

D B Corp Ltd. Investor Presentation

June 2017



India's Largest Newspaper Group | 13 States | 67 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.

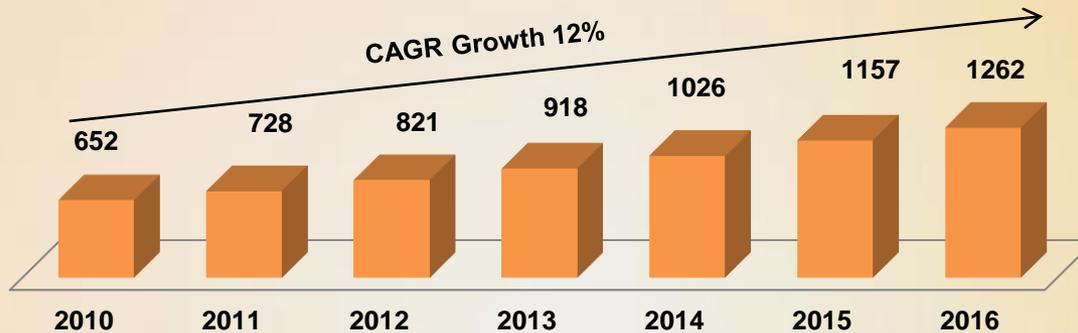
These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of the Company and are difficult to predict. Consequently, actual results could differ materially from those expressed or forecast in the forward-looking 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.



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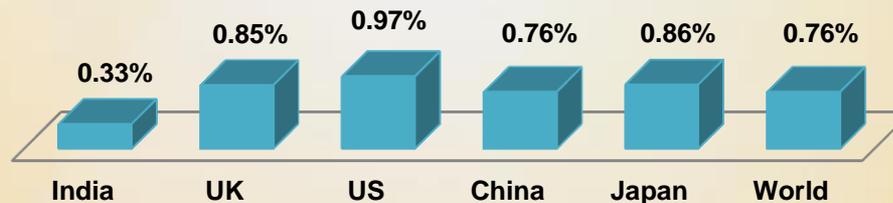
Indian Media & Entertainment Industry

Media Sector – Strong & Consistent Growth (INR bn)



- M&E industry size was Rs. 1262 bn in 2016, which grew by 9% over 2015.
- Expected CAGR growth is 14% till 2021.

Media Spend as % of GDP



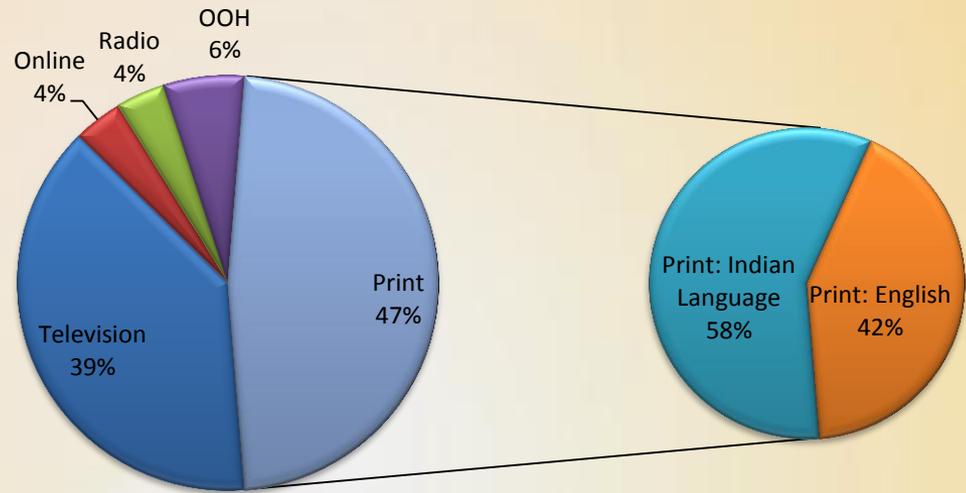
- It is still lower than global peers
- Reflective of sizeable / huge potential

Source: FICCI-KPMG Report 2017 | Worldwide Media & Mktg. Forecasts, Group M, Summer 2011

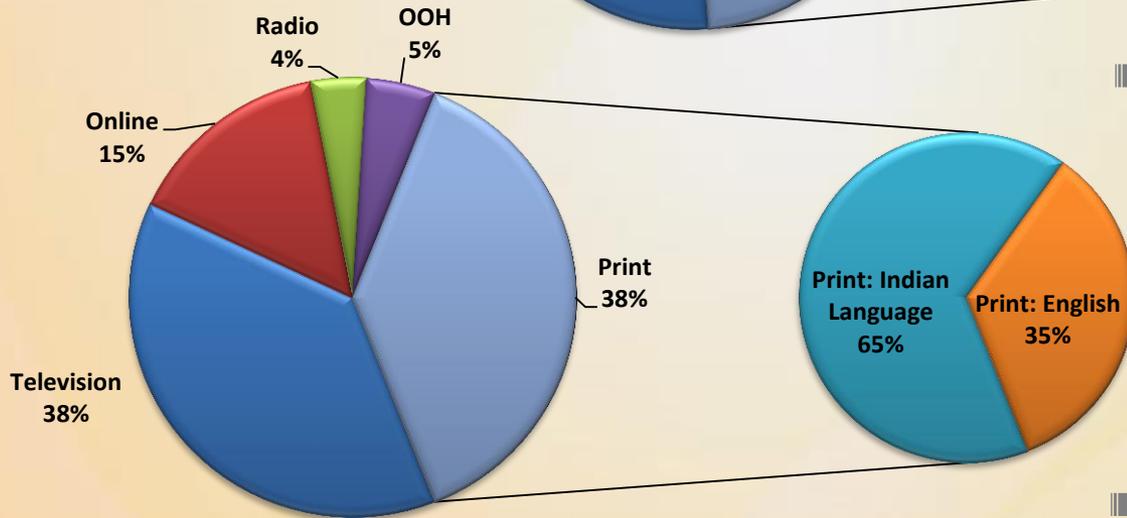


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Print Maintains Largest Ad-pie – Language Print Witnesses Higher Growth



