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Press Release

Mumbai, January 19, 2017

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 December 31, 2016. The high lights of the Company's operational and financial performance are as follows:

Performance highlights for 9M FY 2016-17-Consolidated

- ✦ **Consolidated Advertising Revenues grew by 11% YOY to Rs. 12406 million as against Rs. 11212 million during 9M last year.**
- ✦ **Circulation revenue grew by 12% YOY to Rs. 3597 million from Rs. 3220 million during 9M last year. 10% growth has come from Yield growth, largely from mature markets only.**
- ✦ **Dainik Bhaskar was awarded ISO-9001:2015 certification for Quality Management Circulation Distribution Systems and is probably the only newspaper organisation in India to receive this certification.**
- ✦ **Consolidated Total Revenues grew by 13% YOY to Rs. 17528 million, as against Rs. 15586 million during 9M last year.**
- ✦ **DBCL EBITDA grew by 24% YOY during 9M FY 2017 to Rs. 5419 million (margins 31%) from Rs. 4379 million (margin 28%); margin expansion of 300 bps, after considering forex loss of Rs. 10.4 million.**
- ✦ **Consolidated PAT grew by 34% to Rs. 3106 million (margin 18%) from Rs. 2318 million (margin 15%), after considering forex loss of Rs. 38.2 million.**
- ✦ **Radio business grew by 21% YOY to Rs. 942 million from Rs. 778 million last year.**
- ✦ **Radio business EBIDTA grew by 40% YOY to Rs. 398 million (margin 42%) from Rs. 285 million (margin 37%); margin expansion of 500 bps.**
- ✦ **Radio business PAT grew by 49% YOY to Rs. 215 million (margin 23%) from Rs. 144 million (margin 19%)**
- ✦ **Digital business revenue grew by 26% to Rs. 425 million from Rs. 340 million during corresponding period**

Performance highlights for Q3 FY 2016-17 - Consolidated

- ✦ **Advertising Revenues reported growth of 4% YOY to Rs. 4530 million in current period from Rs. 4356 million in Q3 of last fiscal**
- ✦ **Circulation Revenue has increased 9% YOY to Rs. 1243 million from Rs. 1141 million, primarily due to yield driven growth, largely growth has come from mature market.**

- ⤴ **Total Revenue reported growth of 6% YOY at Rs. 6309 million in current period from Rs. 5947 million in Q3 last fiscal.**
- ⤴ **EBIDTA grew by 4% YOY to Rs. 2019 million with EBIDTA margin of 32% for the quarter; against EBITDA of Rs. 1944 million (margin 33%) Q3 of last year, after considering forex loss of Rs. 10.4 million.**
- ⤴ **PAT grew by 7% YOY at Rs. 1181 million (PAT Margin 19%), against Rs. 1107 million (PAT Margin 19%), in Q3 of last year, after considering forex loss of Rs. 26.7 million.**
- ⤴ **Radio business: Advertising revenues expanded by 12% YOY to Rs. 363 million in Q3 of current period, against Rs. 323 million in Q3 of last fiscal.**
- ⤴ **Radio business EBIDTA grew by 3% YOY at Rs. 148 million (41% margin), Radio Business maintains highest EBIDTA margin amongst all major peers.**
- ⤴ **Radio Business PAT grew by 3% YOY to Rs. 81 million (22% margin).**
- ⤴ **Digital business revenue grew by 33% to Rs. 162 million from Rs. 123 million reported during corresponding quarter last fiscal.**

New developments and initiatives

- ⤴ **India's only ISO-9001:2015 Certified Newspaper**
 - Dainik Bhaskar was awarded ISO-9001:2015 certification for Quality Management Circulation Distribution Systems and is probably the only newspaper organisation in India to receive such certification
- ⤴ **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
- ⤴ **DB Digital is the 2nd largest digital group in India as per ComScore Ratings of November 2016**
- ⤴ **MY FM new launches: Launched Nashik & Jalgaon in January 2017 and Aurangabad, Nanded, Sangli and Ahmednagar on December 12, 2016**
 - Out of new 13 acquired frequencies, MY FM has so far launched 9 new frequencies over last 2 quarters, including January 2017. MY FM had launched Hisar, Karnal and Rajkot during July-August 2016
 - Following new launches, extended operations to 26 live stations.
- ⤴ **Launch of 'The Great Indian Wedding' – a unique online platform for marketers and media agencies to capture the potential of the wedding season, to choose / customise advertising packages**
 - The Indian wedding business is expected to be about Rs. 2.5 lakh crore and expanding exponentially
- ⤴ **Jaipur edition completed 20 years – Hosted 'Bhaskar Utsav' in Jaipur on successful completion of 20 years of Dainik Bhaskar in Jaipur, Rajasthan**
 - Has been the undisputed leader in the Pink city from the first day of launch since Dainik Bhaskar's journey began in December 1996
 - Celebration comprised a bouquet of enthralling sessions on diverse themes including talk shows, Bollywood entertainment, exciting marketing discussions, cookery and painting competitions that engaged people of all age groups

Commenting on the performance for Q3 & 9M FY 2016-17, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said, “The resilience of our business model and strength of our operating strategy has been brought to the fore by our performance in Q3, which has broadly been a quarter of weak demand and subdued consumer spending and I take this opportunity to thank the team for their sincerity and dedication. Dainik Bhaskar has been acknowledged as the nation’s largest circulated multi-edition daily by RNI which is again an endorsement of our operating approach and philosophy. We have undertaken several growth oriented initiatives across all our print, digital and radio segments that have made a holistic impact on the business. We will continue to maintain this discipline and control at all levels while we are also empowering employees to enhance agility in the workplace.

