

DB Corp Ltd *Investor Presentation*

February 2011



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Dainik Bhaskar VISION



Our Print Vision

- Print media has long term growth in India.
- Literacy Rate , Purchasing Power & ambitions are growing in Tier II and III cities, hence, language media is still to grow.

India – A country with diversity



28 States,
7 UT's
&
11 major
Languages

India : State & UTs – A Snapshot

State Classification	No.	POP (Mn)	% of India POP	Literacy %	Urban %	Details
Hindi State	11	484	47	58	21	UP, Bihar , MP , Rajasthan , Jharkhand , Punjab , Haryana , Chhattisgarh , Uttarakhand , HP , J & K
Southern States	4	223	22	70	33	Tamil Nadu, Karnataka, Kerala, Andhra Pradesh
Other Regional States	5	266	26	71	33	Maharashtra , Orissa, West Bengal, Gujarat , Goa
North East States	8	39	4	65	16	Assam, Tripura, Sikkim, Arunachal Pradesh, Mizoram, Meghalaya, Manipur, Nagaland
Total States	28	1012	98	64	27	
Union territories	7	16	2	81	88	NCR , Chandigarh , Pondicherry, A & N, Dadra & Nagar Haveli, Daman & Diu, Lakshadweep
Total	35	1028	100	65	28	

Source: Census 2001, CIA – The World Fact Book

DB Corp Ltd. Strategy

- Our thought process for evaluating the Market
- Parameters to look at Market
- How we go about executing our thoughts

Strategic Foot Print in India

Current Market



- The 21st century is set to become India's 'urban century'
- The growth is happening not in large cities, but in small and midsized towns.
- 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

Dainik Bhaskar - Successful, Experienced New Market Entry.

- **The Launch of Rajasthan Market in December 1996**
With our launch the Hindi Readership penetration has increased by 91% in two years time
- **The Launch of Gujarat Market in June 2003**
The Gujarati Readership penetration has increased by 50% over three years time, after our launch
- The above facts establish that our new state launch generally increases the market size due to aggressive market pricing, better, updated and effective content strength

Our Record Breaking journey to leadership outside Madhya Pradesh began with...

Jaipur

Rajasthan : Dec 1996

Industry Wisdom
Its **IMPOSSIBLE** to be
No 1 from Day 1

	Before	After	Now
Jaipur	IRS '95	IRS '99	IRS '10 Q3
Dainik Bhaskar	NA	722	969
Nearest Player	441	493	720

We Proved Them Wrong

Readers in '000

Chandigarh & Haryana

June 2000

Time to prove:
Rajasthan wasn't a success by chance

	Before	After	Now
Chandigarh /Haryana	IRS '00	IRS '02	IRS '10 Q3
Dainik Bhaskar	NA	1909	1617
Nearest Player	1629	1283	1034

Readers in '000

We Proved our success was robust

Ahmedabad

Gujarat 2003

Perception:
Dainik Bhaskar only connects with Hindi

	Before	After	Now
Ahmedabad	IRS '02	IRS '03 R1	IRS '10 Q3
Divya Bhaskar	NA	984	1038
Nearest Competitor	1092	939	876

Readers in '000s

We broke the Language barrier

Amritsar & Jalandhar Punjab 2006

**A
crowded
market
with
many
titles**

	Before	After	Now
Amritsar	IRS '06 R2	IRS '08 R2	IRS '10 Q3
Dainik Bhaskar	NA	169	171
Nearest Player	164	143	103

	Before	After	Now
Jalandhar	IRS '06 R2	IRS '08 R2	IRS '10 Q3
Dainik Bhaskar	NA	132	138
Nearest Player	143	103	95

Readers in '000s

***Its not about the players, its about our
connect with the readers that matters***

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



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	48%
Hindustan	168	45	36	81	48%
Jagran	92	14	17	31	34%