2010 – Rs. 265.5 bn

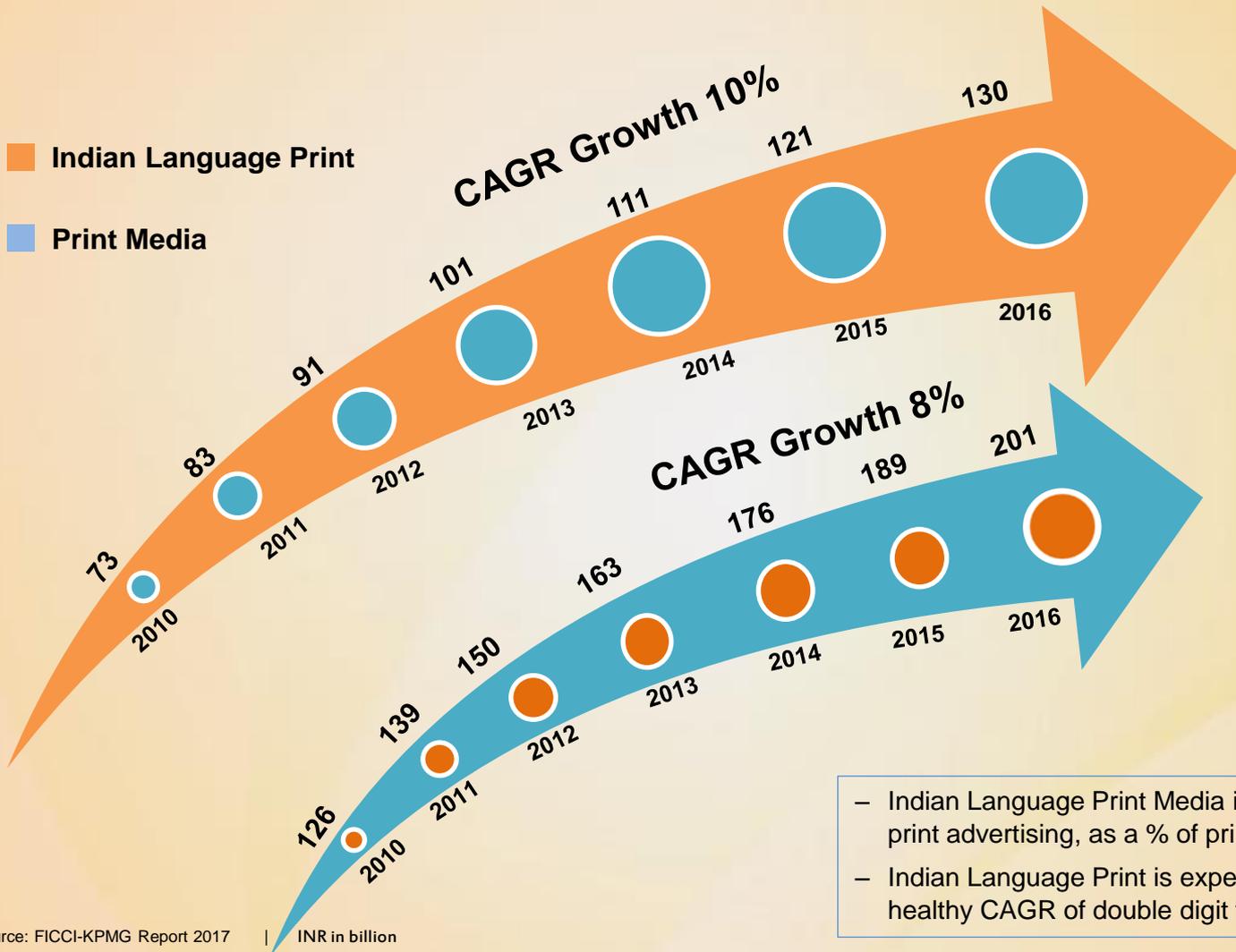


2016 – Rs. 528.2 bn

Source: FICCI-KPMG Report 2017



Print & Indian Language Advertising Revenue

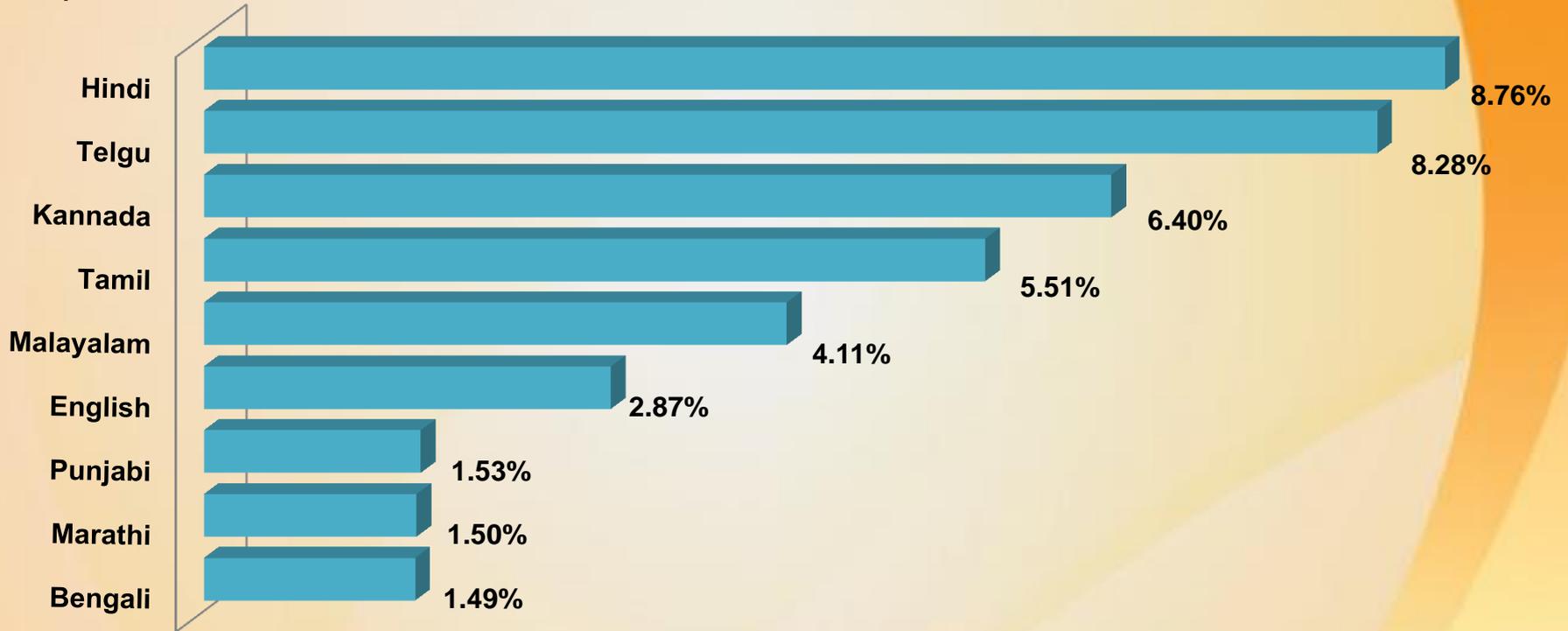


- Indian Language Print Media is Largest component of print advertising, as a % of print ad pie at 65%;
- Indian Language Print is expected to maintain a healthy CAGR of double digit for next 4 – 5 years.

Source: FICCI-KPMG Report 2017 | INR in billion

Consistent High % Growth of Indian Newspapers

- Print is growing at an incredible **4.87% CAGR** over a 10 year period from 2006 to 2016.
- Absolute copies per day increased by **2.37 cr to 6.28 cr in 2016** from 3.91 cr copies in 2006s



