

DB Corp. Investor Presentation

April 2011



FINANCIAL HIGHLIGHTS

- *Robust Growth in Profits*
- *Strong Focus on ROCE*
- *Low Debt Exposure & High Networth*

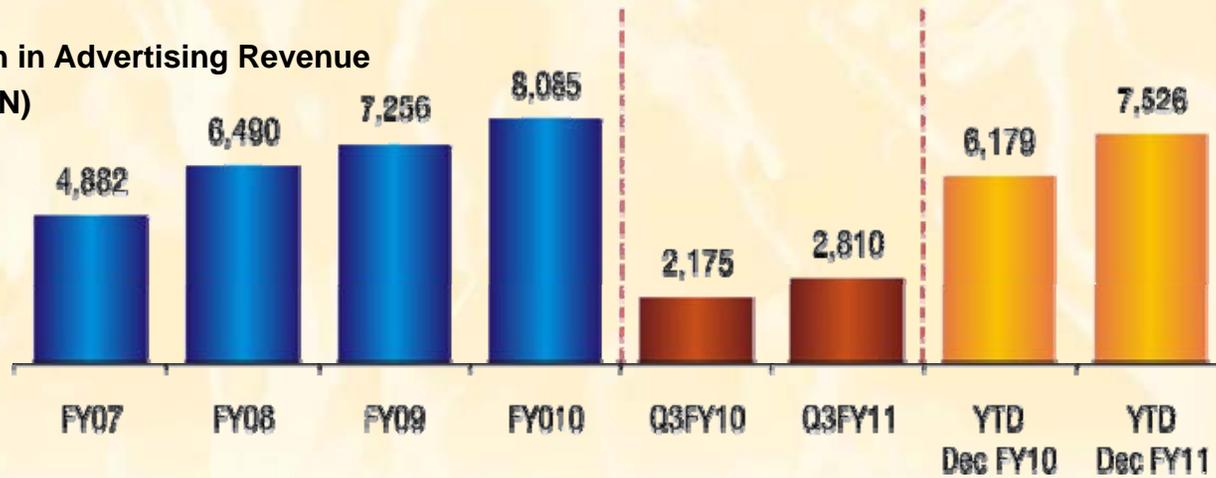


Robust Revenue Growth

Revenue Growth
(INR MN)

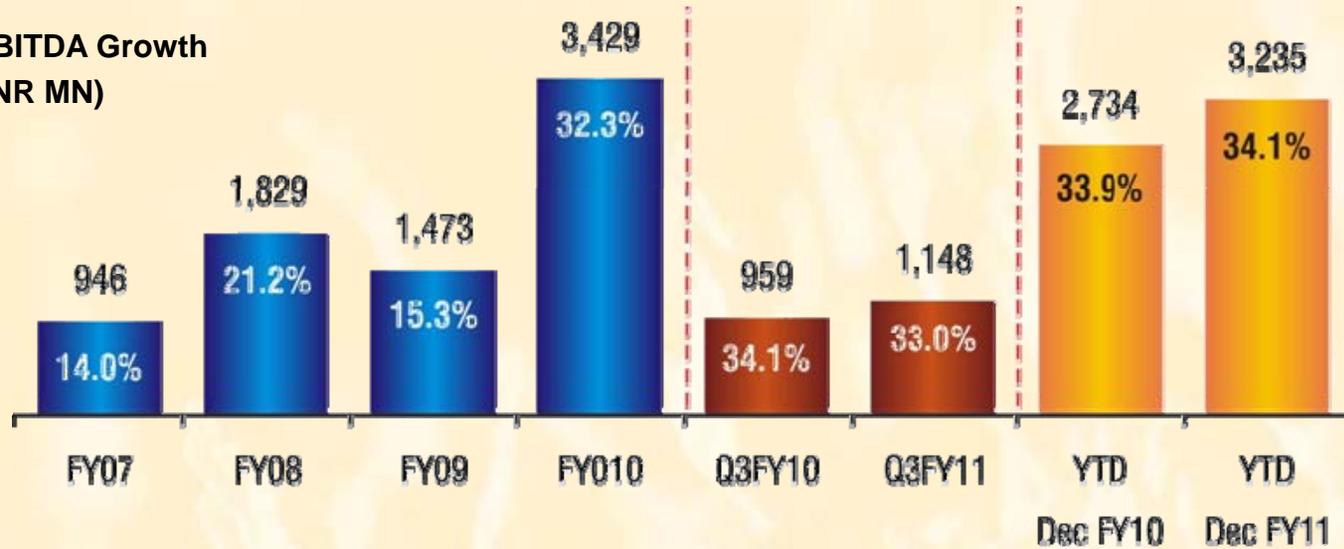


Growth in Advertising Revenue
(INR MN)

