



**INVESTORS' RELEASE – 3 November 2015
PT SURYA CITRA MEDIA Tbk.**

SCM 9M 2015 RESULTS ANNOUNCEMENT

(All figures are un-audited and in Rupiah billion unless otherwise stated)

PT Surya Citra Media Tbk (“SCM”), its wholly owned television subsidiaries PT Surya Citra Televisi (“SCTV”) and PT Indosiar Visual Mandiri (“IVM”), its 72% owned content and production company PT Indonesia Entertainmen Grup (“IEG”), and its 51% owned production house subsidiary PT Screenplay Produksi (“Screenplay”) are pleased to announce their consolidated results for 9M 2015.

Audience Share

SCTV’s All Time average audience share for the 9M 2015 decreased by 1.0 points to 15.9% compared to the previous corresponding period. IVM’s average audience share increased by 0.3 points to 12.8%. The resulting combined average audience share for SCM was 28.7%, a decrease of 0.7 points from 29.4% in the previous corresponding period. SCTV held the No. 1 All Time market position during the months of August and September 2015, with IVM holding the No. 1 All Time market position in the months of March and April 2015. SCTV still maintaining its strong position at the All Time No. 1 spot in October.

Figure 1: Average Audience Shares - All Demographics 5+

Channel/Year	9M 2014	9M 2015	% Change
SCTV	16.9	15.9	-5.9%
RCTI	14.8	16.1	8.8%
IVM	12.5	12.8	2.4%
TRANS	11.6	7.8	-32.8%
MNCTV	9.3	11.3	21.5%
ANTV	11.0	12.7	15.5%
TRANS7	8.4	8.1	-3.6%
TVONE	4.8	3.9	-18.8%
GTV	6.2	7.1	14.5%
METRO	2.8	2.5	-10.7%

SCTV’s All Time average audience share was 17.4% in Q3 2015 versus 15.4% in Q2 2015 and IVM’s share was 11.1% in Q3 down from 13.9% in Q2. SCTV’s share improvement reflects changes SCTV made to its drama series programs during Q2 2015. New shows in Prime Time such as *Madun* helped SCTV regain its audience share, with average share of 15.2% up to September 2015. SCTV also strengthened its Non-Prime Time with Turkish series such as *Elif* with average share of 19.4% up to September 2015. These two series have driven the improvement in SCTV into the third quarter of 2015.

To further strengthen its audience share, SCTV ceased airing the drama series’ *Ganteng Ganteng Serigala*, which had a great run with over 500 episodes broadcast since launched in Q2 2014, and replaced it in August 2015 with *Pangeran (the Prince)*, which quickly became



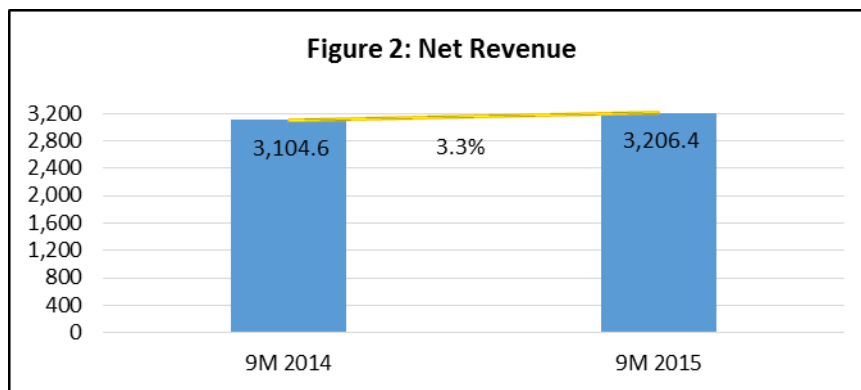
the top rated sinetron, with strong average share of 20.6% up to September 2015. The relaunch of *Ganteng Ganteng Serigala*, called *GGG Returns* commenced airing on October 12, 2015 and is once again one of the top ranking shows during Prime Time with average share of 16.3% in October 2015. SCTV and IVM ranked No. 2 and 3 respectively amongst television stations in Indonesia for the All Time All 5+ Demographics during 9M 2015.

