

*For Immediate Release*

**SING TAO NEWS CORPORATION LIMITED**  
**REPORTS 2015 FINANCIAL RESULTS**

(23rd March, 2016, Hong Kong) In its annual results announced today for the 12 months ended 31<sup>st</sup> December, 2015 (the "Year"), Sing Tao News Corporation Limited (the "Company") reported consolidated revenue of approximately HK\$1,864.2 million, consolidated profit attributable to shareholders of approximately HK\$62.3 million and basic earnings per share of HK7.28 cents. Consolidated profit dropped by approximately 45%, attributable to a number of factors including a weakened performance of the Media operations, currency depreciations affecting the overseas business, impairment of intangible assets and investments in new media projects. The Board of the Company has declared a final dividend of HK4.0 cents per share for a full year dividend of HK6.0 cents per share.

The Group's Media operations recorded segment revenue of approximately HK\$1,854.0 million for the Year and segment profit of approximately HK\$81.0 million. Commenting on the Group's results, the Company's Chairman Mr. Ho Tsu Kwok, Charles said, "The Group's Media operations were affected by the deteriorating market environment in 2015, with Hong Kong's advertising spending having recorded the lowest growth since 2000<sup>1</sup>. Given the difficult circumstances the performance of the Group's key newspaper products in Hong Kong held up rather well, but this was not sufficient to offset the decline in other business areas including the Sing Tao Daily overseas operations and our Magazine operations."

As the number 1 free newspaper in Hong Kong, *Headline Daily* is in a strong position to weather the changing market conditions. *Headline Daily* continued to lead in terms of circulation, printing capacity, readership and advertising. Its average readership of 1,292,000<sup>2</sup> was 25% more than the net total of the other three Chinese free dailies combined, making it not only the print advertising medium reaching the largest audience

but also the most cost-effective. In 2015, *Headline Daily* was the newspaper in Hong Kong with the largest amount of advertising both in terms of volume and revenue<sup>1</sup>. *Headline Daily* focused on providing an effective advertising platform and value-add services to its customers, and will continue to enhance its content and employ innovative promotion formats to create more value for its readers and advertisers.

Although the market slowdown has had a dampening effect on *Sing Tao Daily's* performance, it was the newspaper with the second largest amount of advertising in volume terms in 2015<sup>1</sup>. The newspaper focused on creating high value-add content pertinent to its middle-class readers; in addition, its commitment to objective news reporting and a neutral positioning enabled it to maintain a consistent image and a loyal reader base. *Sing Tao Daily* will adhere to providing a premium product while optimizing its operations continually to maximize competitiveness.

The *Standard* achieved stable results in the first half but the worsening market conditions in the second half dragged down its performance, yet it was able to grow its advertising in Overseas Properties, Hotels and Travel. The overseas operations of *Sing Tao Daily* faced a tough operating environment, but efforts to mitigate the negative impact have borne fruit with performance having stabilized in recent months.

Hong Kong's magazine advertising experienced a record decline in 2015<sup>1</sup>, giving rise to a series of consolidation in the market. The Group's magazine unit focused on increasing its competitiveness by strengthening its core products and reorganizing its operations. *East Week* was able to increase its readership while its infotainment magazine competitor recorded a considerable decline<sup>2</sup>.

The Group continued to occupy the number 1 position in the recruitment print media market in Hong Kong, with *JobMarket* holding the largest share of advertising spending<sup>1</sup> among print recruitment publications, and was able to maintain its total advertising revenue while other competitors experienced a decline. In addition, *JobMarket* saw a 27% increase in readership in 2015<sup>2</sup>.

The print media industry is in a phase of structural change and during the Year a series of consolidation took place with a number of newspapers and magazines having ceased publication, changed hands or restructured their operations. In these circumstances only the fittest will survive, and the Group has been taking measures to ensure an efficient operation with a sustainable cost structure. At the same time, the Group has been making careful investments in new media businesses to complement our traditional core products and develop new opportunities that are opening up in the industry.

In terms of prospects, Mr. Ho commented, "The global economy is expected to be lackluster in 2016 and Hong Kong's growth is projected to be below average. In this uncertain environment it is all the more important that we adhere to the strategy of focusing on our competitiveness, by strengthening our core media products, by exercising vigilant control over all costs and by being adaptive in our use of resources to maximize synergies. Although the profit outlook in the short term is expected to be under pressure due to the general environment, our strong market standing, our healthy financial position and our well-defined strategy will give us longer term strength and resilience that will stand us in good stead."

<sup>1</sup> Source: admanGo reports

<sup>2</sup> Source: Ipsos Media Atlas Jan – Dec 2015 report

### **About Sing Tao News Corporation Limited**

Sing Tao News Corporation Limited is a media corporation listed on the main board of Hong Kong Stock Exchange (Stock Code:1105). Its principal activities comprise Media operations including Newspapers, Magazines, Recruitment Media and other media-related businesses.

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