

DB Corp Ltd

August 13, 2020

To
BSE Limited
The Deputy Manager (Listing - CRD),
Phiroze Jeejeebhoy Towers,
Dalal Street
Mumbai - 400 001
Scrip Code: 533151

The National Stock Exchange of India Limited
The Manager (Listing Department),
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex, Bandra (E)
Mumbai - 400 051
SYMBOL: DBCORP

Sub.: Press Release - Standalone and Consolidated Unaudited Financial Results for the quarter ended June 30, 2020

ISIN: INE950I01011

Dear Sir/Madam,

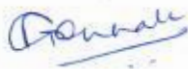
In continuation to our letter w.r.t. outcome of Board Meeting held today, i.e. August 13, 2020, we herewith send a copy of Press Release issued by the Company on Standalone and Consolidated Unaudited Financial Results for the quarter ended June 30, 2020.

The Press Release in this connection will also be available on the Company's website www.dbcorpltd.com.

We request you to kindly take the all the aforesaid on record.

Thanking you.

Yours truly,
For D. B. Corp Limited



Anita Gokhale
Company Secretary



Encl.: as above

दैनिक भास्कर

दिव्य भास्कर

दिव्य मराठी



India's Largest Newspaper Group | 12 States | 65 Editions | 3 Languages

Registered Office :

Plot No. 280, Sarkhej-Gandhinagar Highway,
Near YMCA Club, Makarba,
Ahmedabad - 380 051

Corporate Office :

501, 5th Floor, Narmen Corporate Link,
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Registered Office: DB Corp Ltd., Plot no 280, Sarkhej-Gandhinagar Highway, Near YMCA Club, Makarba, Ahmedabad (Gujarat) 380051

Press Release

Mumbai, August 13, 2020

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 financial results for the quarter ended June 30, 2020. The highlights of the Company's operational and financial performance are as follows:

Key Developments and Initiatives:

Dainik Bhaskar Group faced the challenging market conditions head-on and has put together a well-thought out strategy to fortify a solid foundation based on an adaptive editorial strategy and a responsive circulation strategy to combat the unprecedented impact of the global COVID-19 pandemic.

- The results of the first quarter are indicative of current disrupted business environment, and the focus has been on safeguarding profitability and maintaining the strong liquidity position of the Company which should enable it to pivot its growth strategies for the second half of the year and beyond. Both circulation and advertisement revenues have shown signs of gradual pick up on a month-on-month basis as lockdown restrictions are easing out in various states and the overall economy too is gradually getting back on track.
- Advertising performance is improving month on month. In April 2020, we reached 19% of last year April performance, in May it improved to 20%, in June to 32% and in July we have been able to achieve 53% of last year. Further due to softer Newsprint rates and lower consumption along with strong cost controls measures, after witnessing an operating loss in April, which got substantially reduced in May, the month of June clocked a positive EBIDTA. The print EBIDTA margin further improved to around 20% in July 2020
- On the Circulation front, our efforts to educate readers through awareness campaign by experts paid off well. Circulation copies increased to 76% by 30th June and to 78% per day by end of July, thus registering continuous pick up in circulation. Currently, circulation is 81% at overall level with key markets including Rajasthan, it has reached 84% of pre Covid level.
- On Operating Cost front, NP rates are continue to be soft with almost 4% QOQ drop in Q1FY21 to Rs 35850/- and is likely further correct by around 1-2% in coming quarters. Our other operating cost efficiency measures are effective and helping us in safeguarding our bottom line.

Various Accolades & Achievements

- Dainik Bhaskar featured as the only Indian newspaper in the World's Top 3 Most Circulated Newspapers, as per WAN IFRA (World Association of Newspapers and News Publishers). The other two newspapers are Yomiuri Shimbun and The Asahi Shimbun from Japan with 8.1 and 5.6 million respectively.

