

DB Corp Ltd. Investor Presentation



May 2013

दैनिक भास्कर
समूह

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

**VALUES
PILLARS**

CREDIBILITY & INTEGRITY
EMPOWERED TALENT

INNOVATIVE & ENTREPRENEURIAL
INNOVATIVE PRODUCTS & PROCESSES

RESPECT & APPRECIATION
ETHICAL GOVERNANCE

Disclaimer

Some of the statements made in this presentation are forward-looking statements and are based on the current beliefs, assumptions, expectations, estimates, objectives and projections of the directors and management of Dainik Bhaskar Group (DB Corp Ltd.) about its business and the industry and markets in which it operates.

These forward-looking statements include, without limitation, statements relating to revenues and earnings.

These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of the Company and are difficult to predict. Consequently, actual results could differ materially from those expressed or forecast in the forward-looking statements as a result of, among other factors, changes in economic and market conditions, changes in the regulatory environment and other business and operational risks. DB Corp Ltd. does not undertake to update these forward-looking statements to reflect events or circumstances that may arise after publication.



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

**VALUES
PILLARS**

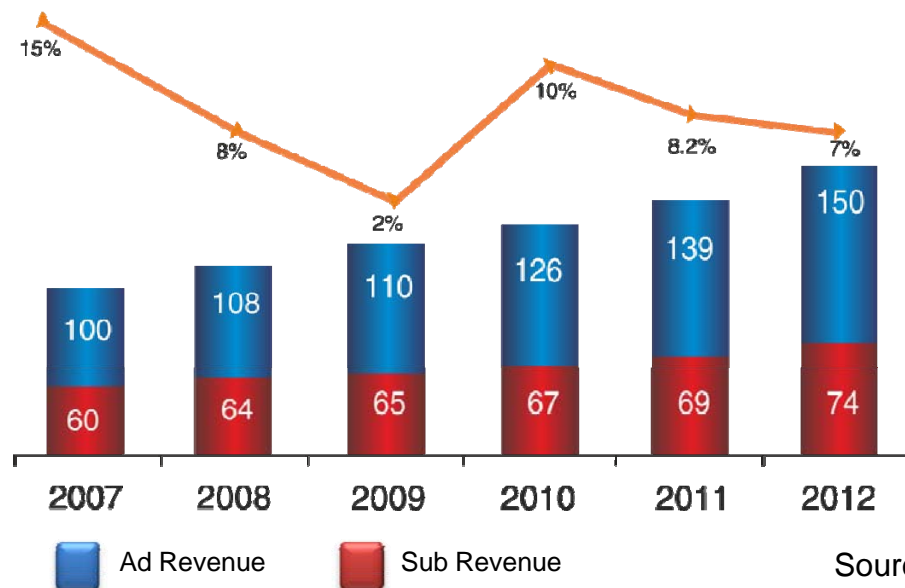
CREDIBILITY & INTEGRITY
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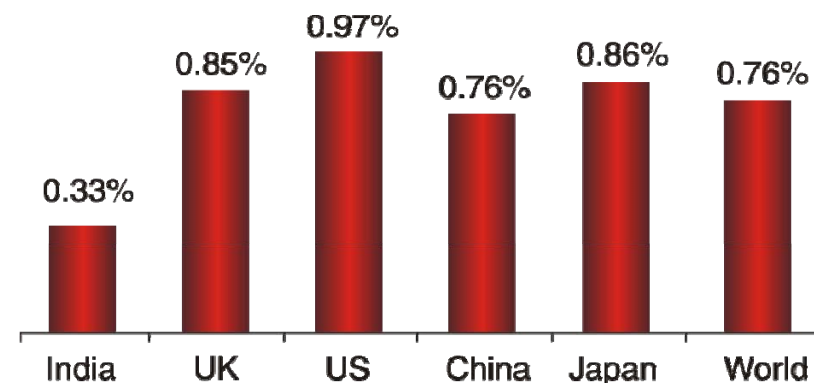
RESPECT & APPRECIATION
ETHICAL GOVERNANCE

Indian Media Sector

Print Industry Revenues (Rs bn)



Media Spend as % of GDP



Source: Worldwide Media & Mktg. Forecasts, Group M, Summer 2011

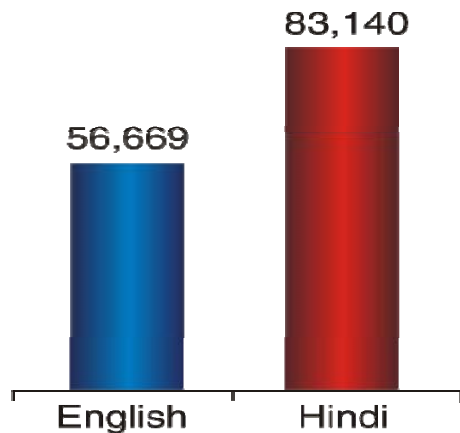
- M&E industry size was Rs 821 bn in 2012, which grew by 13% over 2011. Expected CAGR growth is 15% till 2017.
- Indian Ad spend is expected to grow at a CAGR of 14% till 2017.
- Print Media Ad pie continues to hold largest % of overall Ad pie at 46% and is expected to maintain lead with expected CAGR growth of 13% till 2017, for Regional Print.

Source: FICCI-KPMG Report 2013

REGIONAL PRINT GROWING FASTER WITH INCREASING LITERACY LEVEL

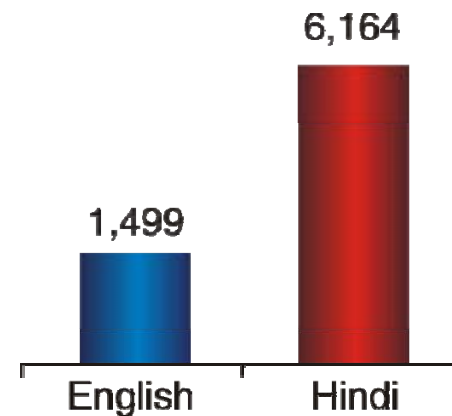
Can Read Population (in '000)

(Growth From 2007 – 2012)



Newspaper Reach (in '000)

(Growth From 2007 – 2012)



- Literate population of India has grown to 656259 (in '000) from 537117 (in '000) in last 5 years from 2007 to 2012.

