

D B Corp Ltd. Investor Presentation

June 2016



दैनिक भास्कर

दिव्य भास्कर

दैनिक मराठी



DB DIGITAL



India's Largest Newspaper Group | 14 States | 62 Editions | 4 Languages

CORE VALUES – Ambition | Differentiator | Ground Connect | Focus On Goals | Respect And Recognition

BRAND VALUES – Trendsetting | Result-oriented | Analytical | Connected

Disclaimer

Some of the statements made in this presentation are forward-looking statements and are based on the current beliefs, assumptions, expectations, estimates, objectives and projections of the directors and management of Dainik Bhaskar Group (DB Corp Ltd.) about its business and the industry and markets in which it operates.

These forward-looking statements include, without limitation, statements relating to revenues and earnings.

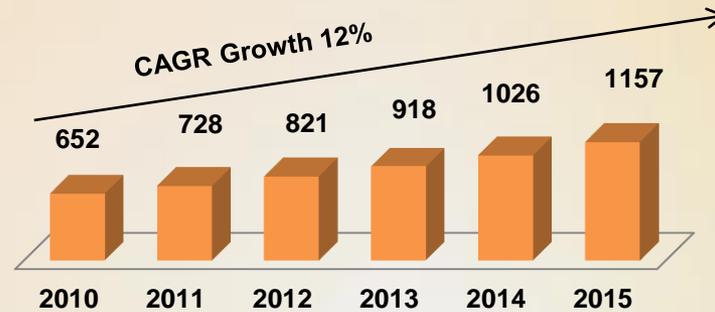
These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of the Company and are difficult to predict. Consequently, actual results could differ materially from those expressed or forecast in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, changes in the regulatory environment and other business and operational risks. DB Corp Ltd. does not undertake to update these forward-looking statements to reflect events or circumstances that may arise after publication.



India's Largest Newspaper Group | 14 States | 62 Editions | 4 Languages

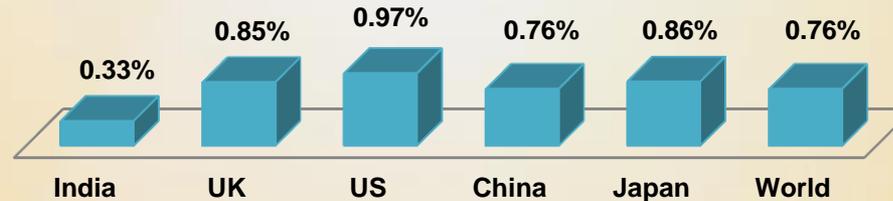
Indian Media & Entertainment Industry

Media Sector – Strong & Consistent Growth (INR bn)



- M&E industry size was Rs. 1157 bn in 2015, which grew by 13% over 2014.
- Expected CAGR growth is 14% till 2020.

Media Spend as % of GDP



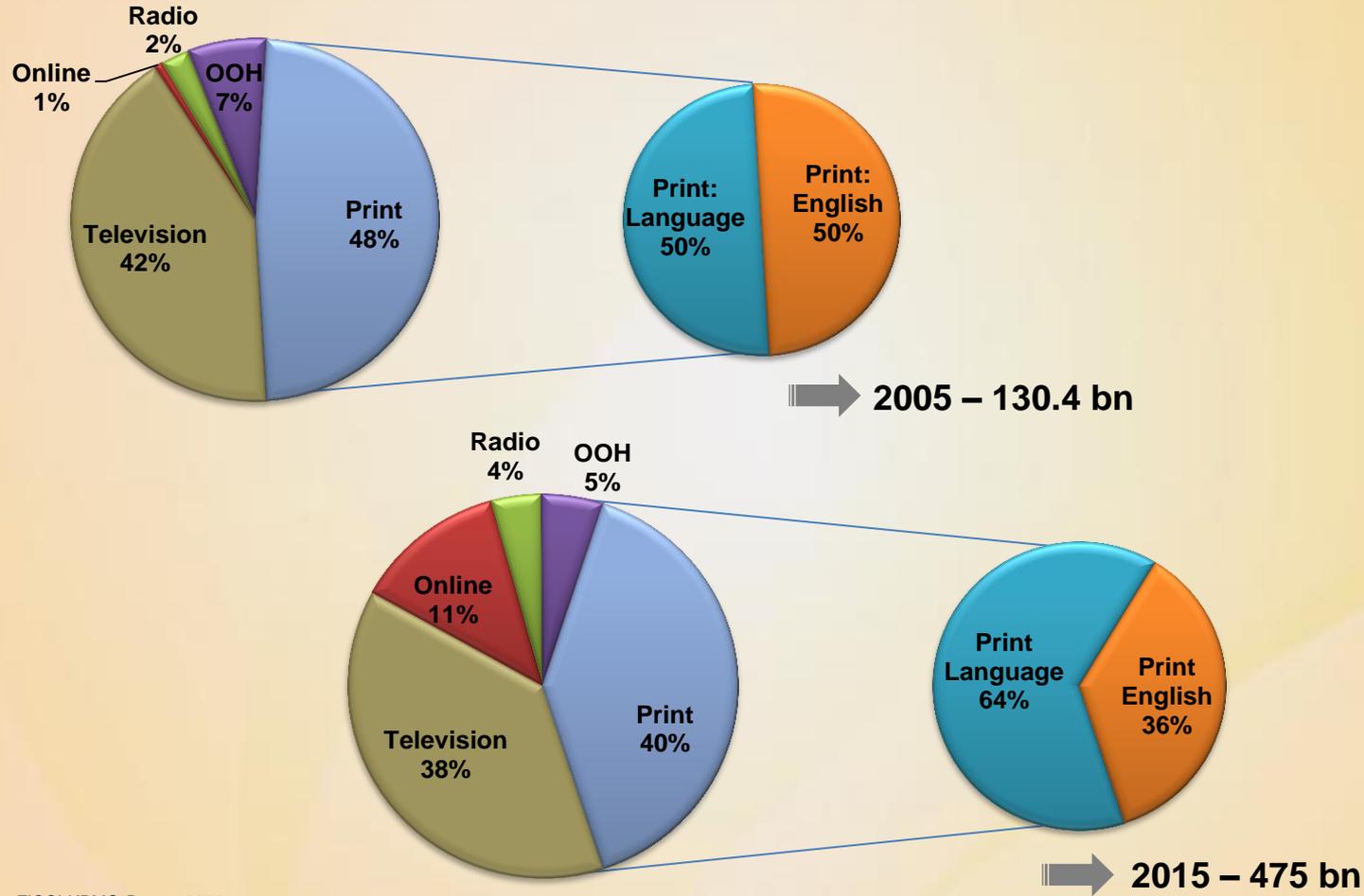
- It is still lower than global peers
- Reflective of sizeable / huge potential

Source: FICCI-KPMG Report 2016 | Worldwide Media & Mktg. Forecasts, Group M, Summer 2011



