

3RD QUARTERLY REPORT MARCH 31, 2014

(Un-audited)



HUM NETWORK LIMITED

HUM NETWORK LIMITED



MASALA
TV FOOD MAG

GLAM

Company Information



BOARD OF DIRECTORS

Chairman
Directors

Mr. Mazhar-ul-Haq Siddiqui
Ms. Sultana Siddiqui
Mr. Munawar Alam Siddiqui
Mr. Shunaid Qureshi
Mrs. Mahtab Akbar Rashdi
Mr. Abdul Hamid Dagia
Mr. Muhammad Ayub Younus Adhi

Chief Executive Officer
Chief Financial Officer
Company Secretary
Head of Internal Audit

Mr. Duraidd Qureshi
Mr. Muhammad Abbas Hussain
Mr. Mohsin Naeem
Mr. Kamran Shamshad Ahmed

AUDIT COMMITTEE

Chairman
Members

Mr. Shunaid Qureshi
Ms. Sultana Siddiqui
Mr. Muhammad Ayub Younus Adhi

HUMAN RESOURCE AND REMUNERATION (HR&R) COMMITTEE

Chairman
Members

Mr. Mazhar-ul-Haq Siddiqui
Mr. Munawar Alam Siddiqui
Mrs. Mahtab Akbar Rashdi
Mr. Shunaid Qureshi
Mr. Duraidd Qureshi

AUDITORS

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
7th Floor Progressive Plaza,
Beaumont Road, Karachi

INTERNAL AUDITORS

KPMG Taseer Hadi & Company
Chartered Accountants
1st Floor, Sheikh Sultan Trust Building
No.2, Beaumont Road, Karachi

LEGAL ADVISOR

Ijaz Ahmed & Associates
No.7, 11th Zamzama Street Phase-V
D.H.A. Karachi.

BANKERS

Bank Alfalah Limited
Faysal Bank Limited
National Bank of Pakistan
KASB Bank Limited
Allied Bank Limited
United Bank Limited
Askari Bank Limited
Standard Chartered Bank Limited
Bank of America
Barclays Bank
Habibsons Bank Limited

REGISTERED & HEAD OFFICE

Hum TV, Plot No. 10/11,
Hassan Ali Street,
Off. I.I Chundrigar Road,
Karachi -74000
UAN: 111-486-111

REGISTRAR/TRANSFER AGENT

Central Depository Company (CDC)
CDC House, 99 -B, Block 'B',
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi -74400.

WEBSITES' INFORMATION

HUM NETWORK LIMITED: www.humnetwork.tv

KARACHI STOCK EXCHANGE SYMBOL

HUMNL

Directors' Report

On behalf of the Board of Directors, I am pleased to present reviewed condensed interim financial statements for the nine months ended March 31, 2014.

The financial results for the period, as compared to the corresponding period, are summarized below:

	Quarter Ended 31, March 2014	Quarter Ended 31, March 2013	% Increase / (Decrease)
Net revenues	730,612,437	577,356,324	27
Profit before taxation	185,836,448	115,846,046	60
Profit after taxation	142,955,415	79,341,196	80
EPS	1.51	0.84	80

This Quarter marked the 9th anniversary of Hum TV & 7th Anniversary of Hum Masala. We are proud of the fact that HUM Network has been dominating the competitive landscape in both the Entertainment & Food Genres through its Avant-garde channels Hum TV & Masala TV respectively.

HUM Network has in a very short span of time established itself as the leading name in event management in both the Entertainment & Food Genres. The 2nd HUM Awards was a roaring success this quarter. This entity has been able to raise the benchmark to an unprecedented level. It can be compared to any international TV channel award entity. Other events that were held successfully this quarter included Masala's Family Festival and Bridal Couture Week (BCW).

Our Network has launched a new entertainment channel "HUMSITARAY" offering an excellent collage of programming. We are confident that HUMSITARAY will be able to create a separate niche in the entertainment genre in a short span of time owing to its top quality content. This will add another consistent revenue base to our business in the long run.

In addition to the efforts put in locally, our Network has now become more prominent internationally with the launch of Hum Europe. The hybrid channel is launched for viewers in the United Kingdom and the management has high expectations associated with it.

Based on the results, the Board has announced an interim cash dividend of Rs. 1.5 per share.

Consolidated results for the period are as follows:

Revenue - net	2,148,603,374
Gross Profit	997,255,586
Profit for the period - before taxation	534,158,513
Earnings per share	4.32

The business performance is strong and the outlook for the future is also positive and the Board is confident that with sustained performance the company would be able to outdo itself.

April 29, 2014
Karachi

For & on behalf of the Board
Duraid Qureshi
Chief Executive

HUM NETWORK LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2014



		31 March 2014 (Un-audited)	30 June 2013 (Audited)
	Note	----- Rupees -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	206,108,974	228,844,288
Intangible assets		16,743,305	9,923,463
Long term investments	5	94,223,764	18,725,353
Long term deposits and prepayments		21,996,556	25,409,181
Television program costs	6	202,192,719	197,195,117
Deferred tax asset		25,349,591	2,241,543
		<u>566,614,909</u>	<u>482,338,945</u>
CURRENT ASSETS			
Inventories		5,689,278	893,927
Current portion of television program costs	6	295,818,905	289,858,307
Trade debts	7	630,383,284	682,276,965
Advances		171,219,432	71,266,218
Deposits and prepayments		13,048,257	6,655,633
Other receivables		77,968,635	32,344,438
Taxation – net		24,261,287	50,711,832
Cash and bank balances		94,990,778	155,726,559
		<u>1,313,379,856</u>	<u>1,289,733,879</u>
TOTAL ASSETS		<u>1,879,994,765</u>	<u>1,772,072,824</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital	8	<u>1,500,000,000</u>	<u>700,000,000</u>
Issued, subscribed and paid-up share capital	9	<u>945,000,000</u>	<u>500,000,000</u>
Unappropriated profit		<u>424,815,240</u>	<u>956,330,609</u>
		<u>1,369,815,240</u>	<u>1,456,330,609</u>
NON-CURRENT LIABILITIES			
Liabilities against assets subject to finance lease		3,341,311	1,571,449
CURRENT LIABILITIES			
Trade and other payables		494,660,867	310,813,456
Accrued markup		14,383	-
Short term borrowing		896,815	-
Dividend payable		9,872,464	1,518,113
Current portion of liabilities against assets subject to finance lease		1,393,685	1,839,197
		<u>506,838,214</u>	<u>314,170,766</u>
COMMITMENTS	10		
TOTAL EQUITY AND LIABILITIES		<u>1,879,994,765</u>	<u>1,772,072,824</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

