

MEDIA TIMES LIMITED

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

**FOR THE NINE MONTHS ENDED
31 MARCH 2014**

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

Board of Directors	Aamna Taseer (Chairman) Shehryar Ali Taseer (CEO) Maheen Ghani Taseer Shehrbano Taseer Kanwar Latafat Ali Khan Imran Hafeez Ayesha Tammy Haq	Non-Executive Executive Non-Executive Executive Non-Executive Non-Executive Non-Executive
Chief Financial Officer	Awais Akbar	
Audit Committee	Maheen Ghani Taseer (Chairman) Aamna Taseer Imran Hafeez	
Human Resource and Remuneration (HR&R) Committee	Aamna Taseer (Chairman) Shehryar Ali Taseer Maheen Ghani Taseer	
Company Secretary	Tariq Majeed	
Auditors	KPMG Taseer Hadi & Co. Chartered Accountants	
Legal Advisers	Ebrahim Hosain Advocates & Corporate Counsel	
Bankers	Allied Bank Limited Bank Alfalah Limited Faysal Bank Limited Habib Metropolitan Bank Limited NIB 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 Cannt. 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	

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 half year ended 31st of March 2014.

Operating Results

The operating results of the Company are summarized as follows:

	31 March 2014	31 March 2013
	Rupees	Rupees
Revenue	223,078,027	226,708,203
Gross loss	(47,869,835)	(24,077,229)
Operating cost	(110,205,099)	(100,537,491)
Operating loss	(158,074,934)	(124,614,720)
Loss after taxation	(346,003,018)	(136,648,111)
Earnings / (loss) per share - Basic & diluted	(1.93)	(0.76)

During the period under review, the Company reported net revenues of Rs. 223.078 million as compared to Rs. 226.708 million in the corresponding period last year, while the loss after tax was Rs. 346.003 million as compared to Rs. 136.648 million in the corresponding period. Loss after taxation was increased by Rs.209.355 million, which was mainly due to reversal of deferred tax assets of Rs.170.329 million and provision of bad and doubtful of Rs. 17.041 million. The EPS of the Company was Rs. (1.93) as compared to Rs. (0.76) in the corresponding period.

Change in the Board of Directors

There is no change in the composition of the Board of Directors since last reported in half yearly accounts of the Company for the period ended 31 December 2013.

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 2014

Shehryar Ali Taseer
Chief Executive Officer

MEDIA TIMES LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2014

	Note	(Un-Audited) 31 March 2014	(Audited) 30 June 2013
(Rupees)			
ASSETS			
NON CURRENT ASSETS			
Plant and equipment	4	743,593,058	833,344,358
Intangible assets	5	152,173,470	152,373,570
Long term deposits		10,862,627	10,862,627
Deferred taxation		-	170,328,653
		906,629,155	1,166,909,208
CURRENT ASSETS			
Inventories		2,740,474	3,366,939
Current portion of television program costs		540,000	-
Trade debts		114,206,232	126,691,036
Loans and advances		11,976,185	9,325,928
Deposit & prepayments		6,582,049	6,689,349
Other receivables		50,158,957	42,252,120
Cash and bank balances		1,684,149	1,781,805
		187,888,046	190,107,177
		1,094,517,201	1,357,016,385
TOTAL ASSETS			
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital 180,000,000 (2013: 180,000,000) ordinary shares of Rs. 10 each.		1,800,000,000	1,800,000,000
Issued, subscribed and paid up capital		1,788,510,100	1,788,510,100
Share premium		76,223,440	76,223,440
Unappropriated (loss)		(1,450,828,328)	(1,104,825,309)
Total Equity		413,905,212	759,908,231
NON CURRENT LIABILITIES			
Long term finances	6	112,518,742	103,843,742
Staff Retirement benefits		67,181,066	62,334,483
		179,699,808	166,178,225
CURRENT LIABILITIES			
Trade and other payables		371,980,299	320,928,706
Interest and mark-up accrued		53,383,995	36,084,116
Short term borrowings	7	50,000,000	50,000,000
Provision of income tax		12,370,567	10,139,787
Current maturities of long term liabilities		13,177,320	13,777,320
		500,912,181	430,929,929
Contingencies and commitments	8	-	-
		1,094,517,201	1,357,016,385
TOTAL EQUITY AND LIABILITIES			

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

LAHORE:

CHIEF EXECUTIVE

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DIRECTOR

MEDIA TIMES LIMITED

CONDENSED INTERIM INCOME STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED 31 MARCH 2014

