

STAR MEDIA GROUP

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Analyst Briefing
Wednesday, 23 November 2016

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2016
Highlights**

2

**Quarter 3
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**2H16
Outlook &
Strategy**

3Q16's dynamics

1.

- Earnings weighed down by weakness in advertising spend

2.

- Weak economic conditions and consumer sentiment

3.

- VHE's contribution is the bright spot for the quarter; turnaround for Cityneon

4.

- Disposal of non-performing assets; slated to be completed in 4Q16

5.

- Despite the obvious challenges, we remain committed to strive for earnings growth in VHE and our digital strategy

3Q highlights- Advertising Collaborations



Star
MEDIA GROUP

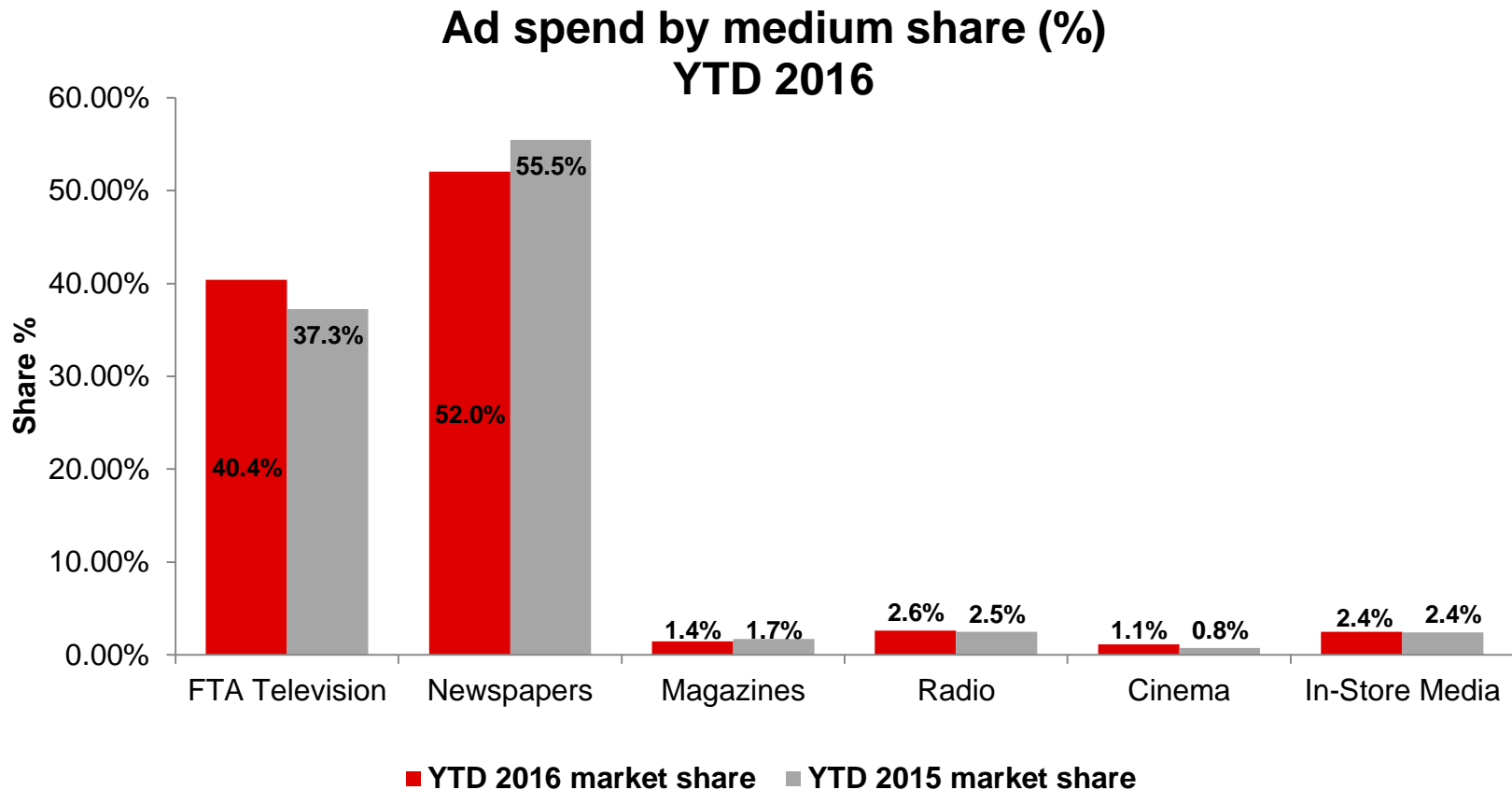
#ANAK ANAK
MALAYSIA
— WALK —
FOR UNITY, HARMONY & TOLERANCE



3Q highlights- Win With Words



YTD Sept 2016 highlights - Newspaper adex still the largest



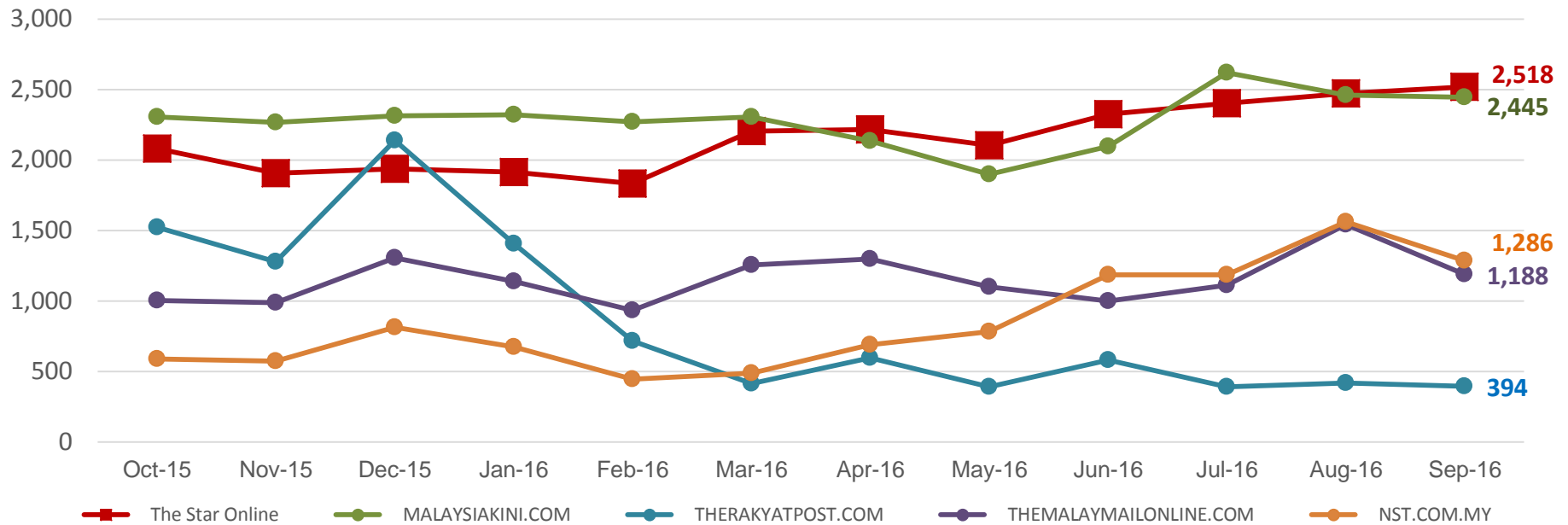
Source: Nielsen AIS. Numbers have not taken into consideration the discounting factor. Excludes Pay TV and Astro radio stations

YTD adex slipped 6.6% to RM5.29 bn versus RM5.66 bn in the same period last year

The Star Online Performance Oct' 15 – Sep' 16

English News Portals Performance Oct'15 - Sep'16 (Combined PC & Mobile)

Total Unique Visitors ('000)



The Star Online UV ('000)

Oct'15	Nov'15	Dec'15	Jan'16	Feb'16	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16
2,079	1,907	1,937	1,915	1,834	2,204	2,215	2,103	2,326	2,403	2,472	2,518

