

*For Immediate Release*

**SING TAO NEWS CORPORATION LIMITED**  
**REPORTS 2016 FINANCIAL RESULTS**

(29<sup>th</sup> March, 2017, Hong Kong) In its annual results announced today for the 12 months ended 31<sup>st</sup> December, 2016 (the "Year"), Sing Tao News Corporation Limited (the "Company") reported consolidated revenue of approximately HK\$1,609.0 million, profit attributable to owners of the Company of approximately HK\$33.8 million, and basic earnings per share of HK3.91 cents. The Board of the Company has declared a final dividend of HK4 cents per share, and in view of the Group's sizeable cash reserve the Board has further resolved to declare a special dividend of HK2 cents per share for the Year. Together with the interim dividend of HK2 cents per share, the total dividend will amount to HK8 cents per share for the Year.

The drop in revenue and profit is mainly attributable to the weak advertising market in Hong Kong and in the overseas markets in which the Group operates. Advertising spending in Hong Kong saw a 12% year-on-year decline in 2016, the first negative growth experienced since 2000<sup>1</sup>. Almost all media categories in the market were affected, including online and mobile media apart from traditional media.

Commenting on the Group's results, the Company's Chairman Mr. Ho Tsu Kwok, Charles said, "2016 was a challenging year for the Group and for the media industry. We have focused on reforming our operations to align with the industry's changes and the effect of our efforts have progressively been realized, as can be seen from the results in the second half which had stabilized compared with the first half and which had recovered to a level similar to the second half of 2015. Print media is still seen as irreplaceable by many and, we believe, will remain an authoritative and reliable source of news and information. The Group is committed to enhance its print media strength while increasing its digital services appropriately to ensure that we remain a major player in this market."

Headline Daily continued to be Hong Kong's number 1 free newspaper. Commanding an average readership of over 1.2 million<sup>2</sup>, the largest among all newspapers in Hong Kong, Headline Daily was read by almost 80% of total Chinese free newspaper readers. Headline Daily also remained the newspaper in Hong Kong with the highest advertising revenue in 2016<sup>1</sup>. During the Year, it further diversified its advertiser base and adopted more proactive strategies to better serve its advertisers. At the same time, it continued to provide high-quality content and added value to readers.

As a paid newspaper, Sing Tao Daily faced a tough operating environment in 2016, but it kept its profitability relatively stable thanks to efforts on optimizing operational efficiency and sharing of resources under a "central kitchen" concept. Sing Tao Daily remained committed to provide high-quality content and its neutral, objective and analytical reporting appeals to its loyal base of readers, a high-quality target audience sought after by advertisers.

The weak advertising market also took its toll on English-language newspapers, and although advertising revenue of The Standard was adversely affected the decrease was less than the competition<sup>1</sup>. In 2016, The Standard achieved a year-on-year 7% increase in readership<sup>2</sup>.

Among the different media categories, the magazine market experienced the most acute decline in advertising revenue in 2016<sup>1</sup>. Given that the Group's Magazine unit had taken early steps to mitigate against the industry downturn, including realigning its cost structure and work processes as well as consolidating its resources, it managed to keep its performance under control. The flagship magazine East Week achieved a notable improvement in bottom line thanks to its cost control efforts.

In 2016, the Group continued to occupy the number 1 position in Hong Kong's recruitment print media market. While there was a drop in advertising revenue among all print recruitment publications in 2016, JobMarket held the largest share of advertising spending and maintained its market share<sup>1</sup>. JobMarket's readership increased by 22% in 2016 and

continued to be the recruitment publication with the largest readership<sup>2</sup>.

The Group has continued to invest in new media business and to redeploy resources towards building its digital business in order to serve the needs of both advertisers and readers. Given the Group's strong position in the traditional media market, our diversified media portfolio and our progress in digital business development, we are confident of weathering the present challenges to deliver improved performance when the environment recovers.

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

<sup>2</sup> Source: Ipsos Media Atlas Jan – Dec 2016 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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