



FY16 Results

Analyst Briefing
2 March 2017

THE STAR MEDIA GROUP

Read. Listen. Watch. Think. Be Inspired

DISCLAIMER

This presentation and the discussion following may contain forward looking statements by the Star Media Group Berhad (“Company”) related to financial, market or industry trends for future period. Actual future performance, outcomes and results may differ materially from those expressed in forward-looking statements as a result of a number of risks, uncertainties and assumptions.

The statements are made based on facts and information available to the Company at the date of the presentation and merely represent an expression of the Company management’s views, targets and expirations of future events. They do not in anyway represent a forecast, projection, estimate or guarantee of the Company’s future performance and neither have they been independently verified.

Accordingly no representation or warranty, express or implied is made to, and no reliance should be placed on the fairness, accuracy and completeness of such information. The Company and its subsidiaries, representatives and officers shall have no liability whatsoever for any loss, damage, costs and expenses arising out of or in connection with this presentation.

Agenda

1

**Quarter 4
2016
Highlights**

2

**Quarter 4
2016 Group
Financials**

3

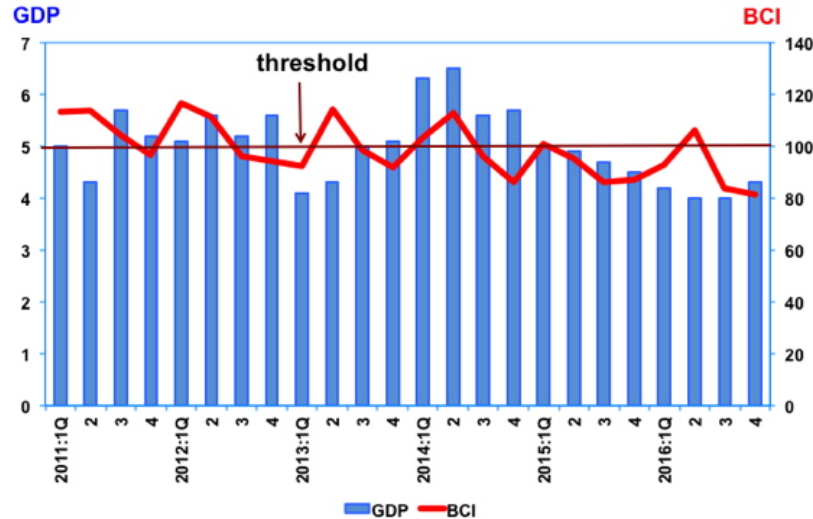
