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Press Release

Mumbai, January 23, 2020

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 and nine months ended December 31, 2019. The highlights of the Company's operational and financial performance are as follows:

Key Developments and Initiatives:

Dainik Bhaskar's reader-centric approach with focus on Product enrichment and well-implemented Circulation expansion strategy is delivering results:

- Dainik Bhaskar featured as the only Indian newspaper in the World's Top 3 most circulated newspapers, in 2019, as per WAN IFRA (World Association of Newspapers and News Publishers). The Other 2 newspapers are Yomiuri Shimbun and The Asahi Shimbun from Japan with 8.1 and 5.6 million respectively
- As per last ABC (January to June 2019), Dainik Bhaskar Group and Dainik Bhaskar newspaper is No 1 newspaper of India.
- As per recent IRS Q3 2019 survey, Dainik Bhaskar Group continues to maintain its position as the No.1 newspaper of Urban India (excluding financial dailies) and flagship brand 'Dainik Bhaskar' is the No.1 newspaper of NCCS A and NCCS AB segments of Urban India
- Latest readership survey established, gaining of market share in Rajasthan, Gujarat, Punjab and Bihar, besides, maintaining dominance in remaining markets:
 - In Bihar, Dainik Bhaskar has further strengthen its readership base by adding 1.82 lakh readers
 - In Rajasthan, Dainik Bhaskar increased its lead in urban Rajasthan to 10% from 4% in last quarter and in Jaipur to 47% from 37% in the previous quarter
 - In Gujarat, in key market of Ahmedabad, our lead has widened to 30% agst earlier 19% lead
- Circulation expansion strategy is yielding results: Dainik Bhaskar Group is continuously working on its strategy to gain dominance and leadership in Rajasthan, Gujarat and Bihar while maintaining dominance and leadership in other markets

Performance highlights for 9M FY2020 – Consolidated [All Comparisons with 9M FY2019]

- ⤴ PAT reported a growth of 14.4% to Rs. 2509 million (margin of 14.4%) as against Rs. 2194 million (margin of 11.6%) in 9M FY2019, after considering forex loss of Rs. 35.3 million
- ⤴ EBIDTA registered a growth of 2.6% YOY to Rs. 4249 million (margin of 24%) as against Rs. 4142 million (margin of 22%) in 9M FY2019, margin expansion of 200 basis points

- ⤴ **Operating profit margin expansion is ably assisted by softened newsprint prices at Rs. 38158 PMT in Q3FY2020, down 16% YOY. The other cost efficiency measures are also yielding desired results**
- ⤴ **The Board has considered and recommended 2nd Interim Dividend of 35% i.e. Rs. 3.5 per share on the face value of Rs. 10 per share. Dividend payout ratio for year YTD Dec 2019 stands at 84%**
- ⤴ **Circulation Revenue stood at Rs. 3921 million as against Rs. 3964 million in 9M FY2019**
- ⤴ **Advertising Revenue stood at Rs. 12338 million as against Rs. 13494 million in 9M FY2019**
- ⤴ **Total Revenue came in at Rs. 17465 million as against Rs. 18883 million in 9M FY2019**
- ⤴ **Radio Business:**
 - **Advertising Revenue at Rs. 1065 million when compared to Rs. 1159 million in 9M FY2019**
 - **EBIDTA at Rs. 334 million (margin of 31%) versus Rs. 393 million (margin of 34%) in 9M FY2019**
 - **PAT came in at Rs 164 million (margin of 15.4%) versus Rs. 197 million (margin 17%) in 9M FY2019**

Performance highlights for Q3 FY2020 – Consolidated [All Comparisons with Q3 FY2019]

- ⤴ **PAT grew by 8% to Rs. 816 million (margin of 13.6%) as against Rs. 756 million (margin of 11.4%) in Q3 FY2019, after considering forex loss of Rs. 9 million**
- ⤴ **EBIDTA registered a growth of 2.2% to Rs. 1447 million (margin of 24%) as against EBIDTA of Rs. 1417 million (margin of 21%) in Q3 FY2019, margin expansion of 300 basis points**
- ⤴ **Circulation Revenue stood at Rs. 1321 million as against Rs. 1301 million in Q3 FY2019**
- ⤴ **Advertising Revenue stood at Rs. 4248 million as against Rs. 4813 million Q3 FY19, which includes elections base of MP, Chhattisgarh and Rajasthan**
- ⤴ **Total Revenue came in at Rs. 6018 million as against Rs. 6616 million in Q3 FY2019**
- ⤴ **Radio business:**
 - **Advertising Revenue at Rs. 372 million when compared to Rs. 465.3 million in Q3 FY2019**
 - **EBIDTA at Rs. 135 million (margin of 36.2%) versus Rs. 202 million (margin of 43.4%) in Q3 FY2019**
 - **PAT came in at Rs. 62 million (margin of 16.6%) versus Rs. 112 million (margin of 24%) in Q3 FY2019**