Revenue Growth

SCTV achieved net revenues of Rp 2,026.2 billion for 9M 2015, an increase of 0.6%, and IVM achieved revenues of Rp 1,190.1 billion, up by 9.2% from 9M 2014. As SCTV contributed 63.2% of SCM’s television revenues, the total net revenue increased by 3.3%.

The revenue performance of SCTV and IVM was broadly in line with market conditions and the audience share changes at each station. July 2015 advertising was unexpectedly soft given it was still Ramadhan, but advertising spend has turned more positive since July throughout the full Q3. Paid advertising volumes during Q3 2015 were lower than Q2 2015 due to the weak July period, but the August and September utilization has recovered to more normal levels.

Internally, SCM sought to implement a strategy to improve its revenue mix. The strategy enabled a higher net rate card in certain slots by the last quarter of 2014, and this continued into 9M 2015.



Profit Growth

SCM’s gross profit in 9M 2015 increased to Rp 2,015.5 billion, up 1.3% from 9M 2014. The increase in gross profit is slightly below the improved revenue growth of 3.3% due to the increase in programming costs for SCM for the period. SCTV experienced 14.7% lower program costs in Q3 2015, whilst IVM experienced an increase in program costs of 19.1% during the same period. For 9M 2015 the figures are 1.5% and 19.3% respectively. The overall increase in programming costs on a consolidated basis for 9M 2015 was 6.7%.

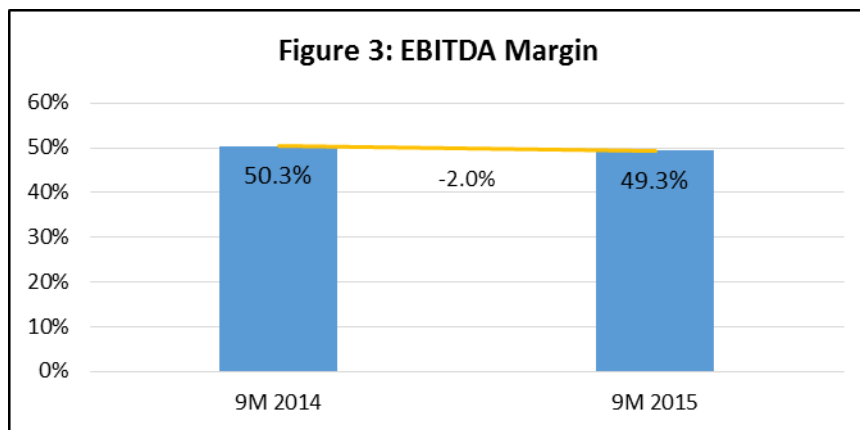
The increase in IVM’s programming costs mainly related to SEA GAMES license cost and also due to the same duration is aired by only one program in the previous corresponding period 2014 while in 2015 it is aired with 2 programs, e.g. a single program *D’T3rong* used to be aired over the same duration as *D’T3rong* and *Bintang Pantura* during 2015.



During Ramadhan, IVM replaced *Bintang Pantura* with a new talent show with a religious theme called *Q Academy* and replaced *D'T3rong* with more religious content *Assamualaikum D'T3rong*. Subsequently in Q4 2015, IVM also introduced a new talent show concept called *Stand Up Comedy Academy* as a third line up for *D Academy*, with strong average share of 17.7% in October 2015. To increase its male audience, IVM also aired a local soccer competition called *Piala Presiden* (President's Championship) which achieved an average share of 16.1%, and even reached the share of 40.9% in the final match, which is the highest share achieved by a program in the last 2 years. SCTV introduced new in-house produced studio based programs in 2015, including *Hells Kitchen* and *Dance Icon*.