The affluent truly appreciates quality content of Dainik Bhaskar

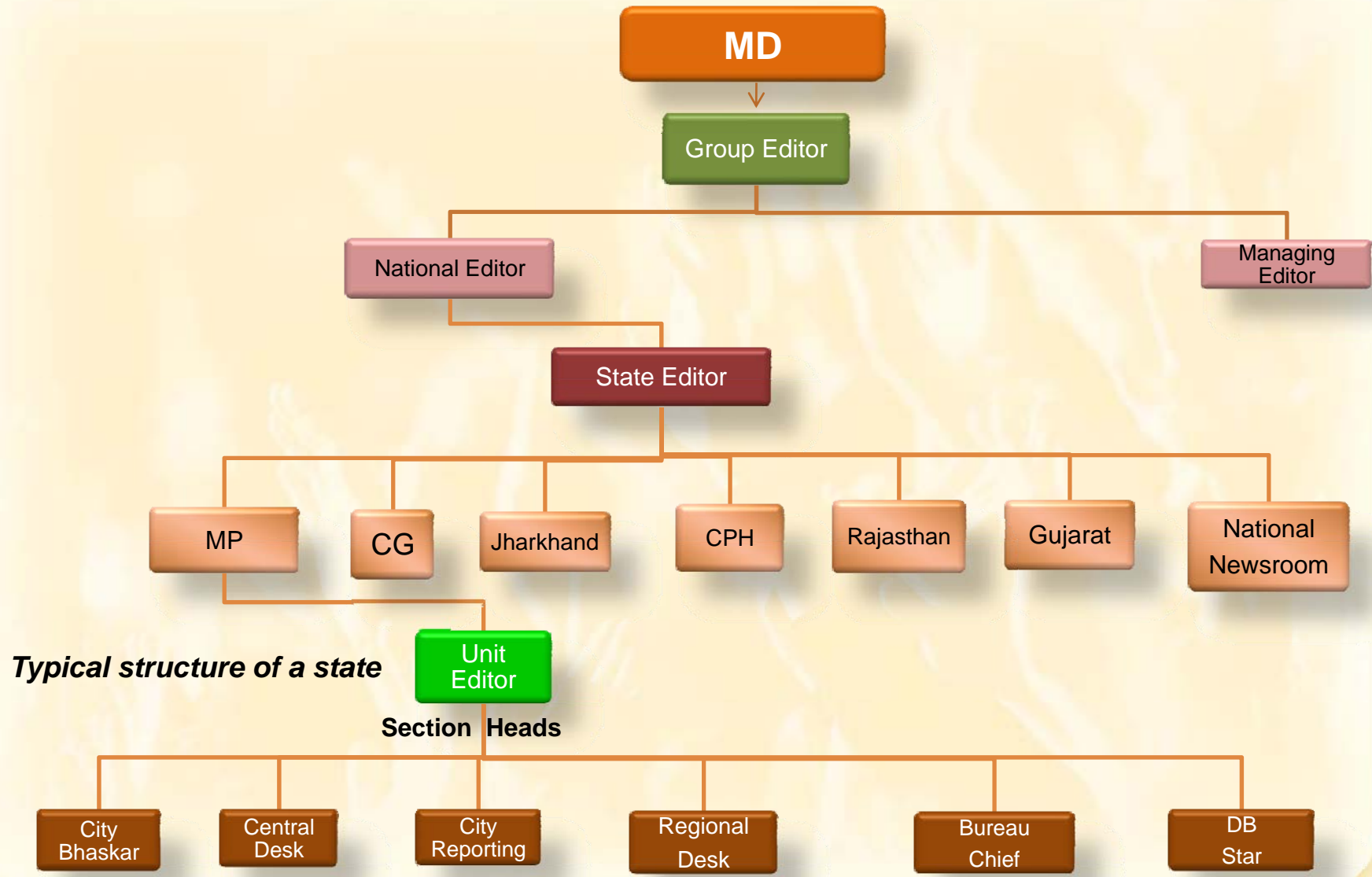
All Figures in '000s

DB Corp Ltd Organization Structure



