

DB Corp Ltd. Investor Presentation

August 2012



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

A LEADING MEDIA COMPANY OF INDIA



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MAJOR BUSINESS BRANDS AND THEIR FACTS

Around 19.02 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

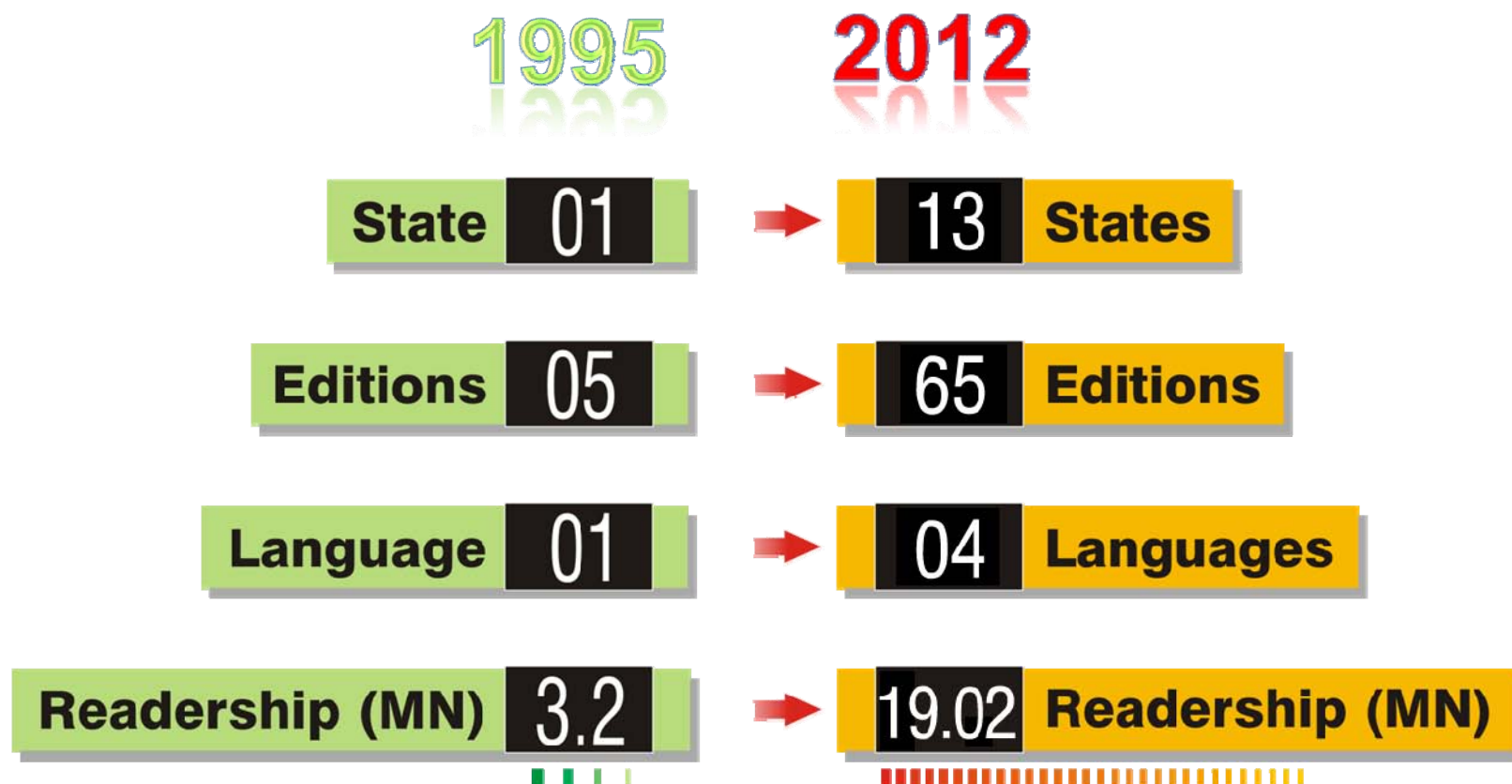
- Madhya Pradesh, Chhattisgarh, Rajasthan, Gujarat, Haryana, Punjab, Chandigarh, Maharashtra, Himachal Pradesh, Uttarakhand, Jharkhand, Jammu & Kashmir & Delhi

