

D B Corp Ltd. Investor Presentation

April 2017



India's Largest Newspaper Group | 14 States | 62 Editions | 4 Languages

CORE VALUES – Ambition | Differentiator | Ground Connect | Focus On Goals | Respect And Recognition

BRAND 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.

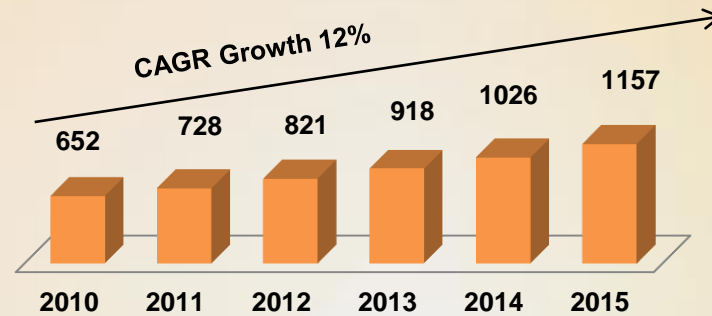
These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond the control of the Company and are difficult to predict. Consequently, actual results could differ materially from those expressed or forecast in the forward-looking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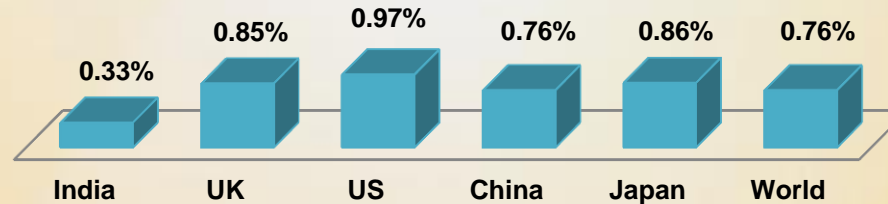
Indian Media & Entertainment Industry

Media Sector – Strong & Consistent Growth (INR bn)



- M&E industry size was Rs. 1157 bn in 2015, which grew by 13% over 2014.
- Expected CAGR growth is 14% till 2020.

Media Spend as % of GDP



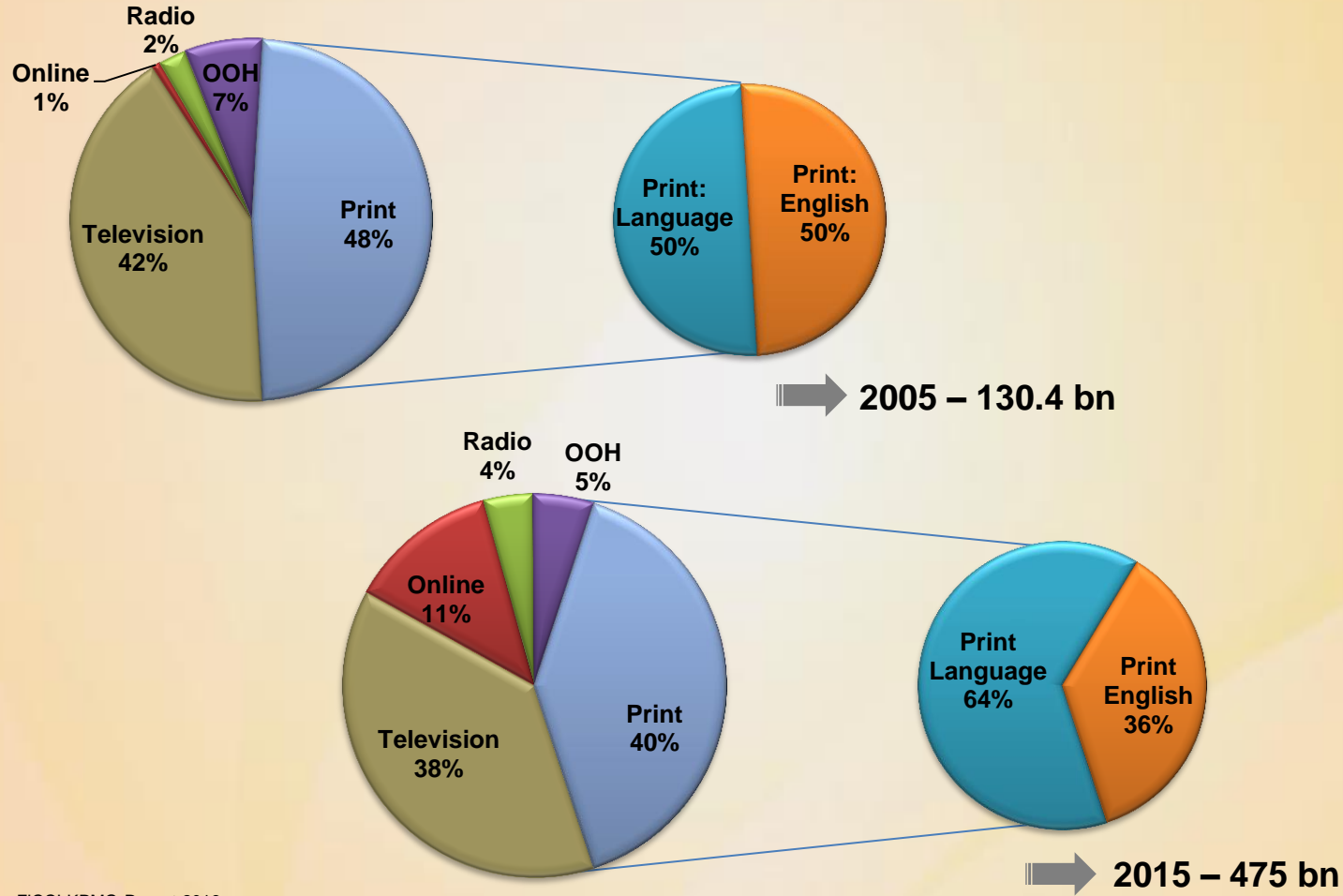
- It is still lower than global peers
- Reflective of sizeable / huge potential

Source: FICCI-KPMG Report 2016 | Worldwide Media & Mktg. Forecasts, Group M, Summer 2011