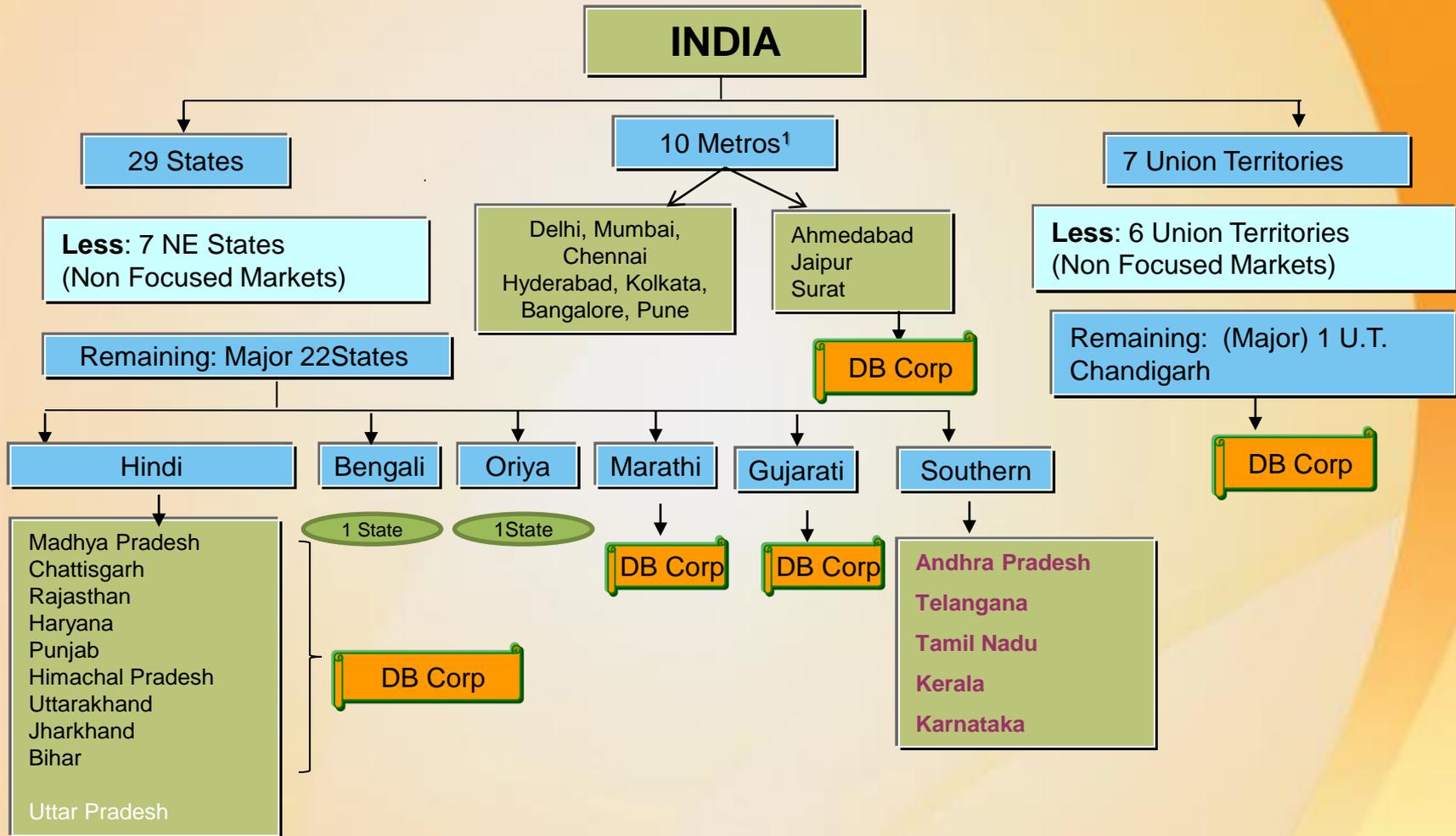
Source: Audit Bureau of Circulation Press Release dated 8th May 2017

D B Corp Ltd - The Largest Print Media Company In India

Major Business Brands

	Hindi Newspaper	12 States, 44 Editions
	Gujarati Newspaper	2 States, 9 Editions
	Marathi Newspaper	1 State, 6 Editions
	FM Radio Network	7 States, 30 Stations
  	Digital & Mobile	13 Portals & 2 Apps

