



Registered Office: DB Corp Ltd., Plot no 280, Sarkhej-Gandhinagar Highway, Near YMCA Club, Makarba, Ahmedabad (Gujarat) 380051

Press Release

Mumbai, October 31, 2017

DB Corp Limited (DBCL), India's largest print media company and home to flagship newspapers Dainik Bhaskar, Divya Bhaskar, Dainik Divya Marathi and Saurashtra Samachar, today announced its unaudited financial results for the quarter ended September 30, 2017. The highlights of the Company's operational and financial performance are as follows:

Performance highlights for Q2 FY 2017-18-Consolidated

- ▲ **Consolidated Advertising Revenues grew by 6% YOY at Rs. 3966 million as against Rs. 3740 million during Q2 last year.**
- ▲ **Circulation revenue grew by 8% YOY at Rs. 1273 million from Rs. 1179 million during Q2 last year. 6.5% growth has come from Yield growth, largely from mature markets only.**
 - ▲ **Efforts have been delivering excellent growth since start of initiative in July with copies at 50.41 lakh copies, significantly grown to 53.33 lakh copies in July end; 53.77 lakh copies in August end; 54.28 lakh copies in September end – adding 3.87 lakh copies since the initiation of the expansion drive i.e. 8% growth on a high base of circulation copies, along with cover price increase.**
- ▲ **Consolidated Total Revenues grew by 6% YOY at Rs. 5741 million, as against Rs. 5432 million during Q2 FY17, after taking into consideration of one-off income, in Qtr 2 last year of Rs. 103.8 million on account of profit booking on sale of Gitanjali gems share.**
- ▲ **DBCL EBITDA stands at Rs. 1456 million (margins 25%) from Rs. 1547 million (margin 28%); after factoring one-offs related to roll back of radio music royalty of Rs. 58 million, in Qtr 2 last year, as well as New circulation expansion drive in Bihar and other markets at Rs. 132 million , in Qtr 2 of current year**
- ▲ **Consolidated PAT stands at Rs. 787 million (margin 14%) from Rs. 885 million (margin 16%), after factoring one-off related to roll back of radio music royalty of Rs. 58 million, in Qtr 2 last year, as well as New circulation expansion drive in Bihar and other markets at Rs. 132 million , in Qtr 2 of current year**
- ▲ **Radio business grew by 17% YOY to Rs. 349 million from Rs. 299 million last year.**
- ▲ **Radio business EBIDTA stands at Rs. 92 million (margin 26.5%) from Rs. 152 million (margin 51%), after factoring, roll back of radio music royalty of Rs. 58 million, in Qtr 2 last year ;**
- ▲ **Radio Business PAT stands at Rs. 40 million (11% margin), after considering roll back of radio music royalty of Rs. 58 million, in Qtr 2 last year**

Performance highlights for H1 FY 2017-18 - Consolidated

- ⤴ **Advertising Revenues reported growth of 5.4% YOY to Rs. 8301 million in current period from Rs. 7876 million in H1 of last fiscal**
- ⤴ **Circulation Revenue has increased 6.5% YOY to Rs. 2506 million from Rs. 2354 million, primarily due to yield driven growth, largely growth has come from mature market.**
- ⤴ **Total Revenue reported growth of 4.8% YOY at Rs. 11753 million in current period from Rs. 11219 million in H1 last fiscal, after taking into consideration of one- off income, in H1 of last year of Rs. 145.4 million on account of profit booking on sale of Gitanjali gems share**
- ⤴ **EBIDTA stands at Rs. 3390 million with strong EBIDTA margin of 29% for the first half; against EBITDA of Rs. 3400 million (margin 30%) H1 of last year, after factoring one- off related to roll back of radio music royalty of Rs. 58 million, in H 1 last year, as well as New circulation expansion drive in Bihar and other markets at Rs. 132 million , in H 1 of current year**
- ⤴ **PAT stands at Rs. 1888 million (PAT Margin 16%), against Rs. 1925 million (PAT Margin 17%), in H1 of last year**
- ⤴ **Radio business: Advertising revenues expanded by 14% YOY to Rs. 661 million in H1 of current period, against Rs. 579 million in H1 of last fiscal.**
- ⤴ **Radio business EBIDTA stands at Rs. 149 million (23% margin), after factoring, roll back of radio music royalty of Rs. 58 million, in H 1 last year.**

