



INVESTORS' RELEASE – 30 April 2015
PT SURYA CITRA MEDIA Tbk.

SCM Q1 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”) and its 51% owned production house subsidiary PT Screenplay Produksi (“Screenplay”) are pleased to announce their consolidated results for Q1 2015.

Audience Share

SCTV’s All Time average audience share for the Q1 2015 decreased by 0.7 points to 14.9% compared to the previous corresponding period. IVM’s average audience share increased by 1.1 points to 13.5%. The resulting combined average audience share for SCM was 28.4%, an increase of 0.4 points from 28.0% in the previous corresponding period. SCTV held the No. 1 All Time market position during the month of January 2015, with IVM holding the No. 1 All Time market position in the month of March 2015.

Figure 1: Average Audience Shares - All Demographics 5+

Channel/Year	Q1 2014	Q1 2015	% Change
SCTV	15.6	14.9	-4.5
RCTI	14.8	15.4	4.1
IVM	12.4	13.5	8.9
TRANS	15.1	7.9	-47.7
MNCTV	9.9	12.3	24.2
ANTV	8.8	13.3	51.1
TRANS7	8.9	8.1	-9.0
TVONE	4.3	4.3	0.0
GTV	6.4	6.3	-1.6
METRO	2.3	2.6	13.0

In the first 3 months of 2015, SCTV experienced a decrease in both audience share and market position from the last quarter of 2014, with most of the audience share losses coming as a result of the improved performance of Indosiar, MNCTV and RCTI. In order to improve competitiveness, SCTV replaced several of its sinetron programs during the Q1 2015. The drama series’ *Ganteng Ganteng Serigala* and *Emak Ijah Pengen Ke Mekah* remain, and have been joined by *Rain* and *Samson and Dahlia*, which led to an improvement in ratings in March 2015 and into April 2015. SCTV and IVM ranked No. 2 and 3 respectively amongst television stations in Indonesia for the All Time All 5+ Demographics during Q1 2015.

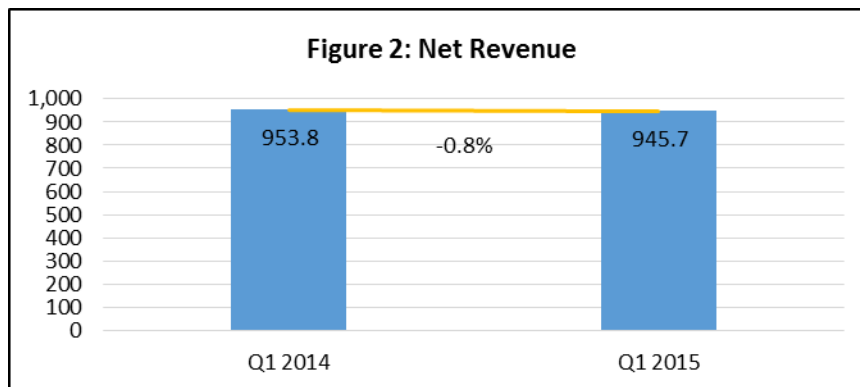


Revenue Growth

SCTV achieved net revenues of Rp 606.4 billion for Q1 2015, a decrease of 8.0%, and IVM achieved revenues of Rp 343.8 billion, up by 13.6% from Q1 2014. As SCTV contributed 63.8% of SCM's television revenues, the total net revenue decreased by 0.8%.

The revenue performance of SCTV and IVM was broadly in line with market conditions and the audience share changes at each station. Lower advertising volumes in Q1 2015 are a result of external and internal factors. Externally, a slowdown in advertising expenditure was experienced in the second half of 2014 with political and macro headwinds weighing on the FMCG sector after the election, which has continued into Q1 2015. We expect that underlying sentiment holding back advertising spend will turn more positive going into 2H 2015.

Internally, SCM sought to implement a strategy to improve its revenue mix. The strategy has enabled a higher net rate card in certain slots by the last quarter of the 2014, and this continued into Q1 2015, however, with lower advertising volumes. We expect some recovery in advertising volumes during 2015.

