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Press Release

Mumbai, January 18, 2018

DB Corp Limited (DBCL), India's largest print media company and home to flagship newspapers Dainik Bhaskar, Divya Bhaskar, Dainik Divya Marathi and Saurashtra Samachar, today announced its financial results for the quarter ended December 31, 2017. The highlights of the Company's operational and financial performance are as follows:

Performance highlights for 9M FY 2017-18-Consolidated

- ⤴ **Consolidated Advertising Revenues grew by 1.3% YOY to Rs. 12565 million as against Rs. 12406 million during 9M last year.**
 - Performance not comparable on YOY basis as last year's figure included one-offs pertaining to private treaty billing.
- ⤴ **Circulation revenue increased by 6.3% YOY to Rs. 3825 million from Rs. 3597 million during 9M last year. Around 4% growth has been driven by yield growth largely from mature markets.**
 - Our Circulation expansion efforts have been delivering excellent growth -- adding almost 6 lakhs copies since the initiation of the expansion drive (from July 2017) i.e. 12% growth on a high base of circulation copies, and on increased cover price.
 - Number of copies sold in July - 50.41 lakh, significantly grown to 54.28 lakh copies in September end; 54.49 lakh copies in October end; 55.44 lakh copies in November end and 56.39 lacs copies in December end.
- ⤴ **Consolidated Total Revenues grew by 1.4% YOY to Rs. 17778 million, as against Rs. 17528 million during 9M last year.**
 - Growth would have been in mid-single digit after adjusting last year's one-offs.
- ⤴ **EBITDA during 9M FY 2018 stood at Rs. 4824 million (margins 27%) vis-a-vis Rs. 5418 million (margin 31%).**
 - EBITDA growth would have been in mid-single digit, after adjusting last year's one-offs and circulation expansion related expenditures
- ⤴ **Consolidated PAT stands at Rs. 2669 million (margin 15%) from Rs. 3106 million (margin 18%).**
 - PAT growth would have been in double digit, after adjusting last year's one-offs and circulation expansion related expenditures

- ⤴ Radio business grew by 6% YOY to Rs. 997 million from Rs. 942 million last year.
- ⤴ Radio business EBIDTA stands at Rs. 246 million (margin 25%) from Rs. 398 million (margin 42%).
 - 9M FY17 EBITDA includes royalty reversal amounting to Rs. 58 million
- ⤴ Radio business PAT stands at Rs. 98 million (margin 10%) from Rs. 215 million (margin 23%)
 - 9M FY17 PAT includes royalty reversal amounting to Rs. 58 million
- ⤴ Digital business revenue stands at Rs. 398 million versus Rs. 425 million during corresponding period

Performance highlights for Q3 FY 2017-18 - Consolidated

- ⤴ Advertising Revenues stands at Rs. 4263 million in current period against Rs. 4530 million.
 - Performance not comparable on YOY basis as last year's figure included one-offs pertaining to private treaty & festival billing. Excluding these one-offs, Ad revenue has registered positive growth.
- ⤴ Circulation Revenue grew by 6% YOY to Rs. 1319 million from Rs. 1243 million, largely driven by volume growth from mature markets.
- ⤴ Total Revenue stands at Rs. 6025 million in current period from Rs. 6309 million in Q3 last fiscal.
 - Excluding last year's one-offs, total revenue has registered positive growth
- ⤴ EBIDTA stands at Rs. 1434 million (margin 24%) for the quarter; against EBITDA of Rs. 2019 million (margin 32%) Q3 of last year
 - EBITDA growth in mid-single digit, after adjusting excluding last year's one-offs and circulation expansion related expenditures
- ⤴ PAT stood at Rs. 781 million (PAT Margin 13%), against Rs. 1181 million (PAT Margin 19%), in Q3 of last year.
 - Double digit growth in PAT on comparable basis after excluding last year's one-offs and circulation expansion related expenditures
- ⤴ Radio business: Advertising revenues stood at Rs. 336 million in Q3 of current period, against Rs. 363 million in Q3 of last fiscal.
- ⤴ Radio business EBIDTA stood at Rs. 97 million (29% margin), against Rs. 148 million last year.
- ⤴ Radio Business PAT stands at Rs. 42 million (12% margin), against Rs. 81 million.
- ⤴ Digital business revenue stands at Rs. 154 million against Rs. 162 million reported during corresponding quarter last fiscal.

