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Press Release

Mumbai, October 20 2011

Performance highlights for H1 FY 2011-12 and Q2 FY 2011-12

H1 FY 2011-12:

- ⤴ **Consolidated Advertising Revenues** grew by 18% YOY to Rs. 5567 million from Rs. 4716 million in the period under review.
- ⤴ **Consolidated Total Revenues** have increased by 18% YOY to Rs. 7077 million from Rs. 5997 million in the previous year.
- ⤴ **DBCL achieved Consolidated EBIDTA Margins** of 25.1% in H1 FY 2012 at Rs. 1775 million. The same also factors our one time preoperative expenses of Rs. 98.75 millions, on launch of Jharkhand and Maharashtra and also includes operating losses in 3 editions of Maharashtra as well as State of Jharkhand.
- ⤴ **Consolidated PAT margin** stands at 14.3% at Rs. 1014 million.

Q2 FY 2011-12

- **Consolidated Total Revenues** have grown by ~18% YOY to Rs. 3539 million in current quarter against Rs. 3010 million in Q2, FY 11
- **Consolidated Advertising Revenues** have grown by 16% YOY to Rs. 2735 million in current period from Rs. 2359 million in Q2 FY 11
- **Consolidated EBIDTA margin** stands at ~22% at Rs. 771 million. The same factors one time preoperative expenses of Rs. 37.3 Millions, on the launch of Maharashtra, operating losses on 3 editions of Maharashtra and state of Jharkhand as well as loss on foreign exchange.
- **On stand-alone basis, EBIDTA margins** stand at ~22.2%
- **Consolidated PAT** stands at Rs. 403 million at PAT margin of 11.4 %
- **Radio business: Advertising revenues** have grown by 26% to Rs. 127 million in Q2 of current period, against Rs. 101 million in Q2 last year
- **Radio business** has achieved EBIDTA of Rs. 11.4 million (9% margin) in current quarter.
- **Digital business** ramping up rapidly – With registering 110-million page views in September' 2011, our digital business has become strongest in Dainik Bhaskar and Divya Bhaskar, web platforms.
- **EPS** stands at Rs. 2.20

Mumbai, October 20 2011: DB Corp Limited (DBCL), India's largest print media company and home to flagship newspapers Dainik Bhaskar, Divya Bhaskar, Saurashtra Samachar and Dainik Divya Marathi, today announced its financial results for the second quarter & half year ended September 30, 2011. The highlights of the Company's operational and financial performance are as follows:

- ❖ **DB Corp Ltd. retains position as the largest print media group amongst national dailies, with 18.4 million readers across India's fastest growing markets – as revealed by the Quarterly Results of IRS (Q2 2011) released in September 2011. The second quarter of the current fiscal witnessed a readership growth of 300,000 (0.3 million) new readers.**
- ❖ **DBCL makes strong in-roads into Maharashtra and continues to steadily expand presence – Launched 4 editions in a short period of 5 months;**
 - **DBCL progressed based on a focussed expansion strategy to launch 4 editions in 4 major cities in Maharashtra covering Aurangabad, Nashik, Jalgaon and Ahmednagar.**
 - **Launched 4th edition from Ahmednagar on 16th October'2011.**
 - **With the launch of Ahmednagar edition, DBCL now has extended its presence to 64 editions all India**
- ❖ **New editions in Maharashtra region strengthening brand presence: Within 3 months of launch Dainik Divya Marathi was declared as the front runner news paper in Aurangabad, based on the IMRB survey - As revealed by the survey, Dainik Divya Marathi with Average Issue Reader (AIR) of 342000 (Three lac forty two thousand) readers emerged as the #1 news paper with a strong lead over Lokmat (with a readership of 273,000)**
- ❖ **Continues in leadership position in Madhya Pradesh, Chhattisgarh, Chandigarh, Haryana, Punjab (JAL), Rajasthan (U) and Gujarat.**
- ❖ **Radio business continues to scale up well – supported by a topline growth of 26% YoY, registering a robust EBITDA growth of ~198% to Rs. 11.4 million**
- ❖ **Digital business ramping up rapidly – Demonstrated good growth in Q2 FY 2012 - Has breached one of the most important milestones of 100-million page views by registering 110-million page views in September' 2011.**
- ❖ **Several recognitions continue to encourage marketing and branding initiatives:**
 - ⤴ **CMO CSR Asia Award 2011 for Best Practise in Corporate Social Responsibility – Initiated 'Jal Satya Graha' – A campaign to 'conserve water as a precious resource'.**
 - ⤴ **DAINIK BHASKAR - International Newspaper of the Year**
 - ⤴ **Best In House Magazine - SAMVAD (DB CORP LTD)**
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- ✦ **Best Marketing Campaign Of The Year - KOSHISH DIL SE BY 94.3 MY FM Radio Channel Of The Year - 94.3 MY FM**
- ✦ CMO CSR Asia Award 2011 for best practise in corporate social responsibility
- ✦ Divya Bhaskar won the **Newspaper Printer of the Year 2011** awarded by **Print Week**
- ✦ Divya Bhaskar, won the Silver award at the National Awards for Excellence in printing

