



**INVESTORS' RELEASE – 9 December 2013**  
**PT SURYA CITRA MEDIA Tbk.**

**SCM 1H 2013 RESULTS ANNOUNCEMENT**

(All figures are un-audited and in Rp. bn unless otherwise stated)

PT Surya Citra Media Tbk (“SCM”) and its wholly owned subsidiaries, PT Surya Citra Televisi (“SCTV”) and PT Indosiar Visual Mandiri (“IVM”) are pleased to announce their cumulative six month results to the end of June 2013. The 2012 consolidated financial results have been restated to include IVM, which was merged into SCM on 1 May 2013.

**Audience Share**

SCTV’s average audience share for the six months ended 30 June 2013 increased by 1.8 points to 16.5% compared to the previous corresponding period. IVM’s average audience share declined by 2.2 points to 8.2%. The resulting combined average audience share for SCM was 24.7%, a decline of 0.4 points from 25.1% in the previous corresponding period. SCTV consistently held its top 2 All Time market position during 2013 and IVM remains at number 6.

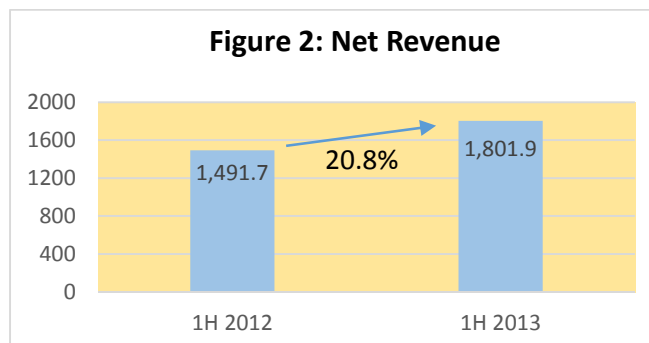
**Figure 1: Average Audience Shares – All 5+**

Channel/Period	1H 2012	1H 2013	%Change
<b>SCTV</b>	<b>14.7</b>	<b>16.5</b>	<b>11.9</b>
RCTI	15.4	18.7	22.0
<b>IVM</b>	<b>10.4</b>	<b>8.2</b>	<b>-21.1</b>
TRANS	11.2	11.1	-1.5
MNCTV	13.8	11.7	-14.9
ANTV	7.7	6.4	-16.3
TRANS7	12.2	11.9	-2.3
TVONE	4.0	4.7	18.3
GTV	7.2	7.2	-1.2
METRO	2.4	2.1	-11.3

**Revenue Growth**

SCTV achieved net revenues of Rp 1,225 billion for 1H 2013, growing by 26%, and IVM achieved net revenues of Rp 574 billion, increasing by 11%. As SCTV contributed 68% of SCM’s revenues, net revenue grew 20.8% year-on-year, indicating the underlying fundamentals for growth in advertising spending are in place.