Commenting on the performance for Q3 & 9M FY 2019-20, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said, “The present market conditions continue to be challenging on the back of weak consumer demand and a general economic slowdown. However, we are pleased that our innovative knowledge-driven product strategies and well implemented circulation expansion drive is yielding results. Dainik Bhaskar newspaper continues to garner market share in its newer markets while maintaining leadership position in its existing markets. Further, we are proud that Dainik Bhaskar is the only Indian news daily to feature amongst the world’s top 3 most circulated newspapers, in 2019, as per WAN IFRA. Our consumer-centric focus coupled with strong on-ground execution has enabled us to build a position of strength that will help us capitalise on forthcoming opportunities.

On the revenue front, growth continues to be challenging for the industry, however, softening newsprint prices is a silver lining. This coupled with our cost-rationalization measures has enabled us to improve profit margins. Going forward, we are optimistic about revival in consumer spending and better revenue scenario.

The government has been meeting stakeholders from the industry and we hope that these interactions manifest in support in the upcoming budget. Big ticket reforms such as corporate tax cuts as well as the expansion of the infrastructure drive are also likely to culminate in helping to kick-start the economy. We believe that our efforts in creating a strong base will help the Company and we continue to strive for a better performance.”

Q3 FY 2020 financial results highlights: (comparisons with Q3' FY 19 & Q2' FY20)

(Rs. Mn)

Heads	Qtr 3 FY19	Qtr 3 FY20	YOY Growth	Qtr 2 FY 20	QOQ Growth
Print & Other Business Advertisement	4349	3878	(10.8%)	3355	15.6%
Radio Advertisement	465	372	(20.1%)	316	17.7%
Print Circulation Rev	1301	1321	1.6%	1286	2.7%
Consol Operational Revenue	503	449	(10.8%)	379	18.2%
Consol Total Income	6616	6018	(9.0%)	5336	12.8%
Print & Other Business EBIDTA	1215	1312	7.9%	937	40.0%
Radio EBIDTA	202	135	(33.3%)	69	96.4%
Consol EBIDTA	1417	1447	2.2%	1006	43.9%

Mature Business EBIDTA margin stand at 28%

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 FY 20

(Rs. Mn)

Particulars	Mature Businesses	*Emerging Businesses	Radio Business	DBCL Standalone
Total Revenues	5335	310	372	6017
EBIDTA before Expansion	1483	(172)	135	1446
EBIDTA Margin	28%	(55.3%)	36%	24%
EBIDTA after Expansion	1483	(172)	135	1446
EBIDTA Margin	28%	(55.3%)	36%	24%

* 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:** Constant realignment of editorial content to meet readers' evolving expectations helped make significant strides in Circulation and Readership:

- As per last ABC (January to June 2019) data, Dainik Bhaskar Group and Dainik Bhaskar Newspaper continues to maintain dominant No 1 position of India
- Key highlights of the Indian Readership Survey (IRS) Q3 2019 (All comparison like-to-like basis over IRS 2019 Q2):

- **Dainik Bhaskar Group continues to maintain its position as No.1 newspaper of Urban India (excluding financial dailies) while the flagship brand ‘Dainik Bhaskar’ has substantially increased its lead as No.1 newspaper of Urban India (AIR – Urban | Main + Variant)**
- **Dainik Bhaskar continues to be Urban India’s No.1 Newspaper in NCCS A & NCCS AB segments and is further increasing its lead (AIR – Urban | Main + Variant)**
- **Dainik Bhaskar continues to maintain dominance in its two key markets i.e. Madhya Pradesh & Chhattisgarh (AIR – Urban | Main + Variant)**
- **Dainik Bhaskar is inching closer to becoming the No.1 player in overall Rajasthan with increasing its lead in urban Rajasthan to 10% from 4% in last quarter and in Jaipur to 47% from 37% in the previous quarter (AIR – Urban | Main + Variant)**
- **Divya Bhaskar has a lead of 30% in the key market of Ahmedabad (AIR – Urban +Rural | Main + Variant) and has become the No.1 newspaper in the Top 6 cities of Gujarat (TR – Urban +Rural | Main + Variant)**
- **In Punjab, Dainik Bhaskar registered a significant growth of 23% in readership (AIR – Urban+ Rural | Main + Variant)**
- **In Haryana (without NCT), Dainik Bhaskar continues to maintain its dominance in overall as well as urban market (AIR – Urban+ Rural | Main + Variant)**
- **In newer markets of Bihar, Dainik Bhaskar is the only newspaper which continues to register double digit growth in readership and has added 1.82 lakh readers (AIR – Urban+ Rural | Main + Variant)**