**Business
Segments
financials**

4

Outlook

4Q16 MIER 4Q 2016 update

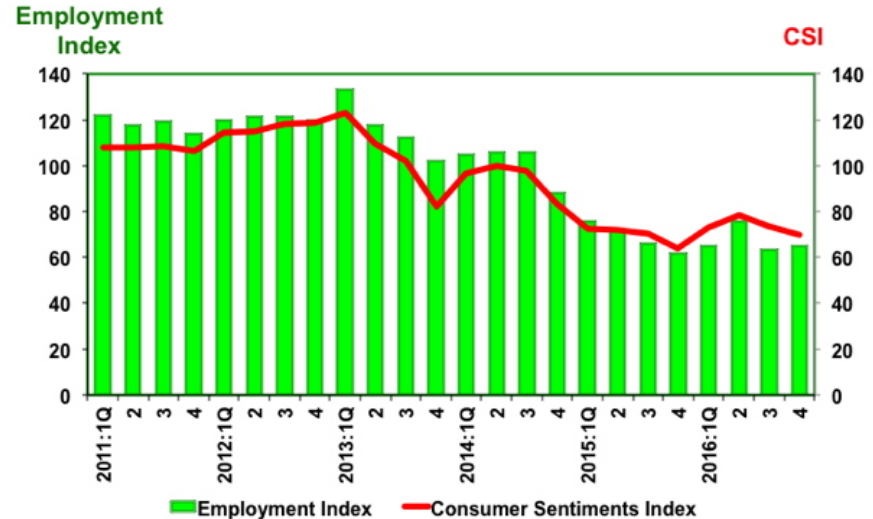
Business Conditions Index: BCI4Q2016



STILL IN NEGATIVE TERRITORY

- BCI drops for the second consecutive quarter to 81.2 points

Consumer Sentiments Index: CSI4Q2016



SENTIMENTS SHIFT LOWER

- CSI falls further to 69.8 points
- Cautious and selective shopping plans

Source MIER website <https://www.mier.org.my/bci/>

Weak business condition and consumer sentiment persisted for 4Q 2016

4Q16 & FY16 highlights

Sobering time
for the media
industry

Print revenue
being
challenged

Stellar performance
from Cityneon's IP
business

Disposal of
RedFM and
Capital FM

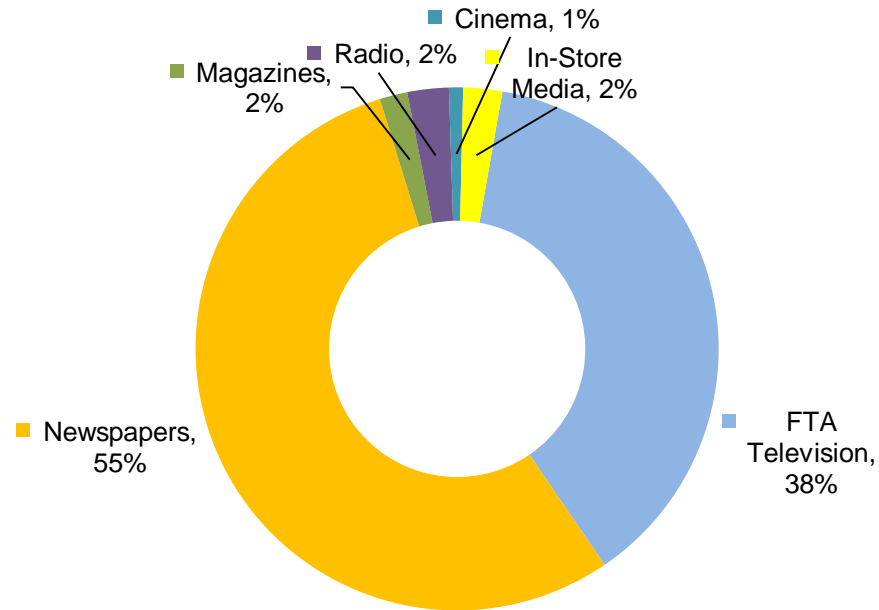
Launch of
dimsum

Encouraging take-up
rate

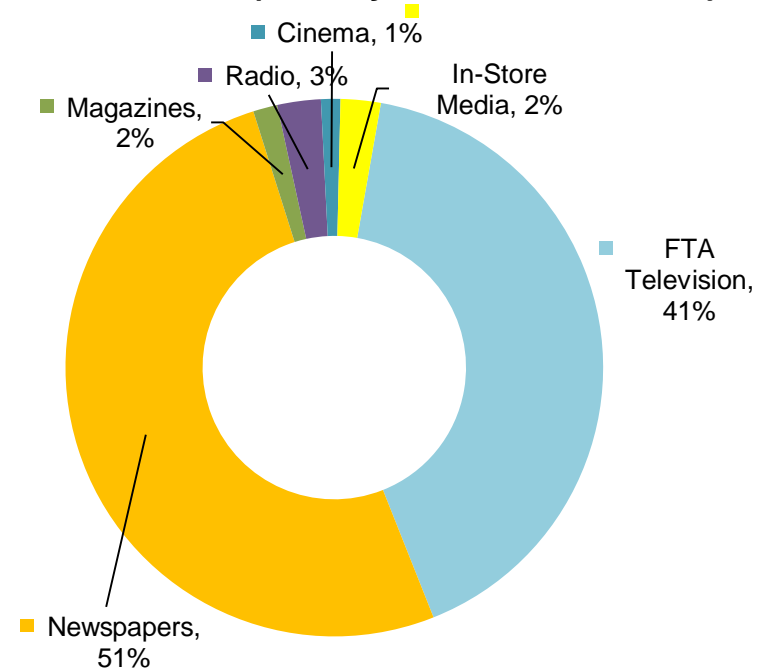
YTD Dec '15 / '16; total adex, all media

Medium share (%)

YTD Dec 2015 (ex. Pay TV & Astro Radio)



YTD Dec 2016 (ex. Pay TV & Astro Radio)



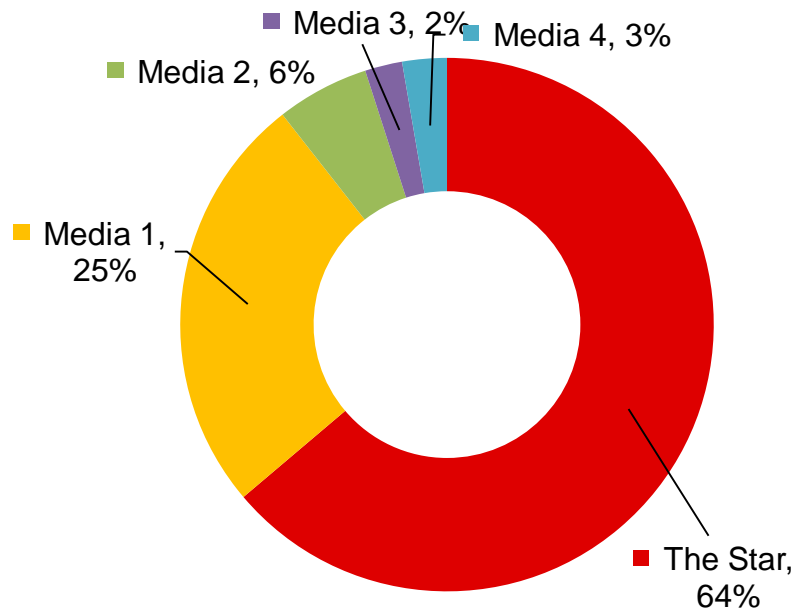
Source: Nielsen AIS. Numbers have not taken into consideration the discounting factor. Excludes Pay TV and Astro radio stations

Print has an impact & memorability which cannot be replicated by either digital or TV

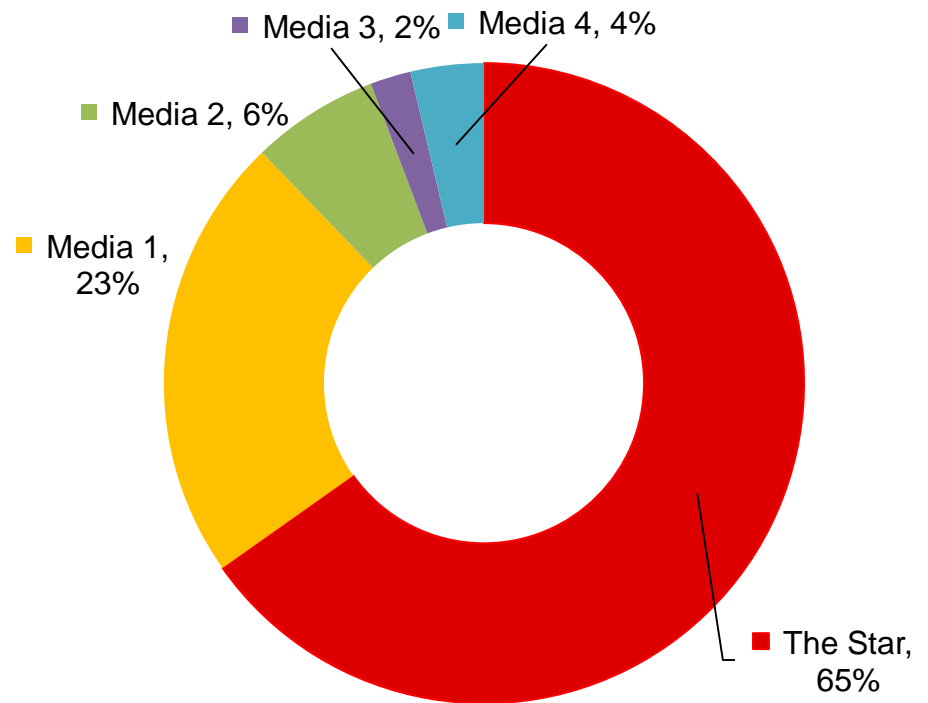
YTD Dec '15 / '16; English paper adex

Total English newspapers Adex, Peninsular Malaysia YTD Dec (%)