New developments and initiatives

- ^ **Dainik Bhaskar newspaper continues to be the Nation's largest circulated multi-edition daily**
 - As per *Press In India Report 2016-17* prepared by Registrar of Newspapers of India (RNI) and launched on December 15, 2017 by Honourable Union Information & Broadcasting Minister, Mrs. Smriti Zubin Irani.
- ^ **Circulation enhancement journey continues to bring commendable success: In Jan 2018 reached 57-lakh-copy/day mark through intense circulation campaign and on-ground activations across India. Focus also on retention of subscribers through product enhancement and stronger reader engagement.**
- ^ **Bihar expansion drive: Dainik Bhaskar took up aggressive challenge to drive expansion in Bihar and to date has extended its reach to 38 districts.**
- ^ **Product strengthening campaign continues: greater commitment from editorial team to create an unparalleled product offering high readership delight.**
- ^ **Commemorated Divya Bhaskar Utsav to celebrate Divya Bhaskar's 14th anniversary in Gujarat:** The event was a grand ten day celebration in Ahmedabad with star-studded events presented by eminent personalities in entertainment, business & finance, music, poetry and celebrity chefs. Divya Bhaskar's launch in Gujarat in 2003 was a truly historic moment for the group, as it forayed into a non-Hindi domain for the first time and launched 'Divya Bhaskar' in Gujarati.

Commenting on the performance for 9M & Q3 FY 2017-18, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said, *"The focus in the third quarter of this fiscal continued to be on two key initiatives which we started earlier – the product strengthening campaign and the circulation enhancement journey and I'm happy to report that both have successfully complemented each other to deliver results. The outcome has been a steady growth in our circulation. Press In India Report 2016-17 released by Registrar of Newspapers of India (RNI) has maintained Dainik Bhaskar newspaper to be the largest circulated multi-edition daily. Our focus is towards achieving stronger ad sales and with the team's unwavering efforts we are confident of reporting stronger performance. Our internal measures adopted to support the editorial and sales team through initiatives like the DB Knowledge App and more impactful leadership-to-unit connect, are strengthening our internal efficiencies, our agility in decision making and quick turnaround. Through several key new leadership responsibilities, we have also ensured that the best talent resources are available for business growth as well as building internal leadership strengths.*

DBCL's mission is also to engender socio-economic change across India. Aligned to this, on the 73rd birth anniversary of our Chairman Late. Shri Ramesh Chandra Agarwal, which we will commemorate as Prema Diwas, this quarter, we initiated the establishment of the Ramesh & Sharda Agarwal Foundation. This will contribute to some core areas of socio-economic welfare including education of girl child, adoption of old age homes, mentoring talented small scale businesses and building a convention center of international standards in Bhopal. At a broader level, several core efforts have already been implemented by the government and signs of market revival are visible. The optimism demonstrated by the World Bank advising on India's ability to achieve higher economic growth of 7.3% in 2018, also signals a stronger year ahead."

Q 3 FY 2017-18 financial results highlights: (comparisons with Q3' 17 & Q2' FY18)
(Rs. Mn)

Heads	Qtr 3 FY 17	Qtr 3 FY 18	YOY Growth	Qtr 2 FY 18	QOQ Growth
Print Advertisement	4006	3775	(5.8%)	3503	7.7%
Radio Advertisement	363	336	(7.6%)	349	(3.8%)
Digital Advertisement	162	154	(5.1%)	123	25.3%
Print Circulation Rev	1243	1319	6.1%	1273	3.6%
Consol Operational Revenue	536	442	(17.5%)	502	(11.9%)
Consol Total Income	6309	6025	(4.5%)	5741	4.9%
Print EBIDTA	1904	1382	(27.4%)	1430	(3.3%)
Radio EBIDTA	148	97	(34.3%)	92	4.9%
Consol EBIDTA	2019	1434	(28.9%)	1456	(1.5%)

◆ **Print-Mature Business EBITDA margin stand at 29%**

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.

