



Media Chinese International Limited
2nd Quarter FY2015/16 Results Presentation
November 2015

Agenda

(1) Overview

(2) Performance Review

- **Market Highlights**
- **Financial Performance**
- **Financial Performance (excluding currency impact)**

(3) Strategic Update

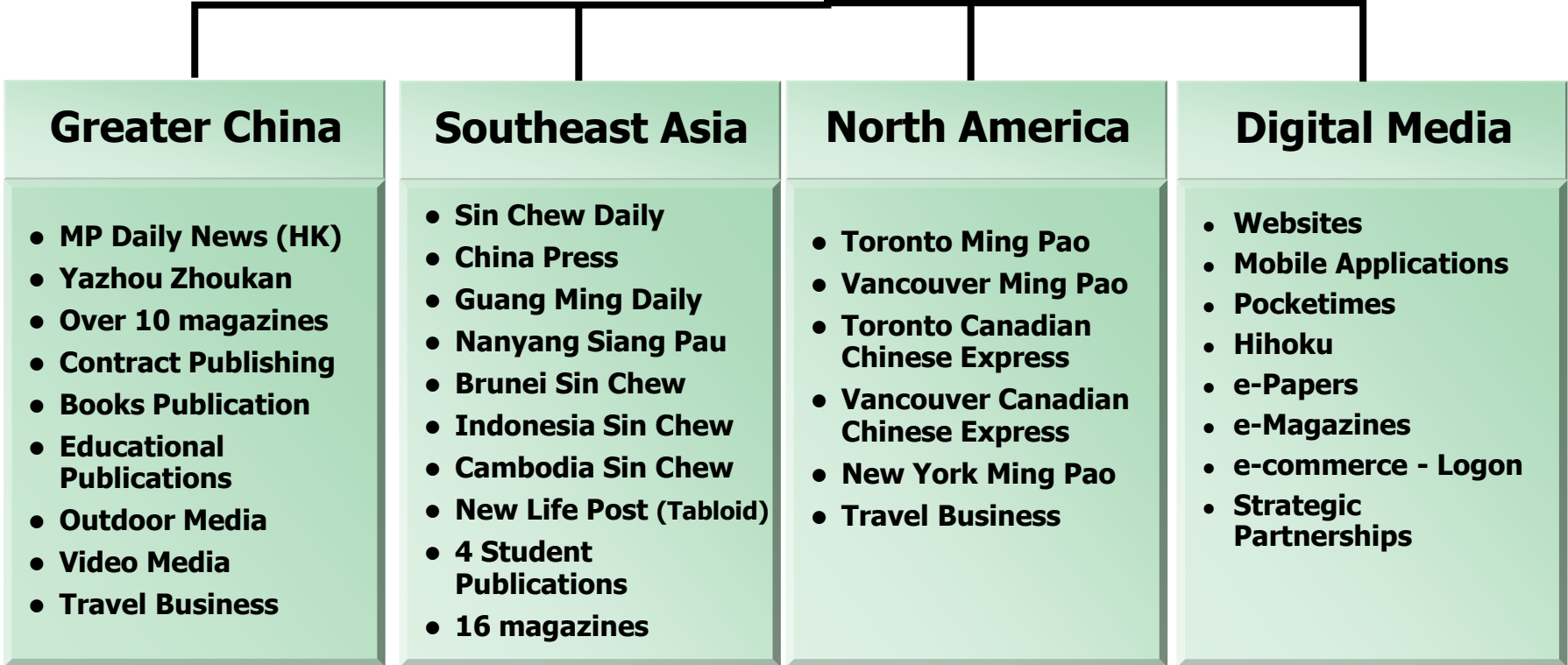
(4) Outlook

(1) Overview



Geographic Diversity

Media Chinese
(Dual Primary Listed)



Market Leading Brands with Long History



	Publishing since	In publication for
• Nanyang Siang Pau	1923	92 years
• Sin Chew Daily	1929	86 years
• China Press	1946	69 years
• Ming Pao Daily News (Hong Kong Edition)	1959	56 years
• Ming Pao Monthly	1966	49 years
• Ming Pao Weekly	1968	47 years
• Yazhou Zhoukan	1987	28 years
• Guang Ming Daily	1987	28 years
• Ming Pao Daily News (Toronto Edition)	1993	22 years
• Ming Pao Daily News (Vancouver Edition)	1993	22 years
• Ming Pao (New York)	1997	18 years

Publishing – 5 Daily Newspapers in 11 editions, 3 Free Newspapers and over 30 magazines

星洲日報
SIN CHEW DAILY

南洋商報
NANTANG SIANG PAU

明報

中國報
CHINA PRESS

光明日報
Guang Ming DAILY

亞洲週刊
YAZHOU ZHOUKAN

明報 月刊

明周

TopGear

TopGear
汽車測試報告

TopGear
New!