- 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

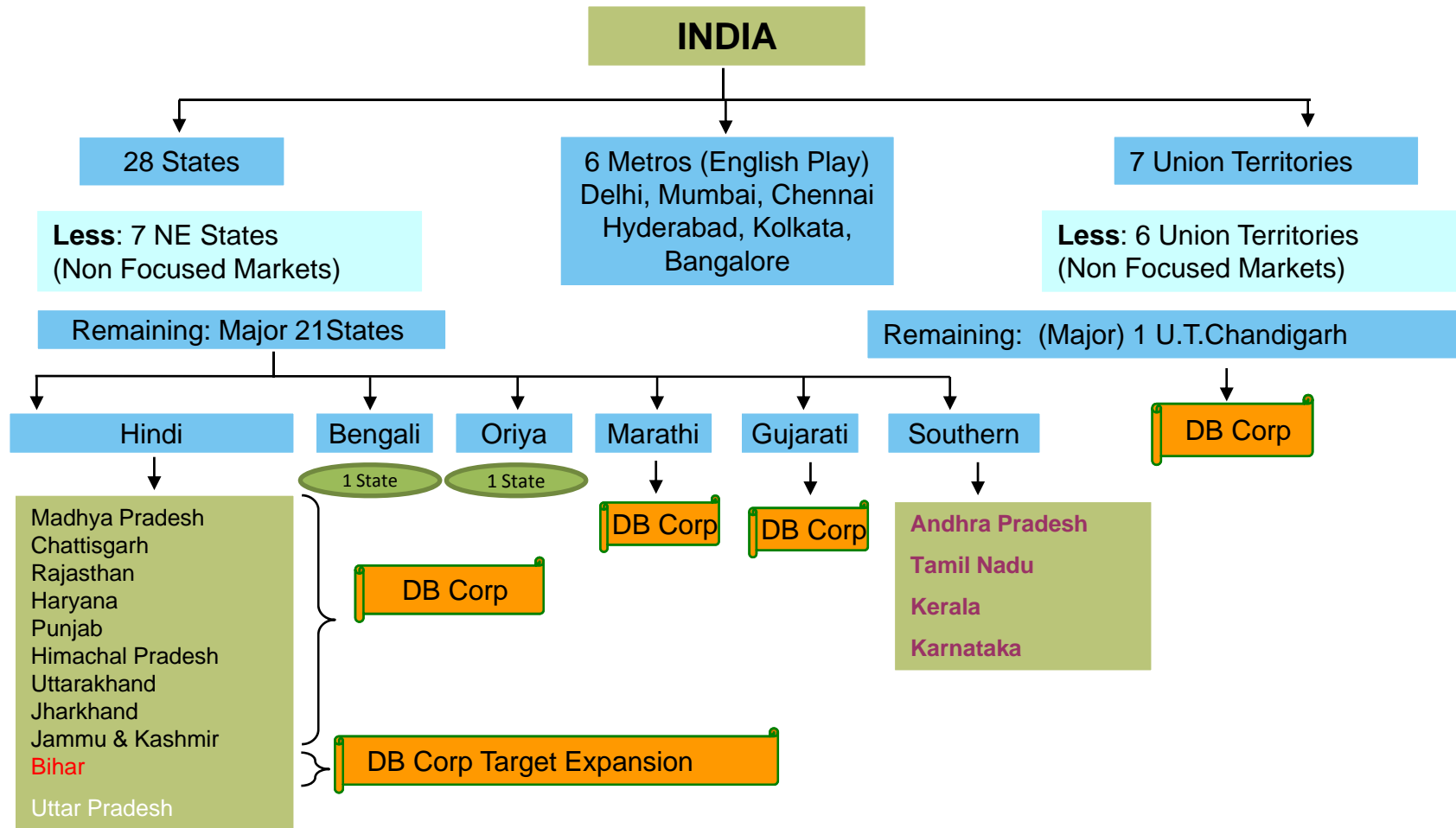


FOCUSED ON GROWING MEDIA OPPORTUNITIES IN INDIA

-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 the same is 53 cities as per census 2011.
- The major growth is happening in small and mid-sized 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

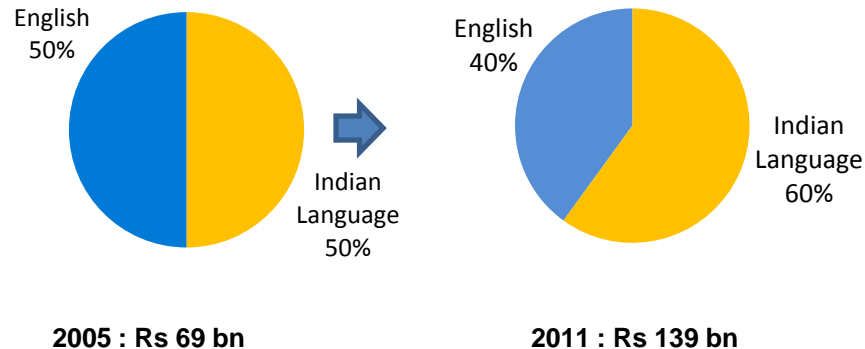
Growth 2008 vs 2011	Metros	Tier II	Tier III
Consumer Durables Ownership (Air Conditioners)	46%	104%	96%
IT & Communication Products Ownership	20%	66%	44%
Automobile Ownership (4 Wheelers)	27%	61%	58%
FMCG Product Purchases	10%	17%	15%