Q3 FY18

Particulars	Mature Editions	*Emerging Business	Radio Business	Internet Business	DBCL Standalone
Total Revenues	5303	234	336	153	6025
EBIDTA before pre-opex	1523	(80)	97	(27)	1514
EBIDTA Margin	29%	(34%)	29%	(17%)	25%
EBIDTA after pre-opex	1523	(159)	97	(27)	1434
EBIDTA Margin	29%	(68%)	29%	(17%)	24%

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

- **Dainik Bhaskar Newspaper is Nation's Largest circulated Multi-Edition Daily - Press In India Report 2016-17 prepared by Registrar of Newspapers of India (RNI).**
 - The report was launched on December 15, 2017 and reflects a comprehensive picture of facts and trends in the Indian Print Media. From the most humble beginnings as a local newspaper launched in 1958 from Bhopal, Dainik Bhaskar newspaper, the flagship publication of Dainik Bhaskar Group has indeed come a long way gaining ground steadily across the country.
- **Dainik Bhaskar was identified as India's Most Trusted Company 2017 in "India's most trusted media company" category as per research conducted by Media Research Group (MRG-International brand consulting corporation USA). Dainik Bhaskar continues to be the world's fourth largest circulated daily by WANIFRA in its World Press Trends 2016 report.**
- **Strategic areas of focus and key updates:**

❖ **Editorial strategy:** The product strengthening campaign focused on anchoring readers' attention and delight and together with the circulation enhancement journey; has begun to deliver visible circulation growth.

- On the back of continuous product enrichment and engaging activation campaigns, DBCL's circulation enhancement endeavours have continuously been delivering growth and success on monthly basis. In Jan 2018 reached 57-lakh-copy/day mark.
- Unique on-ground activations and reader engagement efforts like 'Jeeto 15 crore' schemes have been delivering encouraging results. 14.1 million people participated from 2809 towns.
- **Bihar expansion drive:** The second phase of rest of Bihar launch has been completed. Dainik Bhaskar has expanded its reach to 38 districts.
- **Divya Bhaskar Utsav celebrated 14th Anniversary in Gujarat:** Divya Bhaskar organized Divya Bhaskar Utsav in Ahmedabad, Gujarat to celebrate its 14th anniversary in the state. Divya Bhaskar Utsav was a ten day celebration in Ahmedabad with star-studded events attended by the who's who of entertainment, business & finance, music, poetry and other celebrities.
- **Divya Marathi successfully presented the second edition of its signature annual Marathi Literature festival in Nashik.** Marathi Literature Festival with the theme 'Confluence of Independent Thinkers' was held in Kusumagraj Smarak. The 3-day festival concluded on 5th Nov 2017.
 - 72 eminent speakers fascinated audiences with the most captivating discussions and debates through 27 sessions covering diverse subjects.
 - A special segment '***Celebrating the power of Independent Thinking***' felicitated highly-acknowledged personalities in Maharashtra for pursuing their passion led by independent thinking.

❖ **Digital strategy:**

- DainikBhaskar.com (www.bhaskar.com), the flagship website is the Largest Hindi News Site
- Divya Bhaskar in Gujarati www.divyabhaskar.com continues to be Largest News Site in Gujarati.
- Unique Visitors (UV) for the month of Dec 2017 were 79.1 mn
- Page Views (PV) for the month of Dec 2017 were 1.3 bn
- Mobile applications: 11.8 mn app downloads for Dainik Bhaskar & Divya Bhaskar.
- Won **BIGGIES Awards** organised by World News Media Network (WNMN) for In-house analytics and data intelligence proprietary tool that supports the editorial with real time insights on content
 - WinsdomNxt was awarded for excellence in data driven business process efficiency and
 - In the category of Excellence in data driven product development and Artificial intelligence, for news and content recommendation.
- **Homeonline.com**, since its launch in August 2016, emerging one of the most popular real estate sites in Bhopal, Raipur, Indore, Jaipur and Ahmedabad.
 - In the last 9 months (Apr 17 - Dec 17), Homeonline.com served more than ~750K Home Seeking Users Online, connecting 60,000+ home seekers with property owners/builders in Bhopal, Raipur, Indore, Jaipur and Ahmedabad
 - More than 55K Properties and 700+ projects were made available to home seekers in Bhopal, Raipur, Indore, Jaipur and Ahmedabad
 - During Apr 17 – Dec 17 recorded about 1.5 million Sessions and about 7 million page views in terms of online traffic