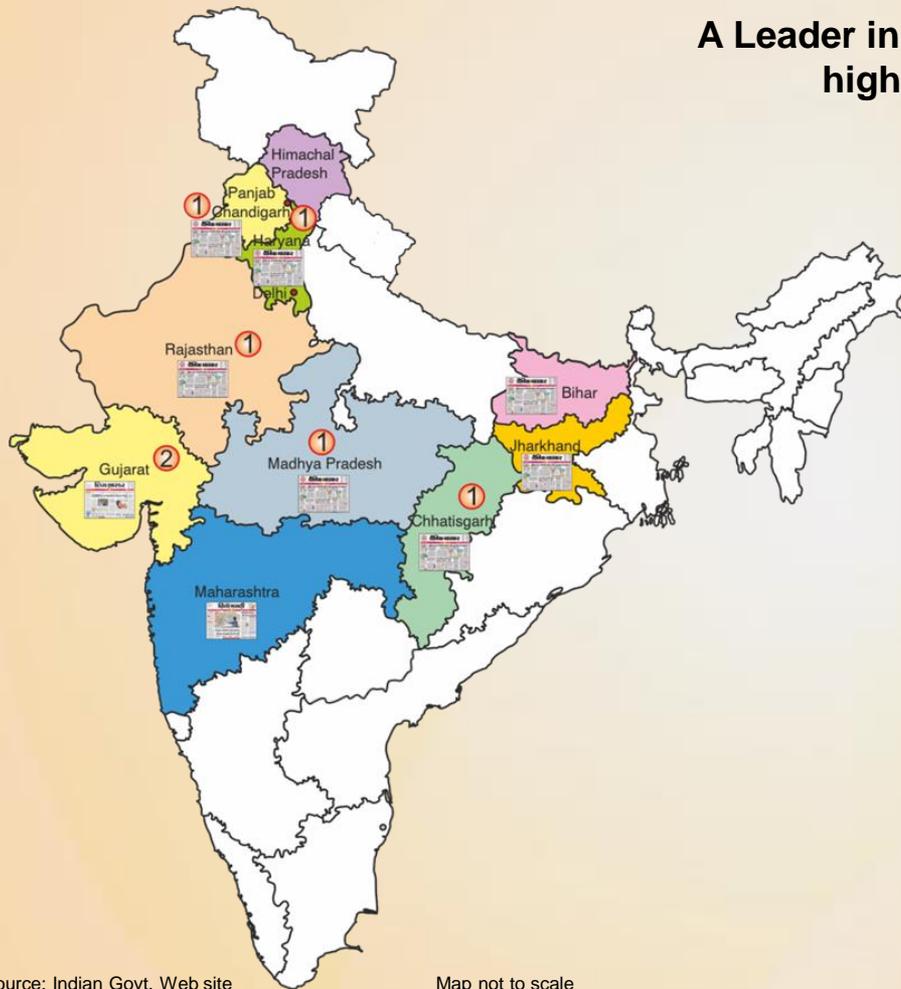
Presence Across Fast Growing Markets



1. Source: EY's Report – India's growth paradigm

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

Map not to scale

Leadership in Multiple States – Emerging Tier II & III Cities

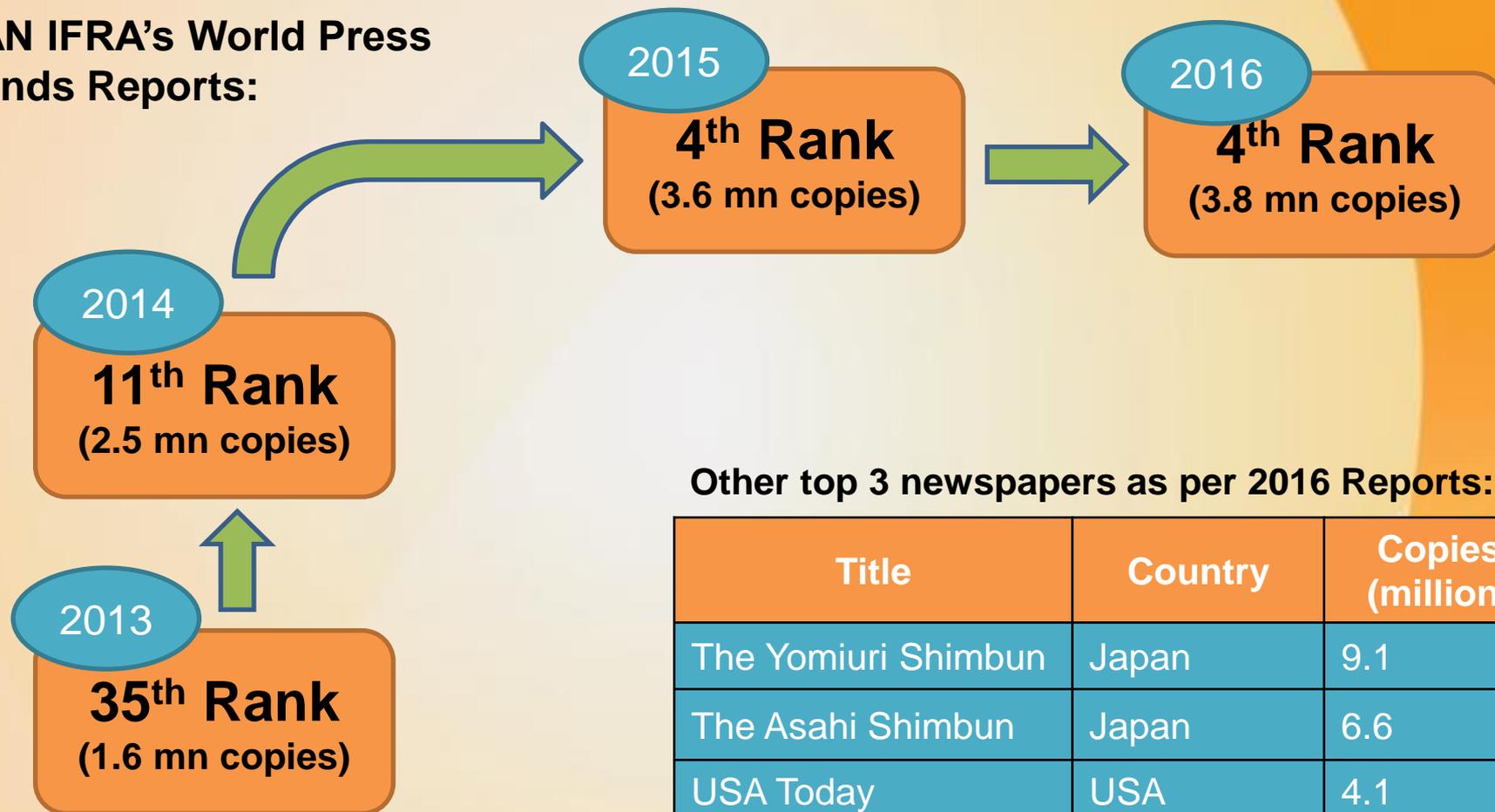
- Madhya Pradesh, Chhattisgarh, Rajasthan, Gujarat, Haryana, Punjab, Chandigarh, Maharashtra, Uttarakhand, Himachal Pradesh, Jharkhand, Bihar & Delhi

Focus on Revenue Market Share – in Multiple language

- Hindi, Gujarati, Marathi and English
- 49% Urban population resides in Bhaskar Markets
- 51% of India's total consumption is concentrated in Bhaskar Markets.
- Bhaskar steadily gaining ground in new and emerging urban clusters. Besides eight large metros, 42 new and emerging urban clusters have transformed into consumption hubs.
- Bhaskar already expanded presence to about 50% of these new consumption clusters
- Newspaper readership penetration is only 30% of "Can Read" population

Dainik Bhaskar Is World's 4th Largest Circulated Newspaper

WAN IFRA's World Press Trends Reports:



Other top 3 newspapers as per 2016 Reports:

Title	Country	Copies (million)
The Yomiuri Shimbun	Japan	9.1
The Asahi Shimbun	Japan	6.6
USA Today	USA	4.1

Source : WAN IFRA -World Association of Newspapers and News Publishers Report 2013, 2014, 2015 & 2016.

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, The Economist etc. are established for providing global world class content.

Major Initiative introduced during Q4 FY 2017:

- Training (Best wise) imparted by **Subject Matter Experts** of highest repute to reporters of all editions across 14 states.

Circulation Strategy – Proven Track Record

1. **15% CAGR Growth:** For 5 years, from FY 2011-12 to FY 2016-17 is 15% largely driven by yield in our core legacy markets.
2. **Dainik Bhakar becomes the nation's largest circulated Multi-Edition Daily as per Press In India Report 2015-16 prepared by Registrar of Newspapers of India (RNI) released by Mr. Venkaiah Naidu, Hon. Minister for Information and Broadcasting, Government of India.**
3. **Current Focus:**
 - Increasing market share in Gujarat, Rajasthan & Punjab.
 - Open up new geographies in Bihar and strengthen Bihar & Jharkhand penetration and readership.
 - Further strengthen the dominance in Madhya Pradesh, Chhattisgarh & Haryana markets.
 - Continue to invest in technology to further up the relevance and speed to market.
 - Continue to evaluate the expansion proposition in Maharashtra with 'Dainik Divya Marathi'
 - **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 – Digital Business