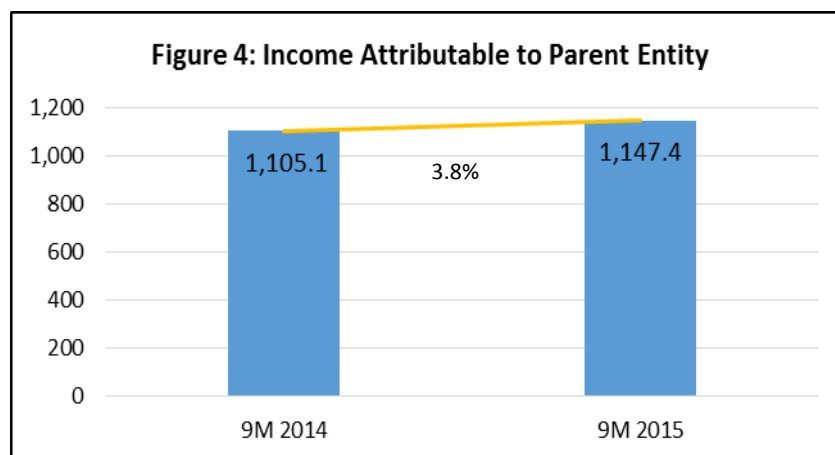
The gross margin achieved by SCTV was 60.7% and for IVM was 62.0%.

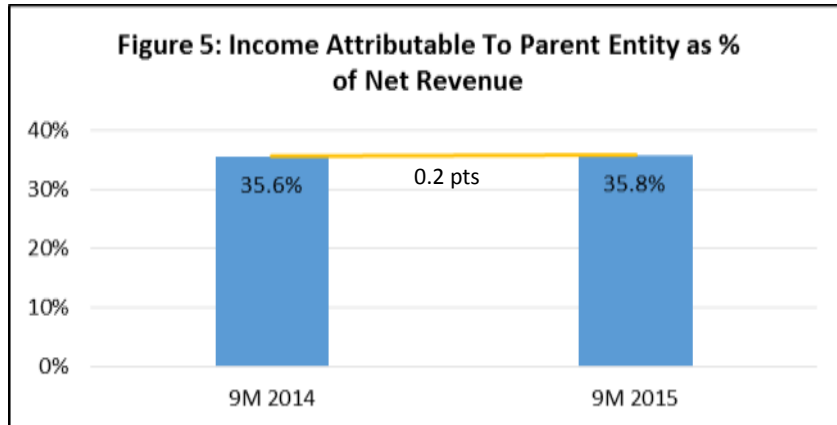
EBITDA for 9M 2015 increased by 1.2% to Rp 1,579.8 billion from Rp 1,560.6 billion in 9M 2014. As shown in Figure 3 below, the achieved EBITDA margin was 49.3%, a decrease of 1.0 points over 9M 2014.



Depreciation increased 18.5% to Rp 98.4 billion. This relates to the investment in replacing and upgrading broadcasting and transmission equipment and towers and building refurbishment at transmission sites.

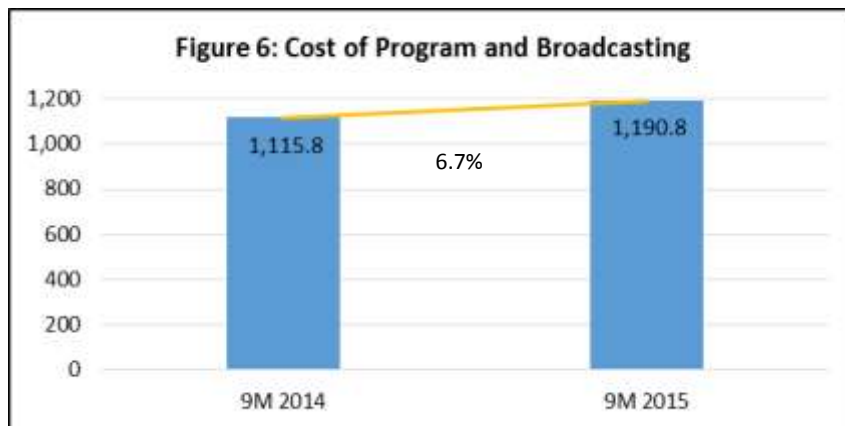
Total income for the period attributable to the parent entity increased by 3.8% year-on-year to Rp 1,147.4 billion with the total income margin increasing by 0.2 points to 35.8%.



