



2Q17 Results

Analyst Briefing
29 August 2017

THE STAR MEDIA GROUP

Read. Listen. Watch. Think. Be Inspired

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Key takeaways 2Q17

1.

- Challenging environment for the media sector in terms of ad spend

2.

- Lower profitability for Print & Digital was partly attributed to start-up costs of dimsum

3.

- Turnaround for the Radio segment on the back of the disposal of the 2 stations

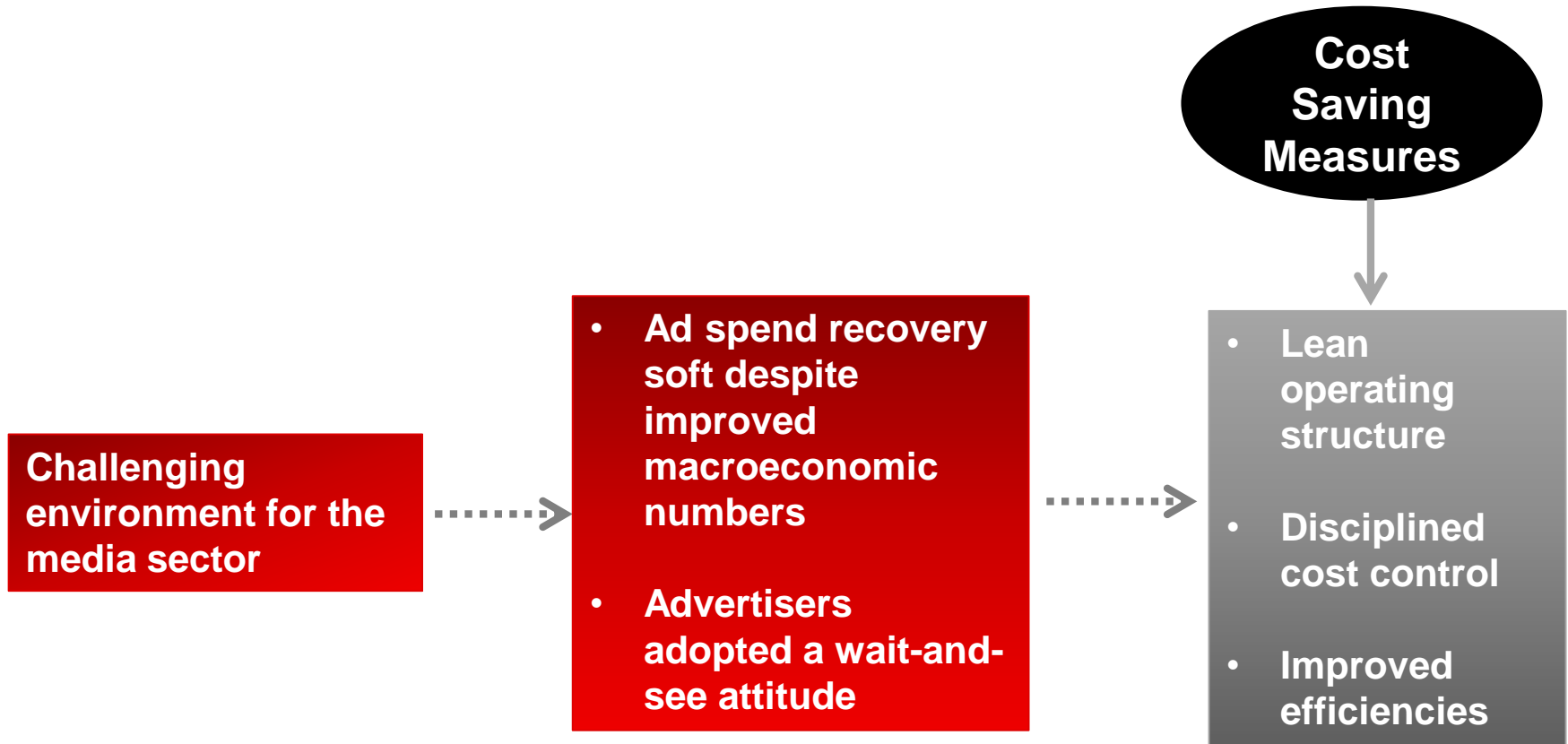
4.