MINGWATCH 明錶

明表 MINGWATCH

100毛

鼎 紙

DU SHANG 渡賞

學海

星星 周刊
SINARAN SIN CHEW

小星星
BINTANG SIN CHEW

南洋學生
Mingguan Pelajar Nanyang

號外周報
SPECIAL WEEKLY

都會佳人
CITTA Bella

城市网络
CityNET

Mommy Baby
妈咪宝贝

風采 feminine

Let's travel
吃風

大家健康
LONG LIFE

囍 My Wedding

NEWiCON
for him 好男人

NEWTIDE
新濤
www.newtide.com.my

美味 風采
Oriental Cuisine

PANGING
Dapatkan Dukar Mengal Professional

PETS
宠物園

Rod & Line

釣魚 月刊
Rod & Line

新生活報

sweet HOME

世界華文

媒體 MEDIA CHINESE

Digital/New Media – 5 e-Papers, 19 e-Magazines, over 40 websites & numerous mobile services

Online Media (Southeast Asia)



Online Media (Hong Kong)



Online Media (Mainland China)



Online Media (Canada)



Mobile Media





(2) Performance Review

- **Market Highlights**

Market Share in Peninsular Malaysia and Hong Kong

Peninsular Malaysia		Period from 1 July 2014 to 30 June 2015	
Chinese Newspapers	Readership	Ranking in Malaysia	
Sin Chew			
- Sin Chew Daily	1,394,000	No. 1	
- Guang Ming Daily	328,000	No. 3	
Nanyang			
- China Press	963,000	No. 2	
- Nanyang Siang Pau	96,000	with PMEB focus	
SCMC & NPH SUB TOTAL	2,781,000		

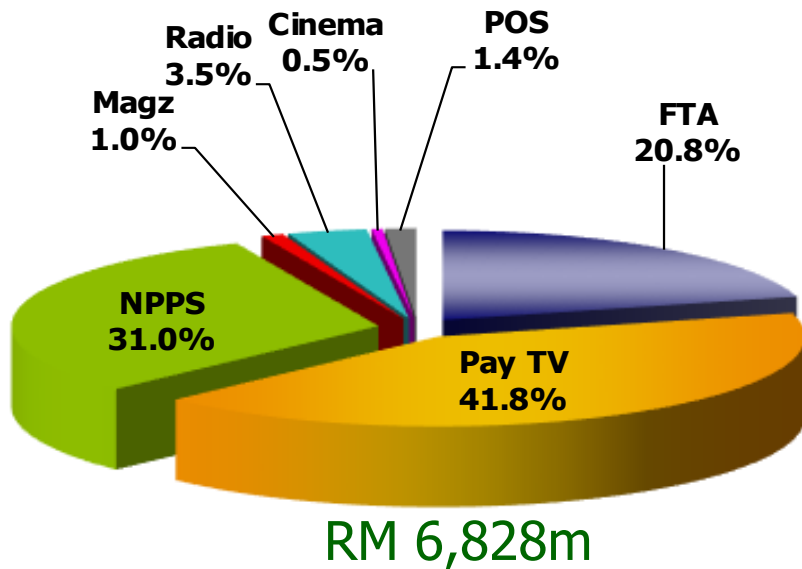
Source: (Q215 Nielsen Consumer & Media View – excluding market share in East Malaysia)

HONG KONG		Period from 1 Jan 2014 to 31 Dec 2014	
Chinese Newspapers	Readership		
Ming Pao Daily News	356,000	Highly recognized as a reputable and credible Chinese newspaper	

Source: (Nielsen HK Media Index 2014 Year-end Report)

Adex for Apr to Sep 2015 in Malaysia

YTD Adex (Apr to Sep 2015)