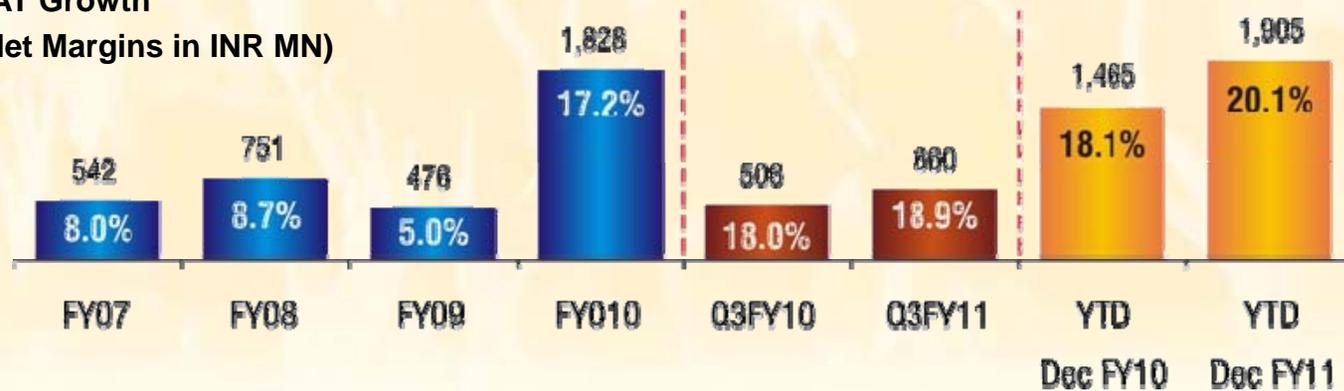


Propelling Overall Margin Expansion

EBITDA Growth
(INR MN)

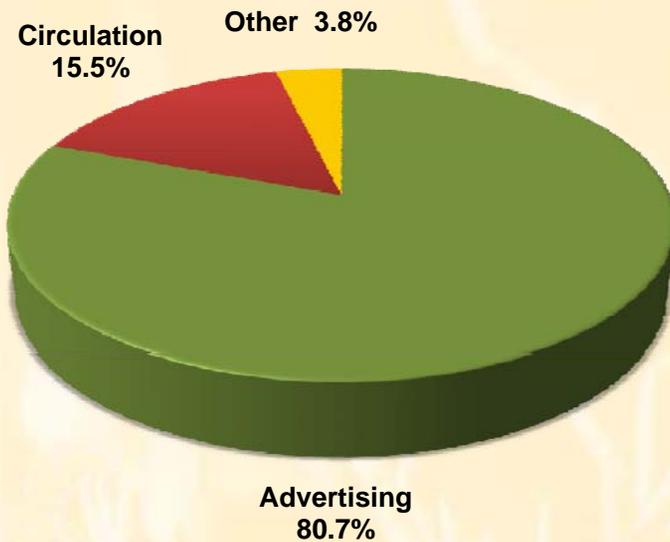


PAT Growth
(Net Margins in INR MN)