We expect the immediate-to-midterm impact of the currency purge undertaken by the Government, on consumption, to normalise over the next few months, a process which has already slightly started improving. We will continue to sharpen our strengths across our print and non-print businesses as well as our deep knowledge of our customers’ domain that are driving our ability to play a strategic role in the Indian M&E environment”

Q 3 FY 2016-17 financial results highlights: (comparisons with Q3’ 16 & Q2’ FY17)
(Rs. Mn)

Heads	Qtr 3 FY 16	Qtr 3 FY 17	YOY Growth	Qtr 2 FY 17	QOQ Growth
Print Advertisement	3912	4006	2.4%	3303	21.3%
Radio Advertisement	323	363	12.4%	299	21.6%
Digital Advertisement	123	162	32.7%	140	15.8%
Print Circulation Rev	1141	1243	8.9%	1179	5.5%
Consol Operational Revenue	403	500	24.2%	472	5.9%
Consol Other Income	48	36	-23.6%	42	-12.5%
Consol Total Income	5947	6309	6.1%	5432	16.1%
Print EBIDTA	1846	1904	3.1%	1459	30.5%
Radio EBIDTA	144	148	2.8%	152	-2.9%
Consol EBIDTA	1944	2019	3.9%	1547	30.5%

◆ **Print-Mature Business EBITDA margin stand at 35%**

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.

Q3 FY17

(Rs. Mn)

Particulars	Mature Editions	*Emerging Editions	Radio Business	Internet Business	DBCL Standalone
Total Revenues	5599	186	363	160	6308
EBIDTA before pre-opex	1945	(57)	148	(12)	2024
EBIDTA Margin	35%	(30%)	41%	(8%)	32%
EBIDTA after pre-opex	1945	(57)	148	(12)	2024
EBIDTA Margin	35%	(30%)	41%	(8%)	32%

* Emerging Business, includes 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.

- **Dainik Bhaskar is nation's largest circulated multi-edition daily - Press In India Report 2015-16 prepared by Registrar of Newspapers of India (RNI).**
 - From the most humble beginnings as a local newspaper in 1958 from Bhopal, Dainik Bhaskar, the flagship publication of Dainik Bhaskar Group has indeed come a long way gaining ground steadily across the country.
- **Audit Bureau of Circulation (ABC) latest results January - June 2016 has declared Dainik Bhaskar newspaper as the largest circulated national daily in India consistently since last 5 times i.e. since last 2.5 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 language news daily to feature amongst the world's top 5 most circulated newspapers.
- **Strategic areas of focus and key updates:**
 - ❖ **Editorial strategy:** 'Content' continues to remain at the forefront of our every effort with "*Kendra Mein Pathak*" reflecting the ethos of Dainik Bhaskar alongside the focus on 'objectivity' and 'unbiased demeanour' as a publication
 - **Launched the 'Azaad Soch' campaign in Punjab** with the aim to urge readers to think independently that will guide one towards positive and virtuous decisions. The campaign is getting executed in three phases – Sahi Socho, Sahi Chuno and Vote dijiye.
 - While Sahi Socho (Think right) phase will focus on urging people to have righteous thinking without any shades of influence, Sahi Chuno (Opt for the right decision) and Vote Dijiye (Cast your vote) will emphasize on voting for the right candidate based on righteous thinking and independent decisions.
 - The campaign was launched and centred on the idea 'Sahi Padho Sahi Socho' (Read right, Think right) through our newspaper and outdoor sites across Punjab in Ludhiana, Jalandhar, Amritsar, Patiala and Bhatinda.
 - Integrated Marketing approach
 - The campaign's 360 degree integrated plan has a dynamic mix of print ads, radio spots, innovative outdoor, on-ground activation and creative trade mailers.
 - Combination of impactful and thought provoking Print Ads coupled with TVC and radio spots highlighting the fact that independent decisions can only be made if readers of Punjab are exposed to facts and unbiased news.
 - **Divya Marathi has announced a "Swatantra Vichar" Campaign in Aurangabad and Nasik**
 - The tagline for the campaign is "Swatantra Padho, Swatantra Socho" (Read independent, Think independent) with the aim to position Divya Marathi as Maharashtra's only independent and objective newspaper, not influenced or affiliated to any political institution.
 - Integrated marketing approach: The campaign hit the ground with an integrated plan including a mix of print ads, radio spots, innovative outdoor, on-ground activation and creative trade mailers.
 - A new logo was unveiled and edit note published explaining the editorial philosophy of focusing on objectivity and independence.
 - The campaign was launched with OOH teasers on prominent sites
 - The campaign was actively followed by first ever Marathi Lit Fest in Nasik with the theme of "confluence of independent thinkers". This two day session saw 54 authors express independent views on a variety of subjects ranging from science and mythology to reservation.
 - ❖ **Digital strategy: Dainik Bhaskar Digital becomes the Second Largest Digital Group in the country, while DainikBhaskar.com (www.bhaskar.com), the flagship website continues to be the Second Largest News Site (Source: as per comScore Nov'2016)**

