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Press Release

Mumbai, July 19, 2018

DB Corp Limited (DBCL), India's largest print media company and home to flagship newspapers Dainik Bhaskar, Divya Bhaskar, Divya Marathi and Saurashtra Samachar, today announced its financial results for the quarter ended June 30, 2018. The highlights of the Company's operational and financial performance are as follows:

Dainik Bhaskar continued to maintain strong momentum on circulation expansion strategy across key markets delivering a growth of 12% since initiation of circulation campaign in June 2017

- Circulation expansion strategy on track – with growth of almost 12% from around 51 lakh copies in June 2017 to around 58 lakh copies as on June 2018 - an increase of around 7 lakh copies, mainly across markets of Bihar, Rajasthan, Gujarat & Madhya Pradesh.
- Over past five years [from FY 2012-13 to FY 2017-18] circulation revenue has delivered 13% CAGR growth driven by yield in core legacy markets – much above the industry reported nos.
- Persistent focus on strong reader engagement efforts and product enrichment initiatives continue to complement circulation expansion strategy

Performance highlights for Q1 FY 2018-19 - Consolidated

- ⤴ Total Revenue reported growth of 7% at Rs. 6392 million in current period from Rs. 5997 million in Q1 last fiscal
- ⤴ Circulation Revenue has increased YoY 10.3% to Rs. 1345 million from Rs. 1220 million, primarily due to Volume driven growth
- ⤴ Advertising Revenues reported growth of 5% YOY to Rs. 4549 million in current period from Rs. 4334 million in Q1 of last fiscal
- ⤴ EBIDTA Stands at Rs. 1749 million, EBIDTA margin of 27% for the quarter, against EBIDTA of Rs. 1933 million, in Q1 FY 2018; after considering forex loss of Rs.24.9 million and circulation expansion strategy related non-recurring expenditure of Rs, 58.6 million
- ⤴ PAT stands at Rs. 976 million (PAT Margin 15.3%), against Rs. 1101 million (PAT Margin 18.4%), in Q1 of last year; after considering forex loss of Rs. 31 million and circulation expansion strategy related non-recurring expenditure of Rs. 58.6 million.
- ⤴ Radio business: Advertising revenues expanded by 2% YOY to Rs. 317 million in Q1 of current period, against Rs. 311 million in Q1 of last fiscal, despite high base
- ⤴ Radio business EBIDTA grew by 26% YOY to Rs. 71 million from Rs. 56 million
- ⤴ Radio Business PAT grew by 59% YOY to Rs 26 million
- ⤴ Digital business revenue grew by 4% YOY to Rs. 126 million

Key developments and initiatives

- ⤴ **Daink Bhaskar launched daily election coverage news through unique initiative – Mahabharat 365:** A new format of pre-election related, in-depth news coverage through a specific theme on each day of the week. Reporting objective, hard core reviews from well-known election analysts, literary personalities and senior editorial team members.
- ⤴ **Radio Phase 3 stations become profitable:** Turned EBIDTA positive, following the complete commissioning of all 13 stations, acquired under batch 1 of Phase 3 during 2017. Profitability achieved on the back of strong inventory management, programme profile, prudent cost efficiencies and growing popularity.
- ⤴ **New Look www.divyabhaskar.com:** The World’s largest Gujarati website has re-launched itself as the global destination for Gujarati content with a new look and wide, exciting canvas of popular content. Introduced 4 news unique categories of content which will be seen first time ever in the industry.
- ⤴ **Buy Back of Shares** The Board of Directors at its meeting held on May 26, 2018 approved the proposal of buyback of 92,00,000 equity shares of Rs. 10/- each (representing approximately 5% of total equity share capital) from the shareholders of the company through the “Tender offer” route as prescribed under the Securities and Exchange Board of India (Buyback of Securities) Regulations at a price of Rs. 340/- per equity share, aggregating to approximately Rs 312.80Crores. The buyback has been approved by the shareholders on July 6, 2018. The public announcement was published on July 10, 2018. The draft letter of offer was filed with SEBI on July 17, 2018.

