

EARNINGS RELEASE FOR Q1FY15

- Consolidated Operating Revenues up by 6.81% to Rs 440.29 crores;**
- Consolidated Advertisement Revenue up by 6.60% to Rs 308.89 crores;**
- Consolidated Circulation Revenue up by 11.92% to Rs 95.66 crores;**
- Consolidated Operating Profit up by 5.01% to Rs 107.03 crores;**
- Consolidated Profit Before Tax up by 8.28% to Rs 81.79 crores;**

New Delhi, July 31, 2014; Jagran Prakashan Limited (JPL) (BSE SCRIP ID: 532705; NSE SYMBOL: JAGRAN), publishers of 'Dainik Jagran', India's largest read newspaper (Source: Indian Readership Survey 2012 – Quarter 4), has reported consolidated operating revenues of Rs 440.29 crores, Operating Profit of Rs 107.03 crores, Profit Before Tax (PBT) of Rs 81.79 crores and Net Profit (PAT) of Rs 55.13 crores for Q1FY15.

FINANCIAL HIGHLIGHTS

Consolidated

Q1FY15 (all comparisons with Q1FY14)

- Operating Revenues at Rs 440.29 crores, up by 6.81% from Rs 412.22 crores.
- Advertisement Revenues at Rs 308.89 crores, up by 6.60% from Rs 289.77 crores.
- Circulation Revenues at Rs 95.66 crores, up by 11.92% from Rs 85.48 crores.
- Other Operating Revenues at Rs 35.74 crores as against Rs 36.97 crores.
- Operating Profit at Rs 107.03 crores, up by 5.01% from Rs 101.92 crores.
- Depreciation at Rs.23.79 crores, up by 31.55% from 18.08.
- PBT at Rs 81.79 crores, up by 8.28% from Rs 75.54 crores.*
- PAT at Rs 55.13 crores as against Rs 57.76 crores.**
- EPS (non-annualized) of Rs 1.77 as against Rs 1.83.
- * **After charging additional depreciation of Rs 4.95 crores as a result of increased rate of depreciation w.e.f. 01.04.2014 as per new Companies Act.**
- ** **After tax of Rs 26.70 crores i.e. 32.64% in Q1FY15 as against Rs 17.75 crores i.e. 23.50 % in Q1FY14. Effective tax rate in Q1FY14 was lower due to benefit of accumulated losses of Naidunia print business.**

Stand Alone

Q1FY15 (all comparisons with Q1FY14)

- Operating Revenues at Rs 413.54 crores, up by 7.49% from Rs 384.73 crores.
- Advertisement Revenues at Rs 288.01 crores, up by 7.26% from Rs 268.52 crores.
- Circulation Revenues at Rs 89.64 crores, up by 12.82% from Rs 79.45 crores.
- Other Operating Revenues at Rs 35.89 crores as against Rs 36.76 crores.
- Operating Profit at Rs 105.86 crores, up by 4.50% from Rs 101.30 crores.
- Depreciation at Rs.21.67 crores, up by 30.89% from 16.56.
- PBT at Rs 82.97 crores, up by 7.68% from Rs 77.06 crores.
- PAT at Rs 55.99 crores as against Rs 59.34 crores.
- EPS (non-annualized) of Rs 1.71 as against Rs 1.79.
- * **After charging additional depreciation of Rs 4.51 crores as a result of increased rate of depreciation w.e.f. 01.04.2014 as per new Companies Act.**
- ** **After tax of Rs 26.98 crores i.e. 32.52 % in Q1FY15 as against Rs 17.72 crores i.e. 23% in Q1FY14. Effective tax rate in Q1FY14 was lower due to benefit of accumulated losses of Naidunia print business.**

Operating Revenue and Operating Profit from major businesses:

Rs. in Crores

		Q1FY2015	Q4FY2014	Q1FY2014
Dainik Jagran				
	Operating Revenue	335.94	312.74	310.31
	Operating Profit	114.16	91.08	114.06
	Operating margin%	33.98%	29.12%	36.76%
Other publications				
(Naidunia, Midday, I-Next, City Plus, Punjabi Jagran, Josh & Sakhi)	Operating Revenue	76.09	76.24	73.62
	Operating Profit	-7.60	-12.65	-12.05
	Operating margin%	-9.99%	-16.59%	-16.36%
Outdoor & Event				
	Operating Revenue	25.76	29.93	27.77
	Operating Profit	0.71	0.50	0.50
	Operating margin%	2.77%	1.68%	1.80%

- Note: (1) The fall in operating margin in case of Dainik Jagran as compared to Q1FY14 was due to increased newsprint prices which had impact of reducing the margin by nearly 3.5%. Margins will improve in second half of the year with higher expected growth in advertisement revenue.
- (2) Reduction in losses of other publications was achieved in all cases except City Plus, inspite of increased newsprint cost primarily due to improved per copy realization and robust advertisement revenue growth recorded by I-next, besides continued control over cost.
- (3) Revenue from Outdoor and Event was lower, which is in consequence of the strategic decision to focus more on growth in profitability than the growth in revenues.

