

THE STAR MEDIA GROUP

Read. Listen. Watch. Think. Be Inspired

Analyst Briefing
Monday, 25 May 2015

Today's Presenters



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Group CFO



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**1Q15
Highlights**

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1H15 &
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1Q15 Highlights



School bus wrap – 11 February
-> moving into transit advertising

Collaboration with Sin Chew - 23 March
-> Tapping into Chinese market



New Supplement 30 March
Also available in Chinese on TSOL
-> Targeting business audience



Radio: 988 & RED FM

www.988.com.my

988's website is sporting a dynamic new appearance and a 988 App

Unique Visitors	284,386
Page Views	919,255
Streaming Listeners	418,124

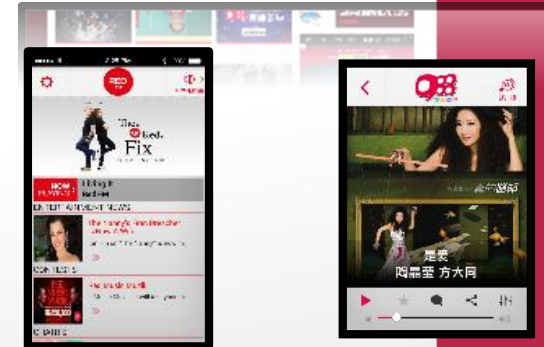
- Numbers above are for the month ending 31 March 2015.*

ww.red.fm

Red FM's newly re-launched website delivers a fresh look with engaging content.

Unique Visitors	118,302
Page Views	513,345
Streaming Listeners	54,601

- * Numbers above are for the month ending 31 March 2015.*



Radio: Suria & Capital FM

www.suriafm.com.my

Suria FM's new website was launched early this year with a clean sleek visual display and Suria FM App

Unique Visitors	159,431
Page Views	526,811
Streaming Listeners	337,404

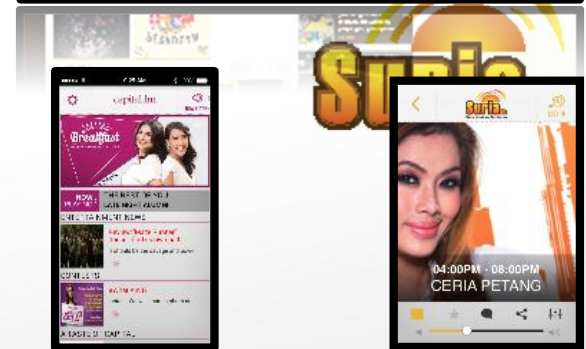
** Numbers above are for the month ending 31 March 2015.*

www.capitalfm.com.my

Capital FM's revamped website is stylish with a hint of sexy.