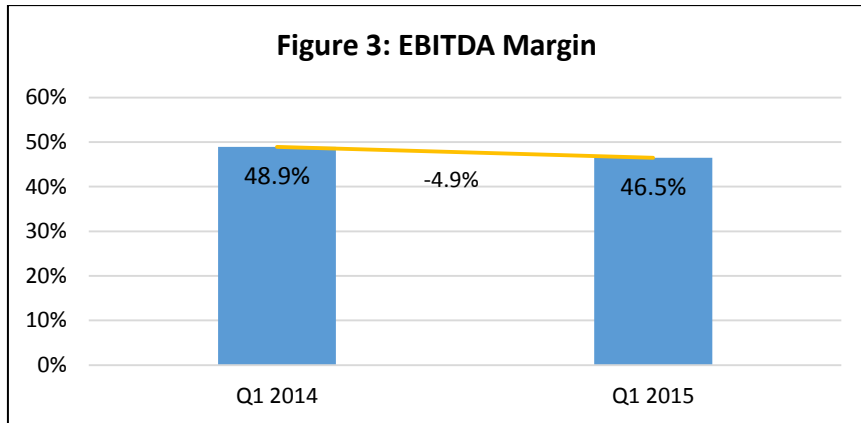


Profit Growth

SCM's gross profit in Q1 2015 decreased to Rp 565.3 billion, down 2.8% from Q1 2014. The decrease in gross profit was greater than revenue growth due to the slight increase in programming costs for SCM for the period. SCTV experienced 2.9% higher program costs, whilst IVM experienced a decrease in program costs of 5.7%. The overall increase in programming costs on a consolidated basis was 2.1%.

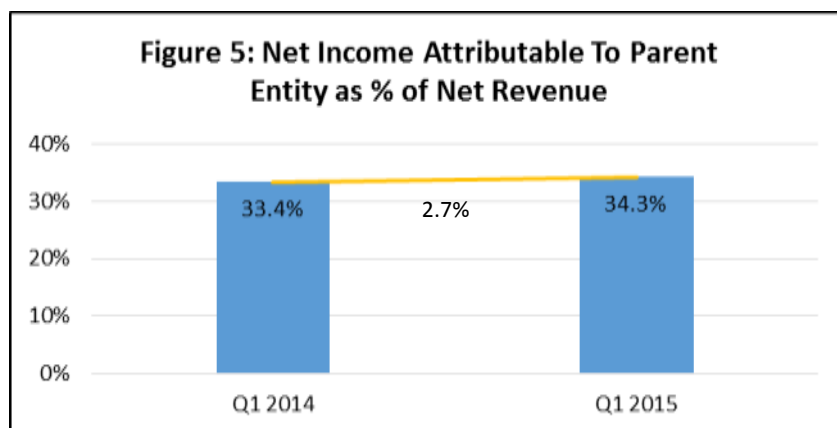
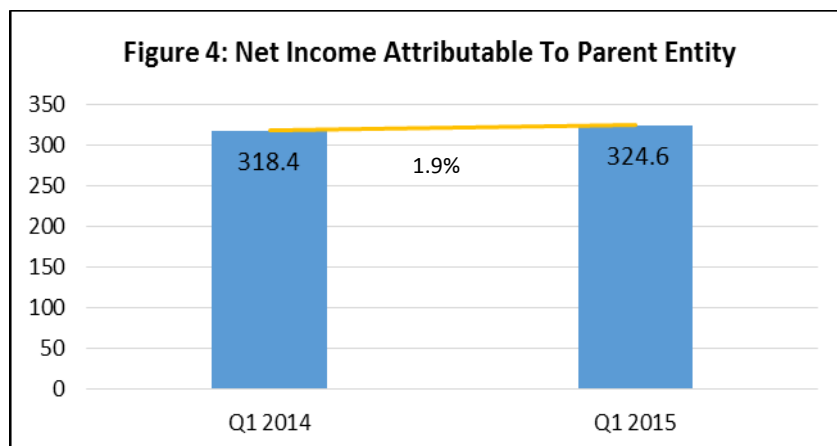
The increase in SCTV's programming costs relates to the local soccer content such as SCM Cup and also imported soccer licenses' with an accompanying depreciation of the Rupiah against the USD. The effects of IVM's programming shift to in-house content enabled a decrease in cost of program at IVM (refer Costs and Expenses below).