- Lower number of events for the Events & Exhibition segment

5.

- Disposal of Cityneon, which was completed in July 2017

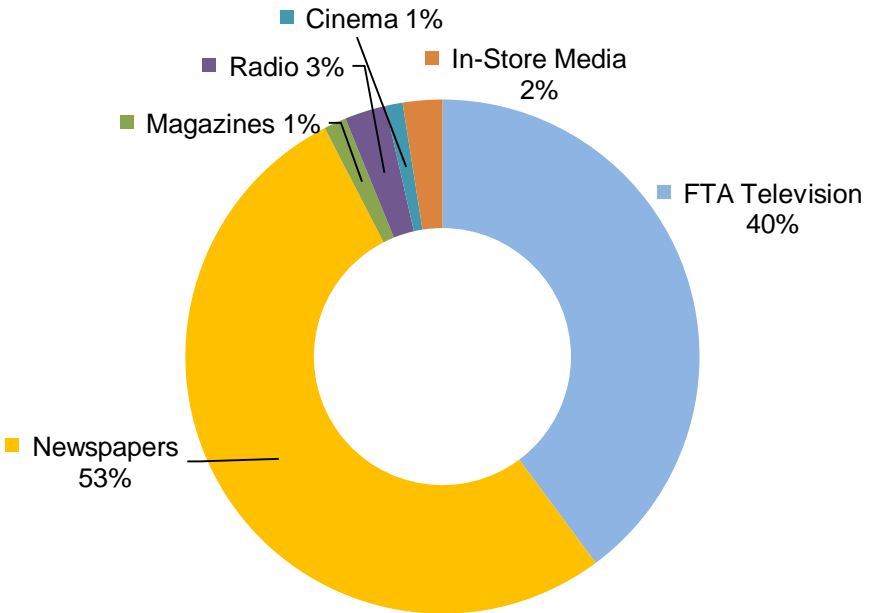
Initiatives to mitigate challenges



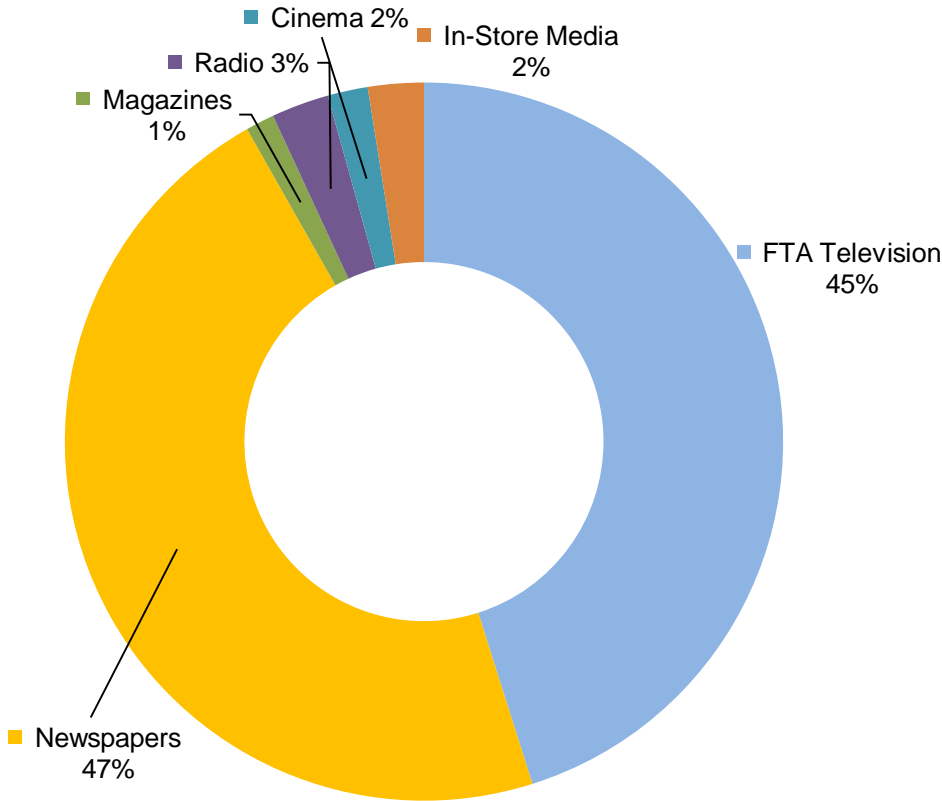
YTD June '16 / '17; total adex, all media