MAZHAR-UL-HAQ SIDDIQUI
Chairman

DURAID QURESHI
Chief Executive

HUM NETWORK LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)

	Note	Nine months period ended		Quarter-ended	
		March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
		----- Rupees -----	----- Rupees -----	----- Rupees -----	----- Rupees -----
Revenue – net	11	2,079,661,977	1,555,689,651	730,612,437	577,356,324
Cost of production	12	(1,034,998,812)	(929,848,714)	(370,350,626)	(356,244,191)
Transmission cost		(86,564,540)	(69,612,687)	(21,274,353)	(22,419,419)
		(1,121,563,352)	(999,461,401)	(391,624,979)	(378,663,610)
Gross profit		958,098,625	556,228,250	338,987,458	198,692,714
Distribution costs		(249,394,609)	(159,455,490)	(96,399,629)	(48,585,287)
Administrative expenses		(217,878,337)	(151,781,919)	(68,388,305)	(50,357,603)
		490,825,679	244,990,841	174,199,524	99,749,824
Other operating income		77,036,908	43,433,562	15,700,046	18,631,305
		567,862,587	288,424,403	189,899,570	118,381,129
Finance costs		(7,395,312)	(7,269,705)	(270,542)	(170,878)
Other charges-Workers' Welfare Fund		(11,209,345)	(5,623,094)	(3,792,580)	(2,364,205)
Profit before taxation		549,257,930	275,531,604	185,836,448	115,846,046
Taxation					
- current		148,881,348	82,924,569	55,855,350	36,017,602
- prior		-	(4,307,198)	-	-
- deferred		(23,108,049)	(1,009,030)	(12,974,317)	487,248
		125,773,299	77,608,341	42,881,033	36,504,850
Profit after taxation		423,484,631	197,923,263	142,955,415	79,341,196
Earnings per share – basic and diluted	13	Rs. 4.48	Rs. 2.09	Rs. 1.51	Re. 0.84

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

MAZHAR-UL-HAQ SIDDIQUI
Chairman

DURAID QURESHI
Chief Executive

HUM NETWORK LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)



	Nine months period ended		Quarter-ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	Rupees	Rupees	Rupees	Rupees
Net profit for the period	423,484,631	197,923,263	142,955,415	79,341,196
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	423,484,631	197,923,263	142,955,415	79,341,196

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

MAZHAR-UL-HAQ SIDDIQUI
Chairman

DURAID QURESHI
Chief Executive

HUM NETWORK LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)

	March 31, 2014	March 31, 2013
	----- (Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	549,257,930	275,531,604
Adjustments for:		
Depreciation	28,511,923	27,404,283
Amortization	2,361,311	1,483,543
Finance costs	7,395,312	7,269,705
Profit on deposit accounts	(15,853,881)	(7,535,431)
Gain on disposal of property, plant and equipment	(1,944,400)	(534,724)
Exchange gain	567,823	2,714,788
Reversal of provision for doubtful debts	(4,869,680)	-
Worker's Welfare Fund	11,209,345	6,861,052
	<u>27,377,753</u>	<u>37,683,216</u>
Operating profit before working capital changes	576,635,683	313,194,820
Increase in current assets		
Inventories	20,922,246	(41,737)
Current portion of television program costs	(5,960,598)	49,648,531
Trade debts	56,763,361	(55,233,357)
Advances, deposits and prepayments	(106,345,838)	(6,582,150)
Other receivables	(45,624,197)	(25,819,249)
	<u>(80,245,026)</u>	<u>(38,027,962)</u>
Increase in current liabilities		
Trade and other payables	172,967,058	28,986,929
Cash generated from operations	669,357,715	304,153,787
Taxes paid	(122,430,802)	(89,692,392)
Finance costs paid	(7,380,929)	(13,641,070)
Profit received on deposit accounts	15,853,881	8,260,678
Long-term deposits	3,412,625	(645,574)
Gratuity paid	-	(3,256,460)
Television program costs	(4,997,602)	105,326,254
Net cash generated from operating activities	553,814,888	310,505,223
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangibles	(43,722,672)	(39,623,442)
Investment made in a subsidiary	(75,498,411)	(10,043,250)
Proceeds from sale of property, plant and equipment	4,991,713	1,292,230
Net cash used in investing activities	(114,229,370)	(48,374,462)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(501,645,649)	(47,313,137)
Payment of liabilities against assets subject to finance lease	1,324,350	(966,443)
Net cash used in financing activities	(500,321,299)	(48,279,580)
Net (decrease)/ increase in cash and cash equivalents	(60,735,781)	213,851,181
Cash and cash equivalents at the beginning of the period	155,726,559	(50,110,571)
Cash and cash equivalents at the end of the period	94,990,778	163,740,610

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

MAZHAR-UL-HAQ SIDDIQUI
Chairman

DURAJD QURESHI
Chief Executive

HUM NETWORK LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)