VISION

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

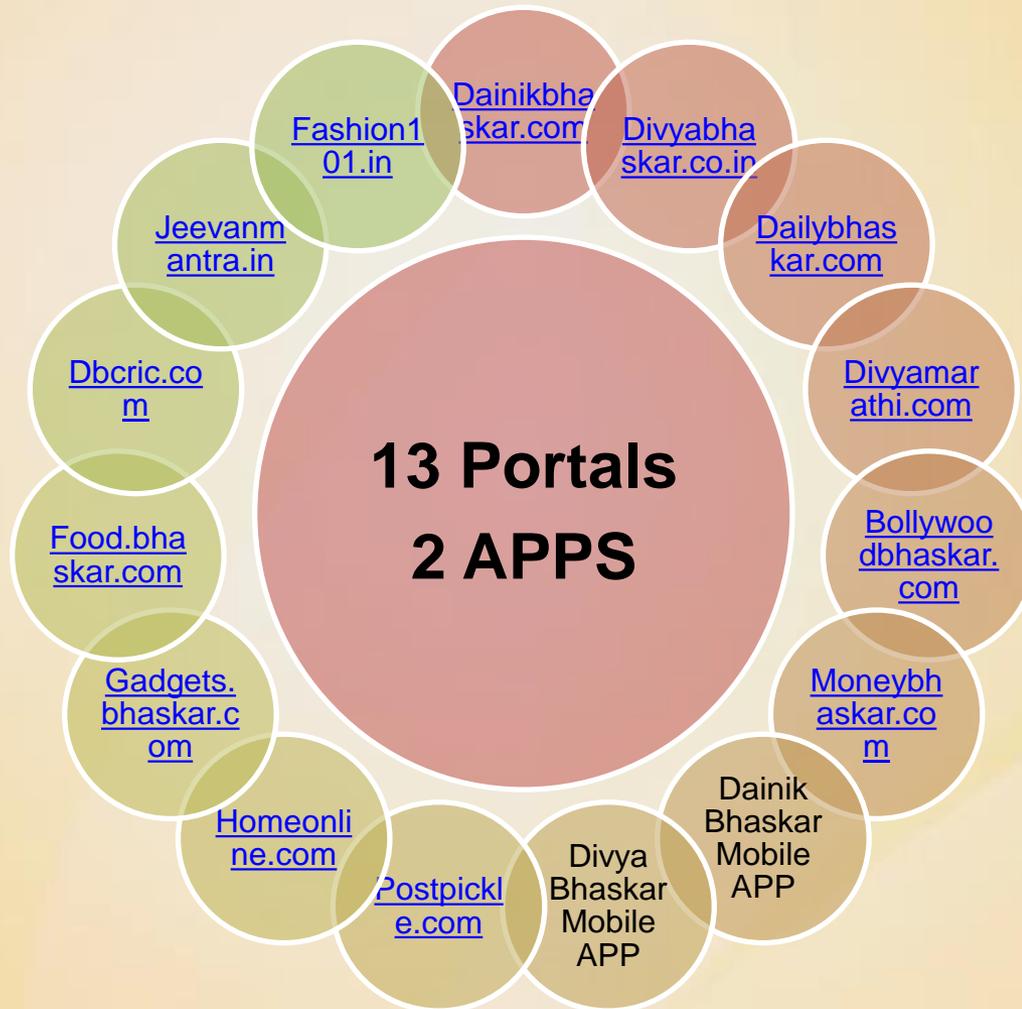
MISSION

- 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

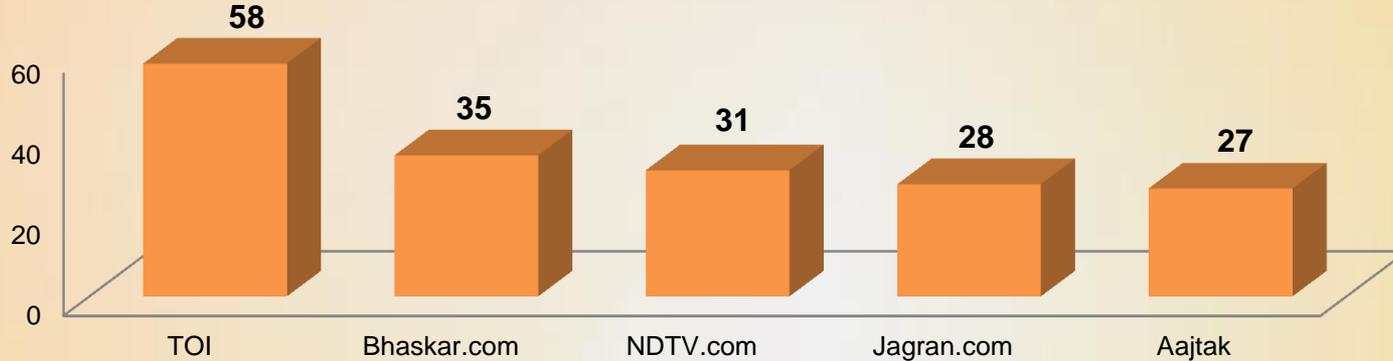
Focused, Strong Brands For Growing Digital Audiences



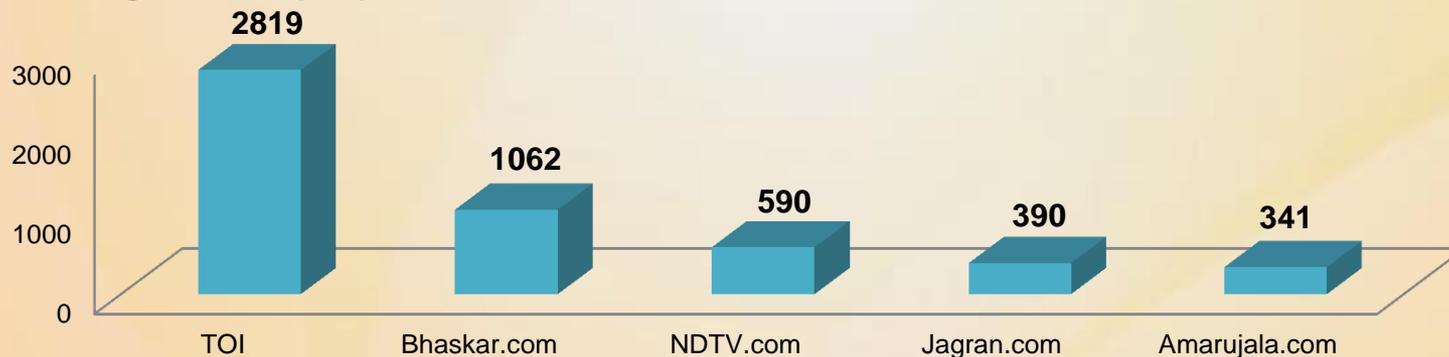
The New Game Changer: dainikbhaskar.com Is India's 2nd Largest News Destination

Comscore News & Information - March 2017

Unique Visitors (Mn) Individual Sites



Page Views (Mn) Individual Sites



Source: Comscore March 17

Gaining Traffic Traction

Digital Media Unique Visitors (UV) has risen to 90.1 million* and Page Views (PV) to 2.8 billion* for the month of March'17.

More than 9.2 mn app downloads for Dainik Bhaskar & Divya Bhaskar

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

Audience targeting core part of digital strategy **DB**DIGITAL

Ensures optimal campaign success for advertisers

Emphasis on targeting right user and delivering right message: phased and focused efforts to understand digital behavior, appropriately create relevant content, in-turn drives performance and generates ROI

Provides end-to-end implementation of campaign integrated across platforms through creative and best mix of digital tools: has been generating stronger brand affinity and interaction for leading corporates ensuring successful digital campaigns

Experiencing strong attention from segments including home improvement, BFSI, Online shoppers, movie audiences.