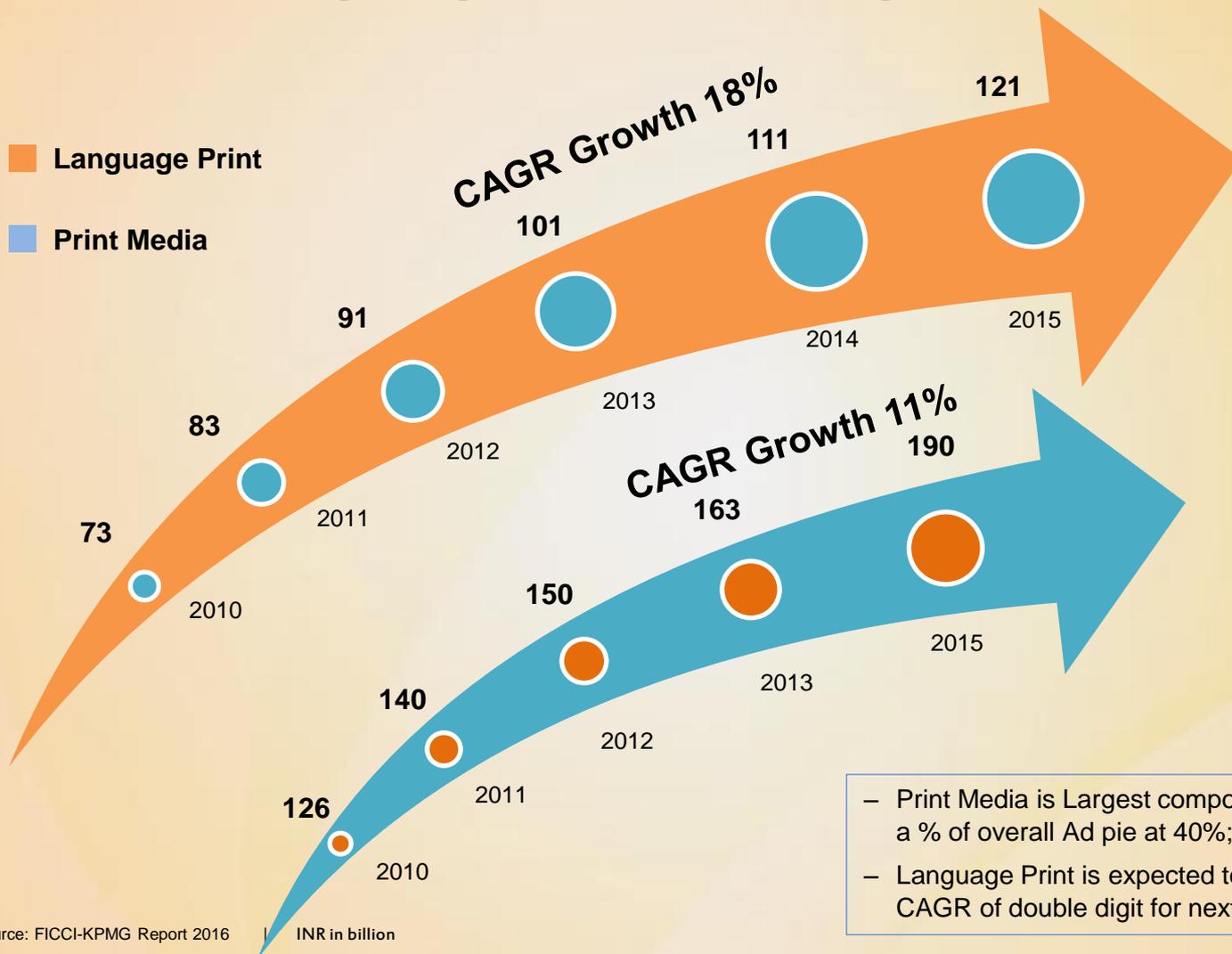
India's Largest Newspaper Group | 14 States | 62 Editions | 4 Languages