	Issued, subscribed and paid-up share capital	Unappropriated Profit Rupees	Total
Balance as at July 01, 2012	500,000,000	618,533,416	1,118,533,416
Final cash dividend for the year ended June 30, 2012 @ Re. 1 per share	-	(50,000,000)	(50,000,000)
Net profit for the period	-	197,923,263	197,923,263
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	197,923,263	197,923,263
Balance as at March 31, 2013	<u>500,000,000</u>	<u>766,456,679</u>	<u>1,266,456,679</u>
Balance as at July 01, 2013	500,000,000	956,330,609	1,456,330,609
Final cash dividend for the year ended June 30, 2013 @ Rs. 6 per share	-	(300,000,000)	(300,000,000)
Issue of bonus shares @ 40%	200,000,000	(200,000,000)	-
Interim cash dividend for the period ended September 30, 2013 @ Rs. 1.5 per share	-	(105,000,000)	(105,000,000)
Interim cash dividend for the half year ended December 31, 2013 @ Rs. 1.5 per share	-	(105,000,000)	(105,000,000)
Issue of bonus shares @ 35%	245,000,000	(245,000,000)	-
Net profit for the period	-	423,484,631	423,484,631
Other comprehensive income	-	-	-
Total comprehensive income for the period	-	423,484,631	423,484,631
Balance as at March 31, 2014	<u>945,000,000</u>	<u>424,815,240</u>	<u>1,369,815,240</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

MAZHAR-UL-HAQ SIDDIQUI
Chairman

DURAID QURESHI
Chief Executive

HUM NETWORK LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

Hum Network Limited (the Company) was incorporated in Pakistan on February 25, 2004 as a public limited company under the Companies Ordinance, 1984. The shares of the Company are quoted on Karachi Stock Exchange. The registered office of the Company is situated at Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi, Pakistan. The Company's principal business is to launch transnational satellite channels and aims at presenting a wide variety of cultural heritage. Its core areas of operation are production, advertisement, entertainment and media marketing. It covers a wide variety of programmes with respect to information, entertainment, education, health, food, music and society.

2. BASIS OF PREPARATION

- 2.1** These condensed interim financial statements of the Company for the nine months period ended March 2014 have been prepared in accordance with the requirements of the International Accounting Standard (IAS) – 34, "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.
- 2.2** These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2013.
- 2.3** These condensed interim financial statements are separate financial statements of the Company in which investment in subsidiaries is stated at cost less impairment, if any, and has not been accounted for on the basis of reported results and net assets of the investee.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those of the previous financial year except as follows:

New, Amended and Revised Standards and Interpretations of IFRSs

The Company has adopted the following revised standard, amendments and interpretation of IFRSs which became effective for the current period:

IAS 19 – Employee Benefits – (Revised)

IFRS 7 – Financial Instruments : Disclosures – (Amendments)
-Amendments enhancing disclosures about offsetting of financial assets and financial liabilities

IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine

Improvements to Accounting Standards Issued by the IASB

- IAS 1 – Presentation of Financial Statements - Clarification of the requirements for comparative information
- IAS 16 – Property, Plant and Equipment – Clarification of Servicing Equipment
- IAS 32 – Financial Instruments: Presentation – Tax Effects of Distribution to Holders of Equity Instruments
- IAS 34 – Interim Financial Reporting – Interim Financial Reporting and Segment Information for Total Assets and Liabilities

The adoption of the above amendments, revisions, improvements to accounting standards and interpretations did not have any effect on the condensed interim financial statements.

HUM NETWORK LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)



		March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
	Note	----- Rupees -----	
4. PROPERTY, PLANT AND EQUIPMENT			
Operating assets	4.1	192,741,155	194,942,693
Capital work-in-progress		<u>13,367,819</u>	<u>33,901,595</u>
		<u>206,108,974</u>	<u>228,844,288</u>
4.1 Operating assets			
Opening balance – at book value		194,942,693	176,516,790
Additions during the period/year	4.1.1	<u>29,357,637</u>	<u>55,877,318</u>
		224,300,330	232,394,108
Less:			
Disposals during the period / year - at book value	4.1.2	<u>(3,047,252)</u>	<u>(757,506)</u>
Depreciation charged during the period/year		<u>(28,511,923)</u>	<u>(36,693,909)</u>
		<u>(31,559,175)</u>	<u>(37,451,415)</u>
Closing balance – at book value		<u>192,741,155</u>	<u>194,942,693</u>
4.1.1 Additions during the period / year			
Owned			
Leasehold improvements		1,090,538	6,233,732
Furniture and fittings		9,426,434	1,308,746
Motor vehicles		2,652,200	-
Audio visual equipment		3,013,199	14,034,930
Uplinking equipment		1,285,833	23,789,931
Office equipment		470,848	2,196,479
Computers		8,047,355	5,837,059
Leased			
Motor vehicles		<u>3,371,230</u>	<u>2,476,441</u>
		<u>29,357,637</u>	<u>55,877,318</u>
4.1.2 Disposals during the period/year			
Owned			
Motor vehicles		(3,047,252)	(733,132)
Audio visual equipment		-	(24,374)
		<u>(3,047,252)</u>	<u>757,506</u>

HUM NETWORK LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)

		March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
		----- Rupees -----	
5. LONG TERM INVESTMENTS			
Unquoted subsidiaries			
HUM TV, Inc. – USA	Holding		
10,000 Common stock of \$ 0.01 each	100%	8,603	8,603
Advance for future issue of shares		<u>18,716,750</u>	<u>18,716,750</u>
		<u>18,725,353</u>	<u>18,725,353</u>
HUM Network UK Ltd.			
1 Ordinary share of 1 GBP	100%	161	-
Advance for future issue of shares		<u>75,498,250</u>	<u>-</u>
		<u>75,498,411</u>	<u>-</u>
		<u>94,223,764</u>	<u>18,725,353</u>
6. TELEVISION PROGRAM COSTS			
Unreleased / released less amortization		490,135,313	481,135,313
In production		<u>7,876,311</u>	<u>5,918,111</u>
		<u>498,011,624</u>	<u>487,053,424</u>
Less: Current portion shown under current assets		<u>295,818,905</u>	<u>289,858,307</u>
		<u>202,192,719</u>	<u>197,195,117</u>
7. TRADE DEBTS			
Considered good		630,383,284	682,276,965
Considered doubtful		<u>26,412,547</u>	<u>31,282,227</u>
		<u>656,795,831</u>	<u>713,559,192</u>
Less: Provision for doubtful debts		<u>26,412,547</u>	<u>31,282,227</u>
		<u>630,383,284</u>	<u>682,276,965</u>
8. AUTHORIZED CAPITAL			
8.1	During the period, the Company has increased its authorized capital from 70,000,000 ordinary shares of Rs. 10/- each amounting to Rs. 700,000,000 to 150,000,000 ordinary shares of Rs. 10/- each amounting to Rs. 1,500,000,000.		