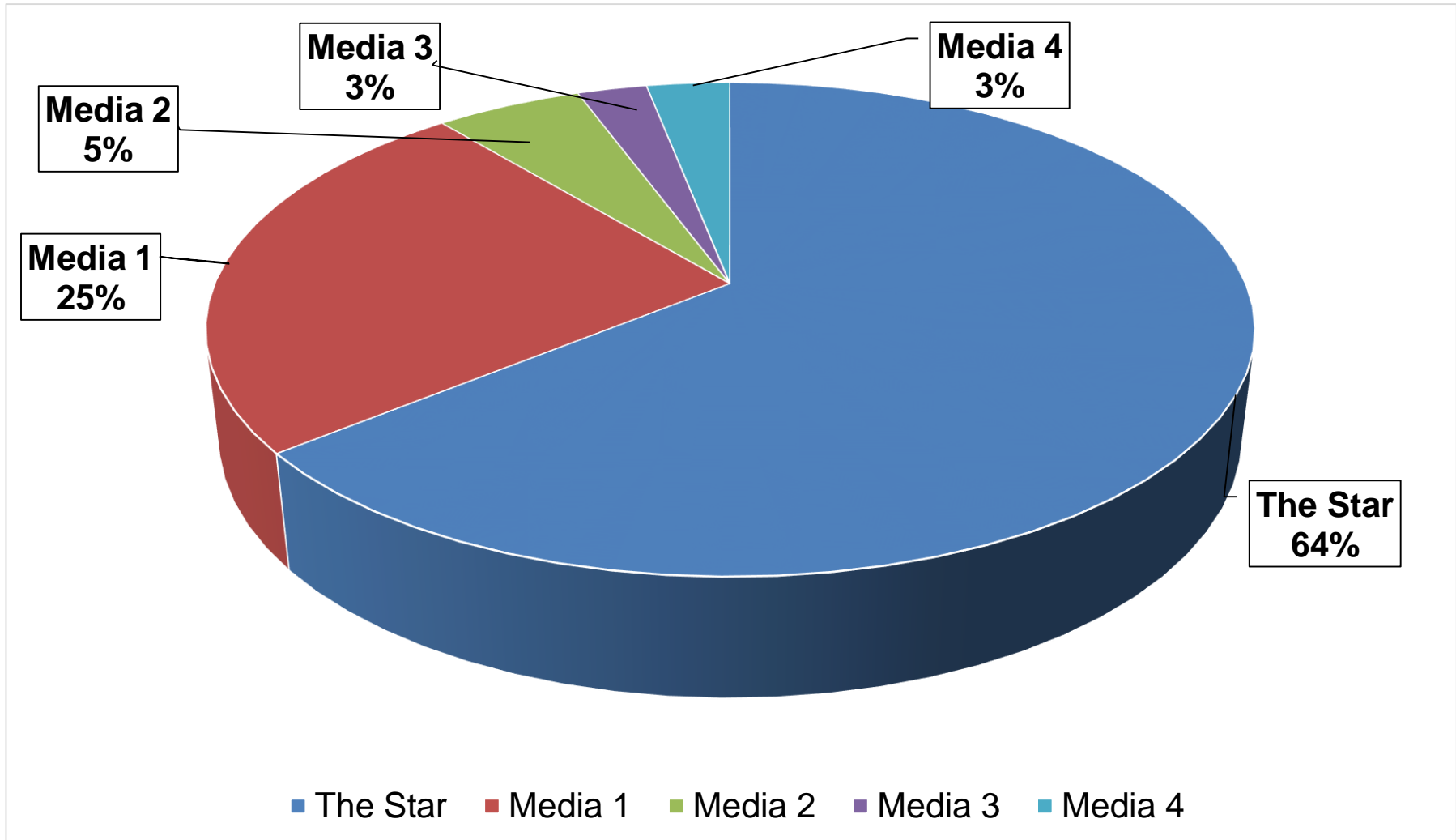
Unique Visitors	52,521
Page Views	237,089
Streaming Listeners	19,138

