

DB Corp Ltd.

Q1 FY 2011-12

Financial Performance

July 21, 2011



Performance Highlights - Standalone

- Stand-alone Advertising Revenue increased by YOY~ 21% to Rs 2841 million in current quarter from Rs 2358.2 million in Q1 of last fiscal
 - Consistent and strong advertising growth which is one of the best in the Indian Print space
- Stand-alone Total Revenue has grown by YOY~ 19% to ~Rs 3527 million in current quarter against Rs 2977.2 million of Q1 of last fiscal
- Stand-alone EBIDTA margin for Q1 stands at 29% at Rs 1024.4 million
- Print Business EBIDTA margin for Q1, excluding losses of new markets - Jharkhand and Maharashtra, stands at 35% at Rs 1154 million
- On an apple to apple comparison basis, i.e. excluding new markets of Jharkhand and Maharashtra, Stand-alone Advertising Revenue has grown by YOY~ 18%
- Stand-alone PAT margin stands at 18% at ~Rs 634 million
 - Consistently delivering one of the highest PAT margin in Indian Print Media Space, since beginning after factoring in new market losses, including one-time pre-operative expenses on account of new launches
- Radio business has achieved EBIDTA of ~Rs. 17 million (~14% margin)

Performance Highlights - Consolidated

- Consolidated Advertising Revenue increased by YOY 20.2% to Rs 2832.4 million in current quarter from Rs 2357.1 million in Q1 of last fiscal
- Total Consolidated revenue has grown by YOY 18.4% to ~Rs 3538 million in current quarter against ~Rs 2987 million of Q1 of last fiscal
- Consolidated EBIDTA margin stands at 28.4% at ~Rs 1004 million
- Consolidated PAT margin stands at 17.3% at ~Rs 611 million
- EPS stands at Rs 3.33

Financial Overview - Consolidated

Rs MN

Particulars	Quarter ended		YOY
	June 30, 2011	June 30, 2010	Variance
	Unaudited	Unaudited	%
a) Net sales/income from operations	3,489.2	2,969.5	17.5%
b) Other operating income	48.2	17.2	180.3%
Total Revenue	3,537.4	2,986.7	18.4%
Expenditure			
a) (Increase)/decrease in stock of finished good	0.02	(0.02)	-200.0%
b) Consumption of raw materials	1,183.5	831.8	42.3%
c) Employees cost	575.0	410.5	40.1%
e) General administrative expenses	210.2	170.8	23.1%
f) Selling and distribution expenses	173.7	114.4	51.9%
g) Other operating expenses	391.5	323.3	21.1%
Total Expenditure	2,534	1,851	36.9%
EBIDTA	1,003.5	1,135.9	-11.7%
EBIDTA Margin	28.4%	38.0%	
Depreciation/amortisation	117.2	104.2	12.5%
EBIT	886.3	1,031.7	-14.1%
EBIT %	25.1%	34.5%	
Interest	(9.7)	3.6	-369.4%
Profit before tax	896.0	1,028.1	-12.8%
Tax expense	284.4	310.8	-8.5%
Minority interest-loss/(profit)	(0.69)	(0.37)	
Net profit	610.9	716.9	-14.8%
Net Profit Margin	17.3%	24.0%	
Earnings per share (EPS)	3.33	3.95	

Mature & Emerging Editions - Financials

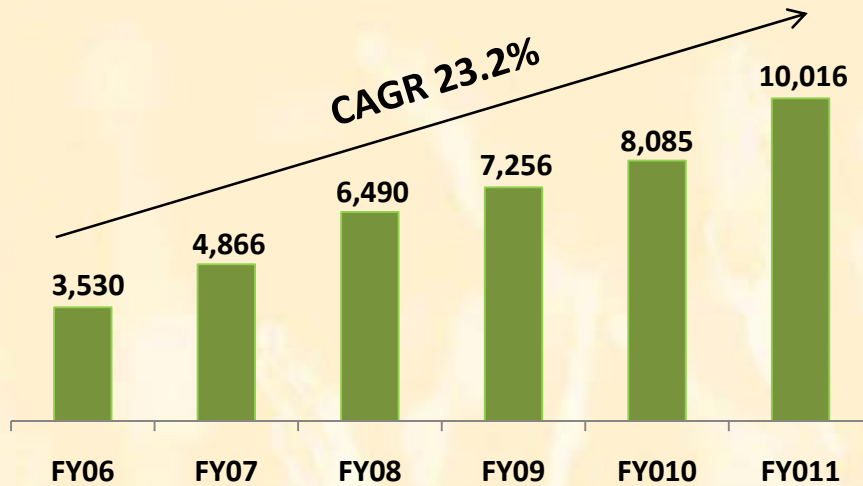
Q1 FY 2012

Rs MN

Particulars	Mature Editions	Emerging Editions	Radio Business	DBCL Standalone
Total Revenues	3183.3	219.4	123.8	3526.5
EBIDTA (before pre-operative expenses)	1181.1	-112.1	16.9	1085.9
EBIDTA Margin	37.1%	-51.1%	13.5%	30.8%
EBIDTA (after pre-operative expenses)	1180.9	-173.4	16.9	1024.4
EBIDTA Margin	37.1%	-79.0%	13.5%	29.0%

