



INVESTORS' RELEASE – 1 August 2016
PT SURYA CITRA MEDIA Tbk.

SCM H1 2016 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 H1 2016.

Audience Share

SCTV’s All Time average audience share for H1 2016 decreased by 2.8 points to 12.4% compared to the previous corresponding period. IVM’s average All Time audience share decreased by 0.3 points to 13.3%. The resulting combined average audience share for SCM was 25.7%, showing a decrease of 3.1 points over the previous corresponding period. SCTV held the No. 4 Prime Time spot in H1 2016 due to decreasing share which fell to No. 5 in April and No. 4 in May 2016, however in June 2016 SCTV was back to No. 2 in Prime Time. IVM held the No. 2 Prime Time spot over the same period with a stable position in No. 2 from January to May 2016 and a decrease in June 2016 to No. 5 in Prime Time.

Figure 1: ALL TIME (02.00-25.59) - All Demographics 5+

Channel/Year	H1 2015	H1 2016	Change	%Change
SCTV	15.2	12.4	-2.8	-18.4%
RCTI	15.9	19.7	3.8	23.9%
IVM	13.6	13.3	-0.3	-2.2%
TRANS	7.9	6.5	-1.4	-17.7%
MNCTV	11.5	11.4	-0.1	-0.9%
ANTV	12.6	14.8	2.2	17.2%
TRANS7	8.0	8.7	0.7	8.7%
TVONE	3.9	3.5	-0.4	-11.0%
GTV	7.1	5.9	-1.2	-16.7%
METRO	2.5	2.2	-0.3	-10.8%

In H1 2016 SCTV’s All Time average audience share was 12.4% versus 11.8% in Q1 2016 for an increase of 0.6 points. This increase is primarily due to share improvement from the sinetrons ‘Mermaid in love’ and ‘Surga Yang Ke 2’ in Prime Time and ‘Ranveers & Ishani’ during Non-Prime Time.

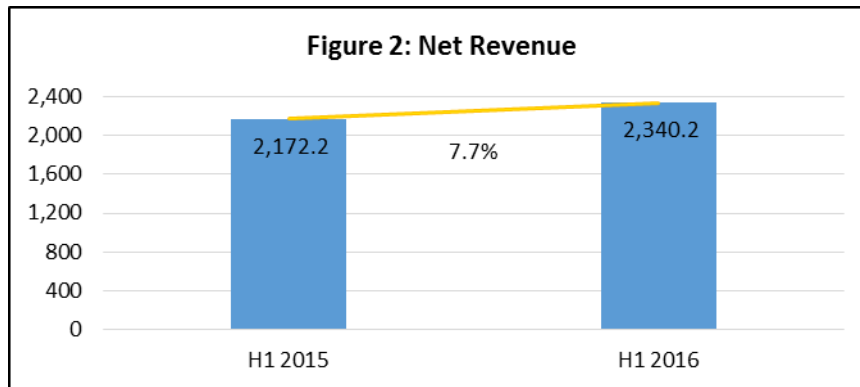
SCTV and IVM ranked No. 4 and 3 respectively amongst television stations in Indonesia for the average All Time All 5+ Demographics during H1 2016.



Revenue Growth

SCTV achieved net revenues of Rp 1,311.0 billion for H1 2016, a decrease of 2.8% from H1 2015, while IVM achieved revenues of Rp 1,023.5 billion, strongly up by 23.3% from H1 2015. This has driven the total net revenue increase of 7.7%.

The revenue performance of SCTV was broadly in line with market conditions and the audience share changes, with SCTV proving resilient in the face of an 18.4% decline in audience share year-on-year.