Source: IRS Q3 '12

A LEADING MEDIA COMPANY OF INDIA



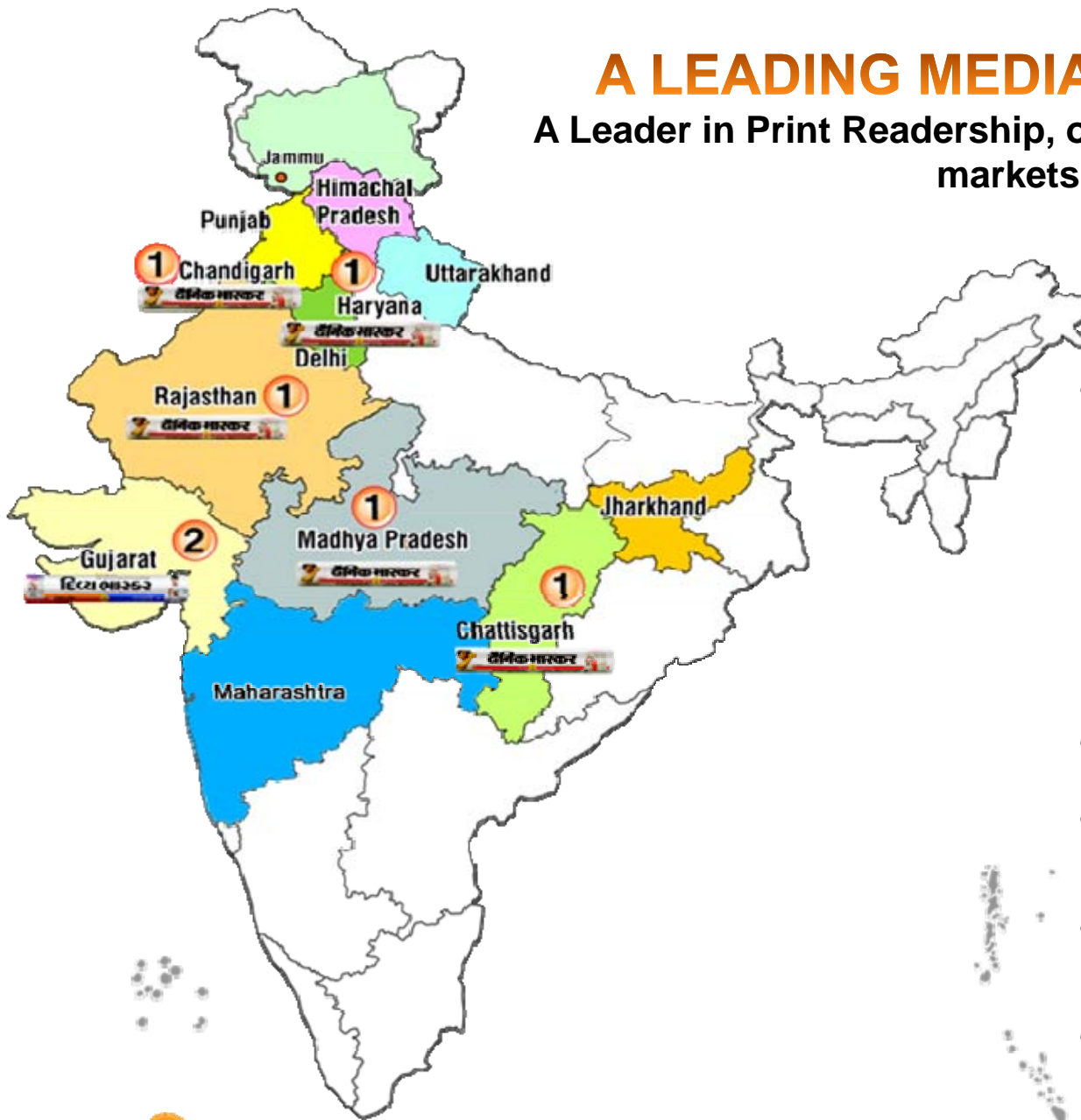
MAJOR BUSINESS BRANDS

Around 44.2 million Total Readership & 19.8 MN Daily 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



Leadership in Multiple States – Emerging Tier II & III Cities

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

Focus on Revenue Market Share - in Multiple language

- Hindi, Gujarati, Marathi and English
- 38% Urban population resides in Bhaskar Markets
- 36% of India's total consumption is concentrated in Bhaskar Markets.
- Newspaper readership penetration is only 30%