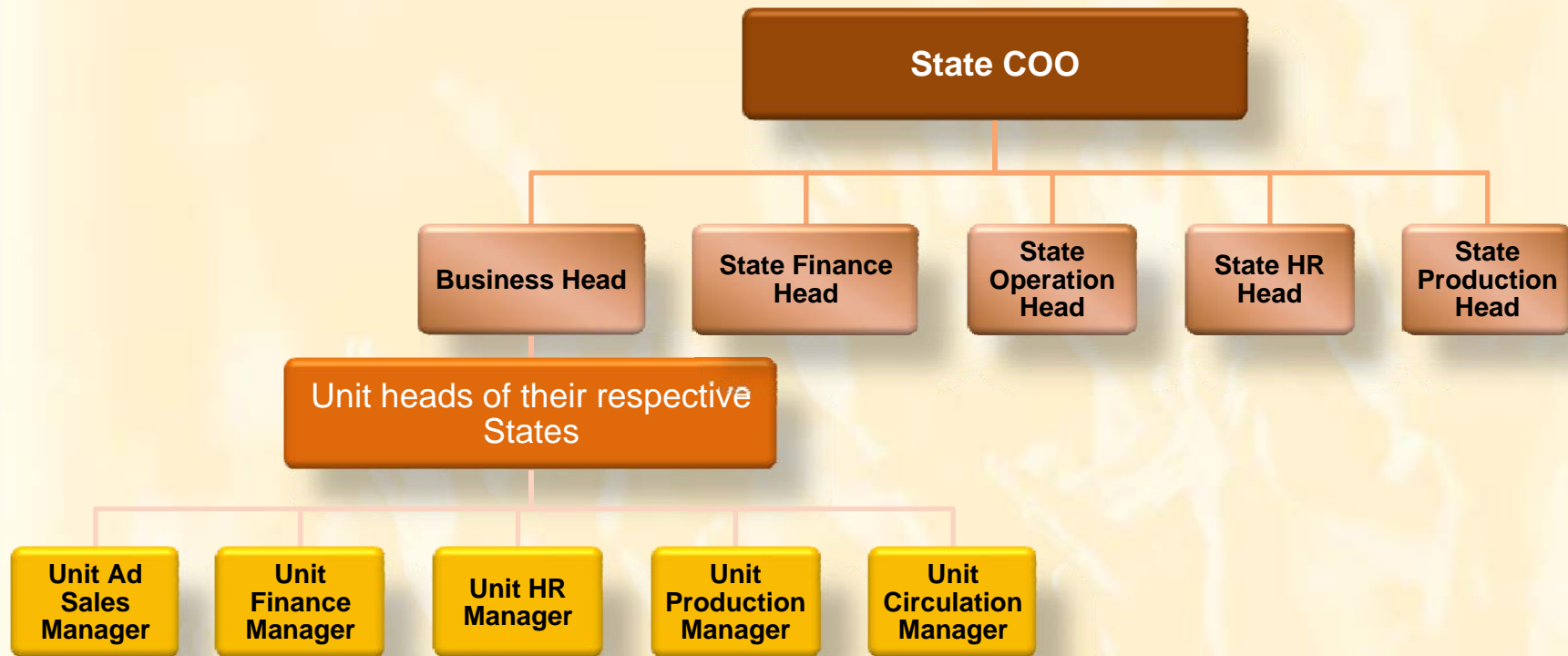
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Structured Organization with Defined responsibilities - till unit level