Commenting on the performance for Q1 FY 2018-19, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said, *“This quarter our focus continued to be on ensuring successful implementation of our circulation expansion strategy, in markets across India that are responding well with the team’s complete focus on market expansion, editorial and impactful readership engagement efforts. As India’s largest news networks, we are in the process of assembling an exciting curation of editorial activities keeping in mind important developments with wide public appeal. A detailed road map has been structured in association with industry stalwarts, which will help us deliver stimulating content for our readers. Our non-print businesses continue to progress well, building great value for readers, advertisers and the organisational triad.*

The next 5 years are set to be the golden years for Tier 2, 3 towns and DB Corp with its strong presence across these markets is in the best position to capitalize on these opportunities. With our legacy of execution excellence, we are excited, aggressive and totally committed to think and act much beyond our capabilities so that we can deliver the desired levels of growth. At a broader level, all positive signals such as GDP growth, government spending, SmartCity projects, etc. augur well towards a period of greater progress and advancement.”

Q1 FY 2018-19 financial results highlights: (comparisons with Q1’ FY 18 & Q4’ FY18)
(Rs. Mn)

Heads	Qtr 1 FY18	Qtr 1 FY19	YOY Growth	Qtr 4 FY 18	QOQ Growth
Print Advertisement	3902	4110	5.3%	3369	22.0%
Radio Advertisement	311	317	1.7%	361	(12.1%)
Digital Advertisement	121	126	3.7%	131	(3.8%)
Print Circulation Rev	1220	1345	10.3%	1252	7.5%
Consol Operational Revenue	443	498	12.4%	564	(11.7%)
Consol Total Income	5997	6392	6.6%	5675	12.6%
Print EBIDTA	1947	1697	(12.9%)	986	72.0%
Radio EBIDTA	56	71	26.1%	116	(38.9%)
Consol EBIDTA	1933	1749	(9.5%)	1052	66.2%

◆ **Print-Mature Business EBIDTA margin stand at 34%**

An analysis and break-up of Mature and Emerging Business financials on a quarterly basis is given below. We classify emerging business as those which are below 4 years of age or profitable since last 4 quarters, whichever is earlier.

Q1 FY 19

(Rs. Mn)

Particulars	Mature Editions	*Emerging Editions	Radio Business	Internet Business	DBCL Standalone
Total Revenues	5674	280	317	125	6392
EBIDTA before pre-opex	1920	(179)	71	(5)	1807
EBIDTA Margin	34%	(64%)	22%	(4%)	28%
EBIDTA after pre-opex	1865	(181)	71	(5)	1749
EBIDTA Margin	33%	(65%)	22%	(4%)	27%

* Emerging Business, includes Bihar small part of Maharashtra & Surat Hindi edition, besides Mobile App & E-real Estate Business

➤ **Strategic areas of focus and key updates:**

❖ **Editorial strategy:**

- Launched on all-India level, '**Mahabharat 365**' – As India approaches general elections in 2019, Dainik Bhaskar has assembled a bouquet of topical, objective reportage around this important event, which has huge readership appeal.
 - On a daily basis, Dainik Bhaskar will cover every important election related news for its readers
 - Through the most engaging 7 topics or themes, across 52 weeks, Dainik Bhaskar will present totally objective and reality-based analysis across a range of diverse subjects.
 - 52 Weekly themes will explore: Bhaskar Drishti, Vishleshan – analysis by eminent political analysts, satirical prose by well-known literary personalities, Q&A with political personalities in spotlight, Infographics, exclusive discussions, ground realities from every vital seat across the country.

- Continued to build on the aggressive growth momentum of circulation expansion strategy set during previous fiscal, delivering a growth of around 12%.
 - Delivered circulation growth of 12% across major legacy markets – backed by continued reader acquisition efforts through activations and engagement initiatives.
 - Continued with the implementation of Jeeto 15 crore Dohara which has been an anchor effort in retaining and acquiring new readers
 - Reported strong growth in circulation expansion strategy - of around 12% from around 51 lakh copies in June 2017 to around 58 lakh copies as of June 2018 - an increase of around 7 lakh copies, mainly in markets of Bihar, Rajasthan, Gujarat & Madhya Pradesh.