HUM NETWORK LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)



9. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

- 9.1** During the period, the Company has issued 44,500,000 bonus shares amounting to Rs. 445,000,000/-.
- 9.2** Includes 13,230,000 shares representing 14 (2013:14) percent holding by Jahangir Siddiqui & Co. Ltd. – a related party.

10. COMMITMENTS

- 10.1** Purchase of television programs commitments with M.D Production (Private) Limited and MNM Productions, related parties as at March 31, 2014 amounted to Rs. 32,326,250/- and Rs 20,387,500/- (June 30, 2013: Rs. 34,750,000/- and Rs.6,000,000/-) respectively. Commitment for purchase of television programs with other than related parties as at March 31, 2014 amounted to Rs.383,418,670/- (June 30, 2013: Rs. 218,054,964/-).

- 10.2** Commitment for rentals under Ijarah finance agreement:

	March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
	----- Rupees -----	
Within one year	1,574,844	1,852,062
After one year but not more than five years	833,196	2,014,329
	<u>2,408,040</u>	<u>3,866,391</u>

	Nine months period ended		Quarter-ended	
	March 31, 2014 (Un-audited)	March 31, 2013 (Un-audited)	March 31, 2014 (Un-audited)	March 31, 2013 (Un-audited)
	----- Rupees -----		----- Rupees -----	
11. REVENUE – net				
Advertisement revenue	2,713,460,672	2,202,927,167	948,766,320	823,413,070
Less: Agency commission	341,182,372	276,877,825	118,703,453	103,500,009
Sales tax	361,075,142	296,490,995	126,903,101	111,867,276
Discount to customers	148,653,629	138,025,404	46,468,999	44,038,197
	<u>850,911,143</u>	<u>711,394,224</u>	<u>292,075,553</u>	<u>259,405,482</u>
	1,862,549,529	1,491,532,943	656,690,767	564,007,588
Production revenue	38,305,535	20,600,000	7,851,793	5,850,000
Digital sales revenue	3,727,697	290,886	927,740	57,358
	<u>42,033,232</u>	<u>20,890,886</u>	<u>8,779,533</u>	<u>5,907,358</u>
Less: Agency commission	1,698,196	223,338	564,040	8,604
Sales tax	6,560,035	38,227	1,342,657	9,177
	<u>8,258,231</u>	<u>261,565</u>	<u>1,906,697</u>	<u>17,781</u>
	1,896,324,530	1,512,162,264	663,563,603	569,897,165
Subscription Income - international operations	183,337,447	43,527,387	67,048,834	7,459,159
	<u>2,079,661,977</u>	<u>1,555,689,651</u>	<u>730,612,437</u>	<u>577,356,324</u>

HUM NETWORK LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)

	Nine months period ended		Quarter-ended	
	March 31,	March 31,	March 31,	March 31,
	2014	2013	2014	2013
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	----- Rupees -----		----- Rupees -----	
12. COST OF PRODUCTION				
Cost of outsourced programs	697,382,378	499,368,663	265,022,968	152,629,011
Cost of in-house programs	93,777,364	58,932,909	31,613,443	23,681,169
Inventories consumed	325,480	1,039,763	-	144,067
Salaries and benefits	179,059,816	149,066,100	55,717,592	50,928,808
Depreciation	17,536,454	16,666,298	5,680,361	5,487,066
Amortisation	1,941,831	1,123,395	716,777	374,465
Traveling and conveyance	15,468,814	13,870,209	4,568,206	4,786,383
Utilities	7,923,353	9,002,266	3,195,125	2,329,240
Rent, rates and taxes	5,052,200	2,719,747	1,958,500	1,045,249
Insurance	5,982,914	5,114,399	3,231,000	1,588,240
Repair and maintenance	8,527,964	7,872,697	3,503,350	2,395,992
Fee and subscription	2,475,897	1,828,326	1,087,965	688,330
Communication expense	5,193,009	4,234,632	2,043,615	1,350,103
Security charges	2,040,725	1,163,927	781,220	336,255
Consultancy	2,672,548	2,668,417	904,262	822,133
Printing and stationery	504,775	202,181	162,442	44,737
Donation	91,490	-	-	-
	1,045,957,012	774,873,929	380,186,826	248,631,248
In production television programs				
- opening	5,918,111	14,170,763	7,040,111	11,762,403
In production television programs				
- closing	(7,876,311)	(11,330,317)	(7,876,311)	(11,330,317)
	1,043,998,812	777,714,375	379,350,626	249,063,334
Released / unreleased programs				
- opening	481,135,313	635,864,418	481,135,313	590,910,936
Released / unreleased programs				
- closing	(490,135,313)	(483,730,079)	(490,135,313)	(483,730,079)
	1,034,998,812	929,848,714	370,350,626	356,244,191
13. EARNINGS PER SHARE – basic and diluted				
Profit after taxation (Rupees)	423,484,631	197,923,263	142,955,415	79,341,196
		(Restated)		(Restated)
Weighted average number of Ordinary shares	94,500,000	94,500,000	94,500,000	94,500,000
Earnings per share (Rupees)	4.48	2.09	1.51	0.84

HUM NETWORK LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)



14. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company include subsidiaries, associates, retirement funds, directors and key management personnel. Details of transactions with related parties during the period, are as follows:

		March 31, 2014 (Un-audited)	March 31, 2013 (Un-audited)
		Rupees	
Transactions during the period			
Related parties	Nature of transactions		
Associates	Purchase of television programs	274,850,000	128,600,000
Subsidiaries	Investment made	75,498,411	10,043,250
	Collection on behalf of the Company	3,808,558	35,021,683
	Payment on behalf of the Company	21,010,113	-
	Remittance from subsidiaries	30,303,673	33,247,374
	Subscription income	23,748,750	22,016,667
Retirement fund	Contribution to fund	10,277,100	-
Key management personnel	Remuneration	250,524,886	148,168,081
		March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
		Rupees	
Balances as at period/year end			
Advances		31,173,750	19,095,000
Other receivables		2,871,457	850,230
Trade and other payables		79,741,254	49,317,500

15. DATE OF AUTHORIZATION

These condensed interim financial statements have been authorised for issue on April 29, 2014 by the Board of Directors.