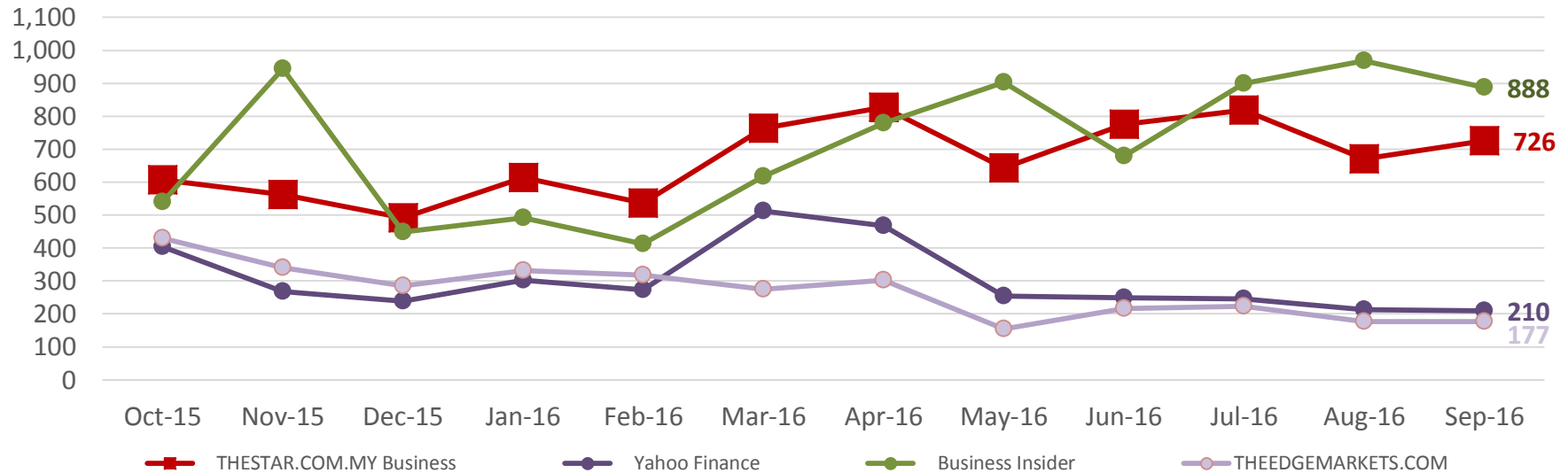
- **The Star Online** remained at top position in Sep 2016 with a 1.9% UV increase in vs Aug'16

Source: comScore Media Metrix / Mobile Metrix

Star Biz Performance, Oct'15 – Sep'16

The Star Online Business versus Competitors; Oct'15- Sep'16 (Combined PC & Mobile)

Total Unique Visitors (000)



thestar.com.my business UV ('000)

Oct'15	Nov'15	Dec'15	Jan'16	Feb'16	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16
607	562	492	613	537	763	828	643	776	819	670	726

- StarBiz's UV increased by 8.4% in Sep 2016 vs Aug 2016.

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Performance of Star Media Group Berhad

(RM million)	3Q16	3Q15	Var.	2Q16	Var. (3Q16vs 2Q16)	9M16	9M15	Var
Revenue	206.50	254.51	(18.9%)	266.54	(22.5%)	671.77	738.25	(9.0%)
EBITDA	28.69	34.86	(17.7%)	41.99	(31.7%)	99.67	123.98	(19.6%)
PBT	17.86	29.20	(38.8%)	58.45	(69.4%)	98.69	109.73	(10.1%)
<i>EBITDA Margin</i>	13.9%	13.7%	-	15.8%	-	14.8%	16.8%	-
<i>PBT Margin</i>	8.6%	11.5%	-	21.9%	-	14.7%	14.9%	-

Lower revenue contribution from most segments

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3Q16 Business Segments

1.

- **Print and Digital**

2.

- Event, Exhibition, Interior and Thematic

3.

- TV Channel

4.

- Radio

Performance of Star Media Group Berhad

Print and Digital Segment

(RM million)	3Q16	3Q15	Var.	2Q16	Var. (3Q16 vs 2Q16)	9M16	9M15	Var.
Revenue	136.11	157.24	(13.4%)	143.25	(5.0%)	421.27	484.82	(13.1%)
EBITDA	27.99	40.34	(30.6%)	25.07	11.6%	84.72	131.26	(35.5%)
PBT	24.22	35.95	(32.6%)	23.02	5.2%	74.40	120.18	(38.1%)
<i>EBITDA Margin</i>	20.6%	25.7%	-	17.5%	-	20.1%	27.1%	-
<i>PBT Margin</i>	17.8%	22.9%	-	16.1%	-	17.7%	24.8%	-

