



Jagran Prakashan Limited

Annual Presentation – FY17

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Section **1**

**Group
Introduction**

Section **2**

**High Growth
Strategies led by
Acquisitions**

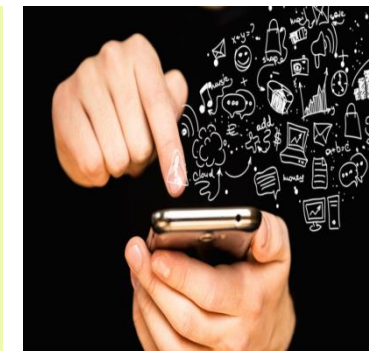
Section **3**

**Leadership – Print,
Radio & Digital**

Section **4**

**Financial
Performance**

Section 1



Group Introduction



~Rs.6000 Cr
MARKET CAP



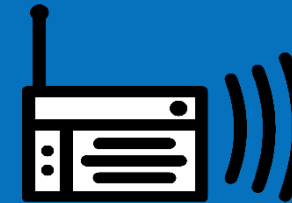
~Rs.2000 Cr
MARKET CAP



Print



Digital



Radio



Activation



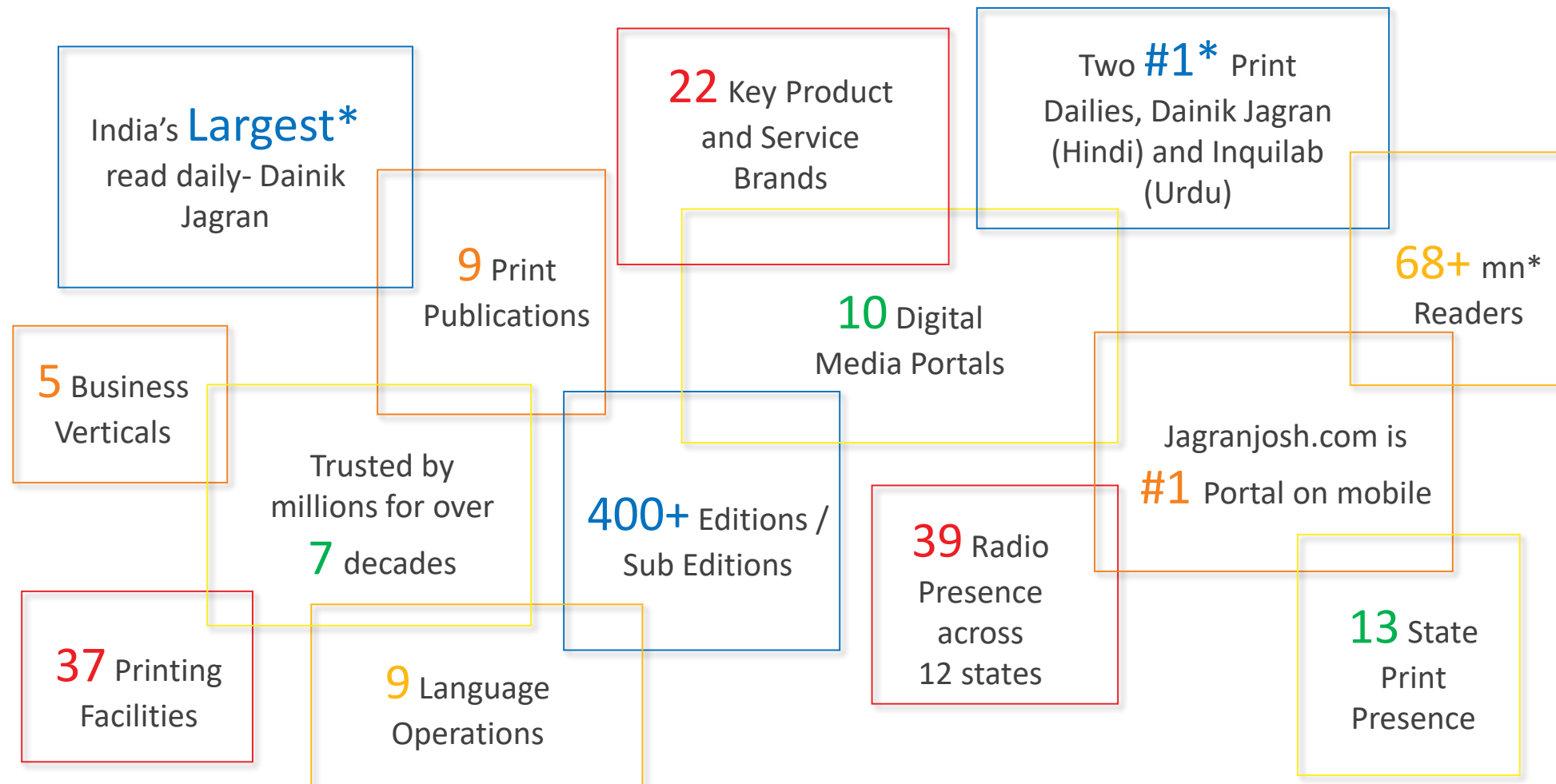
OOH

Jagran Prakashan Limited holds

70.58%

of Music Broadcast Limited
(RadioCity)

Multi Media Conglomerate – Width, Depth and Heritage



* IRS 2012 Q4

Other Source: Internal Data, Comscore: Mobile March 2017

INext renamed as Dainik Jagran iNext

Brand Strength – Stability, Consistency and Trust



PRINT BUSINESS



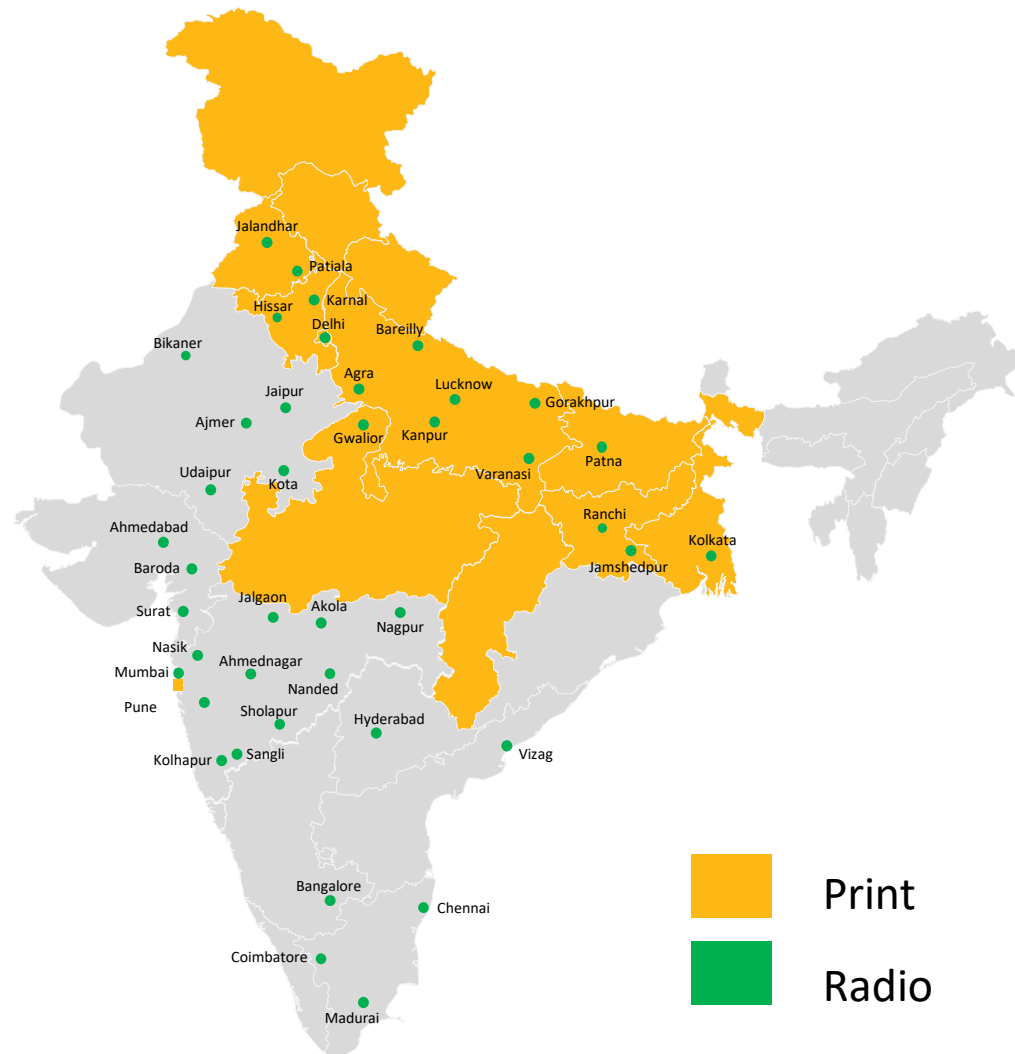
DIGITAL BUSINESS



RADIO BUSINESS



Geographical Reach – From Jammu to Tamil Nadu



Enhancing Pan India Presence

Print Presence :

13 State

Radio Presence :