Our Strength – Focus on Growth Delivery

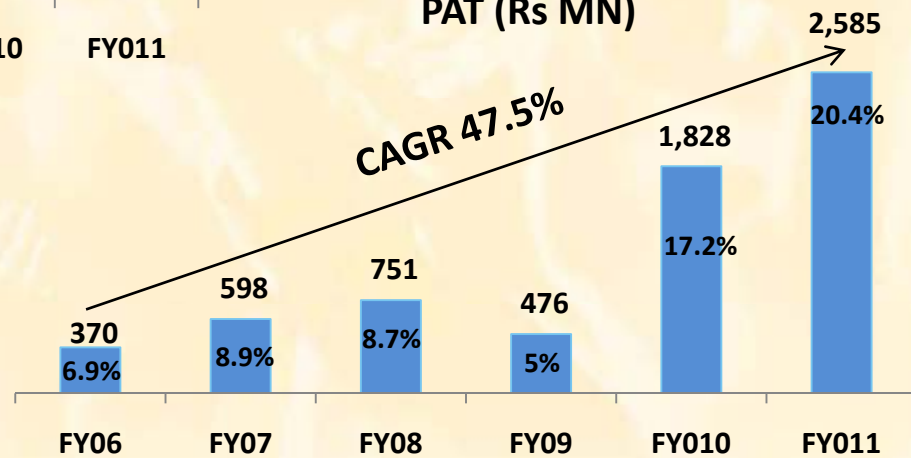
Advertisement Revenue (Rs MN)



**Consistent and Robust
Advertisement Revenue Growth**

Strong PAT Margin Delivery

PAT (Rs MN)



Quarterly Operational Achievements

- DB Corp Ltd retains position as the largest print media group amongst national dailies with **18.1** million readers across India's fastest growing markets, as revealed by the Inaugural Quarterly Results of IRS (Q1 2012) that were released in June 2011
- Our flagship newspaper Dainik Bhaskar retains its **position as No.1** newspaper of Urban India, in **Average Indian Readership (AIR)**
- The Company remains a strong leader in Madhya Pradesh, Chattisgarh, Chandigarh, Rajasthan (U), Haryana, Punjab (JAL), and Gujarat
- **Dainik Bhaskar voted as ICMR's (Indian Council for Market Research) Star Brand 2010-11-** Star Brands is awarded based on extensive pan-India research.
- **MY FM 94.3** have been selected in the category of – Best Station ID's in New York Festival Awards (USA, on 29th June 2011) .
- **Digital business** ramping up rapidly – stellar growth in number of page views. dainikbhaskar.com, diyvabhaskar.com, divyamarathi.in & dailbhaskar.com, stand out as preferred destinations for their respective online target audiences

Our New Market Launch Strategy

- D B Corp Ltd's growth strategy continues to be focused on tapping emerging markets with significant readership gap and the opportunity to develop the market, thus expanding the readership base and overall growth in advertising.
- Our past 15 years experience of different new market launch reveals that our launch strategy of focusing and becoming very strong and formidable player in new market from beginning has resulted in attaining EBITDA break even in around 4 years time – as exemplified by Bhaskar's last launch in Punjab in 2007, which achieved EBITDA breakeven in around 3 years
- Through the launch of **Dainik Divya Marathi**, in Aurangabad in May 2011, DBCL has extended its presence to 4 languages and to its 60th edition.
- Also launched Dainik Divya Marathi's second edition from Nasik in July (expanded to 62nd edition)

Management's Outlook

Commenting on the performance for Q1 FY 2011-12, Mr. Sudhir Agarwal, Managing Director, DB Corp Limited said, "On an overall basis, our growth momentum has been well maintained this quarter as reflected by our strong financial performance and a robust ad revenue growth, which we believe is one of the most consistent and strongest across the Indian print media space. Our new-market launch strategies have served us well that have always centred on customising and launching a strong product with high quality content, in territories presenting significant readership gap with an opportunity to expand the market. We continued to make determined progress in consolidating Bhaskar's presence in key regions – as we successfully completed our foray in Jharkhand with the launch of Dainik Bhaskar's Dhanbad edition in April 2011, and also made successful in-roads into new territories of Maharashtra – with very exciting and challenging launches of Dainik Divya Marathi in Aurangabad and Nasik, cities that are both of great strategic importance in strengthening the Bhaskar brand in the state. Followed by the successes in these regions, we plan to soon launch in Jalgaon and over 2011-12 plan to extend our presence in other formidable markets in Maharashtra.

We are excited about future opportunities and our outlook is optimistic, driven by the rapidly rising consumption story in Tier 1 and Tier 2 cities and the potential of the regional print media segment. Leveraging our competitive strengths to well capitalize on this growing opportunity, we remain committed to reporting encouraging performance going forward and in delivering greater stakeholder value.

About D B Corp Ltd.

D B Corp Ltd. Is India's largest read print media company that publishes 8 newspapers with 62 editions, 191 sub-editions in 4 languages (Hindi, Gujarati, English and Marathi) across 13 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 18.1 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, Jharkhand and Jammu. Our other noteworthy newspaper brands are Dainik Divya Marathi, Business Bhaskar, DB Gold, DB Star and, DNA (in Gujarat, Rajasthan and MP) on a franchisee basis.

The company's other business interests also span the radio segment through the brand "My FM" Radio station with presence in 7 states and 17 cities, and a strong online presence in internet portals.

For further information please contact:

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