- As per recent IRS 2019 AIR Q4 survey, Dainik Bhaskar Group has become the Largest Newspaper Group of overall India
- For the first time, Dainik Bhaskar Newspaper has become the No.1 Newspaper in overall Rajasthan in all possible metrics with an increased lead in Urban Rajasthan as the largest newspaper. This would be advantageous in revenue share in the future
- In Bihar, Dainik Bhaskar further strengthened its readership base to 8.14 lakh readers and with a moving average method of readership calculation, it is likely to further enhance and consolidate its position.
- As per last ABC (July to December 2019) data, Dainik Bhaskar Group and Dainik Bhaskar Newspaper continues to retain its formidable No 1 position of India while delivering growth in many of its key markets. Dainik Bhaskar attained dominant position and a strong lead in Rajasthan with almost 16.4 lakh copies in circulation. Dainik Bhaskar continue to improve its position in Bihar. It is the second largest newspaper of Bihar and in all major cities.
- Company now has 5 clear leadership markets of Madhya Pradesh, Rajasthan, Chhattisgarh, Haryana and Chandigarh followed by strong close leadership numbers in Gujarat and Bihar. This will make it the first choice for advertisers when they look at the biggest reach in media market

Performance highlights for Q1 FY2021 – Consolidated [All Comparisons with Q1 FY2020]

- ✦ Circulation Revenue stood at Rs. 928 million as against Rs. 1314 million
- ✦ Advertising Revenue stood at Rs. 1070 million as against Rs. 4420 million
- ✦ Total Revenue came in at Rs. 2157 million as against Rs. 6112 million
- ✦ Operating loss at Rs. 278 million as against profit of Rs. 1796 million (margin of 29%)
- ✦ Net loss at Rs. 480 million as against profit of Rs. 937 million (margin of 15.3)
- ✦ Radio business:
 - Advertising Revenue at Rs. 80 million versus Rs. 377 million
 - Operating loss at Rs. 61 million versus profit of Rs. 131 million (margin of 35%)
 - Net loss at Rs. 84 million versus profit of Rs. 52 million (margin of 14%)

Commenting on the performance for Q1 FY 2020-21, Mr. Sudhir Agarwal, Managing Director, DB Corp Ltd said, *“In what has proven to be an intractable business environment, we are thankful that the Dainik Bhaskar Group’s fundamentals continue to remain strong. Our Company’s focus on implementing a centrally managed multi-pronged strategy to deal with the pandemic has ensured that our operations continued with minimal disruptions, while adhering to the Government’s guidelines for health and safety of our stakeholders. As India’s largest newspaper group, our employees and operations reacted with agility to the extraordinary challenges faced due to the widespread economic disruption and uncertainty.*

Clearly the pandemic has had an impact on our results in the quarter, but all of our efforts, including embarking on cost-cutting programs are intended not only to deal with the short-term needs but also to ensure that the Company is well-equipped to prosper in a decidedly different business environment. Economic activity in Tier-II and Tier-III towns has already begun its path to normalcy and Dainik Bhaskar’s strong position in these markets will help quicken the pace of our return to pre-Covid levels. We believe, worst is behind us and we are determined and working hard to recover the previous quarter’s operating losses within next quarter.

With our strong legacy of execution excellence, well implemented cost rationalisation measures and editorial excellence, we are confident of seeing this challenge through and are hopeful that this will be reflected in our future performance when the impact of Covid-19 eases and resultant economy picks up.”

Q1 FY 21 financial results highlights: (comparisons with Q1 FY2020 & Q4 FY2020)
(Rs. Mn)

Heads	Qtr 1 FY 20	Qtr 1 FY21	YOY Growth	Qtr 4 FY 20	QOQ Growth
Print & Other Business Advertisement	4048	990	(75.5%)	2986	(66.8%)
Radio Advertisement	377	80	(78.7%)	326	(75.3%)
Print Circulation Rev	1314	928	(29.4%)	1200	(22.7%)
Consol Operational Revenue	378	159	(58.0%)	395	(59.8%)
Consol Total Income	6112	2157	(64.7%)	4898	(56.0%)
Print & Other Business EBIDTA	1665	(217)	(113.0%)	594	(136.4%)
Radio EBIDTA	131	(61)	(146.8%)	96	(163.6%)
Consol EBIDTA	1796	(278)	(115.5%)	690	(140.2%)

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.