39 Cities and
2 Sales Alliances

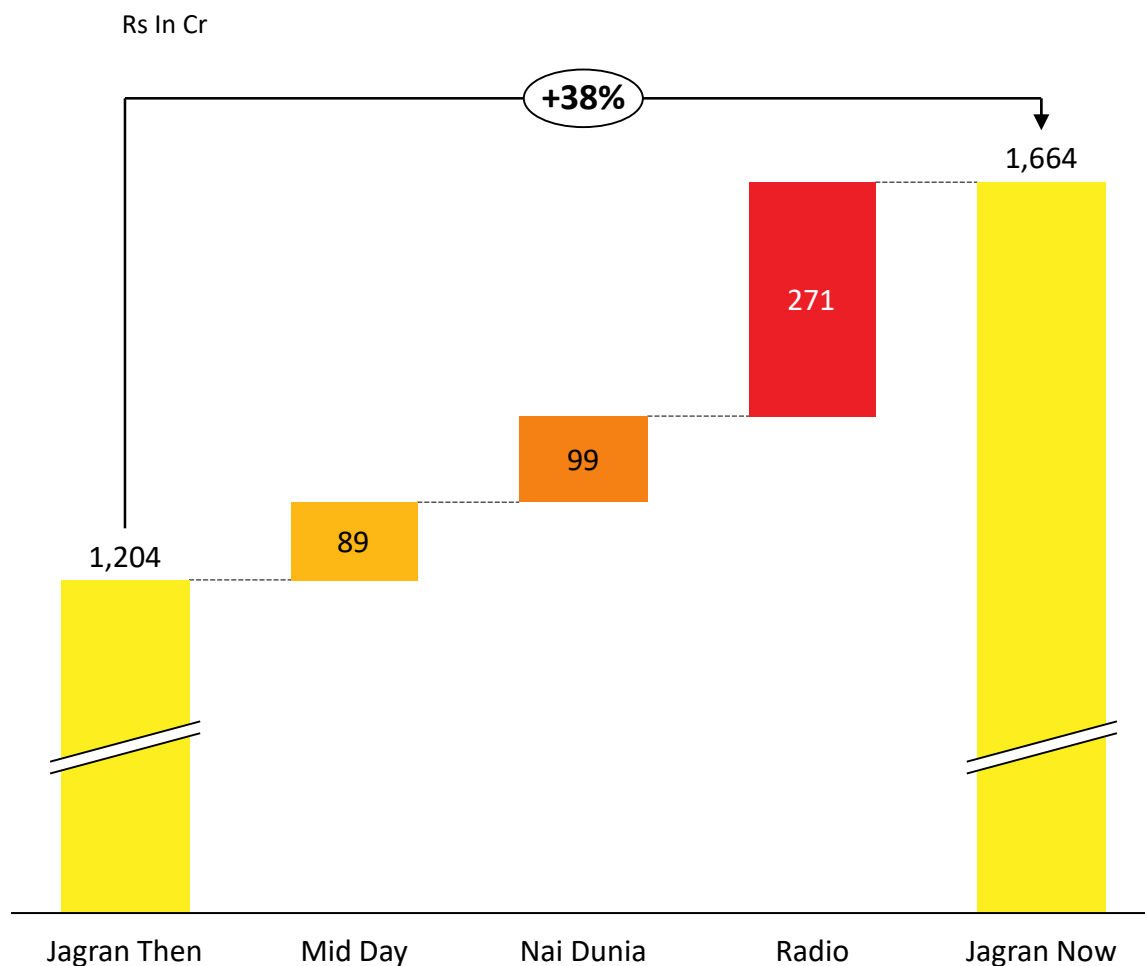
Section 2



High Growth Strategies

Value Creation and Growth led by Acquisitions

ADVERTISEMENT REVENUE*



Increased Advertisement Revenue

- 38% increase in Advertisement Revenue
- Strengthened Relationships with Clients with wider offerings

Expansion in various Indian Languages

- Expansion in Language Offerings – English, Gujarati and Urdu
- Total presence with 9 Languages

Extension of Foot Print

- Extension in Print Footprint in Western India and Central India
- Access to Radio Footprint in Large Cities of India

Aggression with focus on Revenue & Synergy



- Acquired in 2010 : Total Revenue Rs 96 Cr
- Three well known brands – Miday, Gujarati Mid day & Inquilab
- Synergy : Extension of presence with Inquilab to North along with strengthening advertising revenue from key verticals like Film Industry

नईदुनिया

- Acquired in 2012 : Total Revenue Rs 110 Cr
- Leading Hindi daily of MPCG
- Synergy : Extension of presence in local market of MPCG

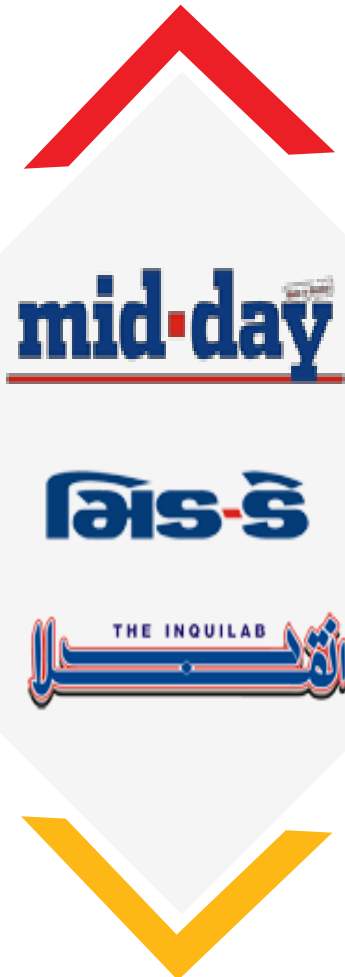


- Acquired in 2015 : Total Revenue Rs 201 Cr
- One of India's leading FM operator with 39* stations under brand Radio City
- Synergy : Entry into Metro cities

Mid-Day – Strong Brands with unique Market Position

Synergies of the Acquisition

- Access to Mid Day Audience
- Synergies – Extension of Presence with Inquilab to North along with Ad. Revenue from Film Industry



Acquisition : Share Swap Deal

- Acquired in 2010
- Mid-Day Multimedia's (MML) shareholders received two shares of JPL of Rs 2 each for every seven shares of Rs 10 each held in MML

Extension in Large Cities

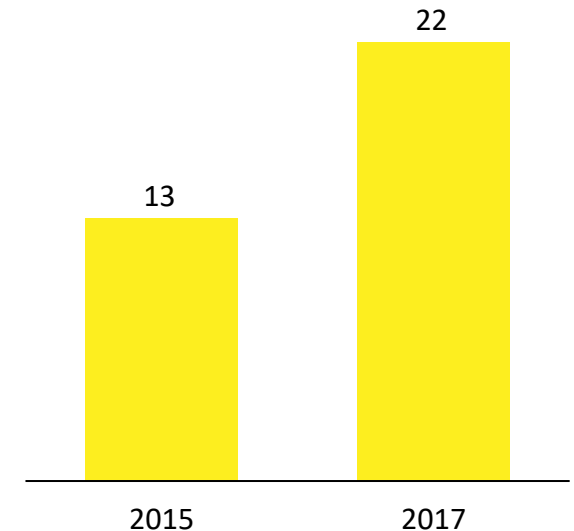
- Helped widen Geographical presence in Large Cities like Mumbai

Expansion in Indian Languages

- Mid-day : English
- Mid-Day : Gujarati
- The Inquilab - Urdu

OPERATING PROFIT

Rs In Cr

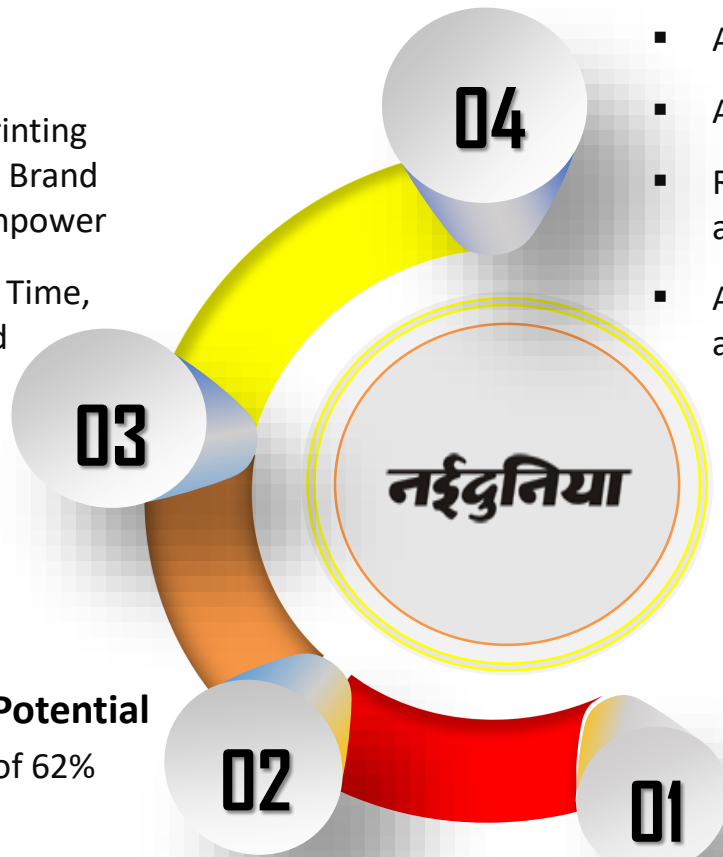


Operating Profit Margins of the Company has **expanded** from 1.1% in FY14 to 18.4% in FY17

Nai Dunia - MPCG Key States of Hindi Heartland

Core Assets

- 6 Operational Printing Facilities, Strong Brand and Trained Manpower
- Saved Gestation Time, losses and Brand Building Cost