Medium share (%)

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



YTD June 2017 (ex. Pay TV & Astro Radio)

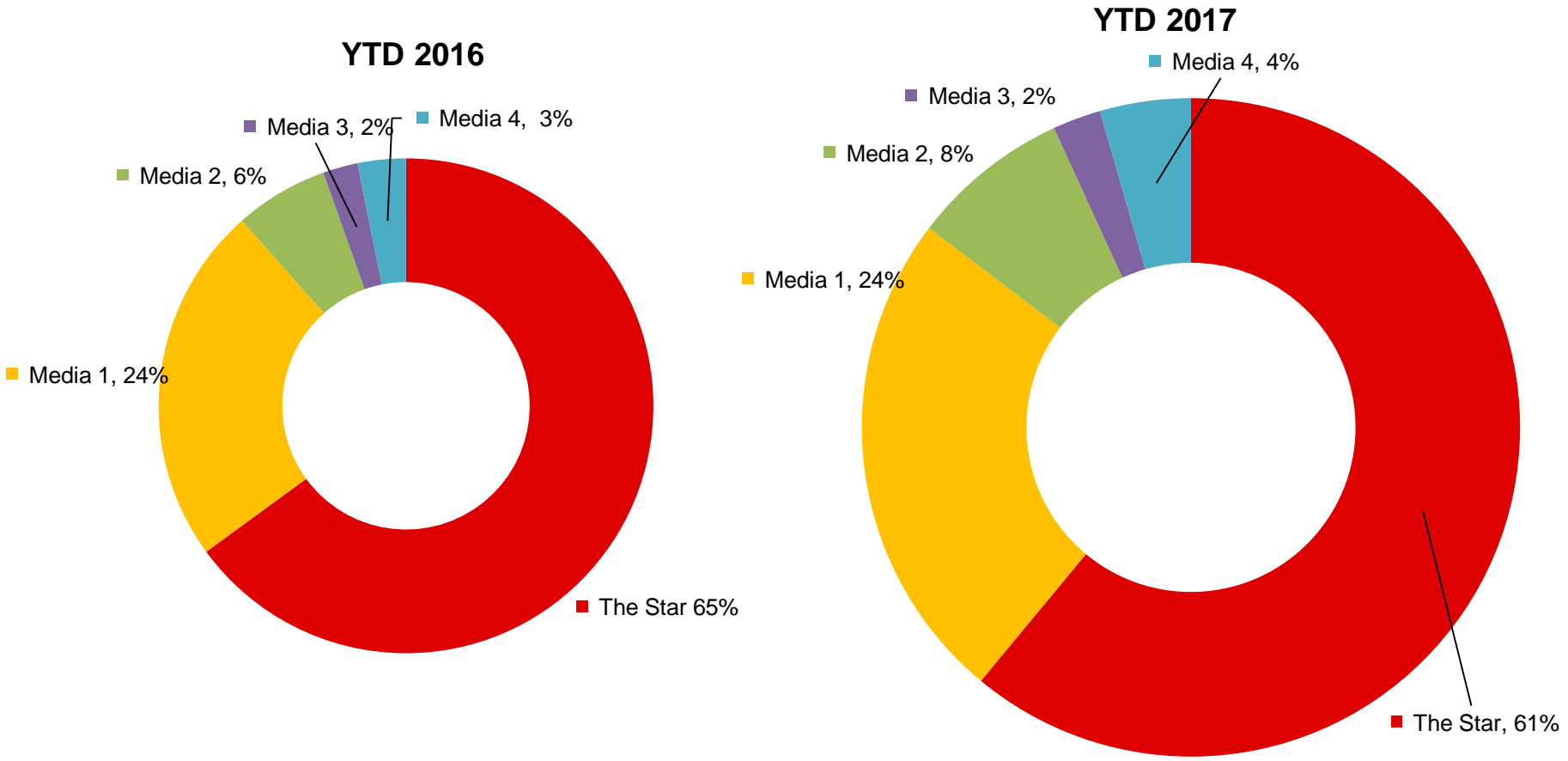


Source: Nielsen AIS. Numbers have not taken into consideration the discounting factor. Excludes Pay TV and Astro radio stations