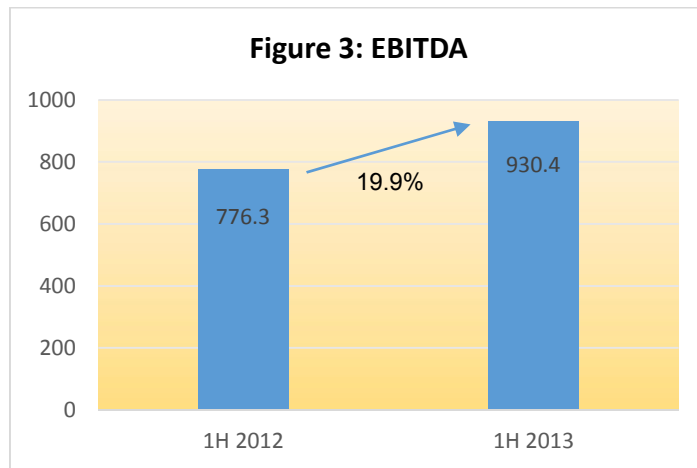
**Figure 2: Net Revenue**



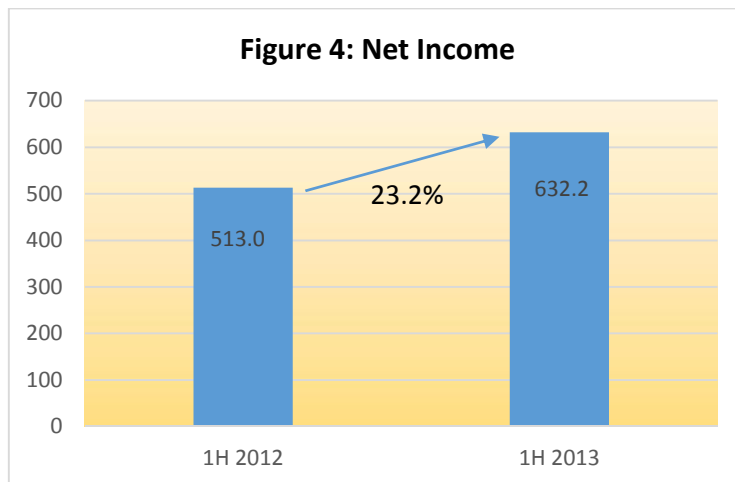


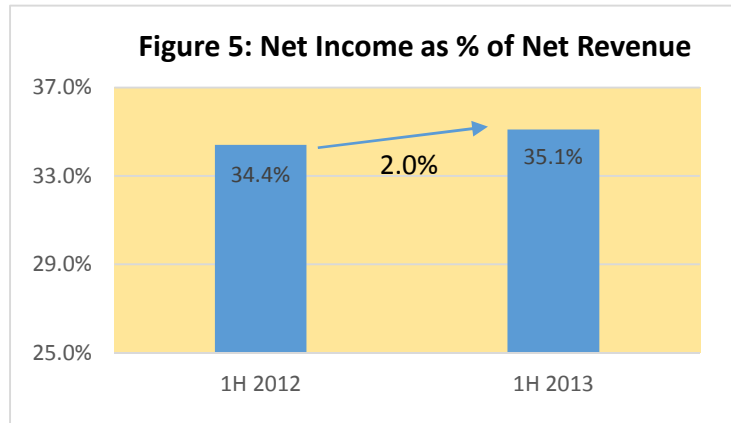
### Profit Growth

SCM's gross profit in Q2 2013 increased to Rp 1,215 billion, up 20.2% from Q2 2012. As shown in Figure 3, EBITDA increased by 19.9% compared to the previous corresponding period. The gross margin achieved by SCTV was 69% and IVM was 54%.



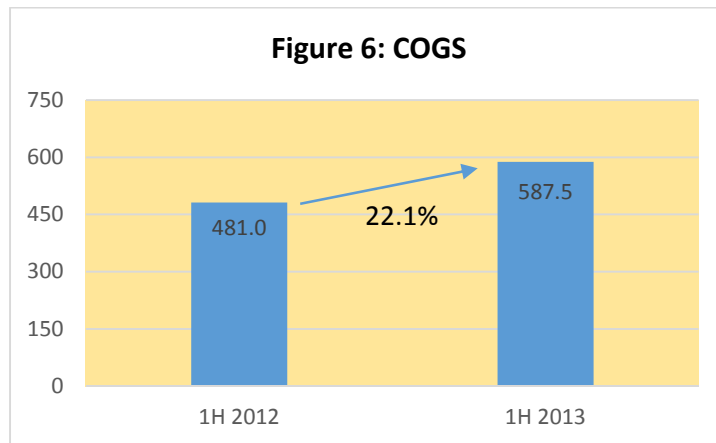
Net income grew by 23.2% year-on-year as shown in Figure 4. The higher growth achieved relative to EBITDA was the result of interest income being in excess of interest costs compared to net interest expense in Q2 2013. Depreciation and amortization increased by 2.2% to Rp 79.6 billion.