Lower advertising revenue resulting from poor consumer and business sentiments

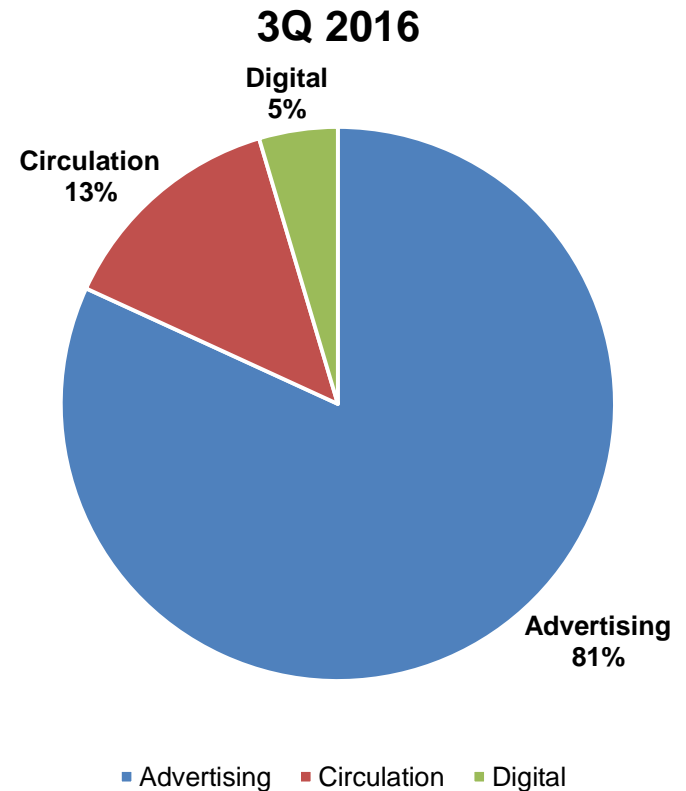
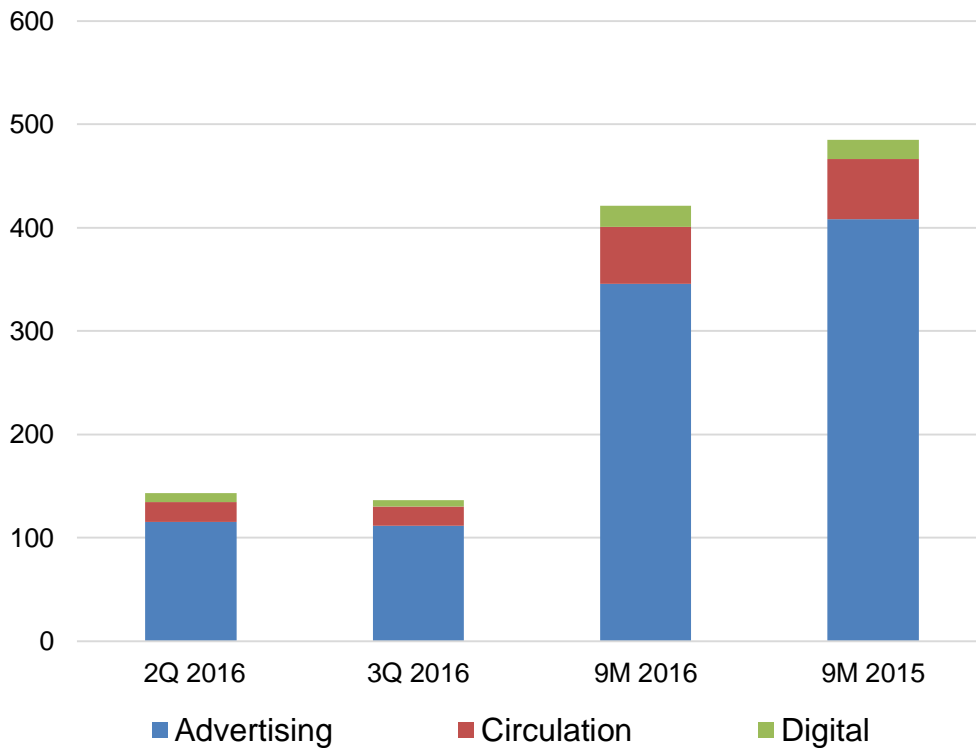
Breakdown of Revenue

Q-on-Q comparison

**3Q 2016 Revenue RM 136.1m
vs RM157.24m in 3Q 2015**

RM 'mil

Q-on-Q and H-on-H comparison



Decline in advertising revenue due to poor consumer sentiments

3Q16 Business Segments

1.

- Print and Digital

2.

- **Event, Exhibition, Interior and Thematic**

3.

- TV Channel

4.

