

D B Corp Ltd. Investor Presentation

February 2019



India's Largest Newspaper Group | 12 States | 65 Editions | 3 Languages

VALUES – Trendsetting | Result-oriented | Analytical | Connected

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.

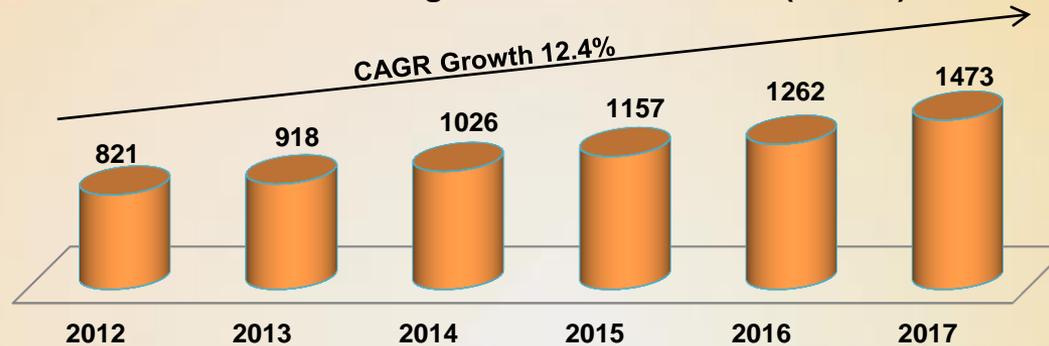
These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of the Company and are difficult to predict. Consequently, actual results could differ materially from those expressed or forecast in the forward-looking 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.



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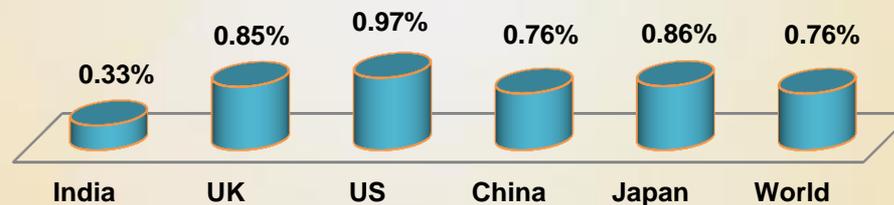
Indian Media & Entertainment Industry

Media Sector – Strong & Consistent Growth (INR bn)



- M&E industry size was Rs. 1473 bn in 2017, which grew by 17% over 2016.
- Expected CAGR growth is 11% till 2020.

Media Spend as % of GDP



- It is still lower than global peers
- Reflective of sizeable / huge potential
- Media spend as % of GDP for India is expected to reach 0.43% of GDP in 2020, which is 0.41% of GDP for 2016

Source: FICCI-KPMG Report 2017

| FICCI-EY Report 2018

| Worldwide Media & Mktg. Forecasts, Group M, Summer 2011

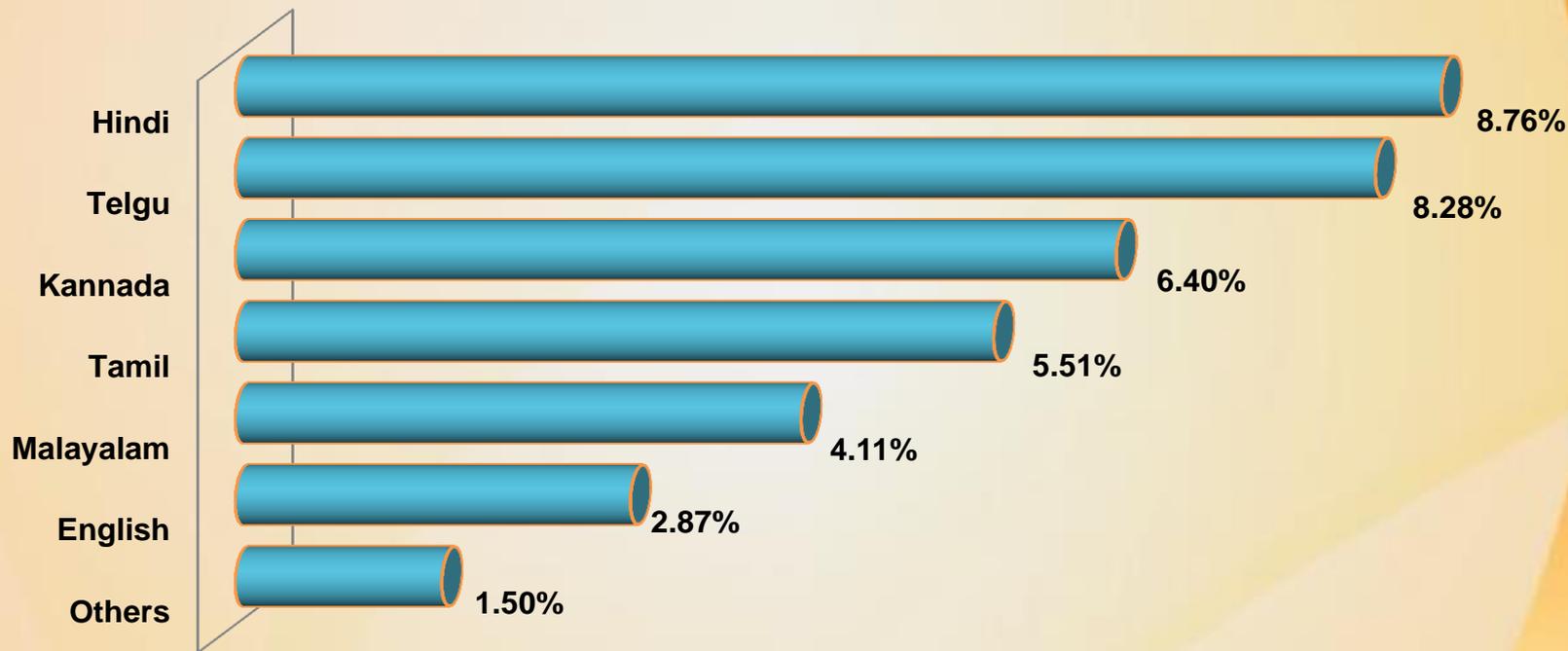


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VALUES – Trendsetting | Result-oriented | Analytical | Connected

Consistent Higher % Growth of Indian Language Newspapers

- Print is growing at an incredible **4.87% CAGR** over a 10 year period from 2006 to 2016.
- Absolute Hindi copies per day increased by **1.39 cr** to **2.45 cr** in **2016** from **1.06 cr** copies in 2006.