Key developments and initiatives

- ⤴ **Already in process of undertaking a focused 'circulation enhancement' journey:**
 - Efforts have been delivering excellent growth since start of initiative in July with copies at 50.41 lakh copies, significantly grown to 53.33 lakh copies in July end; 53.77 lakh copies in August end; 54.28 lakh copies in September end – adding 3.87 lakh copies since the initiation of the expansion drive i.e. 8% growth on a high base of circulation copies, along with cover price increase.
 - Endeavour is biggest ever circulation enhancement journey in the history of the company aimed at substantially increasing copies during the current year.
- ⤴ **Second phase of product strengthening campaign continued with impactful and important changes in product**
 - First phase of product enhancement undertaken in main and satellite editions during previous quarter that included Aha Zindagi, Dharm Samaj Sanstha, City Sports and City Life pages; has been received very well.
 - **Second phase continued to bring in more changes based on Knowledge Theme - *Har zaroori khabar mein hoga aapke kaam ka knowledge.***
- ⤴ **DBCL identified as India's Most Trusted Company 2017 in "India's most trusted media company" category as per the research conducted by Media Research Group (MRG - International brand consulting corporation USA).**

Commenting on the performance for Q2 FY 2017-18, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said, "We are happy to report another quarter of noteworthy progress and implementation of several growth-oriented initiatives. We moved ahead with the second phase of our product strengthening campaign focusing on the Knowledge Theme and now dedicate a full page of the most interesting utility-based facts that can enhance our readers' daily lives. Supplementing our product campaign, we have adopted a circulation expansion strategy across all territories aimed at expanding reach, which is

progressing well and has translated into good growth. The team has been putting best efforts and already achieved significant success of the targeted expansion, evident in the performance numbers. Our cost control initiatives implemented in the earlier quarters continue to deliver as in spite of the circulation expansion initiative we have successfully guarded the company's profitability. Internally also, we have taken up several new efforts to strengthen and encourage more impactful communication across states / business units to review the business and make quicker decisions.

All our growth-led efforts undertaken during the quarter are reflective of our determination to further fortify our leadership position and build a futuristic, agile and competitive organisation. It demonstrates our confidence on the untapped industry potential and the role Dainik Bhaskar Group can play across India to bring about great socio-economic transformations. At a broader level, India's GDP is gradually on an uptrend as the GST impact seems to be stabilizing slowly. With several progressive steps underway, we expect economy to improve and look forward to better growth."

Q 2 FY 2017-18 financial results highlights: (comparisons with Q2' 17 & Q1' FY18)
(Rs. Mn)

Heads	Qtr 2 FY 17	Qtr 2 FY 18	YOY Growth	Qtr 1 FY 18	QOQ Growth
Print Advertisement	3303	3503	6.1%	3903	(10.2%)
Radio Advertisement	299	349	16.8%	312	11.7%
Digital Advertisement	140	123	(12.3%)	121	0.9%
Print Circulation Rev	1179	1273	8.0%	1234	3.1%
Consol Operational Revenue	513	502	(2.2%)	443	13.4%
Consol Total Income	5432	5741	5.7%	6012	(4.5%)
Print EBIDTA	1459	1430	(2%)	1947	(26.6%)
Radio EBIDTA	152	92	(39.3%)	56	63.6%
Consol EBIDTA	1547	1456	(5.9%)	1933	(24.7%)

◆ **Print-Mature Business EBITDA margin stand at 31%**

An analysis and break-up of Mature and Emerging Business financials on a quarterly basis is given below. We classify emerging business as those which are below 4 years of age or profitable since last 4 quarters, whichever is earlier.

Q2 FY18

(Rs. Mn)

Particulars	Mature Editions	*Emerging Editions	Radio Business	Internet Business	DBCL Standalone
Total Revenues	5072	197	349	122	5740
EBIDTA before New Expansion	1547	(64)	92	(50)	1526
EBIDTA Margin	31%	(32%)	26%	(41%)	27%
EBIDTA after after new Expansion	1547	(134)	92	(50)	1456
EBIDTA Margin	31%	(68%)	26%	(41%)	25%

* Emerging Business, includes Bihar & small part of Maharashtra, besides Mobile App & E-real Estate Business.