The gross margin achieved by SCTV was 56.2% and for IVM was 60.0%. EBITDA for Q1 2015 decreased by 5.7% to Rp 440.0 billion from Rp 466.6 billion in Q1 2014. As shown in Figure 3 below, the achieved EBITDA margin was 46.5%, a decrease of 2.4 points over Q1 2014.



Depreciation increased 18.0% to Rp 30.9 billion. This relates to the increased investment in property, plant and equipment since Q1 2014. Net cash outflows used in investing were Rp 24.9 billion, a decrease of 31.5% over the corresponding period, as we suspended investments related to our digital license commitments due to the digital license and regulation annulment by the State Administrative Court, Jakarta on March 5, 2015.

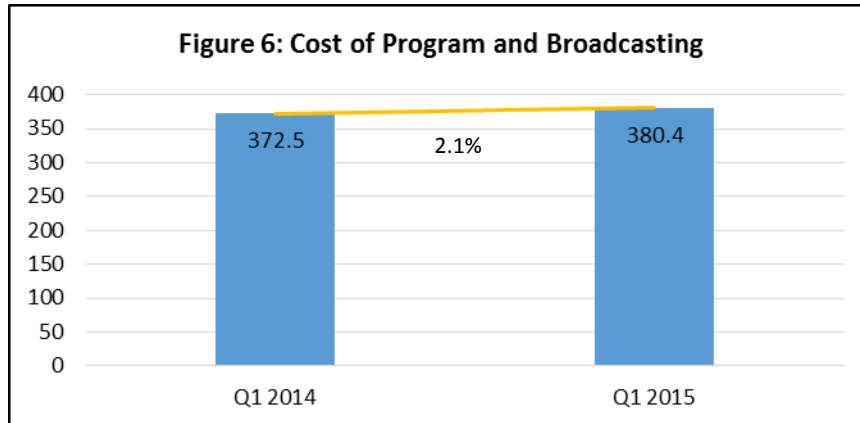
Net income attributable to the parent company grew by 1.9% year-on-year to Rp 324.6 billion with the net income margin attributable to the parent company increasing to 34.3%.





Costs and Expenses

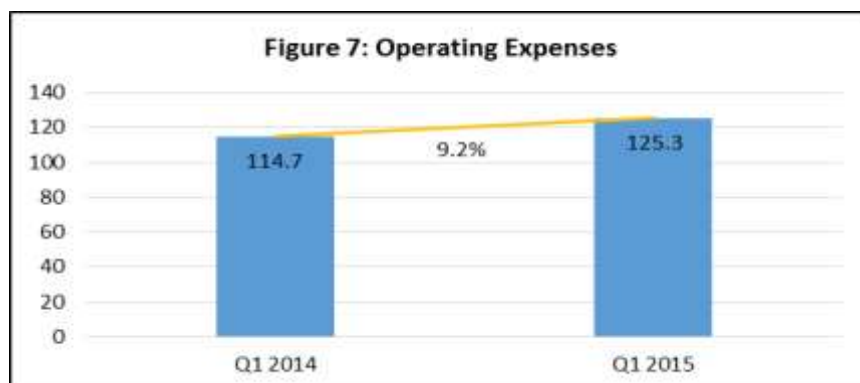
As shown in Figure 6 below, Cost of Program and Broadcasting increased 2.1% year-on-year. The low increase in the cost of program and broadcasting is mostly due to the effect of running more complementary programming schedules at SCTV and IVM, with IVM allocating more hours to less expensive in-house produced formats. SCTV had higher program costs mainly due to the high cost of the SCM Cup and the higher cost of sinetron drama series.



Early-February 2014 was when IVM repositioned its programming by introducing an in-house talent show called *D Academy*, which became the No. 1 rating Prime Time television program in the second quarter of 2014, and its spin-off variety show called *D'T3Rong*.