❖ **Digital strategy:**

- www.Dainikbhaskar.com the largest Hindi News Website continues to secure the No. 1 spot in Hindi News
- www.Divyabhaskar.com continues to remain #1 Gujarati website
 - Has re-launched itself as the global destination for Gujarati content with a new look and new appeal of different content spanning knowledge, spirituality, literature, empowering women, together with news coverage across the state & the globe.
- DB Digital has a strong position in almost 67% of the Indian language media space in terms of Unique Visitors and Page Views.
- **Key Achievements:**
 - Dainik Bhaskar properties have highest eCPM in language market (Source :- Google report)
 - Dainikbhaskar.com has highest Facebook interactions in Hindi newspaper sites (Source:- Crowd Tangle Intelligence report)
- **Brand activations continued to strengthen viewership engagement:**
 - **DainikBhaskar.com felicitated India's Top Digital Planners in Season 3:** DainikBhaskar.com in association with a leading business magazine felicitated India's Top Digital Planners for the 3rd consecutive year in Mumbai on 28th April.
 - **Unofficial umpire:** DainikBhaskar.com lined up the most extensive coverage for IPL 2018 for 75 days, themed as 'Unofficial Umpire'. Offered intense digital coverage with engaging contest, stories, videos, polls, live scorecard, innovations, influencer amplification and more.

❖ **Radio strategy:** Largest player in Rest of Maharashtra & continues to be No. 1 in Chandigarh / Haryana / Punjab / Rajasthan / Madhya Pradesh & Chhattisgarh

- **Key achievements:**
 - Phase 3 stations turn profitable on the back of growing popularity and prudent cost controlling initiatives
 - Engaging with audiences for stronger connect – Undertaken more than 95 activities across 30 stations.
 - Music - played highest number of songs in terms of numbers & total music hour
- **Strong activations through exciting events:**
 - **MY FM - Official Radio Partner For Rajasthan Royals:** Driven by Jaipur station, collaboration was aimed at creating an innovative and a mutually beneficial partnership.

❖ **Awards and recognitions:**

- **Print:**
 - Awarded Silver at WANIFRA Asian Media awards.
 - Won four metals at INMA, with three wins for the Maharashtra Campaign.
 - Coffee Table book on Ujjain has won two international awards at Indie Excellence Awards and International Book awards.
 - Additional awards: 3 metals at New York Communicator awards, 9 metals at PRCI collaterals awards, 12 awards at ACEF and 13 at Hermes.
- **Digital:**
 - Dainik Bhaskar Digital won Global Media Awards organized by INMA for the Best Use of Data Analytics for Autobot, the Automated Intelligent Push Notification Engine, on 5th June in New York
- **Radio:**
 - **Foxglove Awards 2018:** Won Gold In Category " Print Ad / Single- Regional " and Bronze under Category "Print Ad / Single - National"
 - **Won Golden Mikes Radio Advertising Award " 2018:** MY FM won Silver for the "Best Single Commercial- Food & Beverages" under Category – Creativity

- *India Radio Forum 2018 Awards: MY FM won under the Best ON GROUND Activation by an FM Station for Silent Garba: India's First NO NOISE Garba and Best Radio Programme-Hindi Non Metro Station*
- *MY FM bags New York Festival Awards 3rd Year in a Row: MY FM bags a bronze for "Maango Haq Se"*

About DB Corp Ltd

DB Corp Ltd. is India's largest print media company that publishes 6 newspapers with Dainik Bhaskar 46 editions, Divya Bhaskar 9 editions & Divya Marathi 6 editions with 220 sub-editions in 4 multiple languages (Hindi, Gujarati, Marathi and English) across 12 states in India. Our flagship newspapers Dainik Bhaskar (in Hindi) established in 1958, Divya Bhaskar and Saurashtra Samachar (in Gujarati) and Divya Marathi (in Marathi) have a total readership of 5.9 crores, making us the most widely read newspaper group in India with presence in Madhya Pradesh, Chhattisgarh, Rajasthan, Haryana, Punjab, Chandigarh, Himachal Pradesh, Delhi, Gujarat, Maharashtra, Bihar and Jharkhand. Our other noteworthy newspaper brands are Saurashtra Samachar, DB Star and DB Post. DBCL is the only media conglomerate that enjoys a leadership position in multiple states, in multiple languages and is a dominant player in its all major markets. The company's other business interests also span the radio segment through the brand "94.3 MY FM" Radio station with presence in 7 states and 30 cities. Its growing digital business is led by 12 portals for rapidly expanding digital audiences including www.dainikbhaskar.com, www.divyabhaskar.com, www.divyamarathi.com, www.bollywoodbhaskar.com, www.moneybhaskar.com, www.dbcric.com, www.jeevanmantra.in, www.fashion101.in, www.gadgets.bhaskar.com, www.food.bhaskar.com, www.homeonline.com, and 2 actively downloaded applications Dainik Bhaskar and Divya Bhaskar mobile apps.

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