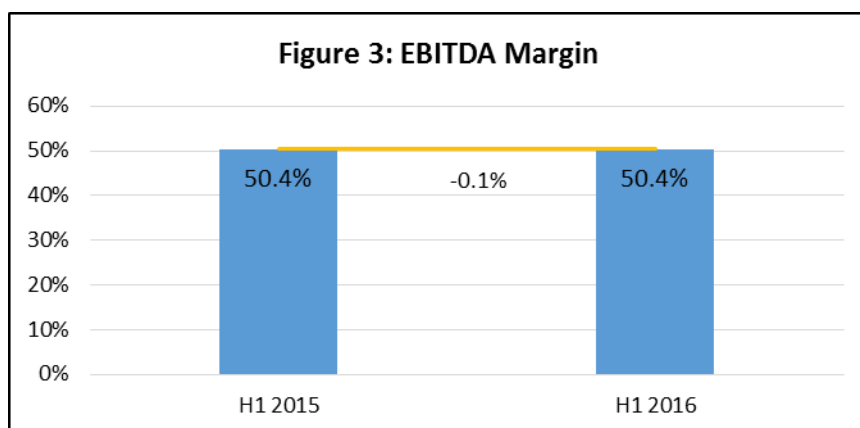


Profit Growth

SCM's gross profit in H1 2016 increased to Rp 1,497.9 billion, up 8.9% from H1 2015. The increase in gross profit is above the improved revenue growth of 7.7% due to programming costs only increasing by 5.8%, which is less than the revenue growth. SCTV experienced 9.7% higher program costs in H1 2016, whilst IVM experienced an increase in program costs of 4.5% versus the same corresponding period last year.

The H1 2016 gross margin achieved by SCTV was 54.1% and for IVM it was 69.5%.

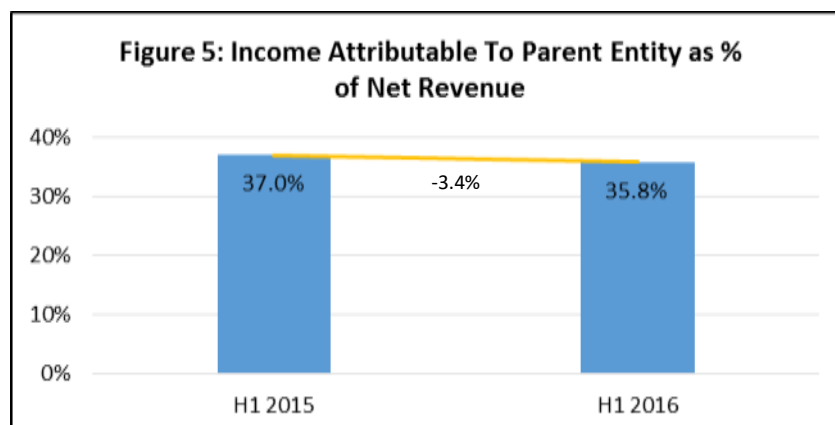
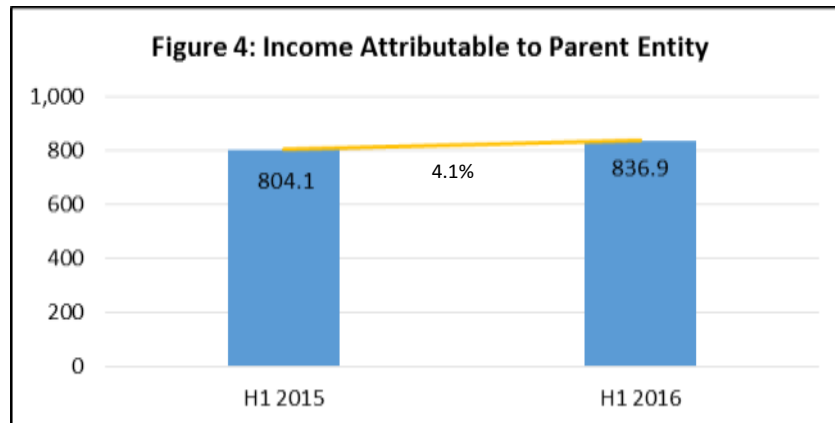
SCM's EBITDA for H1 2016 increased by 7.6% to Rp 1,178.7 billion from Rp 1,095.0 billion in H1 2015. As shown in Figure 3 below, the achieved EBITDA margin was 50.4%, essentially flat over H1 2015.