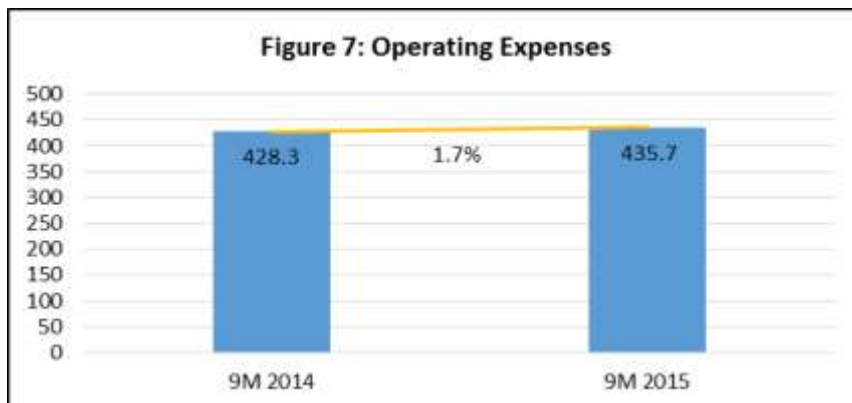


Costs and Expenses

As shown in Figure 6 below, Cost of Program and Broadcasting increased 6.7% year-on-year. The increase in the cost of program and broadcasting is mostly due to the cost of broadcasting the SEA Games in June 2015 on both TV stations. IVM had higher program costs mainly due to the imported sport program and new in-house programs as explained above.



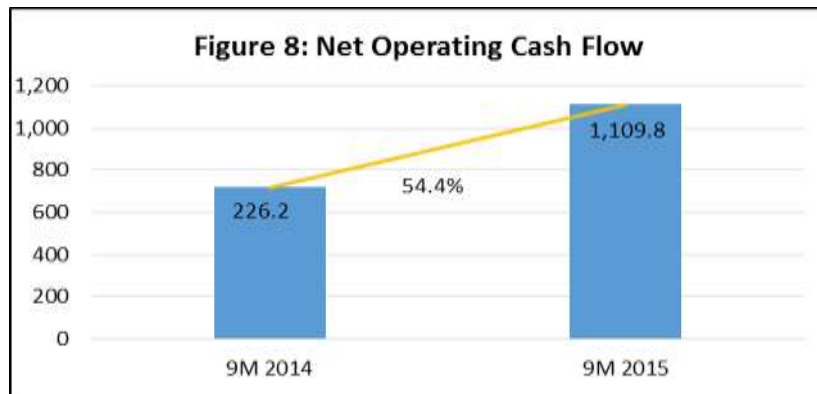
Operating expenses increased by 1.7% year-on-year as shown below in Figure 7. Operating expenses as a percentage of net revenues decreased by 0.2 points to 13.6% as they increased slightly less than revenue grew. Employee salaries and benefits costs constitute over 67.8% of the operating expenses.





Cash Flow

Net operating cash flow increased by 54.4% year-on-year to Rp 1,109.8 billion. The increase primarily resulted from an improvement in collections from agencies and decreased payments to suppliers relating to lower requirements for advance payment for programs.



The net investment cash outflows decreased by 54.6% to Rp 47.6 billion. This comprised two significant elements relating to the formation of the content company IEG. Of the total investment in fixed assets of Rp 256.4 billion for 9M 2015, Rp 165.0 billion was for the acquisition of land and a studio by IEG from SCM's parent company PT Elang Mahkota Teknologi Tbk ("Emtek"). This was offset by an investment of Rp 222.0 billion in IEG's share capital by Emtek. Excluding the impact of the IEG transaction, the net investment cash outflows were flat at Rp 104.6 billion in 9M 2015.