Robust Revenue Growth

Revenue Breakdown Q3 FY 2011

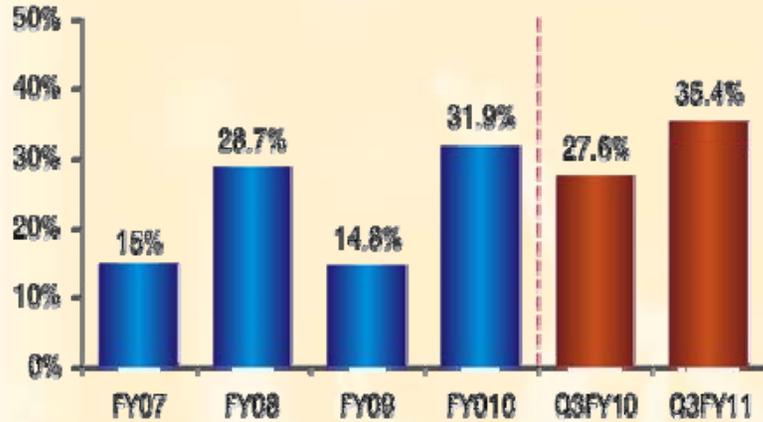


Revenue Growth Drivers

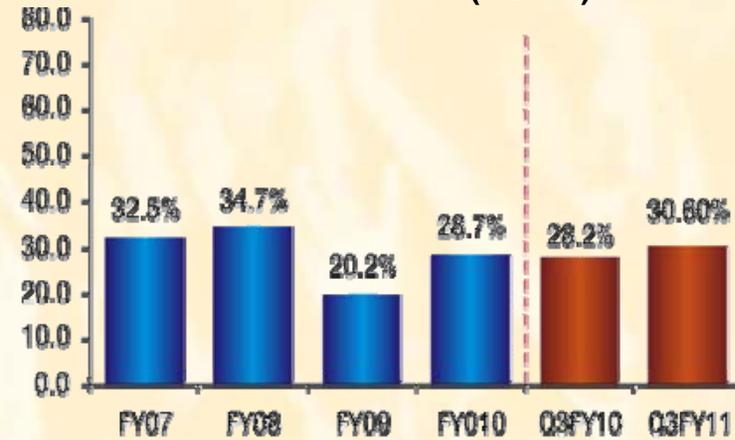
- Upward revision of ad rates at national and local level
- High focus on Retail Advertisers driving growth
- Over all Economic Conditions are positive, resulting in improved advertisement market sentiments
- Further consolidation in existing markets and expansion into new territories

Strong Focus on ROCE

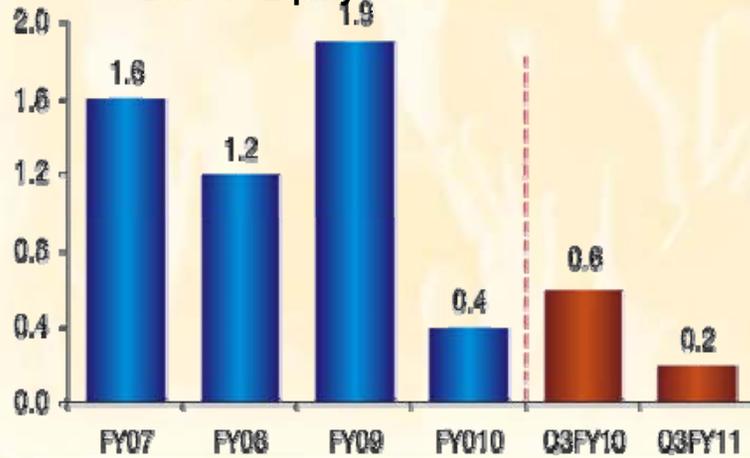
Return on Capital Employed (ROCE)



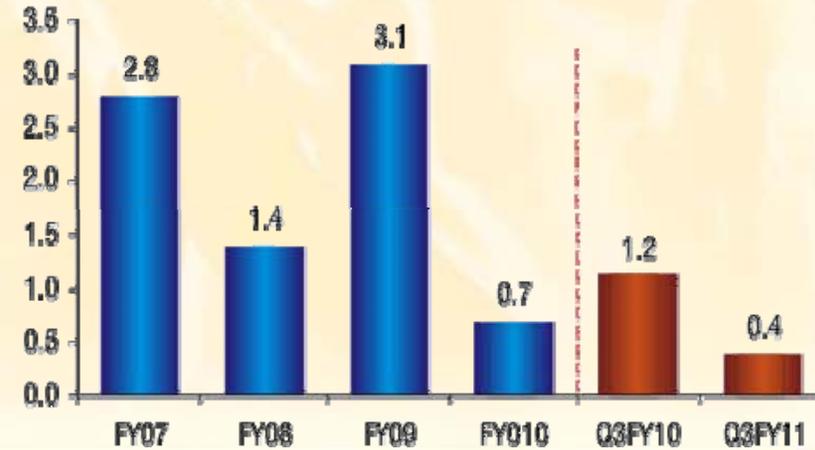
Return on Net Worth (RONW)