Source: IRS Q3 '11

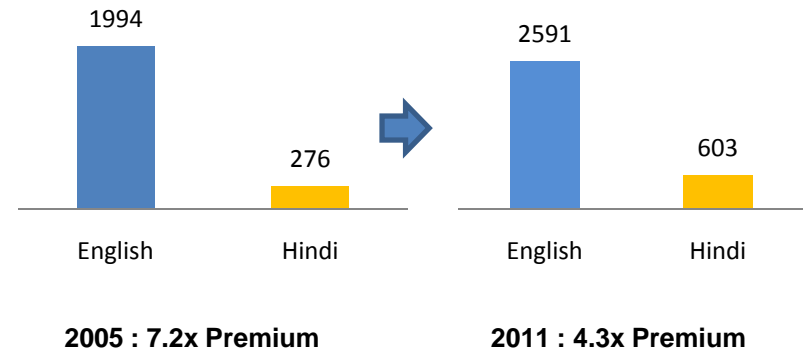
CONSUMPTION GROWTH WILL LEAD TO ADVERTISEMENT GROWTH IN TIER II & TIER III CITIES

- 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



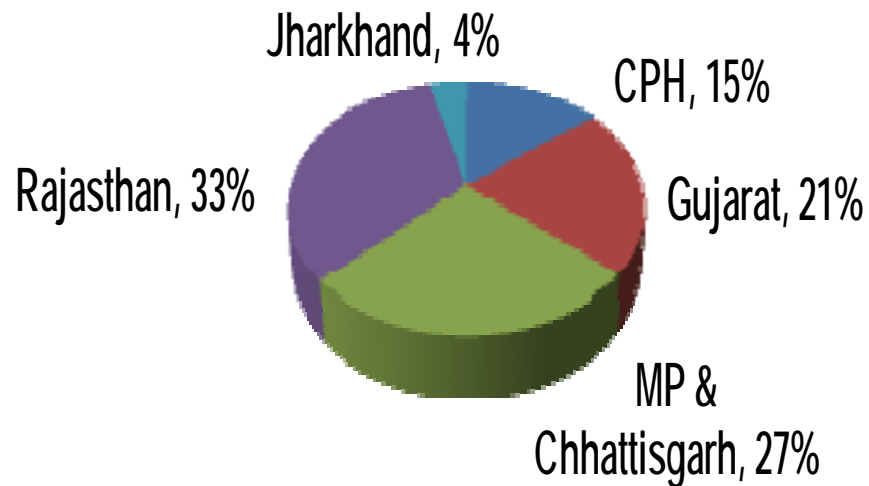
SUSTAINABLE BUSINESS MODEL

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 19.02 MN AVERAGE DAILY READERS

Readership – IRS 12 Q1



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 12 Q1
Dainik Bhaskar	1070
Nearest Competitor	759

