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## Press Release

### **Mumbai, October 16, 2019**

DB Corp Limited (DBCL), India's largest print media company and home to flagship newspapers - Dainik Bhaskar, Divya Bhaskar, Divya Marathi and Saurashtra Samachar, today announced its financial results for the quarter ended September 30, 2019. The highlights of the Company's operational and financial performance are as follows:

#### **Key Developments and Initiatives:**

***Dainik Bhaskar's continuous focus on Editorial and Product enrichment along with well-implemented Circulation expansion strategy is delivering excellent results:***

- **As per the last published ABC Circulation data, Dainik Bhaskar continues to be the largest circulated newspaper of India with leadership position in Madhya Pradesh-Chhattisgarh, Rajasthan, Gujarat (top 6 cities), Haryana, Chandigarh, Punjab (4 major urban Cities) and have maintained close No. 2 formidable position in other markets**
  - **As per the last published ABC (Jan-Jun'19) results, Dainik Bhaskar became the formidable No. 2 Player of overall Bihar and the largest market of Patna with over 6 lacs copies in circulation in the state. This is icing on the cake, as Hansa research has already established and accepted Dainik Bhaskar as No 2 newspaper of Bihar in their last readership report. Moreover, the gap between No1 newspaper and us is mere 16% which is a formidable achievement in such a short span of time of 8-10 months of entire Bihar launch.**
- **As per recent IRS survey, Dainik Bhaskar Group has registered highest readership growth in two sequential quarters amongst the top Indian language newspaper groups of India, on the back of readership growth in Punjab, Haryana, Rajasthan, Gujarat and Bihar. Also, it further strengthen its lead in Jaipur and Urban Haryana.**
- **Dainik Bhaskar and Dainik Bhaskar newspaper group continues to maintain its position as No 1 newspaper of Urban India as well as of NCCS A and NCCS B.**

#### **Performance highlights for H1 FY2020 – Consolidated [All Comparisons with H1 FY2019]**

- ⤴ **Advertising Revenue stands at Rs. 8089 million as against Rs. 8681 million in H1 of last fiscal**
- ⤴ **Circulation Revenue stands at Rs. 2600 million as against Rs. 2663 million in H1 FY2019**
- ⤴ **Total Revenue came in at Rs. 11447 million in as against Rs. 12267 million in H1 of last fiscal**
- ⤴ **EBIDTA stands at Rs. 2802 million (margin of 24%), against EBIDTA of Rs. 2725 million (margin of 22%), in H1 FY2019, after considering forex loss of Rs. 17 million**
- ⤴ **PAT stands at Rs. 1693 million (margin of 15%), against Rs. 1438 million (margin of 12%), in H1 FY2019, after considering forex loss of Rs. 26.3 million and after application of new tax rates as per recent corporate tax rate change announcement.**

⤴ **Radio Business:**

- Advertising revenues at Rs. 693 million in H1 FY2020, against Rs. 694 million in H1 FY2019
- EBIDTA stands at Rs. 200 million (margin of 29%) against Rs. 191 million (margin of 27%)
- PAT grew by 21% YOY to Rs 102 million (margin of 15%) from Rs. 85 million (margin 12%)

**Performance highlights for Q2 FY2020 – Consolidated [All Comparisons with Q2 FY2019]**

- ⤴ Advertising Revenue stands at Rs. 3670 million as against Rs. 4132 million in Q2 last fiscal
- ⤴ Circulation Revenue stands at Rs.1286 million as against Rs. 1318 million Q2 FY2019
- ⤴ Total Revenue came in at Rs. 5336 million as against Rs. 5874 million in Q2 of last fiscal
- ⤴ EBIDTA was at Rs. 1006 million (margin of 19%), against EBIDTA of Rs. 977 million (margin of 17%) after considering forex loss of Rs. 17.9 million
- ⤴ PAT stands at Rs. 756 million (margin of 14%), against Rs. 462 million (margin of 8%), after considering forex loss of Rs. 27.1 million and after application of new tax rates as per recent corporate tax rate change announcement.
- ⤴ Radio business:
  - Advertising Revenue stands at Rs. 316 million against Rs. 377 million Q2 FY2019
  - EBIDTA stands at Rs. 69 million (margin of 22%) against Rs. 120 million (margin of 32%)
  - PAT came in at Rs. 50 million (margin of 16%) against Rs. 58 million (margin of 15%)