** Numbers above are for the month ending 31 March 2015.*



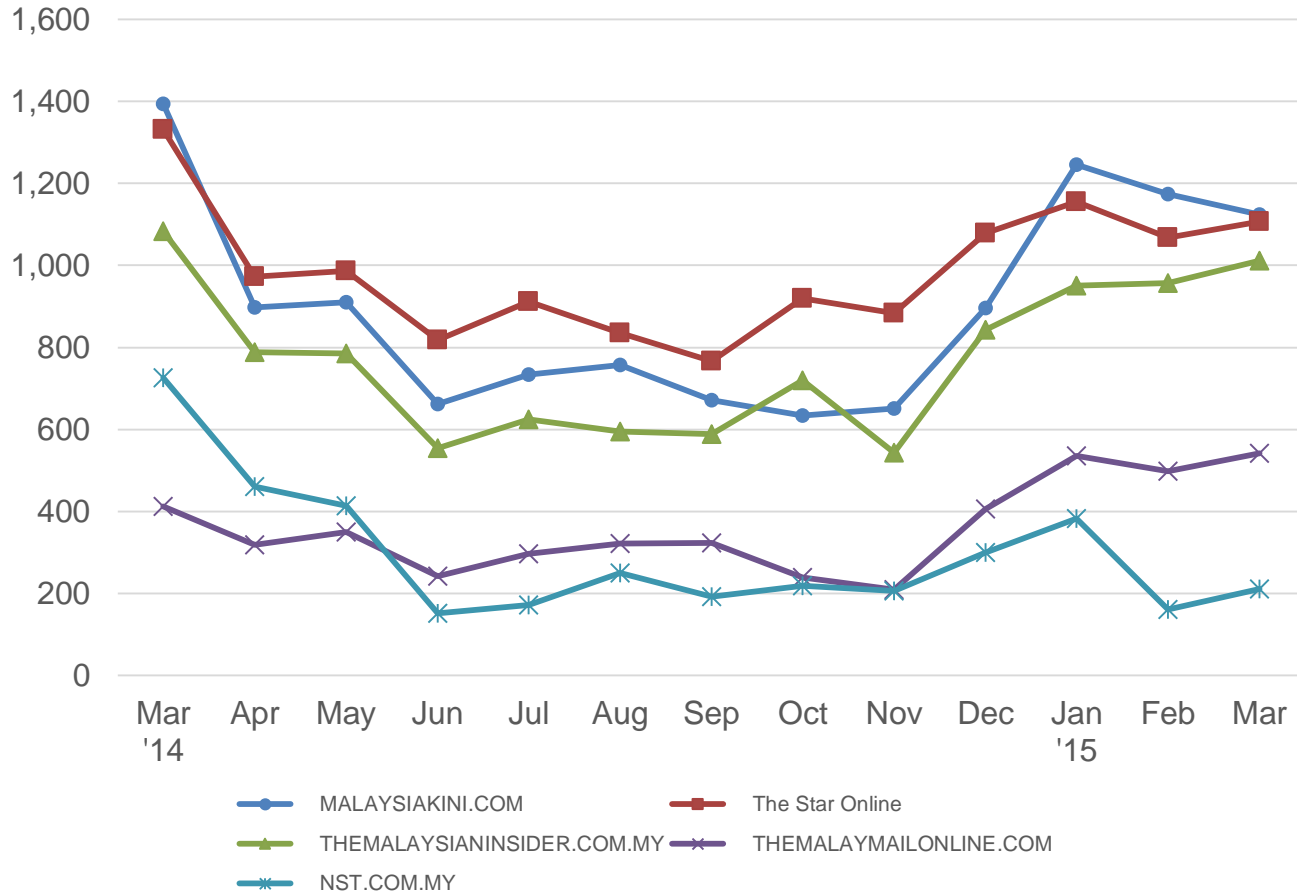
Despite a difficult environment, The Star still commands lion share

English Paper Adex 1Q15



Star Online Performance Mar '14 - Mar '15

Total Unique Visitors (000)