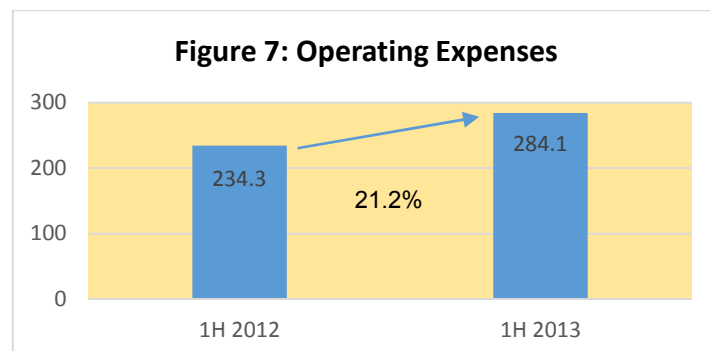


### Costs and Expenses

As shown in Figure 6 below, COGS increased 22.1% year-on-year, mainly due to the introduction of more soccer programming including the UEFA League, AFC Asian Cup, increased investment in talent scout shows such as The Voice which have become increasingly popular, and the replacement of Korean series with fresh FTV and local drama series in Indosiar.



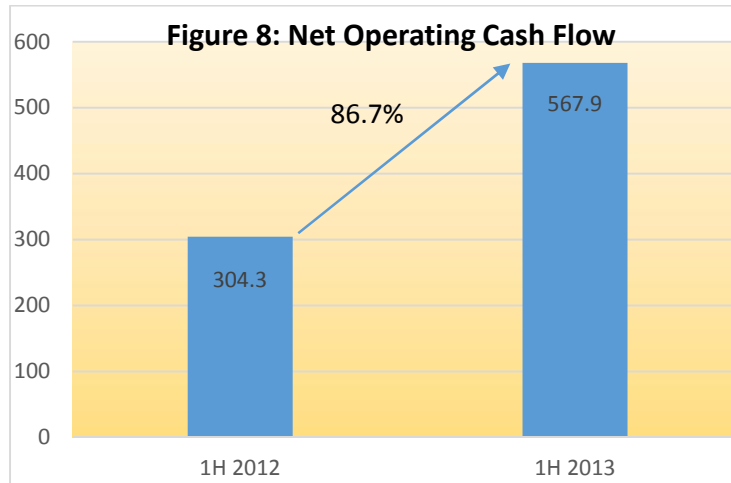
Operating expenses grew 21.2% year-on-year as shown below in Figure 7. However, operating expenses as a percentage of net revenue was stable, increasing by 0.1 points to 15.8%. Employee salaries and benefits constitute 61% of the operating expenses and depreciation constitutes 13.8%.





## Cash Flow

Net Operating Cash Flow increased by 86.7% year-on-year to Rp 567.9 billion. The increase resulted from increased profits and strong capital management, with trade receivables increasing by only 6.4% since December.



Investment cash outflows were Rp 118 billion, comprising fixed asset acquisitions as well as part payment for the 51% interest in the production house PT Screenplay Produksi (“Screenplay”).

Financing cash outflows of Rp 702 billion relate to the final dividend for 2012 of Rp 48 per share paid in 2013.

After the dividend payment and the initial payment for the 51% interest in Screenplay the free cash flow to SCM decreased by Rp 253 billion to Rp 813 billion.

## Other Matters

SCM merged with PT Indosiar Karya Media Tbk on the basis of a 67%:33% swap ratio effective on 1 May 2013. SCM is the remaining listed company post merger.

SCM acquired 51% of Screenplay from PT Elang Mahkota Teknologi TBK on 28 June 2013 for Rp. 242.25 billion.