- Absolute copies per day increased by **2.37 cr** to **6.28 cr** in **2016** from 3.91 cr copies in 2006.

Source: Audit Bureau of Circulation Press Release dated 8th May 2017



Insights – Indian Readership Survey 2017

Readership Base Expands

Dailies' Readership	Figs in Crores (12+ Years)		% CHANGE VS '14
	IRS 2014	IRS 2017	
Last 1 month	27.6	38.5	40%
Upto 7 days	24.3	30.6	26%
Upto 3 days	20.8	24.1	16%

Base: All languages, All India (U+R), 12+ Years

Source: MRUC Website - <http://mruc.net/uploads/posts/a27e6e912eedeab9ef944cc3315fba15.pdf>



Readership Base Expands Across Demographic Age Groups

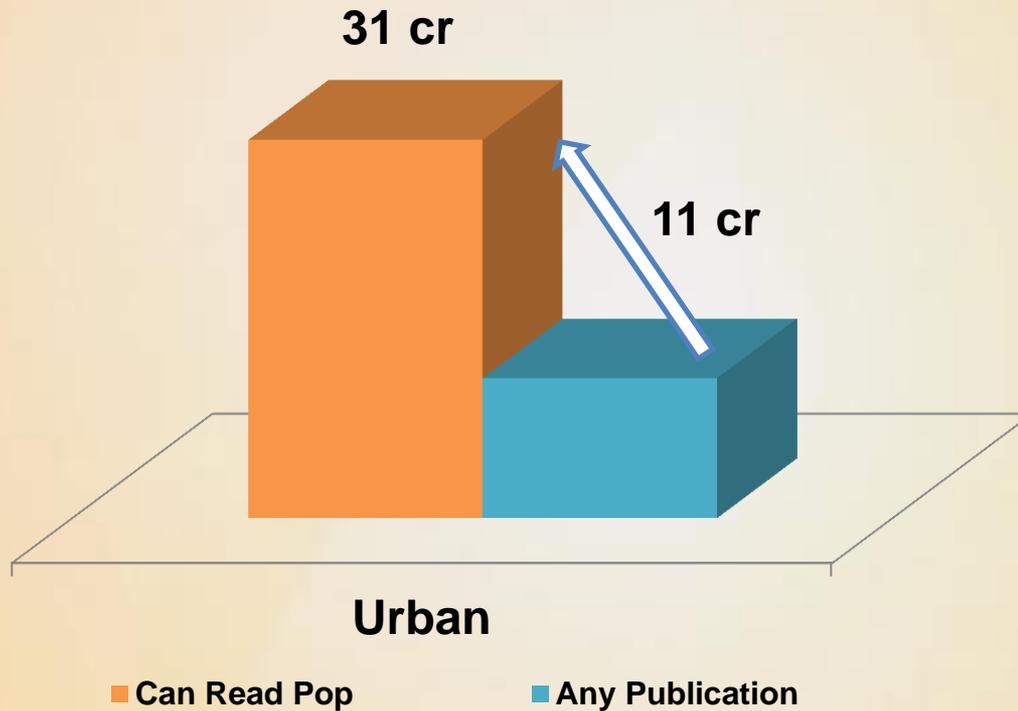
12 Years+	12 – 15 YRS		16 – 19 YRS		20 – 29 YRS		30 – 39 YRS		40 – 49 YRS		50+ YRS	
	2014	2017	2014	2017	2014	2017	2014	2017	2014	2017	2014	2017
Dailies (hard copy) Read in Last 1 Month	28%	42%	38%	50%	34%	42%	30%	38%	29%	37%	26%	30%

Note: respective NCCS or Age group = 100

Source: MRUC Website - <http://mruc.net/uploads/posts/a27e6e912eedeab9ef944cc3315fba15.pdf>



Headroom for Print Growth



Source: IRS 2017



Dainik Bhaskar Group is Urban India's #1 Newspaper Group



Dainik Bhaskar Group : Dainik Bhaskar | Divya Bhaskar | Divya Marathi | Saurashtra Samachar

The Times of India Group: The Times of India | Vijaya Karnataka | Navbharat Times | Maharashtra Times | Ei Samay | Mumbai Mirror | Bangalore Mirror

Dainik Jagran Group : Dainik Jagran | Nai Dunia | Nav Dunia | Mid-day Gujarati | Mid-day English | Inquilab | Punjabi Jagran

Source : IRS 2017 AIR – URBAN | Excluding Financial Dailies



DB Corp Markets

Madhya Pradesh	Dominant
Chhattisgarh	Dominant
Haryana	Dominant
Chandigarh	Dominant
Rajasthan	Largest Circulated Newspaper of overall Rajasthan
Gujarat	Leader in Ahmedabad Close No.2 overall
Bihar	Now Close No.2 Further investing in copies for overall leadership
Punjab	No.2
Maharashtra	Limited to Central Maharashtra
Jharkhand	No.2



And the outcome is...

