

DB Corp Ltd. Investor Presentation

April 2012



दैनिक भास्कर
समूह

TO BE THE LARGEST AND MOST ADMIRED MEDIA BRAND ENABLING SOCIO-ECONOMIC CHANGE

VALUES
PILLARS

CREDIBILITY & INTEGRITY
EMPOWERED TALENT

INNOVATIVE & ENTREPRENEURIAL
INNOVATIVE PRODUCTS & PROCESSES

RESPECT & APPRECIATION
ETHICAL GOVERNANCE

A LEADING MEDIA COMPANY OF INDIA

*Largest Market Cap
in Print Media Sector of
India*



TO BE THE LARGEST AND MOST ADMIRER MEDIA BRAND ENABLING SOCIO-ECONOMIC CHANGE

VALUES
PILLARS

CREDIBILITY & INTEGRITY
EMPOWERED TALENT

INNOVATIVE & ENTREPRENEURIAL
INNOVATIVE PRODUCTS & PROCESSES

RESPECT & APPRECIATION
ETHICAL GOVERNANCE

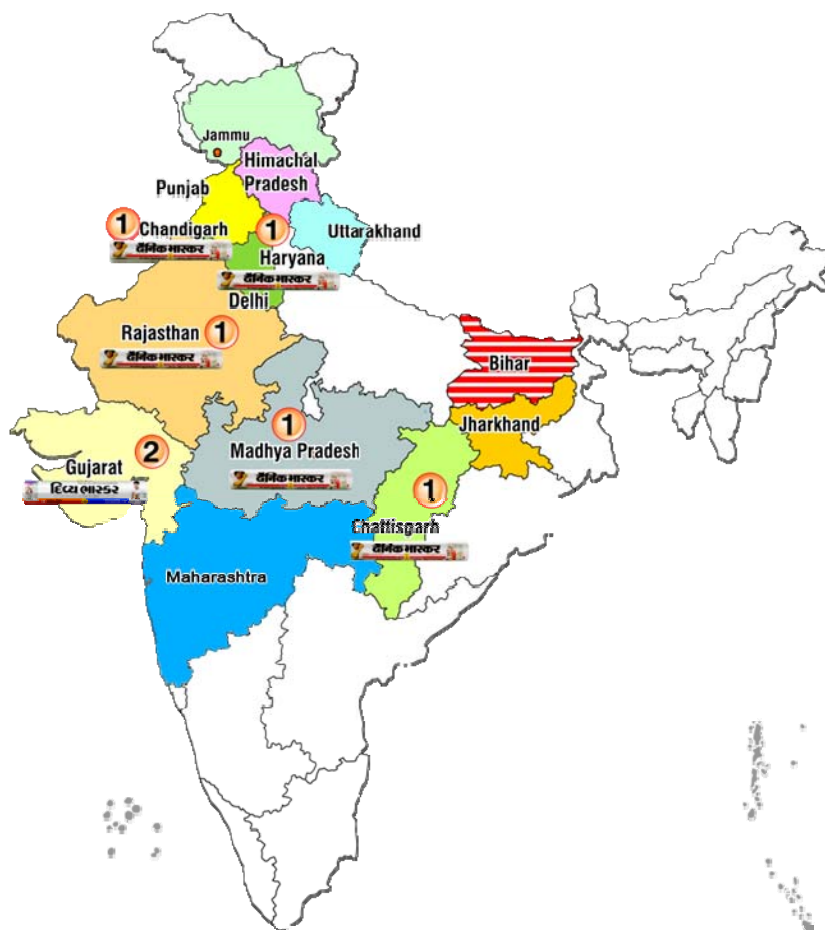
MAJOR BUSINESS BRANDS AND THEIR FACTS

Around 19.08 MN readers in India's fastest growing markets

	Hindi Newspaper	11 States, 36 Editions
	Gujarati Newspaper	2 States, 7 Editions
	Marathi Newspaper	1 State, 5 Editions
	Hindi Business Newspaper	6 States, 8 Editions
	FM Radio Network	7 States, 17 Stations
	Digital & Mobile Platform	Web Portals, SMS Services