Chandigarh/ Haryana	IRS 12 Q1
Dainik Bhaskar	1438
Nearest Competitor	1065

Ahmedabad	IRS 12 Q1
Divya Bhaskar	1144
Nearest Competitor	893

Amritsar	IRS 12 Q1
Dainik Bhaskar	142
Nearest Competitor	112

Jalandhar	IRS 12 Q1
Dainik Bhaskar	151
Nearest Competitor	114

IMRB Survey

Ranchi	AIR
Dainik Bhaskar	270
Nearest Competitor	303

Aurangabad	AIR
Dainik Divya Marathi	342
Nearest Competitor	273

GROWTH OPPORTUNITIES - RADIO



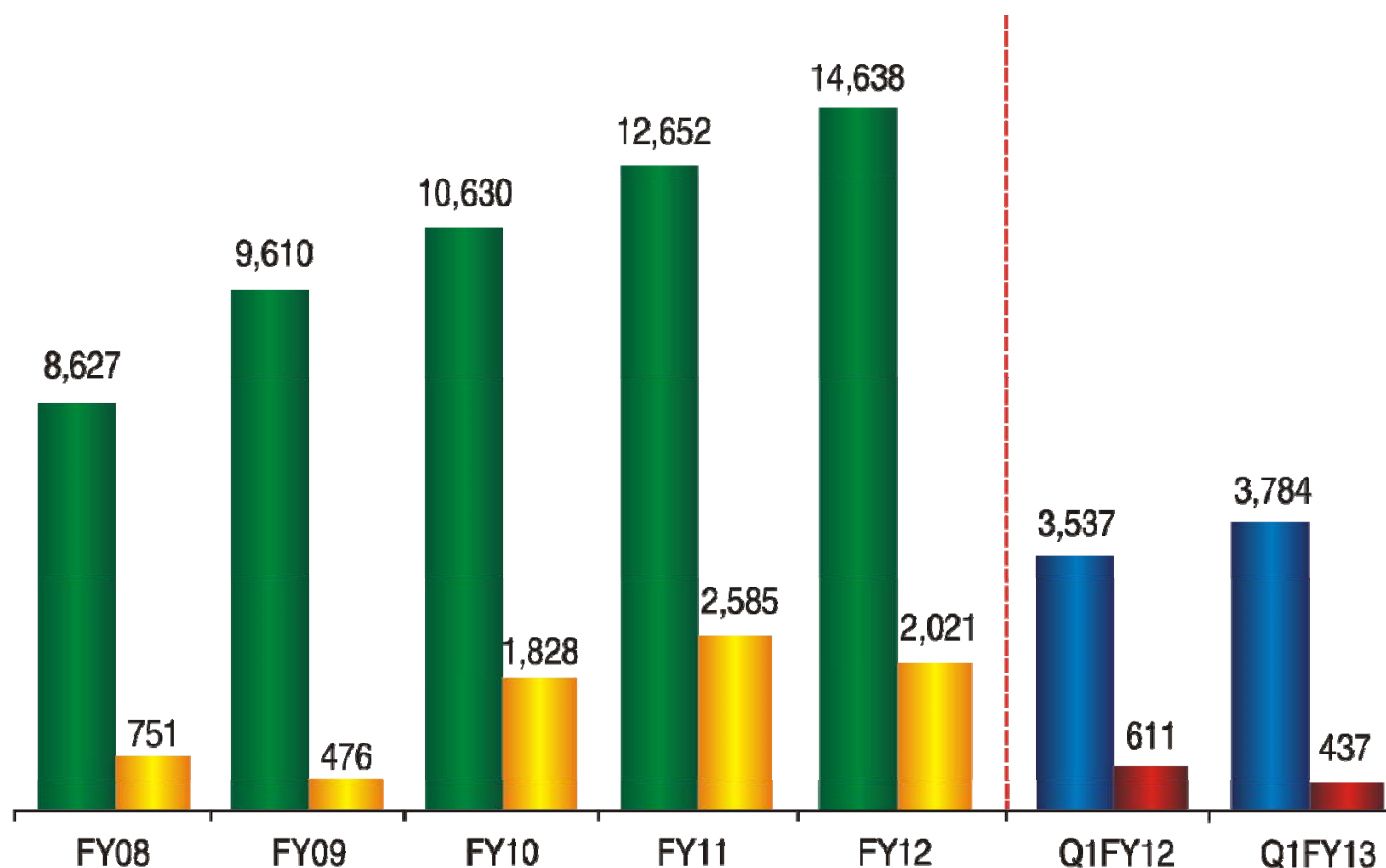
- Launched in 2006, now operates from 17 stations in 7 states
- Our Radio Business has attained PAT in record less than 4 years time, from the time of operations of all 17 stations.
- Strong Advertisement revenue growth of 13% in Qtr 1'FY13 on YOY Basis.
- Achieved EBIDTA margin of 21% and PAT margin of 3% in Q1 FY'13
- 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)