As per Bihar Readership Survey, July 2018 by Hansa Research –

- **Dainik Bhaskar ranks No. 2 in Bihar with 9.11 lakhs readers (AIR)**
- **Dainik Bhaskar ranks No. 1 in Patna with 5.07 lakhs readers (AIR)**



Source : Bihar Readership Survey Report 2018 – By Hansa Research Group | 2085 Sample Size | 13cities | 12+ Yrs age group | All NCCS Categories | Urban 1 Lakh+ towns



Key Findings of Bihar Readership Survey

- Dainik Bhaskar is No. 2 newspaper with 9.11 lakh readers, with a marginal gap of 9.5%.
- Readership profile:
 - In terms of profile of readers Dainik Bhaskar attracts 72% affluent NCCS AB readers
 - Dainik Bhaskar is preferred by a more matured readership profile with average age of 35 years
 - Dainik Bhaskar has the highest women readership at 47% amongst peers
- Dainik Bhaskar has the highest proportion of readers with smartphones, motor cycles, refrigerators – in line with its higher NCCS AB readership
- Dainik Bhaskar at 81% has the highest primary readership (newspaper subscription-at home / at school / at office)
- Time spent on reading the news paper: Dainik Bhaskar reader spends on an average 28.4 minutes.

Source : Bihar Readership Survey Report 2018 – By Hansa Research Group | 2085 Sample Size | 13 cities | 12+ Yrs age group | All NCCS Categories | Urban 1 Lakh+ towns



D B Corp Ltd - The Largest Print Media Company In India

Major Business Brands



Hindi Newspaper

11 States, 46 Editions



Gujarati Newspaper

2 States, 9 Editions



Marathi Newspaper

1 State, 6 Editions



FM Radio Network

7 States, 30 Stations



Digital & Mobile

9 Portals & 4 Apps



Current Focus - Editorial Direction

I
Kendra Mein Pathak

II
Knowledge Content to
enrich the reader

III
Idea based Journalism

IV
Differentiator

Q3 FY 19 : Update on Editorial

- **Bihar** – Launched “5 Saal, 5 Sawaal” marking the 5th anniversary of DB Patna edition [19th January]. 5 potent focus areas include – Education, Health, Business, Migration & Traffic.
- **Other special issues in 2018:** 150th year of Gandhi Jayanti in Gujarat, Diwali special jacket, Yaadein 2018 Special Issue, New year 2019 Special jacket “Nav Varsh Bhaskar” and special issue on *Umeedein* 2019
- **Gujarat:** A panorama poster of Sardar Vallabh Bhai Patel was published in an edition of Divya Bhaskar which was a unique 4 full page fold of the entire statue, measuring almost 4.4 feet on the inauguration of the Statue of Unity

Why is our Editorial Superior?

Over the last year, we have invested in:

NNR : National News Room –

- We have a dedicated robust structure which churns out national-international News of the Day after thoroughly passing through Knowledge sieve.
- NNR produces value-packed Business, Sports, Desh-Videsh and back page of the paper.

NINR : National Ideation News Room –

- Works centrally for Ideas. It brings out all Special and Different pages and sections of Dainik Bhaskar. Main focus is to provide Knowledge content most relevant to the Reader.
- **Like the Sunday Jacket - now in it's 7th year** which consists of Special reports, Investigation, Research-based stories, Interesting content making rich Sunday reading.
- Also works on our goal of making Bhaskar reader a Global Citizen, through exclusive tie-ups with world's greatest titles like Time magazine, The New York Times, The Economist, Harvard Business Review (HBR).



Circulation Strategy – Proven Track Record

1. **13% CAGR Growth:** For 5 years, from FY 2012-13 to FY 2017-18 is 13% largely driven by yield in our core legacy markets.
2. **Dainik Bhaskar newspaper continues to be the Nation's Largest Circulated Multi-Edition Daily as per Press In India Report 2016-17 prepared by Registrar of Newspapers of India (RNI) and recently informed by the Honourable Union Information & Broadcasting Minister, Mr. Rajyavardhan Singh Rathore.**
3. **Dainik Bhaskar catapults to number 2 position in Bihar:**
 - As per Bihar Readership Survey Report July 2018 by Hansa Research, Dainik Bhaskar is at Number 2 position with an average issue readership (AIR) of 9.11 lakhs
4. Dainik Bhaskar is also the largest circulated paper in Rajasthan as per Audit Bureau of Circulations Jan-to-June 2018.