A LEADING MEDIA COMPANY OF INDIA

A Leader in Print Readership, operating in the highest growth markets in India



Multiple States

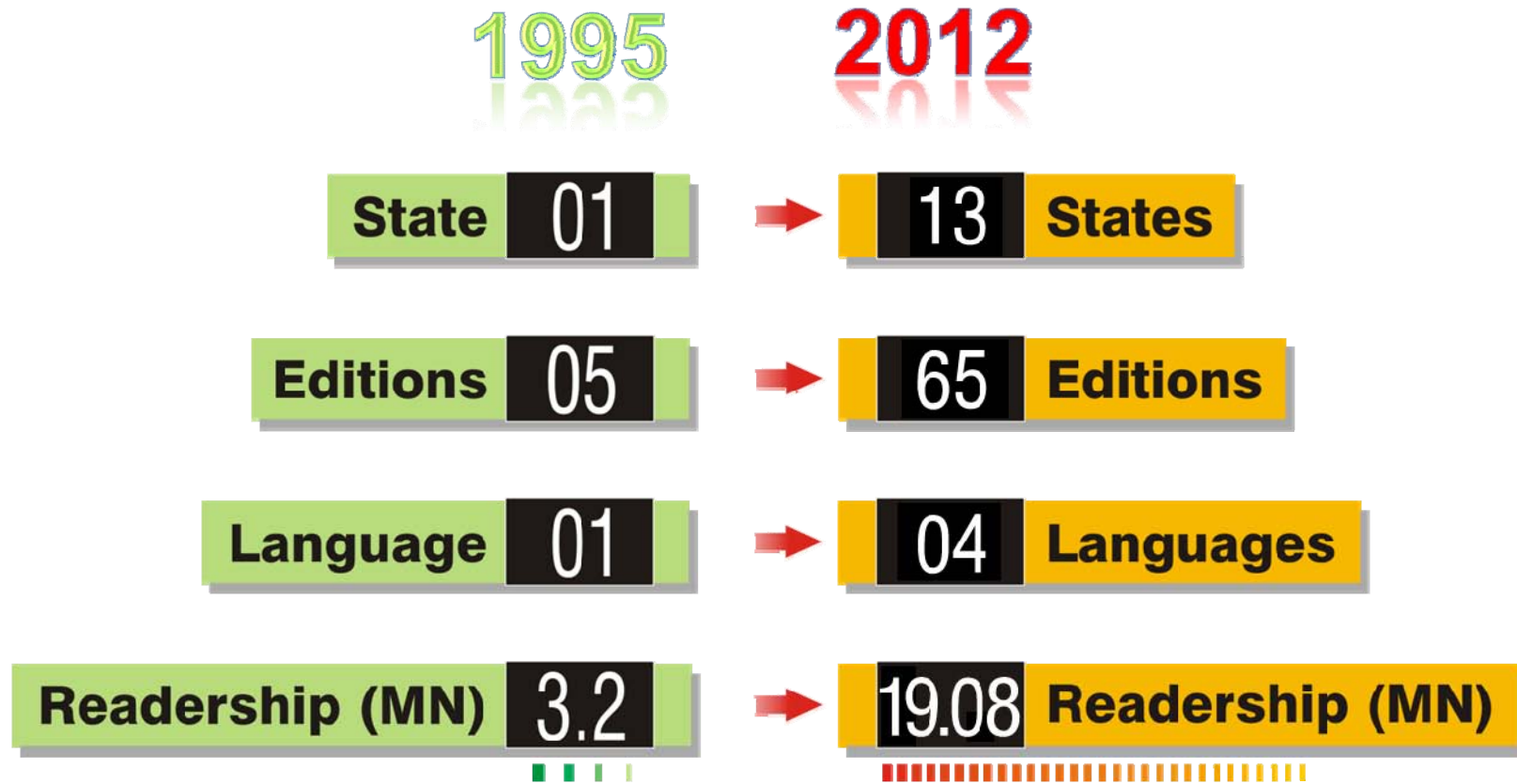
- Madhya Pradesh, Chhattisgarh, Rajasthan, Gujarat, Haryana, Punjab, Chandigarh, Maharashtra, Himachal Pradesh, Uttarakhand, Jharkhand, Jammu & Kashmir & Delhi

- Launching Bihar in future

Multiple Languages

- Hindi, Gujarati, Marathi and English
- 38% Urban population of India resides in Bhaskar Markets (excluding Delhi & Mumbai)
- 36% of India's total consumption based on Market Potential Value (MPV) is concentrated in Bhaskar Markets

CONSISTENT TRACK RECORD OF GROWTH

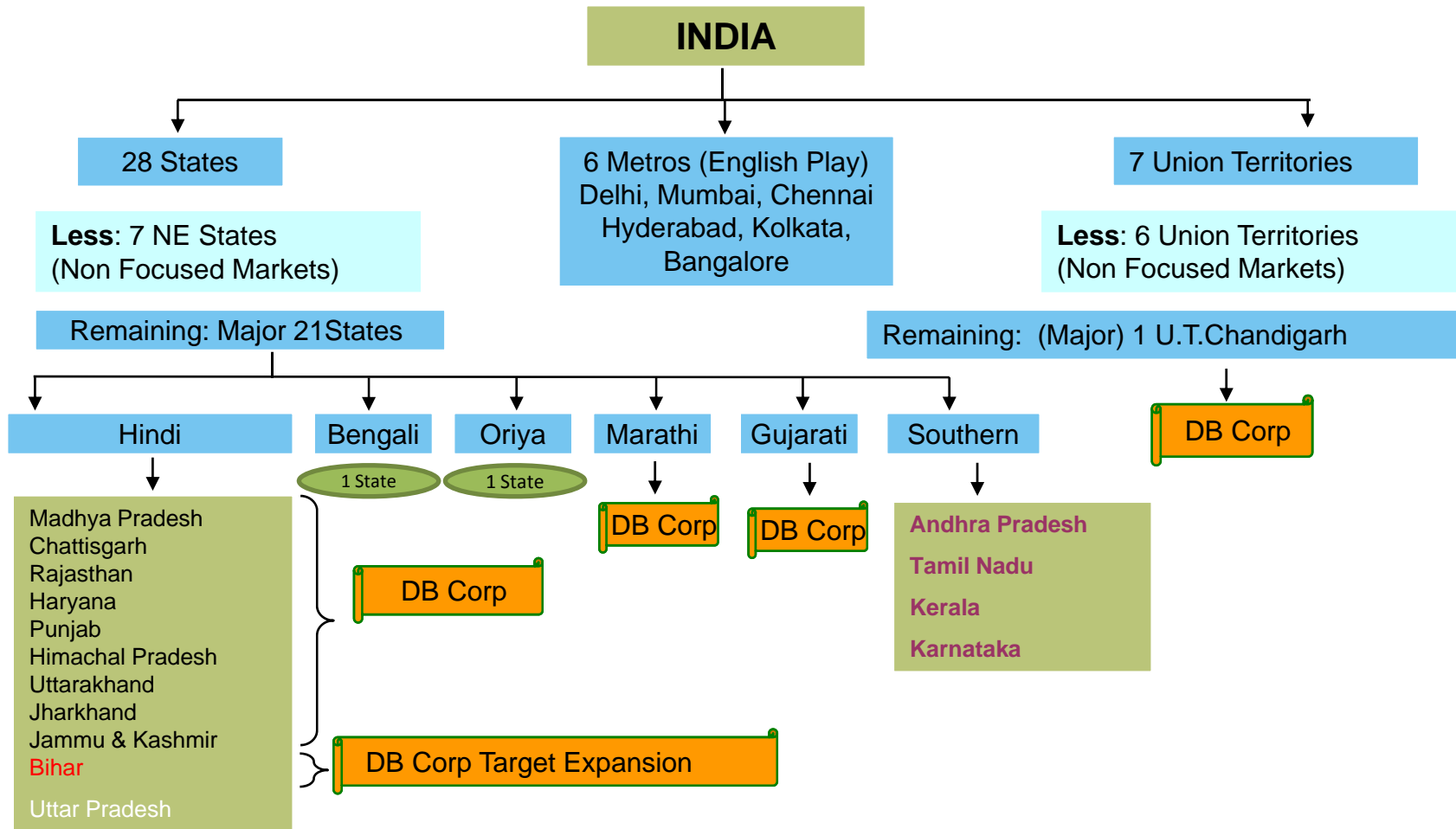


FOCUSED ON GROWING MEDIA OPPORTUNITIES IN INDIA

-REGIONAL MARKETS



STRATEGIC FOOTPRINT IN INDIA



Source: Indian Govt Web site

INDIA'S URBAN CENTURY

- The 21st century is set to become India's 'urban century'
- More people will live in cities and towns than in the countryside for the first time in its history
- In 1991, India had 23 cities with a million or more people. A decade later, it had 35. Currently estimated close to 60, this number is expected to cross 75 by census 2011
- The major growth is happening in small and midsized towns.
- Literacy Rate , Purchasing Power & ambitions are growing in Tier II and III cities, hence, language media is still to grow.