YTD Dec 2015



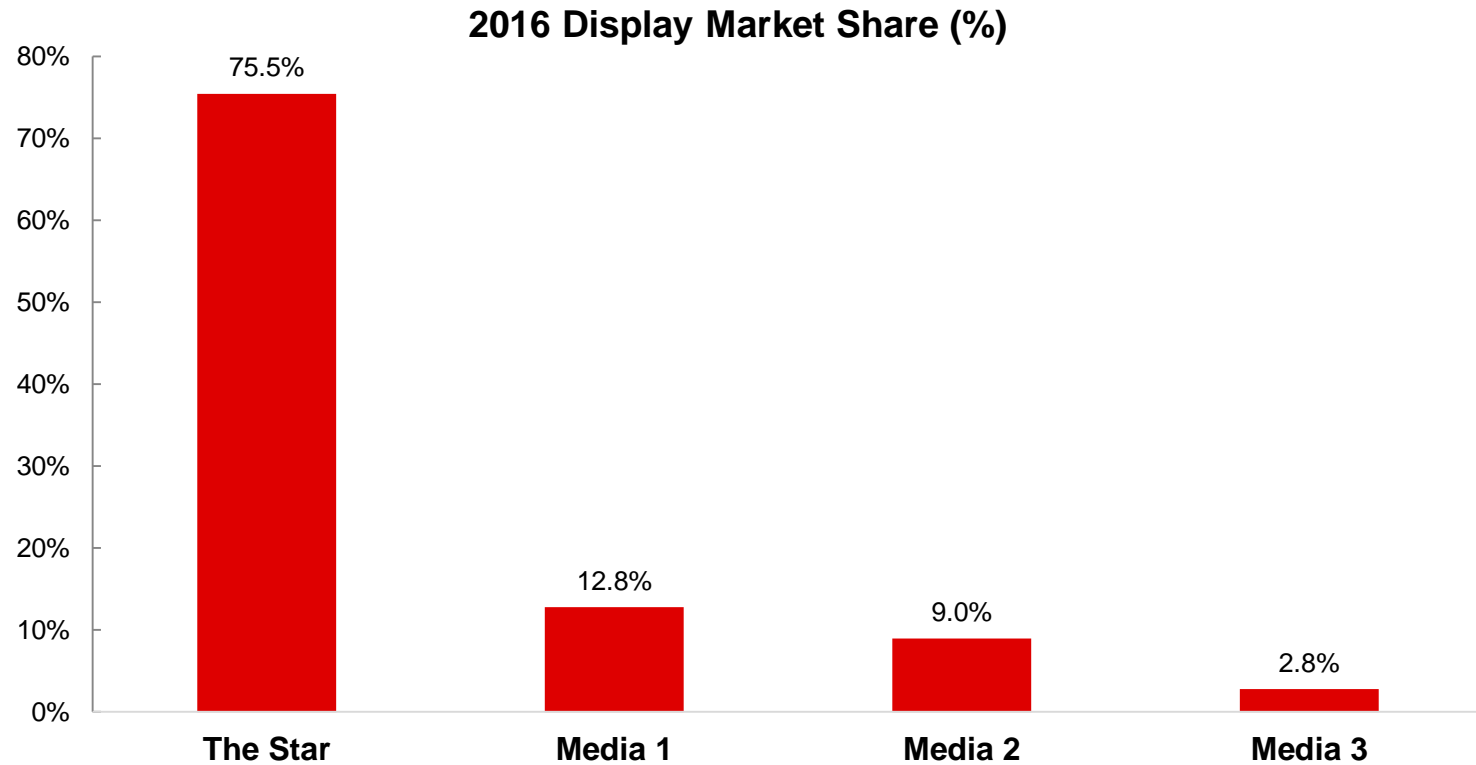
YTD Dec 2016



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

Despite newspaper shrinking market share, Star maintains it's lion share for 2016

