limited Faysal Bank Limited Habib Metropolitan Bank Limited KASB Bank Limited NIB Bank Limited Summit Bank Limited Soneri 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	103-C/II, Gulberg-III Lahore, Pakistan Tel: (042) 35757591-4 Fax: (042) 35757590, 35877920
Registered & Main Project Office	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 first quarter un-audited financial statements of the Company for the Quarter ended 30 September 2011.

Operating Results

The operating results of the Company are summarized as follows:

	30 September 2011	30 September 2010
	(Rupees)	
Revenue	66,677,661	119,814,426
Gross (loss)/profit	(36,588,945)	37,179,301
Operating cost	(34,766,704)	(58,575,623)
Operating loss	(71,355,649)	(21,396,322)
Loss after taxation	(60,339,391)	(27,061,579)
Loss per share - Basic & diluted	(0.45)	(0.20)

During the period under review, the Company posted net revenue of Rs. 66.677 million as compared to Rs. 119.814 million in the corresponding period last year, while the loss after tax was Rs. 60.339 million. The EPS of the Company was Rs. (0.45) as compared to Rs. (0.20) in the corresponding period. Media industry is in a right sizing era, sustainability despite increasing costs and low revenue is the challenge which is being faced by print and electronic media. Acquisitions and mergers of small players by big players are on the cards. Cost reduction with improvement in synergizing effects is the main tool to survive in these difficult times. At MTL, the management is constantly maneuvering to adjust according to the changing times since things will certainly improve for the survivors. Despite increasing competition in print as well electronic industry, no compromise has been made on Circulation as well as content quality of Newspapers, at the same time distribution and production of electronic wing has also been not only maintained but also improved constantly to cater the vicious competition.

Aggressive revenue raising techniques have been introduced and more focus on customer services is being taken as a tool to cruise the sea of uncertainties. Management is extremely committed to survive and stay in this industry and will use all possible energies to make things improve.

Board of Directors

There is no change in the composition of Board of Directors of the Company, since the annual report. However, Syed Kashan Hussain Kazmi appointed Chairman of Audit Committee in place of Mrs. Aamna Taseer.

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
26 October 2011

Shehryar Ali Taseer
Chief Executive Officer

MEDIA TIMES LIMITED

**CONDENSED INTERIM FINANCIAL POSITION
AS AT 30 SEPTEMBER 2011**

	Note	(Un-audited) 30 September 2011 (Rupees)	(Audited) 30 June 2011
ASSETS			
NON CURRENT ASSETS			
Tangible fixed assets			
Property, plant and equipment	5	1,304,754,906	1,333,004,815
Intangible assets			
Long term deposits	6	152,840,470	152,907,170
Television program costs		14,537,706	14,537,706
Deferred taxation		37,128,144	50,170,535
		204,893,298	170,328,653
		<u>1,714,154,524</u>	<u>1,720,948,879</u>
CURRENT ASSETS			
Inventories		5,549,113	7,154,508
Current portion of television program costs		71,195,601	76,953,897
Trade debts		141,666,468	134,580,854
Loans and advances		22,647,631	19,210,116
Deposit and prepayments		5,696,707	5,730,724
Other receivables		17,127,550	17,438,125
Cash and bank balances		389,224	7,824,258
		<u>264,272,294</u>	<u>268,892,482</u>
TOTAL ASSETS		<u><u>1,978,426,818</u></u>	<u><u>1,989,841,361</u></u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
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 (loss)		(276,045,546)	(215,706,155)
Total Equity		<u>1,141,560,474</u>	<u>1,201,899,865</u>
NON CURRENT LIABILITIES			
Long term finances	7	441,516,904	441,484,904
Retirement benefits		56,332,772	54,438,208
Liabilities against assets subject to finance lease		10,644,946	10,644,946
		<u>508,494,622</u>	<u>506,568,058</u>
CURRENT LIABILITIES			
Trade and other payables		260,863,562	215,305,749
Interest and mark-up accrued		6,750,391	3,956,128
Short term borrowings	8	50,000,000	50,000,000
Current maturities of long term liabilities		10,757,769	12,111,561
		<u>328,371,722</u>	<u>281,373,438</u>
Contingencies and commitments	9	-	-
TOTAL EQUITY AND LIABILITIES		<u><u>1,978,426,818</u></u>	<u><u>1,989,841,361</u></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 INCOME STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2011**

	Note	30 September 2011 (Rupees)	30 September 2010
Revenue -Net		66,677,661	119,814,426
Direct cost		(103,266,606)	(82,635,125)
Gross (loss) / profit		<u>(36,588,945)</u>	<u>37,179,301</u>
Operating cost		(34,766,704)	(58,575,623)
Operating loss		<u>(71,355,649)</u>	<u>(21,396,322)</u>
Finance cost		(23,338,434)	(18,135,144)
		<u>(94,694,083)</u>	<u>(39,531,466)</u>
Other operating income		482,606	26,824
Loss before taxation		<u>(94,211,477)</u>	<u>(39,504,642)</u>
Taxation		33,872,086	12,443,063
Total comprehensive loss for the period		<u><u>(60,339,391)</u></u>	<u><u>(27,061,579)</u></u>
Loss per share - basic and diluted	14	<u><u>(0.45)</u></u>	<u><u>(0.20)</u></u>

