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## Press Release

**Mumbai, May 16, 2018**

DB Corp Limited (DBCL), India's largest print media company and home to flagship newspapers Dainik Bhaskar, Divya Bhaskar, Divya Marathi and Saurashtra Samachar, today announced its audited financial results for the quarter & year ended March 31, 2018. The highlights of the Company's operational and financial performance are as follows:

- **Dainik Bhaskar's well-implemented Circulation expansion strategy has delivered strong results: Commendable performance achieved on the back of higher circulation base and increased cover price.**
- ⤴ **A focussed and well-executed Circulation expansion strategy has delivered excellent growth: of almost 18% in 9 months from around 51 lakh copies in June end 2017 to around 59.6 lakh copies as on March end 2018, an increase of around 9 lakh copies, majorly in markets of Bihar, Rajasthan and Gujarat.**
- ⤴ **Over the past five years [from FY 2011-12 to FY 2016-17] Dainik Bhaskar has delivered reporting 15% CAGR growth driven by yield in core legacy markets – much above the industry reported nos.**
- ⤴ **Circulation strategy was complimented by strong editorial and product enrichment efforts along with unique and impactful reader engagement initiatives.**

### **Performance highlights for Q4 FY 2017-18-Consolidated**

- ⤴ **Consolidated Total Revenues grew by 10% YOY to Rs. 5745 million, as against Rs. 5222 million reported during Q4 FY17.**
- ⤴ **Consolidated Advertising Revenues grew by 8.2% YOY to Rs. 3861 million as against Rs. 3567 million reported during Q4 FY17.**
- ⤴ **Circulation revenue increased by 8.5% YOY to Rs. 1320 million from Rs. 1217 million during Q4 FY17, largely an outcome of Circulation expansion strategy.**
- ⤴ **EBITDA during Q4 FY 2018 stands at Rs. 1051 million (margins 18%) vis-a-vis Rs. 1173 million (margin 22%); after considering forex loss of Rs. 9.9 million. Further, excluding, impact of circulation expansion related one off expenditure, EBIDTA growth would have been in mid single digit.**
- ⤴ **Consolidated PAT stands at Rs. 571 million, as against Rs.642 million reported during Q4 FY17, after considering forex loss of Rs. 16.4 million. Further, excluding Circulation expansion strategy related one off expenditure, PAT would have seen double digit growth.**
- ⤴ **Radio business revenue grew by 9.5% YOY to Rs. 362 million from Rs. 330 million reported during corresponding period last year.**

- ⤴ Radio business EBIDTA grew by 45% YOY to Rs. 116 million (margin 32%) from Rs. 80 million (margin 24%).
- ⤴ Radio business PAT grew by 70% YOY to Rs. 55 million (margin 15%) from Rs. 32 million (margin 10%)
- ⤴ Digital business revenue stands at Rs. 131 million versus Rs. 142 million reported during corresponding period last year.
- ⤴ Board has considered and recommended final dividend of 10% on Rs. 10/- face value per share. Further, Board continues to evaluate different efficient avenues for distribution of Income.

#### **Performance highlights for FY 2017-18 - Consolidated**

- ⤴ Total Revenue grew by 3.4% YOY to Rs. 23522 million in current period from Rs. 22750 million generated during last fiscal.
- ⤴ Advertising Revenues grew by 3% YOY to Rs. 16425 million in current period as against Rs. 15973 million.
- ⤴ Circulation Revenue grew by 7% YOY to Rs. 5145 million from Rs. 4814 million, largely an outcome of volume growth driven by circulation expansion strategy and without any reduction in cover prices.
- ⤴ EBIDTA for current fiscal stood at Rs. 5875 million (margin 25%); against EBIDTA of Rs. 6592 million (margin 29%) reported during FY17. Further, excluding circulation expansion related one-off expenditures and previous year's non-recurring gains on account of Pvt treaty business deals and music royalty reversal of Radio business, our EBIDTA has registered growth YOY.
- ⤴ PAT stood at Rs. 3240 million (PAT Margin 14%), against Rs. 3748 million (PAT Margin 16%), delivered in FY17, after considering forex loss of Rs. 7.5 million. Further, excluding circulation expansion related one-off expenditures and previous year's non-recurring gains on account of Pvt treaty business deals and music royalty reversal of Radio business, our PAT has registered high single digit growth YOY.
- ⤴ Radio business revenues grew by 6% YOY to Rs. 1358 million, against Rs. 1273 million in FY 17.
- ⤴ Radio business EBIDTA stands at Rs. 362 million (27% margin).
- ⤴ Radio Business PAT stands at Rs. 153 million (11% margin).
- ⤴ Digital business revenue stands at Rs. 529 million.