Source : Goldman Sachs

FOCUSED ON GROWING MEDIA OPPORTUNITIES IN INDIA

REGIONAL MARKETS

- Tier II & III cities are catalysts of growth in India, Regional Newspapers dominate the market
- SEC A & B Population is growing faster in Tier II & III Cities
- Around 27% of Literate population of India, currently read newspaper, leaving wide gap for readership growth, for future

	CAGR 06-11
SEC A (Upper Class)	
Metro : (4 Million + above towns)	10%
Tier II + III Towns*	24%
SEC B (Upper Middle Class)	
Metro : (4 Million + above towns)	14%
Tier II + III Towns*	18%

All India	SEC A	SEC B
AED (Any English Daily Reach)	28%	9%
ALD (Any Language Daily Reach)	58%	50%

*Tier I : Population > 4 Mn

Tier II : 1 Mn < Population < 4 Mn

Tier III : Population < 1 Mn

Source: IRS Q3 2011

CONSUMPTION GROWTH IS HIGHER IN TIER II & TIER III CITIES

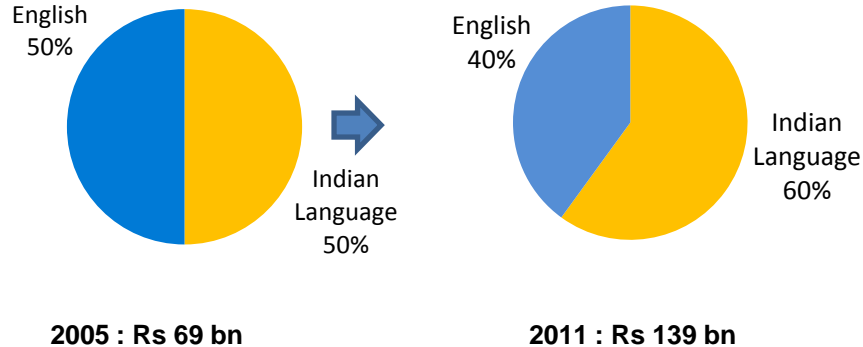
Growth 2008 vs 2011	Metros	Tier II	Tier III
Consumer Durables Ownership (Air Conditioners)	46%	104%	96%
IT & Communication Products Ownership	20%	66%	44%
Automobile Ownership (4 Wheelers)	27%	61%	58%
FMCG Product Purchases	10%	17%	15%

Source: IRS Q3 '11

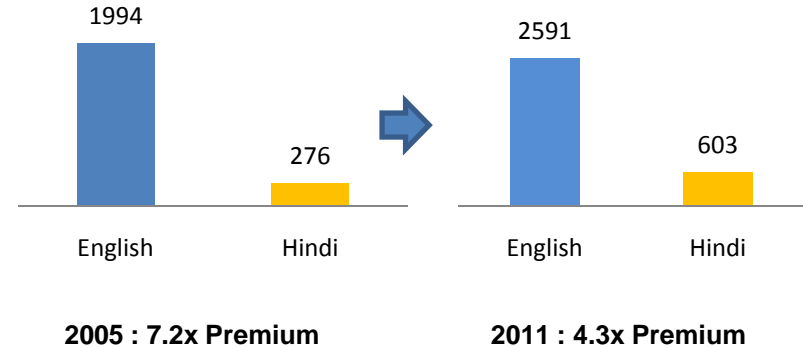
CONSUMPTION GROWTH WILL LEAD TO ADVERTISEMENT GROWTH IN TIER II & TIER III CITIES

- The Per Capita Income is growing faster in Tier II & III cities.
- The Players with readership domination, in the major markets, will get benefitted, in long term, due to resultant Advertisement growth
- ‘Regional Language Newspaper to play a vital role’ – Group M Report

Indian Language gaining share of ad-pie



Premium of English declining (On Value Basis)



Source: FICCI KPMG Report , IRS , TAM Adex

KUTs PROVIDE THE TALKING POINTS!

- ✓ BMW dealer in Jaipur sold 30 cars in 3 months
- ✓ 115 Mercedes booked in a day in Aurangabad
- ✓ Punjab - 1400 Mercedes cars, 450 in Ludhiana
- ✓ Coimbatore – Audi, Porsche sold 35 cars in 2009
- ✓ Surat - 11 Mercedes (27 l - 3 c) sold in a month
- ✓ 50% of high end TVs are sold outside metros
- ✓ TAG Heuer - 35 units, Rs. 2 lakhs each, in 3 months in Guwahati
- ✓ Ludhiana 2nd to Delhi for Rs 1 crore+ watch
- ✓ Cochin - fastest growing for small boats and yachts (2008-09)

Source: India Today 7th Jan'10; TeamBHP.com, 8th April'10; Business Today 16th Mar'10; E&Y