CONSISTENT TRACK RECORD OF GROWTH

1997

2013

State 01



13 States

Editions 05



65 Editions

Language 01



04 Languages

Readership (MN) 3.2



19.8 Readership (MN)

FOCUSED ON GROWING MEDIA OPPORTUNITIES IN INDIA

-REGIONAL MARKETS



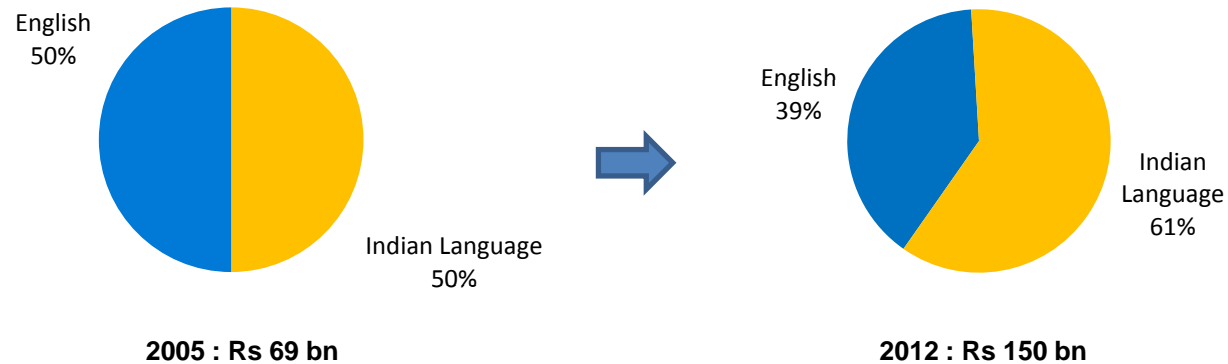
CONSUMPTION GROWTH IS HIGHER IN TIER II & TIER III CITIES

GROWTH 2008 VS. 2012	METROS	TIER II	TIER III
Consumer Durables Ownership (Air Conditioner)	69%	135%	131%
Consumer Durables Ownership (Electric Geyser)	28%	85%	59%
IT & Communication Products	69%	116%	105%
Automobile (Ownership)	40%	83%	66%
FMCG Product Purchases	17%	42%	30%