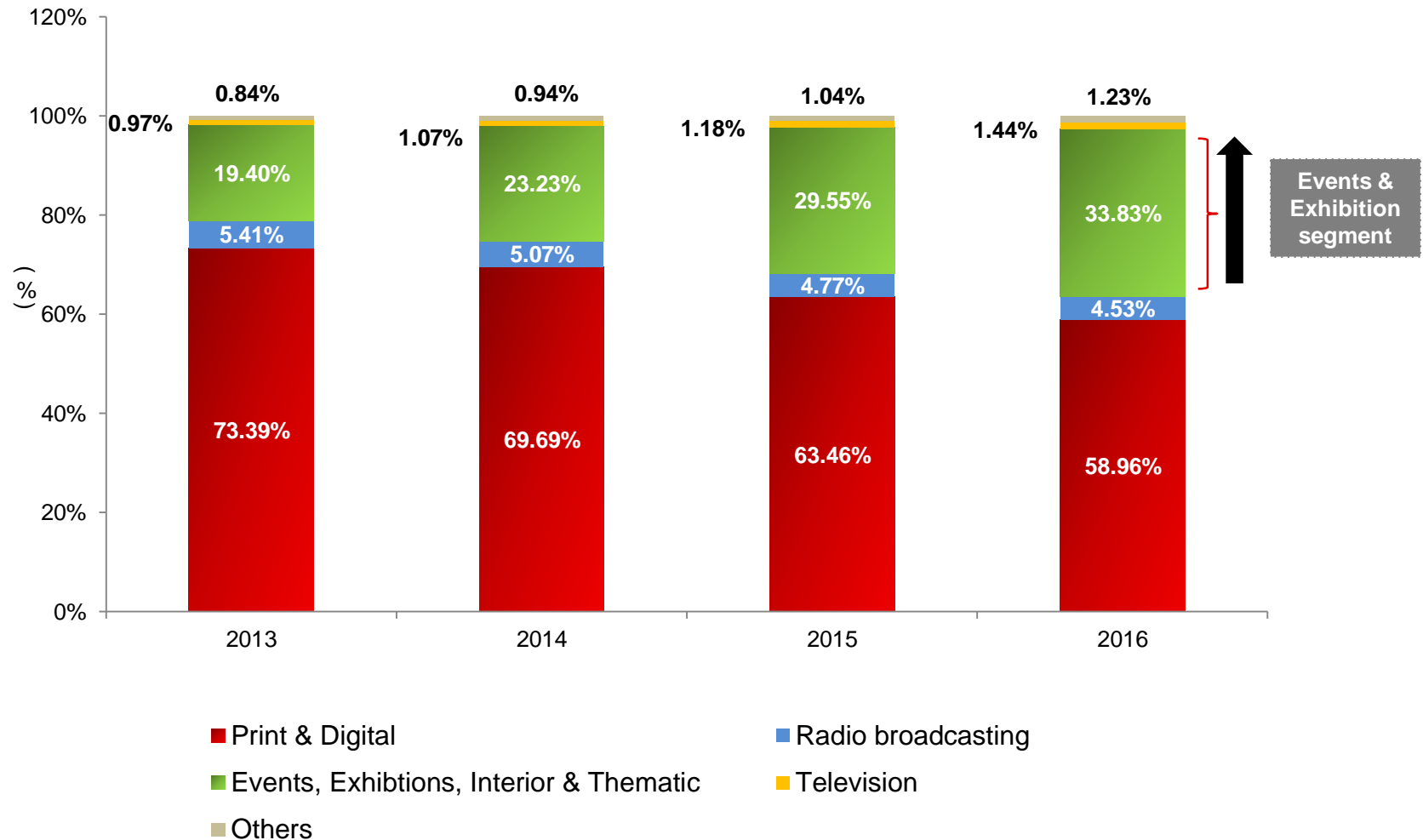
YTD English newspapers Adex (Pen. M'sia)



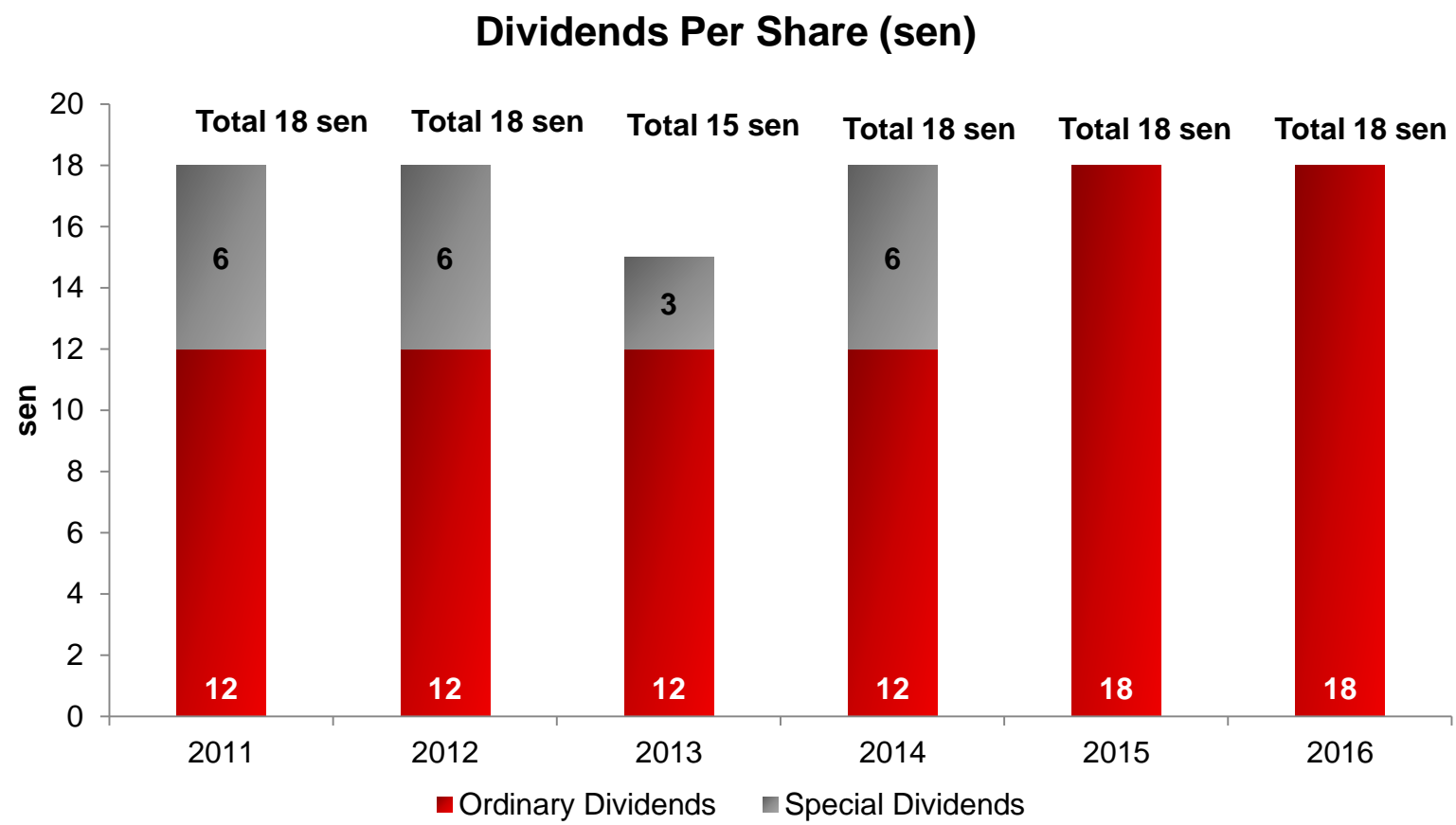
Source: Nielsen AIS

Star has dominance in the display category

Revenue breakdown by segments (%)