KUTs : Key Urban Towns

DIVERSE, SUSTAINABLE BUSINESS MODEL



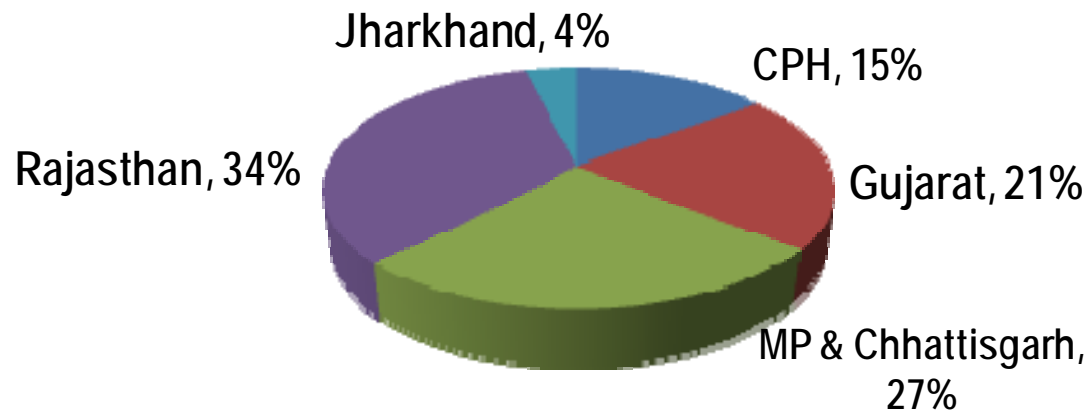
SUSTAINABLE BUSINESS MODEL

UNIFORMLY DISTRIBUTED EBIDTA FROM OUR DIVERSIFIED MARKETS

Our business in Madhya Pradesh, Chhattisgarh, Rajasthan, Gujarat, Haryana, Punjab, Chandigarh etc. individually contributes towards the EBIDTA, thus reducing the dependability on any one single market

EVEN DISTRIBUTION OF OUR 19.08 MN AVERAGE DAILY READERS

Readership – IRS 11 Q4



CPH – Chandigarh, Punjab & Haryana

D B Corp Ltd. Expansion Journey Continues – Successful Jharkhand Launch



Ranchi Market Before launch of Dainik Bhaskar

Readership in '000	IRS '10 Q3
Hindustan	192
Prabhat Khabar	223
Dainik Jagran	75

AIR figures in '000

Competition was fierce

Circulation figs Ranchi city	JJ '10 ABC
Hindustan	43512
Prabhat Khabar	67033
Dainik Jagran	18711

IRS = Indian Readership Survey

ABC= Audit Bureau of Circulation

And we once again proved in a totally different market

Ranchi Jharkhand ,
22 August 2010



IMRB Survey in Nov'10

**Dainik Bhaskar
leader in SEC AB**

Average Issue Readership Estimates	AIR Base	SEC			SEC AB % of Total Reader Base
		A	B	AB	
Prabhat Khabar	303	60	58	118	39%
Dainik Bhaskar	270	66	62	128	47%
Hindustan	168	45	36	81	47%
Dainik Jagran	92	14	17	31	34%

Figs in '000

The affluent truly appreciates quality content of Dainik Bhaskar

AIR: Average Issue Readership

SEC: Socio Economic Class

IMRB: Indian Market Research Bureau

D B Corp Ltd.
Expansion Journey Continues –
Launch of Marathi Language
Newspaper in Maharashtra –
1st Edition from Aurangabad,
2nd Edition from Nashik,
3rd Edition from Jalgaon
4th Edition from Ahmednagar and
5th Edition from Solapur...



And we once again proved in a new language market

Maharashtra, Aurangabad
May 2011



IMRB Survey in Sep'11

Divya Marathi Over
All leader &
leader in SEC AB

Average Issue Readership Estimates	AIR Base	SEC			SEC AB % of Total Reader Base
		A	B	AB	
Divya Marathi	342	28	58	86	25%
Lokmat	273	15	39	54	20%
Daily Sakal	65	4	8	12	18%