Financing cash outflows of Rp 1,119.6 billion primarily relate to the disbursement of the final dividend for the year 2014, as well as the partial repayment of SCM's loan from Emtek.

The free cash flow for 9M 2015 was Rp 1,062.2 billion resulting in a closing cash balance of Rp 1,187.3 billion.

Other Matters

Digital Television Broadcasting

As advised in the in the FY 2014 Investors' Release dated March 30th 2015, SCM's subsidiaries together with the Ministry of Communication and Information ("Ministry") and other TV stations filed an appeal to the Administrative High Court in order to protect their interests in relation to the issuance of multiplex licenses to operate digital terrestrial broadcast. On 5th August 2015 SCM received notice of the Decision of the Administrative High Court upholding the earlier decision of the Administrative Court of Jakarta to postpone the implementation of all of the Ministry's decisions that issued the multiplex licenses to operate Digital free to air television, which were declared null and void. SCM together with the Ministry and other TV stations filed cassation to Supreme Court on September 22, 2015. There is no contingent liability for SCM's subsidiaries as a result of this decision by the Administrative High Court.



PT Indonesia Entertainment Grup (“IEG”)

IEG was set up in July 2015 to reorganize SCM, Emtek and the content division in order to:

1. Create a content business that can service many distribution platforms (traditional and online)
2. Target new revenues which provides diversification from FTA TV revenues
3. Consolidate content resources and capabilities to expand production and maximize utilization and efficiency
4. Position content platform to maximize opportunity for strategic investments and partnerships

Restatement of 2014 Financial Statements

There has been a restatement of the September 2014 profit and loss and cash flow statements and the December 2014 balance sheet relating to a) the retrospective application of accounting standard PSAK No. 24 relating to the calculation of the liability for Employee Benefits ; and b) the acquisition of PT Animasi Kartun Indonesia (“AKI”) by IEG, as it is considered as business combination of an entity under common control which requires SCM to consolidate AKI’s financials in SCM as if the business combination occurred at the beginning of the period under which the entity was under common control. The net impact of the restatements was to reduce the Total Income attributable to the parent entity by Rp 420 million, reducing earnings per share for 9M 2014 from Rp 75.61 to Rp 75.58. Full details of the restatement are contained in Note 4 of SCM’s unaudited financial report for the period ended 30 September 2015.



Figure 9:
PT Surya Citra Media Tbk
Consolidated Statement of Profit or Loss and Other Comprehensive Income
For nine months period ended September 30
(in Rp. million)

	YTD Q3 2014*	YTD Q3 2015	% change
Net revenues	3,104,593	3,206,353	3.3%
Program and Broadcasting Expenses	1,115,757	1,190,815	6.7%
Gross Profit	1,988,836	2,015,538	1.3%
<i>as % of Net Revenue</i>	64.1%	62.9%	
Operating Expenses	428,280	435,691	1.7%
<i>as % of Net Revenue</i>	13.8%	13.6%	
EBITDA	1,560,556	1,579,847	1.2%
<i>as % of Net Revenue</i>	50.3%	49.3%	
Depreciation & Amortization	83,105	98,444	18.5%
EBIT	1,477,451	1,481,402	0.3%
<i>as % of Net Revenue</i>	47.6%	46.2%	
Interest Income/(Expenses)	1,107	17,605	1490.9%
Other Operating Income/(Expenses)	(1,053)	26,086	-2577.3%
EBT	1,477,505	1,525,093	3.2%
<i>as % of Net Revenue</i>	47.6%	47.6%	
Income Tax Expense	370,903	380,215	2.5%
Profit for the Period	1,106,602	1,144,878	3.5%
<i>as % of Net Revenue</i>	35.6%	35.7%	
Proforma Adjustment	(4,778)	(3,411)	-28.6%
Income For the period	1,101,823	1,141,467	3.6%
<i>as % of Net Revenue</i>	35.5%	35.6%	
Other Comprehensive Income	9,305	6,490	-30.2%
Total Comprehensive Income for the Period	1,111,128	1,147,957	3.3%
<i>as % of Net Revenue</i>	35.8%	35.8%	
Income for the Period Attributable to:			
Parent Entity	1,105,146	1,147,434	3.8%
<i>as % of Net Revenue</i>	35.6%	35.8%	
Non-Controlling Interests	(3,322)	(5,967)	79.6%
Total Comprehensive Income for the Period Attributable to :			
Parent Entity	1,114,602	1,153,843	3.5%
<i>as % of Net Revenue</i>	35.9%	36.0%	
Non-Controlling Interests	(3,474)	(5,886)	69.5%
EPS (Rp. Per share)	75.58	78.48	3.8%