- **Dainik Bhaskar continues as the world's fourth largest circulated news daily by WAN IFRA in its report World Press trends 2016.**
- **Strategic areas of focus and key updates:**
 - **Editorial strategy:**
 - "Content" continues to remain at the forefront of our every effort. Continued with second phase of product enhancement initiatives through launch of 'Knowledge Theme' - *Har zaroori khabar mein hoga aapke kaam ka knowledge*. A full page has been dedicated to 'knowledge' based on utility content to help readers in their daily life
 - Tie-up with Nat Geo and Discovery for 'Photo of the Week'
 - Ensuring 'knowledge development' by strengthening human infrastructure:
 - Institution of 'Knowledge advisory board' with eminent Indians and stalwarts across various disciplines [eg experts in Indo-pak studies, Himalayan Environmental Studies, BSF, agriculture and environmentalists]
 - Establishment of national reporting team at Delhi
 - Synergising print and digital integration: of entertainment beat with print and digital teams working to leverage each other's content strengths
 - Renewed focus on Punjab: with new structure of Punjab, Haryana and Chandigarh + Himachal Pradesh
 - **Circulation strategy:**
 - Embarked on the biggest ever circulation enhancement journey in the history of the company with a target to substantially increase copies during current year
 - Efforts have been delivering excellent growth since start of initiative in July with copies at 50.41 lakh copies, significantly grown to 53.33 lakh copies in July end; 53.77 lakh copies in August end; 54.28 lakh copies in September end – adding 3.87 lakh copies since the initiation of the expansion drive i.e. 8% growth on a high base of circulation copies, along with cover price increase.
 - Key additions have come from existing Priority 1 markets of Gujarat, Rajasthan and MP
 - Second phase of Rest of Bihar launch being implemented in full swing: aim to completely launch new editions over next few months
 - Implementing "Jeeto 15 Crores" scheme for readers: The most unique and biggest industry initiative to drive reader engagement, recruitment and retention, which was rolled out in 180 cities across 10 states through a 360 degree media plan
 - **Digital strategy:**
 - **www.Dainikbhaskar.com the largest Hindi News Website continues to secure the No. 1 spot in the Hindi News**
 - **www.Divyabhaskar.com continues to remain #1 Gujarati website**
 - **Digital Media continues to attract exponential viewership:**
 - **Unique Visitors (UV) has risen by 80% YOY to 102 mn for Sept 2017 from 57 mn in Sept 2016**
 - **Page Views (PV) for the month of Sept 2017 were 1.7 bn**
 - **Mobile applications: 10.9 mn app downloads for Dainik Bhaskar & Divya Bhaskar**
 - **Wisdom:** In-house analytics and data intelligence proprietary tool supports the editorial with real time insights on content. This quarter added the ability to predict the virality of the content.
 - **www.Homeonline.com:** It is one of the most popular real estate sites visited in Bhopal, Raipur, Indore and Jaipur showcasing a significant number of properties and projects. Recently expanded its offerings to Ahmedabad and plans to expand in few new cities going forward:
 - Over last 2 quarters served more than ~400K Home Seekers Online, connecting 25,000+ Property owners/Builders with home seekers in Bhopal, Raipur, Indore and Jaipur
 - More than 40K Properties and 350+ projects were made available to home seekers at Bhopal, Raipur, Indore and Jaipur

- During Apr 17 – Sep ' 17 recorded about 869,708 Sessions and about 3,848,166 Pageviews in terms of online traffic

➤ **Radio strategy:**

- MY FM completed fastest roll out of all 13 newly acquired stations under batch I of Phase III and expands reach to 7 states and across 30 cities
- Largest player in Rest of Maharashtra & continues to be No. 1 in Chandigarh / Haryana / Punjab / Rajasthan / Madhya Pradesh & Chhattisgarh
- Extended “Jiyo Dil Se” campaign across stations to engage and strengthen listener connect.
- MY FM brings Jalsarath to Surat to commemorate 10th year milestone in city: Presented one of the biggest entertainment festivals attracting an audience of 7000 listeners
- *Ek Rakhi Fauji Ke Naam*: 2, 99,446 rakhis collected across its network of 30 stations for soldiers at Akhnoor
- My FM takes up the cause of child abuse and safety awareness: launched *Chalo Bachcho Ki Sunte Ha'*, an initiative on child abuse and safety awareness, where My FM spoke to eminent speakers, ministers, authorities, parents and callers to generate awareness and education
- Amish Tripathi presents the story of *Advitiya Sita* on MY FM: To celebrate Navratri MY FM celebrated women empowerment with a refreshing take on Devi Sita by eminent writer Amish Tripathy