Lower print adex

YTD June '16 / '17; English paper adex

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

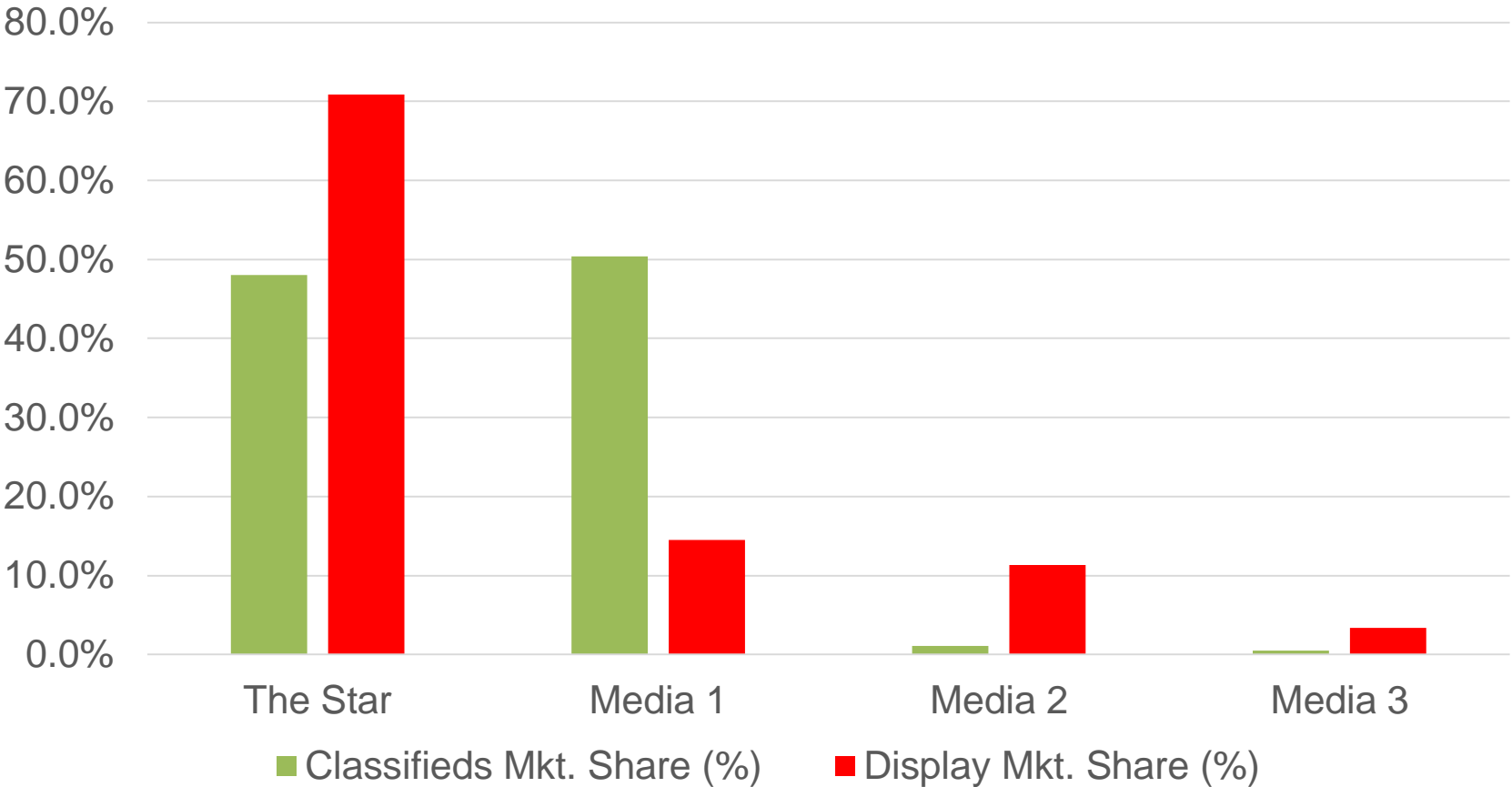


Source: Nielsen AIS. Numbers have not taken into consideration the discounting factor. Excludes Pay TV and Astro radio stations