- Radio

Performance of I.Star Ideas Factory

(RM million)	3Q16	3Q15	Var.	2Q16	Var. (3Q16vs 2Q16)	9M16	9M15	Var.
Revenue	1.24	1.31	(5.3%)	6.61	(81.2%)	9.04	12.71	(28.9%)
EBITDA/ (LBITDA)	(0.43)	(0.36)	(19.4%)	1.36	>(100%)	(0.16)	1.45	>(100%)
PBT/LBT	(0.49)	(0.37)	(32.4%)	1.35	>(100%)	(0.21)	1.39	>(100%)
EBITDA/ (LBITDA) Margin	(34.7%)	(27.5%)	-	20.6%	-	(1.8%)	11.4%	-
PBT/LBT Margin	(39.5%)	(28.2%)	-	20.4%	-	(2.3%)	10.9%	-

Lower revenue from poor consumer sentiments with 8 shows held

Performance of Cityneon Holdings Limited

(SGD million)	3Q16	3Q15	Var.	2Q16	Var. (3Q16 vs 2Q16)	9M16	9M15	Var.
Revenue	16.69	23.85	(30.0%)	32.82	(49.1%)	63.01	64.54	(2.4%)
EBITDA/ (LBITDA)	0.50	(0.58)	>100%	6.93	(92.8%)	7.72	(0.92)	>100%
PBT/(LBT)	(0.59)	(1.04)	43.3%	6.03	>(100%)	5.13	(1.77)	>100%
EBITDA/ (LBITDA) Margin	3.0%	(2.4%)	-	21.1%	-	12.3%	(1.4%)	-
PBT/(LBT) Margin	(3.5%)	(4.4%)	-	18.4%	-	8.1%	(2.7%)	-

PBT losses narrowed q-o-q and an encouraging turnaround for 9M16

3Q16 Business Segments

1.

- Print and Digital

2.

- Event, Exhibition, Interior and Thematic

3.

- **TV Channel**

4.

- Radio

Performance of Li TV Holdings Limited

(USD million)	3Q16	3Q15	Var.	2Q16	Var. (3Q16 vs 2Q16)	9M16	9M15	Var.
Revenue	0.68	0.80	(15.0%)	0.61	11.5%	1.77	2.18	(18.8%)
(LBITDA)	(0.41)	(0.45)	8.9%	(0.58)	29.3%	(1.46)	(1.40)	(4.3%)
(LBT)	(0.42)	(0.50)	16.0%	(0.60)	30.0%	(1.50)	(1.46)	(2.7%)
(LBITDA) Margin	(60.3%)	(56.3%)	-	(95.1%)	-	(82.5%)	(64.2%)	-
(LBT) Margin	(61.8%)	(62.5%)	-	(98.4%)	-	(84.7%)	(67.0%)	-

Lower losses registered q-o-q due to better cost management

3Q16 Business Segments

1.

- Print and Digital

2.

- Event, Exhibition, Interior and Thematic

3.

- TV Channel

4.

- **Radio**

Performance of Radio Operations

Star Media Radio Group

(RM million)	3Q16	3Q15	Var.	2Q16	Var. (3Q16 vs 2Q16)	9M16	9M15	Var.
Revenue	9.83	12.84	(23.4%)	9.94	(1.1%)	30.72	36.93	(16.8%)
(LBITDA)/EBITDA	(1.05)	(0.01)	>(100%)	(1.58)	33.5%	(2.74)	0.76	>(100%)
(LBT)/PBT (excluding impairment)	(1.27)	(0.44)	>(100%)	(1.89)	32.8%	(3.52)	(0.21)	>(100%)
(LBITDA)/EBITDA Margin	(10.7%)	(0.1%)	-	(15.9%)	-	(8.9%)	2.1%	-
(LBT)/PBT Margin	(12.9%)	(3.4%)	-	(19.0%)	-	(11.5%)	(0.6%)	-

(after inter company transaction eliminations)



Lower revenue from weak economic conditions

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Outlook

1.

- Expected improvement in 4Q compared to 3Q; 2017 expected to be subdued with gradual improvement

2.

- Cityneon is expected to contribute positively with other exhibitions coming on stream

3.