Pillars Of Digital Existence

1. Thrust on Technology to ensure:

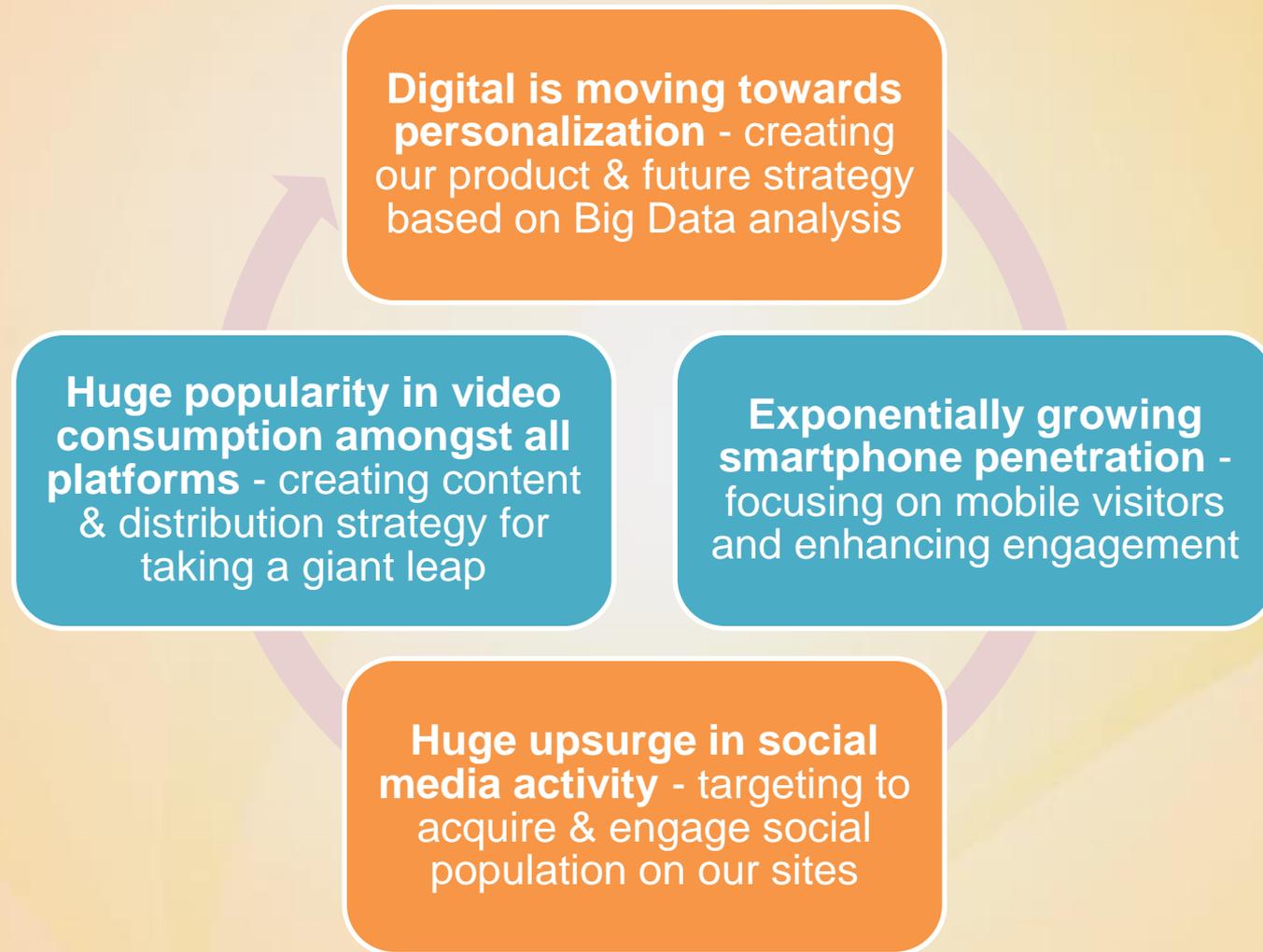
- Continuous optimization of sites for speed, better user experience & engagement by increasing page depth and maximizing the ROI to advertisers.

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, real estate 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.

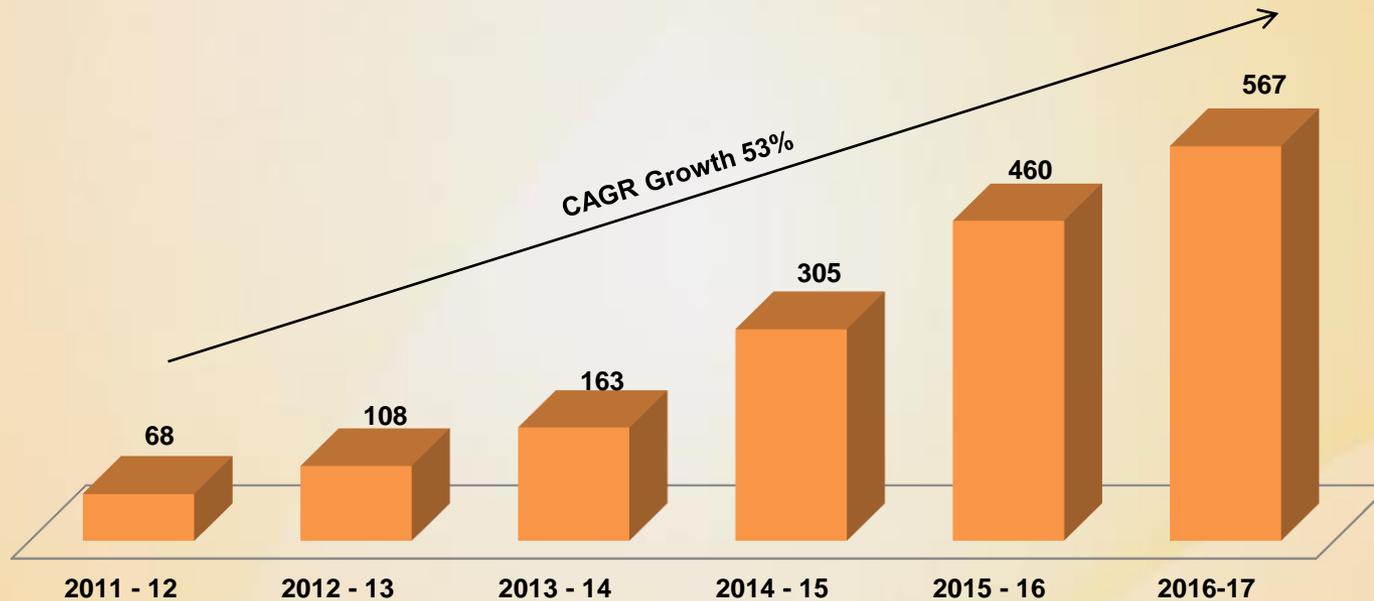
3. Innovative reader engagement efforts:

- The ads viewability on our platform grew to 72.9% since the last quarter, while UI is ensuring best CTRs in the industry.
- Innovation in content delivery and presentation. During UP elections conducted #fastestresults and live debate on Bhaskar Live platform which saw overwhelming response from advertisers and readers.



Exponential Digital Advertisement Revenue

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, 94.3 MY FM operates from 30 stations in 7 states
- 94.3 MY FM continues to be no.1. in markets of Madhya Pradesh, Chhattisgarh and Rajasthan and largest network in Chandigarh, Punjab and Haryana.

Post Phase 3 Radio Auctions:

- Consolidating presence in line with strategy to be market leader in “Unmetro” geographies with strong DBCL presence.
- With the 13 New frequencies acquired, during the Phase III Radio auctions, 94.3 MY FM to be:
 - Biggest player in Rest of Maharashtra with 10 frequencies including Nagpur
 - Biggest player in Chandigarh / Haryana/ Punjab with 4 frequencies
 - Biggest Player in Rajasthan with 6 frequencies
 - Strengthened Gujarat with presence in Rajkot

MY FM new launches:

- Of the 13 New Acquired frequencies, 94.3 MY FM has launched all stations in cities of Hisar, Karnal, Rajkot, Aurangabad, Ahmednagar, Nanded, Sangli, Jalgaon, Nashik, Solapur, Dhule, Bikaner and Akola.
- Introduced several new content programs as part of *Ab Har Kaan Sunega* campaign aligned to audience preferences distilled from *Aap Ki Marzi* survey undertaken at pre-launch stage



Current Initiatives



Launched 13 new stations with a distinct content strategy of customer centric approach for – music, humor, language and RJ mix.

Activities

Sabse Badi Patangbaaz, Jiyo Dil Se Awards, Entrepreneur Awards, Ek Pyala Khushi, Paison Ka Ped, Dawat-e-music and many more.