	Note	Nine months ended		Three months ended	
		Jul-Mar 2014	Jul-Mar 2013	Jan-Mar 2014	Jan-Mar 2013
(Rupees)					
Revenue -Net		223,078,027	226,708,203	67,441,030	78,015,960
Direct cost		(270,947,862)	(250,785,432)	(90,814,511)	(80,154,929)
Gross loss		(47,869,835)	(24,077,229)	(23,373,481)	(2,138,969)
Operating cost		(110,205,099)	(100,537,491)	(29,873,413)	(28,060,512)
Operating loss		(158,074,934)	(124,614,720)	(53,246,894)	(30,199,481)
Finance cost		(17,441,768)	(13,349,997)	(5,911,406)	(4,450,533)
		(175,516,702)	(137,964,717)	(59,158,300)	(34,650,014)
Other operating Income		2,073,117	2,450,147	104,729	943,307
Loss before taxation		(173,443,585)	(135,514,570)	(59,053,571)	(33,706,707)
Taxation		(172,559,433)	(1,133,541)	(674,411)	(390,080)
Loss after taxation		(346,003,018)	(136,648,111)	(59,727,982)	(34,096,787)
Loss per share - basic and diluted	13	(1.93)	(0.76)	(0.33)	(0.19)

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

LAHORE:

CHIEF EXECUTIVE

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DIRECTOR

MEDIA TIMES LIMITED

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2014**

	Nine months ended		Three months ended	
	Jul-Mar 2014	Jul-Mar 2013	Jan-Mar 2014	Jan-Mar 2013
	(Rupees)		(Rupees)	
Loss after taxation	(346,003,018)	(136,648,111)	(59,727,982)	(34,096,787)
Other comprehensive income				
<i>Items that will never be reclassified to profit or loss:</i>				
Remeasurements of defined benefit liability	-	(1,462,778)	-	(487,593)
Total comprehensive loss for the period	(346,003,018)	(138,110,889)	(59,727,982)	(34,584,380)

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

LAHORE:

CHIEF EXECUTIVE

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DIRECTOR

MEDIA TIMES LIMITED

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2014**

	Note	31 March 2014	31 March 2013
		(Rupees)	
Cash flow from operating activities			
Cash generated from operations	9	(11,802,248)	(26,844,363)
Decrease in Long term deposits		-	(15,500)
Retirement benefits paid		(218,000)	(196,130)
Finance cost paid		(141,889)	(346,868)
Taxes paid		(1,588,164)	15,499
Net cash used in operating activities		(13,750,302)	(27,387,362)
Cash flow from investing activities			
Fixed capital expenditure		(905,280)	(179,999)
Sale proceeds of operating fixed assets		6,482,925	119,995
Net cash generated from/(used in) investing activities		5,577,645	(60,004)
Cash flow from financing activities			
Receipt of long term finances-Net		8,075,000	25,396,350
Net cash generated from financing activities		8,075,000	25,396,350
Net decrease in cash and cash equivalents		(97,656)	(2,051,016)
Cash and cash equivalents at the beginning of the period		1,781,805	4,675,804
Cash and cash equivalents at the end of the period		1,684,149	2,624,788

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

LAHORE:

CHIEF EXECUTIVE

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DIRECTOR

MEDIA TIMES LIMITED

**CONDENSED INTERIM STATEMENT OF CHANGES
IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2014**

	Share capital	Capital reserves	Revenue reserve	Total
		Share premium	Unappropriated profit/(loss)	
(Rupees)				
Balance as at 01 July 2012 as previously reported	1,788,510,100	76,223,440	(915,035,739)	949,697,801
Impact of change in accounting policy	-	-	1,131,946	1,131,946
Restated balance at 01 July 2012	1,788,510,100	76,223,440	(913,903,793)	950,829,747
Total comprehensive loss for nine months period ended 31 March 2013				
Loss for the period	-	-	(136,648,111)	(136,648,111)
Other comprehensive loss for the period - restated	-	-	(1,462,778)	(1,462,778)
Total comprehensive loss - restated	-	-	(138,110,890)	(138,110,890)
Restated balance at 31 March 2013	1,788,510,100	76,223,440	(1,052,014,683)	812,718,857
Total comprehensive loss for three months period ended 30 June 2013				
Loss for the period	-	-	(52,323,034)	(52,323,034)
Other comprehensive loss for the period - restated	-	-	(487,593)	(487,593)
Total comprehensive loss - restated	-	-	(52,810,627)	(52,810,627)
Restated balance at 30 June 2013	1,788,510,100	76,223,440	(1,104,825,309)	759,908,231
Loss for the period	-	-	(346,003,018)	(346,003,018)
Other comprehensive loss for the period	-	-	-	-
Total comprehensive loss	-	-	(346,003,018)	(346,003,018)
Balance as at 31 March 2014	1,788,510,100	76,223,440	(1,450,828,328)	413,905,212

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

LAHORE

CHIEF EXECUTIVE

DIRECTOR

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MEDIA TIMES LIMITED

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
(UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2014**

1 The Company and its operations

Media Times Limited ("the 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 situated at 41-N, Industrial Area, Gulberg II, Lahore. The Company is engaged in printing and publishing daily English and Urdu newspapers 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 an entertainment channel which is under the process of approval.