Maintained high payout



	2011	2012	2013	2014	2015	2016
Media 1	16 sen	13 sen	14 sen	11 sen	10 sen	10 sen

FY17 key focus areas



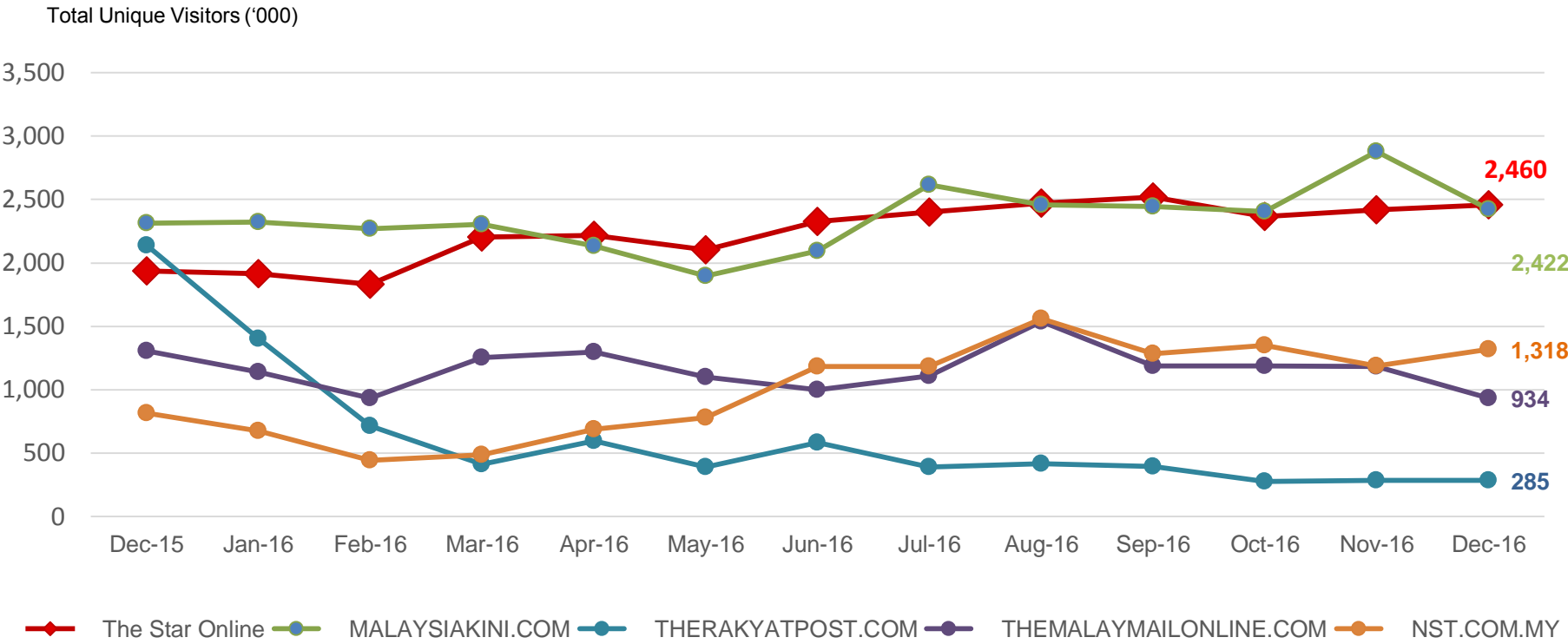
Print: Working with our partners to create ads that would really strike a meaningful connection with their target audience

Digital: regional content partnerships & increasing users in digital subscriptions

Events & Exhibitions: More exhibits for Cityneon: Taiwan, Australia, China & Middle East

TSOL; Dec '15 – Dec' 16

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



The Star Online UV ('000)

Dec'15	Jan'16	Feb'16	Mar'16	Apr'16	May'16	Jun'16	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16
1,937	1,915	1,834	2,204	2,215	2,103	2,326	2,403	2,472	2,518	2,368	2,417	2,460

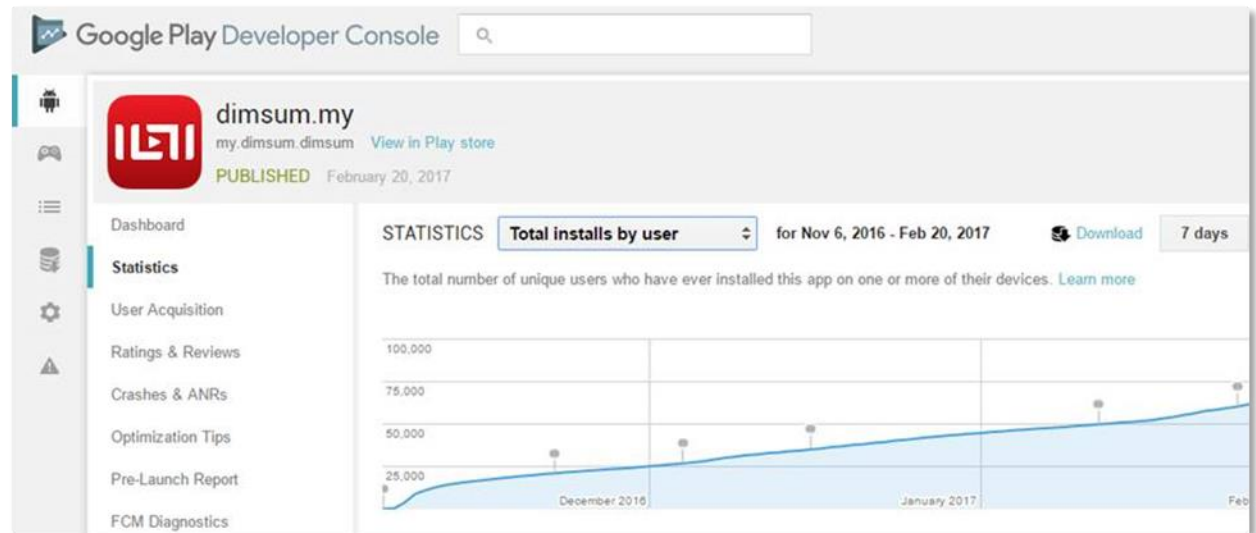
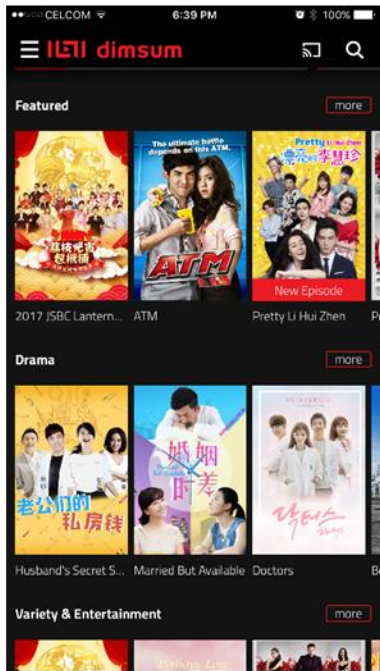
• The Star Online remained at top position in Dec 2016