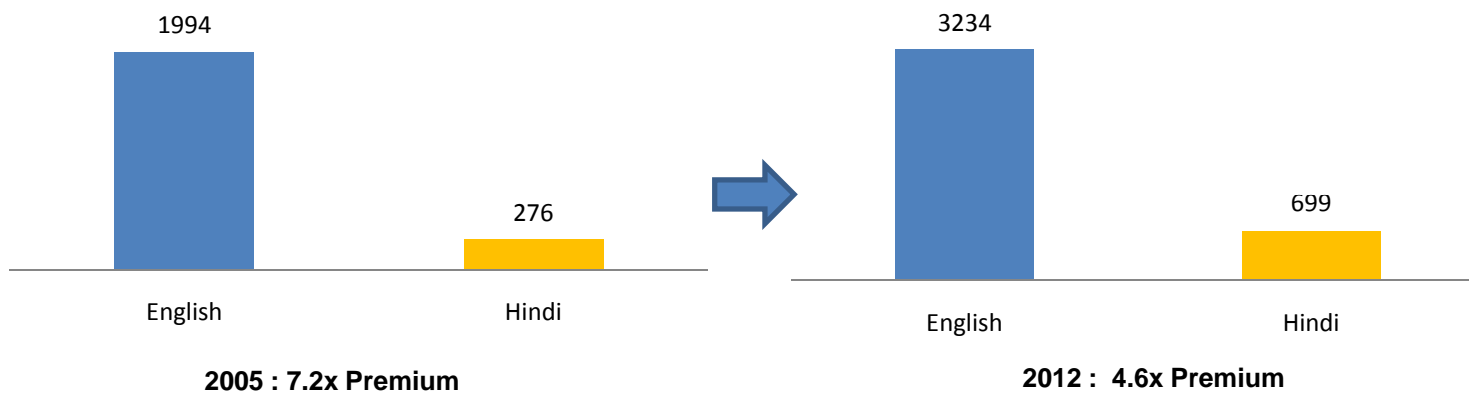
Source: IRS Q3 '12

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

Indian Language gaining share of ad-pie

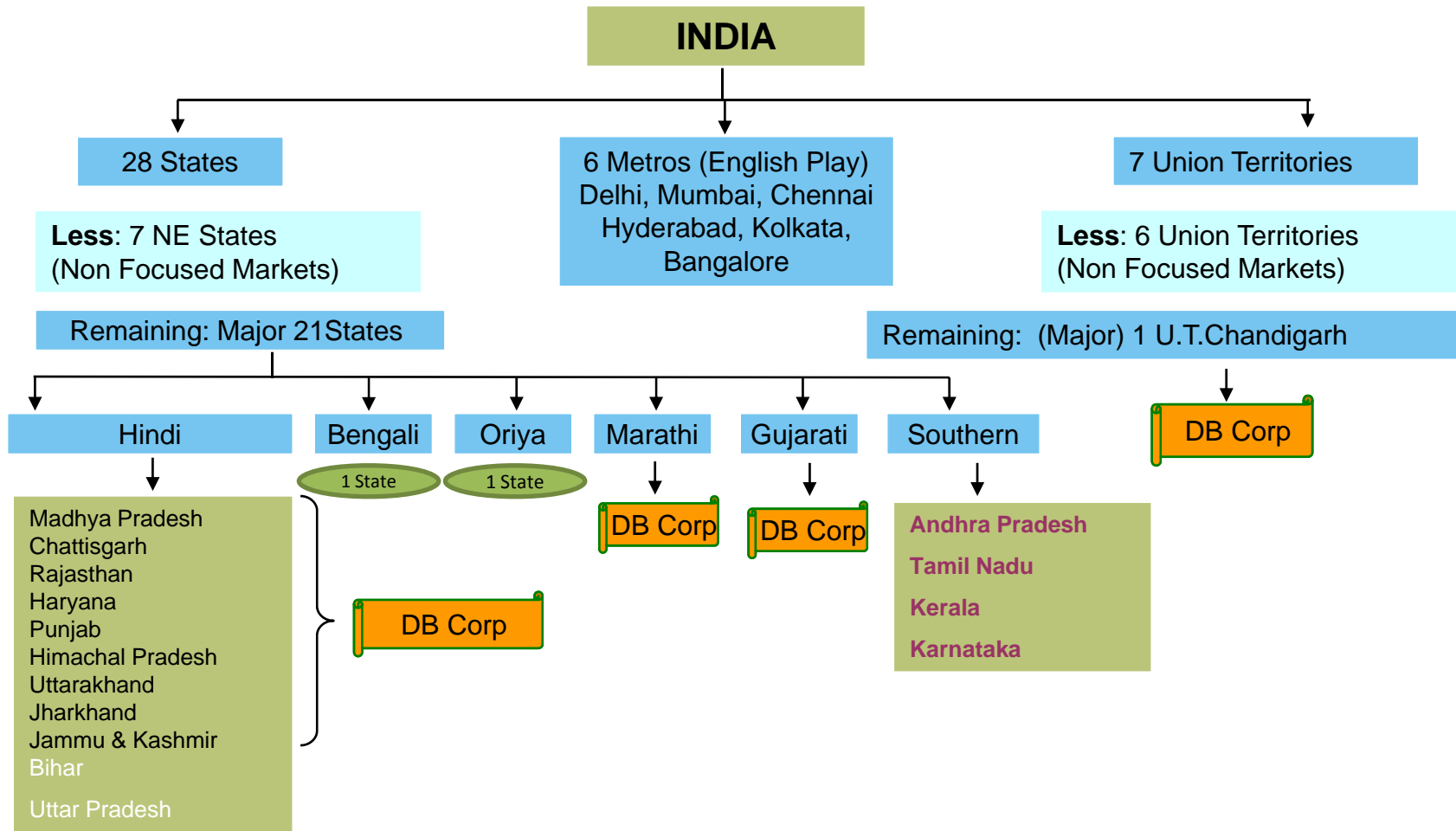


Hindi Started getting the Premium(On Value Basis)



Source: FICCI KPMG Report , IRS , TAM Adex

STRATEGIC FOOTPRINT IN INDIA



Source: Indian Govt Web site

DIVERSE, SUSTAINABLE BUSINESS MODEL



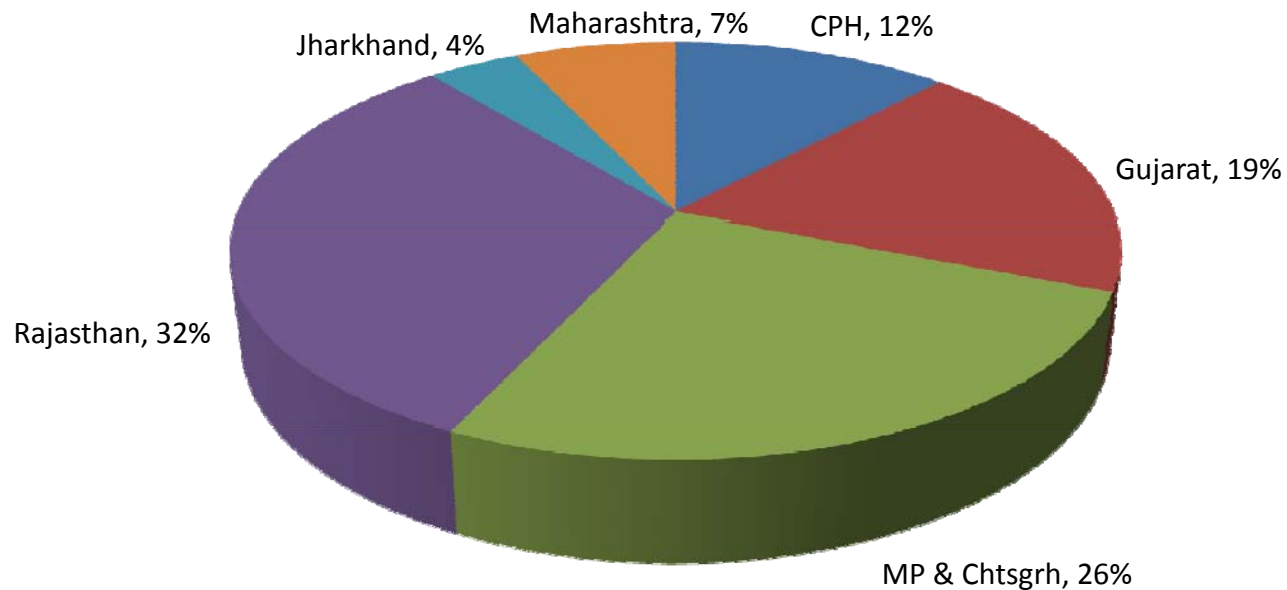
SUSTAINABLE & IMPREGNABLE BUSINESS MODEL

UNIFORMLY DISTRIBUTED EBIDTA FROM OUR DIVERSIFIED MARKETS

Our business in Madhya Pradesh, Chhattisgarh, Rajasthan, Gujarat, Haryana, Punjab, Chandigarh etc. equally contributes towards top-line, bottom-line & our readership, thus reducing the dependability on any one single market

EVEN DISTRIBUTION OF OUR 19.8 MN AVERAGE DAILY READERS

Readership – IRS12 Q4



■ CPH

■ Gujarat

■ MP & Chtsgrh

■ Rajasthan

■ Jharkhand

■ Maharashtra

CPH – Chandigarh, Punjab & Haryana

D B CORP LTD. EXPANSION JOURNEY CONTINUES – SUCCESSFUL MAHARASHTRA LAUNCH

so far 5 editions from
Aurangabad, Nashik,
Jalgaon, Ahmednagar
& Solapur...



AND WE ONCE AGAIN PROVED OUR SUCCESSFUL LAUNCH STRATEGY 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...