Figs in '000

The affluent truly appreciates quality content of Divya Marathi

AIR: Average Issue Readership

SEC: Socio Economic Class

IMRB: Indian Market Research Bureau

**Consistent
Leaders from then
till now...**

**Winning is our
habit**

Ranchi-IMRB Survey- Dec. 2010

**Aurangabad-IMRB Survey-
August 2011**

IRS : Indian Readership Survey
IMRB: Indian Market Research Bureau

Average Issue Readership in '000s

Jaipur	IRS 11 Q4
Dainik Bhaskar	1063
Nearest Competitor	750

Chandigarh/ Haryana	IRS 11 Q4
Dainik Bhaskar	1425
Nearest Competitor	1014

Ahmedabad	IRS 11 Q4
Divya Bhaskar	1159
Nearest Competitor	901

Amritsar	IRS 11 Q4
Dainik Bhaskar	150
Nearest Competitor	110

Jalandhar	IRS 11 Q4
Dainik Bhaskar	151
Nearest Competitor	62

IMRB Survey

Ranchi	AIR
Dainik Bhaskar	270
Nearest Competitor	303

Aurangabad	AIR
Dainik Divya Marathi	342
Nearest Competitor	273

GROWTH OPPORTUNITIES - RADIO



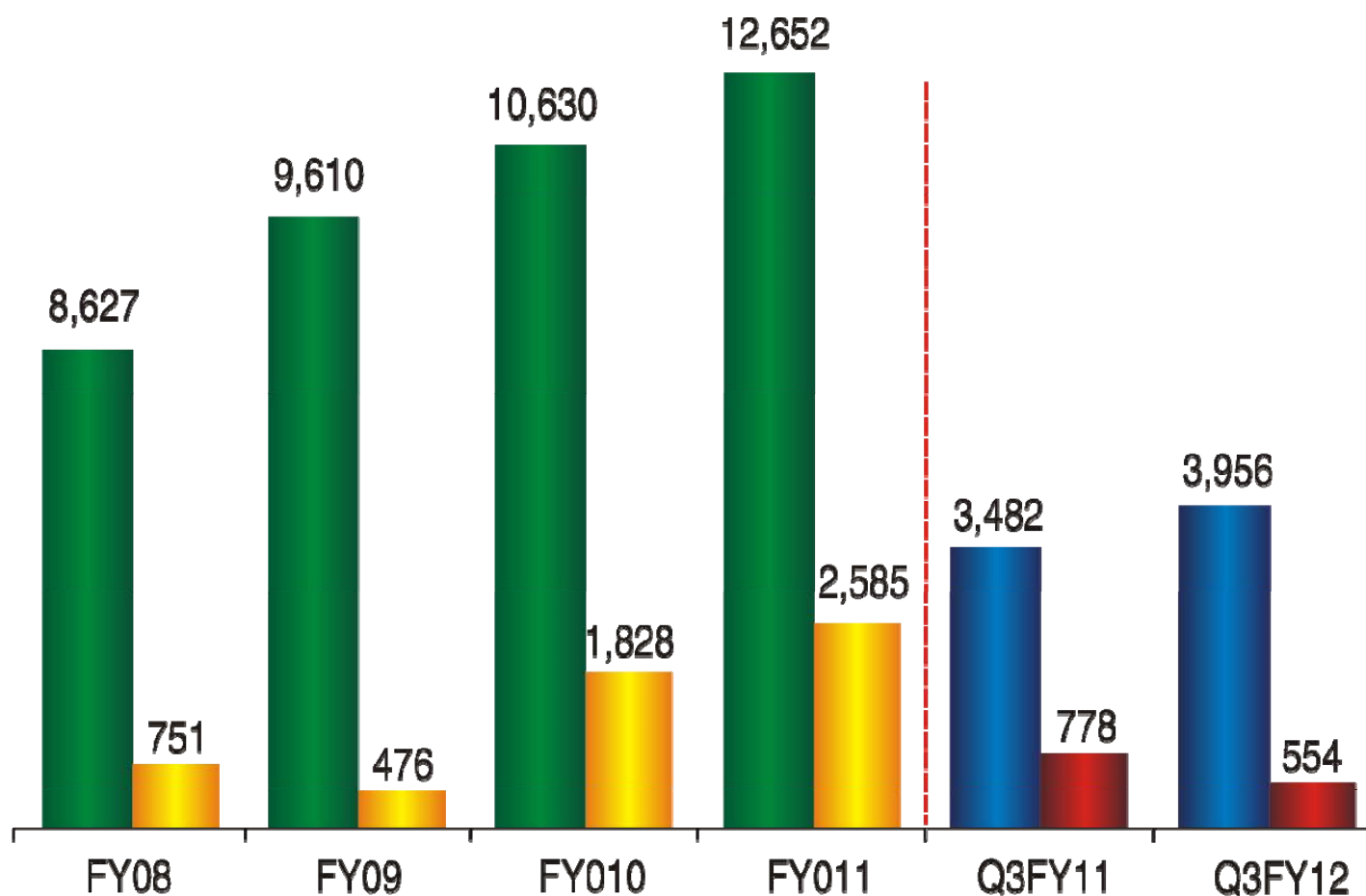
- Launched in 2006, now operates from 17 stations in 7 states
- The only Radio Company to have achieved EBIDTA positive within a short span of 2.5 years only
- Advertisement revenue growth of 22% in Q3 FY2011-12 on YOY Basis
- Achieved EBIDTA margin of 28% in Q3 FY2011-12
- Strong Competitive advantage because of knowledge of consumers & advertisers, in these markets

FINANCIAL HIGHLIGHTS

- Robust Growth in Profits
- Strong Focus on ROCE
- Low Debt Exposure & High Networth



CONSISTENT TRACK RECORD OF PROFITABILITY



■ Revenues (INR MN)
 ■ PAT (INR MN)
 ■ Revenues (INR MN)
 ■ PAT (INR MN)

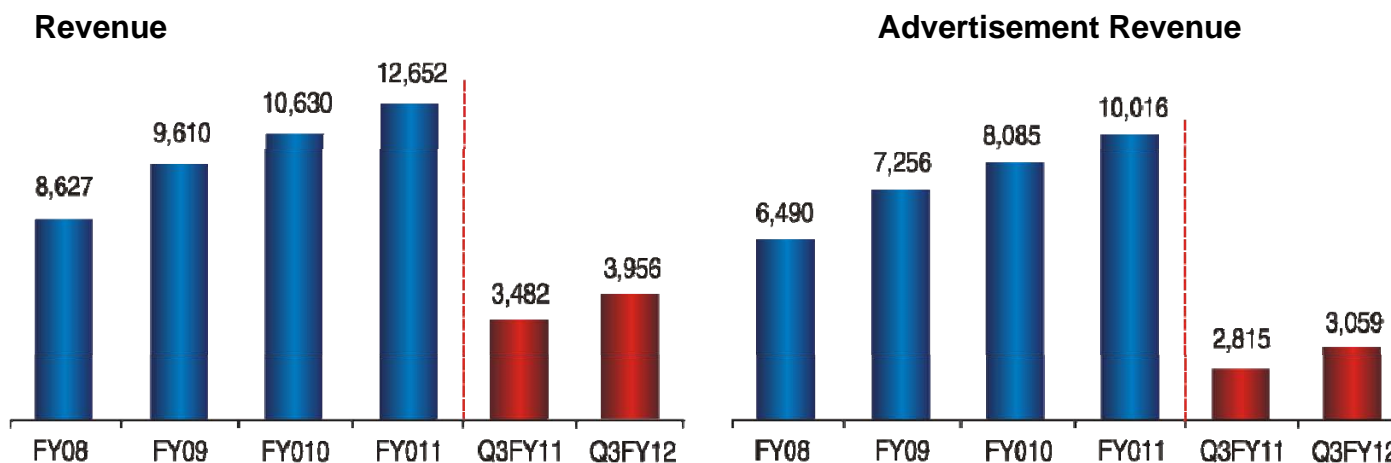
HEALTHY OPERATING PROFIT IN OUR MATURE MARKET

Rs MN

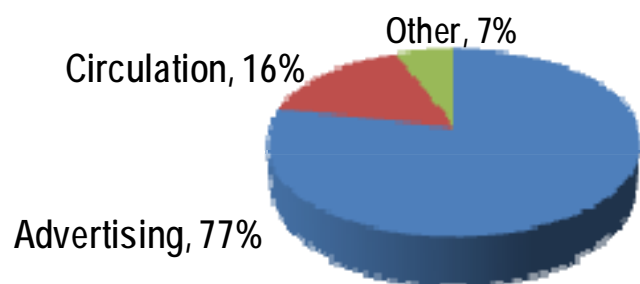
Particular	Mature Editions (FY 11-12)				*Emerging Editions (FY 11-12)			
	Q1	Q2	Q3	YTD Dec	Q1	Q2	Q3	YTD Dec
Topline	3183	3086	3381	9651	219	302	376	897
EBIDTA (Before pre-opex)	1181	1002	1141	3323	-112	-194	-144	-445
EBIDTA (After pre-opex)	1181	1002	1141	3323	-173	-231	-165	-570
EBIDTA %	37%	33%	34%	34%	-79%	-77%	-44%	-64%