MPCG – Huge Potential

- Literacy rate of 62%
- News Paper penetration of only 15%

Net Acquisition Price – Rs 105 Crs

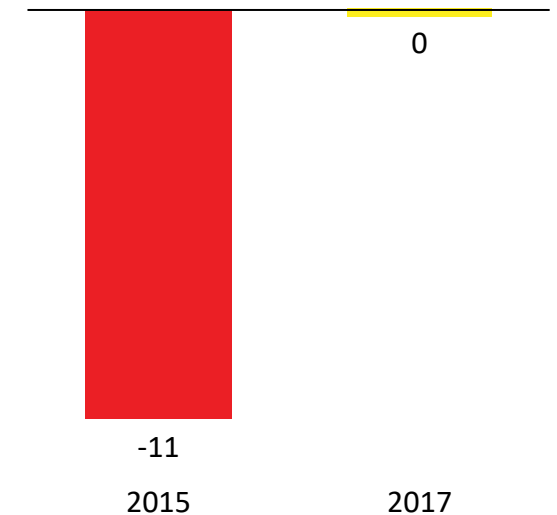
- Acquired in 2012
- Acquisition Cost Rs 225 Cr
- Rs 120 Cr recovered from Tax benefits and selling of immovable properties
- Additional immovable properties available for monetization

Extension of Foot Print in MPCG

- Helped widen our Geographical Presence in Hindi Heartland with Huge Potential

OPERATING PROFIT

Rs In Cr



The decrease in the Operating Profit is mainly because of **expansion of Circulation** Growth by **18%**

Radio - Complements Print, OOH, Events and Digital

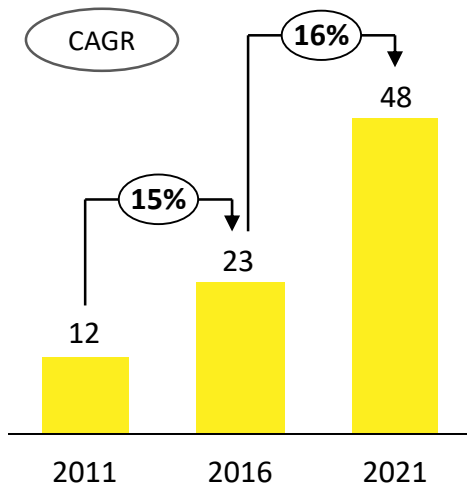


Over **15 Years** of Experience in the Radio Industry

1st Private FM Radio Broadcaster in India

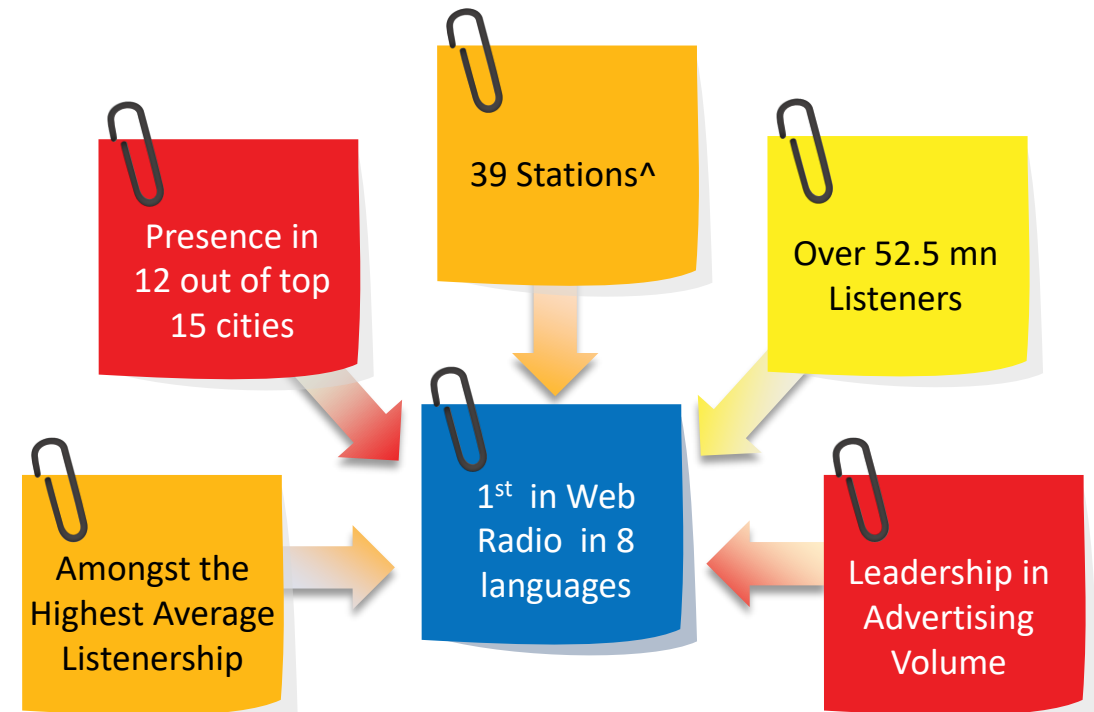
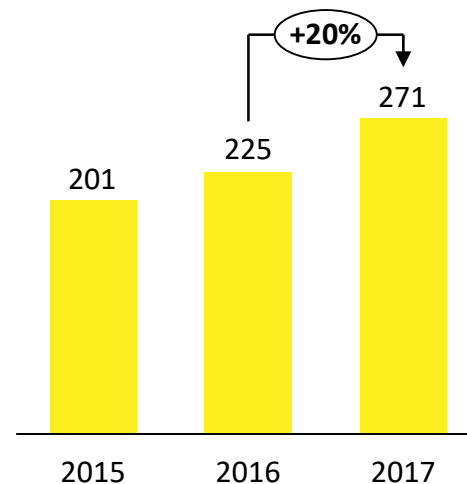
RADIO INDUSTRY

Rs In Cr



MBL REVNUUE

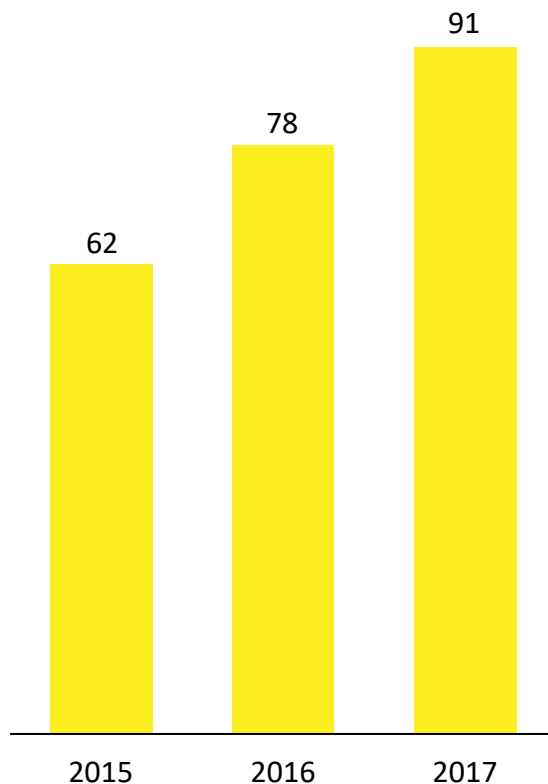
Rs In Cr



Opportunity to deploy Capital to improve ROC and EPS

OPERATING PROFIT

Rs In Cr



Operating Profit
Margins of over 30% for
the last two years



Increased business diversity, across geographies and across media vehicles



Radio business will complement JPL's print, outdoor, activation and digital businesses and enable deeper inroads with advertisers both at national and local level



Radio can be a significant tool added to our current News delivery platforms



The Acquisition catapults JPL to be a National Player in Radio Market



Get access to the best radio markets – radio licenses are auctioned by MIB; Virtually impossible to “build” a similar radio network/brand today



Helps future expansion of our media vehicles in territories beyond the JPL's footprint area



Strengthening JPL's presence in New Media

Radio Value Unlocking through Listing

December 2014

- Acquisition of Music Broadcast Limited
- Total Investment : Rs 645 Cr
- H1FY15 Revenue : Rs 94 Cr
- H1FY15 EBITDA Margin : 28%
- H1FY15 PAT Margin: 21%



March 2017

- Listing of Music Broadcast Limited
- IPO subscribed: 40X
- FY17 Revenue: Rs 271 Cr
- FY17 EBITDA Margin: 34%
- FY17 PAT Margin: 14%

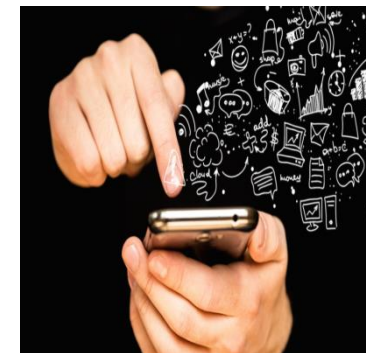
Music Broadcast Listing done at Valuation of
~Rs. 2000 Cr on 17th March 2017