Print Maintains Largest Ad-pie – Language Print Witnesses Higher Growth



Source: FICCI-KPMG Report 2016

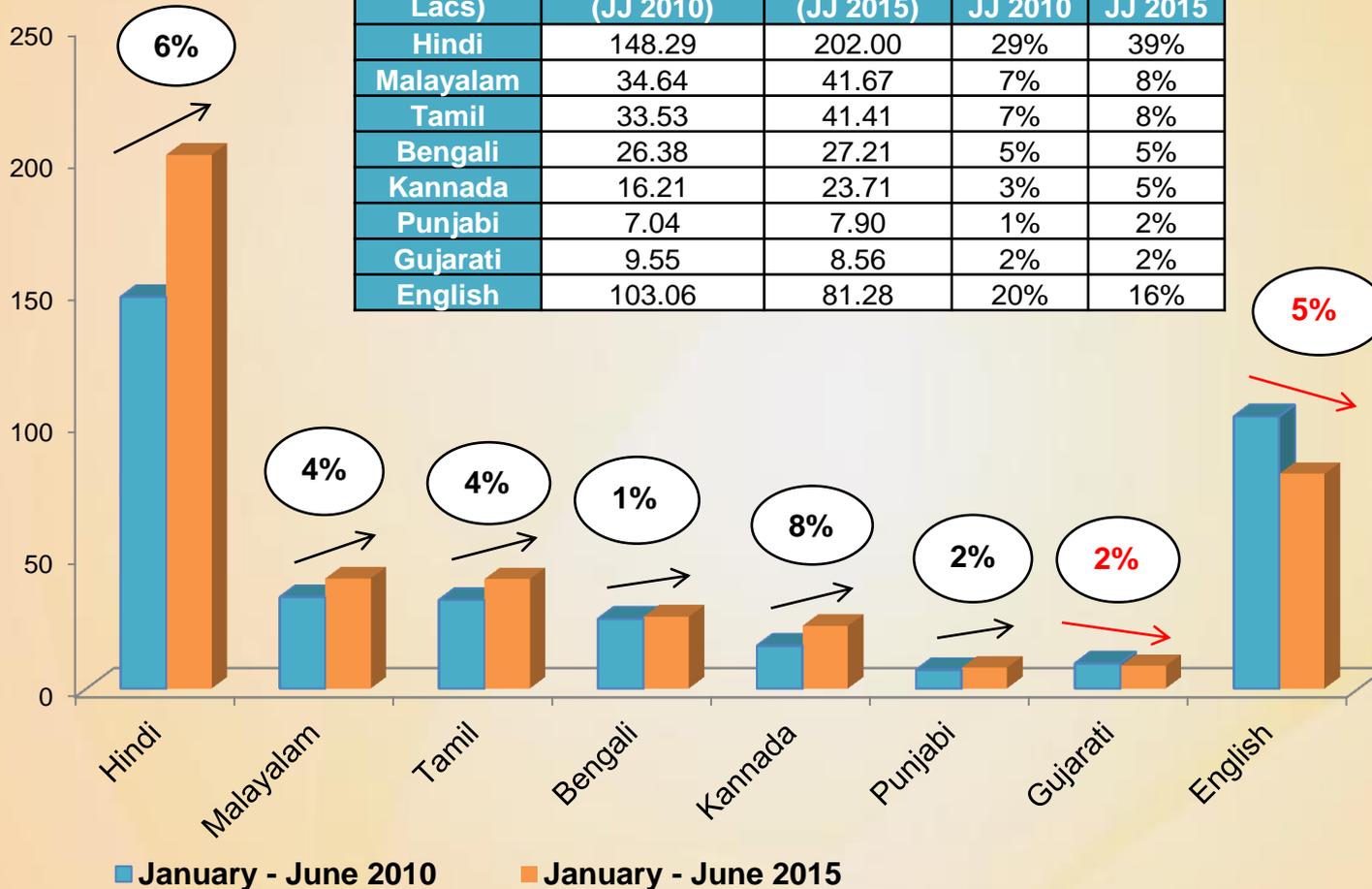
Print & Language Advertising Revenue



- Print Media is Largest component of advertising, as a % of overall Ad pie at 40%;
- Language Print is expected to maintain a healthy CAGR of double digit for next 4 – 5 years.

Circulation Growth - Language Dailies Gain

Languages (Copies in Lacs)	January - June 2010	January - June 2015	% Contribution	
	(JJ 2010)	(JJ 2015)	JJ 2010	JJ 2015
Hindi	148.29	202.00	29%	39%
Malayalam	34.64	41.67	7%	8%
Tamil	33.53	41.41	7%	8%
Bengali	26.38	27.21	5%	5%
Kannada	16.21	23.71	3%	5%
Punjabi	7.04	7.90	1%	2%
Gujarati	9.55	8.56	2%	2%
English	103.06	81.28	20%	16%



Source: Audit Bureau of Circulation

The Largest Print Media Company In India

Major Business Brands



Hindi Newspaper

12 States, 40 Editions



Gujarati Newspaper

2 States, 7 Editions



Marathi Newspaper

1 State, 7 Editions



FM Radio Network

7 States, 17 Stations

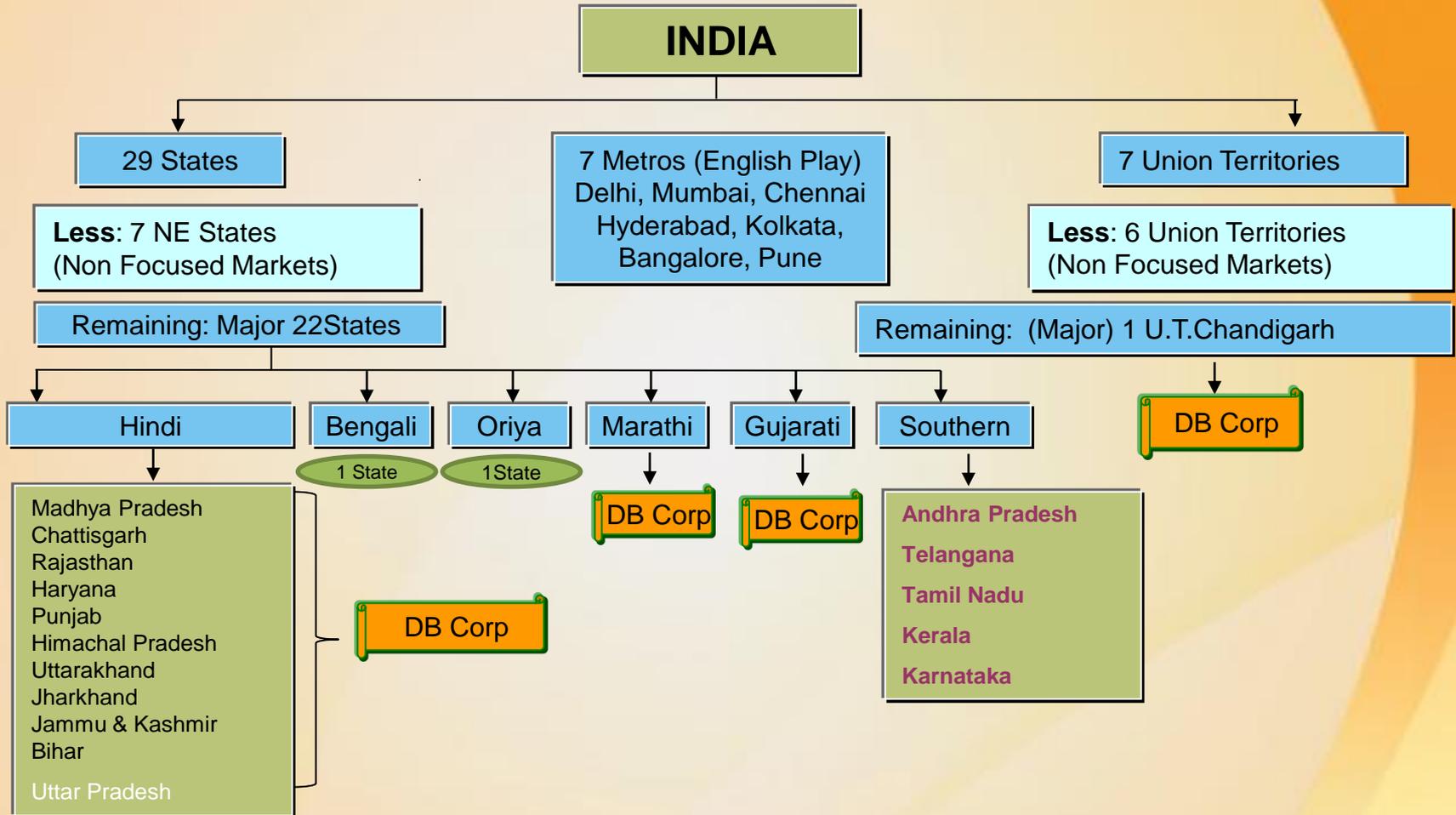


Digital & Mobile

11 Portals & 2 Apps



Presence Across Fast Growing Markets



Focused on Largest Revenue Markets of India

A Leader in Print Readership, operating in the highest growth markets in India



Source: Indian Govt. Web site

Leadership in Multiple States – Emerging Tier II & III Cities

- Madhya Pradesh, Chhattisgarh, Rajasthan, Gujarat, Haryana, Punjab, Chandigarh, Maharashtra, Uttarakhand, Himachal Pradesh, Jharkhand, Bihar, Jammu & Kashmir & Delhi

Focus on Revenue Market Share – in Multiple language

- Hindi, Gujarati, Marathi and English
- 49% Urban population resides in Bhaskar Markets
- 50% of India's total consumption is concentrated in Bhaskar Markets.
- Newspaper readership penetration is only 30%

Dainik Bhaskar Is World's 4th Largest Circulated Newspaper

WAN IFRA's World Press Trends 2015 Reports:

Dainik Bhaskar (3.6 million copies) ranked as world's fourth largest circulated news daily

Dainik Bhaskar is the only Indian news daily to feature amongst the world's top 5 most circulated newspapers

Other top 3 newspapers :

The Yomiuri Shimbun (Japan- 9.1 million copies);

The Asahi Shimbun (Japan- 6.8 million copies); and

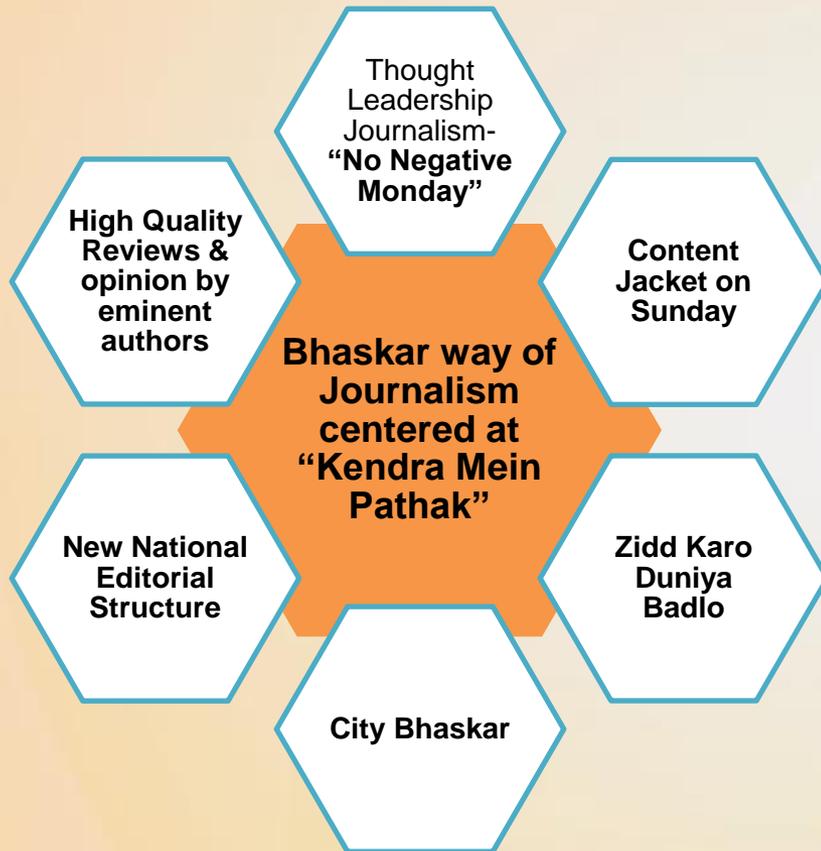
USA Today (USA- 4.1 million copies)

WAN IFRA -World Association of Newspapers and News Publishers.



Strategic Focus Area - Editorial Strategy

Innovative reader engagement initiatives



CONTENT STRATEGIES

=

Knowledge enhancement for reader

+

Product differentiation towards growth

Content associations with: Harvard Business Review, TIME Magazine, New York Times, etc. are established for providing global world class content.

Circulation Strategy – Proven Track Record

1. **15% CAGR Growth:** For 5 years, from FY 2010-11 to FY 2015-16 is 15%. with volume growth of 5% and balance 10%, driven by yield in our core legacy markets.
2. **Dainik Bhaskar maintains its position as the largest circulated national daily of India consistently since last 4 times i.e. since last 2 years, as per Audit Bureau of Circulation results of July – December'15.**
3. **Current Focus:**
 - Increasing market share in Gujarat, Rajasthan & Punjab having its potential growth possibilities.
 - **‘Dainik Divya Marathi’** will consider covering few more relevant geographies of Maharashtra market, after testing the success & acceptance of the product in the existing urban cities.
4. **High quality content & enriched product-continue to create a strong bond with readers, leading to growth in readership despite increase in its cover price.**

Expansion Strategy

Print Strategy

- Entering new regions / markets that illustrate higher economic potential and growth rate than India's GDP

Non Print Strategy

- Leverage future opportunities by closely studying media consumption dynamics and evolution

Expansion Strategy – Digital Business

VISION

- Lead digital revolution by creating most preferred destination for content.

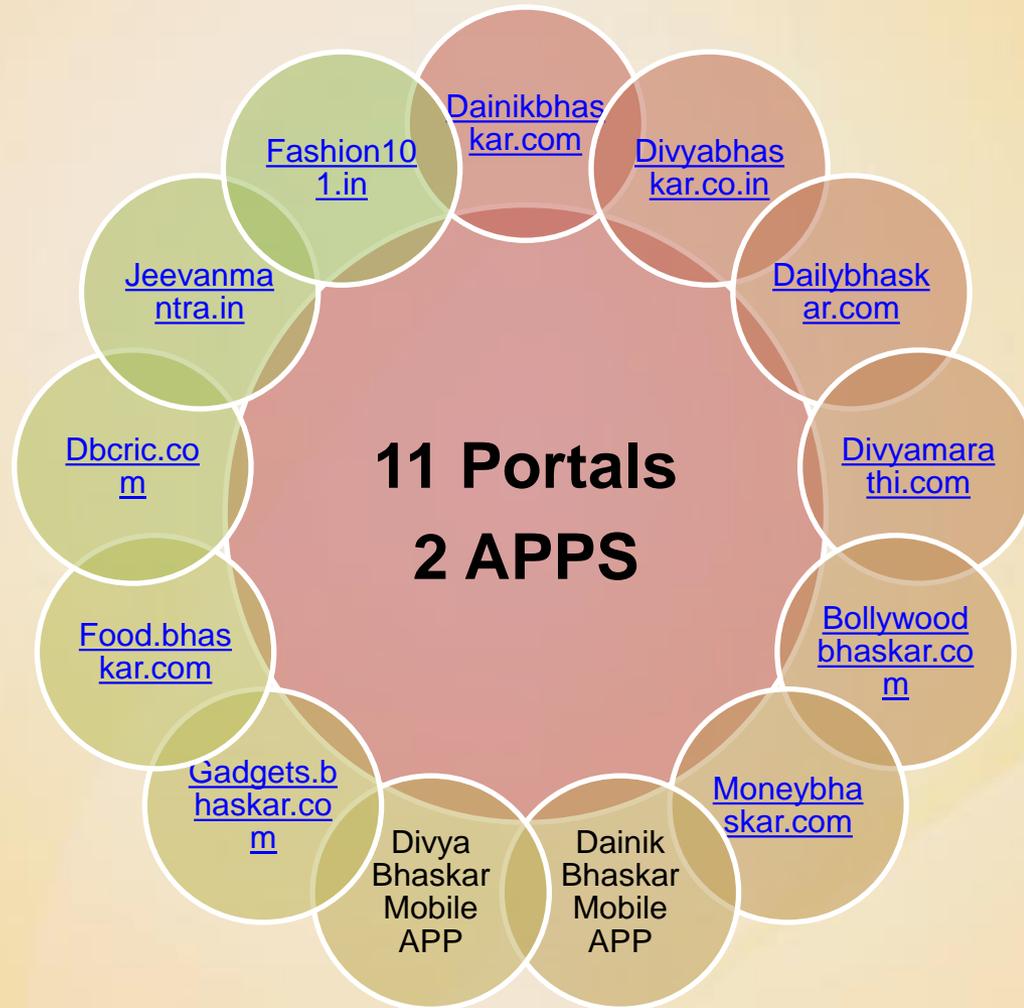
MISSION

- Become an integral part of our readers' news needs by offering instant/real time, impactful, objective and engaging content
- Attract new audiences as a window to the world.