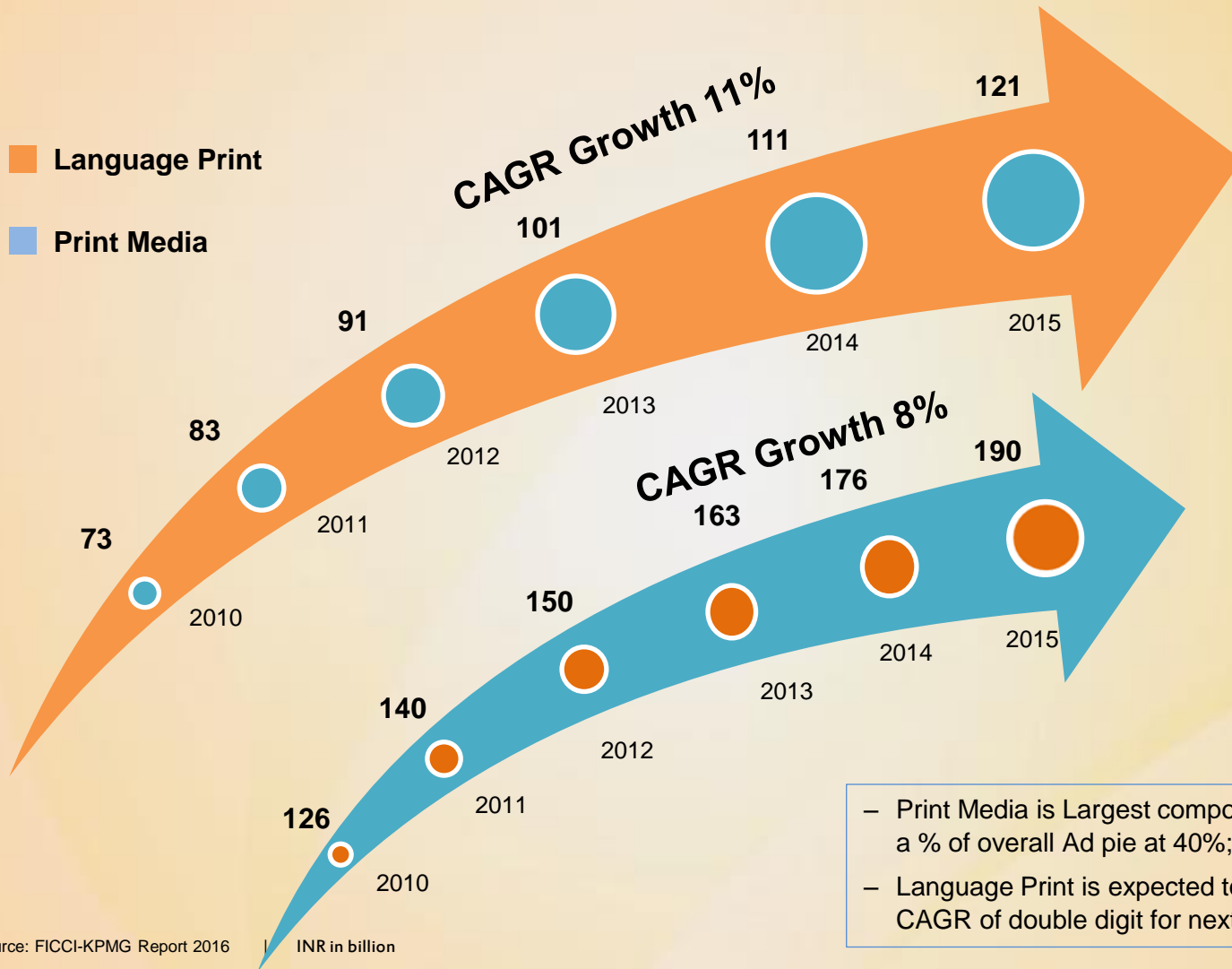
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Print Maintains Largest Ad-pie – Language Print Witnesses Higher Growth



Source: FICCI-KPMG Report 2016

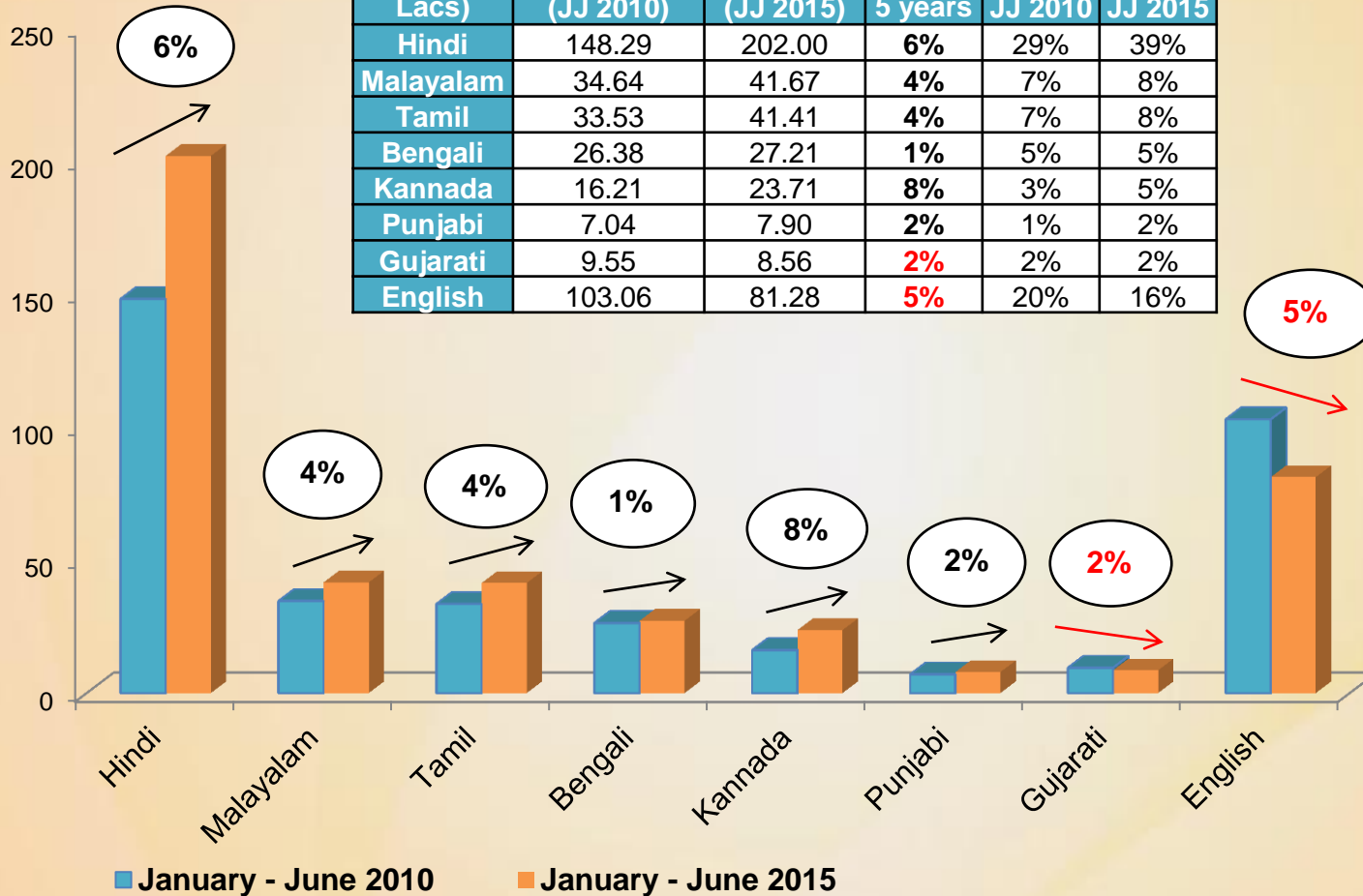
Print & Language Advertising Revenue



- Print Media is Largest component of advertising, as a % of overall Ad pie at 40%;
- Language Print is expected to maintain a healthy CAGR of double digit for next 4 – 5 years.