Jagran Prakashan Limited

Pre IPO Shareholding - **89.40%**

Post IPO Shareholding - **70.58%**

Section 3



Leadership – Print, Radio & Digital

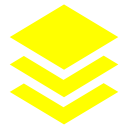
Largest Read Print Group of India



68mn*
Readers



13
States



9
Publications



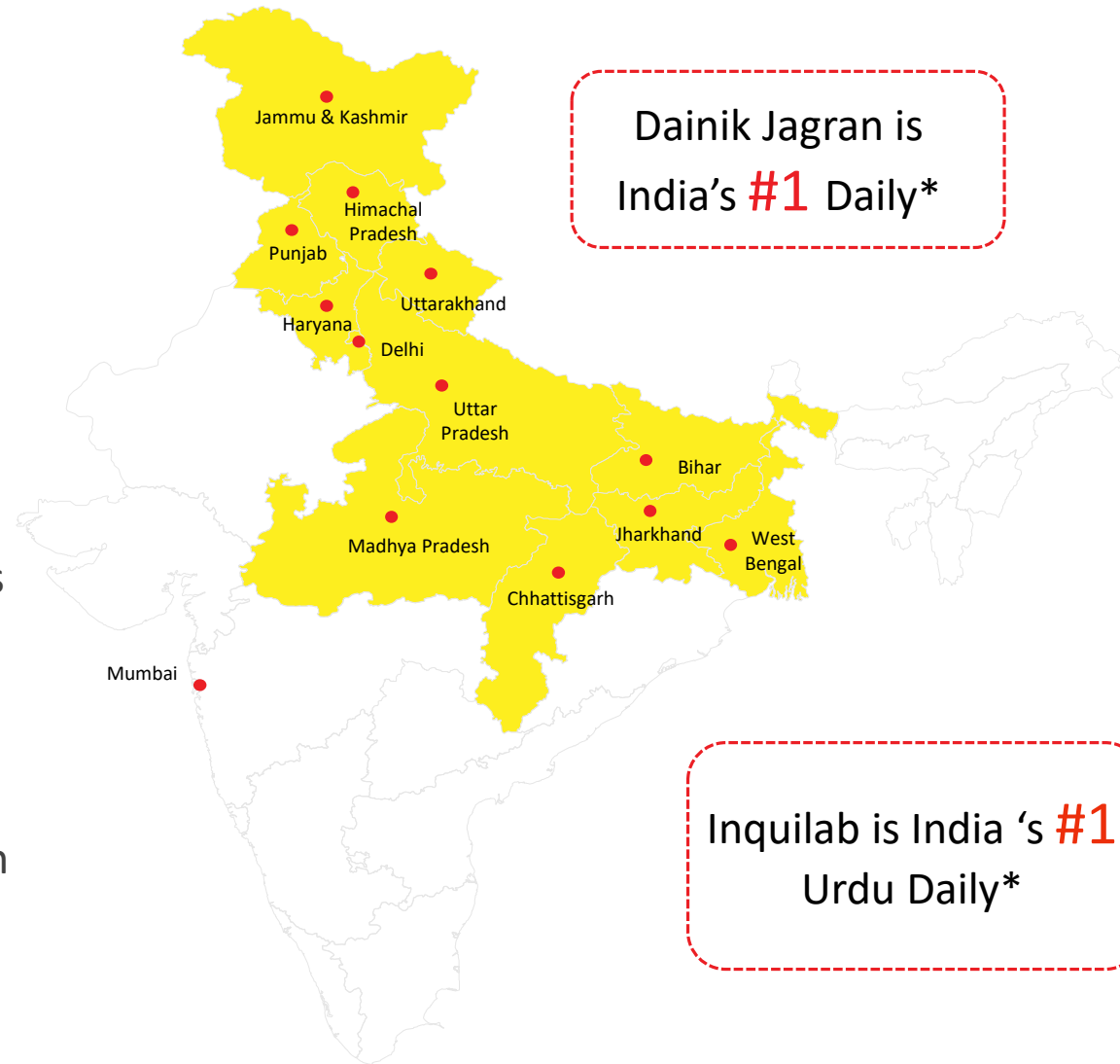
5
Languages



400+
Editions/ Sub-Editions



53mn+
Circulation



* IRS 2012 Q4

Disclaimer: Maps not to scale. All data, information, and maps are provided "as is" without warranty or any representation of accuracy, timeliness or completeness
iNext renamed as Dainik Jagran iNext

With Leadership & Supremacy in Markets that Matter



UP - 2nd Largest State in GDP terms
8.1 % contribution in India's GDP



Home to 20 Cr People
16.5% of India's Population



11.4 Crs literate Population
49% of which not reading Newspaper



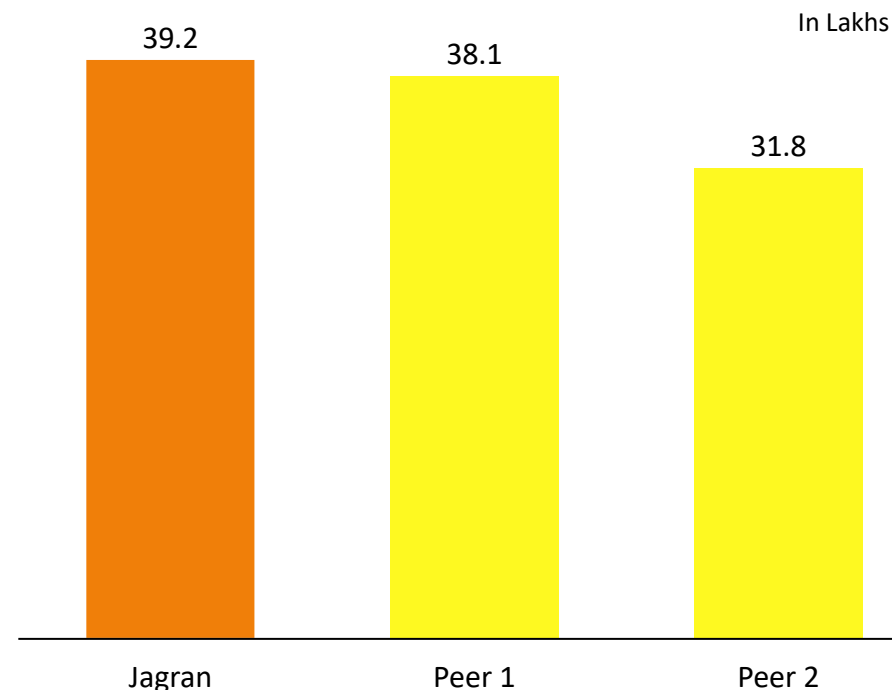
USD 54 bn Annual Consumer Spend
12% of India



Large no. of Tier II cities
Target market for Advertisers
12 out of 62 Tier II cities in the country