**Commenting on the performance for Q2 & H1 FY 2019-20, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said,** *“The market conditions have been lacklustre primarily due to the economic slowdown resulting in weak demand and tepid consumer spending. While we too have witnessed the impact, our innovative product strategies and growth-led initiatives aided in not only maintaining Market Leadership in all our major markets but also gaining share in newly forayed markets. Apart from the recently run ‘Circulation Expansion Drive’, our focus on extending the editorial philosophy of ‘Reader-centric’ to include ‘Knowledge and Ideation’ approach has delivered encouraging results, as also reflected in the recent survey data published by IRS and ABC. Further, within a short span of our launch in Bihar, we have emerged as the formidable No. 2 Newspaper in the State. With this operating philosophy of ‘Regular Product Re-invention’ being aggressively implemented across our Print, Radio and Digital segments, we look forward to exceling further in a rapidly evolving business environment.*

*As mentioned earlier, the first half of the fiscal has been challenging for the overall industry; however, our continued focus on Cost Control measures coupled with softening Newsprint prices helped in sustaining the overall profitability for the Company. Further, the initial signs of festive demand are positive and we are cautiously optimistic about growth revival.*

*We applaud the Central Government’s recent industry friendly announcements and hope for few more stimulus measures in the offing. These progressive steps towards reviving the economy are expected to provide the desired impetus to growth in the mid to long term. With all our fundamental growth drivers in place, we are well-prepared to capitalise on the upcoming opportunities and would strive to enhance our performance.”*

**Q2 FY 2020 financial results highlights: (comparisons with Q2' FY 19 & Q1' FY20)**

(Rs. Mn)

Heads	Qtr 2 FY19	Qtr 2 FY20	YOY Growth	Qtr 1 FY 20	QOQ Growth
Print & Other Business Advertisement	3760	3355	(10.8%)	4048	(17.1%)
Radio Advertisement	377	316	(16.2%)	377	(16.2%)
Print Circulation Rev	1318	1286	(2.4%)	1314	(2.1%)
Consol Operational Revenue	424	379	(10.5%)	378	0.3%
Consol Total Income	5874	5336	(9.2%)	6112	(12.7%)
Print & Other Business EBIDTA	856	937	9.4%	1665	(43.7%)
Radio EBIDTA	120	69	(42.8%)	131	(47.6%)
Consol EBIDTA	977	1006	3.0%	1796	(44.0%)

**Print-Mature Business EBIDTA margin stand at 23%**

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.

**Q2 FY 20**

(Rs. Mn)

Particulars	Mature Businesses	*Emerging Businesses	Radio Business	DBCL Standalone
Total Revenues	4707	312	316	5335
EBIDTA before Expansion	1090	(153)	69	1006
EBIDTA Margin	23%	(49%)	22%	19%
EBIDTA after Expansion	1090	(153)	69	1006
EBIDTA Margin	23%	(49%)	22%	19%

\* Emerging Business, includes Bihar small part of Maharashtra & Surat Hindi edition, besides Mobile App & E-real Estate Business

**Strategic areas of focus and key updates:**

❖ **Editorial strategy:** Focus on Circulation Expansion Drive and constant Re-alignment of the editorial content to meet readers requirement led to achieving newer milestones in Readership:

➤ **Key highlights of the Indian Readership Survey (IRS) Q2 2019:**

- Amongst the Top 5 Indian language Newspaper Group of India, **Dainik Bhaskar Newspaper Group has registered highest growth in two consecutive quarters (Total Readership (TR) - Urban + Rural)**
- **Dainik Bhaskar is Urban India's No.1 Newspaper (AIR – Urban)**
- **Dainik Bhaskar Group is Urban India's No.1 Newspaper Group (AIR – Urban, excluding financial dailies on a like-to-like basis)**