Debt to Equity

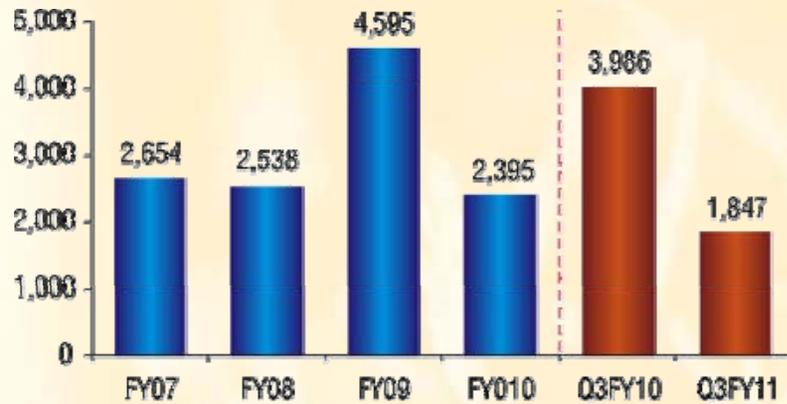


Debt to EBIDTA

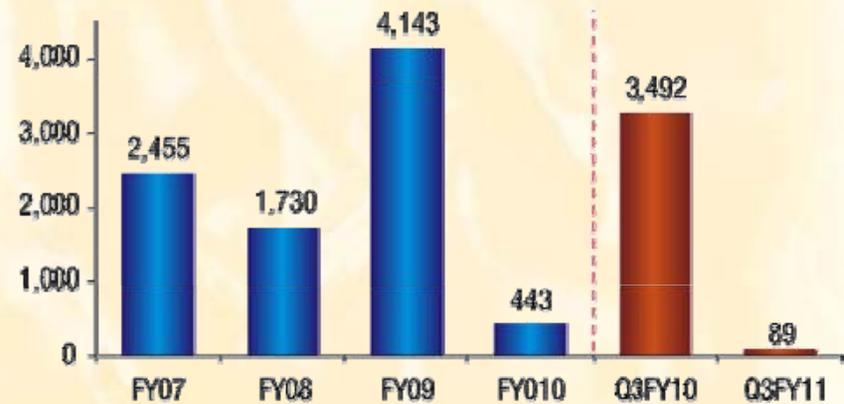


Continuous Reduction in Debt

Gross Debt (INR MN)



Net Debt (INR MN)



***D B Corp Ltd.
Expansion Journey
Continues –
Successful Jharkhand
Launch***



Launch of Ranchi edition

On 22nd August, 2010
Dainik Bhaskar Group
entered its 12th state;
Jharkhand with Ranchi
edition

Ranchi in Jharkhand was
selected for the launch of
first edition due to its
economic and market
value



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 prove once again in a totally different market

Ranchi Jharkhand ,
22 August 2010



IMRB Survey

**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

**Consistent
Leaders from then
till now...**

**Winning is our
habit**

Average Issue Readership in '000s

Jaipur	IRS 10 Q4
Dainik Bhaskar	1023
Nearest Competitor	703

Chandigarh/ Haryana	IRS 10 Q4
Dainik Bhaskar	1571
Nearest Competitor	1069

Ahmedabad	IRS 10 Q4
Divya Bhaskar	1058
Nearest Competitor	870

Amritsar	IRS 10 Q4
Dainik Bhaskar	158
Nearest Competitor	117

Jalandar	IRS 10 Q4
Dainik Bhaskar	148
Nearest Competitor	109

IMRB Survey

Ranchi	AIR
Dainik Bhaskar	270
Nearest Competitor	303

IRS : Indian Readership Survey

IMRB: Indian Market Research Bureau

**FOCUSED ON
GROWING
MEDIA OPPORTUNITIES
IN INDIA**

-REGIONAL MARKETS



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 estimated close to 60, this number is expected to cross 75 by census 2011
- The major growth is happening in small and midsized towns.
- Literacy Rate , Purchasing Power & ambitions are growing in Tier II and III cities, hence, language media is still to grow.

