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## Press Release

**Mumbai, July 21, 2016**

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 June 30, 2016. The highlights of the Company's operational and financial performance are as follows:

### **Performance highlights for Q1 FY 2016-17 - Consolidated**

- ✦ **Advertising Revenues reported growth of ~21% YOY to Rs. 4136 million in current period from Rs. 3423 million in Q1 of last fiscal, primarily through volume recovery and market share recovery**
- ✦ **Circulation Revenue has increased YoY 15% to Rs. 1176 million from Rs. 1022 million, primarily due to yield driven growth, 13.3% growth has come from mature market and ~ 1.7% has come from new centres**
- ✦ **Consistent impressive circulation growth 15% CAGR for last 5 years, which is highest amongst listed peer group - clearly demonstrates strength of our product, content strategy and editorial philosophy**
- ✦ **Total Revenue reported growth of 19% at Rs. 5745 million in current period from Rs. 4812 million in Q1 last fiscal**
- ✦ **EBIDTA grew by 46% YOY at Rs. 1853 million with strong EBIDTA margin of 32% for the quarter, against margin of 26.5% and EBITDA of Rs. 1274 million, in Q1 FY 2016, after factoring forex loss of Rs. 8.1 million and also includes losses for new editions of Bihar, which was not there in Qtr 1 of last year.**
- ✦ **PAT grew by impressive 62% YOY at Rs. 1040 million (PAT Margin 18.1%), against Rs. 643 million (PAT Margin 13.4%), in Q1 of last year, after considering forex loss of Rs. 28.7 million as against 18.4 million forex loss in qtr 1 of last year**
- ✦ **Radio business: Advertising revenues expanded by 30.5% YOY to Rs. 281 million in Q1 of current period, against Rs. 215 million in Q1 of last fiscal.**
- ✦ **Radio business EBIDTA stands at Rs. 98 million (35% margin). Radio Business maintains highest EBIDTA margin amongst all major Radio companies.**
- ✦ **Radio Business achieved PAT of Rs. 50 million (18% margin)**
- ✦ **Digital business revenue grew by 22% to Rs. 123 million from Rs. 101 million of corresponding quarter last fiscal.**

- ⤴ Digital Dainik Bhaskar in Hindi [www.dainikbhaskar.com](http://www.dainikbhaskar.com) continues to be No. 1 website in Hindi, Divya Bhaskar in Gujarati [www.divyabhaskar.com](http://www.divyabhaskar.com) continues to be largest website in Gujarati

#### **New Initiatives**

- ⤴ D B Corp is all set to launch [homeonline.com](http://homeonline.com) – a real estate portal with many new features from 1<sup>st</sup> August 2016. The Company has been investing in the portal since last one year, with the aim towards integrating its strategy of protecting and covering its markets towards ensuring that it's real estate market segment remains strong and protected.
- ⤴ Post Pickle English website: The Company has also invested through its English language website with the name of Post Pickle aimed at youth and women audiences. It's a general interest English website, and has reached almost 1 mn visitors in very short time.
- ⤴ 13 radio frequencies: MY FM 94.3 acquired 13 new radio frequencies and we are all set to roll them out one-by-one starting August 1<sup>st</sup> 2016. This will give MY FM 94.3, large coverage in Maharashtra with 10 cities.

**Commenting on the performance for Q1FY 2016-17, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said,** *“Our stellar performance this quarter is testimony to the effectiveness of our business growth and execution strategies which have been implemented very successfully by our teams. Over the past few quarters, we undertook several key initiatives to propel the company on a growth trajectory, which have started delivering results. We have been confidently implementing our yield strategy which has gained acceptance amongst advertisers. We are happy to report the success of these determined efforts this quarter and take this opportunity to thank all our associates for their trust that reinforces the Bhaskar value proposition. We are continuing to implement our editorial strategies aimed at content enrichment and product differentiation to engage strongly with readers and advertisers and several new creative additions are being offered to readers that have further established our products with stronger positioning. Simultaneously, we also continue to develop a high quality talent pool through Dainik Bhaskar School for Media Education to ensure a steady supply of quality editorial resource.*

*We continue to be excited by the development of the radio and digital segments that have great growth capabilities and are on course. On an overall basis, the second phase of economic reforms indicates an optimistic way forward. Developments including the implementation of the 7<sup>th</sup> Pay Commission and good monsoons, will provide further impetus to the economy as well as the domestic consumption story.”*

**Q1 FY 2016-17 financial results highlights: (comparisons with Q1' 16 & Q4' FY16)**  
(Rs. Mn)

Heads	Qtr 1 FY 16	Qtr 1 FY 17	YOY Growth	Qtr 4 FY 16	QOQ Growth
Print Advertisement	3107	3734	20.16%	3184	17.25%
Radio Advertisement	215	281	30.45%	298	-5.78%
Digital Advertisement	101	123	21.70%	120	3.26%
Print Circulation Rev	1022	1176	15.04%	1136	3.49%
Consol Operational Revenue	289	393	35.87%	406	-3.37%
Consol Other Income	78	41	-47.48%	52	-20.46%
Consol Total Income	4812	5745	19.39%	5195	10.60%
Print EBIDTA	1286	1824	41.92%	1157	57.64%
Radio EBIDTA	61	98	61.02%	115	-14.39%
Consol EBIDTA	1274	1853	45.48%	1203	54.02%

◆ **Print-Mature Business EBITDA margin stand at 36%**

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.