Despite contraction, maintains dominant market position

YTD classified & display market share

English newspapers in Peninsular Malaysia; YTD June 2017 (%)



Source: Nielsen AIS

Star has dominance in the display category

2Q17 highlights



- A successful Women do Wonders event - WOW



- Ipoh Star Walk with 15,000 participants



2Q17 highlights



- Starproperty.my Fair



- A successful Fit For Life campaign



2Q17 highlights



- Ride for Malaysia



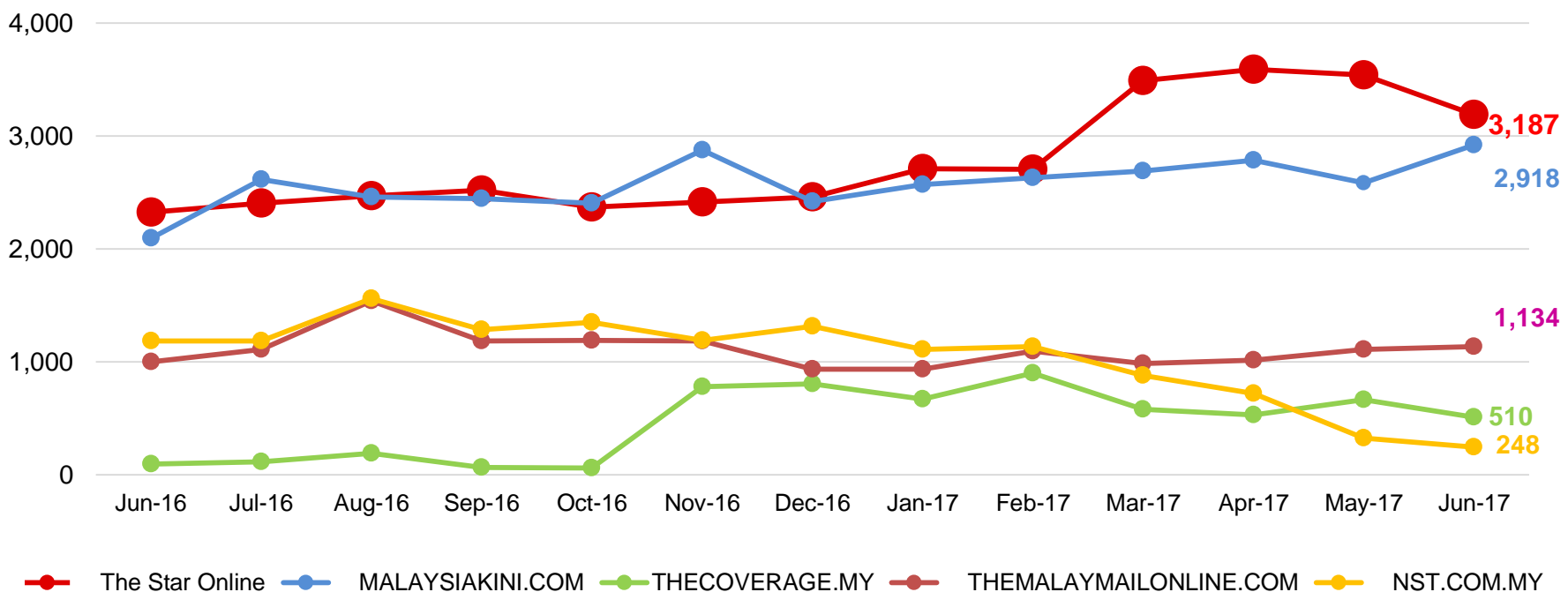
- # Anak Anak Malaysia



TSOL, June '16 – June' 17

English News Portals Performance June'16 - June'17 (Combined PC & Mobile)

Total Unique Visitors ('000)



The Star Online UV ('000)