➤ **Editorial Initiatives: Extending the 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:
 - Special content on Gandhi Jayanti, Deepawali Day, Ayodhya Judgement, formation of Maharashtra Government, etc.
 - To recall key National and International events that happened during the year, a special coverage through recall photos was published at the end of the year
 - Special Content Jackets: Providing complete break-down analysis on Maharashtra, Jharkhand and Haryana
- 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 its reach to 10 new states in India and to 15 new strategic countries so as to provide news from every corner of the world

❖ **Circulation strategy: Dainik Bhaskar Group is continuously working on its strategy to gain dominance and leadership in Rajasthan, Gujarat and Bihar while maintaining dominance and leadership in other markets through reader-centric activities:**

- As per **World Association of Newspapers and News Publishers (WAN IFRA)**, Dainik Bhaskar is the only Indian Newspaper company to feature amongst the **World’s Top 3 most circulated newspapers**. Over the years, Dainik Bhaskar has significantly strengthened its position globally from being at 35th position in 2013 to one the top 3 newspaper daily
- To celebrate the **completion of 23 successful years in Jaipur**, Dainik Bhaskar organised a star-studded ‘**Bhaskar Utsav**’, with a series of 9 grand events for its readers during 16th to 26th

December. The **Utsav** was attended by an eclectic mix of people from different walks of life and included renowned celebrities like Praseon Joshi, Deepika Padukone, Meghna Gulzar, Javed Akhtar, Paytm founder Vijay Shekhar, Barkha Dutta, amongst others

- Similarly, to mark the **completion of 23 years in Udaipur**, '**Bhaskar Utsav**' was organised during 8th to 12th January hosting 7 grand star events attended by renowned celebrities like Hrithik Roshan , Kumar Vishwas, etc.
- To celebrate the Dainik Bhaskar's presence for 6 years in Bihar, the '**Bhaskar Utsav**' has been held in Patna with a series of 7 grand events in 5 days from 19th to 24th January. Famous personalities like Kangana Ranaut , Ayushmann Khurrana , Baba Ramdev, Ravi Kishan have participated in the event

❖ **Radio strategy: Continual focus on content innovation and audience engagement activities**

- MY FM maintains its leadership position in Chandigarh / Haryana / Punjab / Rajasthan / Madhya Pradesh & Chhattisgarh & continues to be the Largest player in Rest of Maharashtra
- MY FM continues to curate content for strong **Audience-Connect**:
 - '**MY FM – PFC - Night Run**', a women safety activity organised in collaboration with the Ponty Chaddha Foundation and Wave Estate, Mohali. The 'Night Run' got an overwhelming response with 3000+ participants, who ran through the night, to spread awareness on women safety in the city. Famous Punjabi singer and actor, Parmish Verma culminated the 'Night Run' with a concert
 - '**MY FM Ke Rangrezz**', the largest painting competition for kids in Tier-II & Tier-III markets, held its sixth edition this year with the theme of 'Say No to Plastic'. This educational painting event aimed to create awareness about harmful effects of single use plastic and successfully reached out to 4 lakh students
 - MY FM became the '**official radio partner**' of the **19th Indian Television Academy Awards**. MY FM hosted a series of on-air activities across various platforms which included many celebrity interviews and event promotions by RJs. Additionally, an on-air daily contest was organized, where a few lucky winners got the chance to win special passes for the gala night

Awards and recognitions:

- ACEF – Asian Customer Engagement Forum and Awards
 - '**MY FM Ke Rangrezz**' won Gold Award for the 'Most Effective BTL Campaign'
- SEAC - Singapore Customer Engagement Forum and Awards
 - '**MY FM Ke Rangrezz**' was awarded Gold for 'Most Admired Brand Activation'
 - MY FM's B2B Campaign, '**Just because it fits doesn't mean it works**' was awarded with Silver for the 'Admired B2B Marketing Campaign'

❖ **CSR Initiatives:**

- **Sarthak Diwali:** Dainik Bhaskar has been celebrating 'Sarthak Diwali' since 2015 to share joy of Diwali with the underprivileged. This year, Dainik Bhaskar encouraged people to gift / acknowledge an underprivileged person and brighten-up their Diwali

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 or contact:

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