Q1 FY2021 (Rs. Mn)

Particulars	Mature Businesses	*Emerging Businesses	Radio Business	DBCL Standalone
Total Revenues	1897	180	80	2157
EBIDTA before Expansion	(158)	(59)	(61)	(278)
EBIDTA Margin	(8.3%)	(32.8%)	(76.3%)	(12.9%)
EBIDTA after Expansion	(158)	(59)	(61)	(278)
EBIDTA Margin	(8.3%)	(32.8%)	(76.3%)	(12.9%)

* Emerging Business, includes Bihar, small part of Maharashtra & Surat Hindi edition, besides Mobile App & E-real Estate Business

Strategic areas of focus and key updates:

❖ **Digital strategy: Our Digital Business is doing very well. Our users have increased by almost four times in Hindi and Gujarati App**

- While most of the media companies in India pushed advertising to optimize revenue on their digital platforms during Covid to optimize revenue, we remained focused on our strategy of building best in class reader experience on our digital APP with no ads at all even during Covid
- The Company continues to invest in Digital business with a focused digital strategy of App Daily Active Users

❖ **Editorial strategy: Constant readjustment of editorial content to meet readers' evolving expectations has not only helped maintain dominance but also gain market share in Readership:**

- **Editorial Initiatives: Our editorial philosophy of "Knowledge and Ideation" continued to guide our reader-centric editorial initiatives taken during the quarter.**
 - In order to provide a comprehensive, four-tier level of information on varied aspects – International, National, My State and My City, along with Covid-19 related news, DB Corp introduced a new Edit Strategy of creating 2 front pages every day in all languages across editions despite lower advertising. This initiative led to an increase in reading time of the paper by more than 50% despite digital influx
- ❖ **Radio strategy: Realigning content to help audiences deal with the "New Normal" and a continued focus on content innovation and audience engagement activities**
 - MY FM maintains its leadership position in Chandigarh / Haryana / Punjab / Rajasthan / Madhya Pradesh & Chhattisgarh & continues to be the Largest player in Rest of Maharashtra
 - MY FM launched two new programs ***Aha Zindagi with RJ Kartik'***, & ***Bina Mile Saath Ladein... Ghar Rahein'*** to educate and energize its listeners:
 - MY FM collaborates with ABP News to inform and entertain its listeners in morning show ***integration "Achcha Suno, Ghar par Raho"***,
 - **Awards and recognitions:** MY FM won two prestigious awards at the "DIGIXX Award Adgully"
 - Digital Marketing Excellence - RJ Kartik Digital Influencer (GOLD)
 - Digital Marketing Excellence in Video – Brand Tune Launch (SILVER)
- ❖ **Marketing Initiatives:**
 - ***"Speak for India"*** is India's largest debate competition for the college student and was organised in Gujarat for the first time with 38,000 student enrolling across 35 districts of Gujarat. The event culminated in June with the winners being felicitated by Shri Bhupendrasinh Chudasma, Hon'ble education minister - Govt of Gujarat
 - **Awards:**
 - Night walk for women won the third position at INMA in the **"Best use of an event to build a news brand"** category
 - Gujarat toolkit receives an honourable mention at INMA in the **"Best idea to acquire or gain advertising clients"** category
- **CSR Initiatives:**
 - **Seva Parmo Dharma:** A major donation drive to help the daily wage workers combat the economic hardship arising due to the nation-wide lockdown. Dainik Bhaskar Group under the banner of Bhaskar Foundation has distributed 1,49,500 meal packets to migrant labourers without work, slum dwellers, poor & needy people and children under the aegis of "Sewa Parmo Dharmah" program for the Economically Weaker Sections of society. With the help of the local NGO & Govt administration, we have reached out to the needy & massive homeless migrant population in 54 Cities of 12 states of India. We collected Rs. 9.72 Crores of which Dainik Bhaskar Group employees contributed Rs. 1.38 Crores to kick-start this initiative.
 - **Awards:** WAN IFRA's Asian Media Awards:
 - ***'Ek Ped Ek Zindagi'*** campaign won the Bronze award for Best in Community Service Category.

About DB Corp Ltd

DB Corp Ltd. is India's largest print media company that publishes 5 newspapers with Dainik Bhaskar 46 editions, Divya Bhaskar 9 editions & Divya Marathi 6 editions with 211 sub-editions in 3 multiple languages (Hindi, Gujarati and Marathi) 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 6.6 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 and DB Star. 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 8 portals for rapidly expanding digital audiences, and 4 actively downloaded mobile applications.

For further information please visit <http://dbcortd.com/> or contact:

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Our New Revamped Investor Website has been launched and you can go to the New Investor Website using the below link.

<http://dbcortd.com/>