Circulation Growth - Language Dailies Gain

| Languages (Copies in Lacs) | January - June 2010 | January - June 2015 | CAGR for 5 years | % Contribution | |
|----------------------------|---------------------|---------------------|------------------|----------------|---------|
| | (JJ 2010) | (JJ 2015) | | JJ 2010 | JJ 2015 |
| Hindi | 148.29 | 202.00 | 6% | 29% | 39% |
| Malayalam | 34.64 | 41.67 | 4% | 7% | 8% |
| Tamil | 33.53 | 41.41 | 4% | 7% | 8% |
| Bengali | 26.38 | 27.21 | 1% | 5% | 5% |
| Kannada | 16.21 | 23.71 | 8% | 3% | 5% |
| Punjabi | 7.04 | 7.90 | 2% | 1% | 2% |
| Gujarati | 9.55 | 8.56 | 2% | 2% | 2% |
| English | 103.06 | 81.28 | 5% | 20% | 16% |



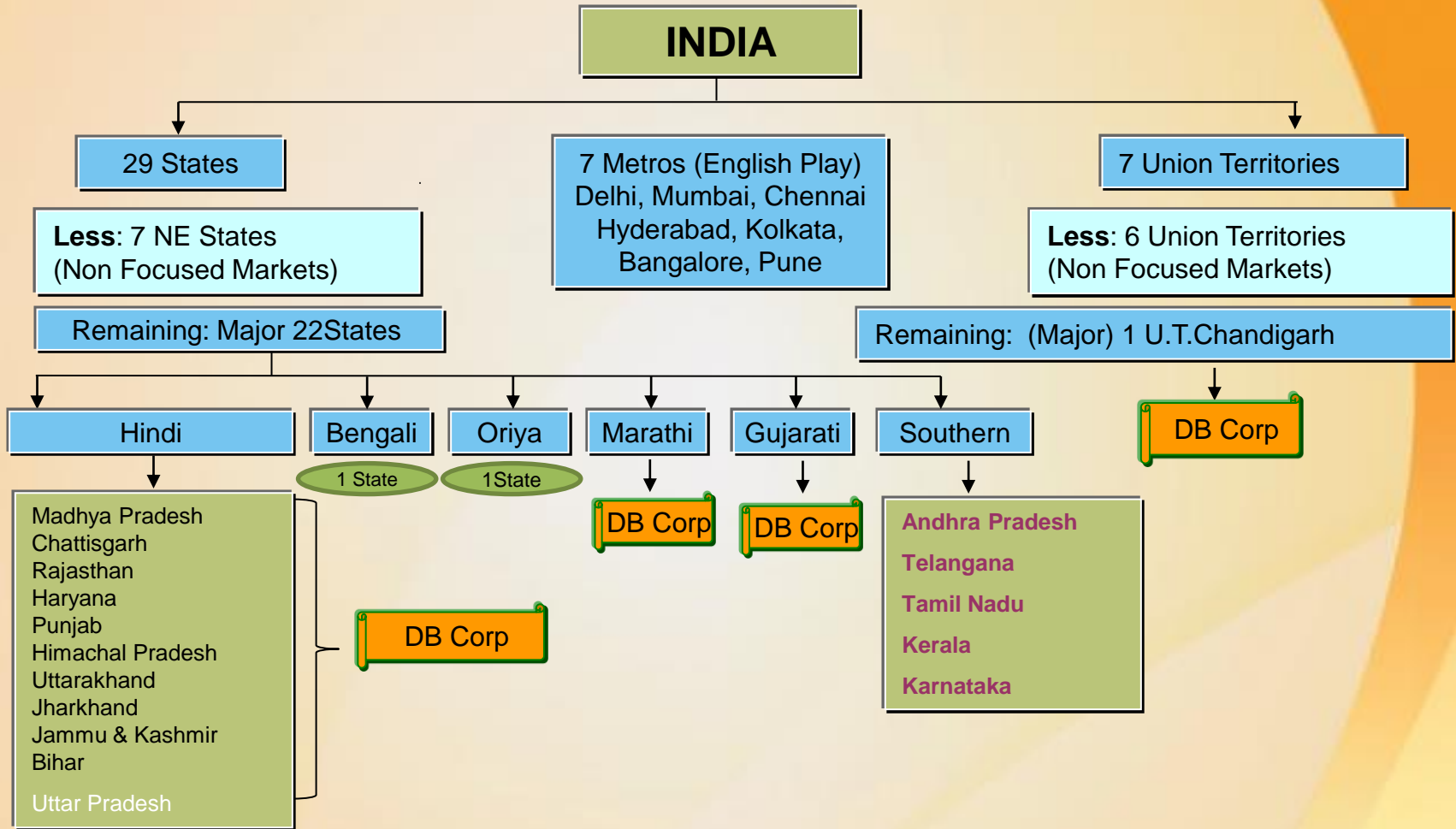
Source: Audit Bureau of Circulation

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

Major Business Brands

| | | |
|---|-----------------------------|--------------------------------|
|  | Hindi Newspaper | 12 States, 40 Editions |
|  | Gujarati Newspaper | 2 States, 7 Editions |
|  | Marathi Newspaper | 1 State, 7 Editions |
|  | FM Radio Network | 7 States, 28 Stations |
|    | Digital & Mobile | 13 Portals & 2 Apps |

Presence Across Fast Growing Markets



Focused on Largest Revenue Markets of India

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



Leadership in Multiple States – Emerging Tier II & III Cities

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

Focus on Revenue Market Share – in Multiple language

- Hindi, Gujarati, Marathi and English
- 49% Urban population resides in Bhaskar Markets
- 50% of India's total consumption is concentrated in Bhaskar Markets.
- Newspaper readership penetration is only 30% of "Can Read" population

Dainik Bhaskar Is World's 4th Largest Circulated Newspaper

WAN IFRA's World Press Trends 2015 Reports:

Dainik Bhaskar (3.6 million copies) ranked as world's fourth largest circulated news daily

Dainik Bhaskar is the only Indian news daily to feature amongst the world's top 5 most circulated newspapers

Other top 3 newspapers :

The Yomiuri Shimbun (Japan- 9.1 million copies);

The Asahi Shimbun (Japan- 6.8 million copies); and

USA Today (USA- 4.1 million copies)

WAN IFRA -World Association of Newspapers and News Publishers.



Strategic Focus Area - Editorial Strategy

Innovative reader engagement initiatives



CONTENT STRATEGIES

=

Knowledge enhancement for reader

+

Product differentiation towards growth

Content associations with: Harvard Business Review, TIME Magazine, New York Times, The Economist etc. are established for providing global world class content.

Initiatives introduced during Q1 FY 2017:

- "Under 30" years of age column on edit page
- "Humour Bhaskar" page every Saturday
- 'She' – Meri Khabarein; daily column for women – specific updates

Circulation Strategy – Proven Track Record

1. **15% CAGR Growth:** For 5 years, from FY 2010-11 to FY 2015-16 is 15%. with volume growth of 5% and balance 10%, driven by yield in our core legacy markets.
2. **Dainik Bhaskar maintains its position as the largest circulated national daily of India consistently since last 5 times i.e. since last 2 ½ years, as per Audit Bureau of Circulation results of January – June'16.**
3. **Dainik Bhakar becomes the nation's largest circulated Multi-Edition Daily as per Press In India Report 2015-16 prepared by Registrar of Newspapers of India (RNI) released by Mr. Venkaiah Naidu, Hon. Minister for Information and Broadcasting, Government of India.**
4. **Current Focus:**
 - Increasing market share in Gujarat, Rajasthan & Punjab having its potential growth possibilities, then in Bihar, Jharkhand and within Madhya Pradesh some markets.
 - 'Dainik Divya Marathi' will consider covering few more relevant geographies of Maharashtra market, after tasting the success & acceptance of the product in the existing urban cities.
5. **High quality content & enriched product-continue to create a strong bond with readers, leading to growth in readership despite increase in its cover price.**



Expansion Strategy – Digital Business

VISION

- Lead digital revolution by creating most preferred destination for content.