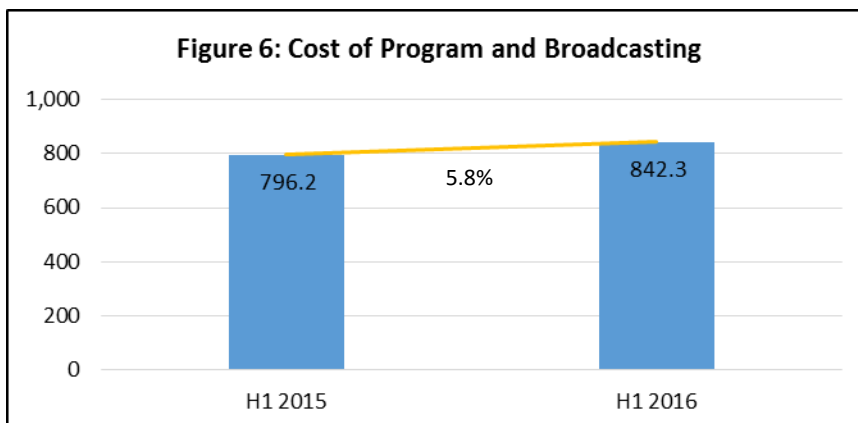
Depreciation and amortization increased 10.5% to Rp 71.2 billion. This relates to the investment in replacing and upgrading broadcasting and transmission equipment and towers and building refurbishment at transmission sites.

Income for the period attributable to the parent entity increased by 4.1% year-on-year to Rp 836.9 billion at a slightly lower margin of 35.8%, down from 37.0%, due to lower interest income and lower foreign exchange gain.

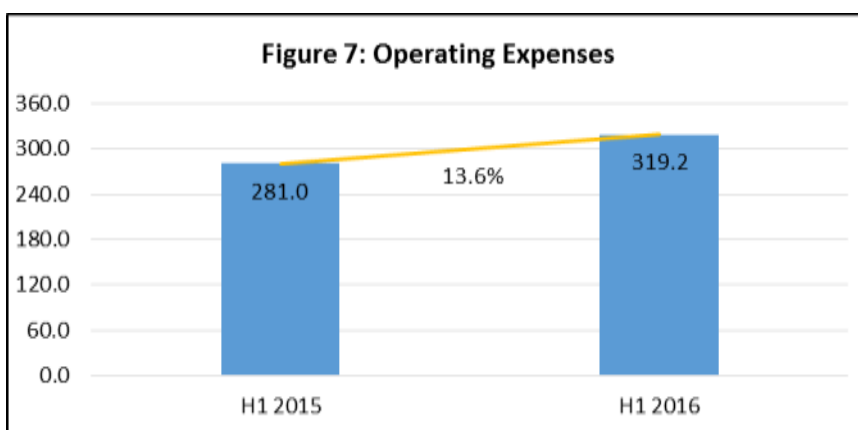


Costs and Expenses

As shown in Figure 6 below, Cost of Program and Broadcasting increased 5.8% year-on-year. The increase in the cost of program and broadcasting is mostly due to increasing expenditure on local soccer program 'Torabica Soccer Championship ('TSC')' which started to broadcast at the end of April 2016 and Ramadhan special program such as the sinetrons 'Para Pencari Tuhan' season 10 and '3 Semprul' season 4, and the weekly religious music show 'Gema Ramadhan' on SCTV, and religious talent show 'Academy Sahur Indosiar (AKSI)' season 4 on IVM.

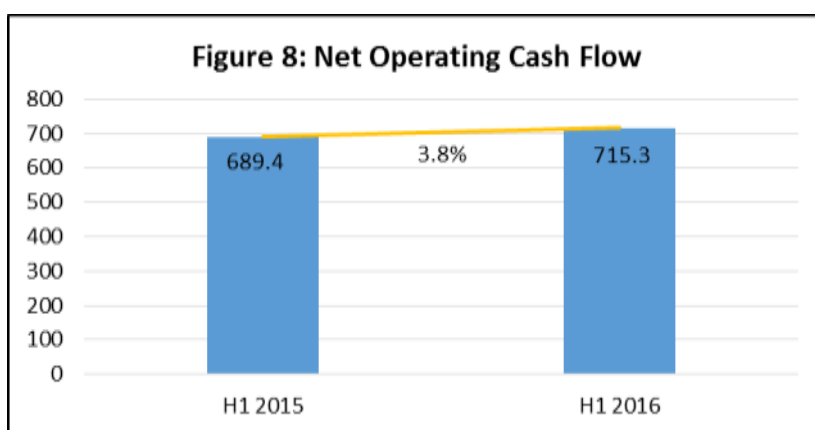


Operating expenses increased by 13.6% year-on-year as shown below in Figure 7. Operating expenses as a percentage of net revenues increased by 0.7 points to 13.6% as they increased significantly more than revenue growth. This relates primarily to the restructuring of the group's content and production businesses with IEG now owning AS Productions since Q4 2015. Employee salaries and benefits costs were just over 72.6% of the operating expenses.