Total Adex (Apr to Sep 2014) : RM 7,280m

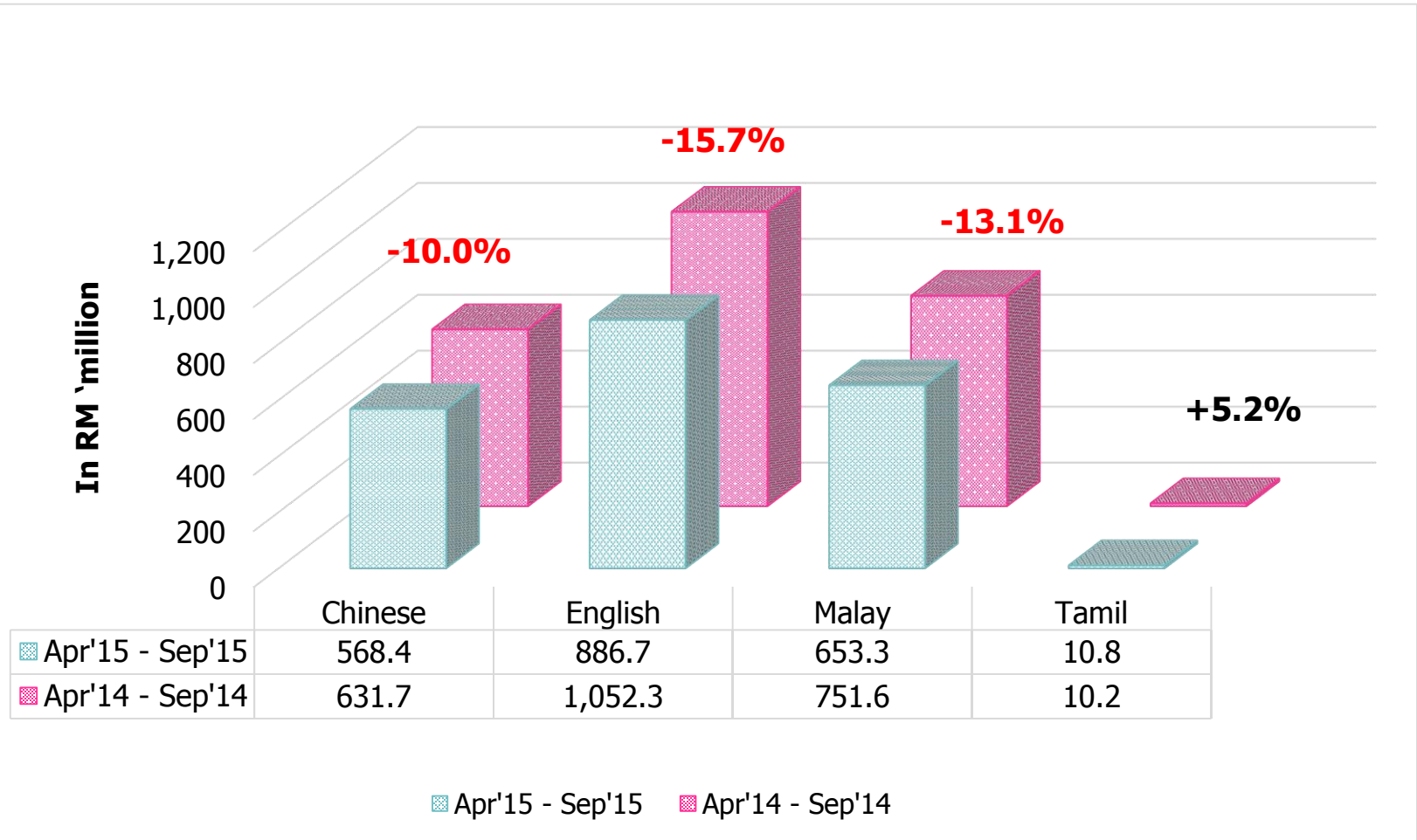
Total Adex (RM)

NPPS	: 2,119m	} ↓ 12.9%
Magazines	: 66m	
TV (FTA)	: 1,420m	} ↓ 2.7%
Pay TV	: 2,858m	
Radio	: 239m	
POS	: 93m	
Cinema	: 33m	