Source: comScore Media Metrix / Mobile Metrix

New member



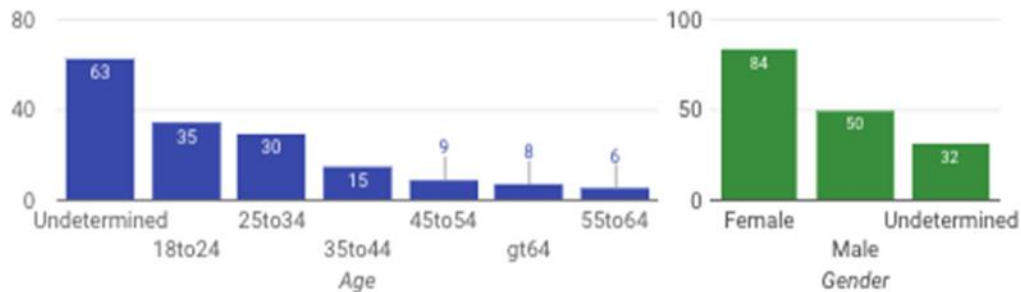
Over 100,000 Apps downloaded
since launch



Users behaviour

Demographics

by Conversion



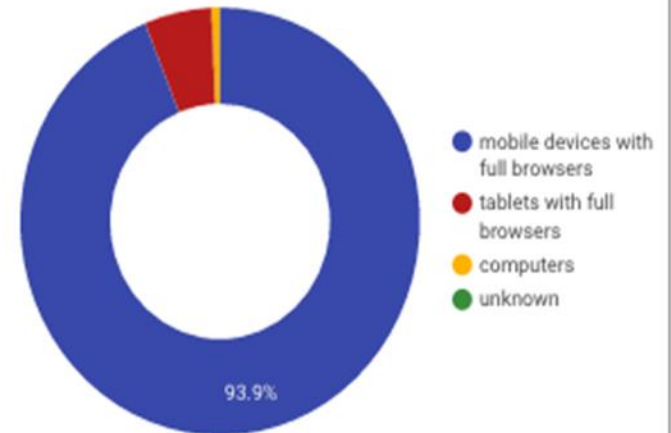
Regions

by Sessions







	Region
1.	Federal Territory of Kuala Lumpur
2.	Selangor
3.	Penang
4.	Johor
5.	Sarawak
6.	Perak
7.	Sabah
8.	Malacca

Device Breakdown

by Conversion



Full functions rolled out

					
5 Concurrent Users	Watch in HD	With Subtitles	Parental Control	Watch on TV	Offline Viewing
Share with your family and friends	Never compromise on quality	English, Chinese & Malay subtitles	Fun & educational shows for kids	Chromecast & Airplay	Download and watch later

NEW!

Offline viewing and tablet version launched



Watching on TV via Chromecast & Airplay

12 Nation THE STAR, TUESDAY 3 FEBRUARY 2017

Watch dimsum.my on the big screen

Video-on-demand service has been updated to support Google Chromecast

YOU can now watch dimsum.my on your big screen TV as the video-on-demand service, which offers unlimited access to the best of Asian content, has been updated to support Google Chromecast.

In other words, subscribers can now cast shows and movies on dimsum.my directly from smartphones, tablets or laptops onto TV screens.

Chromecast is a media streaming device that plugs into the HDMI port on TVs - this feature is available for smartphones and tablets running on Android and iOS, as well as computers with Windows 7 or later and Mac OS X 10.9 or above.

"Video streaming is becoming more and more relevant as consumers take to mobile devices as their source of entertainment," says dimsum chief marketing officer Lam Swee Hin.



"Over 80% of dimsum subscribers access their content on mobile devices and that's why we are extending its features for our subscribers. They can enjoy premium content in high definition (HD) at an affordable price and stream to TVs."

For the festive season, dimsum simulcast the annual premiere Chinese New Year events in China, including 2017 JISC Countdown Concert and 2017 JISC Spring Festival Gala with some must-watch movies from Stephen Chow, Leslie Cheung and Jackie Chan such as From Beijing With Love, God of Gamblers 2, Heat The Judge, New Happiness, It's A Wonderful Life, Ali's Well, Dad's Well Too and My Lucky Star.

The 2017 JISC Lantern Festival Gala will be simulcast on Feb. 11, and other highlight for this month includes Chik Mui Koo Chan, Plovers Years To Wait For Migratory Birds, Married But Available and Husband's Secret Crush.

Variety shows fans will love Super Trio Mission, Running Man, Touch Screen Cuisine and Feng Shui's Cooking Class CNY Special.