Source : Goldman Sachs

Consumption Growth is higher in Tier II & Tier III Cities

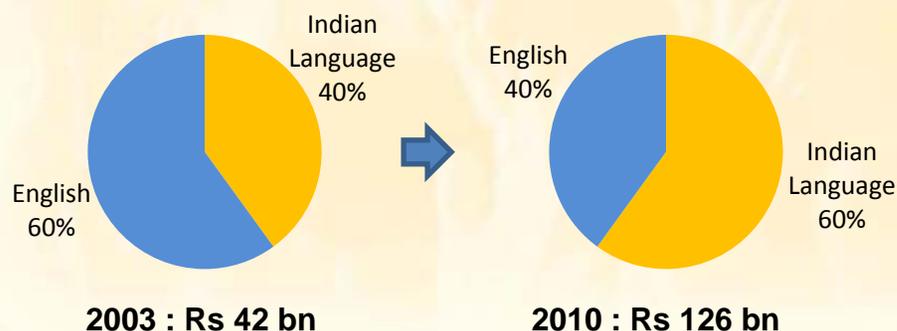
Growth 2008 vs 2010	Metros	Tier II	Tier III
Consumer Durable Ownership	25%	31%	31%
IT & Communication Product Ownership	25%	57%	64%
Automobiles Ownership	13%	18%	25%
FMCG Product Purchases	9%	15%	11%

Source: IRS Q3 '10

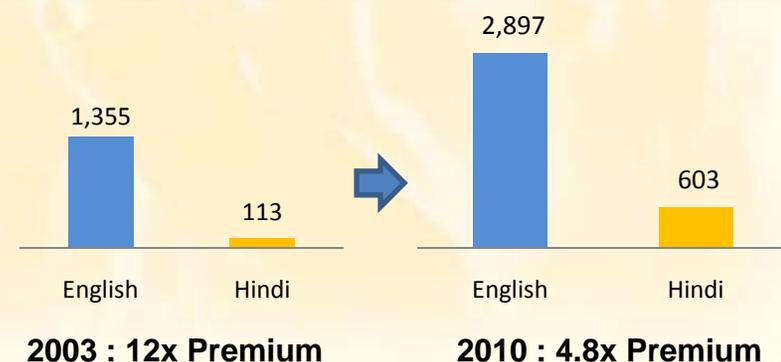
The Per Capita Income is growing faster in Tier II & III cities.

'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 2011, IRS 2010 Q4

KUTs and ROUIs 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. 0.2 mn each, in 3 months in Guwahati**
- ✓ **Ludhiana 2nd to Delhi for Rs 10 mn+ 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