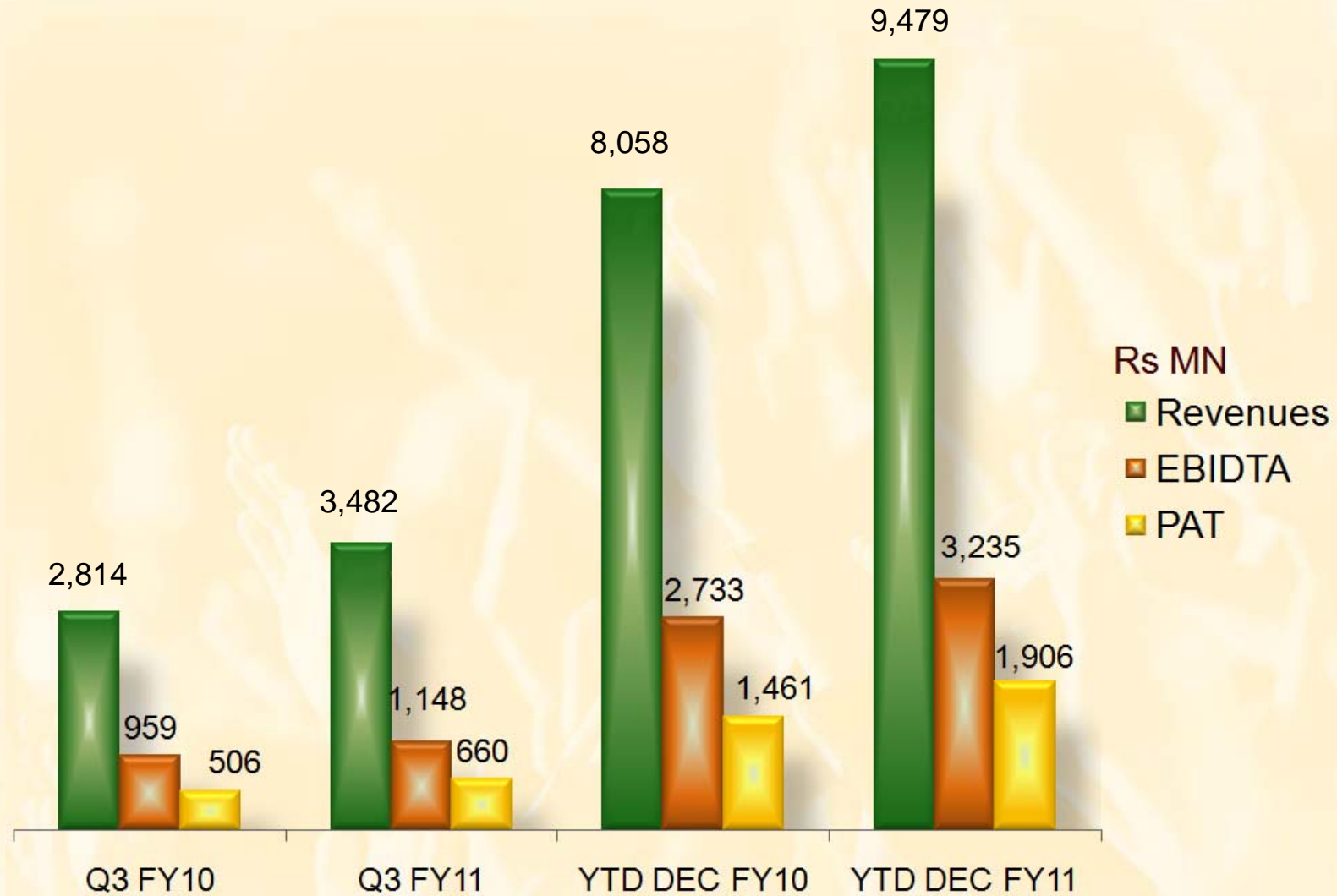
Typical structure of a state

Organization Structure-State Structure



All Unit Manager's administrative reporting is into Unit Head but they also report functionally to their respective State Function Heads