Average Issue Readership in '000s

Jaipur	IRS 12 Q4
Dainik Bhaskar	1040
Nearest Competitor	792

Chandigarh/ Haryana	IRS 12 Q4
Dainik Bhaskar	1455
Nearest Competitor	1108

Ahmedabad	IRS 12 Q4
Divya Bhaskar	1097
Nearest Competitor	848

Amritsar	IRS 12 Q4
Dainik Bhaskar	144
Nearest Competitor	106

Jalandhar	IRS 12 Q4
Dainik Bhaskar	138
Nearest Competitor	118

Ranchi-IMRB Survey

Aurangabad-IMRB Survey- August 2011

IRS : Indian Readership Survey
IMRB: Indian Market Research Bureau

IMRB Survey

Ranchi	AIR
Dainik Bhaskar	165
Nearest Competitor	184

Aurangabad	AIR
Dainik Divya Marathi	176
Nearest Competitor	270

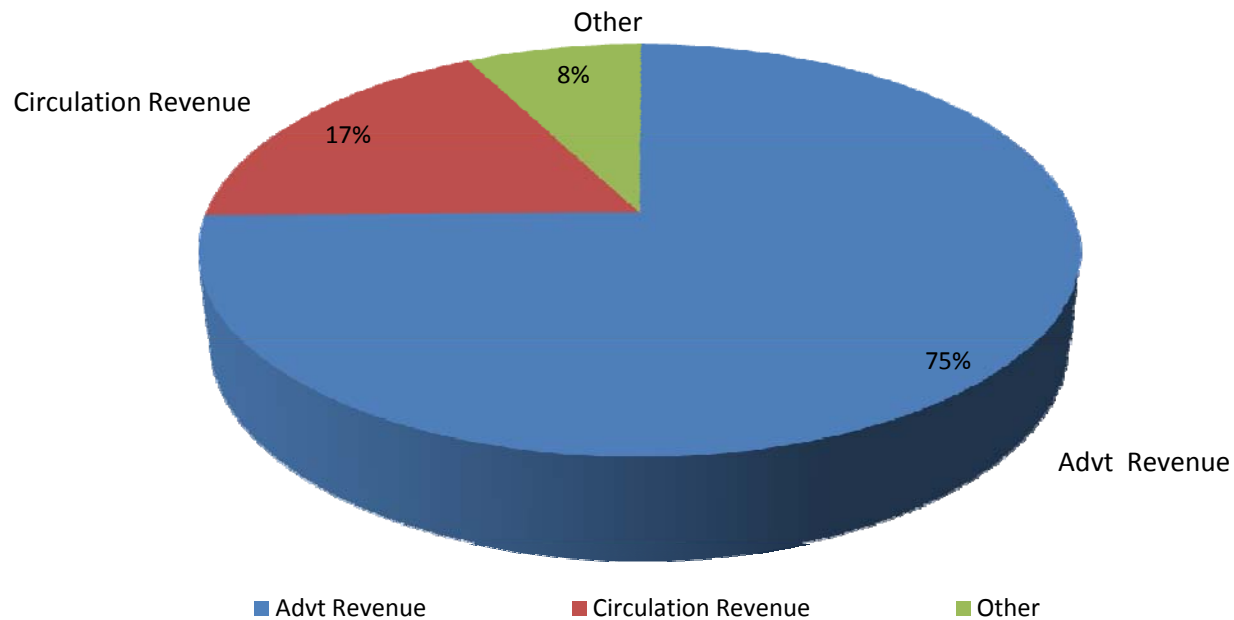
CONSOLIDATED FINANCIAL HIGHLIGHTS

- *Robust Growth in Profits*
- *Strong Focus on ROCE & RONW*
- *Low Debt Exposure, High Net worth & Strong Balance Sheet*



ADVERTISEMENT & CIRCULATION DRIVEN REVENUE GROWTH

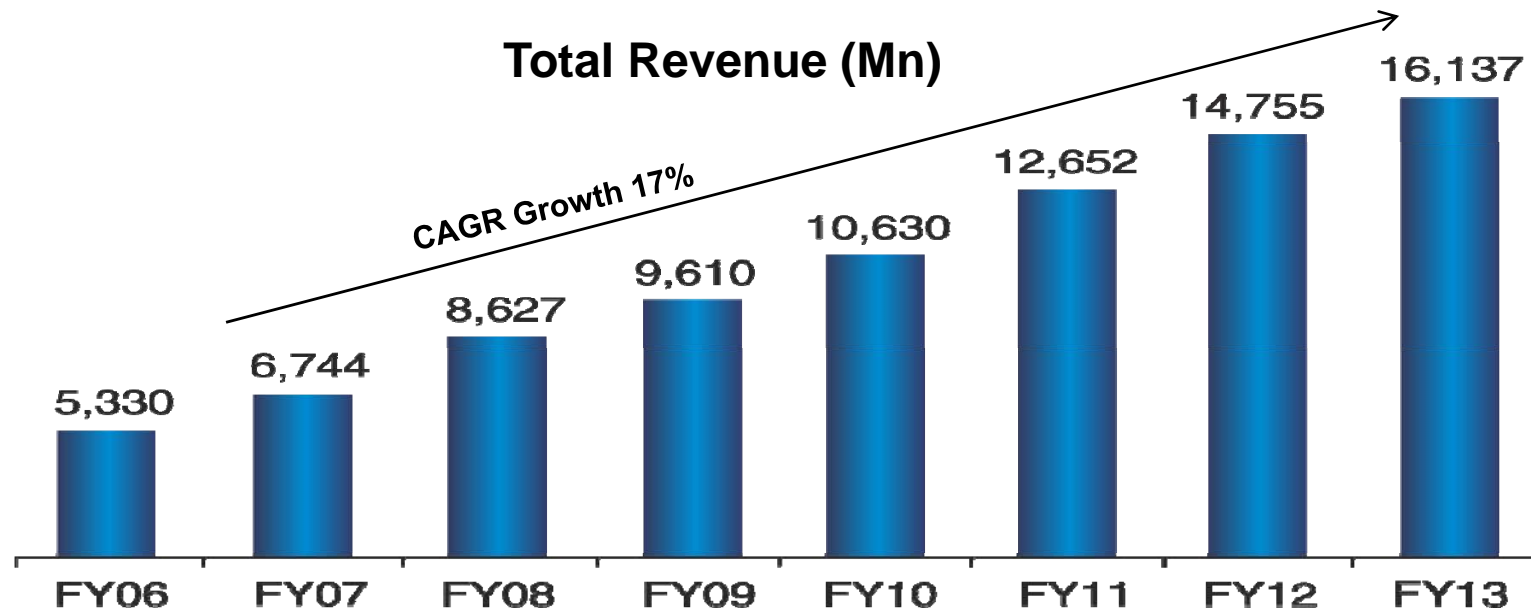
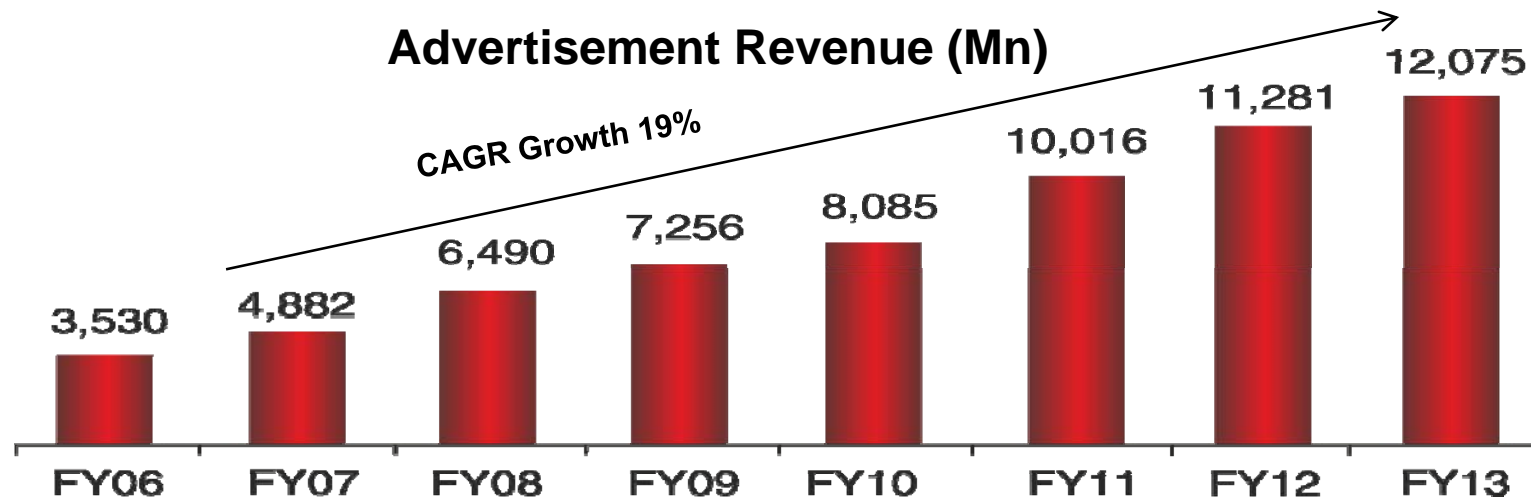
Revenue Breakdown FY13