#### **New developments and initiatives**

- ⤴ Dainik Bhaskar Group has maintained its leadership as the Largest Newspaper Group of Urban India. It continues to hold # 1 position as largest read newspaper of NCCS A-B [which was earlier Socio-Economic Class i.e. SEC A- B]. It also continues to hold #1 position as largest read newspaper of NCCS A [which was earlier Socio-Economic Class i.e. SEC A], as per *Indian Readership Survey numbers that were announced on 18th January 2018*.
- ⤴ Company's circulation growth journey reports strong momentum, bringing significant positive outcome and commendable success:

- Our Circulation expansion strategy has delivered excellent growth of almost 18% in 9 months from around 51 lakh copies in June end 2017 to around 59.6 Lakh copies in March end 2018, an increase of almost 9 lakh copies.
  - This has been achieved through aggressive circulation campaigns and impactful on-ground activations & reader engagement initiatives across India.
- ▲ Successfully completed entire Bihar expansion drive: Aggressively expanded copies in circulation reflecting over 2X growth across 38 districts covering key Tier 2 and 3 cities and towns in Bihar with around 7 lakh copies.
- ▲ Continuous strong emphasis on product strengthening: editorial team committed to create an unparalleled product based on two primary aims – 1). Ensuring that Dainik Bhaskar continues to be of high relevance to readers and 2). Remain an integral aspect of the readers' lives.
- Several strategic initiatives launched to orient editorial team in this direction and complement the company's circulation expansion efforts across all regions.

**Commenting on the performance for Q4 & FY 2017-18, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said,** *“Our performance in the fourth quarter has reflected a culmination of all efforts, we have been under taking over the last one year, in implementing editorial and circulation expansion strategies. As evident, both have played out their complimentary roles and we have reported significant circulation-led growth. Our focus markets remains the same in Gujarat, Bihar, and Rajasthan and we are working hard to further increase our circulation nos. in markets, we already enjoy a strong dominance, including MP , CG, Haryana and Chandigarh. A key aspect of our circulation strategies have been the strong reader engagement initiatives that helped in expanding our markets and attracting new readers. Through these efforts, we have been successful in also attracting the right profile of audiences in NCCS A and B categories also benefiting our advertisers. Our stringent business processes are ensuring that all our resources are prudently utilised, and through capabilities in technology, we have ensured that every team's efficiency and productivity is at their best. The non-print businesses are also well synergised and strongly complement the overall package to advertisers and brands.*

*At a broader level, all fundamental business growth drivers are in place which positions us well to capitalise on emerging industry opportunities. The positive outlook on India reflected by global institutions is providing a strong impetus to the positive sentiment on-ground that signals a better new fiscal ahead.”*

**Q 4' FY 2017-18 financial results highlights: (comparisons with Q4' 17 & Q3' FY18)**  
(Rs. Mn)

Heads	Qtr 4 FY17	Qtr 4 FY18	YOY Growth	Qtr 3 FY 18	QOQ Growth
Print Advertisement	3097	3370	8.8%	3775	-10.7%
Radio Advertisement	330	362	9.5%	336	7.8%
Digital Advertisement	142	131	-7.8%	154	-14.7%
Print Circulation Rev	1217	1320	8.5%	1319	0.1%
Consol Operational Revenue	438	564	28.7%	442	27.5%
Consol Total Income	5222	5745	10.0%	6025	-4.6%
Print EBIDTA	1161	985	-15.2%	1382	-28.7%
Radio EBIDTA	80	116	44.9%	97	19.5%
Consol EBIDTA	1173	1051	-10.4%	1434	-26.7%

◆ **Print-Mature Business EBITDA margin stand at 24%**

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.