*Emerging Editions: Editions which are less than 4 years old

ROBUST REVENUE GROWTH



Revenue Breakdown Q 3 FY2012

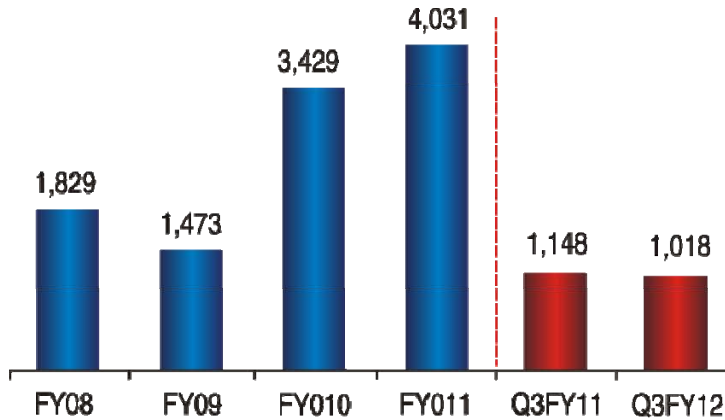


Revenue Growth Drivers

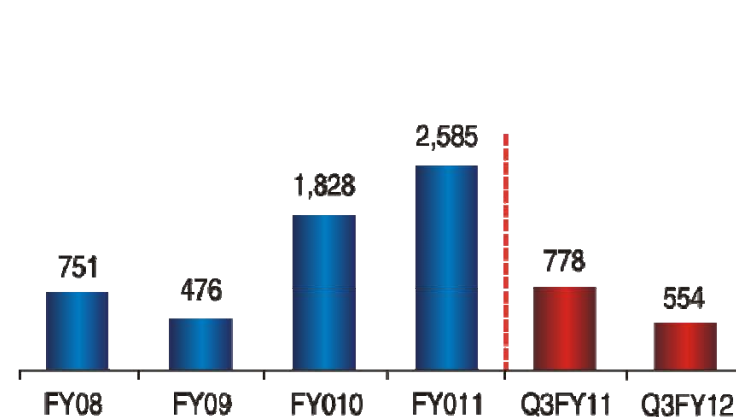
- Upward revision of ad rates at national and local level
- High focus on Retail Advertisers driving growth
- Improved Circulation, in Existing and Newer Markets and better price realisation
- Further consolidation in existing markets and expansion into new territories

PROPELLING OVERALL MARGIN EXPANSION

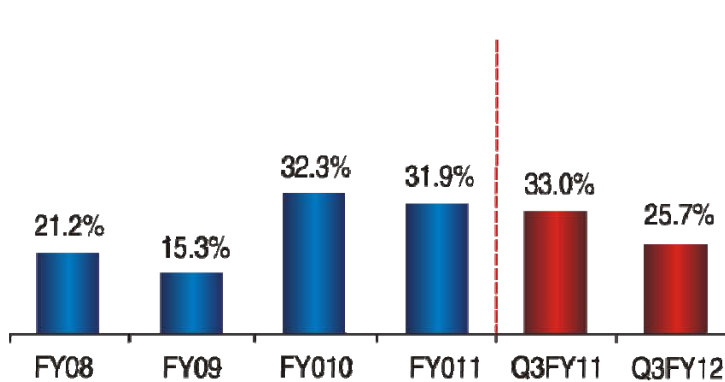
**EBITDA Growth
(INR MN)**



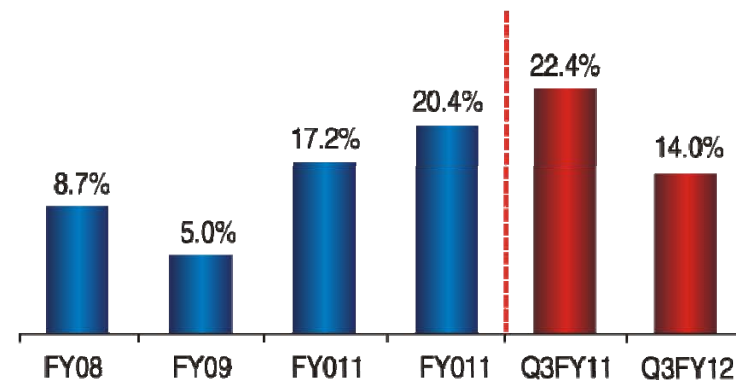
**PAT Growth
INR MN)**



EBIDTA Margin

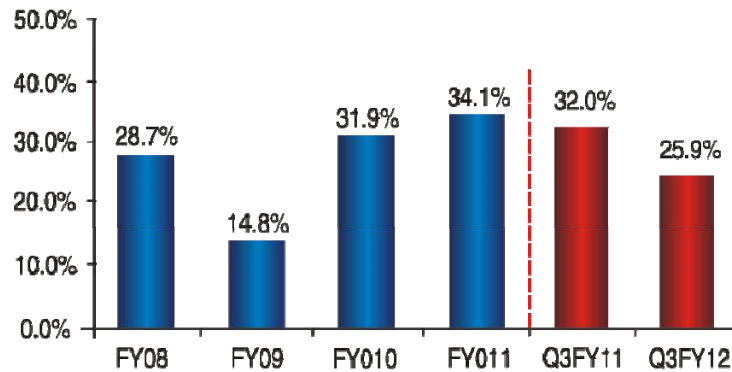


PAT Margins (Net Margin)