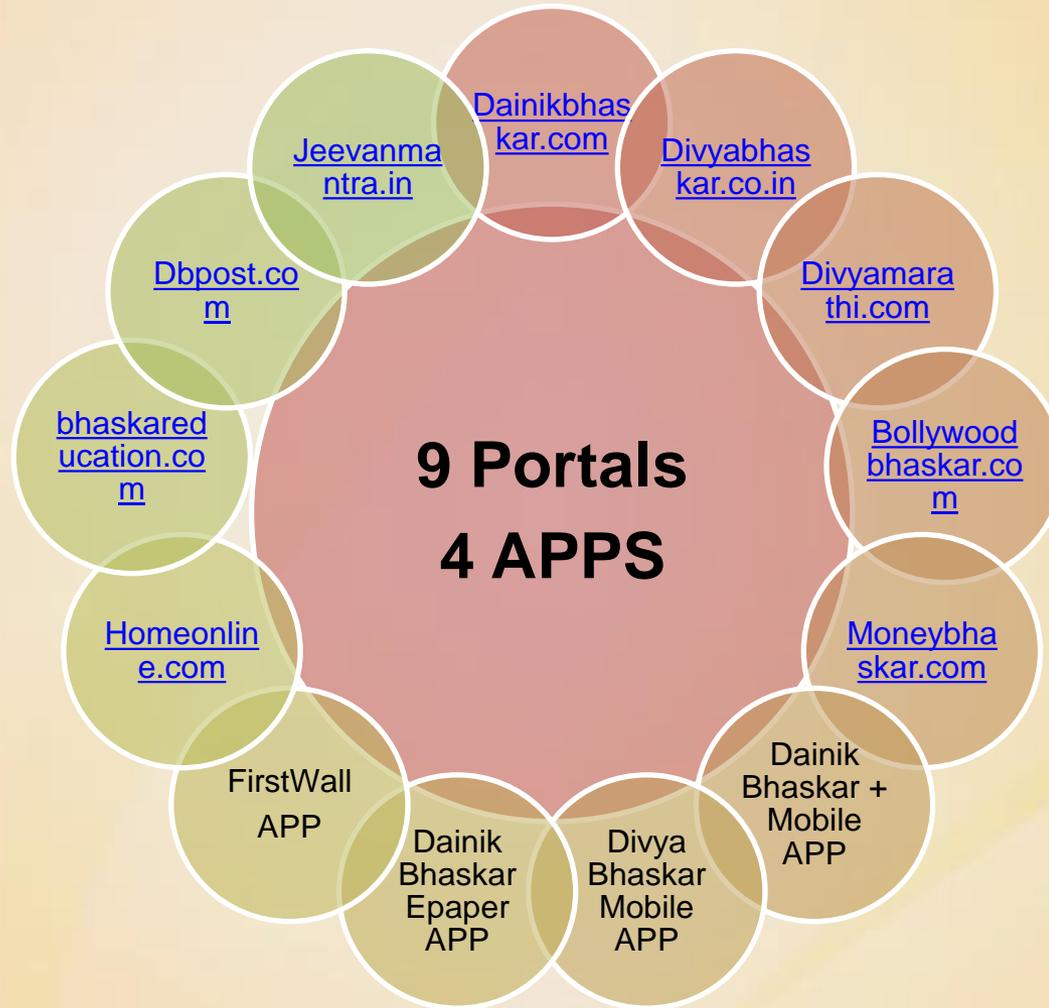
Indian Language Internet Users are the **PRESENT** and the **FUTURE**

- The next wave of **200 Million internet users** will be **Indian language users**
- **60%** of the Indian Language internet users are Hindi
- **Indian Mobile Internet Users** form **90%** of the Indian internet users

*Source: Indian Language Internet Report - KPMG & Google, April'17

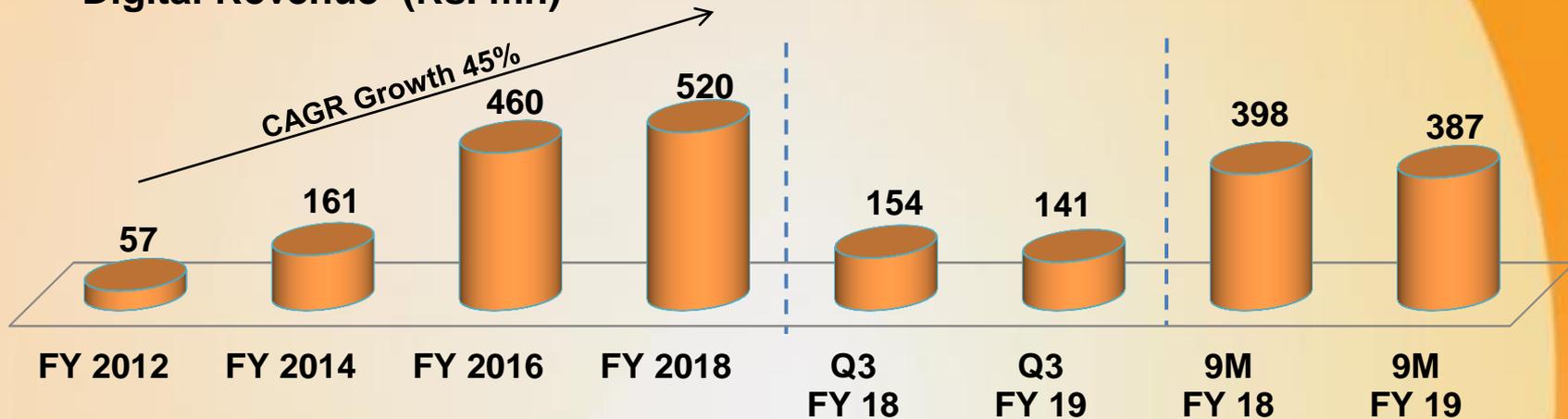


Focused, Strong Brands For Digital Audiences



Digital Snapshot

- Digital Revenue (Rs. mn)



- www.bhaskar.com - No. 1 Hindi News¹ website
- www.divyabhaskar.com - No. 1 Gujarati News¹ website.
- 16 million app downloads for Dainik Bhaskar and Divya Bhaskar with a 36% growth over December 2018.
- Launched “Dainik Bhaskar+” App– a new app set to revolutionize news consumption in Hindi speaking markets
- Turns EBITDA positive on the back of renewed focus on business profitability

Source: 1. Comscore Sept 2018 | 2. Google Play Store

Digital Business – Q3 Update

Digital business embarking on several noteworthy initiatives aimed at strengthening loyal user base by enhancing organic traffic ie. brand and search traffic and suitable monetisation.

- The Dainik Bhaskar brand enjoys very strong and loyal e-paper user base. **First in the industry to introduce pay wall** Divya Bhaskar introduced in July 2018, Dainik Bhaskar in Sept 2018 to leverage the Bhaskar brand value.
- **Changed content approach** to utilise techniques and processes followed in print editions that has enhanced sharpness in editorial processes.
- **Change in traffic acquisition and marketing approach to leverage the brand:** Earlier focus was on digital marketing to acquire social traffic.
- **Creation of dedicated marketing teams to leverage capabilities in hyper local markets**, similar to print edition marketing strategy.
- **Stringent cost optimisation:** Aimed at identifying and removing inefficiencies from system to focus only on value addition to business.