**Q4 FY18**

(Rs. Mn)

Particulars	Mature Editions	*Emerging Business	Radio Business	Internet Business	DBCL Standalone
Total Revenues	4995	260	362	130	5746
EBIDTA before pre-opex	1209	(185)	116	(32)	1107
EBIDTA Margin	24%	(71%)	32%	(24%)	19%
EBIDTA after pre-opex	1209	(239)	116	(32)	1053
EBIDTA Margin	24%	(92%)	32%	(24%)	18%

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

- **Dainik Bhaskar Group has maintained its leadership as the Largest Newspaper Group of Urban India.**
- **Strategic areas of focus and key updates:**
  - ❖ **Editorial strategy:** Strong circulation growth reported is driven by a clear and focussed editorial strategy that centres on 'regular product reinvention' and offering content that meets the readers' needs, builds their aspirations and become an 'integral part of their lives'.
    - Editorial strategies realigned to factor in changing times of high engagement with social media – focussed strategies being driven by senior management and leadership team, cascading to all subsequent levels
      - Aimed at delivering contemporary and relevant stories, editorial efforts focussed on in-depth page-wise story planning and knowledge focused content.
    - Editorial efforts and Circulation strategy strongly complementing each other: Backed by continuous product enrichment and impactful reader engagement initiatives, DBCL's circulation expansion endeavours have been consistently delivering high growth on monthly basis.
      - Achieved growth of almost 18% in 9 months from around 51 lakh copies in June end 2017 to around 59.6 lakh copies as on March end 2018, an increase of almost 9 lakh copies.
    - Reader engagement activities core to Circulation growth strategy – in retaining and attracting new readers:
      - Tambola and the launch of Jeeto 15 Crore Dohara have been instrumental in success of Circulation strategy. Have already started with repeat of Jeeto 15 Crore, with Jeeto 15 Crore Dohara.
    - **Successful completion of Bihar expansion drive:** Dainik Bhaskar has expanded its reach to 38 districts with around 7 lakh copies.
      - Within the period of July 2017 until March 2018, Dainik Bhaskar aggressively expanded copies in circulation reporting over 2X growth across 38 districts covering key Tier 2 and 3 cities and towns.
      - Focus now continues to be on strengthening presence in the state and building stronger bonds with associates

- For the first time 100% booking of copies were done through a Mobile App which provides totally authentic and certified database of subscribers
- Researchers visited over 20 lakh households and a team of 7000+ surveyors across 38 districts were deputed
- Dainik Bhaskar's Bihar foray had been initiated in 2014 with the launch of it's Patna edition. Thereafter, following the launch of editions in Bhagalpur, Muzaffarpur and Gaya in 2015, Dainik Bhaskar undertook an ambitious drive to expand circulation since July 2017.

#### ❖ Digital strategy:

- DainikBhaskar.com (www.bhaskar.com), the flagship website is the Largest Hindi News Site
- Divya Bhaskar in Gujarati www.divyabhaskar.com continues to be Largest News Site in Gujarati.
- Unique Visitors (UV) for the month of March 2018 were 74 million
- Page Views (PV) for the month of March 2018 were 1 bn
- Mobile applications: 12.3 million app downloads for Dainik Bhaskar & Divya Bhaskar.
- Digital initiatives continue to be recognised in India and globally:
  - Dainik Bhaskar Digital sweeps BIGGIES New York by bagging 6 awards in the following categories:
    - Excellence in Data Analytics : Wisdomnxt
    - Excellence in data-driven product development : Content recommendation
    - Excellence in Natural Language Processing : Use of Artificial Intelligence in News Processing
    - Excellence in Use of Bots : Use of NLP in Content Recommendation
    - Excellence in Use of Data-driven Technology : Wisdomnxt
    - Excellence in data-driven advertising campaign : Campaigns through Lotame
  - DainikBhaskar.com also bagged three national awards at DIGGIXX for Autobot, Big Data tech and Ramleela gamification.
  - Dainik Bhaskar Digital bestowed with the title of Most Digitally Enabled Organization, in the category of Technology Awards for AUTOBOT by 8th India Digital Awards organized by The Internet & Mobile Association of India (IAMAI) in New Delhi.
  - Maintains strong reader engagement efforts through World Water Day and Woman Pride Award