**Q1 FY17**

Rs. Mn

Particulars	Mature Editions	*Emerging Editions	Radio Business	Internet Business	DBCL Standalone
Total Revenues	5186	155	281	123	5745
EBIDTA before pre-opex	1862	(52)	98	(45)	1863
EBIDTA Margin	36%	(33%)	35%	(36%)	32%
EBIDTA after pre-opex	1862	(52)	98	(45)	1863
EBIDTA Margin	36%	(33%)	35%	(38%)	32%

\* Emerging Business, has also included Mobile App Downloading Business and E real Estate, dedicated website business. Besides, Jharkhand & most part of Maharashtra, after completion of 4 years have been transferred to mature editions with effect from Qtr 1' FY 17.

- Audit Bureau of Circulation ( ABC) has declared Dainik Bhaskar newspaper as the largest circulated national daily in India consistently since last 4 times i.e. since last 2 years.
- Dainik Bhaskar has been ranked as the world's fourth largest circulated news daily by WAN IFRA which is the World Association of Newspapers and News Publishers.
  - Dainik Bhaskar is the only Indian news daily to feature amongst the world's top 5 most circulated newspapers.
- Strategic areas of focus and key updates:

- **Editorial strategy:** Content is the core for media business and DB Corp has always kept its readers at the centre with “*Kendra Mein Pathak*” which is core editorial philosophy of Dainik Bhaskar. And in order to be consistent with changing times and upgrade our readers, we have further initiated the following developments during the last quarter:
  - **Exclusive tie-up with the world’s renowned magazine ‘The Economist’ for any language newspaper except English in India. DBCL is the only publication in India, across languages to have a tie-up with world’s topmost 4 credible brands, like New York Times, TIME MAGAZINE, Harvard Business Review, and now The Economist. DBCL is the only publication in India to offer content from the 4 topmost credible brands to its readers across languages.**
  - **‘Introduction of under 30 years of age column on edit page’: *The youth in focus*’ below 30: Introduction of under 30, writer’s column on edit page. Usually, edit page features columns by very senior writers while, we have taken a new approach to incorporate views of youth on edit page, and introduced a new daily opinion article on the page called “Under 30” wherein only youth under 30 are writers of the column**
  - **Humour Bhaskar: Humour is one of the most read content on social platform. Looking at this we have introduced a page called “Humour Bhaskar” every Saturday, with special tie up with Pakistani cartoonist “Mr. Nazar”**
  - **‘She’ – Meri Khabarein – A daily column for women with women-specific updates from International, National, State Specific and Local City focussed news. This section also highlights an anchor or especially noteworthy development with a fact box highlighting key facts.**
- **Digital strategy:**
  - **Impressive progress based on core philosophy of being focussed on unique, engaging content and expansion of platforms**
  - **Audience targeting core part of digital strategy, ensures optimal campaign success for advertisers: continues to drive performance and ROI**
    - Emphasis on targeting right user and delivering right message: phased and focused efforts to understand digital behaviour, 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.
  - Dainikbhaskar.com, the largest Hindi News Website continues to secure the No. 1 spot in the Hindi News
  - Divyabhaskar.com continues to remain #1 Gujarati website
  - Digital Media Unique Visitors (UV) has risen to 42 mn (significant growth from 30 mn in June 2015) and Page Views (PV) to 1.7 billion for the month of June-16 (huge growth from 565 mn in June 2015).

- The increased readership numbers have led to new business opportunities with new clients across verticals coming on board
- **Other: Mobile applications and video views:** 7 mn app downloads for Dainik Bhaskar & Divya Bhaskar and 33 mn video views
- **Several innovative reader engagement efforts were successfully implemented:**
  - Launched DBlite: a lighter version of the site by removing fancy functionalities and other elements which were hindrance to quick page load time.
  - Introduced *Fatafat News*: a new offering to drive recurring sessions to deliver news in a quick & easy reading format
  - Reader engagement initiatives including Father's day, Yoga Day, Drug Day and felicitating the winners of Women Pride Award at a glittering ceremony in Mumbai.
- **Radio strategy:**
  - **Unique brand positioning with local understanding: Continue to be the leading and most admired FM Radio network in non-metro cities**
    - **My FM 94.3 has already become no.1. in markets of Madhya Pradesh and Chhattisgarh**
  - **Continue to report improved financials, strongly positioned ahead of peers: Adoption of retail model with localised revenue streams that deliver better ROI to advertisers and higher profitability for the channel.**
  - **Radio content strategy underpinned with local focus: Several industry-leading and first-ever approaches continue to be followed:**
    - A centralised content team – a first in the industry, for key driver shows and to ensure strong quality control and greater focus
    - Radio documentary: a first ever efforts to create extensive listener centric informative audio documentaries on hot topics and current issues.
    - Unique music-centric formats across different genres
    - Jiyo Dilse Hero series: A video and radio interview series with top celebrities who represent one brand commandment. A first of its kind initiative, with celebs exclusively endorsing the brand
    - CMO speaks for radio: Chief Marketing Officers of various brands shared views on how they used Radio in their marketing plan & how the versatile medium helped reach their marketing goals. Garnered tremendous reactions.
    - First Ever Radio Reality Show in Ahmedabad Paison Ka Ped: Successfully executed the first season of first ever radio reality show in Ahmedabad. Campaign received enthusiastic response with over 8300 registrations. Following overwhelming reader engagement, replicated the same activity in Chandigarh, Indore and Raipur.
  - **13 new frequencies acquired with aim towards higher profitability and leadership position in:**
    - Maharashtra (10 frequencies including Nagpur), Rajasthan (6 frequencies), CPH (4 frequencies)
  - **Acknowledgements:**