Commenting on the performance for Q2 & H1 FY 2012, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said, *“We are happy to report that this quarter our strategy continued to deliver consistent and competitive growth. Our expansion in mature markets continued on course, where we maintained our leadership rank. Over the last 5 months, we stretched our capabilities as we launched 4 editions in Maharashtra and made strong in-roads in this region which we believe holds high potential. Our foray in Maharashtra has been an exciting execution challenge for us that tested and acknowledged our abilities in resource mobilisation, meticulous planning and final roll-out of a strong unbiased, content-oriented product appealing to diverse readership categories. Our performance in the newly launched markets of Maharashtra especially in Aurangabad was very encouraging as within a short span of 5 months of launch, we were declared no. 1 newspaper of Aurangabad city by IMRB, taking a sizeable lead over established peers. Over the last 4 months we also launched editions in Nashik, Jalgaon, Ahmednagar that are ramping up steadily. Therefore, this quarter, our growth was led by a combination of innovations, market development and a relentless focus on execution. In an overall challenging business environment, we are managing our business dynamically with strong focus on operational efficiencies to ensure that we remain competitive and cost efficient.*

Our outlook continues to remain optimistic as the Indian media industry is on an accelerated consumption-driven growth trajectory and our fundamentals continue to be very strong in all growing markets. Our equity story is long-term based. The growth acceleration in regional print media will continue to be driven by Tier 1 and 2 cities, and we believe that DBCL is well positioned in this segment and aggressively strengthening its foothold to monetize existing potential.”

Financial Performance Overview

Q2 FY2011-12 financial results highlights: (comparisons with Q2 FY 2010-11)

- ❖ **Total Consolidated Revenues** have expanded by 18% YOY to **Rs 3539 million** from **Rs. 3010 million on account of:**
 - ◆ Net Increase in print **Total Revenue** of **Rs. 510 million in Q2 FY 2012 on YOY basis**
 - Advertising revenues increase to **Rs. 2737 million** from **Rs. 2366 million**, reflecting a growth of **~15 % YOY basis**
 - Circulation revenues grew YOY to **Rs. 601 million** from **Rs. 532 million**
 - ◆ Net increase of Rs. 26.2 million in revenues from radio segment in Q2 on YOY basis
 - Revenues increased from Rs. 101 million to Rs. 127 million due to improved advertising revenues

- ❖ Print business EBIDTA margins stand at **~23 %** at **Rs. 770 million**. The same factors our marketing and survey related expenses of around **Rs. 37.3 million** in Q2 FY2012 for launch of Aurangabad, Nasik and Jalgaon which have been booked in the revenue account, instead of capitalizing or deferring the outlay for future quarters, considering the long term impact of these expenditures. The company also witnessed in the Qtr. 2 loss on foreign exchange fluctuation of Rs. 58.18 million.

- ❖ Consolidated PAT stands at Rs. 403 million

- ❖ **Print Business Mature editions EBIDTA margin stand at 32.5%**
 - In continuation of our first quarter press release and in an endeavour to provide more clarity on our operating performance and continuous expansion, we continue to share an analysis and break-up of Mature and Emerging Editions financials on a quarterly basis as below. We classify Emerging editions as those which are below 4 years of age or profitable since last 4 quarters, whichever is earlier.

Q2 FY12

Rs.Mn

Particulars	Mature Editions	* Emerging Editions	Radio Business	DBCL Standalone
Total Revenues	3086	302	127	3515
EBIDTA before pre-opex	1002	-194	11	819
EBIDTA Margin	32.5%	-64.3%	9%	23.3%
EBIDTA after pre-opex	1002	231	11.4	782

EBIDTA Margin	32.5%	-76.7%	9%	22.2%
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*Emerging Editions losses also include loss of Rs. 33 million for the new printing centres / Editions, opened in the mature markets of Rajasthan, Gujarat, MP, Haryana and Punjab.

- ❖ **DB Corp Ltd retains position as the largest print media group amongst national dailies with 18.4 million readers across India's fastest growing markets**, as revealed by the Quarterly Results of IRS (Q2 2011) that were released in September 2011. The Group's combined readership reflects a growth of approximately 300,000 (0.3 million) new readers on Quarter on Quarter basis.
- ❖ **DBCL makes strong in-roads into Maharashtra and continues to steadily expand presence in the region**
 - ⤴ **Over a short period of 5 months, DBCL launched 4 editions in 4 major cities in Maharashtra covering Aurangabad, Nashik, Jalgaon and Ahmednagar**
 - Launched 1st edition of Dainik Divya Marathi from Aurangabad on 29th May 2011
 - Launched the 2nd edition of Dainik Divya Marathi from Nashik on 3rd July 2011
 - Launched the 3rd edition from Jalgaon on 10th September 2011
 - **Launched 4th edition from Ahmednagar on 16th October'2011.**
 - In line with the company's launch strategy, emerged as the most popular news paper from the first day of its launch in Ahmednagar
 - With the launch of Ahmednagar edition, DBCL now has extended its presence to 64 editions all India
 - In Ahmednagar, the launch activities were conducted in the 'twin contact survey' method (as done in other new market launches comprising the initial contact survey mode followed by interaction for product feedback and subscription)
 - Over 55,000 household units including households and commercial establishments were covered as part of pre-launch surveys in Ahmednagar
- ⤴ **New editions in Maharashtra region strengthening brand presence:**
 - ⤴ **Within 3 months of its launch in Aurangabad, Dainik Divya Marathi has emerged as No.1 News Paper of Aurangabad City based on the readership survey, conducted by IMRB- one of the top Market research companies globally. As per the IMRB survey, Dainik Divya Marathi with Average Issue Reader (AIR) of 342000 (Three lakh Forty two thousand) readers has emerged as a very formidable player with a huge gap with Lokmat Newspaper which has a readership of 273000 (Two lakh Seventy three thousand, followed by Daily Sakal distantly with a readership of 65000 (sixty five thousand)**
 - ◆ **The survey also revealed that in the Socio Economic Class A+B Dainik Divya Marathi emerged as the publication of choice and a clear leader, with 86000 readers, compared to 53000 readers of Lokmat**