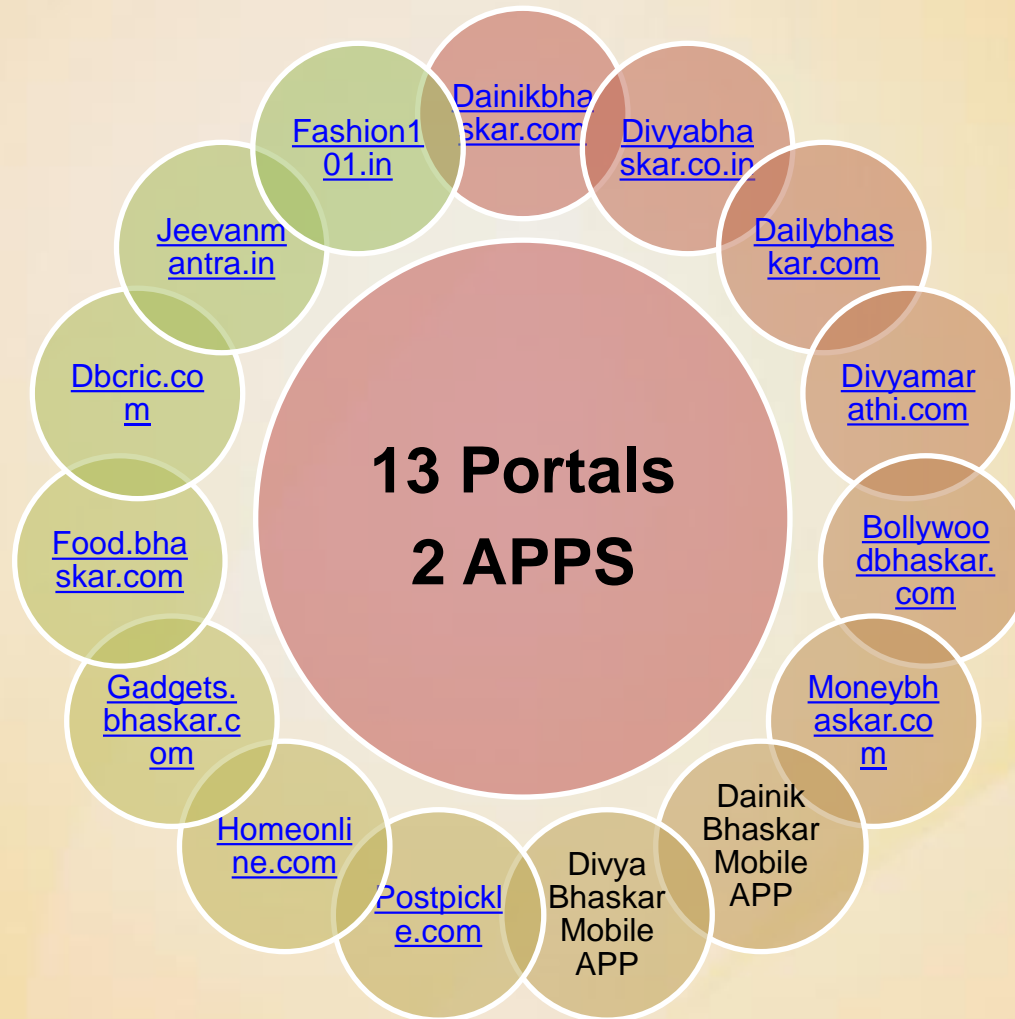
MISSION

- Become an integral part of our readers' news needs by offering instant/real time, impactful, objective and engaging content
- Attract new audiences as a window to the world.

STRATEGY

- Based on unique content, expansion of engaging platforms and ability to leverage the Bhaskar Group's editorial network.
- Greater emphasis in Hindi, Gujarati and Marathi - 3 of the top 5 regional languages, occupies 65% of Language space of India

Focused, Strong Brands For Growing Digital Audiences

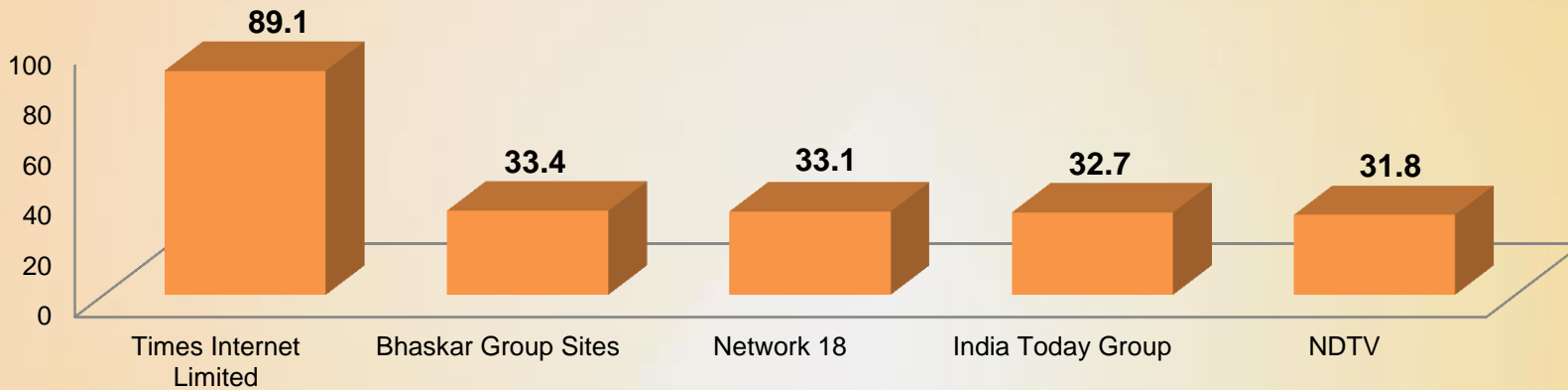


Dainik Bhaskar Digital is India's 2nd Largest Digital Group

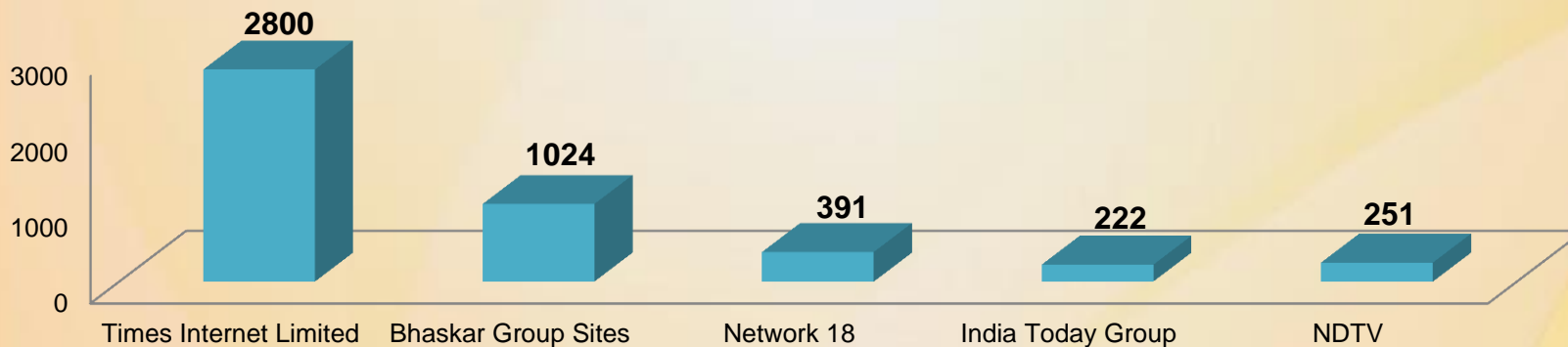


Comscore News & Information - November 2016

Unique Visitors (Mn)