10 year celebration

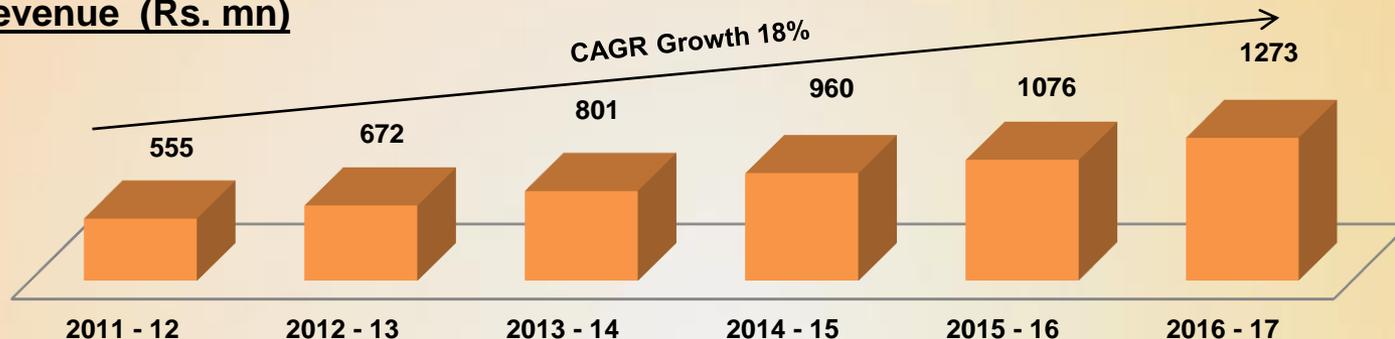
Chandigarh (Dus Da Jashan)
Ahmedabad (Jalsavad)

Offering in house musical jingle production in Hindi, English, Marathi, Punjabi and Gujarati

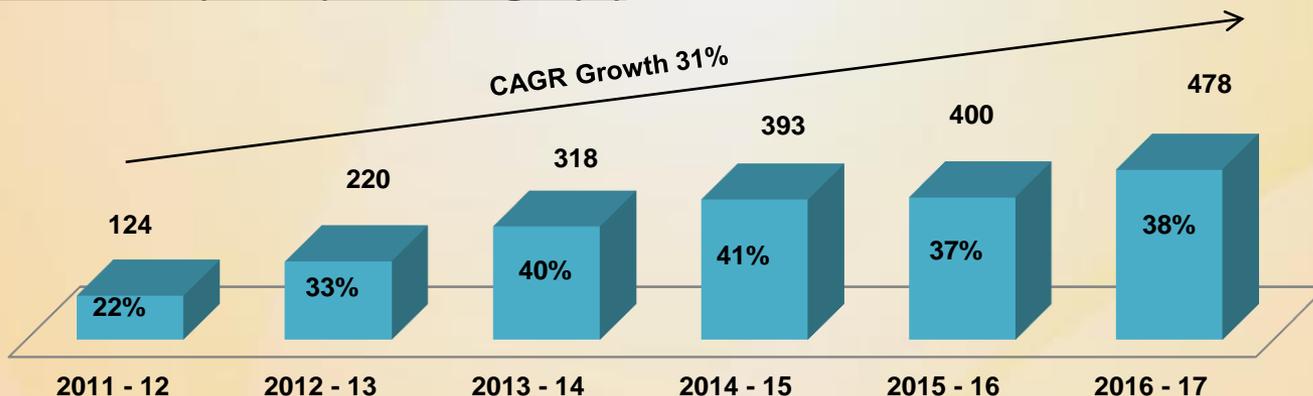
Delivering Consistent & Highest Growth in Radio



Total Revenue (Rs. mn)



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



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

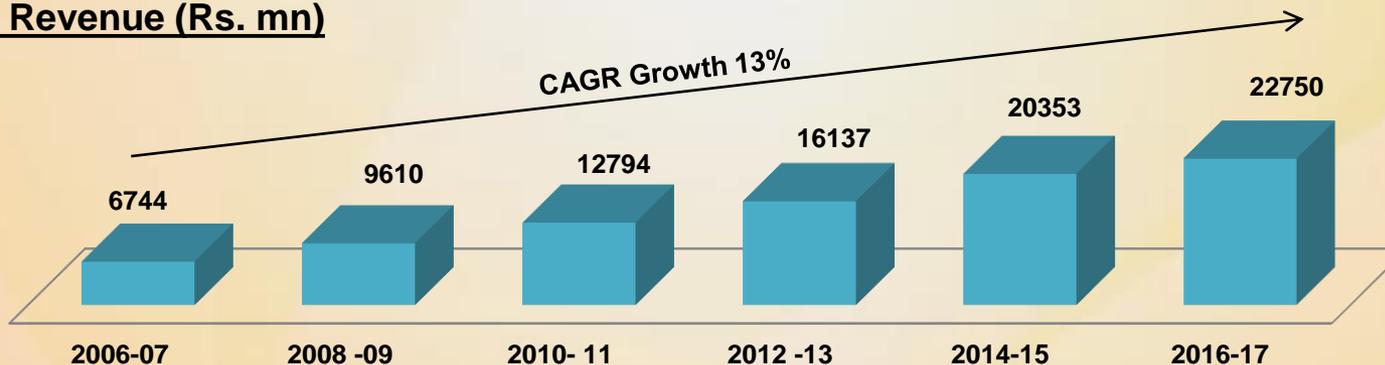


Proven Track Record of Topline & Bottom Line Growth... (contd.)

Advertisement Revenue (Rs. mn)

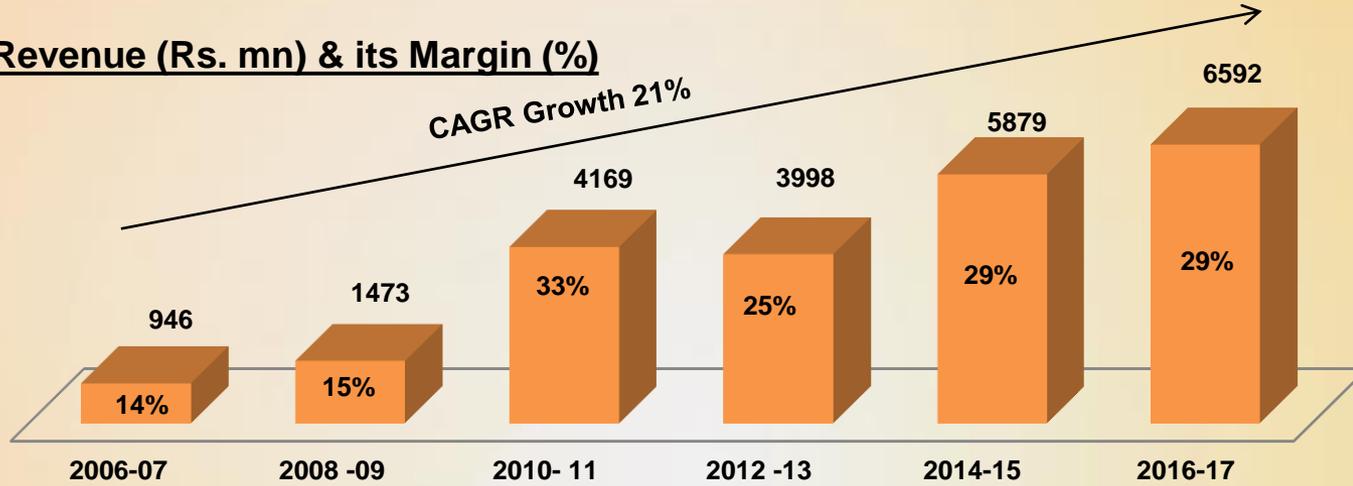


Total Revenue (Rs. mn)