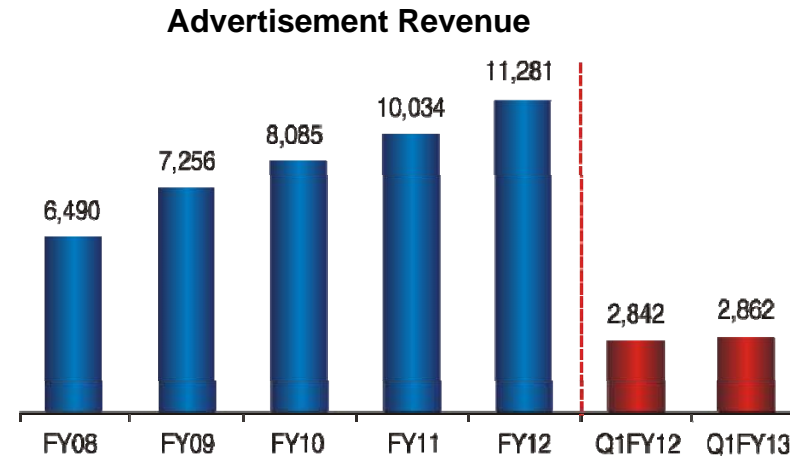
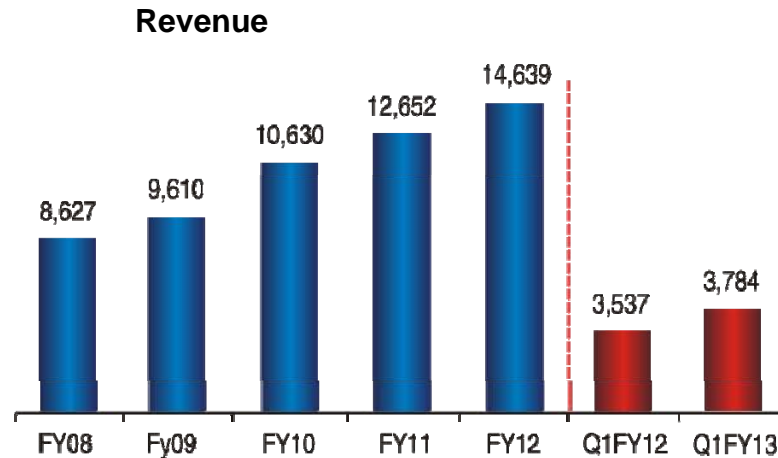
HEALTHY OPERATING PROFIT IN OUR MATURE MARKET

Rs MN

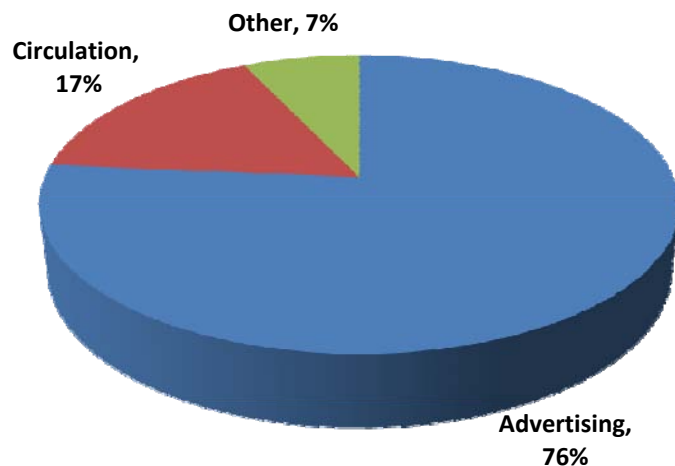
Particular	QTR 1 FY 11-12			QTR 1 (FY 12-13)		
	Mature	Emerging	Total Stand Alone	Mature	Emerging	Total Stand Alone
Topline	3183	219	3527	3175	441	3756
EBIDTA (Before pre-opex)	1181	(112)	1086	961	(109)	881
EBIDTA (After pre-opex)	1181	(173)	1024	961	(121)	869
EBIDTA %	37%	(79%)	29%	30%	(27%)	23%

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

ROBUST REVENUE GROWTH



Revenue Breakdown Qtr. 1'FY13

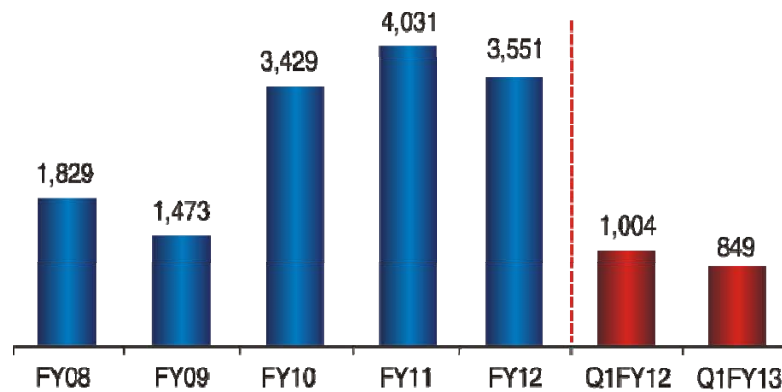


Revenue Growth Drivers

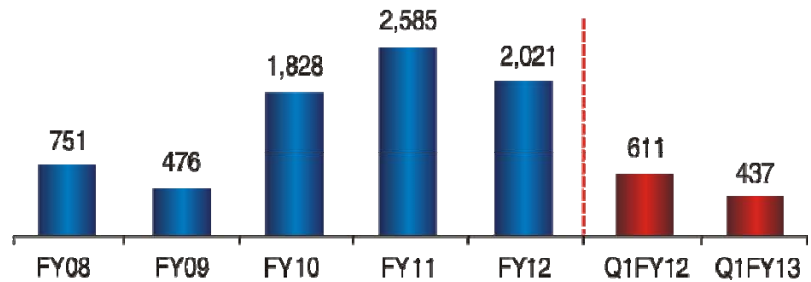
- Upward revision of ad rates at national and local level
- High focus on Retail Advertisers driving growth
- Improved Circulation, in Existing and Newer Markets and better price realization
- Further consolidation in existing markets and expansion into new territories