The Star Online

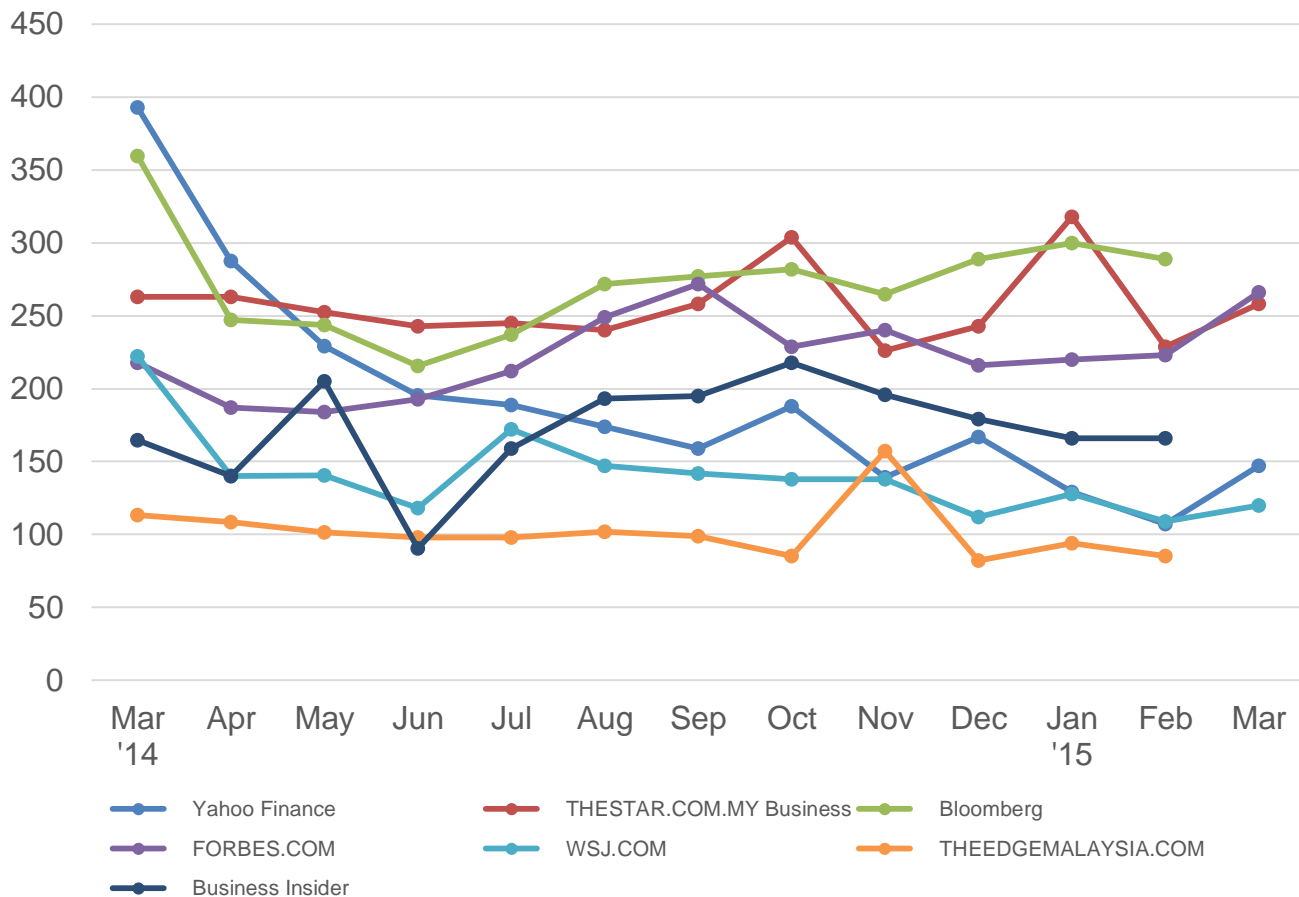
Month	UV
Mar '14	1,331
Apr	973
May	987
Jun	818
Jul	911
Aug	836
Sep	766
Oct	920
Nov	884
Dec	1,078
Jan '15	1,156
Feb	1,068
Mar	1,107

- **Malaysiakini** generated higher traffic than TSOL in Jan, Feb & Mar '15 (1MDB, Anwar's trial, Tmn. Medan Church Protest)
- Achieved higher traffic than **Malaysiakini** in most months

Source: comScore Media Metrix

Star Biz, # 1 local business news

Total Unique Visitors (000)