STRATEGY

- Based on unique content, expansion of engaging platforms and ability to leverage the Bhaskar Group's editorial network.
- Greater emphasis in Hindi, Gujarati and Marathi - 3 of the top 5 regional languages, occupies 65% of Language space of India

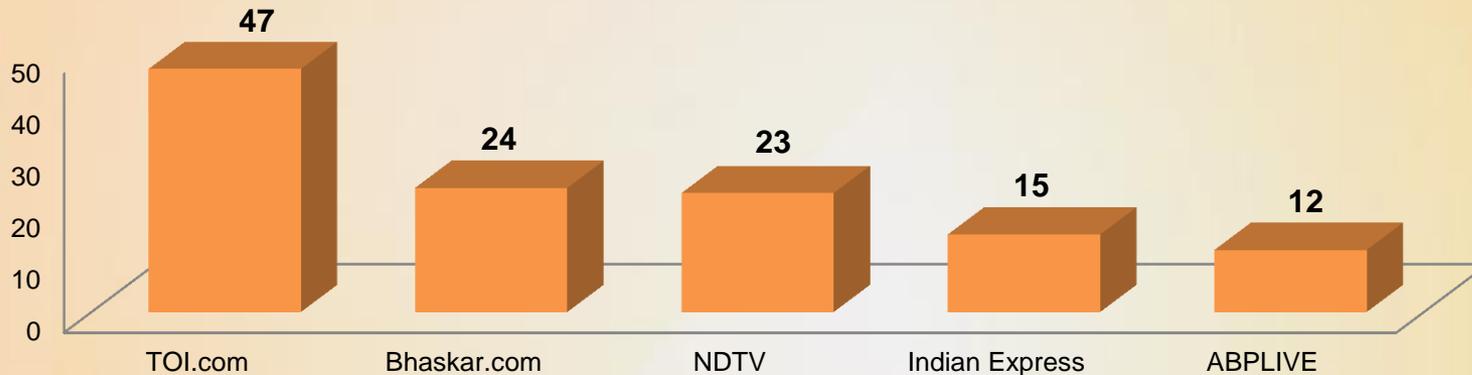
Focused, Strong Brands For Growing Digital Audiences



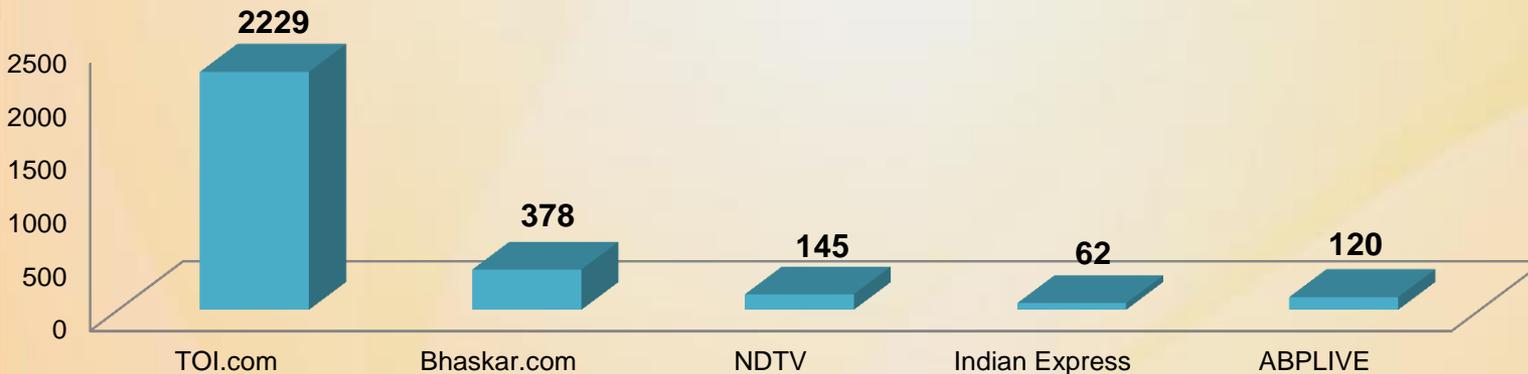
The New Game Changer: dainikbhaskar.com Is India's 2nd Largest News Destination

Comscore News & Information - Mar 2016

Unique Visitors (Mn) Individual Sites



Page Views (Mn) Individual Sites



Source: Comscore Mar 16

Gaining Traffic Traction

Digital Media Unique Visitors (UV) has risen to 34 million* and Page Views (PV) to 1.2 billion* for the month of March'16.

More than 6 mn app downloads for Dainik Bhaskar & Divya Bhaskar

Rapidly growing focus on video formats content 13 mn video views during the month of March' 16.

Dainik Bhaskar - No. 1 Hindi News website and also the Hindi Language website on internet.

Divya Bhaskar - No. 1 Gujarati News website and also the Gujarati Language website on internet.

* Source: Google Analytics

Digital Media making strong headway

Ramping up digital presence and strengths with rapidly growing UVs and PVs

Online presence in Hindi, Gujarati and Marathi - accounts for around 65% of India's regional language audience as well as in English.

DBCL - only digital media organization, which has an independent team with strength of 500+ professionals for editorial, sales & marketing, technology, finance and HR.

Engage audiences through WEB, WAP and APP offering real time events across India & world, with rich content on varied subjects

Pillars Of Digital Existence

1. Thrust on Technology to ensure:

- Continuous optimization of sites for speed, better user experience & engagement by increasing page depth and maximizing the ROI to advertisers.