Currently available in Malaysia and Brunei, dimsum.my subscription is priced at only RM15 a month and all new members will enjoy 30 days of free trial access.

Download the dimsum app from the Apple App Store or Google Play Store or stream directly from dimsum.my.

For more dimsum.my Facebook @mydimsum or Instagram @mydimsum



Watch dimsum.my on the big screen

Video-on-demand service has been updated to support Google Chromecast





Deity predicts average year ahead for Penang



Ex-chill servant wins RM27.4mil jackpot



Preparations in full swing for a grand chingay show







Step 3
Open your mobile dimsum app and turn on Cast button at the top right

ILET dimsum

Promotion partners - Telco



Digi Broadband™
Digi #FattFattFatt Sale

Bring home abundance with non-stop entertainment.

Buy a Samsung Smart TV before 28 February 2017 with Digi Broadband™ 100 and enjoy:

Now With **50GB 68GB^{month}**

RM 348
rebate

+ FREE 2-month subscription on dimsum

4G
FAST • CONSISTENT • 100

digi
LET'S INSPIRE



ILET dimsum **digi**
LET'S INSPIRE

Watch CNY Countdown Shows
60 days FREE for Digi subscribers

Illustration of a family watching a CNY Countdown Show.



ILET dimsum Stream the Best of Asia on dimsum
Available NOW on VIDEO ▶ ONZ™

Illustration of a family watching a show on a TV.



ILET dimsum [Download from App Store](#) [Download from Google Play](#)

2017 JSBC Countdown Concert **2017 JSBC Spring Festival Gala** **Super Trio Maximus** **A Family Goes Job Hunting**

Super Trio Maximus
28 January 2017 | 10.00 pm
Cantonese Game show

This popular Cantonese game show returns with a series of new funny games adapted from all over the world. Famous stars and casts will appear on the show to bring laughter and cheer you up!

就活家族
——さっさと就職しな——

Digi & Umobile



Promotion partners - Retail



Pepsi, Revive, 7 Up

ILEI dimsum

Ground presence



ILFI dimsum

Retail presence



Dimsum will be available at Senheng & senQ, Malaysia's largest electrical retail chain with over 100 stores nation wide from March 2017 onwards



Agenda

1

**Quarter 4
2016
Highlights**

2

**Quarter 4
2016 Group
Financials**

3

**Business
Segments
financials**

4

Outlook

Performance of Star Media Group

(RM million)	1Q16	2Q16	3Q16	4Q16	12M16	12M15	Var
Revenue	198.73	266.54	206.50	260.35	932.12	1,019.02	(8.5%)
EBITDA	28.99	41.99	28.69	8.36	108.03	183.36	(41.1%)
PBT	22.38	58.45	17.86	47.52	146.21	170.07	(14.0)%
Extraordinary items	-	-	-	39.97	39.97	-	-
PBT (excluding extraordinary items)	22.38	58.45	17.86	7.55	106.24	170.07	(37.5%)
<i>EBITDA Margin</i>	14.6%	15.8%	13.9%	3.2%	11.6%	18.0%	-
<i>PBT Margin</i>	11.3%	21.9%	8.6%	18.3%	15.7%	16.7%	-
<i>Gain on disposal of subsidiary</i>				40.257			
<i>Gain on deregistration of a subsidiary</i>				21.073			
<i>Impairment on goodwill and other investment</i>				(21.358)			
<i>Net impact</i>				39.972			

Lower revenue contribution from Print and Radio segment

Agenda

1

**Quarter 4
2016
Highlights**

2

**Quarter 4
2016 Group
Financials**

3

**Business
Segments
financials**

4

Outlook

4Q16 Business Segments

1.

- **Print and Digital**

2.

- Event, Exhibition, Interior and Thematic

3.

- TV Channel

4.