Business Vertical

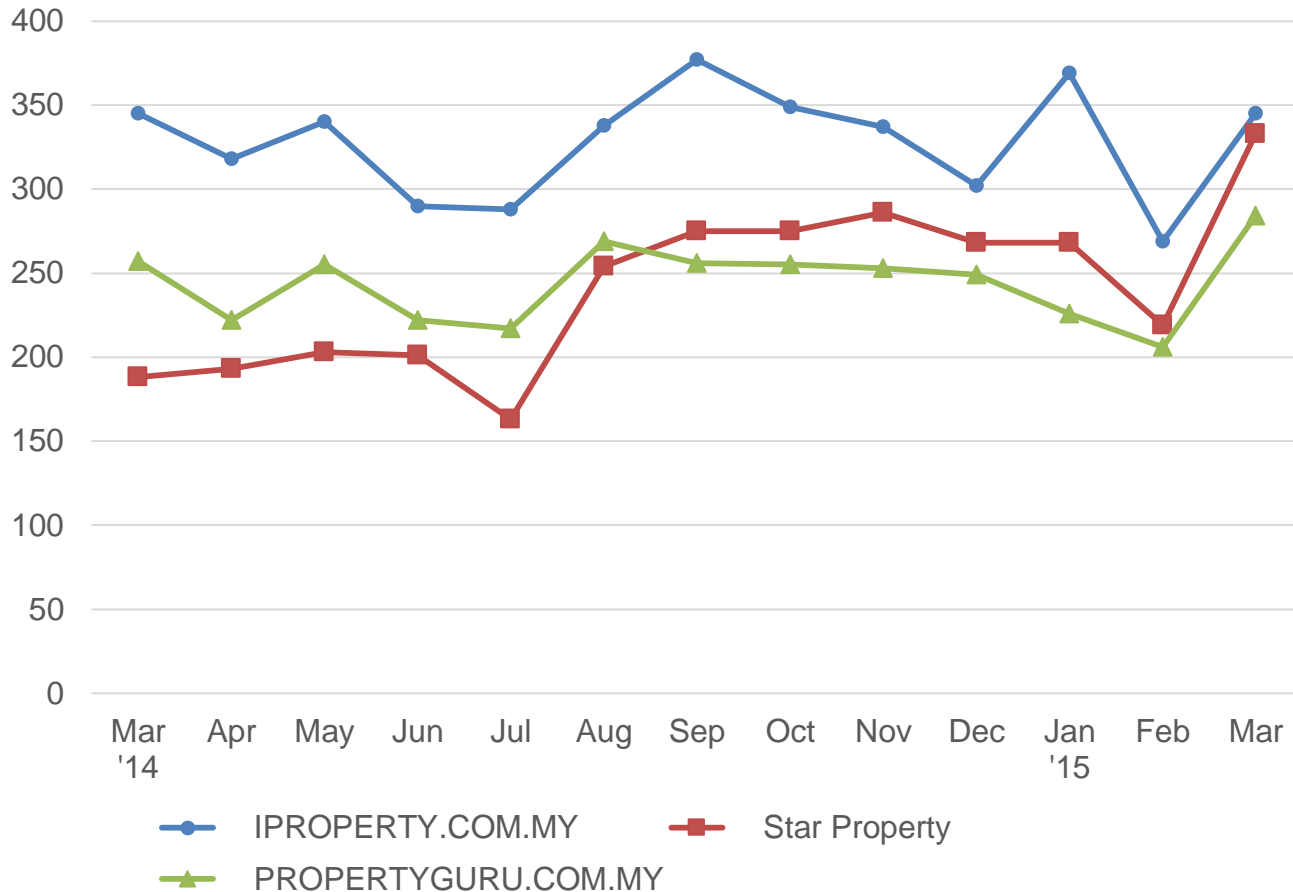
Month	UV
Mar '14	263
Apr	263
May	252
Jun	243
Jul	245
Aug	240
Sep	258
Oct	304
Nov	226
Dec	243
Jan '15	318
Feb	229
Mar	258

- **Star Business** vertical is number 1 **local business news site** in the market while competing with international players locally
- Bloomberg mentioned here is combination of Bloomberg.com and Businessweek.com

Source: comScore Media Metrix

Star Property Performance Mar '14- Mar '15

Total Unique Visitors (000)



Property Vertical

Month	UV
Mar '14	188
Apr	193
May	203
Jun	201
Jul	163
Aug	254
Sep	275
Oct	275
Nov	286
Dec	268
Jan '15	268
Feb	219
Mar	333

- Star Property family (Propwall+iBilik+StarProperty.my) achieved number 2 position in property category in Sep '14 & only 12,000 UV lower than iProperty.com.my in Mar '15

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Performance of The Star Media Group

(RM million)	1Q15	1Q14	Variance (%)	4Q14
Revenue	217.43	211.14	3.0%	280.89
EBITDA	41.03	30.23	35.7%	39.82
PBT	37.60	21.65	73.7%	32.30
VSS Expenses	-	9.58	(100)%	-
Impairment Expenses	-	-	-	26.03
Adjusted PBT <i>(excluding VSS & Impairment)</i>	37.60	31.23	20.4%	58.33
<i>EBITDA Margin</i>	18.9%	14.3%		14.2%
<i>PBT Margin</i>	17.3%	10.3%		11.5%
<i>Adjusted PBT Margin</i>	17.3%	14.8%		20.8%

Better margins due to lower opex costs e.g lower opex & direct costs due to lower consumption, newsprint price and scaling down of Star Sarawak

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1Q15 Business Segments

1.