2. Content Differentiator is the core of digital strategy :

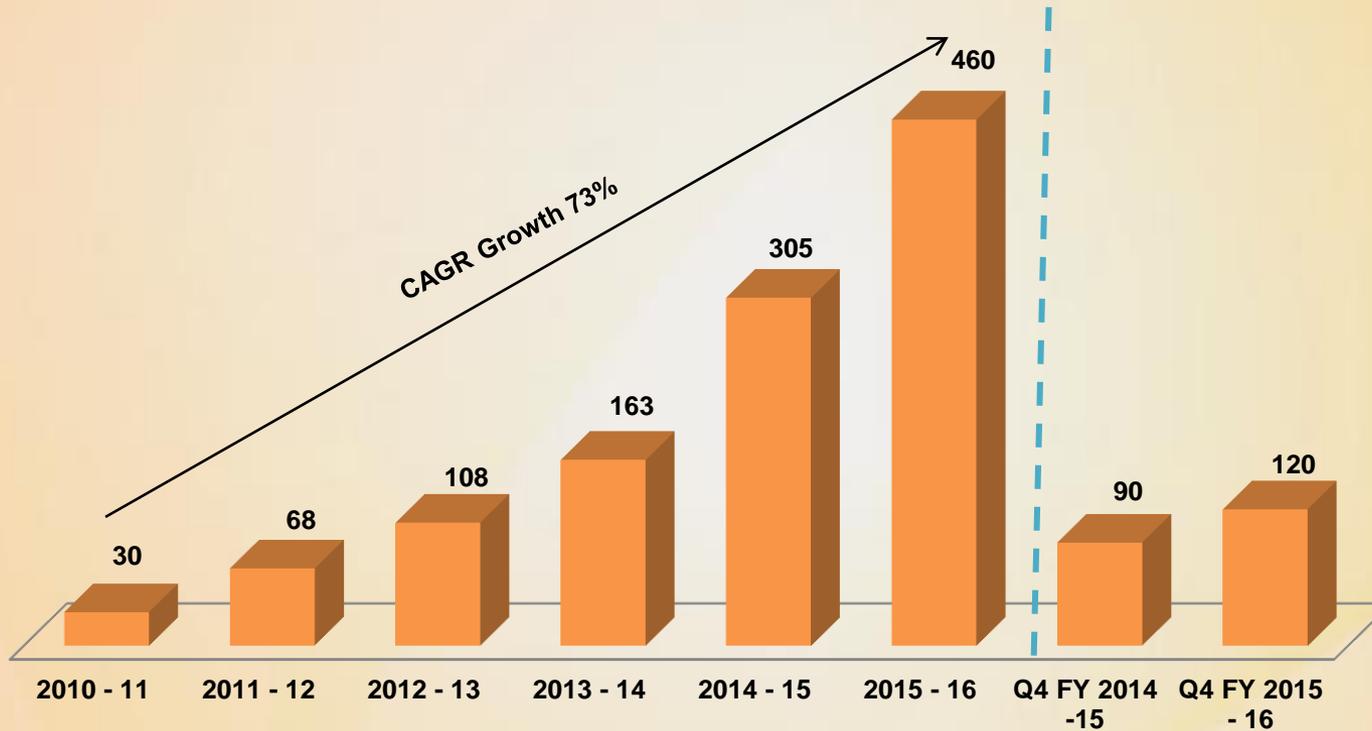
- Offering bouquet of content – special teams for hyper- localized news in religion, business, news bulletins, fashion, bollywood, money and finance.
- Leveraging real time updates on the website, utilize print news network and creating exclusive content in digital properties.
- Building engagement with mobile audiences with short format content.
- The editorial strength for only digital division is 300+ journalists.

Digital Way Forward



Exponential Digital Advertisement Revenue **DB** DIGITAL

Digital Revenue (Rs. mn)



Expansion Strategy – Radio Business



VISION

- To be the leading and most admired FM Radio network in non-metro cities by enriching the lives of our listeners and business associates by following the guiding principles of management philosophy.

MISSION

- To become an indispensable part of the lives of our listeners and business associates by offering them relaxing, refreshing and informative content.

STRATEGY

- **Significant growth potential in India. Capitalize on the marked shift of attitude in consumption of radio content:**
 - From an add-on medium to an increasingly integral part of media plans seeking to target more focused and localized audience groups.
 - Be the market leading radio business in 'Unmetro' geographies, where DBCL has a significant print media footprint.

Growth Opportunities - Radio



Introduction:

- Launched in 2006, MY FM operates from 17 stations in 7 states

Phase 3 Radio Auctions:

- Acquired 13 new frequencies
- Consolidating presence in line with strategy to be market leader in “Unmetro” geographies with strong DBCL presence
- Expected roll out in the second half of the FY 17
- Biggest player in Madhya Pradesh & Chhatisgarh
- With new frequency aim to be the biggest player in Maharashtra, Rajasthan, Chandigarh, Punjab, Haryana and further strengthening Gujarat with Rajkot

Brand Positioning for Listeners & Advertisers:

- The perception builder – stay differentiated
- Jiyo Dil Se – Brand Positioning
- Hosting Jiyo Dil Se Awards



Innovative & Unique Programing of Content with Consumer Centric Approach:



First ever centralized content team for 3 drivers shows:

- Breakfast show consists of Newsmaker, Editor's voice & Expert Analyst.
- Mid morning show for housewives, panel experts and content breadth.
- Reverse Driver show for working male / female with humour hour & content breadth.

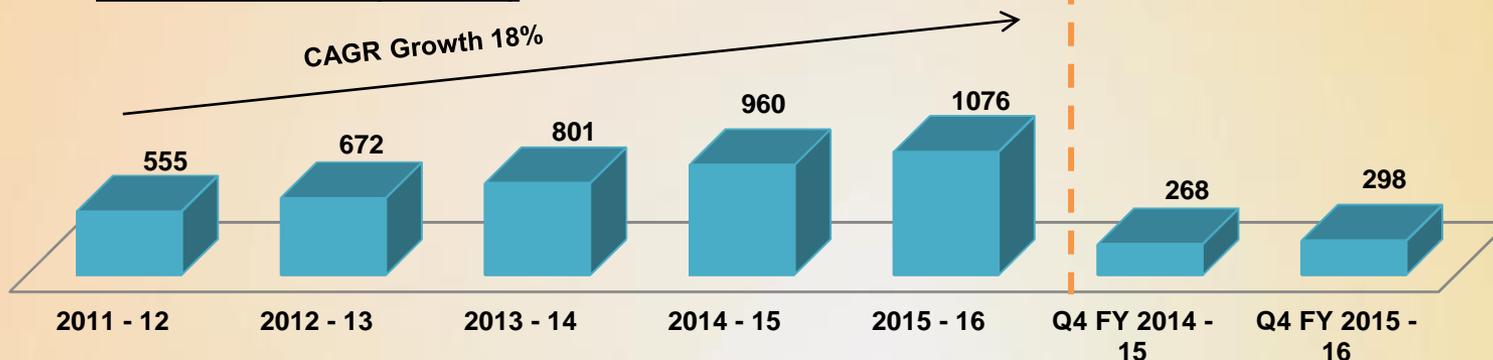
Emotional Engagements

- Reality show of Paison ka Ped, Dawat – e – Music, Rangrezz, Ek Pyala Kushi and Secret Wish (Raksha Bandhan)