#1 in Circulation:
Way ahead of Peers

AVERAGE DAILY CIRCULATION



Dainik Jagran... The Group's Flagship Brand



India's **Largest** read daily Newspaper



56 mn Readers

38 Editions, **11** States



Consistent **Growth** in circulation

Quality of readership **# 1** with 11.7 mn readers in
NCCS A



Most credible and trusted newspaper
in India*

Consistently maintaining Leadership over a decade

JPL Commands Leadership Position in India*

1

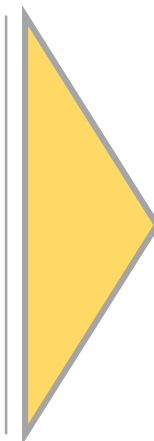
JPL Hindi Publications
62 mn readers

2

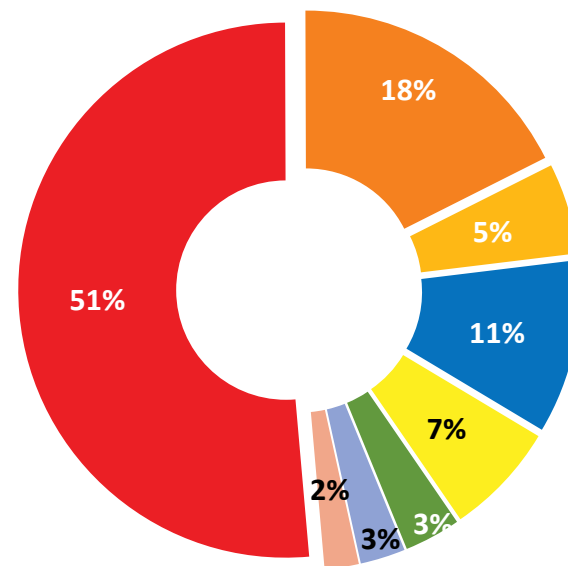
Peer 1
39 mn readers

3

Peer 2
35 mn readers



JPL Hindi Publication Readership - By States*



UP

Bihar

Jharkhand

MP & CG

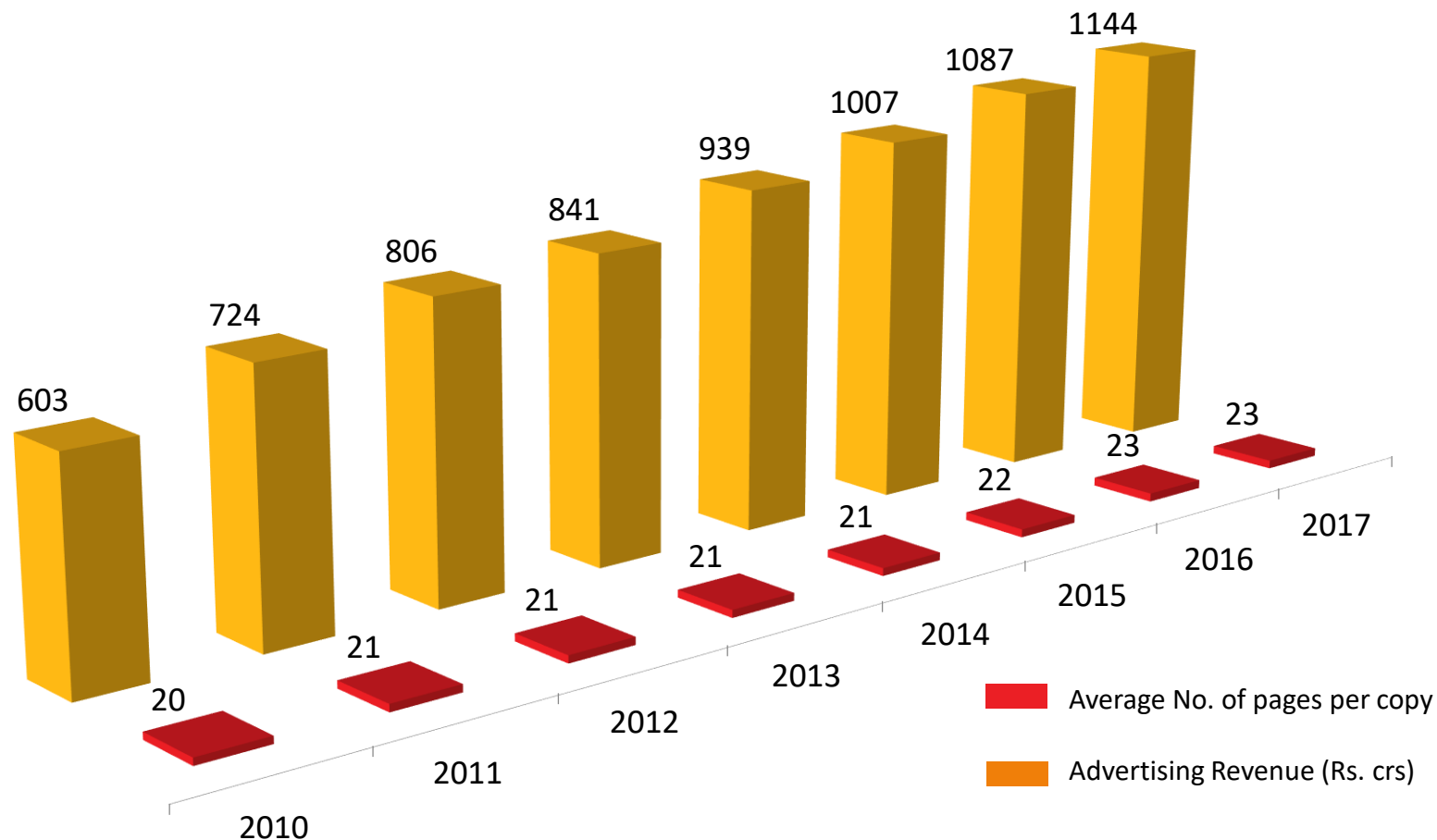
Haryana & Punjab

Uttarakhand

Delhi

Others

Dainik Jagran constantly Improving Yields



90%



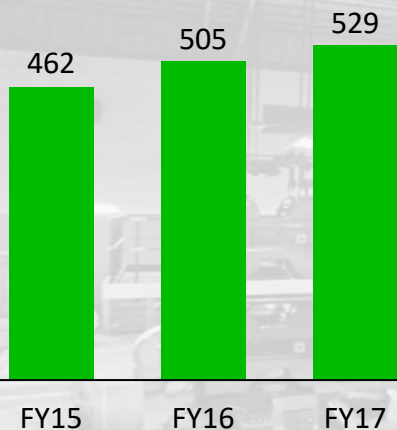
Advertising Revenue
Growth 2010 to 2017

*Effective utilization of available advertisement inventory in main/sub-edition through innovative marketing as well as efforts
In spite of increased intensity of the competition, company has consistently **Improved Yields***

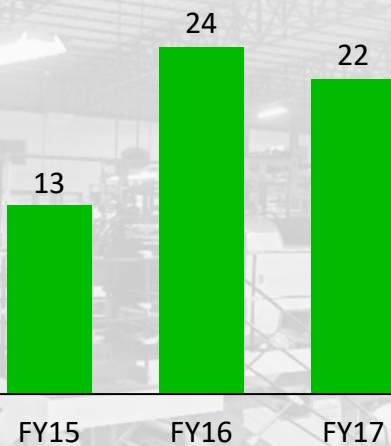
Print - Delivering Operational Excellence

Operating Profits (Rs In Cr)

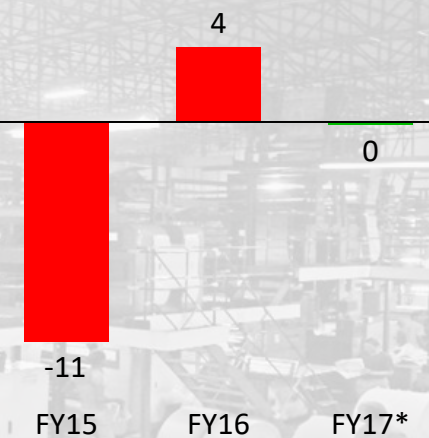
Dainik Jagran



Mid Day



Nai Dunia



Other Publications



Dainik Jagran – Our Flagship Brand continues to generate **34% Margins**

*Note : The decrease in the Operating Profit is mainly because of expansion of Circulation Growth by 18%
Other Publications includes iNext, Punjabi Jagran and Magazines

Radio - High Growth High Margin Business Proposition

Industry Growth

Radio Industry is estimated to grow at a CAGR 16% over the next 5 Years

Strong Parentage

JPL Group Relationships, Experienced Team, Knowledge of Local Markets & Credibility with Advertisers

High Entry Barriers

Radio Industry is protected by Licenses for 15 Years thereby restricting the entry of new players

Leadership Position

Long Operating History, Content Programming, Brand Recognition, Pan India Presence

Industry Leadership + Product Leadership + Organizational Leadership

Operating Leverage

~85% of the Total Operating Costs are Fixed Costs, With increased volumes Operating Leverage to Play Out

High Margin

Clear focus on Profitability with Consistent Margins 30%+ despite new stations launches

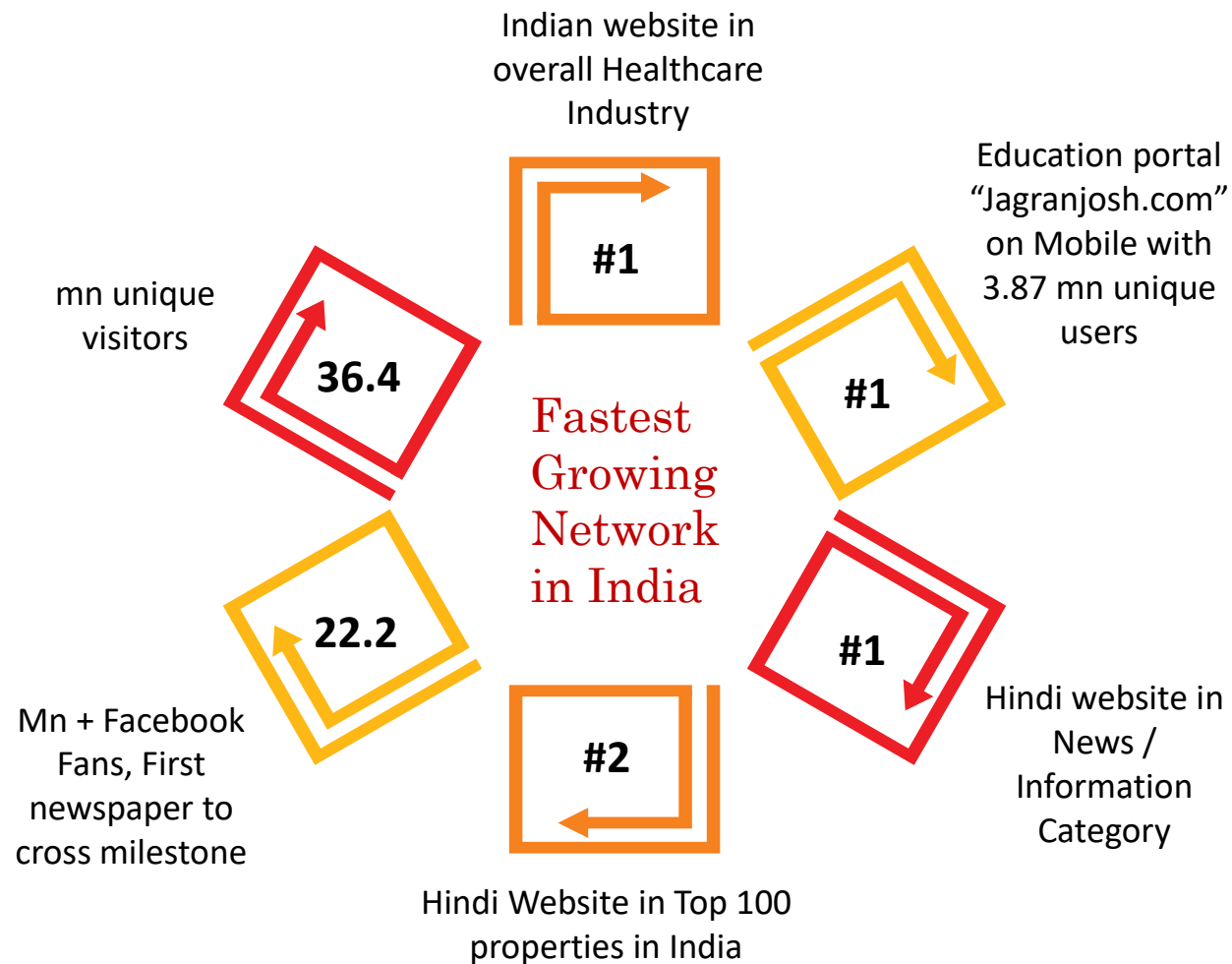
Strong Balance Sheet

Lean Balance Sheet with Net cash of Rs 145 Crs; Net D/E of -0.26x

Digital Business – Investing to Build leadership

Our Digital Media Portfolio

- For the year ended 2017 growth in Digital Topline
 - ✓ 52.3% Growth at Rs. 29.40 crs
- Page views:
 - ✓ 526.8 mn in March 2017
- Unique mn users on mobile:
 - ✓ 32.4 mn