Page Views (Mn)



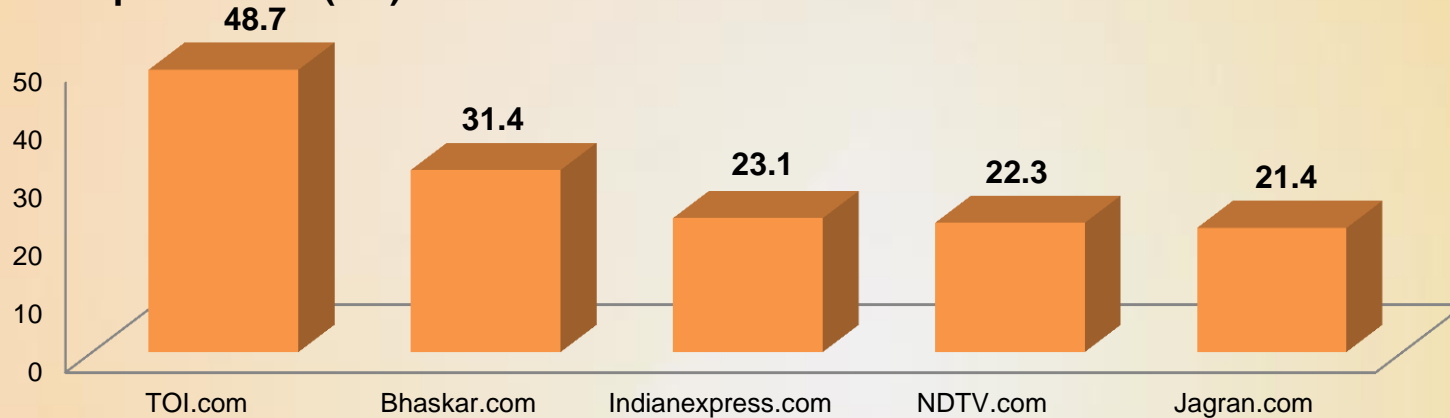
Source: Comscore November 16



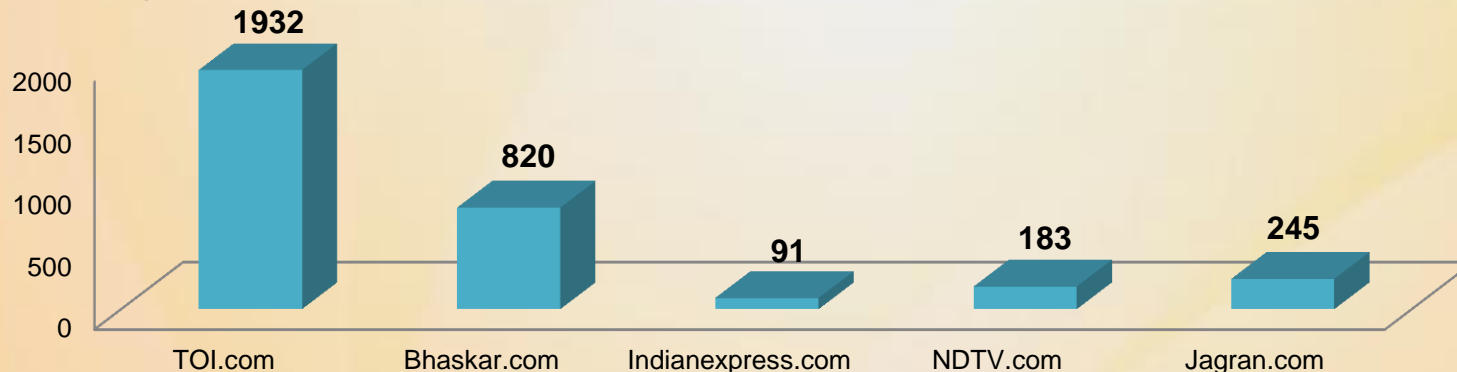
The New Game Changer: dainikbhaskar.com Is India's 2nd Largest News Destination

Comscore News & Information - November 2016

Unique Visitors (Mn) Individual Sites



Page Views (Mn) Individual Sites



Source: Comscore November 16

Gaining Traffic Traction

Digital Media Unique Visitors (UV) has risen to 80 million* and Page Views (PV) to 2.6 billion* for the month of December'16.

More than 8.5 mn app downloads for Dainik Bhaskar & Divya Bhaskar

Dainik Bhaskar - No. 1 Hindi News website and also the Hindi Language website on internet.

Divya Bhaskar - No. 1 Gujarati News website and also the Gujarati Language website on internet.

* Source: Google Analytics

Audience targeting core part of digital strategy

Ensures optimal campaign success for advertisers

Emphasis on targeting right user and delivering right message: phased and focused efforts to understand digital behavior, appropriately create relevant content, in-turn drives performance and generates ROI

Provides end-to-end implementation of campaign integrated across platforms through creative and best mix of digital tools: has been generating stronger brand affinity and interaction for leading corporates ensuring successful digital campaigns

Experiencing strong attention from segments including home improvement, BFSI, Online shoppers, movie audiences.

Pillars Of Digital Existence

1. Thrust on Technology to ensure:

- Continuous optimization of sites for speed, better user experience & engagement by increasing page depth and maximizing the ROI to advertisers.

2. Content Differentiator is the core of digital strategy :

- Offering bouquet of content – special teams for hyper- localized news in religion, business, news bulletins, fashion, bollywood, money, real estate and finance.
- Leveraging real time updates on the website, utilize print news network and creating exclusive content in digital properties.
- Building engagement with mobile audiences with short format content.
- The editorial strength for only digital division is 300+ journalists.