Radio Business



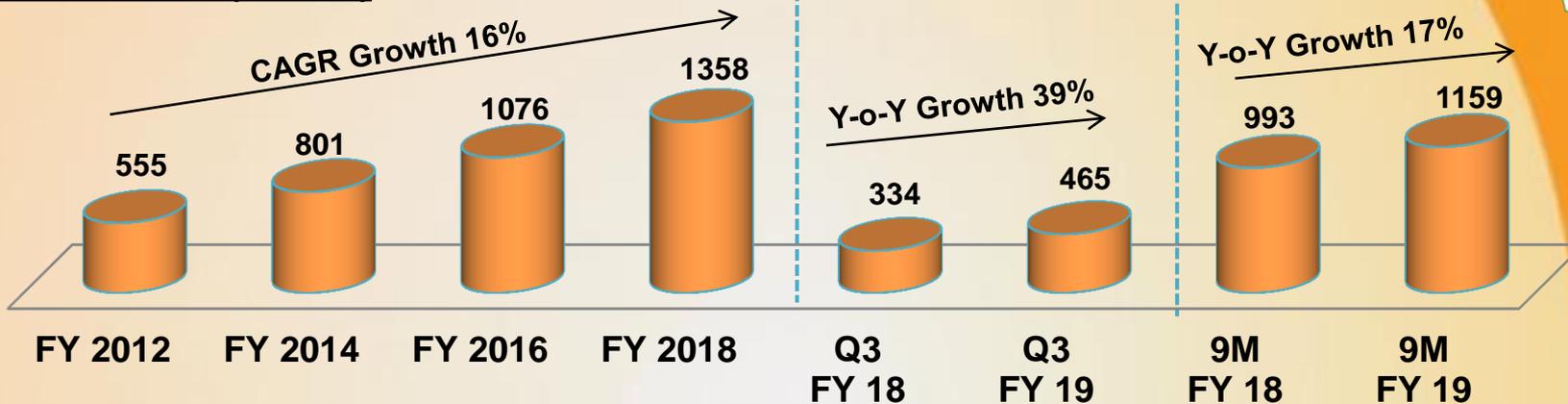
- Launched in 2006, 94.3 MY FM operates from 30 stations in 7 states
- 94.3 MY FM continues to be no.1. in markets of Madhya Pradesh, Chhattisgarh and Rajasthan and largest network in Chandigarh, Punjab and Haryana.
- **Radio Phase 3 stations become profitable:** Turned EBIDTA positive, following the complete commissioning of all 13 stations, acquired under batch 1 of Phase 3 during 2017. Profitability achieved on the back of strong inventory management, programme profile, prudent cost efficiencies and growing popularity.
- Consolidating presence in line with strategy to be market leader in “Unmetro” geographies with strong DBCL presence.
- With the 13 New frequencies acquired, during the Phase III Radio auctions, 94.3 MY FM to be:
 - Biggest player in Rest of Maharashtra with 10 frequencies including Nagpur
 - Biggest player in Chandigarh / Haryana/ Punjab with 4 frequencies
 - Biggest Player in Rajasthan with 6 frequencies
 - Strengthened Gujarat with presence in Rajkot



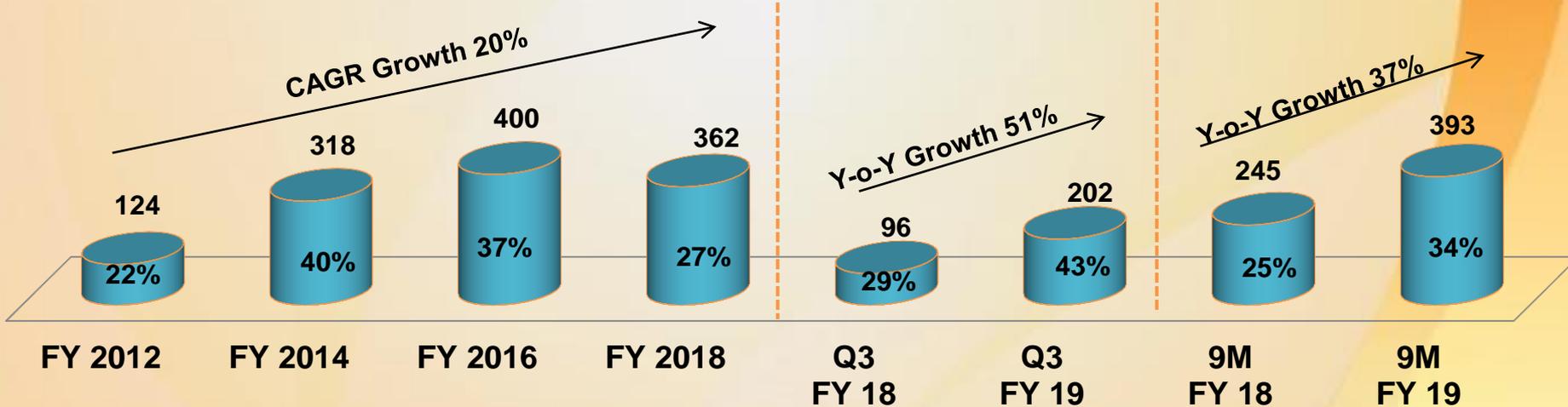
Radio Snapshot



Total Revenue (Rs. mn)



EBIDTA Revenue (Rs.mn) & its Margin (%)

