



Independent News & Media PLC

INM'S INDIAN ASSOCIATE REPORTS Q2 FY07/08 REVENUES UP BY 23.40%

NET PROFIT UP BY 25.47%

Ticker: (Reuters) INWS.I / INWS.L and (Bloomberg) INWS ID / INWS LN

Q2 FY07/08 Results (all comparisons with Q2 FY06/07)

- Operating revenues at Rs 1.8 billion (€1.9 million), up by 23.40 % from Rs 1.4 billion
- Advertisement revenues at Rs 1.1 billion (€1.0 million), up by 24.77% from Rs 0.9 billion
- EBITDA at Rs 427.3 million (€7.7 million), up by 19.02% from Rs 359.0 million
- PAT at Rs 220.0 million (€4.0 million), up by 25.47% from Rs 175.4 million
- EPS (non-annualised) of Rs 3.65, up by 25.47% from Rs 2.91
- Operating profit margin increased to 22.02% from 20.85%
- PAT margin increased to 12.17% from 11.73%

H1 FY07/08 Results (all comparisons with H1 FY06/07)

- Operating revenues at Rs 3.6 billion (€4.8 million), up by 28.80% from Rs 2.8 billion
- Advertisement revenues at Rs 2.4 billion (€3.7 million), up by 33.21% from Rs 1.8 billion
- EBITDA at Rs 1.0 billion (€1.85 million), up by 35.55% from Rs 760.6 million
- PAT at Rs 567.2 million (€10.2 million), up by 40.28% from Rs 404.5 million
- EPS (non-annualised) of Rs 9.42, up by 40.28% from Rs 6.71
- Operating profit margin increased to 25.10% from 22.76%
- PAT margin increased to 15.20% from 13.83%

Stock Split / Interim dividend

- Board recommended subdivision of face value of equity shares from Rs. 10 per share to Rs. 2 per share
- Declared interim dividend of 50% or Rs 5 per share

Jagran Prakashan Limited (JPL), publishers of '*Dainik Jagran*', India's largest read daily (Source: IRS 2007 Round 2), has reported net operating revenues of Rs. 1.8 billion (€1.9 million) for Q2 FY07/08, an increase of 23.40% over the corresponding quarter of the previous year. The net profit of Rs 220.0 million (€4.0 million) showed a sharp increase

of 25.47%, from Rs 175.4 million in the corresponding quarter of the previous fiscal year. The EPS (non-annualised) for the quarter at Rs 3.65 was up 25.47% on the corresponding quarter of FY06/07.

Advertising and circulation revenues from the publishing business continue to show robust growth, with increases of 24.77% and 8.35% respectively on the prior year. The increase in advertisement revenue was driven by a combination of higher rates and an increase in total space sold, with the increase in circulation revenue being driven mainly by an increase in circulation volumes.

For the 9th time in a row, *Dainik Jagran* is the most widely read newspaper in the country, with a significant gap over its closest competitor (IRS 2007-R2).

I-Next, a newspaper launched in the third quarter of the last fiscal in Kanpur and Lucknow, made significant improvements in the current quarter, both in terms of newspaper sales and advertisement revenue. It has expanded the market size and has recorded circulation volumes in excess of expectations in a short period of time. *City Plus*, another newspaper brand launched in the outskirts of New Delhi in the second quarter of the previous year, has expanded into New Delhi and Bangalore and has continued to progress well.

Out of Home Advertising (OOH) and the Event Management division continued to scale up their operations. J9, a newly created and dedicated arm of JPL to pursue its initiatives in mobile and web space, has started to generate good revenues, with plans to add additional services, such as a classified vertical in web space, to its range of products in the near future.

STOCK SPLIT & DIVIDEND

The Board of Directors recommended a sub division of equity shares of face value of Rs 10 each into 5 equity shares of face value of Rs 2 each. This will increase the company's number of shares in issue to 301 million, from the current 60.2 million, after the approval of shareholders. The Board of Directors has also announced the payment of an interim dividend of 50% (Rs 5 per share) on equity shares of the face value of Rs 10.