- ❖ Golden Mikes Awards: Best Single Commercial (bronze) - Pharmaceutical, Healthcare, Cosmetics & Toiletries
- ❖ Best Single Commercial (silver) - Retail & Fashion
- ❖ IRF Award: Best Promo In House (Gujarati)
- ❖ IRF Award: for best RJ late night shows for Ahmedabad
- ❖ New York Radio Festival (Bronze): Best Human Interest Story

➤ **Awards and recognitions:**

- **Gold Award for 'Zidd karo Duniya Badlo' under the category Integrated Campaign at India Digital Crest Awards 2016**
- **Won 18 awards this quarter with 16 ACEF awards**
  - **11 Gold Awards:**
    - **1 Award: Sales and Market Development and Brand Marketing**
    - **3 Awards: Media and Entertainment Business of the Year, Most Admired Customer Engaged Newspaper, Most Admired Brand Marketing Team - Dainik Bhaskar Group**
    - **3 Awards: Innovation in BTL Activity, Effective Use of Market Research, Innovation in Newspaper-No Negative Monday**
    - **2 Awards: Sarthak Deepawali**
    - **1 Award: Bemisaal Bhopal**
    - **1 Award: Bihar Launch: under the category 'Effective use of customer feedback' at APAC Customer Engagement awards' 2016**
  - **3 Silver Awards for No Negative Monday, Ek Ped Ek Zindagi and Unbreakable Hair (1 award each)**
  - **2 Bronze for No Negative Monday and Computer Education (1 award each)**
  - **1 Maddys award (Silver) for Integrated Media Campaign for 'No Negative Monday'**
  - **1 In-house Communication Excellence award for Best Magazine in Regional Language – Samvad (Bronze)**

➤ **Continued dynamic reader engagement initiatives and brand development efforts:**

- 61 'DB Knowledge Series' events conducted in 25 cities of 9 states
- 28 events conducted under 'DB Star Plus Madhurima Club ground activation' in 20 cities of 8 states

➤ **Continued to anchor and engage strongly around social causes:**

- *Computer education: 6,800 people trained at 42 centres*
- *A Blood Donation camp was organized by DB Post on the occasion of World Blood Donors Day*
- *Expansive initiative on Jal Satyagrah: Digital videos made on tips to save water. "Comics For Change", a trendsetter initiative was launched to impart good habits to preserve water aimed at children through a unique format comics 'Sundarvan Adventures - Mystery Of The Missing Water'. The initiative was praised by UN Global Compact & UN Environment Programme.*
  - *Over 25,000 downloads for Comic, Comics distributed among children in 1400 libraries and 60,000 students throughout the country, Posters distributed in 2115*

*schools across 53 cities in 10 states, Trees painted using Comic characters was organized in 11 cities on the occasion of World Environment Day - 5th June.*

**About DB Corp Ltd**

DB Corp Ltd. is India's largest print media company that publishes 7 newspapers with Dainik Bhaskar 40 editions, Divya Bhaskar 7 editions, & Divya Marathi 7 editions with 206 sub-editions in 4 multiple languages (Hindi, Gujarati, English and Marathi) across 14 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, DB Star, DB Post and, DNA (in Gujarat & Rajasthan) 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. Its growing digital business is led by 11 portals for rapidly expanding digital audiences (including [dainikbhaskar.com](http://dainikbhaskar.com), [divyabhaskar.com](http://divyabhaskar.com), [dailybhaskar.com](http://dailybhaskar.com), [divyamarathi.com](http://divyamarathi.com), [bollywoodbhaskar.com](http://bollywoodbhaskar.com), [moneybhaskar.com](http://moneybhaskar.com), [dbcric.com](http://dbcric.com), [jeevanmantra.in](http://jeevanmantra.in), [fashin101.in](http://fashin101.in), [gadgets.bhaskar.com](http://gadgets.bhaskar.com), [food.bhaskar.com](http://food.bhaskar.com); and 2 actively downloaded applications Dainik and Divya Bhaskar mobile app.

**For further information please visit [www.bhaskarnet.com](http://www.bhaskarnet.com) or contact:**

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