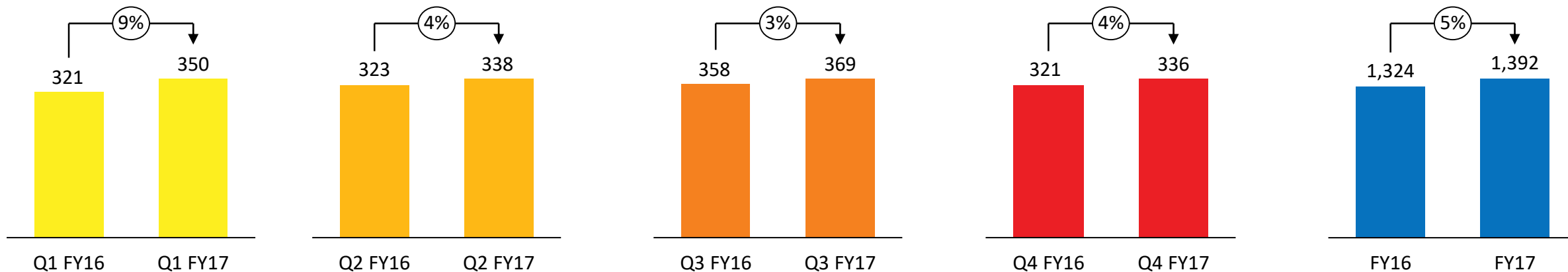
Section 4



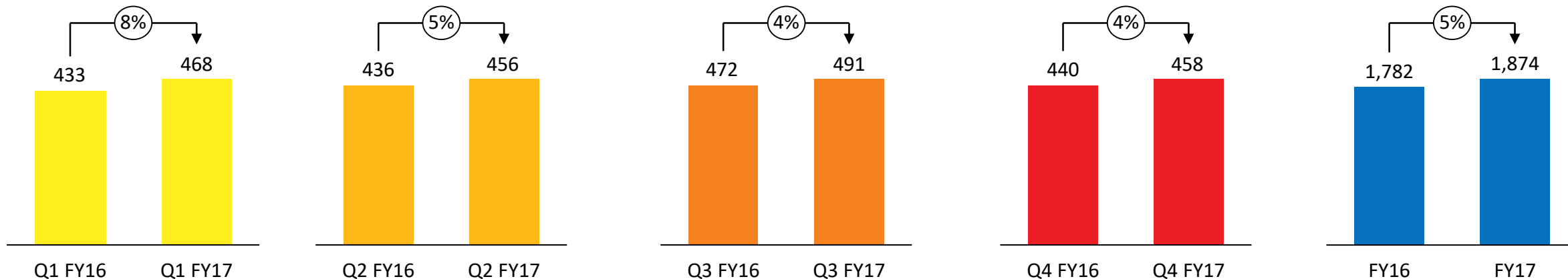
Financial Performance

Print Business Performance Highlights

Advertising Revenue

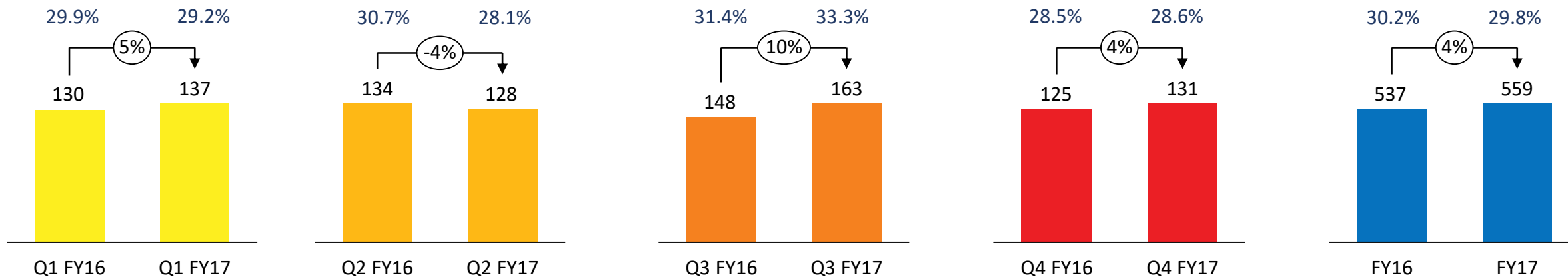


Operating Revenue

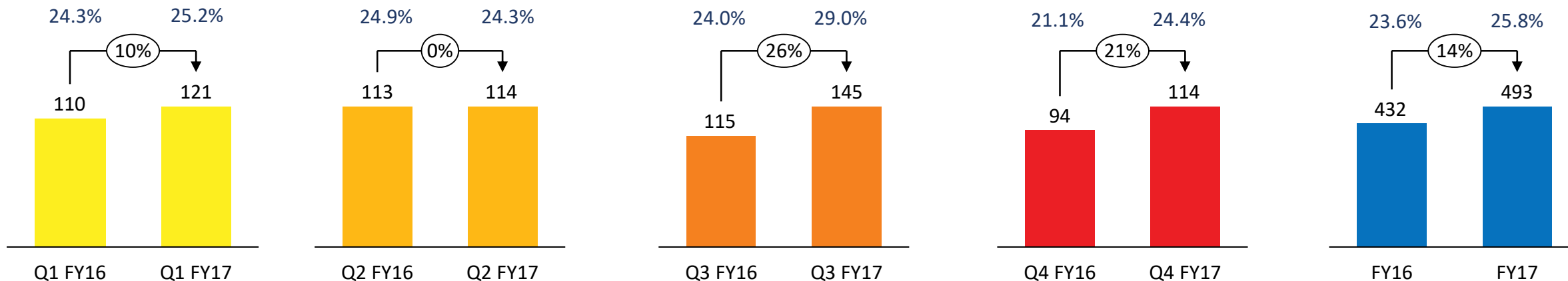


Print Business Performance Highlights

Operating Profit & Margins



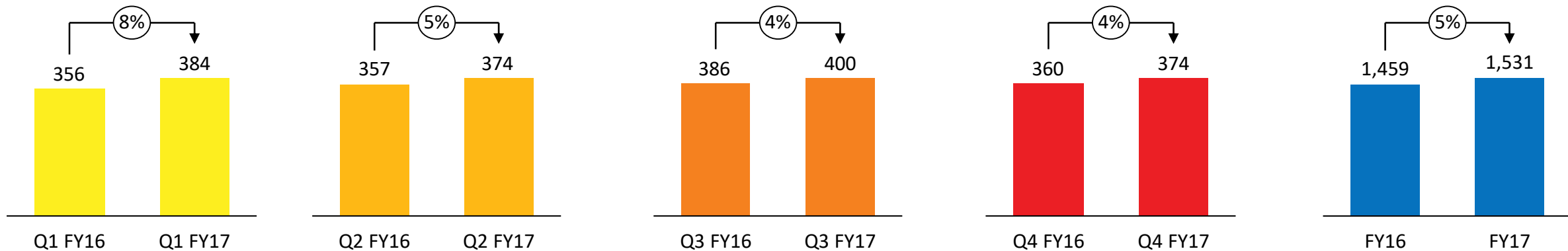
Profit Before Tax & Margins



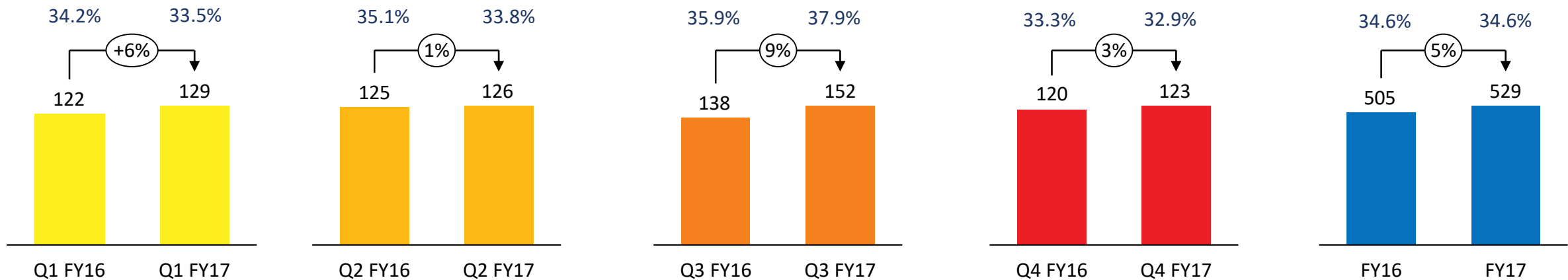
Dainik Jagran – Solid Performance and Great Leadership