#### ❖ Radio strategy:

- **Continues to be Largest player in Rest of Maharashtra and No. 1 in Chandigarh / Haryana / Punjab / Rajasthan / Madhya Pradesh & Chhattisgarh**
- Unique, high energy radio activation that resulted into stronger audience engagement:
  - ❖ **Launched Irshad Kamil Weekly Show – band created 8 new songs for MY FM launched & unveiled first on show.**
  - ❖ Other properties: Taal Namah Shivay, Kisme Kitna Hai Dum (in Surat, Rajkot), Dil Wali Deewar (Rajkot, Aurangabad & Udaipur), Comedy Adda (Raipur, Nasik)
  - ❖ Jiyo dil se awards hosted at 21 stations and culminated at star studded ceremony in Nagpur
- **Brand engagement activities:**
  - Continued to partner with leading FMCG brands through customised activation strategies in a mutually synergistic manner – attracting both leading brands in retail and creating strong customer engagement opportunities
- **Awards and recognitions:**
  - 3 summit emerging awards from Summit International Awards:
    - ❖ Emerging leader award for Simhastha campaign
    - ❖ Emerging visionary award for independent thought campaign in Maharashtra
    - ❖ Emerging innovator award for T-Caddy trade
  - 9 Public Relation Council of India Awards:
    - ❖ Gold - Table Calendar- Samvad

- ❖ Silver - Radio Jingle - Jeeto 15 Crore, Motivational Film – 12 Independent Thinkers, Public Service Campaign - Live Positive Kota, Diary 2018 - Dainik Bhaskar Corp. Diary, In-house Journal Print – Samvad, TV Commercial - Padhiye Wo Jo Padhna Chahiye
- ❖ Bronze - Public Service Advertisement - Live Positive Kota, Corporate Event - Marathi Literature Festival
- 2 medals at Abbys 2018 :
  - ❖ Gold - best launch marketing campaign for new title called “Yougle” -- a newspaper for the youth
  - ❖ Bronze - best marketing of a printed newspaper for Jeeto 15 Crore
- 12 medals at Asian Customer Engagement Forum for brand promotion, customer activation, use of technology, digital content campaigns and CSR activities

### **About DB Corp Ltd**

DB Corp Ltd. is India's largest print media company that publishes 6 newspapers with Dainik Bhaskar 46 editions, Divya Bhaskar 9 editions & Divya Marathi 6 editions with 211 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) and Divya Marathi (in Marathi) have a total readership of 5.9 crores, making us the most widely read newspaper group 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 "94.3 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](http://www.dainikbhaskar.com), [www.divyabhaskar.com](http://www.divyabhaskar.com), [www.divyamarathi.com](http://www.divyamarathi.com), [www.dailybhaskar.com](http://www.dailybhaskar.com), [www.bollywoodbhaskar.com](http://www.bollywoodbhaskar.com), [www.moneybhaskar.com](http://www.moneybhaskar.com), [www.dbcric.com](http://www.dbcric.com), [www.jeevanmantra.in](http://www.jeevanmantra.in), [www.fashion101.in](http://www.fashion101.in), [www.gadgets.bhaskar.com](http://www.gadgets.bhaskar.com), [www.food.bhaskar.com](http://www.food.bhaskar.com), [www.homeonline.com](http://www.homeonline.com), [www.postpickle.com](http://www.postpickle.com) and 2 actively downloaded applications Dainik Bhaskar and Divya Bhaskar mobile apps.

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