- Continuing with diversification into other media assets –
dimsum.my



- Joining the Star Media Group family in 2016, **dimsum** is a brand new homegrown Video-on-demand service that provides the best Asian content
- **dimsum** makes it easier for viewers to search and stream Asian content they desire over the Internet without hassle, as it is accessible anytime anywhere via mobile apps and the web.
- The name derived from a famously known Chinese cuisine dimsum. **dimsum** loosely translates to English to mean “selection of the heart”. The name is creatively appropriate for this platform because the platform is meant to show all different varieties of Asian content and the viewer can choose to watch anything their heart desires in Malaysia and Brunei.



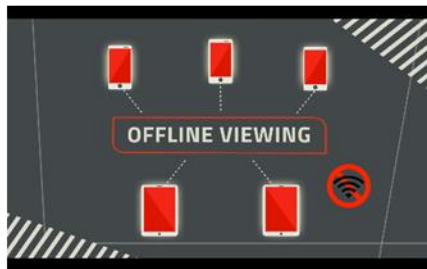
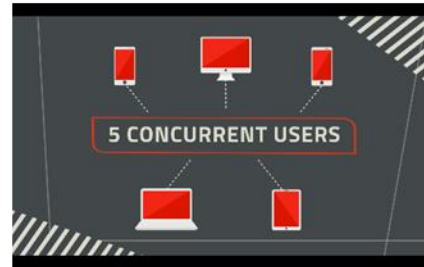
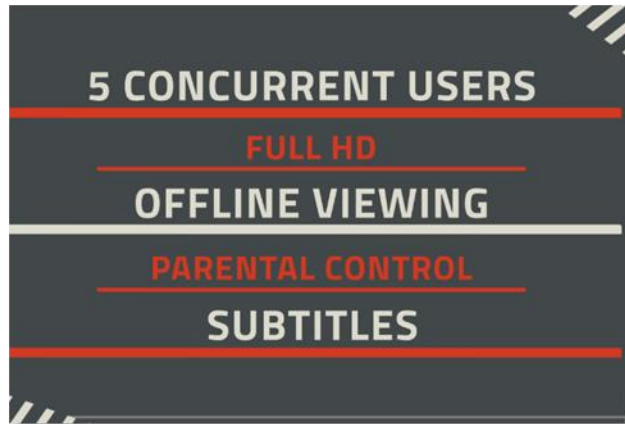
The logo is inspired by the mandarin characters of **dimsum** [点心]

The word **dian** [点] means point or click, which symbolize the play button in the logo icon and the mandarin character of **xin** [心] is transformed into an unique digital box symbol. The icon itself can bring the meaning: **selection of the heart**

content from



our unique proposition



multiple devices



Device support

Apple devices - iPhone 5 and above, iOS7 or later

Android devices - 4.3 and above

PCs: Windows 7 and 8

Mac: OSX and above

Supported browsers: Chrome 40+, Firefox 36+, Safari 7+ and IE11

dimsum 2.0



Dec '16
tablet compatibility

Q2 '17
Smart TV app



Content line up



SIMULCAST
全马同步播出



CHIBI MARUKO-CHAN
樱桃小丸子



HIGH 5
HIGH 5 制霸青春



DOCTOR-X 4
遣派女医 4

Tribes & Empire : Storm of Prophecy

Highest production budget in China

Over 300 million RMB (RM185 million)

2 Years Production





CHINESE PALADIN 5
仙剑云之凡



NIRVANA IN FIRE
(Director's Cut)
琅琊榜



LOVE BY DESIGN
必胜练习生



THE DEVIL GAME
劣人传之诡计



LOST? ME TOO
迷徒 CLAIRES



RIDERS : CATCH TOMORROW
RIDERS: 抓住明日



KILL ME HEAL ME
杀了我，治愈我



IT'S ALRIGHT, THIS IS LOVE
没关系，是爱情啊



MY LOVE FROM THE STAR
来自星星的你



FIFTEEN YEARS TO WAIT FOR
MIGRATORY BIRDS
十五年等待候鸟



**VARIETY &
ENTERTAINMENT**

综

艺

VARIETY



CRAZY STONE
疯狂的麦咭



WHERE ARE WE GOING, DAD?
爸爸去哪儿?