16. SUBSEQUENT EVENT

The Board of Directors in its meeting held on April 29, 2014 has recommended an interim cash dividend of 1.5 per share @ 15% amounting to Rs. 141,750,000 (2013: nil).

17. GENERAL

Amounts have been rounded off to the nearest rupee.

MAZHAR-UL-HAQ SIDDIQUI
Chairman

DURAJD QURESHI
Chief Executive

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**CONDENSED INTERIM
CONSOLIDATED
FINANCIAL STATEMENTS**

HUM NETWORK LIMITED
CONDENSED INTERIM CONSOLIDATED BALANCE SHEET
AS AT MARCH 31, 2014

		31 March 2014 (Un-audited)	30 June 2013 (Audited)
	Note	Rupees	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	3	209,954,333	233,302,670
Goodwill		1,298,400	1,304,892
Intangible assets		38,194,166	9,923,463
Long term deposits and prepayments		23,134,056	26,552,369
Television program costs	4	202,192,719	197,195,117
Deferred tax asset		28,814,911	5,725,778
		503,588,585	474,004,289
CURRENT ASSETS			
Inventories		5,689,278	893,927
Current portion of television program costs	4	295,818,905	289,858,307
Trade debts	5	640,398,286	686,257,871
Advances		171,219,432	71,266,218
Deposits and prepayments		26,201,986	9,296,070
Other receivables		88,732,530	8,046,312
Taxation – net		24,261,287	50,711,832
Cash and bank balances		127,565,365	232,725,438
		1,379,887,069	1,349,055,975
TOTAL ASSETS		1,883,475,654	1,823,060,264
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital	6	1,500,000,000	700,000,000
Issued, subscribed and paid-up share capital	7	945,000,000	500,000,000
Unappropriated profit		402,942,543	952,853,578
		1,347,942,543	1,452,853,578
NON-CURRENT LIABILITIES			
Liabilities against assets subject to finance lease		3,341,311	1,571,449
CURRENT LIABILITIES			
Trade and other payables		520,014,453	365,277,927
Accrued markup		14,383	-
Short term borrowing		896,815	
Dividend payable		9,872,464	1,518,113
Current portion of liabilities against assets subject to finance lease		1,393,685	1,839,197
		532,191,800	368,635,237
COMMITMENTS	8		
TOTAL EQUITY AND LIABILITIES		1,883,475,654	1,823,060,264

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.

MAZHAR-UL-HAQ SIDDIQUI
Chairman

DURAID QURESHI
Chief Executive

HUM NETWORK LIMITED
CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)



	Note	Nine months period ended		Quarter-ended	
		March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
		Rupees	Rupees	Rupees	Rupees
Revenue – net	9	2,148,603,374	1,583,598,757	750,231,824	583,428,015
Cost of production	10	(1,034,998,812)	(929,848,714)	(370,350,626)	(356,244,191)
Transmission cost		(116,348,976)	(76,142,637)	(32,836,616)	(24,645,119)
		(1,151,347,788)	(1,005,991,351)	(403,187,242)	(380,889,310)
Gross profit		997,255,586	577,607,406	347,044,582	202,538,705
Distribution costs		(255,739,773)	(163,305,742)	(101,022,895)	(46,887,839)
Administrative expenses		(265,680,425)	(167,745,568)	(71,713,229)	(56,797,187)
		475,835,388	246,556,096	174,308,458	98,853,679
Other operating income		77,036,908	43,433,562	15,700,046	18,631,305
		552,872,296	289,989,658	190,008,504	117,484,984
Finance costs		(7,504,438)	(7,281,894)	(305,426)	(177,328)
Other charges-Workers' Welfare Fund		(11,209,345)	(5,623,094)	(3,792,580)	(2,364,205)
Profit before taxation		534,158,513	277,084,670	185,910,498	114,943,451
Taxation					
- current		148,881,348	83,252,905	55,855,350	35,797,003
- prior		-	(4,307,198)	-	-
- deferred		(23,108,049)	(1,009,030)	(12,974,317)	487,248
		125,773,299	77,936,677	42,881,033	36,284,251
Profit after taxation		408,385,214	199,147,993	143,029,465	78,659,200
Earnings per share – basic and diluted	11	Rs. 4.32	Rs. 2.11	Rs. 1.51	Re. 0.83

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.

MAZHAR-UL-HAQ SIDDIQUI
Chairman

DURAID QURESHI
Chief Executive

HUM NETWORK LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)

	Nine months period ended		Quarter-ended	
	March 31, 2014	March 31, 2013	March 31, 2014	March 31, 2013
	Rupees		Rupees	
Net profit for the period	408,385,214	199,147,993	143,029,465	78,659,200
Other comprehensive income	(3,296,249)	866,104	(3,270,101)	307,344
Total comprehensive income for the period	405,088,965	200,014,097	139,759,364	78,966,544

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.