- **Dainik Bhaskar is Urban India's No. 1 Newspaper in NCCS A, NCCS B & NCCS AB segment (AIR – Urban)**
- **Dainik Bhaskar has enhanced its lead as No 1 Newspaper over the next player in Urban Rajasthan (AIR – Urban)**
- **Dainik Bhaskar regains its position as the No.1 Newspaper of Chandigarh, Punjab & Haryana, registering growth of 8% in readership (AIR – Urban + Rural, IRS 2019 Q2 | IRS 2019 Q1)**
- **Dainik Bhaskar increases its lead in Jaipur and Urban Haryana to 37% (up 10% Q-o-Q) and 61% (up 17% Q-o-Q) over the next player, respectively (AIR – Urban, IRS 2019 Q2 | IRS 2019 Q1)**
- **In Gujarat, Divya Bhaskar was the only newspaper to register growth in readership has become close no 2 newspaper of Gujarat. Further in key markets of – Ahmedabad, Vadodra, Surat, Rajkot (AVSR) as well as top 6 cities, Divya Bhaskar Newspaper has reached closer to become No 1 newspaper of Gujarat (AIR – Urban)**
- **In a very short span of its launch in Bihar, Dainik Bhaskar has added 1.44 lakhs reader in Bihar (AIR – Urban + Rural, IRS 2019 Q2 | IRS 2019 Q1)**
- **Key highlights of the Audit Bureau of Circulation (ABC) survey (Jan – Jun'2019)**
  - **Dainik Bhaskar continues to be India's largest circulated newspaper**
  - **Within a short span of its launch in Bihar, Dainik Bhaskar became the formidable No. 2 Newspaper in overall State and in the largest market of Patna with over 6 lakh copies in circulation in Bihar**
- **Editorial Initiatives: DBCL's innovative initiatives aims at delivering contemporary, relevant and knowledge-focused stories to augment the connect with audiences:**
  - **DBCL is extending its editorial philosophy of Reader-Centric (Kendra Mein Pathak) to Knowledge & Ideation approach, 'Har Zaroori Khabar Mein Hoga Aapke Kaam Ka Knowledge'. The new theme is implemented successfully through several initiatives:**
    - **Weekly page on Saturdays with utility content in Interiors, Gadgets, Autos, etc.**
    - **Newly designed Sunday Magazine containing special articles from renowned writers on Mythology, Foreign Affairs, Book reviews, Food, etc. The magazine also contains utility content on Health, Life Management, Science Technology, History etc.**
  - **Under 'Bhaskar Original', the emphasis is to build-up the Bhaskar National and International reporter network to disseminate original news to its readers. Accordingly, Dainik Bhaskar extended it's national newsroom to 10 new states in India and to 15 new important / strategic countries so as to provide news from every corner of the world**
- ❖ **Radio strategy: Maintaining leadership position in existing markets by building deeper Audience-Connect driven by rich and innovative content**
  - **MY FM sustains its No. 1 position** in Chandigarh / Haryana / Punjab / Rajasthan / Madhya Pradesh & Chhattisgarh and in the Rest of Maharashtra and gained market share across stations on the back of content innovation and marketing efforts
  - **New Brand Jingle:** MY FM launched a new brand jingle, '**Chalo Kuchh Achcha Sunte Hain**', in collaboration with Bollywood music composer Rochak Kohli and singer Divya Kumar; Renowned choreographer and social media celebrity, Melvin Louis performed on this tune and the video crossed **2.5 million views on social media**

- MY FM braces-up the existing line-up of Content for strong **Audience-Connect**:
  - MY FM launched **'Fun mein hai Vishwas', with Dr. Kumar Vishwas**, an ace poet and youth icon, to serve listeners eyeing for natural flavour of comedy with some puns and punches in his inimitable style
  - MY FM launched **'Mafia Stories with Hussain S Zaidi'**, a first of its kind radio show comprising thriller stories inspired by the infamous underworld Mafia and the Dons. Hussain Zaidi is a well-known investigative crime journalist and Indian author, famous for his intriguing investigative stories
  - **'Ek Rakhi Fauji Ke Naam'** a gesture of gratitude towards our brave soldiers under which rakhis were collected from 30 different locations and tied to the soldiers at Attari Border by 5 of our RJs who travelled to the border
  - **Salaam Bollywood**, a special morning spike featuring leading Bollywood celebrities on candid chat show at breakfast time; Akshay, Aayushman, Alia, Madhuri, Varun to name a few
  - **'Sur Sikandar'**, a mega singing hunt to identify the 'voice of Gujarat'. The campaign was run in all three Gujarat markets with leading singer Badshah as a face of campaign