- www.Dainikbhaskar.com the largest Hindi News Website continues to secure the No. 1 spot in the Hindi News
- www.Divyabhaskar.com continues to remain #1 Gujarati website
- Digital Media continues to attract exponential viewership:
 - ❖ Digital Media Unique Visitors (UV) has risen to 80 mn in December 2016 versus 27 mn in Dec 2015 (growth of ~3x in); Page Views (PV) to 2.6 billion for the month of Dec 2016 from 784 mn in Dec 2015.
- **Mobile applications:** 8.5 mn app downloads for Dainik Bhaskar & Divya Bhaskar
- Current focus on **user experience** which is expected to be a key driver of online traffic
- Strong focus on technology and innovation, with platforms like 'Wisdom' to track real-time data of WEB, WAP and APP platforms, 'Big Data' to further improve the accuracy, speed to address load time issue, and own recommendation engine using Big Data, to drive depth on the site and keep readers engaged

❖ Radio strategy:

- Continues to be No. 1 in Rajasthan, Madhya Pradesh & Chhattisgarh
- **MY FM on course with implementation:** Currently operating 26 live stations (out of 30) with the largest network in Chandigarh, Punjab and Haryana
 - ❖ Is the 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
- Radio activation and audience engagement:
 - ❖ MY FM Ke Rangrezz – across 20 stations of MY FM reached out to 1.8 lakh students & 3.5 lakh parents via mass school connect program.
 - ❖ EK Pyala khushi season 3 – following 2 successful seasons, conducted 3rd season with people donating the cost of an extra cup of tea so that needy ones can get it for free in the freezing winters
- **Radio business continues to be strongly positioned ahead of peers:** retail model has been delivering results with focus on localised revenue streams for better ROI to advertisers and higher profitability for the channel

➤ Awards and recognitions:

- Group wins 5 Platinum & 2 Gold at the MarCom Awards 2016
 - ❖ Platinum – for Corporate Brochure, Annual Report, Unmetro Campaign and 'Zidd karo Duniya Badlo' campaign for corporate image and integrated marketing
 - ❖ Gold – for single state brochures in B2B category and 'Zidd Karo Duniya Badlo' calendar 2016 in Promotions category
- 'Zidd Karo Duniya Badlo' wins Platinum at the Summit Marketing Effectiveness Award, 2016
- 'Zidd Karo Duniya Badlo' wins Gold at the Indian Marketing Awards, 2016
- New York festival – bronze award for 'Phir Maregi Nirbhaya' in 'Best Human Story' category
- Group awarded 5 Bronze at the 46th Creativity Print & Packaging Design Awards, 2016

➤ CSR Campaigns and Awards:

- Computer Education: 8,935 people trained at 47 centres
- Launched 'Sarthak Deepawali' AV to share joy of Diwali with the underprivileged
- Several CSR campaigns achieved recognition:
 - ❖ 5 BIG BANG Awards for Jal Satyagraha Ads (Silver), Comics For Change (Silver & Bronze), Annadaan (Bronze), "Bemisal Bhopal" (Bronze)
 - ❖ 2 India PR & Corporate Communications Award: Jal Satyagraha (Gold) and Mitti ke Ganesh (Gold)
 - ❖ 5 Public Relations Society of India (PRSI) Awards for: Comics For Change (Silver), Samvad (Bronze), Jal Satyagraha (Silver), Best Private Sector Organization Implementing CSR Dainik Bhaskar (Silver), Prestige Publication Ujjain Coffee Table Book (Gold)

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, & Dainik Divya Marathi 7 editions with 208 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, Bihar, Jharkhand and Jammu. Our other noteworthy newspaper brands are Saurashtra Samachar, 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 26 cities. Its growing digital business is led by 13 portals for rapidly expanding digital audiences (including www.dainikbhaskar.com, www.divyabhaskar.com, www.divyamarathi.com, www.dailybhaskar.com, www.bollywoodbhaskar.com, www.moneybhaskar.com, www.dbcric.com, www.jeevanmantra.in, www.fashion101.in, www.gadgets.bhaskar.com, www.food.bhaskar.com, www.homeonline.com, www.postpickle.com and 2 actively downloaded applications Dainik and Divya Bhaskar mobile apps.

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