MAZHAR-UL-HAQ SIDDIQUI
Chairman

DURAID QURESHI
Chief Executive

HUM NETWORK LIMITED
CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)



	March 31, 2014	March 31, 2013
	(Rupees) -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	534,158,513	277,084,670
Adjustments for:		
Depreciation	29,124,946	28,248,823
Amortization	2,369,101	1,483,543
Finance costs	7,504,438	7,281,894
Profit on deposit accounts	(15,853,881)	(7,535,431)
Gain on disposal of property, plant and equipment	(1,944,400)	(534,724)
Exchange gain	(2,721,934)	2,741,913
Reversal of provision for doubtful debts	(4,869,680)	-
Worker's Welfare Fund	11,209,345	6,861,053
	24,817,935	38,547,071
Operating profit before working capital changes	558,976,448	315,631,741
Increase in current assets		
Inventories	20,922,246	(41,737)
Current portion of television program costs	(5,960,598)	49,648,531
Trade debts	50,729,265	(56,237,873)
Advances, deposits and prepayments	(116,859,130)	(6,846,691)
Other receivables	(80,686,218)	(1,792,440)
	(131,854,435)	(15,270,210)
Increase in current liabilities		
Trade and other payables	143,856,173	92,378,140
Cash generated from operations	570,978,186	392,739,671
Taxes paid	(122,411,887)	(89,692,392)
Finance costs paid	(7,490,055)	(13,653,259)
Profit received on deposit accounts	15,853,881	8,260,678
Long-term deposits	3,418,313	105,326,254
Gratuity paid	-	(3,256,460)
Television program costs	(4,997,602)	(645,574)
Net cash generated from operating activities	455,350,836	399,078,918
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangibles	(65,181,323)	(42,471,861)
Proceeds from sale of property, plant and equipment	4,991,713	1,292,230
Net cash used in investing activities	(60,189,610)	(41,179,631)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(501,645,649)	(47,313,138)
Payment of liabilities against assets subject to finance lease	1,324,350	(966,443)
Net cash used in financing activities	(500,321,299)	(48,279,581)
Net (decrease)/ increase in cash and cash equivalents	(105,160,073)	309,619,706
Cash and cash equivalents at the beginning of the period	232,725,438	(49,930,272)
Cash and cash equivalents at the end of the period	127,565,365	259,689,434

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.

MAZHAR-UL-HAQ SIDDIQUI
Chairman

DURAIQ QURESHI
Chief Executive

HUM NETWORK LIMITED
CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
UN-AUDITED

	Issued, subscribed and paid-up share capital	Reserves			Total
Foreign exchange translation reserve		Unappropriated Profit	Sub-total		
				Rupees	
Balance as at July 01, 2012	500,000,000	259,809	616,818,579	617,078,388	1,117,078,388
Profit for the nine months period ended March 31, 2013	-		199,147,993	199,147,993	199,147,993
Other comprehensive income	-	866,104	-	866,104	866,104
Total comprehensive income	-	866,104	199,147,993	200,014,097	200,014,097
Final cash dividend for the year ended June 30, 2012	-	-	(50,000,000)	(50,000,000)	(50,000,000)
Balance as at March 31, 2013	500,000,000	1,125,913	765,966,572	767,092,485	1,267,092,485
Balance as at July 01, 2013	500,000,000	1,039,365	951,814,213	952,853,578	1,452,853,578
Profit for the nine months period ended March 31, 2014	-	-	408,385,214	408,385,214	408,385,214
Other comprehensive income	-	(3,296,249)	-	(3,296,249)	(3,296,249)
Total comprehensive income	-	(3,296,249)	408,385,214	405,088,965	405,088,965
Final cash dividend for the year ended June 30, 2013 @ Rs. 6 per share		-	(300,000,000)	(300,000,000)	(300,000,000)
Issue of bonus shares @ 40%	200,000,000	-	(200,000,000)	(200,000,000)	-
Interim cash dividend for the period ended September 30, 2013 @ Rs. 1.5 per share		-	(105,000,000)	(105,000,000)	(105,000,000)
Interim cash dividend for the half year ended Dec 31, 2013 @ Rs. 1.5 per share		-	(105,000,000)	(105,000,000)	(105,000,000)
Issue of bonus shares @ 35%	245,000,000	-	(245,000,000)	(245,000,000)	-
Balance as at March 31, 2014	945,000,000	(2,256,884)	405,199,427	402,942,543	1,347,942,543

The annexed notes from 1 to 15 form an integral part of these condensed interim consolidated financial statements.

MAZHAR-UL-HAQ SIDDIQUI
Chairman

DURAID QURESHI
Chief Executive



1. THE COMPANY AND ITS OPERATIONS

The Group consists of

1.1 Holding Company

HUM Network Limited (the Company) was incorporated in Pakistan as a public limited company under the Companies Ordinance, 1984 (the Ordinance). The shares of the Company are quoted on Karachi Stock Exchange. The registered office of the Company is situated at Plot No. 10/11, Hassan Ali Street, Off. I.I. Chundrigar Road, Karachi, Pakistan. The Holding Company's principal business is to launch transnational satellite channels and aims at presenting a wide variety of cultural heritage. Its core areas of operation are production, advertisement, entertainment and media marketing. It covers a wide variety of programmes with respect to information, entertainment, news, education, health, food, music and society.

1.2 Subsidiary Companies

HUM TV, Inc. (the subsidiary company), having registered office at 4546 El Camino Real, #223 Los Altos, CA 94022, and HUM Network UK LTD having registered office at Evergreen House, Grafton Place, Euston, London, NW1 2DX, United Kingdom (UK) have been established with the purpose of providing entertainment programmes to the South Asian community by increasing presence in the United States of America (USA), Canada and UK respectively. The subsidiary companies will also serve as a platform for the Holding Company to explore avenues for greater distribution of the Holding Company brands in USA, Canada and UK and will establish relations with advertisers, as well as develop US-based media materials, such as dramas, documentaries and other entertainment shows and events.

HUM TV, Inc is a wholly owned subsidiary of the Holding Company with effect from April 01, 2011. HUM Network UK LTD is a wholly owned subsidiary of the Holding Company and was incorporated in UK on August 22, 2013.

2. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those of the previous financial year except as follows:

New, Amended and Revised Standards and Interpretations of IFRSs

The Company has adopted the following revised standard, amendments and interpretation of IFRSs which became effective for the current period:

IAS 19 – Employee Benefits –(Revised)

IFRS 7 – Financial Instruments : Disclosures – (Amendments)

-Amendments enhancing disclosures about offsetting of financial assets and financial liabilities

IFRIC 20 – Stripping Costs in the Production Phase of a Surface Mine

Improvements to Accounting Standards Issued by the IASB

IAS 1 – Presentation of Financial Statements - Clarification of the requirements for comparative information

IAS 16 – Property, Plant and Equipment – Clarification of Servicing Equipment

IAS 32 – Financial Instruments: Presentation – Tax Effects of Distribution to Holders of Equity Instruments

IAS 34 – Interim Financial Reporting – Interim Financial Reporting and Segment Information for Total Assets and Liabilities

The adoption of the above amendments, revisions, improvements to accounting standards and interpretations did not have any effect on the condensed interim financial statements.

HUM NETWORK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)

		March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
		----- Rupees -----	
3. PROPERTY, PLANT AND EQUIPMENT	Note		
Operating assets	3.1	196,586,514	199,401,075
Capital work-in-progress		13,367,819	33,901,595
		<u>209,954,333</u>	<u>233,302,670</u>
3.1 Operating assets			
Opening balance – at book value		199,401,075	179,344,247
Additions during the period/year	3.1.1	<u>29,357,637</u>	<u>59,168,959</u>
		228,758,712	238,513,206
Less:			
Disposals during the period / year - at book value	3.1.2	<u>(3,047,252)</u>	<u>(757,506)</u>
Depreciation charged during the period/year		<u>(29,124,946)</u>	<u>(38,354,625)</u>
		<u>(32,172,198)</u>	<u>(39,112,131)</u>
Closing balance – at book value		<u>196,586,514</u>	<u>199,401,075</u>
3.1.1 Additions during the period / year			
Owned			
Leasehold improvements		1,090,538	6,233,732
Furniture and fittings		9,426,434	1,308,746
Motor vehicles		2,652,200	3,186,417
Audio visual equipment		3,013,199	14,034,930
Uplinking equipment		1,285,833	23,789,931
Office equipment		470,848	2,301,703
Computers		8,047,355	5,837,059
Leased			
Motor vehicles		<u>3,371,230</u>	<u>2,476,441</u>
		<u>29,357,637</u>	<u>59,168,959</u>
3.1.2 Disposals during the period/year			
Owned			
Motor vehicles		(3,047,252)	(733,132)
Audio visual equipment		-	(24,374)
		<u>(3,047,252)</u>	<u>(757,506)</u>

HUM NETWORK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)



	March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
	----- Rupees -----	
4. TELEVISION PROGRAM COSTS		
Unreleased / released less amortization	490,135,313	481,135,313
In production	<u>7,876,311</u>	<u>5,918,111</u>
	498,011,624	487,053,424
Less: Current portion shown under current assets	<u>295,818,905</u>	<u>289,858,307</u>
	<u>202,192,719</u>	<u>197,195,117</u>
5. TRADE DEBTS		
Considered good	640,398,286	686,257,871
Considered doubtful	<u>26,412,547</u>	<u>31,282,227</u>
	666,810,833	717,540,098
Less: Provision for doubtful debts	<u>26,412,547</u>	<u>31,282,227</u>
	<u>640,398,286</u>	<u>686,257,871</u>
6. AUTHORIZED CAPITAL		
6.1 During the period, the Company has increased its authorized capital from 70,000,000 ordinary shares of Rs. 10/- each amounting to Rs. 700,000,000 to 150,000,000 ordinary shares of Rs. 10/- each amounting to Rs. 1,500,000,000.		

HUM NETWORK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)

7. ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

- 7.1 During the period, the Company has issued 44,500,000 bonus shares amounting to Rs. 445,000,000/-.
- 7.2 Includes 13,230,000 shares representing 14 (2013:14) percent holding by Jahangir Siddiqui & Co. Ltd. – a related party.

8. COMMITMENTS

- 8.1 Purchase of television programs commitments with M.D Production (Private) Limited and MNM Productions, related parties as at March 31, 2014 amounted to Rs. 32,326,250/- and Rs 20,387,500/- (June 30, 2013: Rs. 34,750,000/- and Rs. 6,000,000/-) respectively. Commitment for purchase of television programs with other than related parties as at March 31, 2014 amounted to Rs. 383,418,670/- (June 30, 2013: Rs. 218,054,964/-).

- 8.2 Commitment for rentals under Ijarah finance agreement:

	March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
	----- Rupees -----	
Within one year	1,574,844	1,852,062
After one year but not more than five years	833,196	2,014,329
	<u>2,408,040</u>	<u>3,866,391</u>

	Nine months period ended		Quarter-ended	
	March 31, 2014 (Un-audited)	March 31, 2013 (Un-audited)	March 31, 2014 (Un-audited)	March 31, 2013 (Un-audited)
	----- Rupees -----		----- Rupees -----	
9. REVENUE – net				
Advertisement revenue	2,787,737,525	2,256,611,289	969,120,653	837,192,395
Less: Agency commission	346,517,828	280,636,174	119,438,399	103,785,976
Sales tax	361,075,142	296,490,995	126,903,101	111,867,276
Discount to customers	148,653,629	138,025,404	46,468,999	44,038,197
	<u>856,246,599</u>	<u>715,152,573</u>	<u>292,810,499</u>	<u>259,691,449</u>
	1,931,490,926	1,541,458,716	676,310,154	577,500,946
Production revenue	38,305,535	20,600,000	7,851,793	5,850,000
Digital sales revenue	3,727,697	290,886	927,740	57,358
	<u>42,033,232</u>	<u>20,890,886</u>	<u>8,779,533</u>	<u>5,907,358</u>
Less: Agency commission	1,698,196	223,338	564,040	8,604
Sales tax	6,560,035	38,227	1,342,657	9,177
	<u>8,258,231</u>	<u>261,565</u>	<u>1,906,697</u>	<u>17,781</u>
	1,965,265,927	1,562,088,037	683,182,990	583,390,523
Subscription Income - international operations	183,337,447	21,510,720	67,048,834	37,492
	<u>2,148,603,374</u>	<u>1,583,598,757</u>	<u>750,231,824</u>	<u>583,428,015</u>