NPPS	: -13.4%
Magazines	: +6.8%

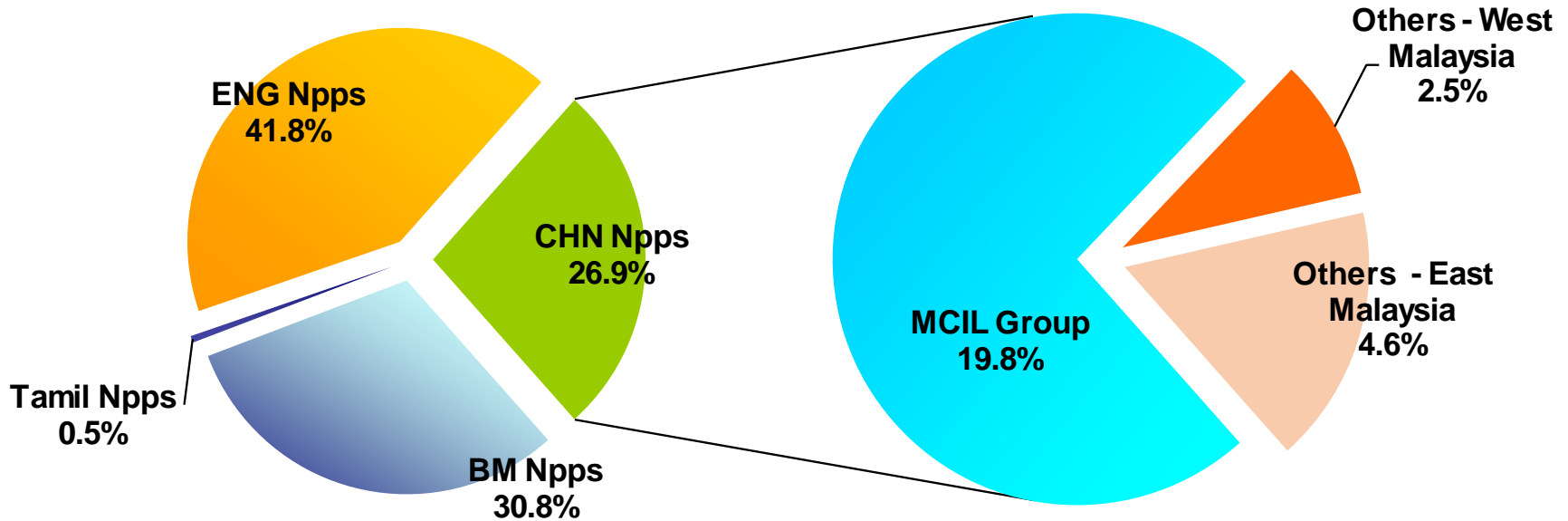
TV (FTA)	: -14.3%
Pay TV	: +2.9%
Radio	: -0.5%
POS	: +19.9%
Cinema	: +49.6%

Adex for Total Newspapers in Malaysia



Share Of Chinese Newspapers Advertising Expenditure In Malaysia For Apr to Sep 2015

NEWSPAPERS ADEX



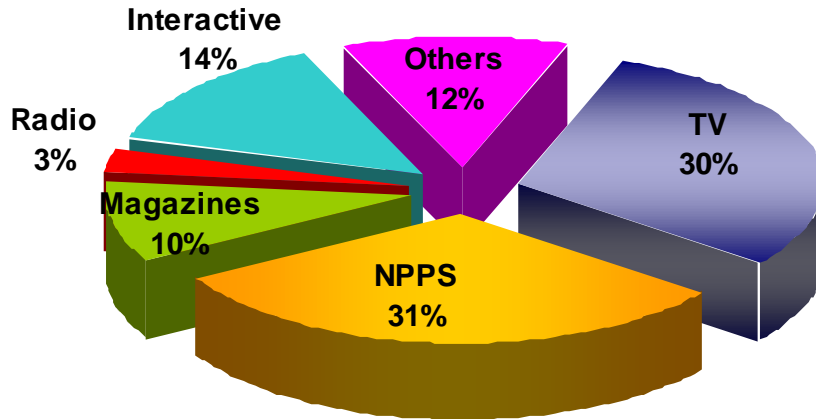
Adex for Total Newspapers : RM 2,119 million

Chinese Newspapers in West Malaysia: RM 429 million

Chinese Newspapers in East Malaysia : RM 139 million

Adex for Apr to Sep 2015 in Hong Kong

Adex (Apr to Sep 2015)



HKD58,183m

↑ **1.5%**

Adex (Apr to Sep 2014): HKD57,346m

Total Adex (HKD)