Revenue Growth Drivers

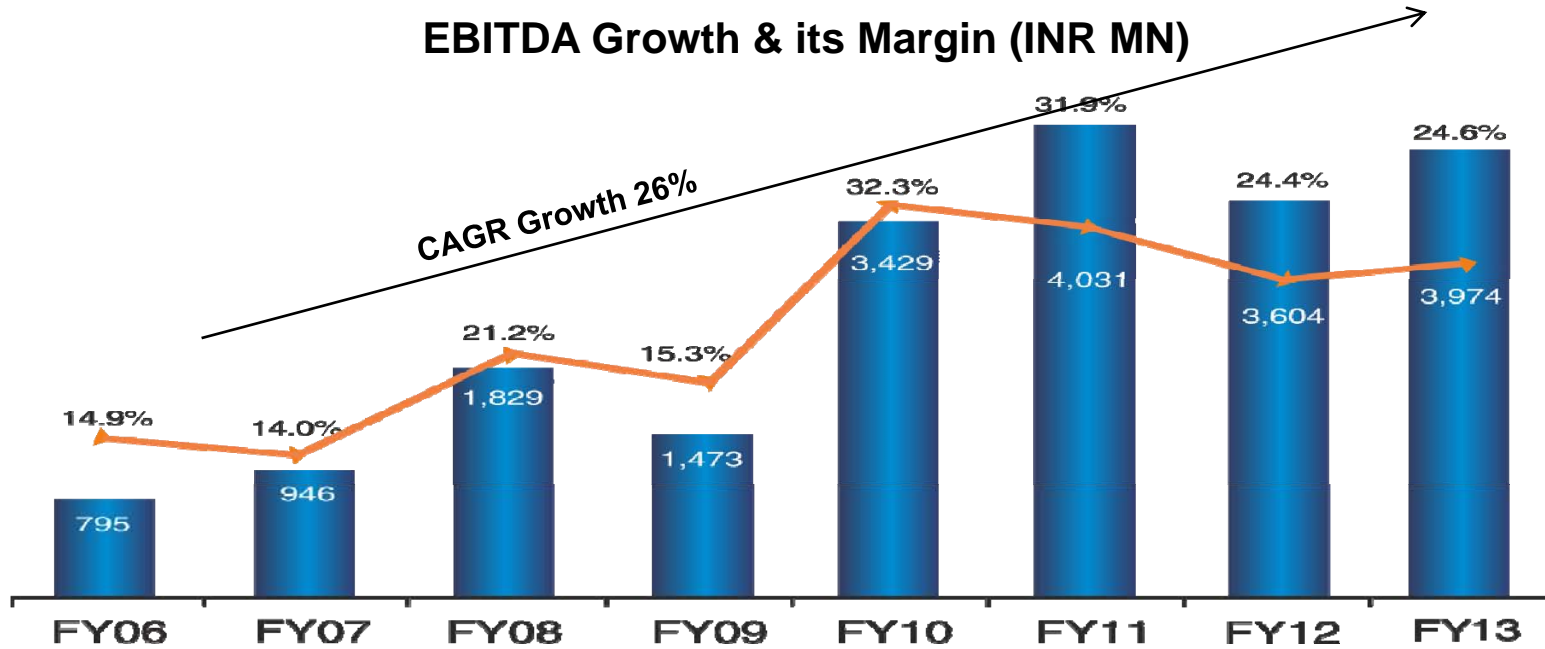
- Upward revision of ad rates at national and local level
- Driving growth through Retail Advertisers
- Improved Circulation, in Existing and Newer Markets and better price realization
- Further consolidation in existing markets and expansion into new territories