2 Basis of preparation

Statement of compliance

This condensed interim financial information has been presented in condensed form in accordance with the requirements of the International Accounting Standard (IAS) 34 - Interim Financial Reporting and provisions of and the directives issued under the Companies Ordinance, 1984. In case where requirements of Companies Ordinance 1984 differ, the provisions of or directives issued under the Companies Ordinance, 1984 or directives issued by Securities and Exchange Commission of Pakistan (SECP) have been followed.

This condensed interim financial information is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984 and the Listing Regulations of Karachi and Lahore Stock Exchanges. This condensed interim financial information does not include all the information required for annual financial statements and should be read in conjunction with audited financial statements of the Company, for the year ended 30 June 2013.

Judgements and estimates

In preparing this condensed interim financial information, management make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 30 June 2013.

Functional and presentation currency

This condensed interim financial information is presented in Pakistan Rupees which is also the Company's functional currency.

3 Significant accounting policies

Except as described below, the accounting policies applied in this condensed interim financial information are the same as those applied in the Company's financial statements as at and for the year ended 30 June 2013.

The Company has adopted the following new standards and amendments to standards, including any consequential amendments to other standards, with a date of initial application of 1 January 2013:

- Presentation of items of "Other Comprehensive Income" (Amendments to IAS 1) (See (a))

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- IAS 19 "Employee Benefits" (See (b))

- Annual Improvements to IFRS 2009 – 2011 Cycle (See (c))

The nature and the effect of the changes are further explained below:

a) Presentation of items of other comprehensive income

As a result of the amendments to IAS 1, the Company now presents items of other comprehensive income in its condensed interim statement of other comprehensive income, to present separately items that would be reclassified to profit or loss in the future from those that would never be.

The adoption of the amendment to IAS 1 has no impact on the recognised assets, liabilities and comprehensive income of the Company.

b) Defined benefit plans

As a result of IAS 19 (2011), the Company has changed its accounting policy with respect to the basis for determining the income or expense related to defined benefit and recognition of actuarial gain / loss.

Under IAS 19, the Company determines the net interest expense (income) for the period on the net defined benefit liability (asset) by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset) at the beginning of the annual period, taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Consequently, the net interest on the net defined benefit liability (asset) now comprises:

- Interest cost on the defined benefit obligation;
- Interest income on plan assets; and
- Interest on the effect on the asset ceiling.

Previously, the Company determined interest income on plan assets based on their long term rate of expected return.

All the changes in present value of defined benefit obligation are now recognized in the condensed interim statement of comprehensive income and the past service costs are recognized in condensed interim profit and loss account, immediately in the period they occur.

The change in accounting policy has been applied retrospectively.

Further details of the effect of the change are set out in note 3.1.

3.1 Summary of quantitative impact

The following tables summarise the material impacts resulting from the above changes in accounting policies on the condensed interim balance sheet, condensed interim statement of other comprehensive income and condensed interim statement of changes in equity.

	30 June 2013		30 June 2012	
	<i>(Previously reported)</i>	<i>(Restated)</i>	<i>(Previously reported)</i>	<i>(Restated)</i>
(a) Condensed Interim Balance Sheet				
Unappropriated loss	1,104,006,884	(1,104,825,309)	(915,035,739)	(913,903,793)
Deferred liabilities	61,516,058	61,516,058	56,916,880	55,784,934

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	31 March 2014		
	<i>(As previously reported)</i>	<i>(Effect of restatement)</i>	<i>(As restated)</i>
(b) Condensed Interim Statement of Comprehensive Income			
Actuarial losses on defined benefit plan		1,462,778	1,462,778
(c) Condensed Interim Statement of Changes in Equity			
Unappropriated loss	(1,017,587,064)	(330,832)	(1,017,917,896)