**Figure 9:**  
**PT Surya Citra Media Tbk**  
**Profit and Loss Statement**  
**For The Years Ended 30 June 2012 (Restated) and 2013**  
*(In Rp Billion)*

	1H-2012 (R)	1H-2013	% Change
Net Revenue	1,491.7	1,801.9	20.8%
Program & Broadcasting	481.0	587.5	22.1%
Gross Profit	1,010.6	1,214.5	20.2%
as % of Net Revenue	67.8%	67.4%	
Operating Expenses	234.3	284.1	21.2%
as % of Net Revenue	15.7%	15.8%	
EBITDA	776.3	930.4	19.9%
as % of Net Revenue	52.0%	51.6%	
Depreciation & Amortization	49.7	50.8	2.2%
EBIT	726.6	879.6	21.1%
as % of Net Revenue	48.7%	48.8%	
Net Financial Expenses	26.1	(5.0)	-119.3%
Other (Income) Expenses	-	-	-
EBT	700.5	884.7	26.3%
as % of Net Revenue	47.0%	49.1%	
Tax	168.7	222.4	31.8%
Effect Performa Adjustment	18.9	30.1	59.3%
Net Income	513.0	632.2	23.2%
as % of Net Revenue	34.4%	35.1%	



**Balance Sheet**  
**31 December 2012 (Restated) and 2013**  
*(In Rp Billion)*

	31 Dec 12 (R)	1H-2013
<b>ASSETS</b>		
Current Asset		
Cash & cash equivalents	1,065.8	813.5
Trade receivables	1,002.9	1,066.8
Other receivables	15.3	12.9
Inventories	267.4	301.6
Prepaid expenses & advances	63.2	76.3
Other current assets	9.2	6.2
<b>Total Current Assets</b>	<b>2,423.6</b>	<b>2,277.3</b>
Non-Current Asset		
Due from related party	2.0	2.0
Advances for purchase fixed assets	22.6	31.6
Deferred taxes	57.2	49.5
Fixed assets - Net	710.2	721.9
Intangible assets	445.2	445.2
Prepaid long-term rent	148.4	147.0
Other non-current assets	28.1	23.6
<b>Total Non-Current Assets</b>	<b>1,413.9</b>	<b>1,420.9</b>
<b>TOTAL ASSETS</b>	<b>3,837.4</b>	<b>3,698.1</b>
<b>LIABILITIES &amp; EQUITY</b>		
<b>LIABILITIES</b>		
Current Liabilities		
Trade payables	203.1	190.3
Other payables	98.3	78.0
Accrued expenses	203.2	243.0
Taxes payables	80.8	130.1
Current Portion of LTD	1.2	0.6
<b>Total Current Liabilities</b>	<b>586.7</b>	<b>642.0</b>
Non-Current Liabilities		
Due to related parties	690.5	740.0
Liabilities for employees benefits	52.1	45.9
Long Term Portion of LTD	2.2	3.5
<b>Total Non-Current Liabilities</b>	<b>744.8</b>	<b>789.3</b>
<b>TOTAL LIABILITIES</b>	<b>1,331.5</b>	<b>1,431.3</b>
<b>EQUITY</b>		
Share capital - issued & fully paid	731.1	487.5
Additional paid-in capital	281.9	563.7
Retained Earnings	1,266.6	1,319.2
Treasury stock	(0.0)	(0.0)
Proforma Equity	30.1	(6.4)
Non-controlling interest	57.0	42.2
<b>TOTAL EQUITY</b>	<b>2,366.6</b>	<b>2,406.2</b>
	<b>3,698.1</b>	<b>3,837.5</b>



**Figure 11:**  
**PT Surya Citra Media Tbk**  
**Cash Flow Statement**  
**For The Years Ended 30 June 2012 (Restated) and 2013**  
*(In Rp Billion)*

	1H-2012 (R)	1H-2013	% Change
Net Cash Provided by Operating Activities	304.3	567.9	86.7%
Net Cash Used in Investing Activities	(34.4)	(117.8)	241.9%
Free Cash Flow	269.8	450.2	66.8%
Cash Flows From Financing Activities	2.8	(702.5)	0.0%
Net Increase in Cash & Cash Equivalent	272.6	(252.3)	-192.6%
Cash & Cash Equivalent Beginning of Year	897.9	1,065.8	18.7%
Cash & Cash Equivalent at End of Period	1,170.5	813.4	-30.5%

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