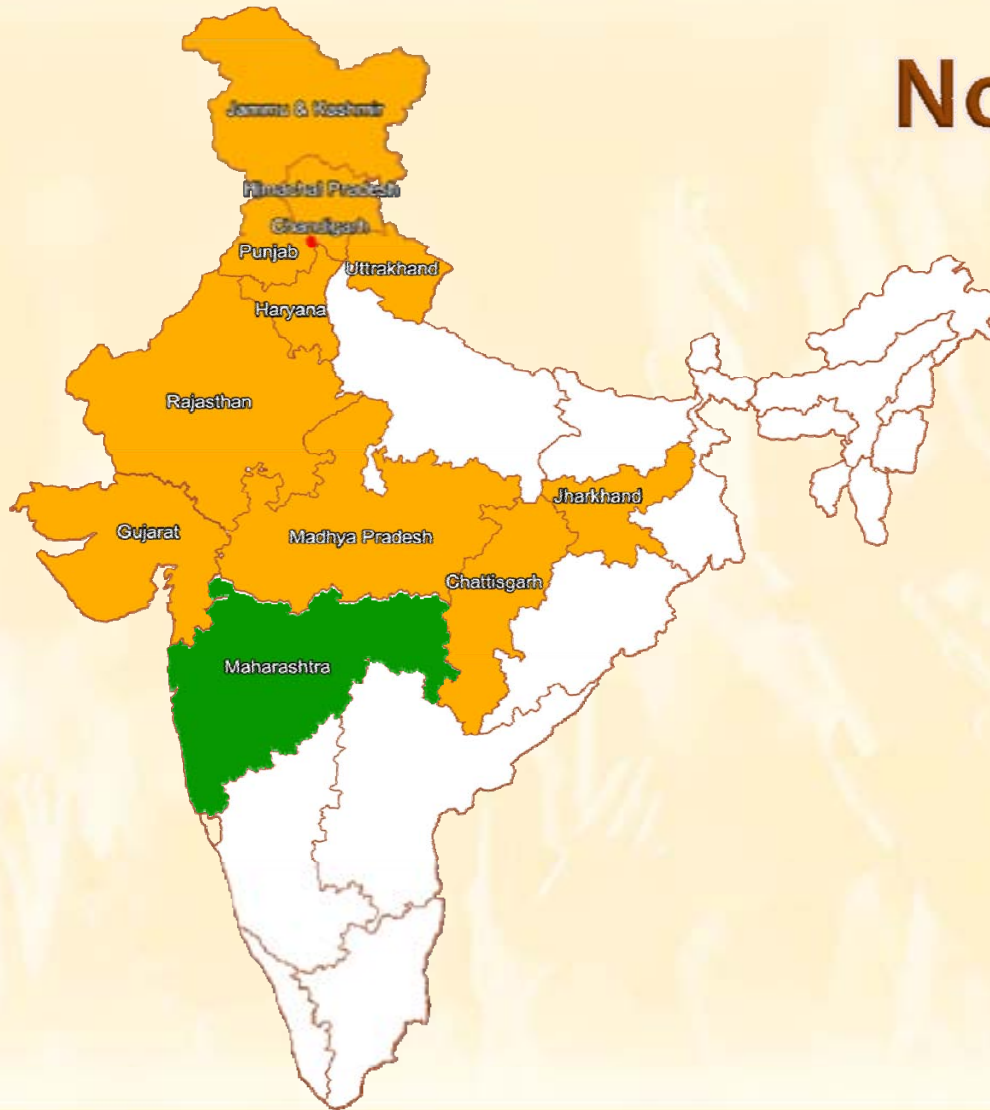
Key Financial Indicators



FINANCIAL SUMMARY

Particulars (INR million)	Year ended			Quarter ended		
	March-08	March-09	March-10	December-10	December-11	Growth %
Advertising Income	6,490	7,256	8,086	2175	2810	29.2%
Circulation Revenue	1,824	2,009	2,118	537	540	0.6%
Total Income	8,627	9,610	10,630	2814	3482	23.7%
Newsprint	(3,365)	(4,075)	(3,279)	(845)	(1,065)	26.0%
Other Operating Expenditure	(3,433)	(4,062)	(3,922)	(1,010)	(1,270)	25.7%
Total Expenditure	(6,798)	(8,137)	(7,200)	(1,855)	(2,334)	25.8%
EBITDA	1,829	1,473	3,429	959	1148	19.7%
EBITDA Margin	21.2%	15.3%	32.3%	34.1%	33.0%	
Net Profit	751	476	1,828	506	660	30.5%
Net Worth	2,165	2,360	6,361	6489	8301	
Secured Long Term Gross Loan	2568	4,595	2,394	3986	1847	
Cash & Bank Balance	808	452	1,960	494	1759	
Secured Working Capital Loan	660	817	573	340	320	
Total Gross Debt	3228	5412	2966	4327	2167	
Net Block (Fixed)	3623	6471	6475	6540	7225	
ROCE	29%	15%	31.9%	27.6%	35.4%	
RONW	35%	20%	28.7%	28.2%	30.6%	

Strategic Foot Print in India



Now Adding

Maharashtra- Launch of Marathi language Newspaper



Vital Stats of Maharashtra

- Third largest state of India in terms of area and second largest in terms of population
- Richest state in India contributing to 15% of industrial output and 13.5% of GDP
- Maharashtra is India's leading industrial state
- Economy of Maharashtra is based on Agricultural & Allied activities as well as Industrial activities
- Major industries are Chemical and allied products, Electrical and Non-Electrical machinery, Textiles & Petroleum and allied products

State	Maharashtra
Area (sq.km)	3,08,000
Population	1069 Lacs
Literacy	77%
Per Capita Income of Urban HH	Rs 79,515
No. of Districts	35

Source: Wikipedia & Maharashtra gov. sites

Current Readership Penetration – Maharashtra

Maharashtra	
Base Population	1069 Lacs
Literacy	77%
Can Read Marathi	635 Lacs
Any Marathi Daily	184 Lacs
Penetration Gap	71%
Average GDP Growth (since 03-04)	14.5%
Market Potential Value (% of India)	13.5%

* Source: IRS 10 Q 3

Discussions