- Radio

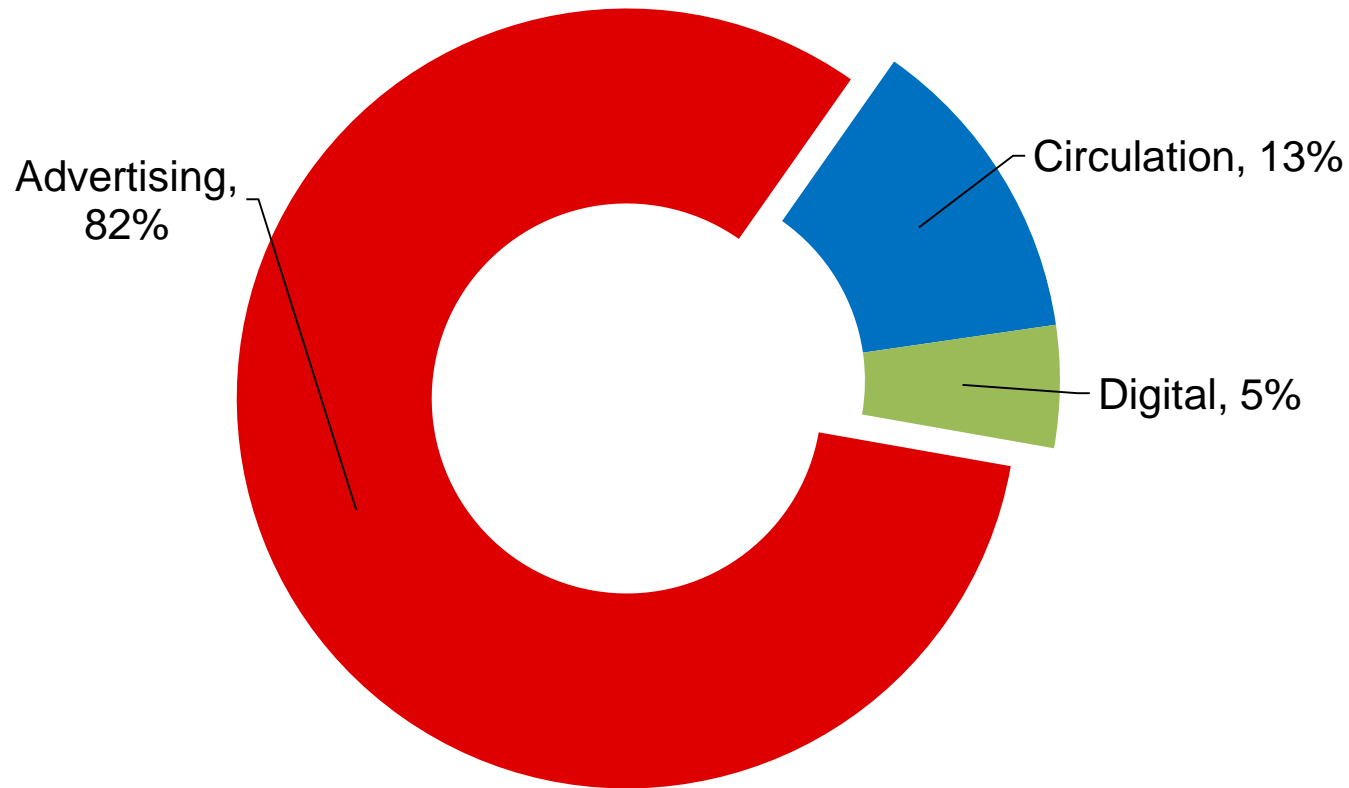
Performance of Star Media Group

Print and Digital Segment

(RM million)	1Q16	2Q16	3Q16	4Q16	12M16	12M15	Var.
Revenue	141.91	143.25	136.11	128.34	549.61	646.70	(15.0%)
EBITDA	31.66	25.07	27.99	19.45	104.17	179.23	(41.9%)
PBT	27.16	23.02	24.22	16.32	90.72	171.88	(47.2)%
<i>EBITDA Margin</i>	22.3%	17.5%	20.6%	15.2%	19.0%	27.7%	-
<i>PBT Margin</i>	19.1%	16.1%	17.8%	12.7%	16.5%	26.6%	-

Lower advertising revenue due to poor consumer and business sentiments

Breakdown of revenue 2016



4Q16 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)	1Q16	2Q16	3Q16	4Q16	12M16	12M15	Var.
Revenue	1.19	6.61	1.24	4.63	13.67	23.26	(41.2%)
EBITDA/ (LBITDA)	(1.09)	1.36	(0.43)	1.55	1.39	5.60	(75.2%)
PBT/LBT	(1.07)	1.35	(0.49)	1.53	1.32	5.54	(76.2%)
<i>EBITDA/ (LBITDA) Margin</i>	(91.6%)	20.6%	(34.7%)	33.5%	10.2%	24.1%	-
<i>PBT/LBT Margin</i>	(89.9%)	20.4%	(39.5%)	33.0%	9.7%	23.8%	-

10 events in 2016 versus 16 events in 2015

Performance of Cityneon Holdings Ltd

(SGD million)	1Q16	2Q16	3Q16	4Q16	12M16	12M15	Var.
Revenue	13.5	32.82	16.69	33.74	96.75	96.49	0.3%
EBITDA/ (LBITDA)	0.29	6.93	0.50	3.47	11.19	2.23	401.8%
PBT/(LBT)	(0.31)	6.03	(0.59)	2.24	7.37	0.79	832.9%
EBITDA/ (LBITDA) Margin	2.1%	21.1%	3.0%	10.3%	11.6%	2.3%	-
PBT/(LBT) Margin	(2.3%)	18.4%	(3.5%)	6.6%	7.6%	0.8%	-

Intellectual Property Rights contributed majority of total PBT

4Q16 Business Segments

1.

- Print and Digital

2.

- Event, Exhibition, Interior and Thematic

3.

- **TV Channel**

4.

- Radio

Performance of Li TV Holdings Ltd

(USD million)	1Q16	2Q16	3Q16	4Q16	12M16	12M15	Var.
Revenue	0.48	0.61	0.68	1.26	3.03	3.05	(0.7%)
(LBITDA)	(0.47)	(0.58)	(0.41)	(0.11)	(1.57)	(1.93)	18.7%
(LBT)	(0.48)	(0.60)	(0.42)	(0.12)	(1.62)	(2.02)	19.8%
(LBITDA) Margin	(97.9%)	(95.1%)	(60.3%)	(8.7%)	(51.8%)	(63.3)%	-
(LBT) Margin	(100%)	(98.4%)	(61.8%)	(9.5%)	(53.5%)	(66.2)%	-

Lower losses registered q-o-q due to higher revenue and better cost management

4Q16 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)	1Q16	2Q16	3Q16	4Q16	12M16	12M15	Var.
Revenue	10.95	9.94	9.83	11.48	42.20	48.58	(13.1%)
(LBITDA)/EBITDA	(0.11)	(1.58)	(1.05)	0.61	(2.13)	(0.12)	(1675.0%)
(LBT)/PBT (excluding impairment)	(0.36)	(1.89)	(1.27)	1.21	(2.31)	(1.04)	(122.1%)
(LBITDA)/EBITDA Margin	(1.0%)	(15.9%)	(10.7%)	5.3%	(5.0%)	(0.2)%	-
(LBT)/PBT Margin	(3.3%)	(19.0%)	(12.9%)	10.5%	(5.5%)	(2.1)%	-

(after inter company transaction eliminations)



Revenue affected by the disposal process of 2 stations throughout 2016

Agenda

1

**Quarter 4
2016
Highlights**

2

**Quarter 4
2016 Group
Financials**

3

**Business
Segments
financials**

4

Outlook

2017 Outlook

1.

- Consumer sentiment expected to remain soft. Expect a challenging year but some industry captains expect some gradual improvement in 2H; ASEAN@50, SEA Games, 60th National Day, 9th Asean Para Games & possible GE14

2.

- Cityneon is expected to contribute positively with other exhibitions coming on stream such as Taiwan, Australia, China and the Middle East

Download our presentation

<http://starmediagroup.my/>

or

<http://starmediagroup.my/investors-relations/presentations/>

THANK
YOU