PROPELLING OVERALL MARGIN EXPANSION

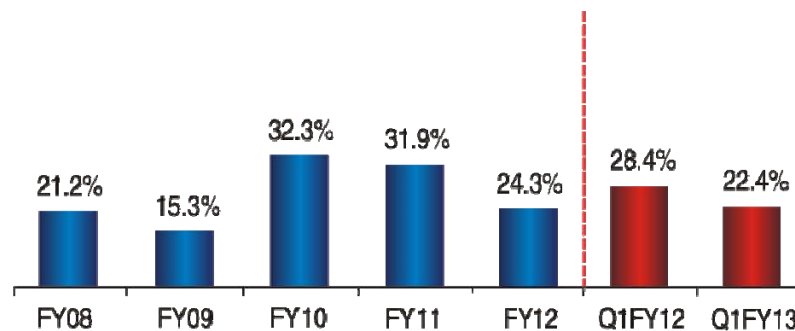
**EBITDA Growth
(INR MN)**



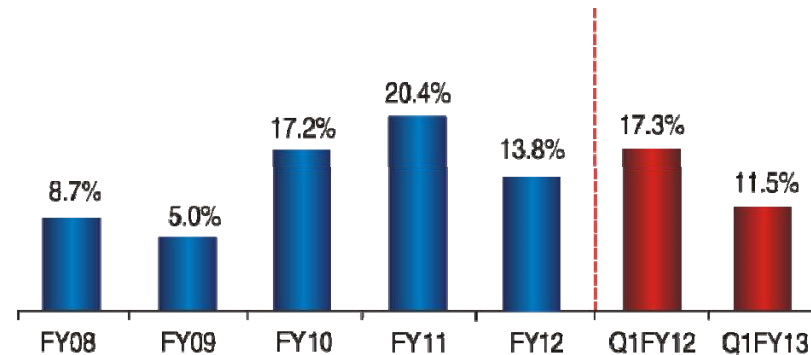
**PAT Growth
(INR MN)**



EBITDA Margin

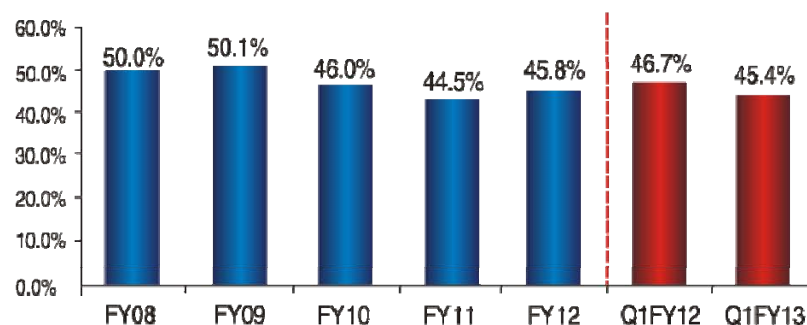


PAT Margins (Net Margin)