Commenting on the performance of the company for the quarter ended 30th June 2014, **Mr. Mahendra Mohan Gupta, Chairman and Managing Director, JPL** said,

“The performance of the Company was satisfactory. The Company registered growth in revenues, operating profit and PBT but PAT was slightly lower due to lower tax and exceptional other income in the previous year. The mother brand ‘Dainik Jagran’ continues to record healthy operating margin exceeding 30% inspite of increased newsprint cost and overall economy not yet supporting growth in advertisement revenue.

As far as other publication brands and other businesses are concerned, their losses were reduced on expected lines. I am pretty hopeful that this trend will continue.

Notwithstanding increase in newsprint prices over 12% as compared to Q1FY14 and continued subdued ad spend, profit increased on account of improved per copy realisation of all the publication brands, reduction in losses of loss making other businesses and control over cost.

I am very pleased in particular with the consistent progress being made by digital properties which are currently ranked at 19 amongst all Indian internet sites and 4th amongst all media companies’ internet sites, way ahead of many of the Company’s closest competitors. This has helped in digital advertisement revenue growth of more than 50% which will improve further with marked improvement in market position. Company’s news portal ‘www.jagran.com’ is ranked No.1 Hindi news portal and its education portal ‘www.jagranjosh.com’ too is ranked No.1 in its domain in the country.

With already improved business sentiments, I expect 2014-15 and especially second half of the current fiscal to be a far more rewarding.”

OPERATIONAL HIGHLIGHTS OF Q1FY15 (ALL COMPARISONS WITH Q1FY14)

In terms of total readership, **Dainik Jagran** has the **largest number of premium NCCS A readers** in the country (more than any English or language publication). The leadership position in catering to this premiere audience increases Dainik Jagran's ability to charge a premium for its space in the future.

As per IRS 2012 -Q4 survey, Dainik Jagran continues to hold its No.1 position in Dehradun, 2nd position in Haryana and remain No.3 Hindi newspaper of New Delhi.

As per information available with us, Dainik Jagran is now the most circulated newspaper of Patna.

Almost other major publications too are progressing satisfactorily and have reduced their losses considerably in-spite of market conditions which are yet to become conducive for growth. Similarly, Outdoor and Event businesses have reported operating profits

All publication brands including Dainik Jagran continued to improve per copy realisation which helped record growth in profits inspite of significant impact of increased newsprint cost and subdued economy.

Digital business continues to grow from strength to strength. Jagran sites for the second month in a row in June 2014 were ranked No.19 by COMSCORE amongst all Indian internet sites, with 11 million unique users.

The company's news and education portals were ranked by COMSCORE No.1 in their respective domains. Amongst Indian media companies, Jagran sites are placed at No.4 behind Times internet, Network 18 and Rediff clearly ahead of many of the company's peers. Jagran sites are a whisker away from the famous sites Flipkart and Quicker ranked at 17 and 16 respectively and are ahead of LinkedIn ranked at 20.

In terms of growth in revenue, digital advertisement revenue grew by 57% and even the SMS revenue (excluding bulk SMS which as part of strategy is being gradually phased out) grew by over 30%.

Awards and Recognitions

1. Dainik Jagran is the only Indian newspaper amongst 6 papers in the world that has won two 1st Place Awards at INMA in 2014.
2. Dainik Jagran wins Silver for its YuvaSampadak Campaign in the category Best in Newspaper Marketing at WAN IFRA
3. Dainik Jagran wins Campaign of the Year Award for Sanskarshala at the INK Awards 2014
4. Dainik Jagran wins Best in Direct Marketing Award for YuvaSampadak at the INK Awards 2014
5. WAN-IFRA has awarded prestigious membership of INCQC 2014-16 (International Newspaper Colour Quality Club, in Category-1; Coldset-offset on newsprint) to Dainik Jagran. INCQC is the worldwide quality benchmarking for international newspaper printing. It can be achieved only by proving the capacity to produce high-quality newspaper printing.
6. Jagran Solutions win Gold for Castrol Mobile Unit in Category Best Road show of the year at EEMA 2-14
7. Jagran Solutions win Gold for ArogyaRathin the Category Best Public Awareness and CSR campaign of the year.