* Restated



Figure 10:
PT Surya Citra Media Tbk
Consolidated Statement of Financial Position
As of 30 Sep 2015 and 31 Dec 2014
(in Rp. Million)

	31 December 2014 *	30 September 2015
ASSETS		
Current Assets		
Cash & cash equivalents	1,248,623	1,187,261
Trade Receivables	1,269,771	1,350,003
Other Receivables	21,749	24,550
Inventories	463,929	509,178
Advances & Prepaid Expenses	197,477	108,754
Other current assets	3,193	64,181
Total Current Assets	3,204,743	3,243,927
Non-Current Assets		
Due from related party		
Advances for purchase of fixed assets	35,664	23,234
Deferred tax assets	72,441	70,501
Fixed Assets - Net	763,737	934,453
Intangible assets - Net	445,237	445,237
Prepaid long-term rent	137,523	146,610
Other non-current assets	90,052	79,275
Total Non-current Assets	1,544,655	1,699,311
TOTAL ASSETS	4,749,397	4,943,238
LIABILITIES & EQUITY		
LIABILITIES		
Current Liabilities		
Trade payables	228,167	185,497
Other payables	104,512	92,645
Accrued expenses	248,190	281,630
Taxes payable	126,766	97,655
Dividend payable		
Current maturities of Long term liabilities	101,630	119,681
Other current liabilities	8,776	18,504
Financing payables		
Total Current Liabilities	818,040	795,612
Non-Current Liabilities		
Finance Lease Payables	1,505	905
Due to Related Party	348,396	235,954
Liabilities for employees benefits - Net	93,294	89,666
Total Non-Current Liabilities	443,195	326,525
TOTAL LIABILITIES	1,261,235	1,122,137
EQUITY		
Share capital-issued & fully paid	731,080	731,080
Additional paid-in capital	281,906	278,417
Other comprehensive income	19,391	25,881
Retained earnings	2,404,769	2,525,296
Treasury stock	(41)	(41)
Proforma Equity	18,845	3,411
Non-controlling interests	32,212	257,056
TOTAL EQUITY	3,488,162	3,821,101
TOTAL LIABILITIES & EQUITY	4,749,397	4,943,238
<i>* Restated</i>		



Figure 11:
PT Surya Citra Media Tbk
Consolidated Statement of Cash Flow
For nine months period ended September 30
(in Rp million)

	YTD Q3 2014 *	YTD Q3 2015	% change
Net Cash provided by Operating Activities	718,778	1,109,796	54.4%
Net Cash Used in Investing Activities	(104,991)	(47,628)	-54.6%
Free cash Flow	613,787	1,062,168	73.1%
Net Cash Used in Financing Activities	(771,246)	(1,119,570)	45.2%
Net Decrease in cash & cash Equivalents	(157,459)	(57,403)	-63.5%
Cash & Cash Equivalents at Beginning of Period	1,045,896	1,248,623	19.4%
Effect of changes in foreign exchange rates on cash & cash equivalents	19,006	(3,959)	0.0%
Cash & Cash Equivalent at Ending of the Period	907,443	1,187,261	30.8%
<i>* Restated</i>			

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