IVM was able to reduce its Cost of Program and Broadcasting as a result of this change to its program strategies, replacing more expensive drama sinetron in Prime Time with in-house produced talent, variety and entertainment shows with a lower cost base. Hence the falling cost of program and broadcast in Q1 2015. *D Academy Season 2* is currently on air and is once again the highest rating program in Indonesia.

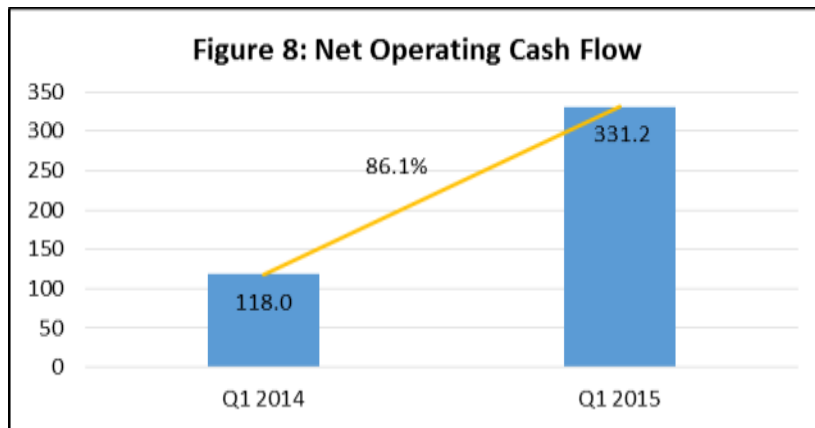
Operating expenses increased by 9.2% year-on-year as shown below in Figure 7. Operating expenses as a percentage of net revenues increased by 1.3 points to 13.3% primarily due to a salary adjustment increase of 7% effective after Q1 2014, a 15% increase in the cost of electricity, aligning of insurance in-patient benefits between SCTV and IVM, changes to insurance regulations which almost doubled the cost of insurance, and an increase in outsourcing costs to comply with minimum salary increases mandated by the Government. Employee salaries and benefits costs constitute over 68.4% of the operating expenses.





Cash Flow

Net operating cash flow increased by 86.1% year-on-year to Rp 331.2 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.



Investment cash outflows decreased by 31.5% to Rp 24.9 billion, mostly due to reduced investments in digital broadcasting infrastructure.

Financing cash outflows of Rp 46.8 billion primarily relates to the partial repayment of SCM's loan from parent company PT Elang Mahkota Teknologi Tbk ("Emtek").

The free cash flow for Q1 2015 was Rp 306.4 billion resulting in a closing cash balance of Rp 1,512.1 billion.

Dividends

SCM announced a dividend for the 2014 financial year of Rp 70 per share which will be paid on 21 May 2015. Please refer to SCM's announcement on 23 April 2015 for the full Final Dividend Schedule.

Other Matters

Update on Tax Case

There is nothing further to report. Please refer to our statement in the FY 2014 Investors' Release dated March 30th 2015.

Digital Television Broadcasting

There is nothing further to report. Please refer to our statement in the FY 2014 Investors' Release dated March 30th 2015.



SCM's Board Composition

At the AGM held on 21 April 2015 the shareholders appointed Drs. Imam Sudjarwo, M. Si, as a Director of the Company, replacing the late Mr. Emanuel Loe Soei Kim and also appointed Mrs. Rusmiyati Djajaseputra as Finance Director of the Company, replacing Mrs. Grace Wiranata who resigned last year.

The Shareholders also approved the appointment of Mr. Raden Alvin Widarta Sariaatmadja as a Commissioner of the Company, having previously been a Director.

