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Press Release

Mumbai, October 17, 2013

Performance highlights for H1 FY 2013-14 & Q2 FY 2013-14

H1 FY 2013-14:

- ✦ Consolidated Advertising Revenues grew by 19% to Rs. 6744 million as against Rs. 5688 million in last year under review
- ✦ Consolidated Total Revenues have increased by 17% to Rs. 8958 million, from Rs. 7638 million
- ✦ DBCL achieved Consolidated EBIDTA Margins of 28% in H1 FY2014 at Rs. 2489 million registering a YOY growth of 44%
- ✦ Consolidated PAT margin is at 15%, at Rs. 1363 million registering growth of 48% on YOY basis

Consolidated Q2 FY 2013-14

- ✦ Revenues from advertising reported a growth of ~17% YOY to Rs. 3297 million in current period from Rs. 2826 million in Q2 last fiscal
- ✦ Total Revenues have shown a growth of ~16% YOY to Rs. 4418 million in Q2 against Rs. 3823 million of Q2 of last fiscal
- ✦ EBIDTA stands at Rs. 1116 million (margin at 25%), against Rs. 901 million, in Q2 FY 2013, registering a growth of 24% YOY. The same factors one time preoperative expenses of Rs. 20 Million, on the launch of Akola, Amravati in Maharashtra & Patna in Bihar and impact of forex loss of Rs. 47.63 million. Excluding the forex gain/ loss, EBIDTA has grown 36% YOY from Rs. 853 million to Rs. 1163 million
- ✦ EBIDTA margins stand at 26% on a stand-alone basis at Rs. 1134 million.
- ✦ PAT stands at Rs. 602 million (margin 14%) against Rs. 486 million, in Q2 of last year showing growth of 24% YOY. The same factors one-time pre-operative expenses of Rs. 20 million for Akola-Amravati & Patna launch as well as forex loss of Rs. 57.12 million. Excluding forex gain/ loss, PAT has grown 50% YOY from Rs. 439 million to Rs. 659 million

- ⤴ **Radio business: Advertising revenues have expanded by 14% to Rs. 175 million in Q2 of current period, against Rs. 154 million in Q2 of last fiscal.**
- ⤴ **Radio business EBIDTA stands at Rs. 56 million (~32% margin) in Q2 FY 2013-14.**
- ⤴ **Radio Business achieved PAT of Rs. 19 million (~11% margin) in Q2 FY 14.**

Mumbai, October 17 2013: 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 second quarter and half year ended September 30, 2013. The highlights of the Company's operational and financial performance are as follows:

- **DB Corp Ltd. remains the highly respected regional news daily by 19.8 million readers across India's fastest growing markets**
- **Dainik Bhaskar continues to be the largest read newspaper of urban India, retains its market position in legacy markets while gaining strong ground in emerging regions**
 - **Has maintained leadership position in legacy markets of Madhya Pradesh, Chhattisgarh, Chandigarh, Punjab (JAL), Haryana (CPH), urban Rajasthan, urban Gujarat**
 - **Jharkhand – continues to make excellent progress, strengthening its brand amongst readers with a significant urban reach.** In major cities of Ranchi, Jamshedpur & Dhanbad where Bhaskar is a formidable second player in affluent class readership profile, it has focussed its growth strategy to steadily close the leadership difference to move to No. 1 position
 - **In Maharashtra, Divya Marathi maintains strong growth momentum. Launched 7th edition in Amravati - a high potential region, in addition to earlier editions launched in Aurangabad, Nashik, Jalgaon, Ahmednagar, Solapur and Akola. This is DBCL's 66th edition across India.**
 - This follows the successful launch of the Akola edition in July 2013
 - **Expansion to new markets: continues to actively explore pan-India expansion opportunities – set to announce launch of Patna (Bihar) edition in this fiscal**
- **Digital business maintains consistent progress – sustained efforts towards stronger brand equity of digital properties through rich and timely content around breaking news, innovation in news consumption, live coverage of key events that have contributed to impressive growth in viewership numbers and highest engagement time on site, as compared with other news portals.**
- **'UNMETRO- The Markets driving India' - a unique knowledge sharing platform attracting over 300 corporates, agencies and marketing consultants, was organised as a one day conclave in August and September 2013 at Delhi and Mumbai. The theme was to analyse and present the potential of non-metro markets as perceived through the eyes of marketers, media planners and research experts and enable media planners to review their metro-centric media initiatives.**
- **DBCL's brand development efforts continue to garner several acknowledgements:**
 - **In the 43rd Creativity Print & Packaging Awards for outstanding creative designs, Dainik Bhaskar won the Gold Award for the Budget 2013 Advertisement and the Silver**