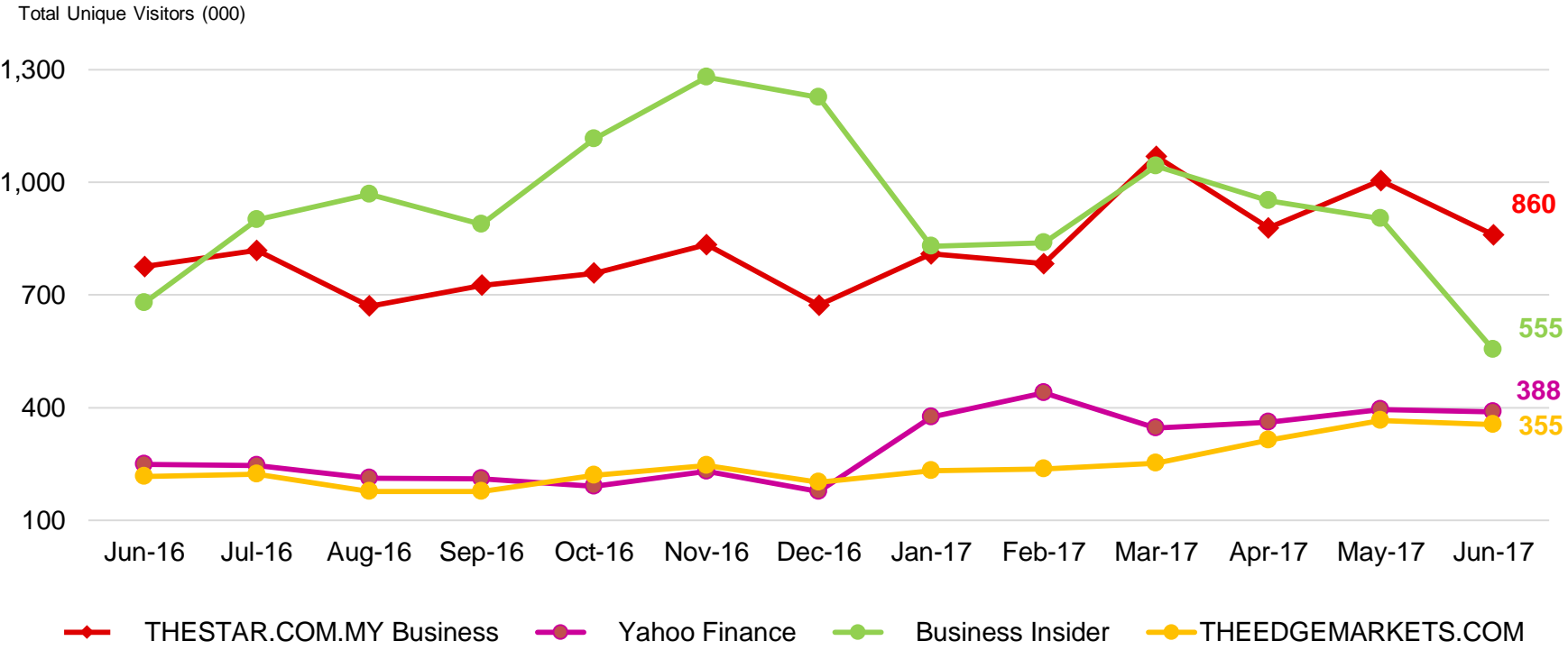
Jun'16	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	Mar'17	Apr'17	May'17	Jun'17
2,326	2,403	2,472	2,518	2,368	2,417	2,460	2,708	2,707	3,490	3,588	3,538	3,187

• **The Star Online** remains as top local English news portal for June 2017

Source: comScore Media Metrix / Mobile Metrix

Star Biz, June '16 – June '17

The Star Online Business versus Competitors; June '16- June '17 (Combined PC & Mobile)



thestar.com.my business UV ('000)

Jun'16	Jul'16	Aug'16	Sep'16	Oct'16	Nov'16	Dec'16	Jan'17	Feb'17	Mar'17	Apr'17	May'17	Jun'17
776	819	670	726	758	834	673	809	783	1,069	879	1,005	860

- **StarBiz's** topped the business portals ranking in June 2017

Source: comScore Media Metrix / Mobile Metrix

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Performance of Star Media Group