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 STATEMENT OF COMPREHENSIVE
INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2011**

	<u>30 September 2011</u>	<u>30 September 2010</u>
	(Rupees)	
Loss after taxation	(60,339,391)	(27,061,579)
Other comprehensive income/ (loss) for the period	-	-
Total comprehensive loss for the period	<u>(60,339,391)</u>	<u>(27,061,579)</u>

The annexed notes from 1 to 16 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 ENDED 30 SEPTEMBER 2011**

	Note	<u>30 September 2011</u>	<u>30 September 2010</u>
		(Rupees)	
Cash flow from operating activities			
Cash generated from operations	10	10,390,574	15,865,087
Decrease in long term deposits		-	70,400
Television programs costs		5,758,296	(2,368,396)
Retirement benefits paid		-	(35,000)
Finance cost paid		(20,544,171)	(1,390,274)
Taxes paid		(482,941)	(1,350,524)
Net cash (used in)/generated from operating activities		<u>(4,878,242)</u>	<u>10,791,293</u>
Cash flow from investing activities			
Fixed capital expenditure		<u>(1,235,000)</u>	<u>(9,398,931)</u>
Net cash (used in) investing activities		<u>(1,235,000)</u>	<u>(9,398,931)</u>
Cash flow from financing activities			
Repayment of long term finances-Net		<u>(422,545)</u>	<u>(1,700,000)</u>
Repayment of short term borrowings		-	(1,262,745)
Repayment of finance lease liabilities-Net		<u>(899,247)</u>	<u>(5,369,753)</u>
Net cash (used in) financing activities		<u>(1,321,792)</u>	<u>(8,332,498)</u>
Net decrease in cash and cash equivalents		<u>(7,435,034)</u>	<u>(6,940,136)</u>
Cash and cash equivalents at the beginning of the period		<u>7,824,258</u>	<u>18,461,424</u>
Cash and cash equivalents at the end of the period		<u><u>389,224</u></u>	<u><u>11,521,288</u></u>

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

LAHORE:

CHIEF EXECUTIVE

DIRECTOR

12

MEDIA TIMES LIMITED

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2011**

	Share Capital	Capital reserves		Revenue reserve		Total
		Share Premium	Share	Unappropriated	Profit/(loss)	
Balance as at 30 June 2010	1,341,382,580	76,223,440		(52,543,497)		1,365,062,523
Net loss for the period	-	-		(27,061,579)		(27,061,579)
Balance as at 30 September 2010	1,341,382,580	76,223,440		(79,605,076)		1,338,000,944
Balance as at 30 June 2011	1,341,382,580	76,223,440		(215,706,155)		1,201,899,865
Net loss for the period	-	-		(60,339,391)		(60,339,391)
Balance as at 30 September 2011	1,341,382,580	76,223,440		(276,045,546)		1,141,560,474

13

The annexed notes from 1 to 16 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 ENDED 30 SEPTEMBER 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 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 "AajKa" 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 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 2011. 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 as at and for the year ended 30 June 2011.

4 Significant Accounting policies

Accounting policies adopted for the preparation of these condensed 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 2011.

	Note	01 July 11 to 30 September 2011	01 July 10 to 30 June 2011
(Rupees)			
5 Property, Plant and Equipment			
Operating assets	5.1	1,086,796,746	1,115,046,655
Capital work-in-progress-at cost		217,958,160	217,958,160
		1,304,754,906	1,333,004,815
5.1 Operating assets			
Owned and leased assets:			
Opening net book value		1,115,046,655	1,234,004,913
Additions / transfers during the period / year	5.1.1	1,235,000	532,310
		1,116,281,655	1,234,537,223

14

MEDIA TIMES LIMITED

	01 July 11 to 30 September 2011	01 July 10 to 30 June 2011
	(Rupees)	
Disposal during the period / year -NBV	-	(2,862,370)
Depreciation for the period / year	(29,484,909)	(116,628,199)
Closing net book value	<u>1,086,796,746</u>	<u>1,115,046,655</u>
5.1.1 Break-up of additions/transfers		
Plant and equipment	1,235,000	174,000
Office equipment	-	341,510
Computers	-	16,800
	<u>1,235,000</u>	<u>532,310</u>
5.1.2 Break-up of Disposals		
Vehicles	-	2,862,370
	<u>-</u>	<u>2,862,370</u>
6 Intangible Assets		
This represents goodwill arised on merger of Total Media Limited with Media Times Limited, and licenses cost.		
	01 July 11 to 30 September 2011	01 July 10 to 30 June 2011
	(Rupees)	
7 Long term finances		
Banking companies and other financial institutions		
First National Bank Modarba - Secured	4,090,910	4,545,455
Associated Companies - Unsecured	441,516,904	441,484,904
	445,607,814	446,030,359
Less: current portion shown under current liabilities	(4,090,910)	(4,545,455)
	<u>441,516,904</u>	<u>441,484,904</u>
8 Short term borrowing-secured		
Running Finance facility available from commercial bank under mark up arrangements amounts to Rs. 50 million (June 2011: Rs. 50 million). Mark up is charged at 6 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.		
9 Contingencies and commitments		
There is no contingencies and commitments except for the following:		
	30 September 2011	30 June 2011
	(Rupees)	
9.1 Commitments in respect of capital expenditure	<u>-</u>	<u>-</u>
9.2 Commitments in respect of content/programs	<u>1,160,709</u>	<u>1,160,709</u>