Cash Flow

Net operating cash flow increased by 3.8% year-on-year to Rp 715.3 billion. The increase primarily resulted from better collections as compared to H1 2015.





The net investment cash outflows increased by 139.2% to Rp 160.8 billion mainly due to the new investment in Iflix amounting to Rp 98.6 billion.

The free cash flow for H1 2016 was Rp 554.5 billion, 10.9% lower than H1 2015.

Financing cash outflows of Rp 454.2 billion decreased by 58.5% compared to H1 2015. This primarily relates to the lower dividend payment in H1 2016 as an interim dividend was paid at the end of December 2015, whilst in 2015 there was no interim dividend and the dividend was paid in full in May 2015. The dividend payout ratio for 2015 income is 80% which is better than the dividend payout ratio from 2014 income which is 70%.

Other Matters

Digital Television Broadcasting

As advised in the Q1 2015 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.

Update on Tax Case

As informed previously in FY2014 Investors' Release dated March 30, 2015, the Company has won the case in the Tax Court, High Administrative Court and Supreme Court.

However on July 12, 2016, the Company received the Judicial Review Petition filed by DGT to the Supreme Court in response to the Tax Court Award. The Company is currently in the process of preparing the response.

The Company will perform all necessary actions to protect its legal rights and to also protect the interests of all its stakeholders. The earlier Awards of the Supreme Court, State Administrative High Court and the Tax Court in favor of the Company are evidence that the Company has a strong legal position in this tax dispute.

SCM's Board Composition

In the last AGM held on May 18, 2016, the Shareholders appointed Mrs. Mutia Nandika as the Independent Director of the Company.



The new structure of the Board of Commissioners and Board of Directors of the Company is as follows:

Board of Commissioners

President Commissioner	: Rd. Soeyono
Vice President Commissioner/ Independent Commissioner	: Suryani Zaini
Commissioner	: Alvin Widarta Sariaatmadja
Independent Commissioner	: Glenn M. Surya Yusuf
Commissioner	: Jay Geoffrey Wachter

Board of Directors

President Director	: Sutanto Hartono
Director	: Harsiwi Achmad
Director	: Imam Sudjarwo
Director	: Rusmiyati Djajaseputra
Independent Director	: Mutia Nandika



PT Surya Citra Media Tbk and Subsidiaries
Interim Consolidated Statement of Profit or Loss and Other Comprehensive Income
For the Six-month period ended June 30
(Expressed in Millions of Rupiah Except Earnings per Share)

	H1 2016	H1 2015 (Restated *)	% change
Net Revenues	2,340,205	2,172,167	7.7%
Program and Broadcasting Expenses	842,273	796,165	5.8%
Gross Profit	1,497,933	1,376,002	8.9%
<i>as % of Net Revenue</i>	64.0%	63.3%	
Operating Expenses	319,223	280,971	13.6%
<i>as % of Net Revenue</i>	13.6%	12.9%	
EBITDA	1,178,710	1,095,032	7.6%
<i>as % of Net Revenue</i>	50.4%	50.4%	-0.1%
Depreciation & Amortization	71,218	64,435	10.5%
EBIT	1,107,492	1,030,596	7.5%
<i>as % of Net Revenue</i>	47.3%	47.4%	
Interest Income/(Expenses)	6,756	14,160	-52.3%
Other Operating Income/(Expenses)	3,619	13,477	-73.1%
EBT	1,117,867	1,058,233	5.6%
<i>as % of Net Revenue</i>	47.8%	48.7%	
Income Tax Expense	277,521	258,720	7.3%
Income For the Period after Merging Entities' Income Adjustment	840,347	799,514	5.1%
<i>as % of Net Revenue</i>	35.9%	36.8%	
Merging entities' income	0	(2,909)	-100.0%
Income For the Period before Merging Entities' Income Adjustment	840,347	796,604	5.5%
<i>as % of Net Revenue</i>	35.9%	36.7%	
Other Comprehensive Income	(1,118)	8,377	-113.3%
Total Comprehensive Income for the Period	839,229	804,981	4.3%
<i>as % of Net Revenue</i>	35.9%	37.1%	
Income for the Period before Merging Entities' Income Adjustment Attributable to:			
Parent Entity	836,915	804,146	4.1%
Non-Controlling Interests	3,432	(7,542)	-145.5%
	35.8%	37.0%	
Total Comprehensive Income for the Period Attributable to :			
Parent Entity	835,974	812,387	2.9%
Non-Controlling Interests	3,255	(7,406)	-144.0%
EPS (Rp. Per share) - full amount	57.24	55.00	4.1%