#### **Awards and recognitions:**

- Dainik Bhaskar Group won 3 Silver and 1 Bronze at the Afaqs Awards
  - Silver for 'Marketing of The New #2 Newspaper of Bihar campaign' under Best Trade Media category, 'Education Explora 2018' under Best IPR Event category and 'Smart Soch' under Best Print ad category
  - Bronze for Sardar Vallabh Bhai Patel Panorama campaign under Best Print Ad category
- ICMA award: Dainik Bhaskar won silver under 'Best content marketing on Print category' for 'Sardar Vallabh Bhai Patel Panorama campaign'
- WAN IFRA Print Innovation Awards: DBCL won the maximum awards on this platform from India
  - Gold for Yoogle product for young readers
  - Silver for Women Bhaskar Special Edition
  - Bronze for 3D Jodhpur Special Edition and Sardar Vallabh Bhai Patel Panorama campaign under Product Innovation Category
- Dainik Bhaskar won bronze at ET Shark Awards for Marketing of new #2 newspaper of Bihar under Best B2B Campaign category
- Dainik Bhaskar Group won 4 awards at ACEF Brand and Marketing
  - Gold: for 'Most Effective use of Sponsorship and Event Marketing' and 'Best Brand Loyalty Campaign' for Education Explora 2018 and Rajasthan Campaign respectively
  - Mitti ke Ganesh campaign won Silver for 'Most Admired not for Profit Campaign'
  - Bronze: 'Excellence in Partner Marketing' for Save Water
- My FM RJ Meenakshi and RJ Kartik won prestigious global "Mera India New India Award" for their exceptional contribution to the field of radio

#### **❖ CSR Initiatives:**

- **Ek Ped Ek Zindagi**: Ongoing campaign to encourage people to plant trees; successfully planted around 15 lakh trees in various regions since 28<sup>th</sup> July 2019

- This year Campaign was run at two levels; Dainik Bhaskar tied-up with the online platforms to avail plants to its readers at the subsidised rates, sponsored by the Dainik Bhaskar Foundation. At Group level, encouraged various groups like schools, colleges, societies, offices, police stations etc to plant trees at their premises. Dainik Bhaskar also involved its trade partners in this campaign by sending an eco-friendly plantable rakhi.
- **Mitti K Ganesh:** Dainik Bahskar continued to encourage people to buy clay idols (Ganesh) for Ganesh Chaturthi. Aimed at promoting idol immersion at home or in artificial ponds and use the remnants (soil) to plant saplings, a step towards conservation of the environment.
- **Dene Ka Sukh (Joy of Giving week 2 to 8 Oct):** This campaign revolves around helping underprivileged people. Dainik Bhaskar requested its readers to carry extra food to satisfy the hunger of many disadvantaged people during that week

#### **About DB Corp Ltd**

DB Corp Ltd. is India's largest print media company that publishes 5 newspapers with Dainik Bhaskar 46 editions, Divya Bhaskar 9 editions & Divya Marathi 6 editions with 211 sub-editions in 3 multiple languages (Hindi, Gujarati and Marathi) across 12 states in India. Our flagship newspapers Dainik Bhaskar (in Hindi) established in 1958, Divya Bhaskar and Saurashtra Samachar (in Gujarati) and Divya Marathi (in Marathi) have a total readership of 6.6 crores, making us the most widely read newspaper group in India with presence in Madhya Pradesh, Chhattisgarh, Rajasthan, Haryana, Punjab, Chandigarh, Himachal Pradesh, Delhi, Gujarat, Maharashtra, Bihar and Jharkhand. Our other noteworthy newspaper brands are Saurashtra Samachar and DB Star. 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 "94.3 MY FM" Radio station with presence in 7 states and 30 cities. Its growing digital business is led by 9 portals for rapidly expanding digital audiences, and 4 actively downloaded mobile applications.

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

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