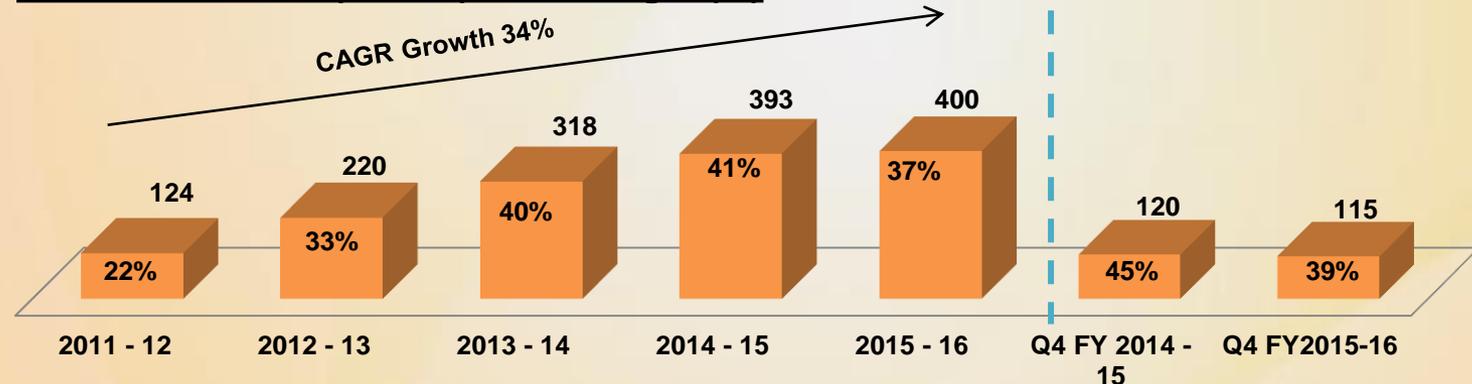
Delivering Consistent & Largest Growth in Radio



Total Revenue (Rs. mn)



EBITDA Revenue (Rs.mn) & its Margin (%)



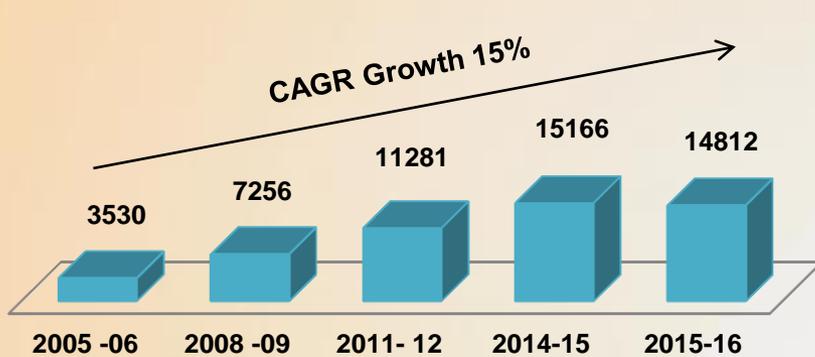
- Revenues growth in multiples are of 2 times and EBITDA growth are in excess of 3 times, during the last 5 years.

Robust Growth in Profits
Strong Focus on ROCE & RONW
Low Debt Exposure
High Net worth & Strong Balance Sheet

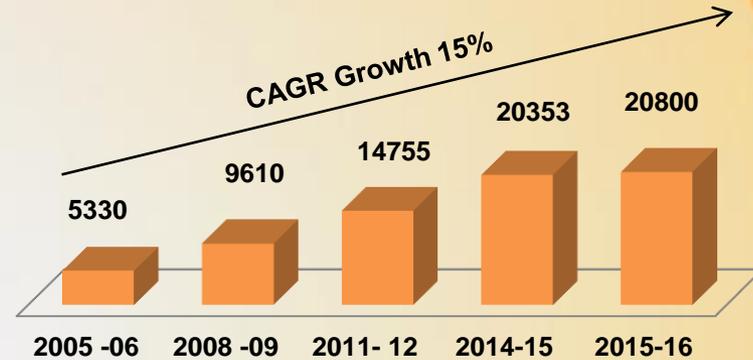


Proven Track Record of Topline & Bottom Line Growth

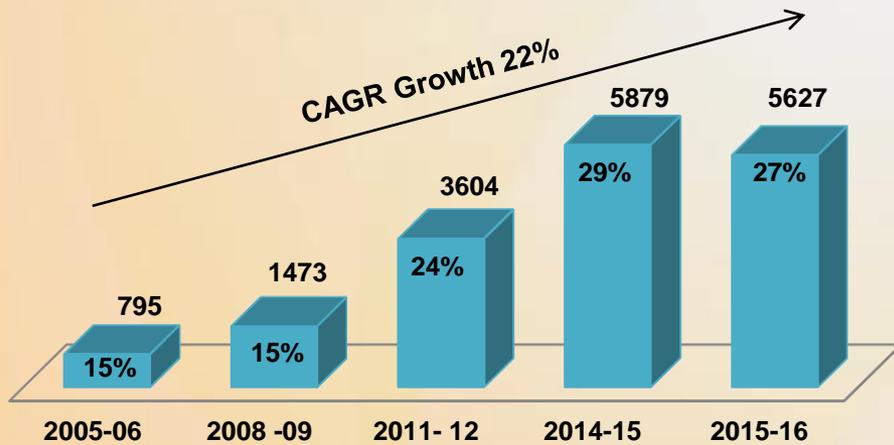
Advertisement Revenue (Rs. mn)



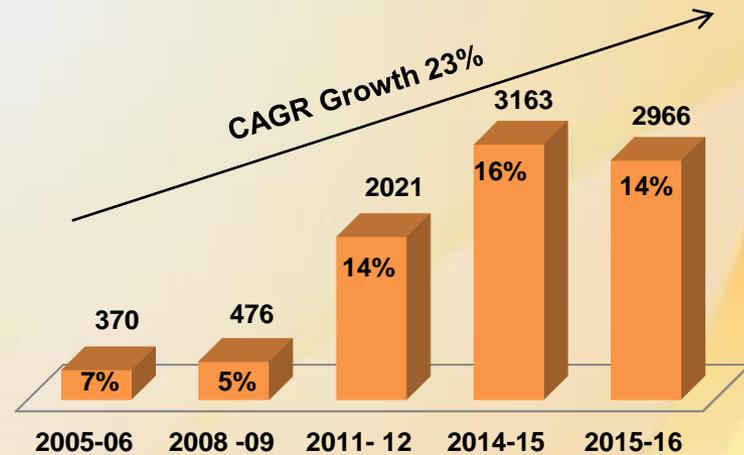
Total Revenue (Rs. mn)



EBITDA Revenue (Rs. mn) & its Margin (%)



PAT (Rs. mn) & its Margin (%)