I AM A SINGER
我是歌手



TOUCH SCREEN CUISINE
弹指间的料理



RUNNING MAN



I CAN SEE YOUR VOICE
看见你的声音



FENG SHU'S COOKING CLASS
美食风味



STAY HEALTHY STAY HAPPY
别让身体不开心



KIDS CONTENT

儿童节目

IDS



BODHI and FRIENDS
宝狄与好友



PLEASANT GOAT And BIG
BIG WOLF series
喜羊羊与灰太狼 系列



PANDA AND LITTLE
MOLE
熊猫和小鼹鼠



LOOPY, THE COOKING
PRINCESS



ROBOCAR POLI



MINI COOK
快乐小厨房



MOMO PARADISE
MOMO欢乐谷



LEARNING ABC
学学ABC



LET'S DANCE TOGETHER
就是爱跳舞



LEARNING SAN ZI JING
三字经



DOCUMENTARIES

纪录片

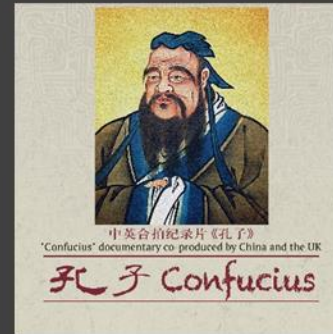
DOCUMENTARIES



ROOF OF THE WORLD
第三极



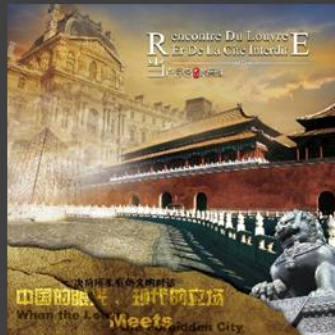
MYSTERIOUS XI XIA
神秘的西夏



CONFUCIUS
孔子



TEA
茶，一片树叶的故事



**WHEN THE LOUVRE AND THE
FORBIDDEN CITY COME TOGETHER**
当卢浮宫遇见紫禁城



**HANDICRAFT IN
CHINA**
手工艺



**POETIC LIFE : HAND MADE
IN CHINA**
指尖上的中国



MAGNIFICENT QINGHAI
大美青海

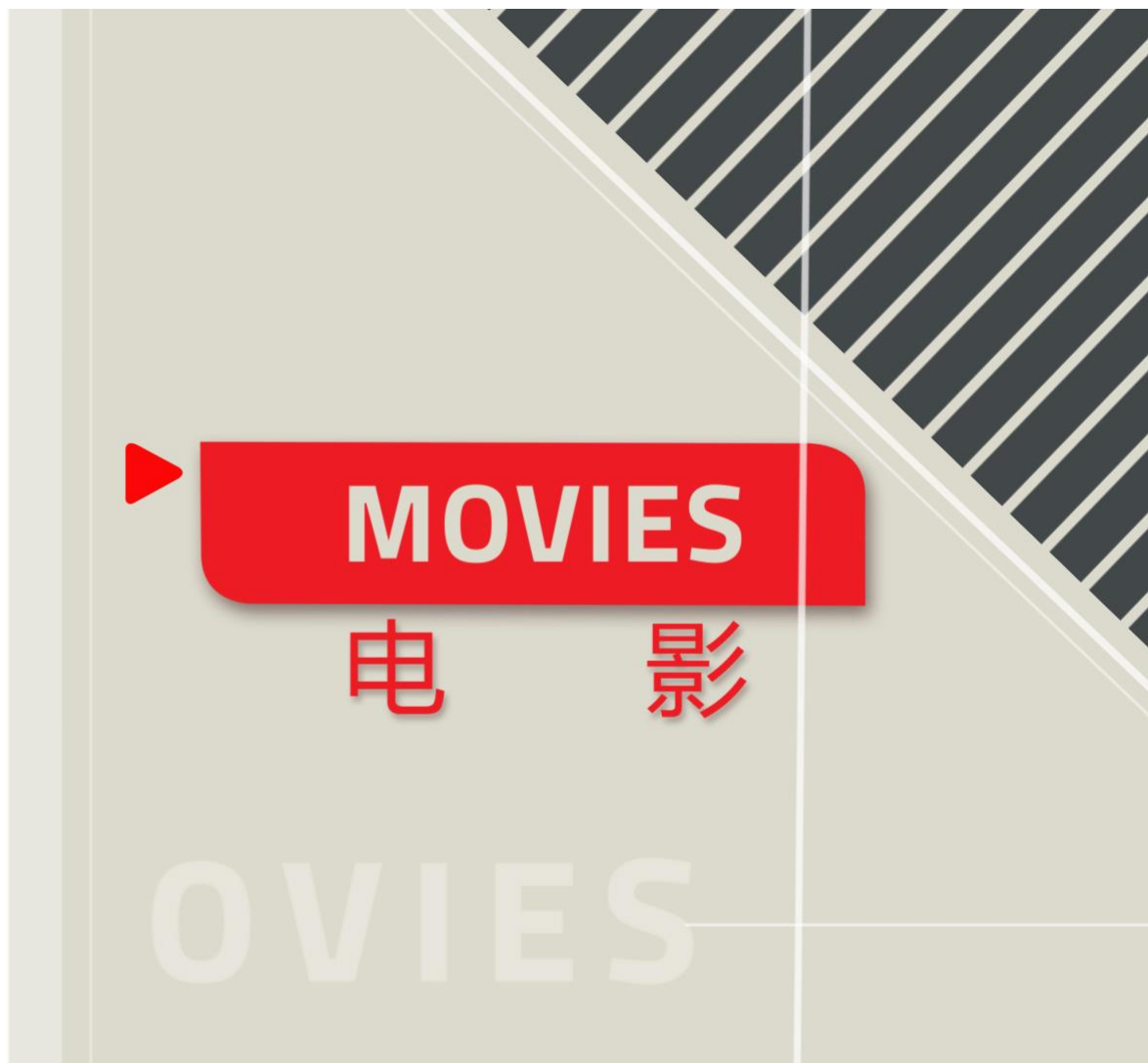


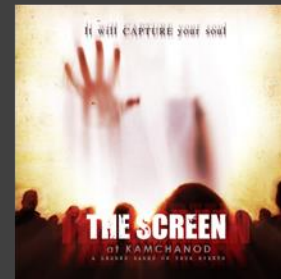
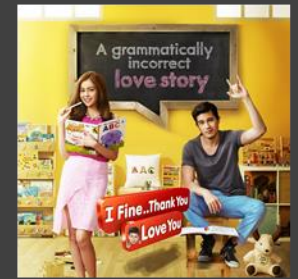
NEWS

新 闻

NEWS







THE EDGE MALAYSIA

Star the people's paper



南洋商報 NANYANG SIANG PAU

ILRI dimsum 星報轉型數碼化 推出“dimsum”影視服務

【八打靈再也4日訊】星報集團自啟動第二波數碼轉型計劃，推出“dimsum”（點心）影視服務後，隨著消費者對新聞與娛樂內容的習慣改變，星報集團將提供多項影視服務，以滿足不同消費者的需求。

星報集團董事兼行政總裁黃振威表示，星報集團將提供多項影視服務，以滿足不同消費者的需求。他指出，星報集團將提供多項影視服務，以滿足不同消費者的需求。