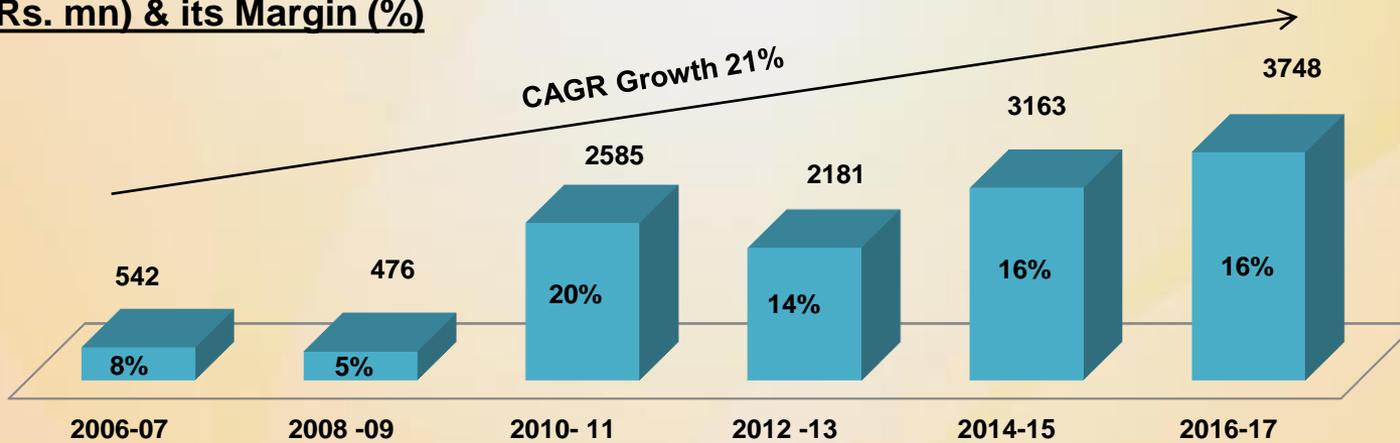


Proven Track Record of Topline & Bottom Line Growth

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



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



Healthy Operating Profit In Our Mature Market

Rs MN

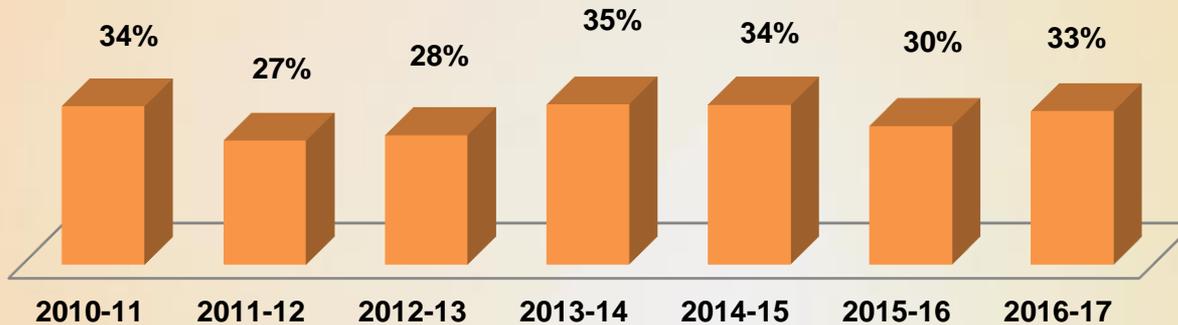
Particulars	Q4 (FY15-16)			Q4 (FY16-17)			Annual (FY 15-16)			Annual (FY 16-17)		
	Matured	Emerging	DBCL Standalone	Matured	Emerging	DBCL Standalone	Matured	Emerging	DBCL Standalone	Matured	Emerging	DBCL Standalone
Topline	4787	477	5264	5051	169	5220	18907	1882	20789	22080	666	22746
EBIDTA(Before pre-opex)	1373	(93)	1279	1249	(76)	1173	5999	(280)	5719	6875	(259)	6616
EBIDTA(After pre-opex)	1373	(97)	1275	1249	(76)	1173	5999	(338)	5661	6875	(259)	6616
EBIDTA %	28.7%	(20.3%)	24.2%	24.7%	(45.0%)	22.5%	31.7%	(18.0%)	27.2%	31.1%	(38.9%)	29.1%

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

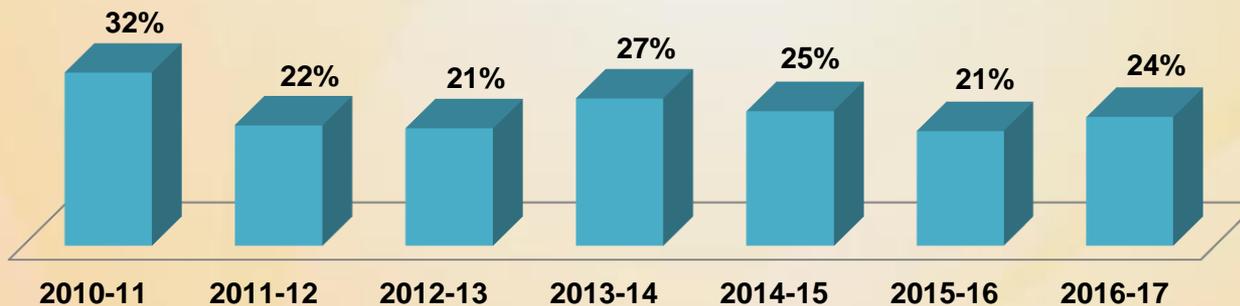


Strong Balance Sheet & Financial Ratios

Return on Capital Employed



Return on Net Worth



Financial Summary

Particulars (INR million)				Quarter Ended		
	15-Mar	16-Mar	17-Mar	Q4 FY16	Q4 FY17	Growth %
Advertising Income	15166	14812	15973	3600	3567	-0.92%
Circulation Revenue	3755	4356	4814	1136	1217	7.13%
Total Income	20353	20783	22750	5149	5222	1.42%
Newsprint	(6479)	(6186)	(6609)	(1580)	(1606)	1.65%
Personnel Cost	(3457)	(3909)	(4286)	(995)	(1059)	6.43%
Other Operating Expenditure	(4537)	(5049)	(5263)	(1363)	(1384)	1.54%
Total Expenditure	(14474)	(15145)	(16158)	(3938)	(4049)	2.82%
EBITDA	5879	5590	6592	1211	1173	-3.14%
EBITDA Margin	28.89%	26.96%	28.97%	23.52%	22.47%	
Net Profit	3163	2921	3748	604	642	6.29%
Net Worth	12836	13945	15930	13945	15930	
Secured Long Term Gross Loan	758	536	262	536	262	
Cash & Bank Balance	1782	926	1754	926	1754	
Secured Working Capital Loan	477	631	288	631	288	
Total Secured Gross Debt	1235	1167	550	1167	550	
Net Block (Fixed)	8203	9128	8833	9128	8833	
ROCE	34.50%	29.86%	33.08%	29.86%	33.08%	
RONW	24.64%	20.95%	23.53%	20.95%	23.53%	



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

Board Of Directors

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

Harish Bijoor*

- Brand-thinker and practitioner operating out of Bengaluru, India

Ashwani Kumar Singhal*

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

Naveen Kumar Kshatriya*

- 40 years of international experience with Unilever and BP Castrol at senior most position at UK, Middle East, Singapore and Hong Kong.

Anupriya Acharya*

- Post Graduate from IIT – Roorkee, was Zenith Optimedia's Group CEO and now CEO of Publicis Media India

* denotes Independent Directors



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THANK YOU

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



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