Healthy Operating Profit In Our Mature Market

Rs MN

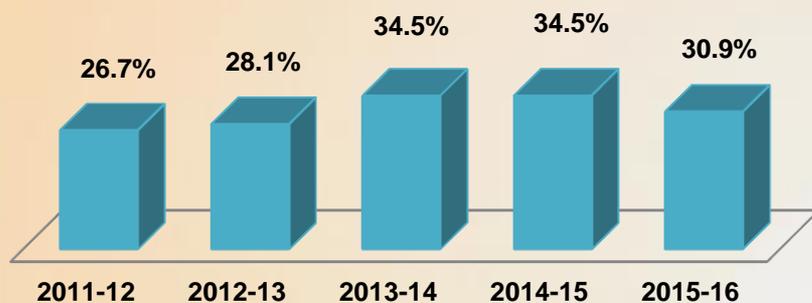
Particulars	Q4 (FY14-15)			Q4 (FY15-16)			Annual (FY 14-15)			Annual (FY 15-16)		
	Matured	Emerging Business	DBCL	Matured	Emerging Business	DBCL	Matured	Emerging Business	DBCL	Matured	Emerging Business	DBCL
Topline	4112	488	4952	4369	477	5264	16417	2666	20347	17412	1882	20789
EBIDTA(Before pre-opex)	1342	-130	1299	1304	-93	1279	5804	-277	5888	5777	-280	5719
EBIDTA(After pre-opex)	1342	-132	1296	1304	-97	1275	5804	-280	5885	5777	-338	5661
EBIDTA %	32.6%	27.1%	26.2%	29.8%	-20.4%	24.2%	35.4%	-10.5%	28.9%	33.2%	-17.8%	27.2%

Emerging Business – Editions below 4 years of age also includes Mobile app Downloading business, E real estate and dedicated website business.

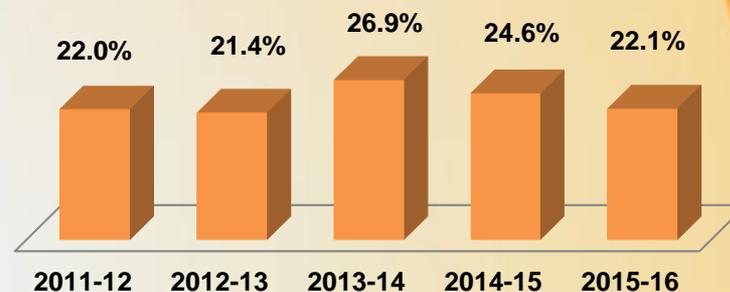


Focused on Balance Sheet & Distribution of Profits

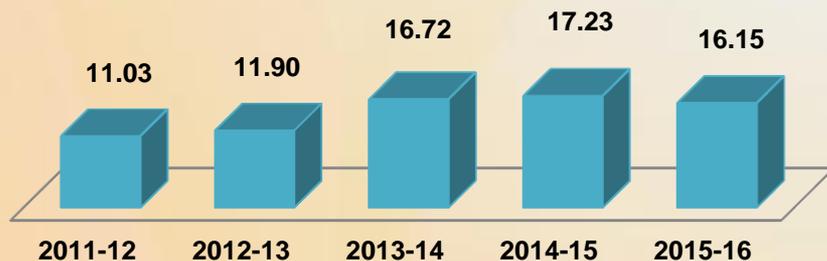
Return on Capital Employed



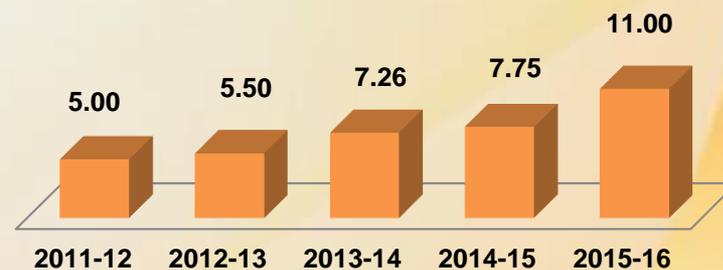
Return on Net Worth



Earning Per Share



Dividend Per Share



Financial Summary

Particulars (INR million)	Year Ended				Quarter Ended		
	13-Mar	14-Mar	15-Mar	16-Mar	Q4 FY15	Q4 FY16	Growth %
Advertising Income	12075	14178	15166	14812	3543	3600	1.60%
Circulation Revenue	2823	3235	3755	4356	985	1136	15.30%
Total Income	16137	18836	20353	20800	4953	5265	6.30%
Newsprint	(5446)	(6323)	(6479)	(6186)	(1519)	(1580)	4.00%
Other Operating Expenditure	(6692)	(7272)	(7995)	(8987)	(2142)	(2421)	13.00%
Total Expenditure	(12138)	(13595)	(14474)	(15173)	(3662)	(4001)	9.30%
EBITDA	3998	5241	5879	5627	1292	1263	-2.10%
EBITDA Margin	24.80%	27.80%	28.89%	27.05%	26.08%	24.02%	
Net Profit	2181	3066	3163	2966	640	642	0.40%
Net Worth	10214	11405	12836	13436	12836	13436	
Secured Long Term Gross Loan	1098	969	758	536	758	536	
Cash & Bank Balance	1279	1135	1782	926	1782	926	
Secured Working Capital Loan	299	362	477	507	477	507	
Total Secured Gross Debt	1396	1331	1235	1043	1235	1043	
Net Block (Fixed)	8383	8526	8203	9370	8203	9370	
ROCE	28.10%	34.50%	34.50%	30.94%	34.45%	30.94%	
RONW	21.40%	26.90%	24.64%	22.08%	24.64%	22.08%	



India's Largest Newspaper Group | 14 States | 62 Editions | 4 Languages

Board Of Directors

Ramesh Chandra Agarwal
Chairman

- Over five decades of experience. Serving as Chairman of FICCI of the MP region
- Included in India Today's list of 50 Most Powerful Persons in India

Sudhir Agarwal
Managing Director

- 27 years of experience in the publishing and newspaper business
- responsible for its long-term vision, business planning and performance monitoring

Pawan Agarwal
Deputy Managing Director

- 13 years of experience in the publishing business
- Heads entire Production, IT and Strategy dept. , with the Radio & Digital business

Girish Agarwal
Non-Executive Director

- 20 years of experience. Awarded "Outstanding Entrepreneur" trophy at APEA
- provides direction to the marketing strategy and related operations of the Group

Piyush Pandey*

- Executive Chairman of Ogilvy & Mather Pvt. Limited, India

Kailash Chandra Chowdhary*

- Previously the Chairman & Executive Director at Central Bank of India and Chairman & Managing Director of Vijaya Bank

Harish Bijoor*

- A member of the planning group sub-committee of the Union Planning Commission of India

Ashwani Kumar Singhal*

- Vice-President of BIR Brussels, the International Authority in Non- Ferrous Metals

** denotes Independent Directors.*



India's Largest Newspaper Group | 14 States | 62 Editions | 4 Languages

THANK YOU

For more information, please visit our website www.bhaskarnet.com



India's Largest Newspaper Group | 14 States | 62 Editions | 4 Languages