3. Innovative reader engagement efforts:

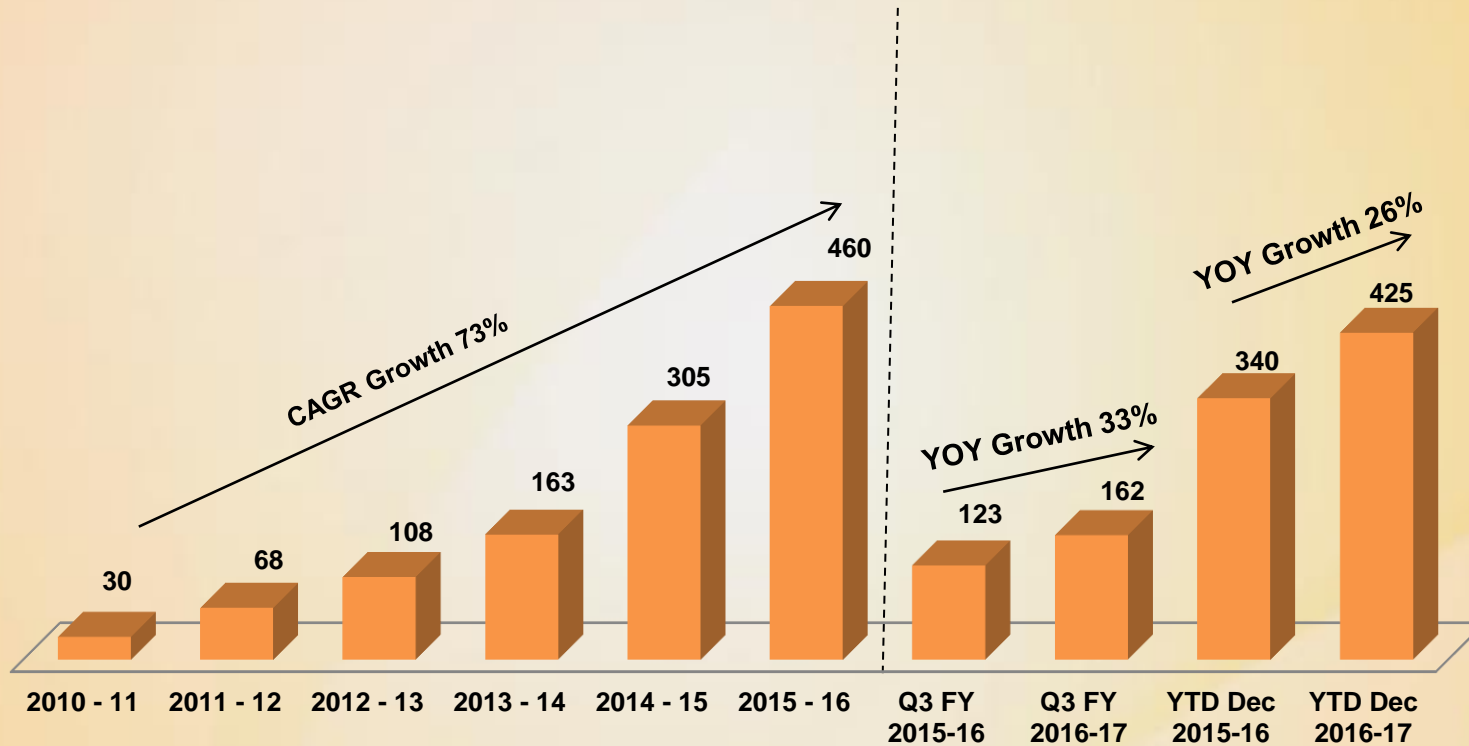
- **Launched DBlite:** a lighter version of the site.
- **Introduced Fatafat News:** a new offering to drive recurring sessions to deliver news in a quick & easy reading format

Digital Way Forward



Exponential Digital Advertisement Revenue **DB**DIGITAL

Digital Revenue (Rs. mn)



Expansion Strategy – Radio Business



VISION

- To be the leading and most admired FM Radio network in non-metro cities by enriching the lives of our listeners and business associates by following the guiding principles of management philosophy.

MISSION

- To become an indispensable part of the lives of our listeners and business associates by offering them relaxing, refreshing and informative content.

STRATEGY

- **Significant growth potential in India. Capitalize on the marked shift of attitude in consumption of radio content:**
 - From an add-on medium to an increasingly integral part of media plans seeking to target more focused and localized audience groups.
 - Be the market leading radio business in 'Unmetro' geographies, where DBCL has a significant print media footprint.

Growth Opportunities - Radio



Introduction:

- Launched in 2006, 94.3 MY FM operates from 28 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.

Post Phase 3 Radio Auctions:

- 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

MY FM new launches:

- Of the 13 New Acquired frequencies, 94.3 MY FM has launched 11 stations in cities of Hisar, Karnal, Rajkot, Aurangabad, Ahmednagar, Nanded, Sangli, Jalgaon, Nashik, Solapur and Dhule.
- Introduced several new content programs as part of *Ab Har Kaan Sunega* campaign aligned to audience preferences distilled from *Aap Ki Marzi* survey undertaken at pre-launch stage



Innovative & Unique Programing of Content with Consumer Centric Approach:



First ever centralized content team for 3 drivers shows:

- Breakfast show consists of Newsmaker, Editor's voice & Expert Analyst.
- Mid morning show for housewives, panel experts and content breadth.
- Reverse Driver show for working male / female with humour hour & content breadth.

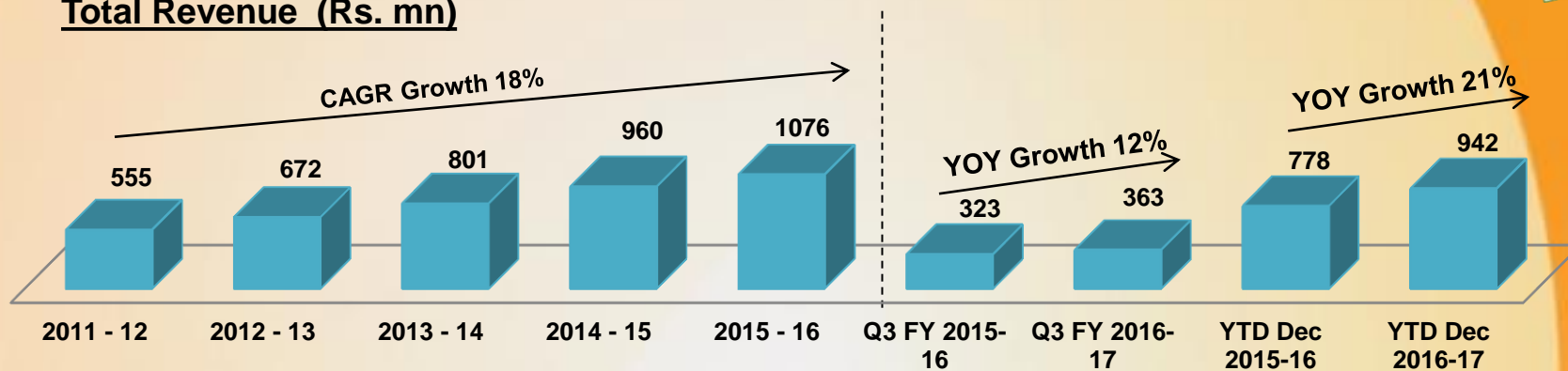
Emotional Engagements

- Reality show of Paison ka Ped, Dawat – e – Music, Rangrezz, Ek Pyala Kushi and Secret Wish (Raksha Bandhan)

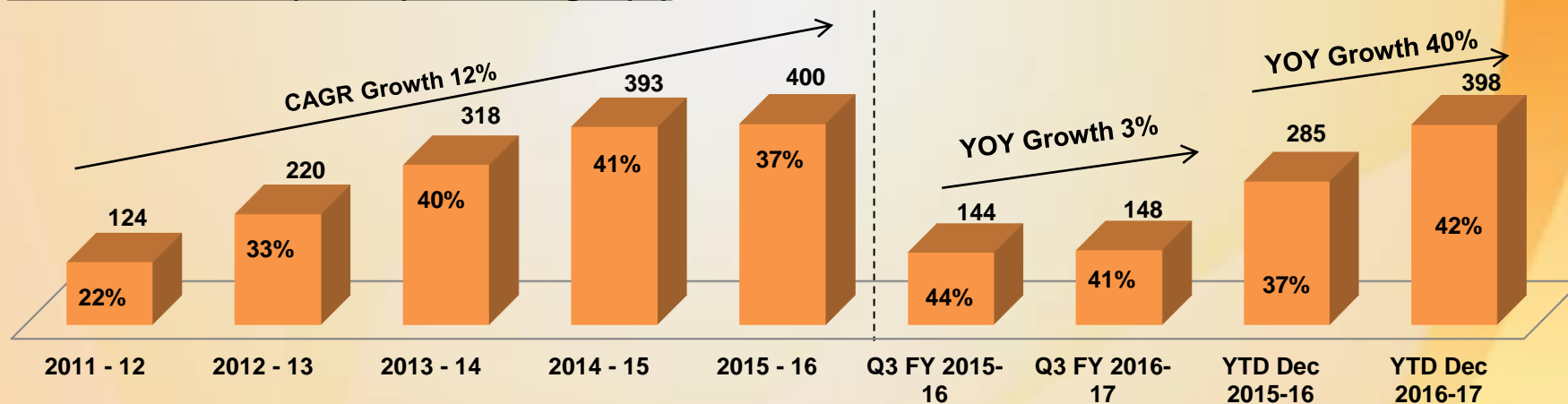
Delivering Consistent & Largest Growth in Radio