*) Figure 2015 has been restated to include PT Animasi Kartun Indonesia



PT Surya Citra Media Tbk and Subsidiaries
Interim Consolidated Statement of Financial Position
As of June 30, 2016 and December 31, 2015
(Expressed in Millions of Rupiah, Except Par Value pe Share)

	June 30, 2016	December 31, 2015
ASSETS		
Current Assets		
Cash & cash equivalents	780,658	685,722
Other current financial assets		
Trade receivables - net	1,503,961	1,380,266
Other receivables - net	43,650	31,606
Inventories	596,050	532,656
Advances & prepaid expenses	172,730	145,024
Prepaid taxes	63,392	68,225
Total Current Assets	3,160,441	2,843,500
Non-Current Assets		
Due from related party		
Advances for purchase of fixed assets	16,838	19,505
Deferred tax assets	70,684	73,325
Fixed assets - net	957,085	962,114
Intangible assets - net	449,889	449,889
Investment in associated companies	25,433	24,394
Long - term investment	98,618	-
Prepaid long-term rent	147,103	146,895
Estimated claims for tax refund	41,016	16,423
Other non-current assets - net	31,531	29,919
Total Non-Current Assets	1,838,197	1,722,464
TOTAL ASSETS	4,998,638	4,565,964
LIABILITIES & EQUITY		
LIABILITIES		
Current Liabilities		
Trade payables	204,765	155,068
Other payables	101,073	104,717
Accrued expenses	297,406	271,985
Taxes payables	128,435	133,888
Dividend payable		
Current maturities of long-term liabilities:		
Due to a related party	145,417	148,238
Financing payables	635	1,323
Other current liabilities	17,062	45,250
Financing payables		
Total Current Liabilities	894,794	860,470
Non-Current Liabilities		
Long-term portion of:		
Due to a related party	159,404	205,764
Financing payables	928	928
Liabilities for employees benefits - net	96,250	85,126
Total Non-Current Liabilities	256,582	291,818
TOTAL LIABILITIES	1,151,376	1,152,288
EQUITY		
Share capital-issued & fully paid	731,080	731,080
Additional paid-in capital	278,306	278,306
Treasury stock	(41)	(41)
Other comprehensive income	35,454	36,395
Retained earnings	2,528,139	2,100,622
Non-controlling interests	274,325	267,313
TOTAL EQUITY	3,847,263	3,413,676
TOTAL LIABILITIES & EQUITY	4,998,638	4,565,964



PT Surya Citra Media Tbk and Subsidiaries Interim Consolidated Statement of Cash Flows For the Six-month period ended June 30 (Expressed in Millions of Rupiah)			
	H1 2016	H1 2015 (Restated *)	% change
Net Cash Provided by Operating Activities	715,310	689,404	3.8%
Net Cash Used in Investing Activities	(160,818)	(67,239)	139.2%
Free Cash Flow	554,492	622,166	-10.9%
Net Cash Used in Financing Activities	(454,238)	(1,094,155)	-58.5%
Net Increase in Cash & Cash Equivalents	100,253	(471,989)	-121.2%
Cash & Cash Equivalents at Beginning of the Period	685,722	1,248,623	-45.1%
Effect of changes in foreign exchange rates on cash & cash equivalents	(5,317)	5,390	-198.6%
Cash & Cash Equivalent at Ending of the Period	780,658	782,024	-0.2%

*) Figure 2015 has been restated to include PT Animasi Kartun Indonesia

Investor Relations contact details:

Olle Wennerdahl
Investor Relations, SCM
E-mail: olle.wennerdahl@scm.co.id
Phone: +62 21 7278 2066 ext. 8231
Fax: +62 21 7278 2194
www.scm.co.id

Disclaimer Notice: PT Surya Citra Media Tbk and its employees make no representations or warranties as to the adequacy, completeness, suitability or alike for any purpose of the information contained in this release, and disclaim liability for any error or omissions therein and for any damages whatsoever or howsoever arising, including from any action taken in reliance on any information in this release.