Newspapers : 17,856m
Magazines : 5,865m } **- 3.6%**

TV : 17,390m
 Radio : 2,041m
 Interactive : 8,028m
 Others : 7,003m } **+5.3%**

Newspapers : **+0.4%**
Magazines : **-14.2%**

TV : -1.2%
 Radio : +1.7%
 Interactive : +39.9%
 Others : -5.2%

(2) Performance Review

- **Financial Performance**

Group Results Summary (unaudited)

For the period ended 30 September

(US\$ million)	2015	2014	% Variance
Turnover	197.3	237.1	-16.8%
Profit before income tax	23.6	26.3	-10.3%
Profit attributable to owners of the Company	16.5	18.3	-10.2%
EBITDA	30.5	34.7	-12.3%
EBITDA margin (%)	15.5%	14.6%	+0.9%
Net margin (%)	8.4%	7.7%	+0.7%
EPS (US cents)	0.98	1.09	-10.1%

Segment Results (unaudited)

Turnover (US\$ million)

For the period ended 30 September	2015	2014	% Variance
Malaysia & other SEA countries	98.0	132.2	-25.9%
Hong Kong, PRC & North America	40.9	46.5	-12.2%
Travel and travel related services	58.4	58.4	+0.1%
Total Turnover	197.3	237.1	-16.8%

PBT (US\$ million)

For the period ended 30 September	2015	2014	% Variance
Malaysia & other SEA countries	21.1	24.7	-14.5%
Hong Kong, PRC & North America	-0.4	1.9	-121.1%
Travel and travel related services	6.0	3.5	+73.8%
Profit before income tax *	26.7	30.1	-11.1%

* Before unallocated interest expenses, other net unallocated expenses and share of losses of joint ventures and associates.

Financial Position (unaudited)

(US\$ million)	As at 30 Sept 2015	As At 30 Sept 2014	% Variance
Total assets	372.7	470.1	-20.7%
Net assets	199.1	230.6	-13.7%
Cash and cash equivalents	125.6	108.8	+15.4%
Owners' equity	193.0	223.6	-13.7%
Net assets per share (US cents)	11.44	13.25	-13.7%
Net gearing ratio (%)	Nil	17.1%	NA
Return on owners' equity (%)	8.0%	8.3%	-0.3%

Dividends (exclude special dividend)

	As at 30 Sept 2015	As At 30 Sept 2014
PATMI (US\$ million)	16.5	18.3
Dividend per share (US cents)	0.500	0.430
Dividend pay-out ratio (as a % of PATMI)	51%	40%
Share price as at 24 Nov 2015 / 12 Nov 2014	RM0.605	RM0.855
Dividend yield as at 24 Nov 2015 / 12 Nov 2014	7.02%	3.36%

(2) Performance Review

- **Financial Performance
(excluding currency impact)**

Group Results Summary (unaudited)

US\$'million	YTD FY2015/16	YTD FY2014/15	+/(-)	+/(-)	Excluding currency impact +/-
Revenues	197.3	237.1	(39.9)	-17%	-7%
Expenses	(177.7)	(216.3)	38.6	+18%	+9%
PBT	23.6	26.3	(2.7)	-10%	+6%
EBITDA	30.5	34.7	(4.3)	-12%	+3%
EPS (US cents)	0.98	1.09	(0.11)	-10%	+7%

Segment Profit Before Tax (unaudited)

US\$'million	YTD FY2015/16	YTD FY2014/15	+/(-)	+/(-)	Excluding currency impact +/-
Publishing & printing					
- Malaysia	21.1	24.7	(3.6)	-15%	+3%
- HK & PRC	0.3	2.1	(1.7)	-84%	-84%
- North America	(0.8)	(0.2)	(0.6)	-291%	-344%
Publishing & printing	20.7	26.6	(5.9)	-22%	-7%
Tour	6.0	3.5	2.6	+74%	+78%
Total segment PBT	26.7	30.1	(3.3)	-11%	3%



(3) Strategic Update

Strengthening digital media platforms

(1) E-papers

- Collaborated with *The Star* to jointly promote Sin Chew–Star e-paper package.
- Partner with Telco and key retailers including Sen Heng, KK Supermart, 99 Speed Mart, Popular Book Store and Celcom (Sarawak) for a comprehensive e-paper distribution network throughout Malaysia.
- Sin Chew evening e-edition was introduced in August 2015.
- Sin Chew e-paper crew was launched in mid November 2015 to create bonding and cultivate closer relationship with youth readers.
- Achieved YTD-October average daily e-subscriptions of 60,000.