Commenting on the results, Mr. Mahendra Mohan Gupta, CMD of JPL said "We are delighted to announce interim dividend @ Rs 5 per share and Stock split in the ratio 1: 5 for our shareholders. The split will make stock more attractive to a broader investor base.

The overall business has continued to progress as planned. We expect significant contributions from our various non-publishing initiatives in top as well as bottom line in times to come, with growth momentum remaining intact in publishing business in foreseeable future. The success of *I-Next* is heartening and demonstrates once again the high credibility and acceptability of the work of the company amongst the readers, hawkers and advertisers alike. We are grateful to all of them to make it success."

HIGHLIGHTS OF THE QUARTER

- For the 9th successive time, *Dainik Jagran* continues to be the No. 1 newspaper in the country (IRS-2007 R 2).
- *I-Next* launched in Meerut and attains critical circulation numbers in Kanpur and Lucknow.
- *City Plus* launched in New Delhi (3 editions) and Bangalore (1 edition)
- J9, the mobile VAS division of JPL, has launched *J9 shop*.
- Co-branded Hindi news portal *jagran.yahoo.in* launched in association with Yahoo India.

Dublin/ London – 30th October 2007:

Ends.

30th October 2007

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About Jagran Prakashan Limited

Jagran Prakashan Limited is a leading media house of India, which publishes *Dainik Jagran*, India's largest read daily with a total readership of 53.6 million readers per week (IRS 2007 R2). It was also voted the most credible and trusted newspaper in India, according to a survey by Globscan, conducted in 10 of the world's leading countries, including the US, UK, Germany and Russia.

Established in 1942, *Dainik Jagran* was the brainchild of the Indian Freedom fighter, Late Shri Puran Chandra Gupta. The first edition was launched from Jhansi, Uttar Pradesh in 1942. *Dainik Jagran* is now published in 31 editions across 11 states from 29 different facilities. The company also publishes two more youth oriented newspaper brands viz. *I-Next*, a daily bilingual compact, and *City Plus*, an English infotainment weekly compact, besides publication of *Sakhi*, a monthly magazine targeted at women. The group also publishes *Jagran Varshiki*, an annual general knowledge digest, and various national and state statistical compilations.

Jagran Engage provides specialized 'Out of Home' advertising services, with a pan-India footprint. Jagran Solutions provides below the line activities like promotional marketing, event management and on ground activities having pan India presence. J9 provides IVR/AVR/SMS services through its short code service 57272 and is also into web space. The company's Hindi news portal, www.jagran.com (which is in the process of transitioning to the co-branded site, www.jagran.yahoo.in, in association with Yahoo India), is the most visited Hindi portal in the world.



CORPORATE PROFILE

Independent News & Media PLC ['INM'] is a leading international newspaper and communications group, with its main interests in Australia, India, Ireland, New Zealand, South Africa and the United Kingdom. Spanning four continents, 10 major markets and 21 individual countries, INM has market-leading newspaper positions in Australia (regional), India, Ireland, New Zealand and South Africa. In the United Kingdom, it publishes the flagship national title, *The Independent*, as well as being the largest newspaper group in Northern Ireland.

Across these regions, the Group publishes over 180 newspaper and magazine titles, delivering a combined weekly circulation of over 31 million copies with a weekly audience of over 100 million consumers and includes the world's largest read newspaper, *Dainik Jagran*, in India. The Group has established a strong and growing online presence, with over 100 editorial and classified sites.

INM is the largest radio operator – over 130 stations and an audience of almost six million people – and outdoor advertising operator in Australasia and also has leading outdoor advertising positions in Hong Kong, Malaysia, India, Indonesia and across Africa.

The Group has grown consistently over the last 15 years by building a geographically unique and diverse portfolio of market leading brands, and today manages gross assets of €4.1 billion, revenue of €1.8 billion and employs approximately 9,600 people worldwide. Further information is available on the Group's website www.inmplc.com.