ROBUST ADVERTISEMENT & REVENUE GROWTH

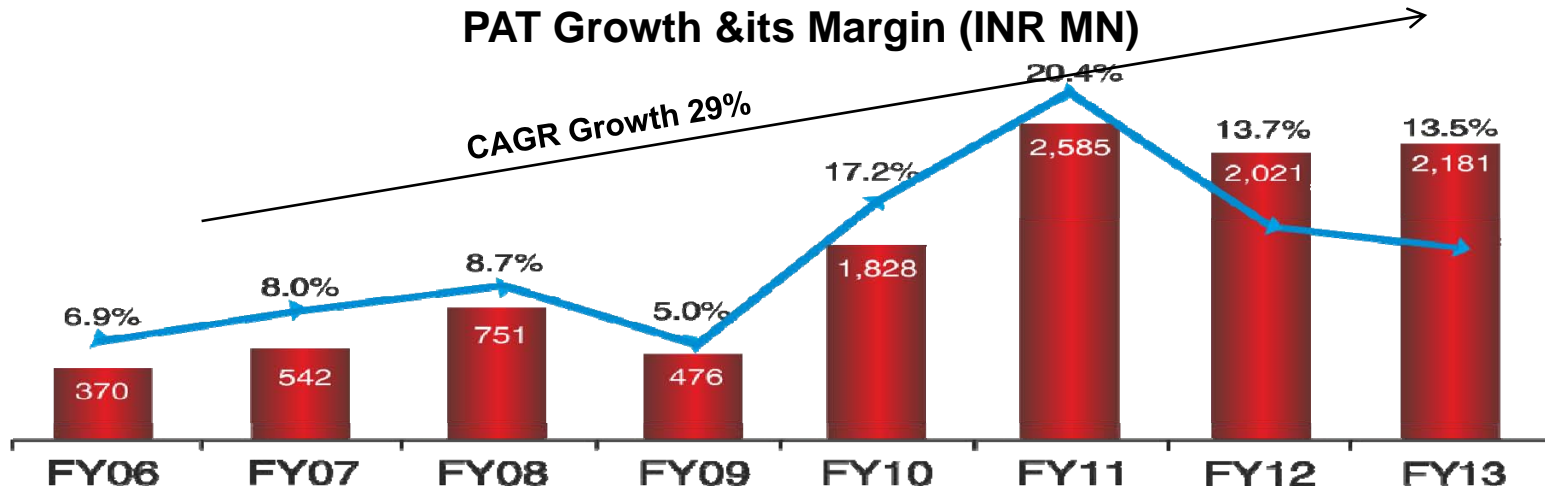


PROPELLING OVERALL MARGIN EXPANSION

EBITDA Growth & its Margin (INR MN)



PAT Growth & its Margin (INR MN)



HEALTHY OPERATING PROFIT IN OUR MATURE MARKET

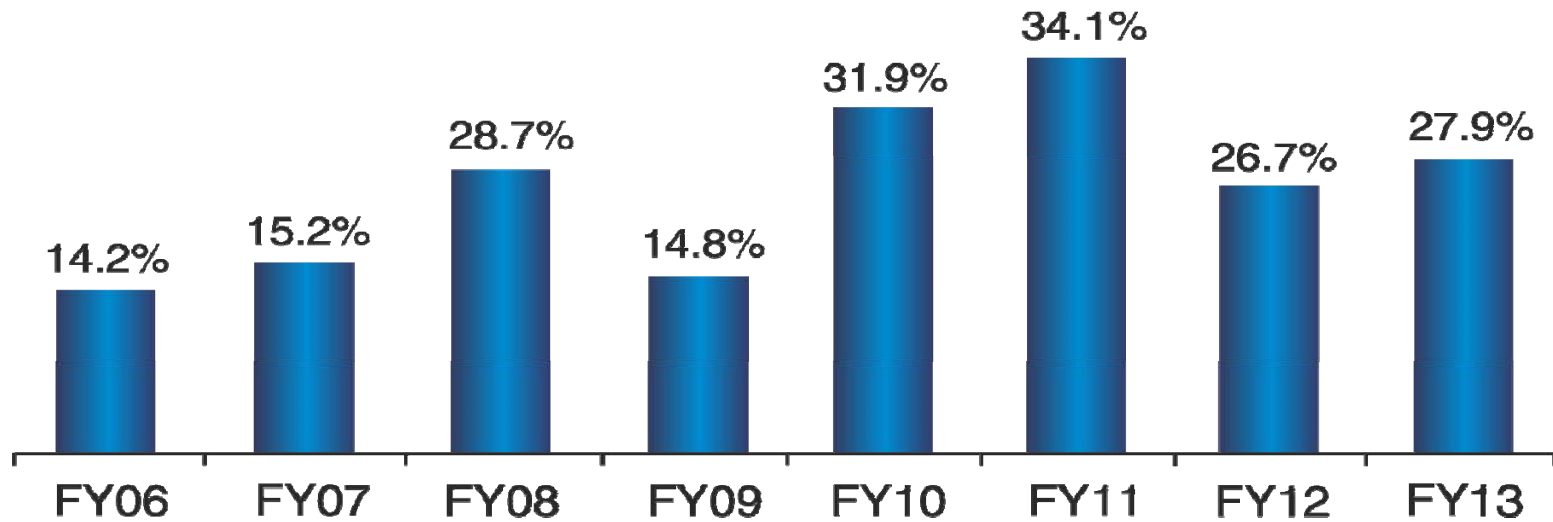
Rs MN

Particulars	QTR 4 (FY 11-12)			QTR 4 (FY 12-13)			YTD (FY 11-12)			YTD (FY 12-13)		
	Matured	Emerging	DBCL Standalone	Matured	Emerging	DBCL Standalone	Matured	Emerging	DBCL Standalone	Matured	Emerging	DBCL Standalone
Topline	3085	346	3431	3408	369	3778	12736	1243	13979	13365	1758	15123
EBIDTA(Before pre-opex)	923	(185)	738	973	(65.6)	908	4247	(635)	3612	3986	(344)	3642
EBIDTA(After pre-opex)	923	(198)	726	973	(65.6)	908	4246	(767)	3479	3986	(357)	3629
EBIDTA %	30%	(57%)	21%	28.6%	(17.8%)	24%	33.3%	(61.7%)	24.9%	29.8%	(20.3%)	24%