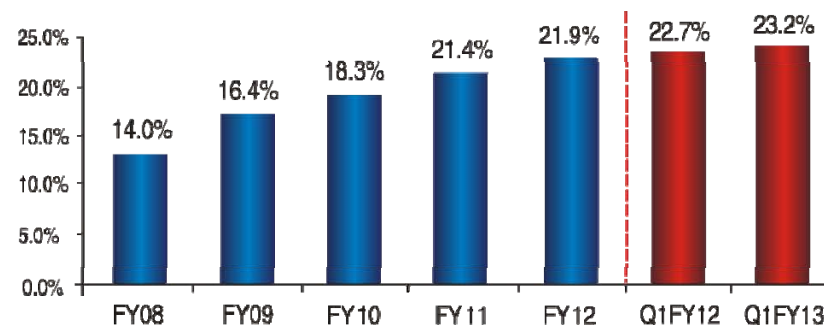


KEY FINANCIAL RATIOS

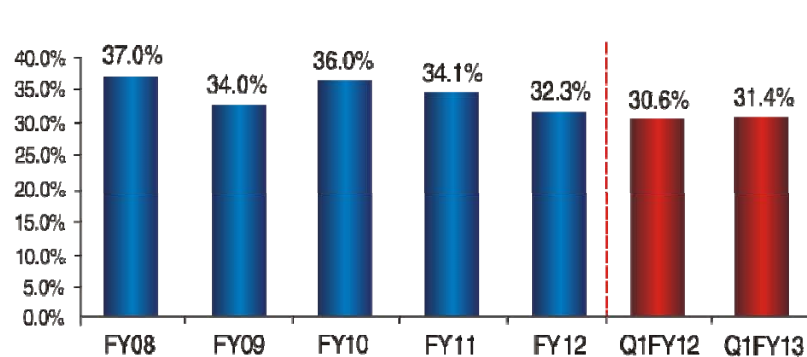
Newsprint Cost to Total Cost



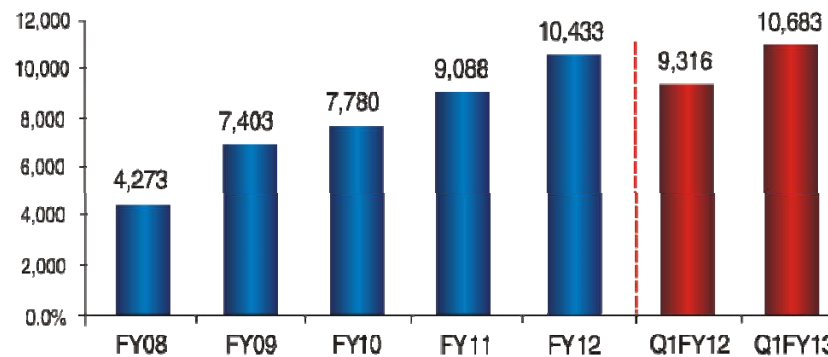
Personnel Cost to Total Cost



Other Operating Cost to Total Cost

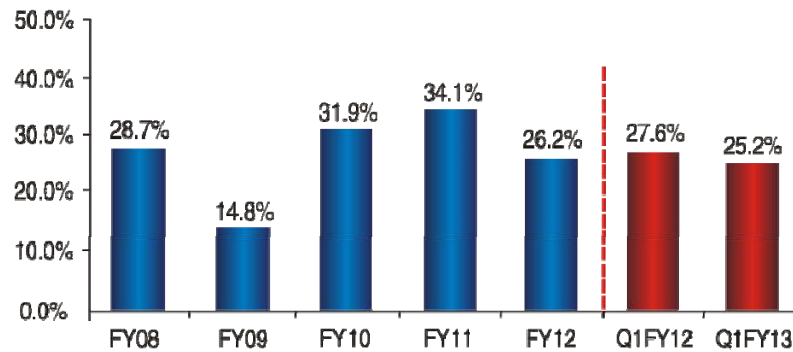


Gross Fixed Assets (INR MN)

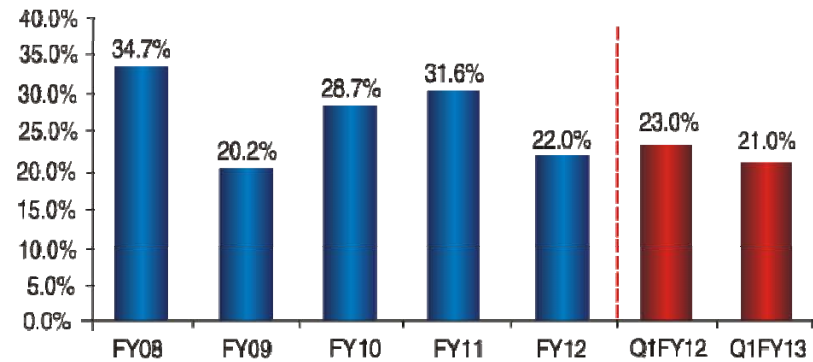


STRONG FOCUS ON ROCE

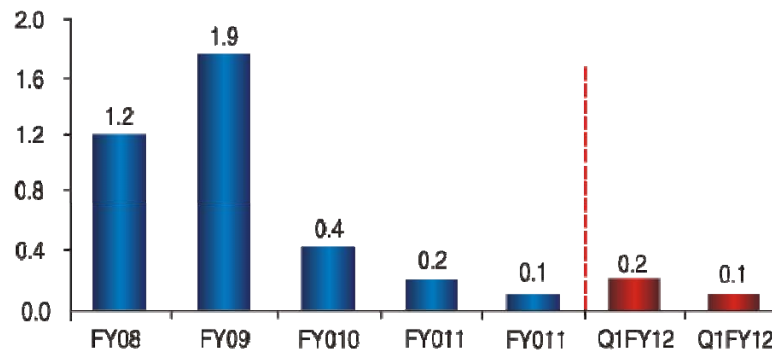
Return on Capital Employed (ROCE)