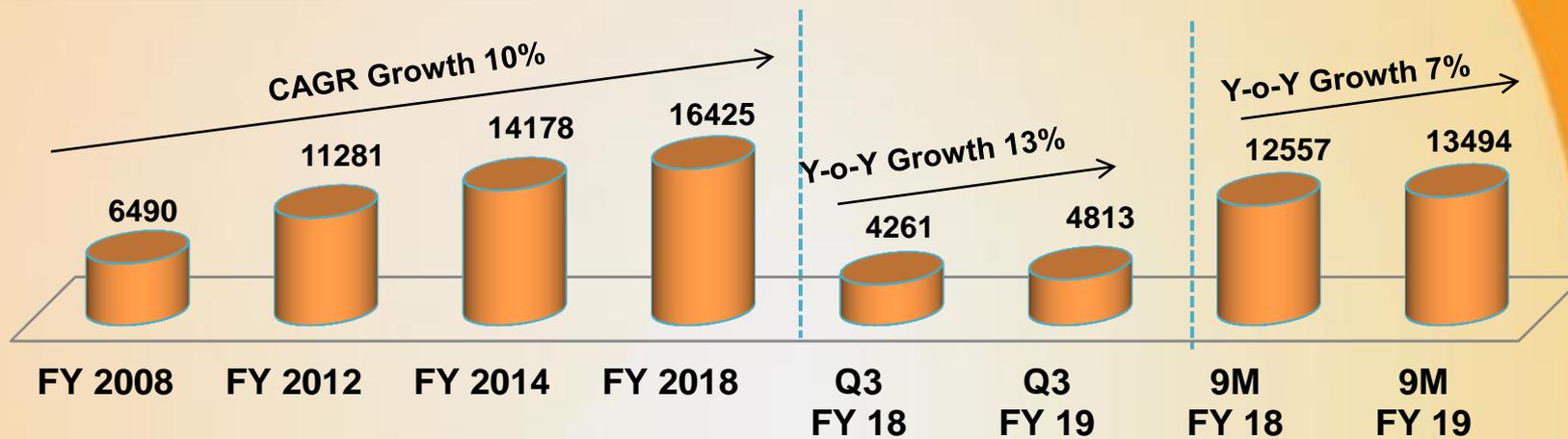


Robust Growth in Profits
Strong Focus on ROCE & RONW
Low Debt Exposure
High Net worth & Strong Balance Sheet

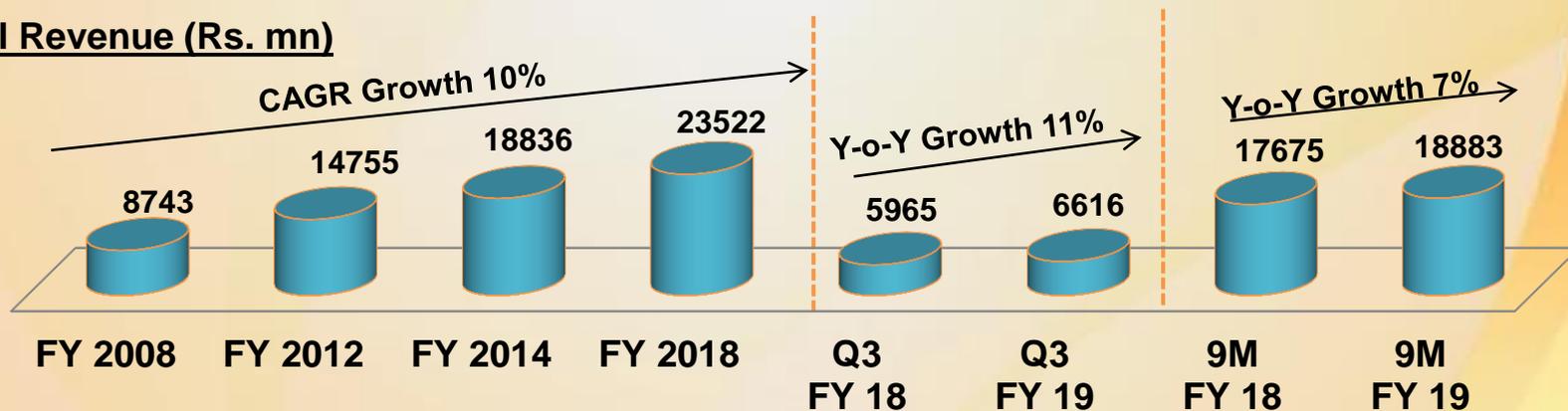


Proven Track Record of Topline & Bottom Line Growth... (contd.)

Advertisement Revenue (Rs. mn)

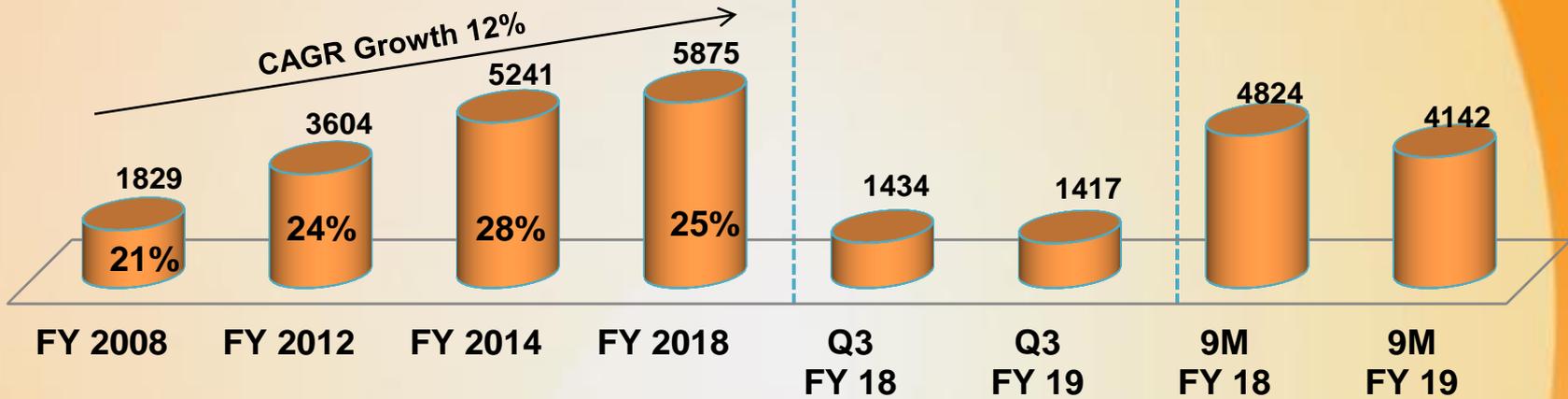


Total Revenue (Rs. mn)