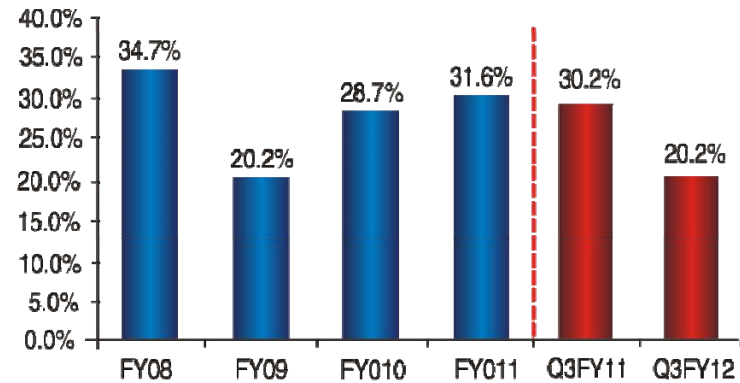


STRONG FOCUS ON ROCE

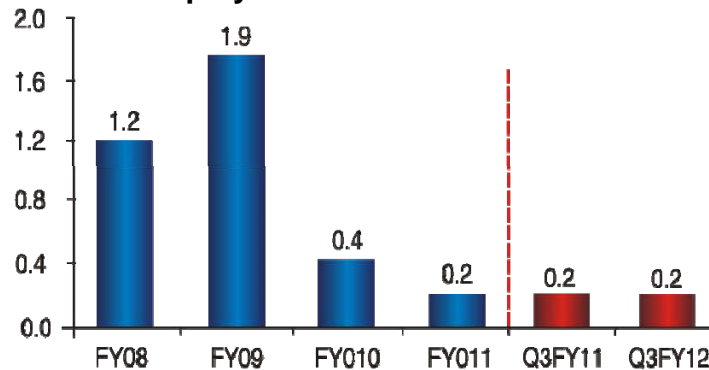
Return on Capital Employed (ROCE)



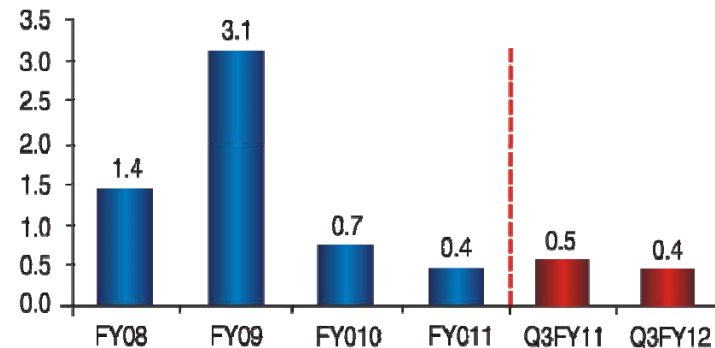
Return on Net Worth (RONW)