Operating Revenue

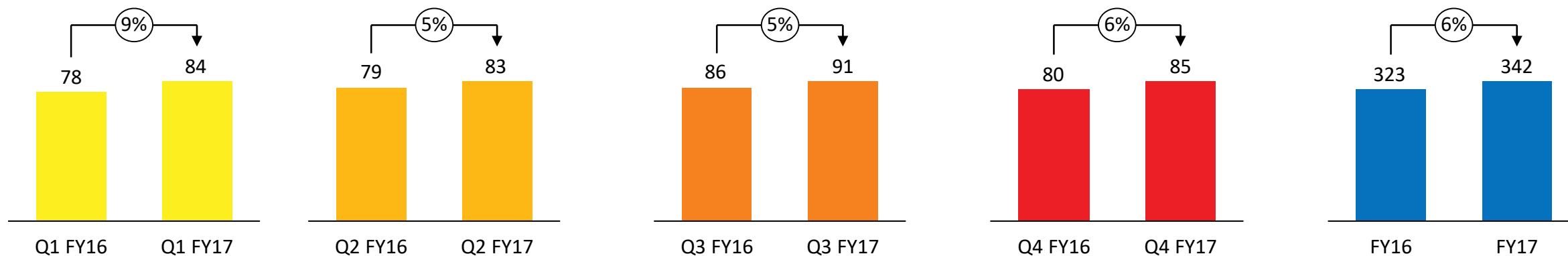


Operating Profit and Margins

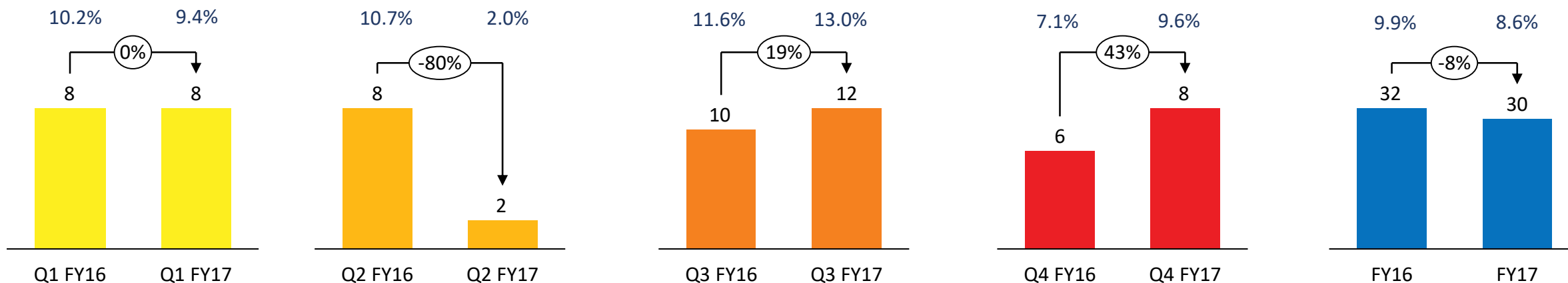


Other Publications – Impressive Turnaround

Operating Revenue

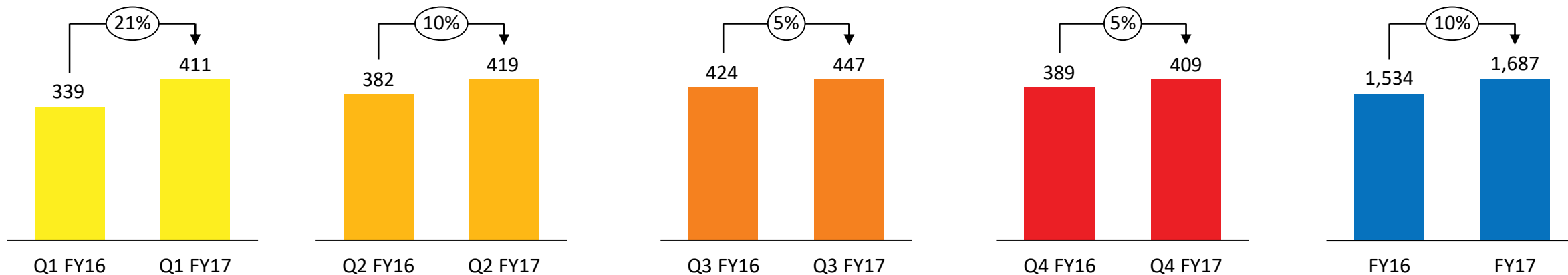


Operating Profit and Margins

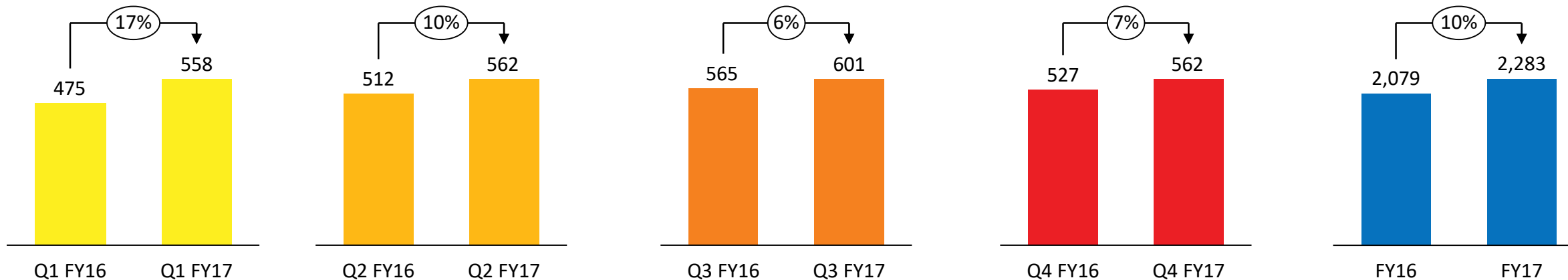


Consolidated Performance

Advertising Revenue

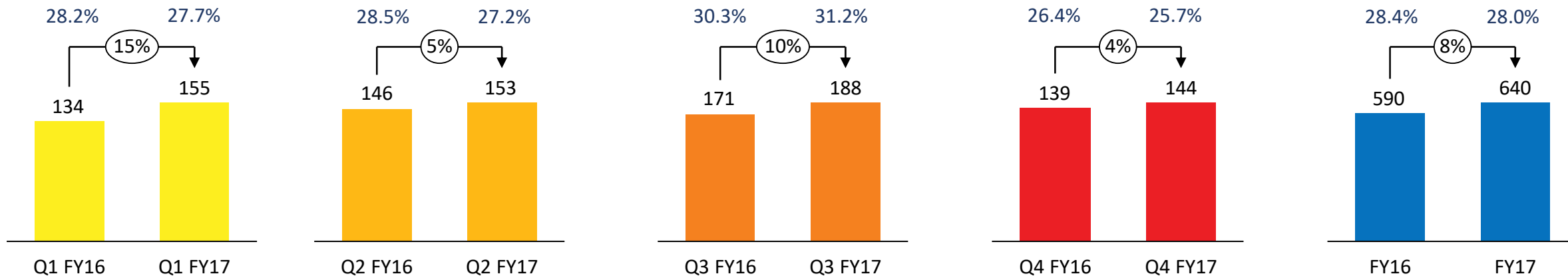


Operating Revenue

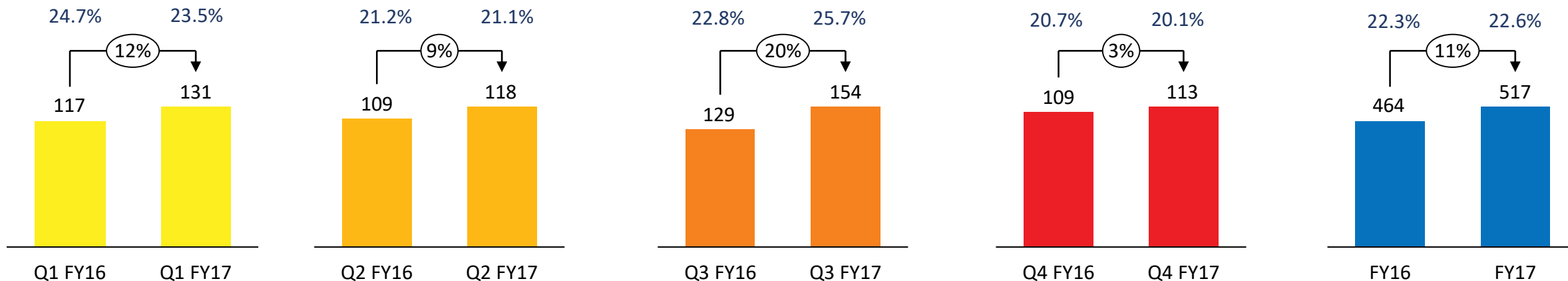


Consolidated Performance

Operating Profit & Margins



Profit Before Tax & Margins



Operating Margin Break-up

Publications (Rs. in Crs)	FY17	FY16
<u>Dainik Jagran</u>		
Operating Revenue	1,531.1	1,458.8
Operating Profit	529.3	505.2
Operating Margin	34.6%	34.6%
<u>Other Publications</u>		
Operating Revenue	342.4	322.9
Operating Profit*	29.5	32.0
Operating Margin	8.6%	9.9%
<u>Outdoor and Activation business</u>		
Operating Revenue	126.1	96.9
Operating Profit	3.6	-2.2
Operating Margin	2.9%	-2.2%