Total Revenue (Rs. mn)



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

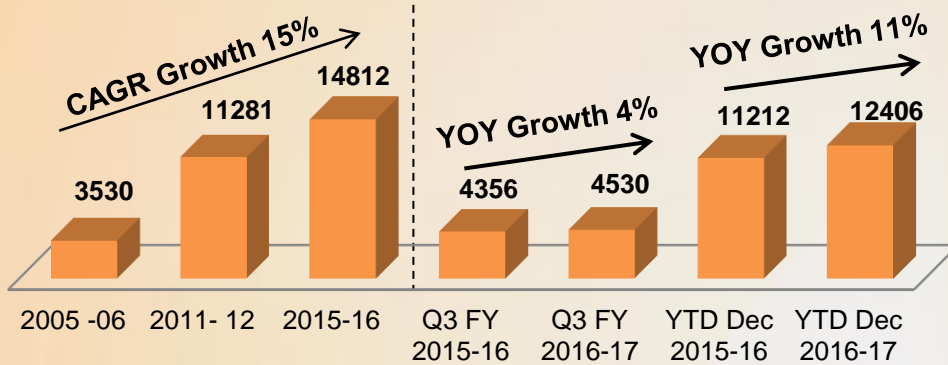


Robust Growth in Profits
Strong Focus on ROCE & RONW
Low Debt Exposure
High Net worth & Strong Balance Sheet

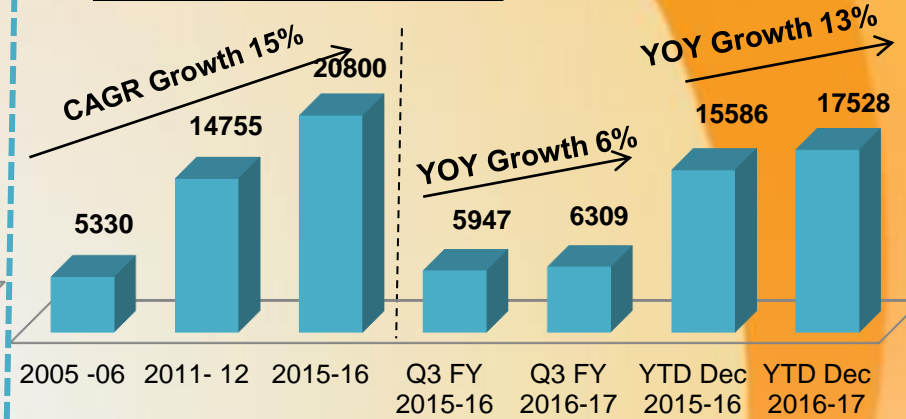


Proven Track Record of Topline & Bottom Line Growth

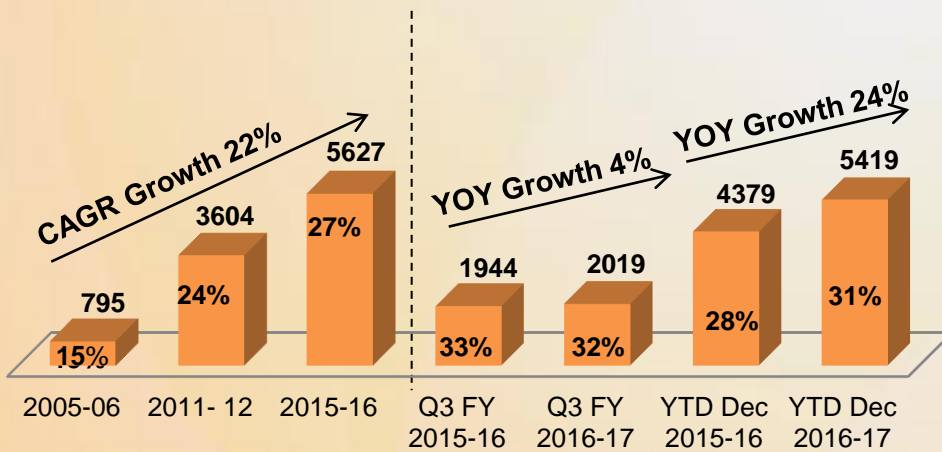
Advertisement Revenue (Rs. mn)



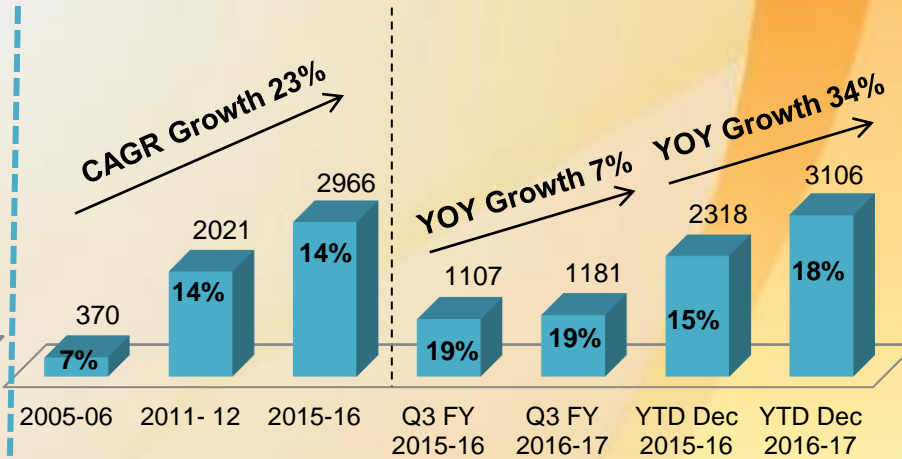
Total Revenue (Rs. mn)