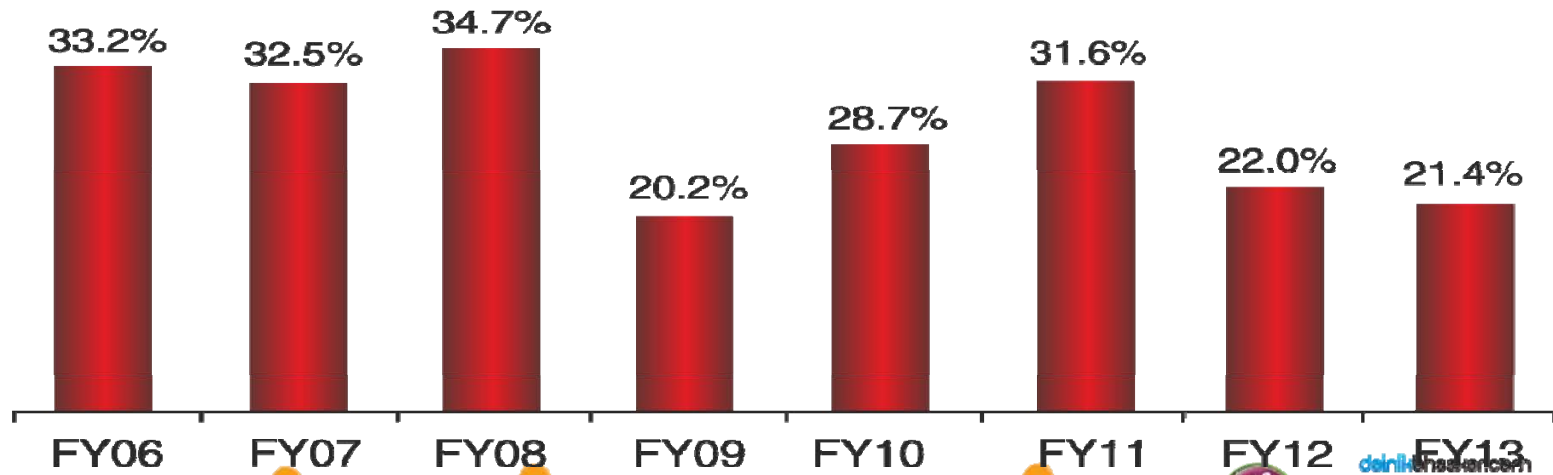
*Emerging Editions: Editions which are less than 4 years old

STRONG FOCUS ON ROCE & RONW

Return on Capital Employed (ROCE)



Return on Net Worth (RONW)



FINANCIAL SUMMARY

Particulars (INR million)	Year Ended				Quarter ended		
	March-10	March-11	March-12	March-13	March-12	March-13	Growth %
Advertising Income	8086	10034	11281	12075	2630	2975	13.1%
Circulation Revenue	2118	2144	2422	2823	622	733	18.0%
Total Income	10630	12794	14755	16137	3642	4073	11.8%
Newsprint	(3279)	(3838)	(5080)	(5446)	(1301)	(1337)	2.7%
Other Operating Expenditure	(3922)	(4786)	(6071)	(6717)	(1505)	(1705)	13.3%
Total Expenditure	(7200)	(8624)	(11151)	(12163)	(2806)	(3042)	8.4%
EBITDA	3429	4170	3604	3974	836	1031	23.3%
EBITDA Margin	32.3%	32.6%	24.4%	24.6%	22.96%	25.31%	
Net Profit	1828	2587	2021	2181	454	553	21.6%
Net Worth	6361	8289	9177	10213	9117	10213	
Secured Long Term Gross Loan	2394	1745	1328	1098	1328	1098	
Cash & Bank Balance	1926	1727	1896	1279	1896	1279	
Secured Working Capital Loan	573	337	577	299	577	299	
Total Secured Gross Debt	2966	2082	1905	1396	1905	1396	
Net Block (Fixed)	6475	7091	8224	8648	8224	8648	
ROCE	31.9%	35.1%	27.0%	27.9%	26.7%	27.9%	
RONW	28.7%	31.2%	22.0%	21.4%	22.0%	21.4%	

GROWTH OPPORTUNITIES - RADIO



- Launched in 2006, now operates from 17 stations in 7 states, namely M.P., C.G., Punjab, Gujarat, Rajasthan, Chandigarh, Maharashtra
- Our Radio Business has attained PAT in record less than 4 years time, from the time of operations of all 17 stations.
- Strong Advertisement revenue of Rs. 185 million with growth of 25% in Qtr 4 FY'13 on YOY Basis.
- Achieved EBIDTA of Rs. 69 million (margin of 37%) and PAT margin of 23% in Q4 FY'13
- Strong Competitive advantage because of knowledge of consumers & advertisers, in these markets

GROWTH OPPORTUNITIES – DIGITAL MEDIA

- Digital Business has shown an impressive growth of 1950% in last 3 years .
- Our Unique Visitors have grown to 10 million per month, thus registering growth of 1650% in last 3 years.
- Collective page views stands at 250 million per month.
- www.dainikbhaskar.com has become largest Hindi language website with 163 million page views, registering growth of 2700% in last 3 years.
- www.divyabhaskar.com has become largest Gujarati language website with 67 million page views, thus registering growth of 1100% in last 3 years.
- Our Revenue growth is impressive 99% in FY13 YOY and we have been maintaining good growth momentum in our Digital revenue.

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
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.

THANK YOU



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