❖ **Radio strategy:**

- **Continues to be Largest player in Rest of Maharashtra and No. 1 in Chandigarh / Haryana / Punjab / Rajasthan / Madhya Pradesh & Chhattisgarh**
- Radio activation and audience engagement:
 - ❖ **MY FM helped children with hearing impairment: *for the first time 87 children were able to experience the world of music***: MY FM in a unique endeavour gifted hearing aids to children aged 6-8 years with hearing impairment. This drive was implemented across Surat, Rajkot and Ahmedabad. An overwhelming number of people responded to MY FM's call to make a difference.
 - ❖ **MY FM concluded its 4th season of 'Rangrezz'**– on November 14th [Children's Day] flagged off India's largest painting competition "MY FM ke Rangrezz" across network. The theme was based on inciting a deep sense of state pride amongst children -- through Incredible Rajasthan, Incredible Gujarat etc.
 - Over 612 schools and 3 lakh children participated
 - ❖ **MY FM Comedy Adda in Indore & Nagpur**: A bone tickling night with Vipul Goyal & Sandeep Sharma enthralled audiences.
- **Brand engagement activities:**
 - Partnered with leading financial services companies for investor awareness program "Lakshya: Artha Samridhi & Nivesh Abhiyann"
 - Objective : create investor awareness of essentials of financial investing and planning of their financial portfolio
 - Reach out: to over 1,000 people across Punjab, Chandigarh, Chhattisgarh and Haryana
 - Partnered with leading FMCG brands for consumer marketing efforts to youth
 - Conducted event with theme "India's Growing Equity Culture". Key note address offered by Honorable Joint Secretary, DIPAM, Ministry of Finance Dr. Dheeraj Bhatnagar who was also Chief Guest. Event attracted a large number of industry professionals in financial services and advertising industry.
- **Awards and recognitions:**
 - Group wins 3 Platinum & 1 Gold at the MarCom Awards 2017
 - ❖ Platinum – Annual Report FY 2016-17 under the category Publications, Rajasthan Pagdi under the category Marketing/Promotion Campaign, Special Event, and Rajasthan Campaign under the category Marketing/Promotion Campaign, Integrated Marketing
 - ❖ Gold – Calendar 2017 under the category Publications
 - 57th Association of Business Communicators of India (ABCI) Annual Awards
 - ❖ Gold - 'Corporate Brochure - Welcome to our World' under the category 'Brochure Design'
 - ❖ Silver - Wallpaper for Samvad - Utsav Ke Rang, Illustration for Comics for Change-Waste of Taste, Social Responsibility Communication for Comics for Change-Mystery of the Missing Water
 - ❖ Bronze - Photo feature for Special Pull Out-Simhastha, ,
 - Awarded 4 Public Relation Society of India (PRSI) Awards - Prestige Publication (Silver) for Ujjain –The Eternal City, Newsletter Hindi for Parivar (Bronze), Newsletter English for Young Bhaskar (Bronze)and E-Newsletter for Punjab Campaign (Bronze)
 - Awarded 1 WOW Award-Small Budget On-ground Promotion of the year (Silver) for Jal Satyagraha FHRAI Tie-up

➤ **CSR Campaigns:**

- On the occasion of 73rd birth anniversary of Chairman Late Shri. Ramesh Chandra Agarwal 30th November will be commemorated as Prerna Divas every year. Dainik Bhaskar will be establishing the Ramesh and Sharda Agarwal Foundation which will focus on four core areas:
 - Education of girl child from underprivileged families through Sanskaar Vidya Niketan. The Foundation will provide education to 3000 girls over next two years in 6 cities.
 - Adopting 20 Vradhashrams (old age homes) in 18 cities.
 - Providing business growth platforms to people having good ideas but lacking resources or needing guidance.
 - Building a convention center of international standards at Bhopal.
- Several staff/employee welfare schemes for family members to extend scholarships to daughters of staff and other welfare activities being undertaken.

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 208 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) have a combined average daily readership of 19.8 million, making us one of the most widely read newspaper groups 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 "My FM" Radio station with presence in 7 states and 30 cities. Its growing digital business is led by 13 portals for rapidly expanding digital audiences including www.dainikbhaskar.com, www.divyabhaskar.com, www.divyamarathi.com, www.dailybhaskar.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, www.postpickle.com and 2 actively downloaded applications Dainik Bhaskar and Divya Bhaskar mobile apps..

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