About Jagran Prakashan Limited

Jagran Prakashan Limited is a leading media house of India with interests spanning across newspapers, magazines, outdoor advertising, promotional marketing, event management, on ground activities and digital businesses.

The Group publishes 12 newspaper brands with over 100 editions and 250 plus sub-editions from 36 different printing facilities across 15 states in 5 different languages. With a total readership (TR) of 68.01 million for all its publication brands. **The Group is the largest print media group of the country.** (Source: IRS 2012 Q4).

Established in 1942, the Group's flagship brand **Dainik Jagran** is the brainchild of the Freedom fighter, Late Shri Puran Chandra Gupta. **Dainik Jagran** is **India's largest read** daily with a total readership of **56.46** million (source: IRS 2012 Q4) and this numero-uno position continues since year 2003.

Dainik Jagran was voted as the most credible and trusted newspaper in India according to a Globescan survey commissioned by BBC-Reuters which was conducted across 10 leading countries including US, UK, Germany and Russia. Jagran Prakashan Limited has also been accorded the status of a Business Superbrand by the Superbrands Council.

The Company publishes 6 editions of Hindi daily "**Naidunia**" from Indore, Ujjain, Gwalior, Jabalpur, Raipur and Bilaspur and "**Navdunia**" from Bhopal besides national edition from New Delhi.

In addition, company publishes other 3 newspaper brands **I-Next**, first ever bilingual newspaper published in 13 editions from 5 states, **City Plus** a weekly infotainment English newspaper published in 43 editions from Maharashtra, Karanataka, Andhra Pradesh and NCR and Punjabi newspaper, **Punjabi Jagran** published in 2 editions from Punjab. I-Next and City Plus target the youth and are compact newspapers.

Besides newspapers, the company publishes 2 monthly magazines - **Sakhi**, targeted at women and **Josh**, targeted at career oriented youth. The Company also publishes annual general knowledge digest books and other publications including Coffee Table Books on various subjects ranging from travel to statistical compilations.

Amongst the company's divisions, **Jagran Engage** provides specialized 'Out of Home' advertising services with a Pan-India footprint and **Jagran Solutions** provides below the line solutions and carries on activities like promotional marketing, event management and on ground activities throughout the country.

The Group has a strong presence in **Digital Media Space** through Content & Mobile Applications. The Group has also adopted all the Social Media platforms like Facebook & twitter to engage with the users at a deeper level and into our own UGC Platform JagranJunction.com. The content portfolio includes offerings in Hindi, English & other languages, namely: (Hindi version: Jagran.com, naidunia.com and inextlive.com, the English version : jagranpost.com and Mid-day.com, Punjabi Version: jagranpunjabi.com, Urdu version: inquilab.com and Gujarati Version: gujaratimidday.com The Education Portal JagranJosh.com is number 1 Education website in the Country since February 2013 and offers its content through web, mobile & paid subscription besides selling e-books and test papers. The Group has embraced Mobile as a serious platform of delivery. All contents are available on Mobile through Websites, dedicated applications and Operator Subscription through SMS/IVR including our own SMS Service 57272.

The Company's subsidiary Midday Infomedia Limited is publisher of 3 newspaper brands, **Midday English** a niche English daily, **Inquilab** the highest read Urdu daily of the country and **Midday Gujarati, No.2 Gujarati newspaper in Mumbai**. All the 3 brands are hugely popular newspaper brands in Mumbai, one of the two largest advertising markets of the country. In addition, **Midday English** is also circulated in Pune and **Inquilab** is circulated in Maharashtra and the states of U.P., Delhi and Bihar.

As a responsible corporate citizen, JPL supports outfit of Shri Puran Chandra Gupta Smarak Trust, **Pehel**, to discharge its social responsibilities and provide social services such as organizing workshops/seminars to voice different social issues, health camps/roadshows for creating awareness on social concerns and helping underprivileged masses. **Pehel** has been working with various national and international organizations such as World Bank and UNICEF on various projects to effectively discharge the responsibilities entrusted by the company. **Shri Puran Chandra Gupta Smarak Trust** has also been imparting primary, secondary and higher education to more than 7000 students through schools and colleges at Kanpur, Noida, Lucknow, smaller towns Kannauj, Aligarh, Dehradun and are establishing school at Varanasi. The company has also been assisting trusts and societies dedicated to the cause of promoting education, culture, healthcare, etc.

For further details, please contact:

Mr Amit Jaiswal
Jagran Prakashan Limited
Mobile +91 9839095594
Tel +91- 512- 2216161