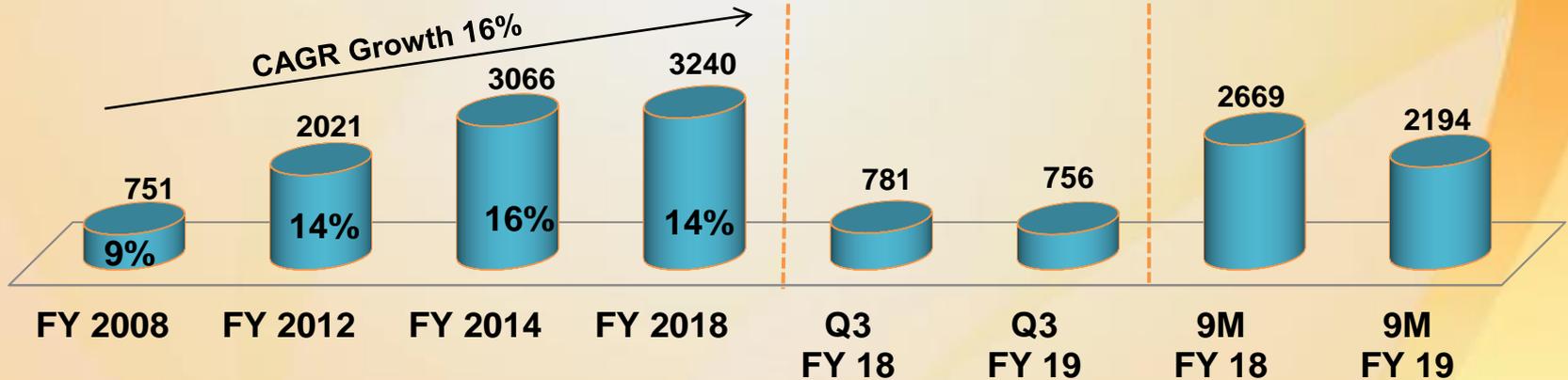


Proven Track Record of Topline & Bottom Line Growth

EBIDTA Revenue (Rs. mn) & its Margin (%)



PAT (Rs. mn) & its Margin (%)



Healthy Operating Profit In Our Mature Market

Rs MN

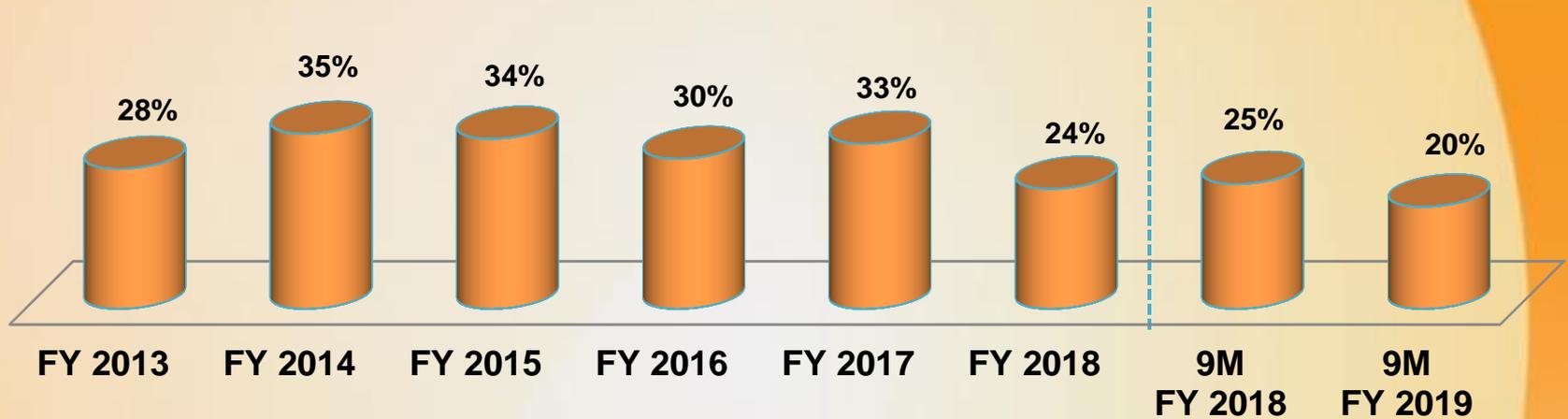
Particulars	Q3 (FY17-18)			Q3 (FY18-19)			Annual (FY 16-17)			Annual (FY 17-18)		
	Matured Print / Radio / Digital	Emerging Business*	DBCL Standalone	Matured Print / Radio / Digital	Emerging Business*	DBCL Standalone	Matured Print / Radio / Digital	Emerging Business*	DBCL Standalone	Matured Print / Radio / Digital	Emerging Business*	DBCL Standalone
Topline	5792	234	6025	6285	332	6616	22082	666	22746	22640	884	23524
EBIDTA (Before Pre - opex)	1593	(80)	1514	1692	(186)	1506	6875	(259)	6616	6473	(391)	6082
EBIDTA (After Pre – opex)	1593	(159)	1434	1619	(203)	1417	6875	(259)	6616	6473	(594)	5878
EBIDTA %	27.5%	(67.95%)	23.80%	25.76%	(61.1%)	21.42%	31.1%	(38.9%)	29.1%	28.6%	(67.2%)	25.0%