MEDIA TIMES LIMITED

	30 September 2011	30 September 2010
	(Rupees)	
10 Cash generated from operating activities		
Loss before taxation	(94,211,477)	(39,504,642)
Adjustment for non-cash charges and other items:		
Depreciation	29,484,909	40,132,748
Amortization of intangible assets	66,700	66,700
Retirement benefits	1,894,564	3,581,159
Finance cost	23,338,434	18,135,144
(Loss)/profit before working capital changes	(39,426,870)	22,411,109
Effect on cash flow due to working capital changes:		
Inventories	1,605,395	(3,920,379)
Television programs costs	13,042,391	6,622,439
Trade debts	(7,085,614)	(17,499,605)
Loans and advances	(3,437,515)	(3,651,003)
Deposit & prepayments	34,017	(1,053,977)
Other receivables	100,957	(9,090,023)
Trade and other payables	45,557,813	22,046,526
	49,817,444	(6,546,022)
	<u>10,390,574</u>	<u>15,865,087</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:		
	30 September 2011	30 September 2010
	(Rupees)	
Associated Companies		
Purchase of goods and services	2,562,015	2,252,685
Sale of goods and services	828,572	4,842,832
Interest on loan	20,037,846	15,793,915
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.	

MEDIA TIMES LIMITED

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

Segment analysis for the period ended 30 September 2011

	Print Media	Electronic Media	Total
	(Rupees)		
Total revenue - net	<u>58,990,308</u>	<u>7,687,353</u>	<u>66,677,661</u>
Loss before tax and unallocated expenses	<u>(48,933,934)</u>	<u>(45,277,543)</u>	<u>(94,211,477)</u>
Unallocated corporate expenses			
Taxation			33,872,086
Loss after taxation			<u>(60,339,391)</u>
Segment assets and liabilities			
Segment assets	1,318,768,876	454,764,644	1,773,533,520
Unallocated segment assets	-	-	204,893,298
Consolidated total assets			<u>1,978,426,818</u>
Segment liabilities	<u>646,816,752</u>	<u>190,049,592</u>	<u>836,866,344</u>
Segment capital expenditure	<u>-</u>	<u>1,235,000</u>	<u>1,235,000</u>
Depreciation and amortization	<u>16,295,201</u>	<u>13,256,408</u>	<u>29,551,609</u>

Segment analysis for the period ended 30 September 2010

	Print Media	Electronic Media	Total
	(Rupees)		
Total revenue - net	<u>100,523,822</u>	<u>19,290,604</u>	<u>119,814,426</u>
Loss before tax and unallocated expenses	<u>(15,673,119)</u>	<u>(23,831,523)</u>	<u>(39,504,642)</u>
Unallocated corporate expenses			
Taxation			12,443,063
Loss after taxation			<u>(27,061,579)</u>
Segment assets and liabilities			
Segment assets	1,436,083,568	476,488,522	1,912,572,090
Unallocated segment assets	-	-	116,622,948
Consolidated total assets			<u>2,029,195,038</u>
Segment liabilities	<u>554,721,232</u>	<u>136,472,863</u>	<u>691,194,095</u>
Segment capital expenditure	<u>-</u>	<u>-</u>	<u>-</u>
Depreciation and amortization	<u>25,687,383</u>	<u>14,512,065</u>	<u>40,199,448</u>

MEDIA TIMES LIMITED

13 Taxation

Provision for taxation for the quarter ended 30 September 2011 has been made on an estimated basis.

	30 September 2011	30 September 2010
	(Rupees)	

14 Loss per share - basic and diluted

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

Loss after taxation attributable to ordinary share holders -Rupees	<u>(60,339,391)</u>	<u>(27,061,579)</u>
Weighted average number of ordinary shares - Numbers	<u>134,138,258</u>	<u>134,138,258</u>
Loss per share - Basic Rupees	<u>(0.45)</u>	<u>(0.20)</u>

15 Date of authorization for issue

This un-audited condensed interim financial information for the quarter ended 30 September 2011 was authorized for issue on 26 October 2011 by the Board of Directors of the Company.

16 General

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