- **Print and Digital**

2.

- Event, Exhibition, Interior and Thematic

3.

- TV Channel

4.

- Radio

Performance of Star Publications (M) Bhd

Print and Digital Segment

(RM million)	1Q15	1Q14	Variance %	4Q14
Revenue	162.60	163.17	(0.3)%	180.15
EBITDA	45.51	28.86	57.7%	52.02
PBT	44.44	24.94	78.2%	45.50
VSS Expenses	-	9.58	(100)%	-
Impairment Expenses	-	-	-	5.75
Adjusted PBT <i>(excluding VSS/impairment)</i>	44.44	34.52	28.7%	51.25
<i>EBITDA Margin</i>	28.0%	17.7%		28.9%
<i>PBT Margin</i>	27.3%	15.3%		25.3%
<i>Adjusted PBT Margin</i>	27.3%	21.2%		28.4%

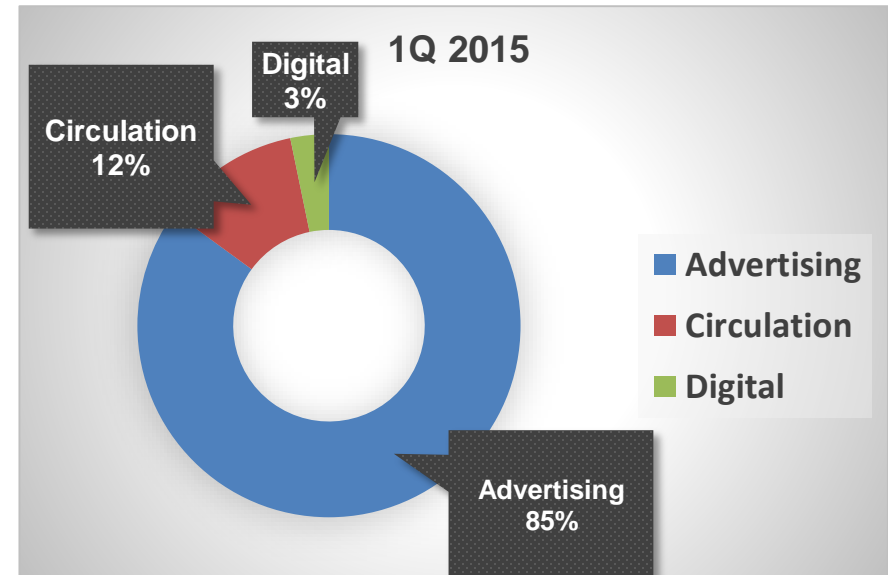
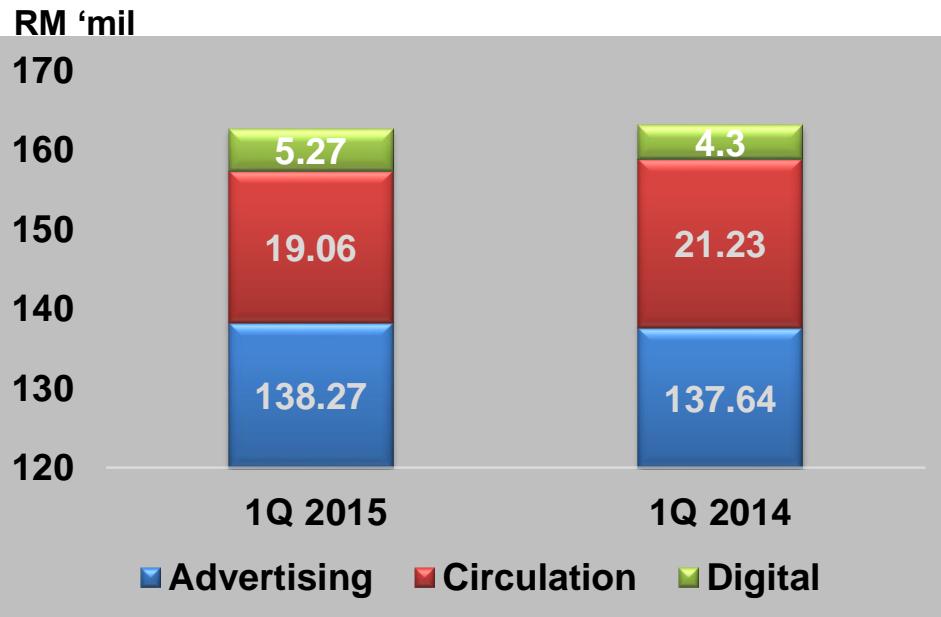
Lower circulation revenue leading up to 1 April 2015