Award for the Clout Campaign

- **DBCL continued to take firm steps towards its commitment to various CSR initiatives undertaken on all-India basis, such as *Mitti Ke Ganesh* – an environment friendly campaign to encourage worship of clay Ganesha idols, *Dene Ka Sukh* campaign during the Joy of Giving Week, *Annadaan Drive* to contribute grain for the underprivileged segment of society.**
- **Anniversary celebrations in mature and new markets: a historical success of DBCL's glorious journey beginning with 55 years in Bhopal, 45 years in Gwalior, 11 years in Ujjain**
 - **Madhya Pradesh and Chattisgarh – celebrated its magnificent association with DBCL over 30 days through various exciting reader engagement events and high-profile dinner event that was hosted in Gwalior, Bhopal & Ujjain, inviting all key partners, associates, advertisers, customers, eminent scholars and personalities in respective cities.**
 - **Nashik, Jalgaon – 2nd anniversary celebration of Dainik Divya Marathi that has given a new independent, courageous voice to Maharashtra attracting over 10,000 people and sharing the joyous occasion with readers through drama, motivational talks, musical entertainment.**
 - **Ranchi – 3rd anniversary month-long celebration of Dainik Bhaskar in Ranchi to engage readers, establish a stronger and a gratifying association. A high profile and well attended dinner was hosted early this month inviting all advertisers, customers, eminent scholars and personalities of Ranchi.**

Commenting on the performance for Q2 FY 2013-14, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said, *"We are pleased to report a healthy performance in the second quarter and the first half year period, which leads us further into an exciting second half of this fiscal. We maintain our brand equity and leadership position in all our major markets and have made noteworthy progress in our performance in emerging editions particularly in Maharashtra where we have been vigorously driving in-market execution. We continue to actively explore expansion opportunities, as this quarter we launched our 7th edition of Divya Marathi from Amravati – a region with significant potential - high literacy rate and a rapidly developing workforce. We are excited and look forward to another challenging launch of Dainik Bhaskar's Patna edition, which is on the anvil for this fiscal. Our digital platforms have been reporting consistent growth driven by strong viewer engagement strategies.*

Our performance continues to validate the strategic endeavours undertaken over the last few years towards strengthening our business fundamentals, developing an innovation-led, differentiated product that offers unmatched journalistic foresight and readership delight, forging stronger relationships with our corporate partners and greater organisational efficiencies, all of which are directed to ensure long term value creation. At the same time, even beyond business, we continue to make committed efforts towards a more sustainable environment addressing both - the direct concerns of citizens and being sensitive to the needs of our surroundings. The Bhaskar Group through various initiatives has embedded this thinking in our business that has been accelerating our growth in ways that contribute to positive change.

In the context of a variable economic operating environment, it has been our compelling focus on operational fundamentals that have guided us to consistently report healthy performance. We are of the view that the GDP growth seems to have bottomed out and in light of various steps taken to sharpen our execution strengths, DBCL continues to be well placed to capitalise on the consumption potential of the Tier 2 and 3 cities as we look towards an improved domestic economic environment.”

Q2 FY 2013-14 financial results highlights: (comparisons with Q2 FY 2012-13)

- **Total Consolidated Revenues** have expanded by 16 % to **Rs. 4418 million** from **Rs. 3823 million** on account of:
 - ◆ Net Increase in **print business Total Revenue** of **Rs. 579 million** in **Q2 FY 2014** on **YOY basis**
 - Advertising revenues increased to **Rs. 3099 million** from **Rs. 2636 million**, reflecting a growth of **~18% YOY basis**
 - Circulation revenues grew to **Rs. 796 million** from **Rs. 698 million**, at **14% YOY growth**
 - ◆ Net increase of **Rs. 21 million** in revenues from radio segment in Q2 on YOY basis
 - Revenues increased from **Rs.154 million** to **Rs. 175 million** due to improved advertising revenues
- ❖ Print business EBIDTA margins stand at 26% at **Rs. 1077 million**. The same factors our preoperative marketing and launch related expenses of around **Rs. 20 million** in Q2 FY 2014 for Akola-Amravati and Patna launch 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 same also considers Forex loss of **Rs. 48.4 million**.
- ❖ Print business PAT stands at **Rs.602 million** (14.3% PAT margin), after considering forex loss of **Rs. 57.9 million**.
- ❖ **Print Business Mature editions EBIDTA margin stand at ~31%**
 - *An analysis and break-up of Mature and Emerging Editions financials on a quarterly basis is given below. We classify emerging editions as those which are below 4 years of age or profitable since last 4 quarters, whichever is earlier.*

Q2 FY14

Rs.Mn

Particulars	Mature Editions	*Emerging Editions	Radio Business	DBCL Standalone
Total Revenues	3834	371	175	4380
EBIDTA before pre-opex	1173	(76)	56	1154
EBIDTA Margin	31%	(20%)	32%	26%
EBIDTA after pre-opex	1173	(96)	56	1134
EBIDTA Margin	31%	(26%)	32%	26%

* Almost all spill over new printing centres / Editions, after completion of 2 years have been transferred to mature editions with effect from Qtr 1, FY 14. Jammu edition, after remaining profitable for 4 consecutive qtrs, has also been transferred to mature edition category

Operational highlights:

- DB Corp Ltd. remains highly respected regional news daily by 19.8 million readers across India's fastest growing markets
- Dainik Bhaskar continues to be the largest read newspaper of urban India and retains a substantial lead over the #2 player.
 - Has maintained leadership position in legacy markets of Madhya Pradesh, Chhattisgarh, Chandigarh, Punjab(JAL), Haryana (CPH), Rajasthan(urban), Gujarat(urban)
 - **Jharkhand** – continues to make excellent progress, strengthening its brand amongst readers with a significant urban reach. In major cities of Ranchi, Jamshedpur & Dhanbad where Bhaskar is a formidable second player, it has focussed its growth strategy to steadily close the leadership difference to move to No. 1 position
 - **In Maharashtra**, Divya Marathi maintains strong growth momentum. Launched 7th edition in Amravati (Maharashtra) which is DBCL's 66th edition across India. Divya Marathi was greeted with the same anticipation and excitement as when introduced earlier in Aurangabad, Nashik, Jalgaon, Ahmednagar, Solapur and Akola.
 - This follows the successful launch of the Akola edition in July 2013
 - Expansion to new markets: continues to explore pan-India expansion opportunities – set to announce launch of Patna (Bihar) edition over the forthcoming quarter
- **Digital business** maintains consistent progress – sustained efforts to strengthen brand equity of digital properties through rich and timely content around breaking news, innovation in news consumption (recently launched a music section on dainikbhaskar.com where users can hear latest Bollywood numbers while reading news) live coverage, real time local news and exciting news presentations on entertainment theme, have contributed to impressive growth in viewership numbers.
 - **Dainikbhaskar.com** also emerged as the most engaging website in the news category in India - the site attracts and engages users to spend ~147 million minutes on the site, as per data released by ComScore. This ranks dainikbhaskar.com ahead of other leading news sites in India in the news category.
- **'UNMETRO- The Markets driving India'** - a unique knowledge sharing platform organised as a day conclave in August and September 2013 at Delhi and Mumbai. The theme was to analyse and present the potential of non-metro markets as perceived through the eyes of marketers, media planners and research experts. More than 300 clients, agencies and marketing consultants participated in the two interactive discussions.
 - It was followed by 'UNMETRO YOUR MIND' - a B2B campaign that raised relevant questions and aimed at compelling media planners to re-evaluate their metro-centric initiatives. The campaign was linked to www.unmetro.in where target audiences could access various discussions held at the event.

- Anniversary celebrations: a historical success of DBCL's glorious journey beginning with 55 years in Bhopal, 45 years in Gwalior, 11 years in Ujjain
 - Madhya Pradesh and Chattisgarh – the seat of DBCL's leadership position, celebrated a magnificent association with DBCL over days through various exciting reader engagement events including management talks, 'kavi sammelan' and motivational seminars. A high-profile dinner was also hosted in Gwalior, Bhopal & Ujjain, inviting all key partners, associates, advertisers, customers, eminent scholars and personalities in respective cities.
 - Nashik, Jalgaon – 2nd anniversary celebration of Dainik Divya Marathi that has given a new independent, courageous voice to Maharashtra – As Bhaskar grows its presence in Maharashtra, Divya Marathi organized a series of scintillating Marathi cultural events under the umbrella of Bhaskar Utsav regaling 10,000 people through drama, motivational talks, musical entertainment.
 - Ranchi – 3rd anniversary month-long celebration of Dainik Bhaskar in Ranchi to engage readers, establish a stronger and a gratifying association. A high profile and well attended dinner was hosted early this month inviting all advertisers, customers, eminent scholars and personalities of Ranchi.
- DBCL's brand development efforts continue to garner several acknowledgements:
 - In the 43rd Creativity Print & Packaging Awards for outstanding creative designs, Dainik Bhaskar won the Gold Award for the Budget 2013 Advertisement and the Silver Award for the Clout Campaign (that was targeted towards trade, exhibiting the power of reaching out to the readers through Dainik Bhaskar Publications)
- During the quarter, the company also undertook various CSR initiatives, in line with its larger mission "to enable socio-economic change"
 - Its new initiative 'Mitti Ke Ganesh' has received an overwhelming response from its readers. During the just concluded Ganesh Utsav, through this environment friendly campaign readers were appealed to bring home Lord Ganesh idol made of clay only.
 - The Dainik Bhaskar Group had launched 'Dene ka Sukh' campaign during the Joy of Giving Week observed from 2nd to 8th October. The objective of this campaign was to motivate people to share and foster the joy of giving.
 - Under the primary theme of 'Dene ka Sukh', our 'Annadaan' drive was also organized during the Joy of Giving week. Under this drive, Dainik Bhaskar Group's readers were appealed to contribute food grains for the underprivileged segment of our society.

About DB Corp Ltd

D B Corp Ltd. is India's largest print media company that publishes 8 newspapers with 66 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 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, Uttarakhand, Delhi, Gujarat, Maharashtra, Jharkhand and Jammu. Our other noteworthy newspaper brands are Dainik Divya Marathi, Business Bhaskar, DB Gold, 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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