➤ **Brand engagement activities:**

- Partnered with leading financial services companies for investor awareness program “Lakshya: Artha Samridhi”
 - Objective : aimed to make investors aware of the essentials of financial investing and planning
 - Reachout: over 1,500 people across Madhya Pradesh, Chhattisgarh and Haryana made aware about the dynamics of investments for effective planning of their financial portfolio
- 'Desh ke Naam' initiative in Kota: acknowledged in Golden Book of World Records for largest congregation of people
 - On the occasion of 70th Independence Day, Dainik Bhaskar organized “52 seconds Desh ke Naam” initiative in Kota, Rajasthan
 - 25,000 students from 29 states and 7 Union Territories came together to sing the National Anthem

➤ **Awards and recognitions:**

- Acknowledged as India's Most Trusted Company 2017 in "India's most trusted media company" category by research conducted by Media Research Group (MRG - International brand consulting corporation USA)
- Media Innovation in Direct Mailer(Bronze) for Uda Punjab Mailer & Newsletter (Bronze) for Samvad by Big Bang Awards
- By BW Applause awards: Best Consumer Event/Activation for Simhashta (Silver) and Best Use Of Integrated Marketing Communication for Swatantra Vichaar (Gold)
- Won Gold Award under the category ‘Integrated Marketing Communications’ at the ACEF (Asian Customer Engagement Forum) 2017 for Excellence in Branding & Marketing
- ACEF(Asian Customer Engagement Forum) awards:
 - **4 Gold** [Most Admired Organization for Social Cause, Best Media Relations / PR Campaign –Simhashta, Best use of BTL Activities-Simhashta, Ujjain CTB for Best Publication]
 - **5 Silver** [Simhashta for Excellence in Brand Management, Simhashta for Best use of Events and Promotions, Simhashta for Best use of Out of Home Media and Mailer, Most Admired Not for Profit Making Campaign for Comics for Change]
 - **2 Bronze** [Best Behaviour Change Programme of the Year for Comics for Change, Excellence in Corporate Reputation for Azaad Soch,Punjab]

➤ **CSR Activities and Awards:**

- **Sarthak Deepawali:** AV was released with a message to share respect along with materials to make one's Diwali caring and meaningful. The AV garnered 4.2 million views, reached out to 2.5 million people through SMS
- **Ek Ped Ek Zindagi:** trees were planted under the purview of Satya, Prem and Karuna in offices, schools and other prominent places
- **Internal campaign: Green Campus Awards** were organized with an objective to reward Green Offices and 5 offices were rewarded for keeping their office premises green.
- **Live Positive:** initiated in 2016 with an objective to enhance students' emotional well-being in Kota, Rajasthan. Reached out to more than 6,000 students through Rock concerts, Yoga Workshops, Motivational Seminars, Street plays (Nukkad Natak) and 60 students have been registered under Buddy program

About DB Corp Ltd

DB Corp Ltd. is India's largest print media company that publishes 6 newspapers with Dainik Bhaskar 45 editions, Divya Bhaskar 9 editions & Divya Marathi 6 editions with 208 sub-editions in 4 multiple languages (Hindi, Gujarati, Marathi and English) across 12 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 19.8 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, Delhi, Gujarat, Maharashtra, Bihar and Jharkhand. Our other noteworthy newspaper brands are Saurashtra Samachar, DB Star and DB Post. DBCL is the only media conglomerate that enjoys a leadership position in multiple states, in multiple languages and is a dominant player in its all major markets. The company's other business interests also span the radio segment through the brand "My FM" Radio station with presence in 7 states and 30 cities. Its growing digital business is led by 13 portals for rapidly expanding digital audiences including www.dainikbhaskar.com, www.divyabhaskar.com, www.divyamarathi.com, www.dailybhaskar.com, www.bollywoodbhaskar.com, www.moneybhaskar.com, www.dbcric.com, www.jeevanmantra.in, www.fashion101.in, www.gadgets.bhaskar.com, www.food.bhaskar.com, www.homeonline.com, www.postpickle.com and 2 actively downloaded applications Dainik Bhaskar and Divya Bhaskar mobile apps.

For further information please visit www.bhaskarnet.com or contact:

Mr. P.K. Pandey

Head – Investor Relations

Tel: +91 22 39501500

Email: prasoon@dbcorp.in

Address for investor communication:

DB Corp Ltd.

G 3 A/ 4-6 Kamanwala Chamber

New Udyog Mandir – 2, Mogul Lane, Mahim (W), Mumbai, 400016