		31 March	30 June
		2014	2013
(Rupees)			
4 Property, plant and equipment			
Operating assets	4.1	743,593,058	833,344,358
		743,593,058	833,344,358
4.1 Operating assets			
Owned and leased assets:			
Opening net book value		833,344,358	944,673,378
Additions / transfers during the period	4.1.1	905,279	1,256,755
		834,249,637	945,930,133
Disposal during the period -NBV	4.1.2	(8,180,383)	(3,299)
Depreciation for the period		(82,476,196)	(112,582,475)
Closing net book value		743,593,058	833,344,358
4.1.1 Break-up of additions/transfers			
Plant and equipment		113,100	220,359
Office equipment		22,580	128,750
Computers		279,599	879,647
Furniture and fixtures		490,000	27,999
		905,279	1,256,755
4.1.2 Break-up of Disposals			
Plant and equipment		8,180,383	-
Vehicles		-	3,299
		8,180,383	3,299

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5 Intangible Assets

Intangibles include goodwill amounting to Rs. 149.730 million, representing the difference between the cost of acquisition and the fair value of net identifiable assets acquired at the time of acquisition of Total Media Limited by Media Times Limited.

31 March 2014	30 June 2013
(Rupees)	

6 Long term finances

Banking companies and other financial institutions

First National Bank Modarba - Secured	381,820	981,820
Others - Unsecured	112,518,742	103,843,742
	112,900,562	104,825,562
Less: current portion shown under current liabilities	(381,820)	(981,820)
	112,518,742	103,843,742

7 Short term borrowing-secured

Running Finance facility available from commercial bank under mark up arrangements amounts to Rs. 50 million (June 2013: 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 exclusive charge on present and future current and fixed assets of the Company.

8 Contingencies and commitments

There has been no significant change in the status of contingencies as reported in preceding annual audited financial statements of the Company for the year ended 30 June 2013.

31 March 2014	30 June 2013
(Rupees)	

8.1 Commitments in respect of capital expenditure

-	-
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8.2 Commitments in respect of content/programs

-	-
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31 March 2014	31 March 2013
(Rupees)	

9 Cash flow from operating activities

Loss before taxation	(173,443,585)	(135,514,570)
Adjustment for non-cash charges and other items:		
Depreciation	82,476,196	84,967,942
Amortization of intangible assets	200,100	200,100
Provision for doubtful receivables - Net	17,041,724	6,522,428
Gain on disposal of operating fixed assets	1,697,458	(116,696)
Retirement benefits	5,064,583	4,919,857
Finance cost	17,441,768	13,349,997
Profit/(loss) before working capital changes	(49,521,756)	(25,670,942)

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31 March 2014	31 March 2013
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(Rupees)

Effect on cash flow due to working capital changes:

Inventories	626,465	(1,241,736)
Television programs costs	(540,000)	-
Trade debts	(4,556,920)	(30,389,437)
Loans and advances	(2,650,257)	(676,422)
Deposit & prepayments	107,300	1,619,298
Other receivables	(6,318,673)	(21,801,857)
Trade and other payables	51,051,593	51,316,733
	37,719,508	(1,173,421)
	(11,802,248)	(26,844,363)

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:

31 March 2014	31 March 2013
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(Rupees)

Holding Company

Sale of goods and services	26,000	13,000
Interest on loan	-	389,002

Associates

Building Rent	10,556,160	8,464,500
Sale of goods and services	44,685,328	7,125,631
Purchase of Goods & Services	965,045	891,045
Advance against advertisement	25,439,868	25,862,900

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.

MEDIA TIMES LIMITED

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 2014			
Revenue -Net	164,909,706	58,168,321	223,078,027
Loss before taxation	(101,451,910)	(71,991,675)	(173,443,585)
For the period ended 31 March 2013			
Revenue -Net	174,716,895	51,991,308	226,708,203
Loss before taxation	(67,681,502)	(67,833,069)	(135,514,570)

Segment assets and liabilities

Assets and liabilities allocated to reportable segments are as follows:

As at 31 March 2014			
Assets for reportable segments	1,150,726,745	(56,209,544)	1,094,517,201
Segment liabilities	538,925,638	141,686,351	680,611,989
As at 31 March 2013			
Assets for reportable segments	1,167,837,942	58,573,662	1,226,411,604
Segment liabilities	414,230,034	169,460,533	583,690,567

12 Taxation

The provision for taxation for the period ended 31 March 2014 has been made on an estimated basis.

	31 March 2014	31 March 2013
	(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>(346,003,018)</u>	<u>(136,648,111)</u>
Weighted average number of ordinary shares - Numbers	<u>178,851,010</u>	<u>178,851,010</u>
Loss per share - Basic & diluted Rupees	<u>(1.93)</u>	<u>(0.76)</u>

14 Date of authorization for issue

This un-audited condensed interim financial information for the period ended 31 March 2014 was authorized for issue on 24 April 2014 by the Board of Directors of the Company.

15 General

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

LAHORE

CHIEF EXECUTIVE

DIRECTOR

MEDIA TIMES LIMITED