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Press Release

Mumbai, July 18, 2019

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, 2019. The highlights of the Company's operational and financial performance are as follows:

Key Developments and Initiatives:

- ⤴ **Dainik Bhaskar's well-implemented Circulation expansion strategy has delivered strong results on account of increased market share. As per recent IRS survey, all Hindi Newspapers adds 93.27 Lac new readers; Dainik Bhaskar adds 63.55 lac new readers; a growth of 13.71% majorly in legacy markets of Madhya Pradesh-Chhattisgarh, Rajasthan, Haryana, Punjab, Gujarat and in newer market of Bihar**
- ⤴ **Dainik Bhaskar continues to maintain its position as No 1 newspaper of Urban India as well as of NCCS A, NCCS B and NCCS AB both**
- ⤴ **As per last ABC circulation reported data, we continue to maintain No 1 Circulated newspaper of India as well as leadership in Madhya Pradesh-Chhattisgarh, Rajasthan, Gujarat, Haryana, Chandigarh, Punjab(4 urban Cities), besides maintaining close no 2 formidable position in other markets**
- ⤴ **In line with the Company's Circulation Expansion Strategy, Company has devised a print media campaign "Life Badal Jaayegi, Boss" featuring Salman Khan to further aid the circulation growth. Company has launched mega & biggest scheme of print sector "Jeeto 21 crores" across the footprint in 12 states with the aim to acquire new readers and retention of existing readers**
- ⤴ **Circulation strategy was complimented by strong editorial and product enrichment efforts along with unique and impactful reader engagement initiatives**

Performance highlights for Q1 FY2020 – Consolidated [All Comparisons with Q1 FY2019]

- ⤴ **Advertising Revenues stood at Rs. 4420 million as against Rs. 4549 million in Q1 last fiscal**
- ⤴ **Circulation Revenue stands at Rs. 1314 million as against Rs. 1345 million in the corresponding period last fiscal**
- ⤴ **Total Revenue stands at Rs. 6112 million in current period from Rs. 6392 million**
- ⤴ **EBIDTA Stands at Rs. 1796 million (EBIDTA margin 29%), against EBIDTA of Rs. 1749 million (EBIDTA margin 27%). EBIDTA increased by around 85 million as per Ind AS 116 – "Leases", which is added in depreciation and finance cost and hence negative 9 million impact in PAT.**
- ⤴ **PAT stands at Rs. 937 million (PAT Margin 15.3%), against Rs. 976 million (PAT Margin 15.3%)**
- ⤴ **Radio business revenue grew by 19% YOY to Rs. 377 million against Rs. 317 million,.**
- ⤴ **Radio business EBIDTA grew by 84% YOY to Rs. 131 million (margin 35%) from Rs. 71 million (margin 22%), increased by around Rs. 13 million as per Ind AS 116 – "Leases", which is added in depreciation and finance cost**
- ⤴ **Radio business PAT grew by 98% YOY to Rs. 52 million (margin 14%) from Rs. 26 million (margin 8%)**

Commenting on the performance for Q1 FY 2019-20, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said, “The Company enjoys a dominant position in all its major markets of presence. To further strengthen our dominance, we continued with our efforts towards editorial and circulation expansion initiatives through this quarter as well. Despite the challenging macro environment, we are confident of our current strategies to deliver enterprise growth and building profitability aided by overall cost control and moderation in newsprint prices going ahead.

Our business strategy is focused on product strengthening, along with a series of strategic initiatives to orient the editorial team in this direction, and complement our circulation expansion initiatives. Our efforts has delivered strong results and is reflected in the latest published readership and circulation number, by MRUC and ABC respectively. The latest Circulation drive “Life Badal jayegi, Boss” featuring Superstar Salman Khan is a continuation towards strengthening reader engagement, thus giving a push to our circulation efforts. Our Non-print businesses continue to progress well, building great value for our readers and advertisers. We continue to build our synergies and leverage the competitive strengths across each business segment.

With the formation of a stable and decisive government in Centre, the semi-urban and rural consumption and demand cycle is expected to stabilize. As the government continues with its efforts and initiatives to boost economic growth, with our execution excellence, we are confident to deliver the desired levels of growth.”

**Q1 FY 2020 financial results highlights: (comparisons with Q1’ FY 19 & Q4’ FY19)
(Rs. Mn)**

Heads	Qtr 1 FY19	Qtr 1 FY20	YOY Growth	Qtr 4 FY 19	QOQ Growth
Printing Publishing & Allied Business Advertisement	4236	4048	(4.4%)	3743	8.1%
Radio Advertisement	317	377	19.1%	390	(3.3%)
Print Circulation Rev	1345	1314	(2.3%)	1273	3.2%
Consol Operational Revenue	498	378	(24.1%)	507	(25.4%)
Consol Total Income	6392	6112	(4.4%)	5911	3.4%
Printing Publishing & Allied Business EBIDTA	1678	1665	(0.7%)	935	78.1%
Radio EBIDTA	71	131	84.1%	132	(0.5%)
Consol EBIDTA	1749	1796	2.7%	1067	68.4%

◆ Print-Mature Business EBIDTA margin stand at 33%

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 20

(Rs. Mn)

Particulars	Mature Businesses	*Emerging Businesses	Radio Business	DBCL Standalone
Total Revenues	5409	325	377	6111
EBIDTA before Expansion	1794	(129)	131	1796
EBIDTA Margin	33%	(40%)	35%	29%
EBIDTA after Expansion	1794	(129)	131	1796
EBIDTA Margin	33%	(40%)	35%	29%