(RM million)	2Q17	2Q16	Var (%)	1Q17	Var (%) 2Q17 v 1Q17	1H17	1H16	Var (%)
Revenue	129.38	165.54	(21.8%)	131.13	(1.3%)	260.51	323.44	(19.5%)
EBITDA	6.82	22.71	(70.0%)	9.90	(31.1%)	16.72	51.03	(67.2%)
PBT (excluding extraordinary items)	0.57	18.81	(97.0%)	6.43	(91.1%)	7.0	42.04	(83.3%)
Extraordinary items	-	21.07	-	-	-	-	21.07	-
PBT (continuing operations)	0.57	39.88	(98.6%)	6.43	(91.1%)	7.0	63.11	(88.9%)
PBT (discontinued operations)	19.86	18.58	6.9%	7.33	170.9%	27.19	17.72	53.5%
Total PBT (all operations)	20.43	58.46	(65.1%)	13.76	48.5%	34.19	80.83	(57.7%)
<i>EBITDA Margin</i>	5.3%	13.7%	-	7.5%	-	6.4%	15.8%	-
<i>PBT Margin</i>	0.4%	24.1%	-	4.9%	-	2.7%	19.5%	-

Lower revenue contribution from core segment

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2Q17 Business Segments

1.

- **Print and Digital**

2.

- Event, Exhibition, Interior and Thematic

3.

- Radio

Performance of Star Media Group

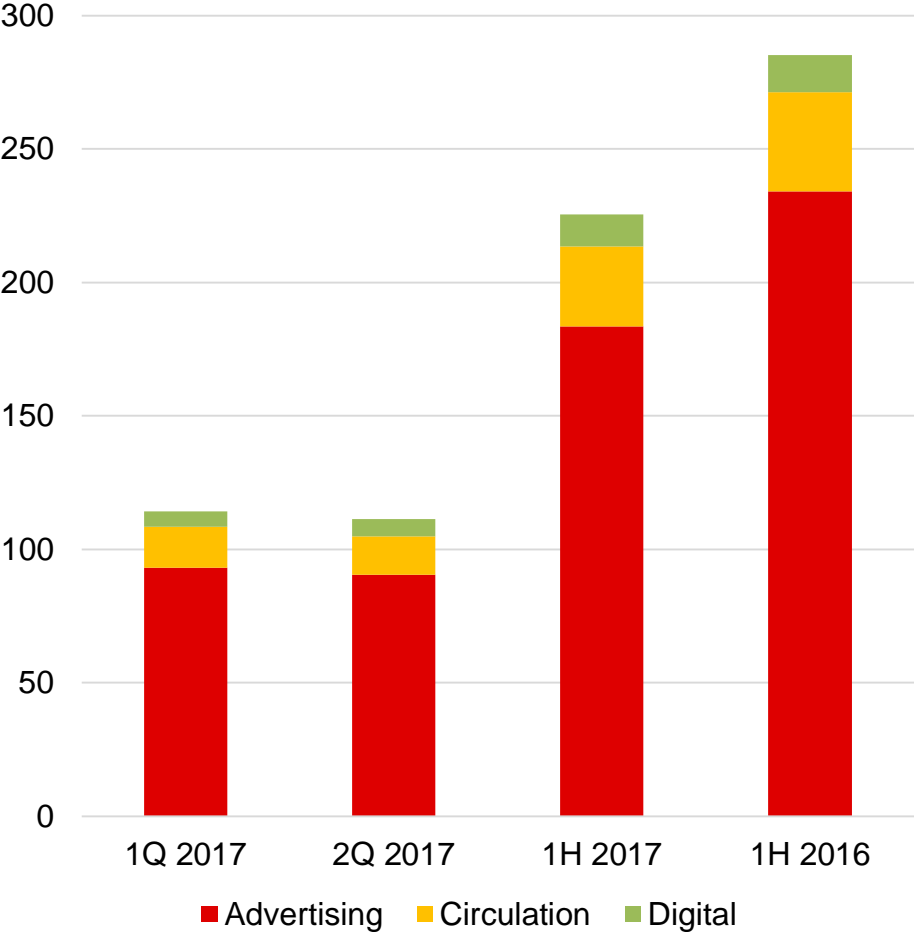
Print and Digital Segment

(RM million)	2Q17	2Q16	Var (%)	1Q17	Var (%) 2Q17 v 1Q17	1H17	1H16	Var (%)
Revenue	111.34	143.25	(22.3%)	114.2	(2.5%)	225.55	285.16	(20.9%)
EBITDA	9.04	25.07	(63.9%)	11.54	(21.7%)	20.58	56.73	(63.7%)
PBT	2.99	23.02	(87.0%)	8.10	(63.1%)	11.09	50.18	(77.9%)
EBITDA Margin	8.1%	17.5%	-	10.1%	-	9.1%	19.9%	-
PBT Margin	2.7%	16.1%	-	7.1%	-	4.9%	17.6%	-