*After accounting for closure losses of City Plus and re-launch expenses of I-Next

Other Publications: Naidunia, Midday, I-Next, City Plus, Punjabi Jagran, Josh & Sakhi

Standalone Profitability Statement



Rs In Cr	Q4 FY17	Q4 FY16	YoY	FY17	FY16	YoY
Revenues	467.1	436.7	7%	1,900.1	1,778.9	7%
<i>Advertisement Revenue</i>	320.6	305.3	5%	1,329.1	1,258.0	6%
<i>Circulation Revenue</i>	103.4	99.9	3%	405.5	384.2	6%
<i>Others</i>	43.2	31.5	37%	165.5	136.8	21%
Raw Material	148.4	150.5		624.4	601.9	
Manpower Cost	69.6	60.6		272.0	247.9	
Other Operating Expenses	129.5	113.8		477.3	429.8	
Operating Profit	119.6	111.8	7%	526.4	499.3	5%
Operating Profit Margin	25.6%	25.6%		27.7%	28.1%	
Other Income^	11.9	11.1		39.8	49.2	
Depreciation / Amortization	22.4	19.8		81.7	84.1	
Interest	4.0	8.3		19.8	57.3	
Profit Before Tax	105.1	94.9		464.8	407.1	
Tax	29.2	30.2		148.7	135.5	
Extraordinary items (net of tax)	-	-		-	-	
Profit After Tax	75.9	64.7	17%	316.1	271.6	16%
PAT Margin	16.2%	14.8%		16.6%	15.3%	
Other comprehensive income, net of income tax	-2.4	-0.8		-2.0	0.3	
Total comprehensive income for the period	73.5	63.8	15%	314.1	271.9	16%

^Net of Exchange Fluctuation Gain / Loss

Standalone Balance Sheet



ASSETS (Rs. In Cr)	Mar-17	Mar-16
Non-Current Assets	1,573.5	1,166.5
Property, plant and equipment incl. CWIP	549.5	548.4
Goodwill	229.4	229.4
Other intangible assets	11.9	5.0
Investments in subsidiaries and associates	258.2	338.2
Financial Assets		
i. Investments	498.9	6.4
ii. Other financial assets incl. Loans	15.1	18.6
Deferred tax assets (net)	-	-
Other non-current assets	10.4	20.4
Current assets	639.5	858.6
Inventories	83.1	58.9
Financial assets		
i. Investments	-	332.4
ii. Trade receivables	413.7	351.3
iii. Cash and cash equivalents	76.8	32.3
iv. Bank balances other than (iii) above	0.7	1.4
Other financial assets incl. Loans	30.6	55.4
Current tax assets (net)	12.9	10.7
Other current assets incl. Assets classified as held for sale	21.7	16.4
Total assets	2,213.0	2,025.1

EQUITY AND LIABILITIES (Rs. In Cr)	Mar-17	Mar-16
Equity and Liabilities	1,670.2	1,357.6
Equity share capital	65.4	65.4
Equity attributable to owners of the Company	1,604.8	1,292.2
Non-current liabilities	139.3	221.9
Financial liabilities		
i. Borrowings	-	108.9
ii Employee benefit obligations	9.9	8.6
Deferred tax liabilities (net)	129.4	104.3
Current liabilities	403.5	445.7
Financial liabilities		
i. Borrowings	81.4	243.0
ii. Trade payables	103.4	51.1
iii. Other financial liabilities	173.1	117.0
Other current liabilities	42.7	33.4
Employee benefit obligations	2.9	1.2
Total equity and liabilities	2,213.0	2,025.1

MBL - Profitability Statement

In Rs. Crs	FY17	FY16	YoY
Revenue	271.4	225.5	20%
Licenses Fees	19.2	17.2	
Employee Expenses	65.1	51.1	
Advertising Expense	24.0	20.6	
Other Expenses	71.9	58.4	
EBITDA	91.3	78.1	17%
EBITDA Margin	33.6%	34.7%	
Other Income	4.4	14.7	
Depreciation/Amortization	19.7	16.7	
EBIT	76.0	76.2	0%
EBIT Margin	28.0%	33.8%	
Finance costs	19.0	20.7	
Exceptional Items	0.0	13.6	
PBT	57.0	41.9	
Tax	20.3	14.3	
PAT	36.7	27.6	33%
PAT Margin	13.5%	12.3%	
Other Comprehensive Income	-1.1	-0.3	
Total Comprehensive Income	35.5	27.3	30%

MBL - Balance Sheet



ASSETS (Rs. In Cr)	FY17	FY16	EQUITY AND LIABILITIES (Rs. In Cr)	FY17	FY16
Total Non Current Assets	361.9	362.2	Equity and Liabilities	548.1	210.0
Fixed Assets	311.6	296.0	Equity Share Capital	57.1	42.0
Tangible Assets	35.3	8.2	Other Equity	491.1	168.0
Intangible Assets	276.3	222.1	Total Non Current Liabilities	55.3	153.9
Intangible Assets Under Development	-	65.7	Long Term Borrowings	49.9	149.8
Other Financial Asset	12.2	13.4	Long Term Provisions	5.4	4.1
Deferred Tax Asset(Net)	25.2	31.6	Total Current Liabilities	157.7	125.8
Other Non Current Assets	11.1	14.6	Short Term Borrowings	-	23.0
Non Current Tax Assets	1.7	6.6	Trade Payables	32.9	22.3
Total Current Assets	399.2	127.5	Other Financial Liabilities	113.2	59.3
Current Investments	26.7	14.7	Short Term Provisions	1.5	1.2
Trade Receivables	81.7	76.3	Other Current Liabilities	10.2	20.1
Cash & Cash Equivalents	85.5	12.5	Total Equities and liabilities	761.1	489.7
Bank Balances	182.4	3.4			
Other Financial Assets	3.6	4.6			
Other Current Assets	19.3	16.1			
Total Assets	761.1	489.7			

Consolidated Profitability Statement



Rs In Cr	FY17	FY16	YoY
Revenues	2283.0	2079.2	10%
Advertisement Revenue	1686.6	1533.8	10%
Circulation Revenue	432.5	408.5	6%
Others	163.8	136.9	20%
Raw Material	652.5	628.7	
Manpower Cost	374.0	322.7	
Other Operating Expenses	617.0	537.4	
Operating Profit	639.6	590.5	8%
Operating Profit Margin	28.0%	28.4%	
Other Income^	41.2	49.9	
Depreciation & Amortization	128.9	121.9	
Interest	35.0	54.5	
Profit Before Tax	516.8	463.9	
Tax	167.5	157.2	
Extraordinary items (net of tax)#	0.0	-44.0	
Profit After Tax	349.3	350.8	
Share of Profits / (Losses) of Associates	0.1	0.1	
Minority Interest	-1.7	-1.0	
Net Profit after taxes, minority Interest and share of profit/(loss) of associates	347.6	349.8	-1%
PAT Margin	15.2%	16.8%	
Other comprehensive income, net of income tax	-3.6	0.2	
Total comprehensive income for the period	344.0	350.0	-2%

Note: Radio City Consolidated from 11th June 2015

38 ^ Net of Exchange Fluctuation Gain / Loss . # Extraordinary item of Rs. 101.8 crs is on account of Profit on Sale of Treasury Shares in Q1FY16 & Rs. 14.5 crs in Q2FY16 and gain arising on sale of treasury shares in Q4FY15

Consolidated Balance Sheet



ASSETS (Rs. In Cr)	Mar-17	Mar-16
Non-Current Assets	2,154.2	1,692.0
Property, plant and equipment incl. CWIP	656.1	633.7
Goodwill	337.7	337.7
Other intangible assets	574.0	530.2
Intangible assets under development	0.0	65.7
Investments in subsidiaries and associates	5.8	5.7
Financial Assets		
i. Investments	499.6	7.7
ii. Other financial assets incl. Loans	29.3	33.6
Deferred tax assets (net)	26.9	34.5
Non Current Tax Assets	2.6	8.1
Other non-current assets	22.1	35.0
Current assets	1,084.3	1,006.6
Inventories	93.5	66.9
Financial assets		
i. Investments	29.3	349.0
ii. Trade receivables	515.8	448.0
iii. Cash and cash equivalents	166.7	45.6
iv. Bank balances other than (iii) above	182.4	4.6
Other financial assets incl. Loans	35.4	42.5
Current tax assets (net)	12.9	10.7
Other current assets incl. Assets classified as held for sale	48.4	39.4
Total assets	3,238.6	2,698.6

EQUITY AND LIABILITIES (Rs. In Cr)	Mar-17	Mar-16
Equity and Liabilities	2,391.2	1,664.4
Equity share capital	65.4	65.4
Equity attributable to owners of the Company	2,089.5	1,565.6
Non-controlling interest	236.3	33.4
Non-current liabilities	264.3	453.3
Financial liabilities		
i. Borrowings	50.2	259.2
ii Employee benefit obligations	17.0	14.8
Deferred tax liabilities (net)	197.1	179.3
Current liabilities	583.1	580.9
Financial liabilities		
i. Borrowings	83.2	255.6
ii. Trade payables	146.7	83.2
iii. Other financial liabilities	287.6	178.5
Other current liabilities	60.6	60.5
Employee benefit obligations	5.0	3.0
Total equity and liabilities	3,238.6	2,698.6

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