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

Board of Commissioners

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

Board of Directors

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



Figure 9:
PT Surya Citra Media tbk
Consolidated Statement of Comprehensive Income
For the three-month periods ended March 31
(in Rp. million)

	Q1 2014	Q1 2015	% change
Net revenue	953,801	945,732	-0.8%
Program and Broadcasting	372,513	380,444	2.1%
Gross Profit	581,288	565,288	-2.8%
<i>as % of Net Revenue</i>	60.9%	59.8%	
Operating Expenses	114,723	125,326	9.2%
<i>as % of Net Revenue</i>	12.0%	13.3%	
EBITDA	466,565	439,962	-5.7%
<i>as % of Net Revenue</i>	48.9%	46.5%	
Depreciation & Amortization	26,159	30,866	18.0%
EBIT	440,406	409,097	-7.1%
<i>as % of Net Revenue</i>	46.2%	43.3%	
Interest Income/(Expenses)	2,772	8,293	199.2%
Other Income/(Expenses)	(17,835)	7,072	-139.7%
EBT	425,343	424,462	-0.2%
<i>as % of Net Revenue</i>	44.6%	44.9%	
Tax	104,765	103,403	-1.3%
Net Income before effect of proforma adj	320,578	321,059	0.2%
<i>as % of Net Revenue</i>	33.6%	33.9%	
Proforma Adjustment	-	-	
Net Income	320,578	321,059	0.2%
<i>as % of Net Revenue</i>	33.6%	33.9%	
Net Income attributable to :			
Parent Entity	318,420	324,628	1.9%
<i>as % of Net Revenue</i>	33.4%	34.3%	
Non Controlling Interest	2,158	(3,569)	-265.4%
EPS (Rp. Per share)	21.78	22.20	1.9%



Figure 10:
Consolidated Statement of Financial Position
As of 31 Mar 2015
(in Rp. Million)

	Q1 2014	Q1 2015
ASSETS		
Current Assets		
Cash & cash equivalents	1,176,619	1,512,112
Trade Receivables	1,164,668	1,308,236
Other Receivables	20,638	21,702
Inventories	401,388	481,241
Prepaid Expenses & advances	173,227	180,529
Other current assets	2,531	168
Total Current Assets	2,939,071	3,503,986
Non-Current Assets		
Due from related party		
Advances for purchase of fixed assets	39,763	41,876
Deferred taxes	64,955	75,994
Fixed Assets - Net	723,106	750,941
Intangible assets	445,237	445,237
Prepaid long-term rent	142,250	136,803
Other non-current assets	37,778	88,555
Total Non-current Assets	1,453,089	1,539,407
TOTAL ASSETS	4,392,160	5,043,393
LIABILITIES & EQUITY		
LIABILITIES		
Current Liabilities		
Trade payables	191,881	224,635
Other payables	93,469	114,831
Accrued expenses	268,399	266,868
Taxes payable	138,680	137,966
Dividend payable	-	-
Current maturities of Long term liabilities	76,121	96,117
Other current liabilities	21,201	9,639
Financing payables		
Total Current Liabilities	789,751	850,057
Non-Current Liabilities		
Financing Payable	1,122	1,505
Due to Related Party	423,341	307,164
Liabilities for employees benefits	67,910	85,419
Total Non-Current Liabilities	492,374	394,088
TOTAL LIABILITIES	1,282,125	1,244,146
EQUITY		
Share capital-issued & fully paid	731,080	731,080
Additional paid-in capital	281,906	281,906
Retained earnings	2,043,287	2,757,449
Treasury stock	(41)	(41)
Proforma Equity	-	-
Non-controlling interest	53,803	28,853
TOTAL EQUITY	3,110,035	3,799,247
TOTAL LIABILITIES & EQUITY	4,392,160	5,043,393



Figure: 11
PT Surya Citra Media tbk
Consolidated Statement of Cash Flow
For the three-month periods ended March 31
(in Rp million)

	Q1 2014	Q1 2015	% change
Net Cash provided by Operating Activities	177,954	331,245	86.1%
Net Cash Used in Investing Activities	(36,321)	(24,885)	-31.5%
Free cash Flow	141,634	306,359	116.3%
Cash Flows from Financing Activities	(7,379)	(46,762)	533.7%
Net Increase in cash & cash Equivalent	134,255	259,597	93.4%
Cash & Cash Equivalent Beginning of Year	1,043,283	1,246,109	19.4%
Effect of exchange rate different on forex	(919)	6,405	0.0%
Cash & Cash Equivalent at End of Period	1,176,619	1,512,112	28.5%

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