◆ **In Aurangabad, Dainik Divya Marathi has also created a strong positive impression on the youth and young adults in the age group of 15 to 34 years with a combined readership of 221000**, a formidable lead over Lokmat with 172000 readerships and a significant advantage over Daily Sakal with 29000 readers in this category.

❖ **The Company remains a strong leader in Madhya Pradesh, Chhattisgarh, Chandigarh, Haryana, Punjab (JAL), Rajasthan (U) and Gujarat.**

- In Madhya Pradesh and Chhattisgarh, Dainik Bhaskar added over 102,000 new readers quarter on quarter. And the company is in a dominating position with a market lead of 3 times over nearest competitor
- In Chandigarh, Punjab, Haryana (CPH), Dainik Bhaskar continues to enjoy a lead of 17% over nearest competitor in overall CPH with a lead position of 61% in Chandigarh, over nearest competitor
- In Punjab, Dainik Bhaskar continued to progress and maintains its No. 1 position in 3 major cities of Jalandhar, Amritsar and Ludhiana (JAL)
- In Rajasthan, Dainik Bhaskar has added over 113,000 new readers on a quarter on quarter basis. In Jaipur, it has a lead of around 41 % over nearest competitor, while in urban Rajasthan it has increased its lead to 13.2% over nearest competitor. It has also maintained its no.1 position in major cities of Rajasthan (Jodhpur, Udaipur, Ajmer, Kota)
- In Gujarat it continues to be a close no. 2 player with lead in key markets and the company has a lead of over 26% to nearest competitor in Ahmadabad. It has also maintained its lead position as no.1player in 6 major cities of Gujarat

❖ **Digital business ramping up rapidly – In Q2 FY 2012, the success story of the online and mobile business has continued as both have shown robust growth due to our continued emphasis on content and user engagement.**

- ◆ Has breached one of the most important milestones of 100-million page views by registering 110-million page views in September
- ◆ Unique visitors to websites have grown by almost 30% while overall visits have increased by 20%- this growth has been driven by our unique user engagement campaign 'Khul ke Bol'
- ◆ Our focus is to make this more interactive as it encourages users for entreating and helps them in earning reward points
- ◆ We have shown a growth of 40% in the mobile visits as we expand our presence on WAP, android and Apple Apps

❖ **Radio business continues to scale up well – supported by a top line growth of 26% YoY, registering a robust EBITDA growth of ~198% YOY to Rs. 11.4 million**

❖ **Awards and acknowledgements continue to boost and inspire our branding activities:**

- ▲ CMO Asia Awards 2011 for EXCELLENCE IN BRANDING AND MARKETING function held at SINGAPORE, on 22nd of July 2011

- Dainik Bhaskar was awarded International Newspaper of the Year
- Best In House Magazine of DBCL was awarded to SAMVAD.
- Best Marketing Campaign Of The Year – was won by KOSHISH DIL SE BY 94.3 MY FM
- 94.3 MY FM was voted Radio Channel Of The Year
- ▲ Asia Leadership Awards were held in Dubai, on 25th of September 2011
 - Radio channel My 94.3 FM won the award for Best CSR Practise Overall and also received an award for 'Excellence in Business Readership
- ▲ Divya Bhaskar was voted the Newspaper Printer awarded for excellent design, layout & print quality. This year it added 3D effect to photographs and advertisements in the newspaper.
- ▲ Divya Bhaskar also won the Silver award at the National Awards for Excellence in printing. This Award is organised by the All India Federation of Master Printers (AIFMP) and the Karnataka State Printers Association (KSPA).

About DB Corp Ltd

D B Corp Ltd. is India's largest print media company that publishes 8 newspapers with 64 editions, 199 sub-editions in 4 multiple languages (Hindi, Gujarati, English and Marathi) across 13 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 18.4 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, Uttarakhand, Delhi, Gujarat, Maharashtra, Jharkhand and Jammu. Our other noteworthy newspaper brands are Dainik Divya Marathi, Business Bhaskar, DB Gold and DB Star and, DNA (in Gujarat, Rajasthan & MP) on a franchisee basis.

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 17 cities, and a strong online presence in internet portals.

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