* 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: Circulation Strategy and strong Reader Connect enabling to achieve newer milestones in readership continues to deliver result:**

- **Indian Readership Survey 2019 Q1 significant highlights** *(All comparisons are on like – to-like basis with IRS 2017 ,Main+Variant):*
 - **Dainik Bhaskar adds 63.55 lac new readers; grows by 13.71%, considering TR-Urban +Rural; Total Readership**
 - **Dainik Bhaskar is Urban India's No.1 Newspaper, as per AIR - Urban**
 - **Dainik Bhaskar Group is Urban India's No.1 Newspaper Group, as per AIR – Urban, which excludes financial dailies on a like to like basis**
 - **Dainik Bhaskar is Urban India's No. 1 Newspaper in NCCS A, NCCS B & NCCS AB segment, considering AIR - Urban**
 - **Dainik Bhaskar has added 8.93 lac readers, grows by 18% in Rajasthan, based on AIR – Urban + Rural**
 - **Dainik Bhaskar grows by 16%. Adds 2.03 lac new readers in Bihar, as per AIR – Urban + Rural**
- **India's largest circulated newspaper: Dainik Bhaskar continues to be the India's largest circulated newspaper as per Audit Bureau of Circulation July- December'2018.**
- Dainik Bhaskar maintains its position as the largest circulated national daily of Rajasthan as per the Audit Bureau of Circulation (ABC) results for the six month period (July – December'2018) , adds 76,212 copies in just 1 year , reaching a circulation of over 16.25 lacs copies
- Reader engagement activities core to our circulation growth strategy- in retaining and attracting new readers:
 - Dainik Bhaskar Group devised a Print Media campaign “**Life Badal Jaayegi Boss**”, to aid circulation growth. Mega scheme “**Jeeto 21 Crore**” is launched across 12 states in Hindi, Gujarati and Marathi to engage the existing readers and garner interest amongst new readers. Megastar **Salman Khan** has been roped to be the face of campaign to ensure the visibility of the scheme. This initiative is in-line with the Company's circulation expansion strategy
 - Special coverage on the **Lok sabha Election-2019** Result: Introduction of Special Election Jacket on election result with the aim to provide in-depth result analysis
 - **Continuous focus on content development-** Special content initiative on “**Mothers day & Fathers Day**” to create emotional connect with the readers.

❖ **Radio strategy:** Maintaining leadership position in Chandigarh / Haryana / Punjab / Rajasthan / Madhya Pradesh & Chhattisgarh and continues to be the largest player in Rest of Maharashtra

- ❖ Phase 3 stations bottom line is now positive, on the back of strong inventory management, programme profile, strong cost efficiencies and growing popularity
- ❖ **Strong audience connect through engagement and innovative on-ground activations:**
 - **MY FM launches “Pehli Baar Vote Yaar”, One of the biggest voting campaign to encourage new voters -** MY FM launched three week long campaign across Tier II & III markets to encourage first time voters. 'Pehli Baar Vote Yaar' campaign was to bring a positive change in the society. The campaign was driven in 30 cities across 7 states in India

- **MY FM Balle Balle in London** – My FM initiated a contest “MY FM's Balle Balle in London” to encash the ensuing cricket season. Contest provided the opportunity to listeners to win a trip to London this sporting season

❖ **Awards and recognitions:**

- Dainik Bhaskar Group wins 4 Platinum and 1 Gold at the Hermes Awards for Print Media
 - Platinum - for Jeeto 15 Crore for Integrated Marketing Campaign and Smart Soch for Integrated Marketing Campaign, Company Branding and Illustration/ Graphic Design
 - Gold for Specialty Item- Marketing Collateral/ Branding for Rakshabandhan Mailer
- INMA Global Media Awards
 - Best Execution of Print Advertising Award for Smart Soch
 - Best idea to grow advertising sales or retain advertising clients for capture of Bihar's newspaper market
 - Best marketing solution for an advertising client for Junior editor in partnership with dell
- Dainik Bhaskar Group wins 2 awards at ACEF Global Customer Engagement Award
 - Gold: 'Best use of celebrity Endorsement' by publisher for Harman XI in search of True Talent
 - Silver: Marketing of new #2 newspaper of Bihar wins under the category 'Newspaper for customer engagement (effectiveness)'
- 3 Communicator Award of Excellence for:
 - Design & Print for Marketing/ Promotion of Mitti ke Ganesh Campaign
 - Integrated Campaign for Jeeto 15 Crore
 - Marketing Effectiveness Campaign for Jeeto 15 Crore
- My FM bagged 3 Radio4Child Awards for 'Best spot' and 'Best public service announcements', 'The special mention award- in Child Sexual Abuse Category' and 'The Best RJ Link in Child Abuse Award' category

About DB Corp Ltd

DB Corp Ltd. is India's largest print media company that publishes 5 newspapers with Dainik Bhaskar 46 editions, Divya Bhaskar 9 editions & Divya Marathi 6 editions with 211 sub-editions in 3 multiple languages (Hindi, Gujarati and Marathi) 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 6.6 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 and DB Star. 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 9 portals for rapidly expanding digital audiences, and 4 actively downloaded mobile applications.

For further information please visit www.bhaskarnet.com or contact:

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