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Star Media to launch first homegrown Asian-exclusive OTT platform

Star Media Group Inc. will launch the first homegrown OTT (over-the-top) platform, an Asian-exclusive digital video-on-demand (VOD) service, in the near future. The platform will be available on various devices, including smartphones, tablets, and smart TVs.



星報集團推出首個亞洲獨家OTT平台

星報集團（Star Media Group Inc.）宣佈推出首個亞洲獨家OTT平台，名為“dimsum”（點心）。該平台將提供多項影視服務，包括新聞、娛樂、體育等內容。

星報集團董事兼行政總裁黃振威表示，該平台的推出是星報集團數碼轉型計劃的重要一步。他指出，該平台將為用戶提供高品質、多元化的內容選擇。

啟動第二波數碼轉型 星報媒體推出dimsum視頻點播

星報集團（Star Media Group Inc.）宣佈啟動第二波數碼轉型計劃，推出“dimsum”（點心）視頻點播服務。該服務將為用戶提供多項影視內容，包括新聞、娛樂、體育等。

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Dimsum kicks off in style

Malaysia's first homegrown video-on-demand service launches

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首波轉型收購展業業務

星報集團（Star Media Group Inc.）宣佈首波轉型收購展業業務，包括收購多項影視服務。該業務將為用戶提供多項影視內容，包括新聞、娛樂、體育等。

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星報集團推亞洲影視服務

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星洲日報 SIN CHEW DAILY



東方日報 2016年11月5日 星期六

東方日報（Oriental Daily News）是香港的一份主要報紙。該報提供多項影視服務，包括新聞、娛樂、體育等內容。

東方日報董事兼行政總裁黃振威表示，該報的影視服務是東方日報數碼轉型計劃的重要一步。他指出，該報將為用戶提供高品質、多元化的內容選擇。

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THANK
YOU