HUM NETWORK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)



	<u>Nine months period ended</u>		<u>Quarter-ended</u>	
	<u>March 31,</u> <u>2014</u> <u>(Un-audited)</u> <u>----- Rupees -----</u>	<u>March 31,</u> <u>2013</u> <u>(Un-audited)</u> <u>----- Rupees -----</u>	<u>March 31,</u> <u>2014</u> <u>(Un-audited)</u> <u>----- Rupees -----</u>	<u>March 31,</u> <u>2013</u> <u>(Un-audited)</u> <u>----- Rupees -----</u>
10. COST OF PRODUCTION				
Cost of outsourced programs	697,382,378	499,368,663	265,022,968	152,629,011
Cost of in-house programs	93,777,364	58,932,909	31,613,443	23,681,169
Inventories consumed	325,480	1,039,763	-	144,067
Salaries and benefits	179,059,816	149,066,100	55,717,592	50,928,808
Depreciation	17,536,454	16,666,298	5,680,361	5,487,066
Amortisation	1,941,831	1,123,395	716,777	374,465
Traveling and conveyance	15,468,814	13,870,209	4,568,206	4,786,383
Utilities	7,923,353	9,002,266	3,195,125	2,329,240
Rent, rates and taxes	5,052,200	2,719,747	1,958,500	1,045,249
Insurance	5,982,914	5,114,399	3,231,000	1,588,240
Repair and maintenance	8,527,964	7,872,697	3,503,350	2,395,992
Fee and subscription	2,475,897	1,828,326	1,087,965	688,330
Communication expense	5,193,009	4,234,632	2,043,615	1,350,103
Security charges	2,040,725	1,163,927	781,220	336,255
Consultancy	2,672,548	2,668,417	904,262	822,133
Printing and stationery	504,775	202,181	162,442	44,737
Donation	91,490	-	-	-
	<u>1,045,957,012</u>	<u>774,873,929</u>	<u>380,186,826</u>	<u>248,631,248</u>
In production television programs				
- opening	5,918,111	14,170,763	7,040,111	11,762,403
In production television programs				
- closing	<u>(7,876,311)</u>	<u>(11,330,317)</u>	<u>(7,876,311)</u>	<u>(11,330,317)</u>
	<u>1,043,998,812</u>	<u>777,714,375</u>	<u>379,350,626</u>	<u>249,063,334</u>
Released / unreleased programs				
- opening	481,135,313	635,864,418	481,135,313	590,910,936
Released / unreleased programs				
- closing	<u>(490,135,313)</u>	<u>(483,730,079)</u>	<u>(490,135,313)</u>	<u>(483,730,079)</u>
	<u>1,034,998,812</u>	<u>929,848,714</u>	<u>370,350,626</u>	<u>356,244,191</u>
11. EARNINGS PER SHARE – basic and diluted				
Profit after taxation (Rupees)	<u>408,385,214</u>	<u>199,147,993</u>	<u>143,029,465</u>	<u>78,659,200</u>
		(Restated)		(Restated)
Weighted average number of Ordinary shares	<u>94,500,000</u>	<u>94,500,000</u>	<u>94,500,000</u>	<u>94,500,000</u>
Earnings per share (Rupees)	<u>4.32</u>	<u>2.11</u>	<u>1.51</u>	<u>0.83</u>

HUM NETWORK LIMITED
NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2014
(UN-AUDITED)

12. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company include subsidiaries, associates, retirement funds, directors and key management personnel. Details of transactions with related parties during the period, are as follows:

		March 31, 2014 (Un-audited)	March 31, 2013 (Un-audited)
		Rupees	
Transactions during the period			
Related parties	Nature of transactions		
Associates	Purchase of television programs	<u>274,850,000</u>	128,600,000
Director of Hum Tv Inc.	Repayment of amount due	<u>-</u>	14,929
Spouse of a Director	Managerial Remuneration	<u>6,657,840</u>	1,547,840
	Repayment of amount due	<u>-</u>	-
	Advances taken during the period	<u>-</u>	-
Retirement fund	Contribution to fund	<u>10,277,100</u>	-
Key management personnel	Remuneration	<u>265,637,126</u>	148,168,081
Balances as at period/year end		March 31, 2014 (Un-audited)	June 30, 2013 (Audited)
		Rupees	
Advances		<u>31,173,750</u>	19,095,000
Other receivables		<u>2,871,457</u>	850,230
Trade and other payables		<u>79,741,254</u>	49,317,500

13. DATE OF AUTHORIZATION

These condensed interim consolidated financial statements have been authorised for issue on April 29, 2014 by the Board of Directors.

14. SUBSEQUENT EVENT

The Board of Directors of the Holding Company in their meeting held on April 29, 2014 has recommended an interim cash dividend of 1.5 per share @ 15% amounting to Rs. 141,750,000 (2013: nil).

15. GENERAL

Amounts have been rounded off to the nearest rupee.

MAZHAR-UL-HAQ SIDDIQUI
Chairman

DURAJD QURESHI
Chief Executive

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Printed Matter

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HUM NETWORK LIMITED
HUM TV, Plot No. 10/11,
Hassan Ali Street, Off. I.I. Chundrigar Road,
Karachi - 74000, Pakistan.



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HUM NETWORK LIMITED

Karachi Office
Building No. 10/11, Hassan Ali Street,
Off I.I. Chundrigar Road Karachi-74000.
UAN: 111-486-111
Fax : +92 21-3262 8840

Lahore Office
Siddique Trade Center, 305, Third Floor,
Main Boulevard, Gulberg, Lahore.
Ph : +92 42-3581 7154-6
Fax : +92 42-3581 7157

Islamabad Office
House No. 45, Street # 20,
F-7/2, Islamabad.
Ph : +92 51-260 9256-58
Fax : +92 51-260 9259

www.humnetwork.tv