A Leading Media Company Of India

A Leader in Print Readership, operating in the highest growth markets in India



Multiple States

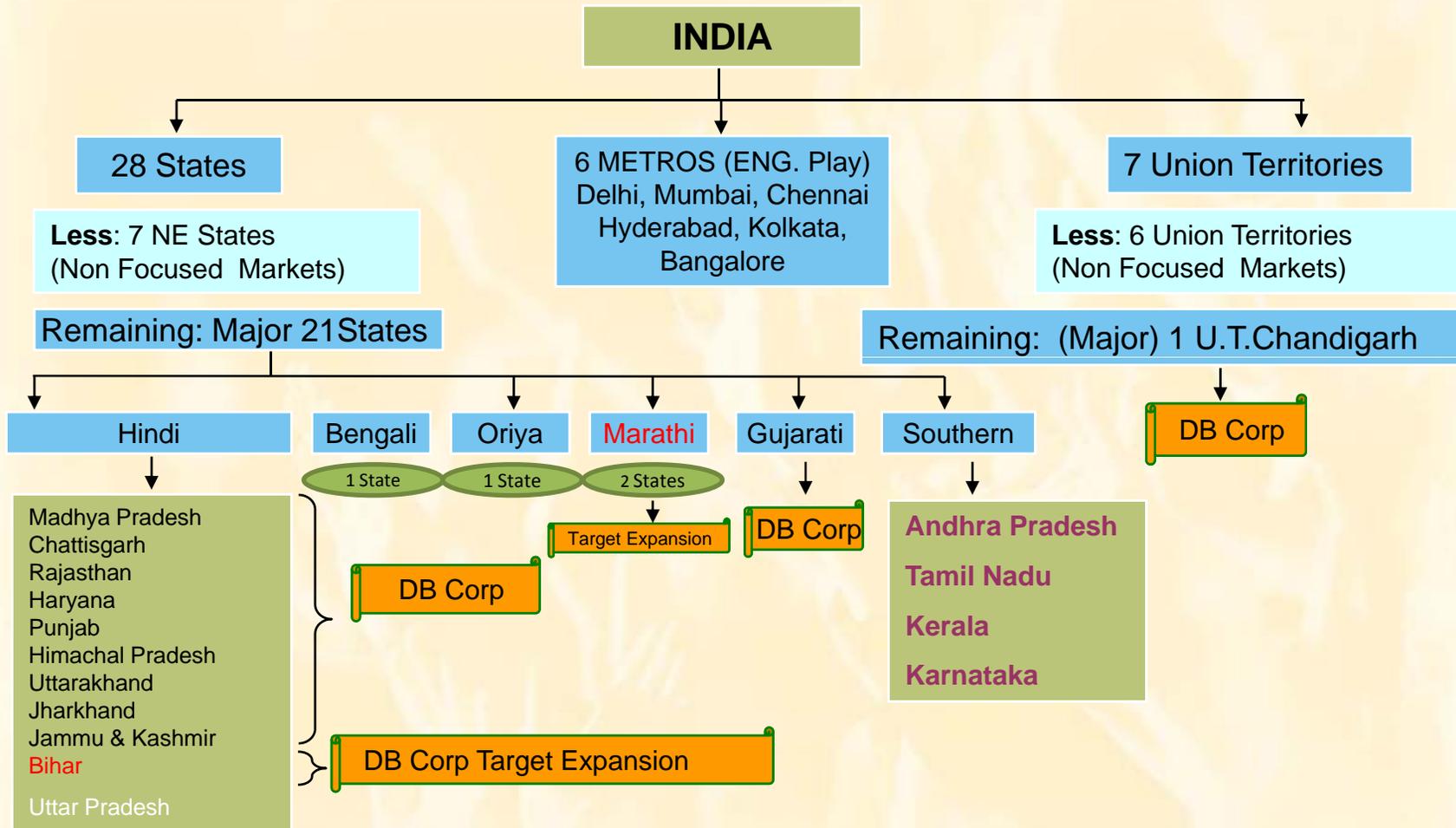
- Madhya Pradesh, Chhattisgarh, Rajasthan, Gujarat, Haryana, Punjab, Chandigarh, Maharashtra, Himachal Pradesh, Jharkhand, Jammu & Kashmir & Delhi
- Launching Maharashtra & Bihar shortly

Multiple Languages

- Hindi, Gujarati, English
- 26% Urban population of India resides in Bhaskar Markets (excluding Delhi & Mumbai)
- 26 % of India's total consumption based on Market Potential Value (MPV) is concentrated in Bhaskar Markets

Source: R K Swamy report 2010

Strategic Footprint in India



Source: Indian Govt Web site

D B Corp Ltd.

Expansion Journey Continues – Announces Launch of Marathi Language Newspaper in Maharashtra



Vital Stats of Maharashtra

- Third largest state of India in terms of its area and second largest in terms of population
- Richest state in India contributing to 15% of industrial output and 13% of GDP of India
- Maharashtra is India's leading industrial state
- Economy of Maharashtra is based on agricultural & allied Industrial activities
- The major industries are Chemical and allied products, Electrical and Non-Electrical machinery, Textiles & Petroleum and allied products

State	Maharashtra
Area (sq.km)	30,800
Population	106.9 mn
Literacy	77%
Per Capita Income of Urban HH	Rs 79,515
Male Population	50.3 mn
Female Population	46.4 mn
No. of Districts	35
No. of Talukas	357