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



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



Healthy Operating Profit In Our Mature Market

Rs MN

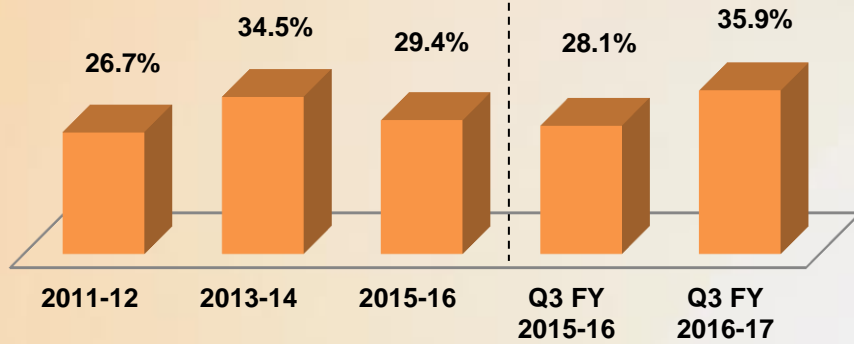
| Particulars | Q3 (FY15-16) | | | Q3 (FY16-17) | | | Annual (FY 14-15) | | | Annual (FY 15-16) | | |
|-------------------------|--------------|-------------------|-----------------|--------------|-------------------|-----------------|-------------------|-------------------|-----------------|-------------------|-------------------|-----------------|
| | Matured | Emerging Business | DBCL Standalone | Matured | Emerging Business | DBCL Standalone | Matured | Emerging Business | DBCL Standalone | Matured | Emerging Business | DBCL Standalone |
| Topline | 4891 | 569 | 5891 | 5599 | 186 | 6308 | 16417 | 2666 | 20347 | 17412 | 1882 | 20789 |
| EBIDTA(Before pre-opex) | 1808 | 5 | 1916 | 1945 | (57) | 2024 | 5804 | (277) | 5888 | 5777 | (280) | 5719 |
| EBIDTA(After pre-opex) | 1808 | 2 | 1913 | 1945 | (57) | 2024 | 5804 | (280) | 5885 | 5777 | (338) | 5661 |
| EBIDTA % | 37.0% | 0.4% | 32.5% | 34.7% | (30.0%) | 32.1% | 35.4% | (10.5%) | 28.9% | 33.2% | (17.8%) | 27.2% |

Emerging Business – Editions below 4 years of age also includes Mobile app Downloading business, E real estate and dedicated website business.

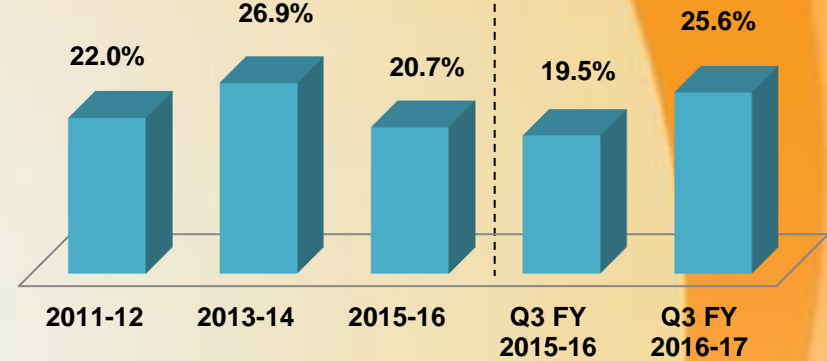


Focused on Balance Sheet & Distribution of Profits

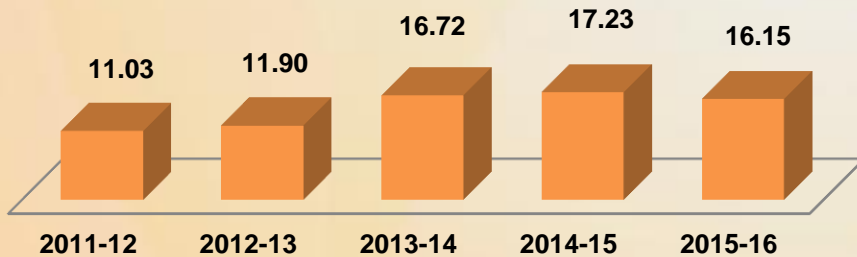
Return on Capital Employed



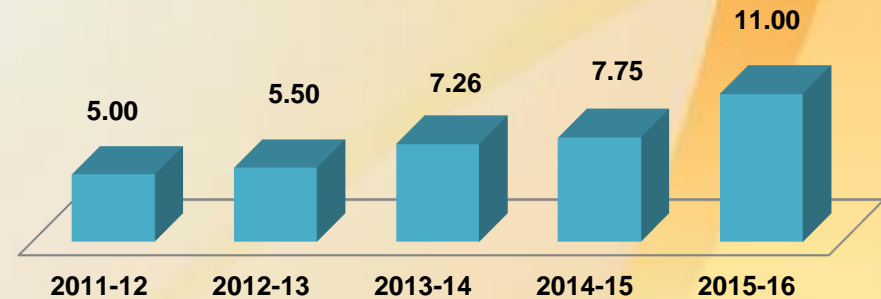
Return on Net Worth



Earning Per Share



Dividend Per Share



Financial Summary

| Particulars (INR million) | | | | Quarter Ended | | | Half Year Ended | | |
|------------------------------|---------|---------|---------|---------------|---------|----------|-----------------|---------|----------|
| | 14-Mar | 15-Mar | 16-Mar | Q3 FY16 | Q3 FY17 | Growth % | 9M FY16 | 9M FY17 | Growth % |
| Advertising Income | 14178 | 15166 | 14812 | 4356 | 4530 | 4% | 11212 | 12406 | 11% |
| Circulation Revenue | 3235 | 3755 | 4356 | 1141 | 1243 | 9% | 3220 | 3597 | 12% |
| Total Income | 18836 | 20353 | 20783 | 5947 | 6309 | 6% | 15586 | 17528 | 12% |
| Newsprint | (6323) | (6479) | (6186) | (1663) | (1769) | 6% | (4606) | (5003) | 9% |
| Other Operating Expenditure | (7272) | (7995) | (9060) | (2340) | (2521) | 8% | (6601) | (7107) | 8% |
| Total Expenditure | (13595) | (14474) | (15246) | (4003) | (4290) | 7% | (11207) | (12109) | 8% |
| EBITDA | 5241 | 5879 | 5537 | 1944 | 2019 | 4% | 4379 | 5419 | 24% |
| EBITDA Margin | 27.80% | 28.89% | 26.64% | 32.69% | 32.00% | | 28.10% | 30.91% | |
| Net Profit | 3066 | 3163 | 2901 | 1107 | 1181 | 7% | 2318 | 3106 | 34% |
| Net Worth | 11405 | 12836 | 13993 | 14857 | 16193 | | 14857 | 16193 | |
| Secured Long Term Gross Loan | 969 | 758 | 536 | 669 | 412 | | 669 | 412 | |
| Cash & Bank Balance | 1135 | 1782 | 926 | 841 | 1489 | | 841 | 1489 | |
| Secured Working Capital Loan | 362 | 477 | 631 | 667 | 285 | | 667 | 285 | |
| Total Secured Gross Debt | 1331 | 1235 | 1167 | 1336 | 697 | | 1336 | 697 | |
| Net Block (Fixed) | 8526 | 8203 | 9128 | 9257 | 8835 | | 9257 | 8835 | |
| ROCE | 34.50% | 34.50% | 29.41% | 28.08% | 35.94% | | 28.08% | 35.94% | |
| RONW | 26.90% | 24.64% | 20.72% | 19.53% | 25.57% | | 19.53% | 25.57% | |



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CORE VALUES – Ambition | Differentiator | Ground Connect | Focus On Goals | Respect And Recognition

BRAND VALUES – Trendsetting | Result-oriented | Analytical | Connected

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 Agarwal
Non-Executive Director

- 20 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*

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

Ashwani Kumar Singhal*

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

Naveen Kumar Kshatriya*

- 40 years of international experience with Unilever and BP Castrol at senior most position at UK, Middle East, Singapore and Hong Kong.

Anupriya Acharya*

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

* denotes Independent Directors



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THANK YOU

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



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