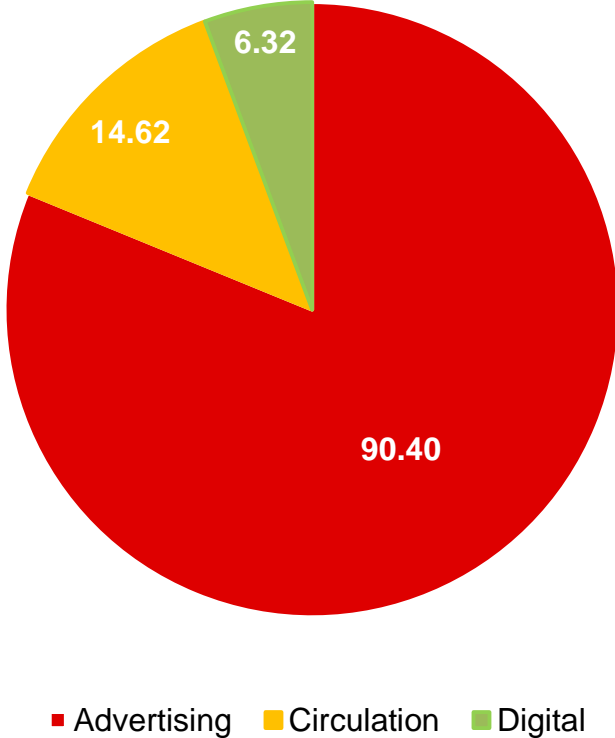
Lower adex due to poor market sentiment

Breakdown of revenue 2Q17

RM Mil Q-on-Q and H-on-H comparison



2Q 2017 revenue RM111.34m vs RM 143.25m in 2Q2016



2Q17 Business Segments

1.

- Print and Digital

2.

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

3.

- Radio

Performance of I.Star Ideas Factory

(RM million)	2Q17	2Q16	Var (%)	1Q17	Var (%) 2Q17 v 1Q17	1H17	1H16	Var (%)
Revenue	3.59	6.61	(45.7%)	2.16	66%	5.75	7.8	(26.3%)
EBITDA/ (LBITDA)	(0.14)	1.36	(>100%)	(0.01)	(>100%)	(0.15)	0.27	(>100%)
PBT/LBT	0.10	1.35	(92.6%)	(0.05)	300%	0.05	0.28	(82.1%)
EBITDA/ (LBITDA) Margin	(3.9%)	20.6%	-	(0.5%)	-	(2.6%)	3.5%	-
PBT/LBT Margin	3%	20%	-	(2%)	-	1%	4%	-

**Poor consumer sentiments and
5 shows held in 1H2017 compared to 6 shows in 1H2016**

2Q17 Business Segments

1.

- Print and Digital

2.

- Event, Exhibition, Interior and Thematic

3.

- **Radio**

Performance of Radio Operations

Star Media Radio Group

(RM million)	2Q17	2Q16	Var (%)	1Q17	Var (%) 2Q17 v 1Q17	1H17	1H16	Var (%)
Revenue	10.0	9.94	0.6%	9.91	0.9%	19.91	20.89	(4.6%)
(LBITDA)/EBITDA	0.52	(1.58)	132.9%	1.13	(54.0%)	1.65	(1.69)	197.6%
(LBT)/PBT (excluding impairment)	0.55	(1.89)	129.1%	1.07	(48.6%)	1.62	(2.25)	172.0%
(LBITDA)/EBITDA Margin	5.2%	(15.9%)	-	11.4%	-	8.3%	(8.1%)	-
(LBT)/PBT Margin	5.5%	(19.0%)	-	10.8%	-	8.1%	(10.8%)	-

(after inter company transaction eliminations)



Cost savings from disposal of 2 stations resulted in profitable 1H 2017

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Strategy

1.

- Prudent cost management and internal restructuring

2.

- Focus on digital expansion through acquisition and organic growth

3.

- Rationalization of loss making businesses like LiTV

4.

- Expansion of simulcast titles of the best Asian contents for dimsum

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