Strengthening digital media platforms (cont'd)

(2) Pocketimes online video portal

- Providing short video clips of breaking news, business & sports, etc, through multiple digital channels including web and mobile *app*.
- Expanding more video content covering entertainment & lifestyle.
- Garnering about 3.5 million video views per month.

Strengthening digital media platforms (cont'd)

(3) Web portals

- Enhancing user experience and expanding mobile reach.
- Marked significant growth in total traffic for all websites in Malaysia:
 - About 7 million unique visitors
 - About 57 million pageviews
 - About 3.5 million video views
 - Sin Chew, Pocketimes, Logon and China Press contributed significant traffic and had successfully moved MCIL to spot no. 7 of Comscore ranking as at August 2015.

Growing e-commerce platform

(4) LogOn e-marketplace

- Achieved recruitment of 1,000 merchants.
- Relocated to LogOn Square, with regular staff training and development for expansion and growth.
- Aggressive marketing by giving out cash discount vouchers both online and offline to drive impulse buying online.
- Exploring event base online ticket selling to increase revenue and customer base, e.g. seminar & marathon, etc.
- Partner with SITEC (Selangor Information Technology and E-commerce Council) a key project by Selangor State Government to recruit and train SME to sell online.
- Participated in various roadshows including Pikom and Malaysia-China Chamber of Commerce (MCCC) to promote LogOn.

Diversifying to non-media business

- (5) On-going investment opportunities to include:
- education
 - properties development
 - others – Big Data marketing, etc.

1) Education Publications

“Life & Society”

printed and e-textbooks
for junior secondary schools



“Liberal Studies”

printed textbooks for senior secondary schools



Life Planning ---

to provide latest information on
education and employment to students



2) Digital Performance (Ming Pao Daily News)

Online readership (2014 vs 2013)

+150%

(Source: Nielsen Media Index 2014 Year-end Report)

Facebook page for mingpao.com instant news (Oct 2015)

reached 224,403 fans *(Source: Socialbakers)*

2nd most liked facebook page amongst Chinese newspapers in HK

Quarterly unique visitors (July - Sept 2015 vs July - Sept 2014)

+107% for mingpaonews.com

+162% for the newly revamp OL site (www.ol.mingpao.com)

focusing on showbiz entertainment & lifestyle appeal to diversify our platform reach & business horizon

(Source: Google Analytics)

2) Digital Performance (Ming Pao Daily News)

Quarterly pageview (July - Sept 2015 vs July - Sept 2014)

+50% for mingpaonews.com

+60% for the newly revamp OL site (www.ol.mingpao.com)

(Source: Google Analytics)

Digital income growth (July - Sept 2015 vs July - Sept 2014)

+133% whereas overall market growth is 36%

(Source: Admango)

Market ranking (Sept 2015)

**Number 4th in News/Information category, right after Yahoo,
Next Media and on.cc**

(Source: Comscore)

(4) Outlook



Outlook Statement

With the outlook for global economic activities remaining uncertain and the continued volatility in the currency market, we foresee another challenging half-year ahead for FY 2015/16. The publishing and printing segment will continue to face revenue pressure from a cautious advertising spending environment as well as increased competitive pressures from other media.

Although newsprint prices are expected to remain stable in the second half of FY 2015/16, we remain cautious as the ongoing appreciation of the US\$ could have negative impact on the Group's cost base and profitability.

On a positive note for the Group's operations in North America, it is expected that the operating environment may improve in the 2nd half-year of FY 2015/16 in light of the recent improving US economy.

Notwithstanding the difficult business environment ahead, the Group will continue to reinforce sustainable cost reduction strategies while at the same time improve operating efficiencies as well as overall profitability.



Thank you

Forward Looking Statements

This presentation includes certain forward-looking statements. All statements, other than statements of historical facts, that address activities, events or developments that Media Chinese International Ltd expects or anticipates will or may occur in the future are forward-looking statements. Media Chinese International Ltd.'s actual results or developments may differ materially from those indicated by these forward-looking statements as a result of various factors and uncertainties, including but not limited to price fluctuations, actual demand, exchange rate fluctuations, market shares, competition, environmental risks, changes in legal, financial and regulatory frameworks, international economic and financial market conditions, political risks, project delay, project approval, cost estimates and other risks and factors beyond the control of Media Chinese International Ltd. In addition, Media Chinese International Ltd makes the forward-looking statements referred to in this presentation as of today and undertakes no obligation to update these statements.