*Emerging Business – Editions below 4 years of age also includes Mobile app & E-real Estate Business

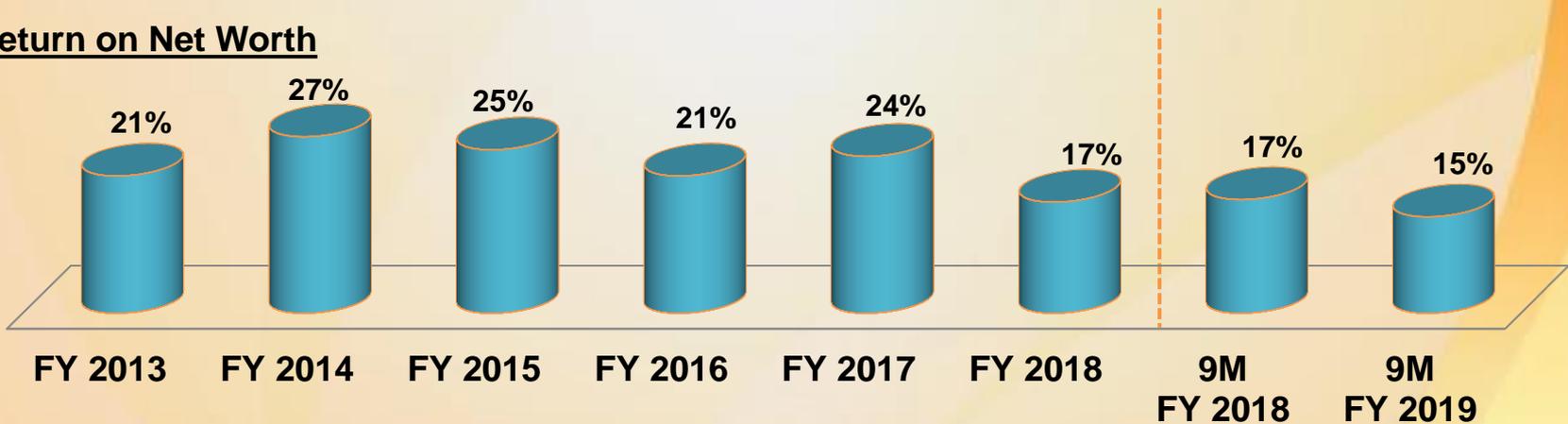


Strong Balance Sheet & Financial Ratios

Return on Capital Employed



Return on Net Worth



Financial Summary

Particulars (INR million)	Quarter Ended			Half Year Ended					
	16-Mar	17-Mar	18-Mar	Q3 FY18	Q3 FY19	Growth %	9M FY18	9M FY19	Growth %
Advertising Income	14812	15973	16416	4261	4813	12.96%	12557	13494	7.46%
Circulation Revenue	4356	4814	4981	1262	1301	3.05%	3729	3964	6.29%
Total Income	20735	22750	23349	5965	6616	10.92%	17675	18883	6.84%
Newsprint	(6186)	(6609)	(7307)	(1879)	(2513)	33.72%	(5372)	(7024)	30.75%
Personnel Cost	(3909)	(4258)	(4364)	(1091)	(1114)	2.09%	(3270)	(3272)	0.09%
Other Operating Expenditure	(5049)	(5291)	(5802)	(1561)	(1573)	0.81%	(4209)	(4444)	5.60%
Total Expenditure	(15145)	(16158)	(17474)	(4531)	(5200)	14.76%	(12851)	(14741)	14.71%
EBITDA	5590	6592	5875	1434	1417	(1.24%)	4824	4142	(14.14%)
EBITDA Margin	27%	29%	25%	24%	21%		27%	22%	
Net Profit	2921	3748	3240	781	756	(3.19%)	2669	2194	(17.80%)
Net Worth	13945	15930	19291	18633	18140		18633	18140	
Secured Long Term Gross Loan	536	262	-	129	-		129	-	
Cash & Bank Balance	926	1754	3223	2488	958		2488	958	
Secured Working Capital Loan	631	288	301	200	361		200	361	
Total Secured Gross Debt	1167	550	301	329	361		329	361	
Net Block (Fixed)	9128	8833	9634	9402	9247		9402	9247	
ROCE	30%	33%	24%	25%	20%		25%	20%	
RONW	21%	24%	17%	17%	15%		17%	15%	



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Board Of Directors

Sudhir Agarwal
Managing Director

- 27 years of experience in the publishing and newspaper business
- responsible for its long-term vision, business planning and performance monitoring

Pawan Agarwal
Deputy Managing Director

- 13 years of experience in the publishing business
- Heads entire Production, IT and Strategy dept. , with the Radio & Digital business

Girish Agarwaal
Non-Executive Director

- 23 years of experience. Awarded “Outstanding Entrepreneur” trophy at APEA
- provides direction to the marketing strategy and related operations of the Group

Piyush Pandey*

- Executive Chairman of Ogilvy & Mather Pvt. Limited, India

Harish Bijoor*

- Brand-thinker and practitioner operating out of Bengaluru, India

Ashwani Kumar Singhal*

- Vice-President of BIR Brussels, the International Authority in Non- Ferrous Metals

Anupriya Acharya*

- Post Graduate from IIT – Roorkee, was Zenith Optimedia's Group CEO and now CEO of Publicis Media India

* denotes Independent Directors



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THANK YOU

For more information, please visit our website www.bhaskarnet.com



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