Source: Wikipedia & Maharashtra gov. sites

Current Readership Penetration – Maharashtra

Maharashtra	
Base Population	106.9 mn
Literacy	77%
CRM*	63.5 mn
AMD**	18.4 mn
Penetration Gap	71%

*CRM: Can read Marathi

**AMD: Any Marathi Daily

Source: IRS 2010 Q3

The Making of *Dainik Divya Marathi*

Aurangabad



.....2010

- The idea of entering **MAHARASHTRA** was conceived
- A preliminary analysis of data and market
- Understanding the people and their language
- Identification of the core team
- Organizing infrastructure

Vital Stats of Aurangabad – Maharashtra's 1st Edition

State	Maharashtra
City	Aurangabad
Area (sq.km)	180
Total HH	0.15 mn
Population	1.15mn
Literacy	74%

Pre Launch Activities And Strategy



Triggering the Curiosity....

**A Teaser Campaign
Using Hoardings, Banners,
SMS and Newspaper Inserts**



Hoardings

Phase I



Phase 2



Phase 3



Hoardings – Phase 4



The Challenge

- How to make **Dainik Divya Marathi**, a household name in a 1.1 mn + population city ?
- How to empathize with people of Maharashtra?
- How to bring up the latent need for a good newspaper?
- How to create positive awareness for a new brand **“Dainik Divya Marathi”** ?
- To provide neutral and apolitical newspaper to readers.

The Strategy and Implementation

- Decided to meet every Marathi reading households of Aurangabad to understand their latent needs and expectation from Newspaper
- To survey 0.15 mn household in Aurangabad

(To arrive at above figures, a detailed analysis was done for the households with gas connections (0.17mn), electricity connections (0.08 mn), telephone connections (0.07 mn),etc...)

Reaching out....Aurangabad City... Survey Logistics – Phase I

Aurangabad City

- ❖ **3 Divisions**
- ❖ **9 Zones**
- ❖ **102 Locations**

Team

- ❖ **4 Divisional Managers**
- ❖ **9 Zonal Managers**
- ❖ **23 Team Leaders**
- ❖ **215 Surveyors**

Back Stage Preparations

- **Recruited Padamshri Mr. Kumar Ketker, the most renowned Marathi Editor since last 40 years.**
- **Intensive training of surveyors for 10 days by experts on body language and presentability**
- **A standardised contact method for the appearance and behavior of the surveyors**
- **25 Computers deployed for data entry of the feedback forms**
- **20 telephone lines with a telemarketing team of professionals for follow ups and thank you calls**

Survey – Phase I

Aurangabad – Survey – Phase I

Start Date – End Date – Phase I	13 Feb, 2011 – 13 March, 2011
Survey Period	29 Days
Total HH & Commercial Units Surveyed	1,27,500 HH (approx.) 23,100 Commercial Units (approx.)
Primary Respondent	Chief Wage Earner of the Family

The Second Round Survey

- The Second round of survey begins from 19th March, 2011
- The survey will target 1,27,500 Households and 23,100 commercial establishments.
- The survey will be used for booking the copies at an offer price of Rs. 739 per year for a period of 1 year.

Board of Directors

Ramesh Chandra Agarwal

- Chairman - 42 years of experience
- Served as Chairman of FICCI of the MP region

Sudhir Agarwal

- Managing Director of DBCL
- 25 years of experience in the publishing and newspaper business

Girish Agarwal

- 17 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

- 11 years of experience in the publishing business
- Heads entire Production, IT and Technology for DBCL

Niten Malhan

- Managing Director at Warburg Pincus India Private Ltd

Ajay Piramal*

- Heads the Piramal Group in India

Piyush Pandey*

- Executive Chairman of Ogilvy & Mather Pvt Limited, India

Kailash Chandra Chowdhary*

- Previously the Chairman & Executive Director at Central Bank of India and Chairman & Managing Director of Vijaya Bank

Ashwani Kumar Singhal*

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

Harish Bijoor*

- A member of the planning group sub-committee of the Union Planning Commission of India

* denotes Independent Directors.

THANK YOU

Dainik Bhaskar

Divya Bhaskar

दिव्य मराठी

विज़नेस भास्कर

DNA



DB Corp Ltd