Higher PBT in 1Q15 due to cost reduction exercise and the impact of VSS held in 1Q14

Breakdown of Revenue

Q-on-Q comparison

**1Q15 Rev – RM162.6 m
vs RM163.1 in 1Q14**



1Q15 vs 1Q14, revenue dropped in circulation

1Q15 Business Segments

1.

- Print and Digital

2.

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

3.

- TV Channel

4.

- Radio

Performance of I.Star Ideas Factory

Perfect Livin'

(RM million)	1Q15	1Q14	Variance %	4Q14
Revenue	3.47	2.21	57.0%	4.79
EBITDA/LBITDA	(0.55)	(0.38)	(44.7)%	0.17
PBT/LBT	(0.57)	(0.35)	(62.9)%	0.08
<i>EBITDA/LBITDA Margin</i>	(15.9)%	(17.2)%		3.5%
<i>PBT/(LBT) Margin</i>	(16.4)%	(15.8)%		1.7%



Higher revenue due to 1 additional show at MINES. GST dampened turnout at events held in 1Q15

Performance of Cityneon Holdings Limited

Cityneon

(SG million)	1Q15	1Q14	Variance %	4Q14
Revenue	12.95	10.94	18.4%	28.43
EBITDA	(1.49)	0.27	(651.9%)	2.55
PBT/(LBT)	(1.64)	0.09	(1922.2)%	2.46
<i>EBITDA Margin</i>	(11.5)%	2.5%		9.0%
<i>PBT/(LBT) Margin</i>	(12.7)%	0.8%		8.7%

1Q15 Business Segments

1.

- Print and Digital

2.

- Event, Exhibition, Interior and Thematic

3.

- **TV Channel**

4.

- Radio

Performance of Li TV Holdings Limited

Li TV

(USD million)	1Q15	1Q14	Variance %	4Q14
Revenue	0.78	0.82	(4.9)%	0.87
LBITDA	(0.45)	(0.37)	(21.6)%	(0.49)
LBT	(0.44)	(0.40)	(10.0)%	(0.52)
<i>LBITDA Margin</i>	<i>(57.7)%</i>	<i>(45.1)%</i>		<i>(56.3)%</i>
<i>LBT Margin</i>	<i>(56.4)%</i>	<i>(48.8)%</i>		<i>(59.8)%</i>

1Q15 Business Segments

1.

- Print and Digital

2.

- Event, Exhibition, Interior and Thematic

3.

- TV Channel

4.

- **Radio**

Performance of Radio Operations

Star Radio Group

(RM million)	1Q15	1Q14	Variance %	4Q14
Revenue	11.80	12.08	(2.3)%	12.88
EBITDA	1.10	0.71	54.9%	2.05
PBT/LBT	0.77	(1.15)	167.0%	1.00
<i>EBITDA Margin</i>	9.3%	5.9%		15.9%
<i>PBT/LBT Margin</i>	6.5%	(9.5)%		7.8%

(after inter company transaction eliminations)



Full amortisation loss on Capital FM's radio license recognised in 4Q14

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Media outlook 1H15

1.

- Cautious spending by consumers leading up to GST (1 April); expect spending patterns to normalise in 2H15

2.

- Weak economic outlook:- Malaysia 2015 budget was revised by PM on 20 January 2015 due to lower oil prices, strength of the Ringgit

3.

- Possibility of recovery / normalisation in 3Q

Strategies Update

1.

Evolution: Rebuilding our core asset

2.

Digital transformation

3.