Debt to Equity

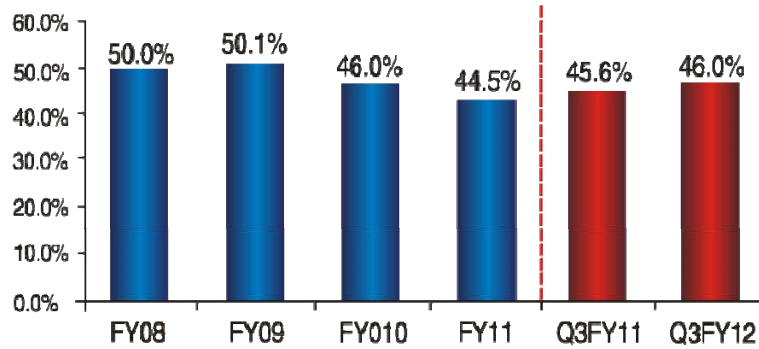


Debt to EBITDA

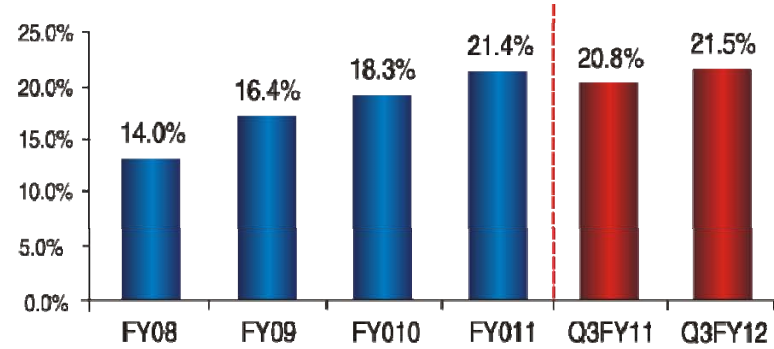


KEY FINANCIAL RATIOS

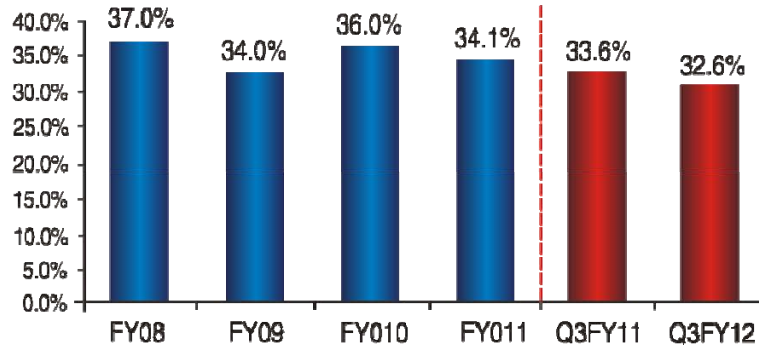
Newsprint Cost to Total Cost



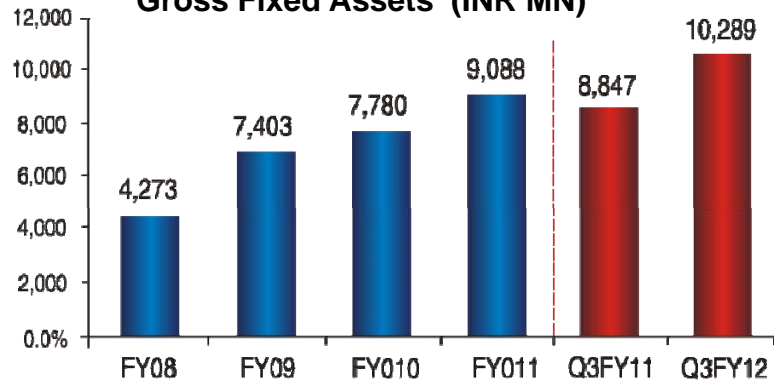
Personnel Cost to Total Cost



Other Operating Cost to Total Cost

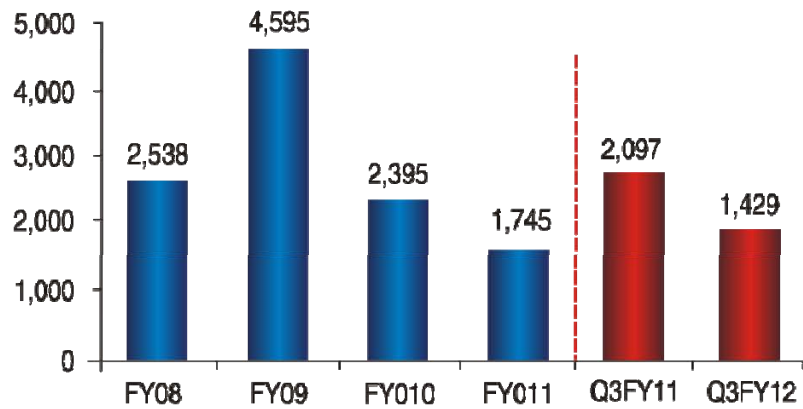


Gross Fixed Assets (INR MN)

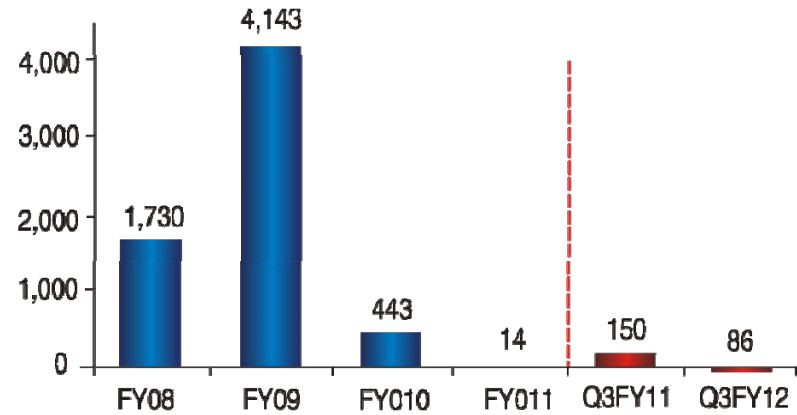


CONTINUOUS REDUCTION IN DEBT

Gross Debt (INR MN)



Net Debt (INR MN)



FINANCIAL SUMMARY

Particulars (INR million)	Year Ended			Quarter ended		
	March-09	March-10	March-11	December-10	December-11	Growth %
Advertising Income	7,256	8,086	10,016	2815	3059	8.7%
Circulation Revenue	2,009	2,118	2,144	540	632	17.0%
Total Income	9,610	10,630	12,652	3482	3956	13.6%
Newsprint	(4,075)	(3,279)	(3,838)	(1,065)	(1,350)	26.8%
Other Operating Expenditure	(4,062)	(3,922)	(4,783)	(1,270)	(1,588)	25.1%
Total Expenditure	(8,137)	(7,200)	(8,621)	(2,334)	(2,938)	25.9%
EBITDA	1,473	3,429	4,031	1148	1018	-11.3%
EBITDA Margin	15.3%	32.3%	31.9%	33.0%	25.7%	
Net Profit	476	1,828	2,585	778	553	-28.9%
Net Worth	2,360	6,361	8,610	8573	9404	
Secured Long Term Gross Loan	4,595	2,394	1,745	1847	1506	
Cash & Bank Balance	452	1,960	1,731	1697	1591	
Secured Working Capital Loan	817	573	337	320	934	
Total Secured Gross Debt	5412	2966	2082	2167	2440	
Net Block (Fixed)	6471	6475	7358	7225	8195	
ROCE	15%	31.9%	32.8%	32.0%	24.9%	
RONW	20%	28.7%	30.0%	30.2%	20.2%	

BOARD OF DIRECTORS

Ramesh Chandra Agarwal	<ul style="list-style-type: none"> Chairman - 44 years of experience Served as Chairman of FICCI of the MP region
Sudhir Agarwal	<ul style="list-style-type: none"> Managing Director of DBCL 27 years of experience in the publishing and newspaper business
Girish Agarwaal	<ul style="list-style-type: none"> 19 years of experience. Won the E&Y 'Young Entrepreneur of the Year 2006 ' Award distinction of being the youngest chairman of Indian Newspaper Society for MP region
Pawan Agarwal	<ul style="list-style-type: none"> 13 years of experience in the publishing business Heads entire Production, IT and Technology for DBCL
Niten Malhan*	<ul style="list-style-type: none"> Managing Director at Warburg Pincus India Private Ltd
Ajay Piramal*	<ul style="list-style-type: none"> Heads the Piramal Group in India
Piyush Pandey*	<ul style="list-style-type: none"> Executive Chairman of Ogilvy & Mather Pvt Limited, India
Kailash Chandra Chowdhary*	<ul style="list-style-type: none"> Previously the Chairman & Executive Director at Central Bank of India and Chairman & Managing Director of Vijaya Bank
Ashwani Kumar Singhal*	<ul style="list-style-type: none"> Vice-President of BIR Brussels, the International Authority in Non- Ferrous Metals
Harish Bijoor*	<ul style="list-style-type: none"> A member of the planning group sub-committee of the Union Planning Commission of India

* denotes Independent Directors.

दैनिक भास्कर
समूह

TO BE THE LARGEST AND MOST ADMIRED MEDIA BRAND ENABLING SOCIO-ECONOMIC CHANGE

**VALUES
PILLARS**

CREDIBILITY & INTEGRITY
EMPOWERED TALENT

INNOVATIVE & ENTREPRENEURIAL
INNOVATIVE PRODUCTS & PROCESSES

RESPECT & APPRECIATION
ETHICAL GOVERNANCE

THANK YOU



TO BE THE LARGEST AND MOST ADMIRER MEDIA BRAND ENABLING SOCIO-ECONOMIC CHANGE

**VALUES
PILLARS**

CREDIBILITY & INTEGRITY
EMPOWERED TALENT

INNOVATIVE & ENTREPRENEURIAL
INNOVATIVE PRODUCTS & PROCESSES

RESPECT & APPRECIATION
ETHICAL GOVERNANCE