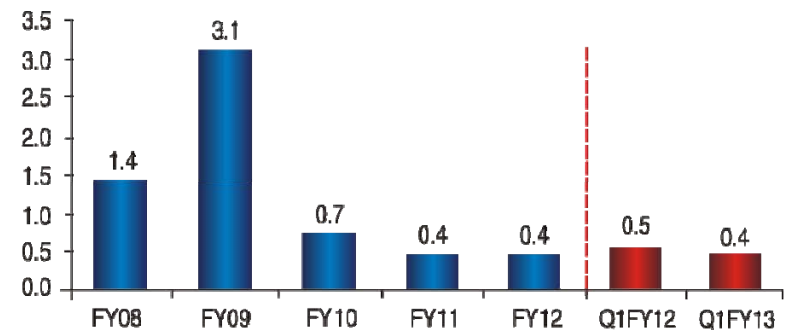
Return on Net Worth (RONW)



Debt to Equity

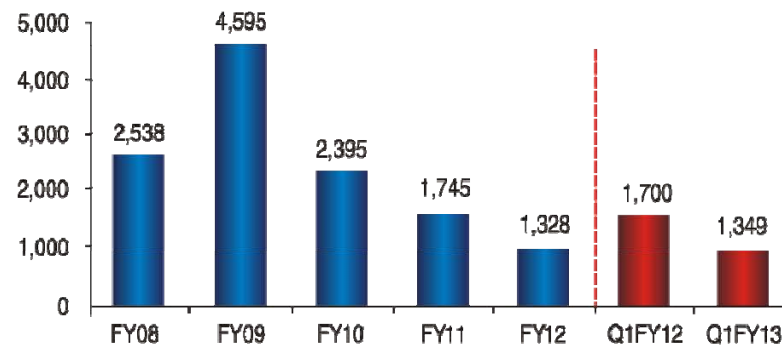


Debt to EBITDA

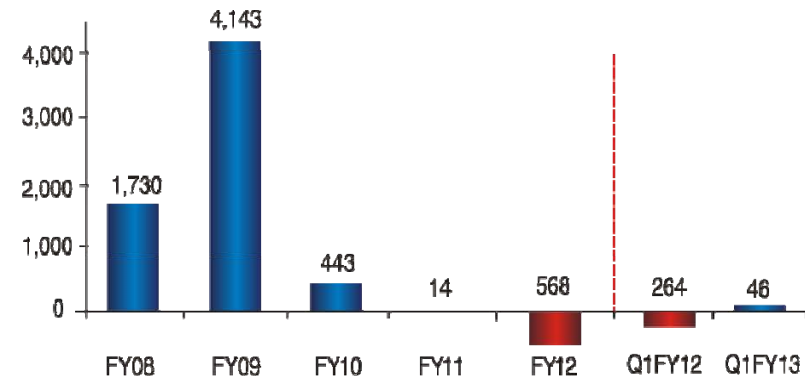


CONTINUOUS REDUCTION IN DEBT

Gross Debt (INR MN)



Net Debt (INR MN)



FINANCIAL SUMMARY

Particulars (INR million)	Year Ended				Quarter ended		
	March-09	March-10	March-11	March-12	June-11	June-12	Growth %
Advertising Income	7256	8086	10034	11281	2842	2862	0.7%
Circulation Revenue	2009	2118	2144	2422	568	658	15.9%
Total Income	9610	10630	12652	14638	3537	3784	7.0%
Newsprint	(4,075)	(3,279)	(3,838)	(5,080)	(1,184)	(1,332)	12.5%
Other Operating Expenditure	(4,062)	(3,922)	(4,783)	(6,008)	(1,350)	(1,603)	18.7%
Total Expenditure	(8,137)	(7,200)	(8,621)	(11,088)	(2,534)	(2,934)	15.8%
EBITDA	1473	3429	4031	3550	1004	849	-15.4%
EBITDA Margin	15.3%	32.3%	31.9%	24.3%	28.4%	22.4%	
Net Profit	476	1828	2585	2021	611	437	-28.5%
Net Worth	2360	6361	8179	9177	8799	9624	
Secured Long Term Gross Loan	4595	2394	1745	1328	1700	1349	
Cash & Bank Balance	452	1926	1731	1896	1963	1304	
Secured Working Capital Loan	817	573	337	577	235	725	
Total Secured Gross Debt	5412	2966	2082	1904	1935	2074	
Net Block (Fixed)	6471	6475	7358	8224	7470	8341	
ROCE	15.0%	31.9%	34.1%	26.2%	27.6%	25.2%	
RONW	20.0%	28.7%	31.6%	22.0%	23.0%	21.0%	

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

THANK YOU



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