Strategic and synergistic acquisitions

1. Evolution : Rebuilding our core assets

2014 LANDMARK ACHIEVEMENTS

TRANSITION TO BUSINESS VERTICALS



Growing our revenue share
from the property and
real estate industry

STARPROPERTY.MY'S OMNI-CHANNEL MARKETING ECOSYSTEM

REACH



ENGAGE



CONVERT

Print



StarProperty.my
Pullout

Digital



Radio



Mobile



StarProperty.my
Mobile App

Social



StarProperty.my
Facebook Page

Events



CRM

Fully integrated with our omni-channel marketing ecosystem, the CRM (Customer Relationship Management) platform is designed to help property developers better manage, engage and convert the leads generated from their project marketing campaign.

KEY ACHIEVEMENTS IN 2014

7 StarProperty.my
fairs, 186 booths
In Kuala Lumpur, Selangor, Penang and Johor Bahru

StarProperty.my
pullout

Launched in Jan 2014, the first dedicated property pullout is available in The Star newspaper every third Sunday of the month.



Partnership with
Real Estate Agencies

Through strategic alliances with the local real estate industry, we are able to enhance lead generation, create demand and drive conversions.

**Acquired NO.3
player in market
PROPWALL**

- Over 20,000 agents members – 3,125 paying agents
- 10,000 active members
- Over 250,000 consumer members
- Integration to StarSearch print classifieds

BY LEVERAGING VARIOUS PLATFORMS OF THE STAR MEDIA GROUP, BOTH STARPROPERTY.MY AND PROPWALL.MY HAVE SUCCESSFULLY MAXIMISED MULTIPLE TOUCHPOINTS TO BOOST REVENUE GROWTH.



1. Evolution : Verticalisation of Business Units

- **Verticalisation of our Advertising Business**
 - Starting with the Property Business Unit which has print, digital, classifieds and exhibitions in a holistic manner to target both the property developer and property agent business
- **Expansion & Revitalisation of Events business**
 - Revitalizing and expanding the business of Perfect Living, Education, Health and Sports and other potential sectors such as SME
- **Disrupting Online Advertising with A.I.M.**
 - Launch of Star Media Group audience targeting system called AIM, Audience Interest Marketing targeting consumers by their interest, behaviour and demographic profiles

2. Digital Transformation: Our Road Map

Phase 1. Transforming Our News Content to Video



Bare all in Petaling Street
204,857 views • 2 weeks ago



We'll bring culprits to justice,
says police chief
26,676 views • 4 days ago



Customers might not always
be right but...
21,503 views • 20 hours ago



Chopper crash: Jamaluddin
Jarjis among six killed
54,449 views • 1 month ago

Phase 2. Building our Content from across the Group into Video



News, Business &
Politics



Youth



Chinese General
Entertainment



Lifestyle &
Entertainment



Phase 3. Developing our footprint across ASEAN



Transforming our future to Video, leveraging on our core consumers across the entire Star Media Group audiences from Print to Radio to TV



The banner features the 'Avengers S.T.A.T.I.O.N.' logo in a stylized, metallic font. Below the logo, the text 'EXHIBITION' is written in a smaller, spaced-out font. The background is dark with red and blue circuit-like patterns. In the bottom right, Iron Man's helmet is visible. On the left and right sides, there are vertical panels with labels like '0 LF PT S1', 'P1 P2 P3 P4 S1', 'S2 S3 S4 LF LT', '2A', and '8+'. The text 'ENLIST NOW AT: STATIONEXHIBIT.COM/AVENGERS' is prominently displayed in the center. At the bottom left, it says 'Marvel's Avengers S.T.A.T.I.O.N.' and at the bottom right, there is a 'More' link with an upward arrow.

MARVEL
THE AVENGERS
S.T.A.T.I.O.N.
..... EXHIBITION

ENLIST NOW AT:
STATIONEXHIBIT.COM/AVENGERS

Marvel's Avengers S.T.A.T.I.O.N. [More](#)



Holds the rights to produce the travelling exhibition
Plans to bring to the exhibition to other cities in Asia and US

3. Strategic & synergistic acquisitions

Group will continuously assess and consider other acquisitions which are earnings accretive and complements the overall direction of the Group.

THANK
YOU