



2nd Quarter FY18 Results

14th September 2017

Go Beyond

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1HFY18 key performance highlights



- **5.0mn** to **5.3mn** customers
- **69%** to **72%** household penetration
- **1.3mn** Astro GO registered users
- **1.1mn** Go Shop registered customers
- **1.9mn** Tribe registered users
- Vernacular content drives viewership
- **639k** connected homes
- **76%** to **77%** share of TV viewership
- **16.1mn** weekly radio listenership
- ARPU of **RM100.8**
- **37%** to **43%** TV Adex share
- **73%** to **74%** Radex share
- **Reach and scale**
- **Households and individuals**
- **Content IPs and verticals**
- **Digital and e-commerce ventures**
- **Digitalisation and customer experience**
- **Operational efficiencies**

Revenue -2%
RM2.79bn → RM2.75bn

Adex +4%
RM336mn → RM351mn

EBITDA +12%
RM903mn → RM1.01bn

PATAMI +35%
RM328mn → RM442mn

FCF of RM723mn
+36%
164% of PATAMI

1HFY18 year-on-year overview

Highlights	1H FY17	1H FY18	Growth
TV households (000s) ⁽¹⁾	7,162	7,261	1%
TV household penetration ⁽²⁾	69%	72%	3pp
TV customer base (000s)	4,974	5,262	6%
ARPU (RM)	99.2	100.8	2%
Astro TV viewership share ⁽³⁾	76%	77%	1pp
Radio listenership (mn) ⁽⁴⁾	12.8	16.1	26%
Monthly unique visitors (mn) ⁽⁵⁾	4.9	6.7	37%
Connected boxes (000s)	395	639	62%
Revenue (RM mn)	2,791	2,746	(2%)
EBITDA (RM mn)	903	1,011	12%
EBITDA margin	32%	37%	4.4pp
PATAMI (RM mn)	328	442	35%
FCF (RM mn)	531	723	36%
EPS (RM sen)	6.3	8.5	35%

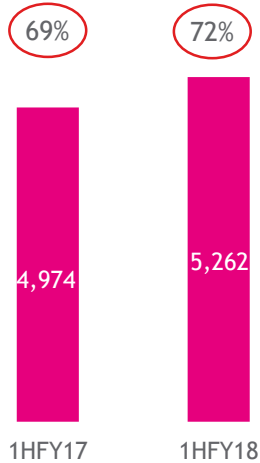
NB

- (1) TV household data sourced from the Department of Statistics Malaysia and Media Partners Asia
- (2) Household penetration comprises residential Pay-TV customers and NJOI customers
- (3) Viewership share is based on DTAM deployed by Kantar Media.
- (4) There was a change in audience measurement partner for the radio industry in Malaysia commencing H2FY17. The ratings prior to the change were provided by Nielsen whereas it is now being provided by GfK. Share of radex is based on internal estimates
- (5) Monthly unique visitors are end of period figures (as at 31 July) referring to visitors to Astro's digital platforms as sourced from ComScore
- (6) Data presented are for the 6 months ended 31 July
- (7) Numbers may not add up due to rounding differences

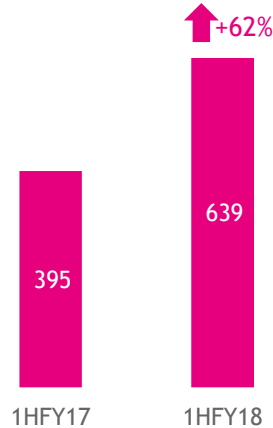
Serving 5.3mn households with 639k connected homes and 6.7mn monthly visitors to our digital platforms

Households (000s)

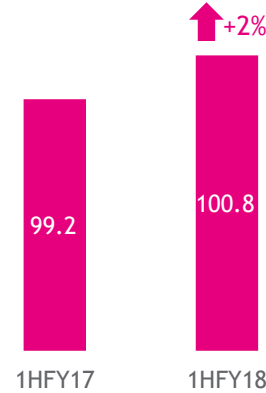
Household Penetration



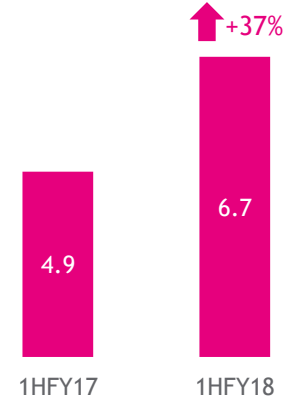
Connected Boxes (000s)



ARPU (RM)



Monthly Unique Visitors ⁽¹⁾ (mn)



NB

(1) Monthly unique visitors are end of period figures (as at 31 July) referring to visitors to Astro's digital platforms as sourced from ComScore



TV viewership share and time spent on the rise

Pay-TV

189
channels

73

Astro-branded
channels

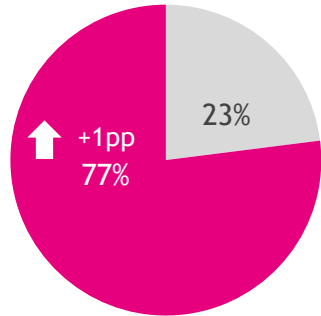
61

HD channels

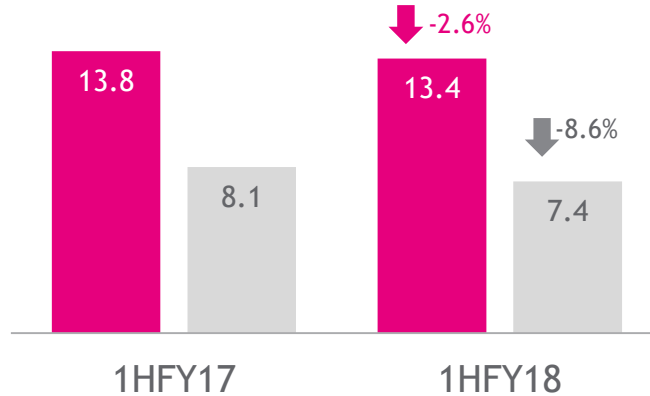
NJOI

28
channels

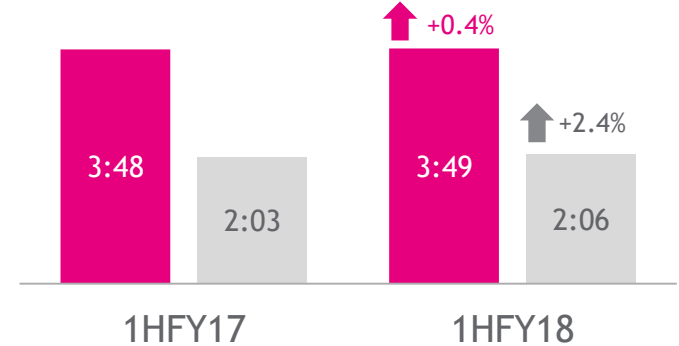
TV Viewership Share



Avg. Daily Viewers (mn)



Avg. Time Spent/Day



■ Astro ■ FTA

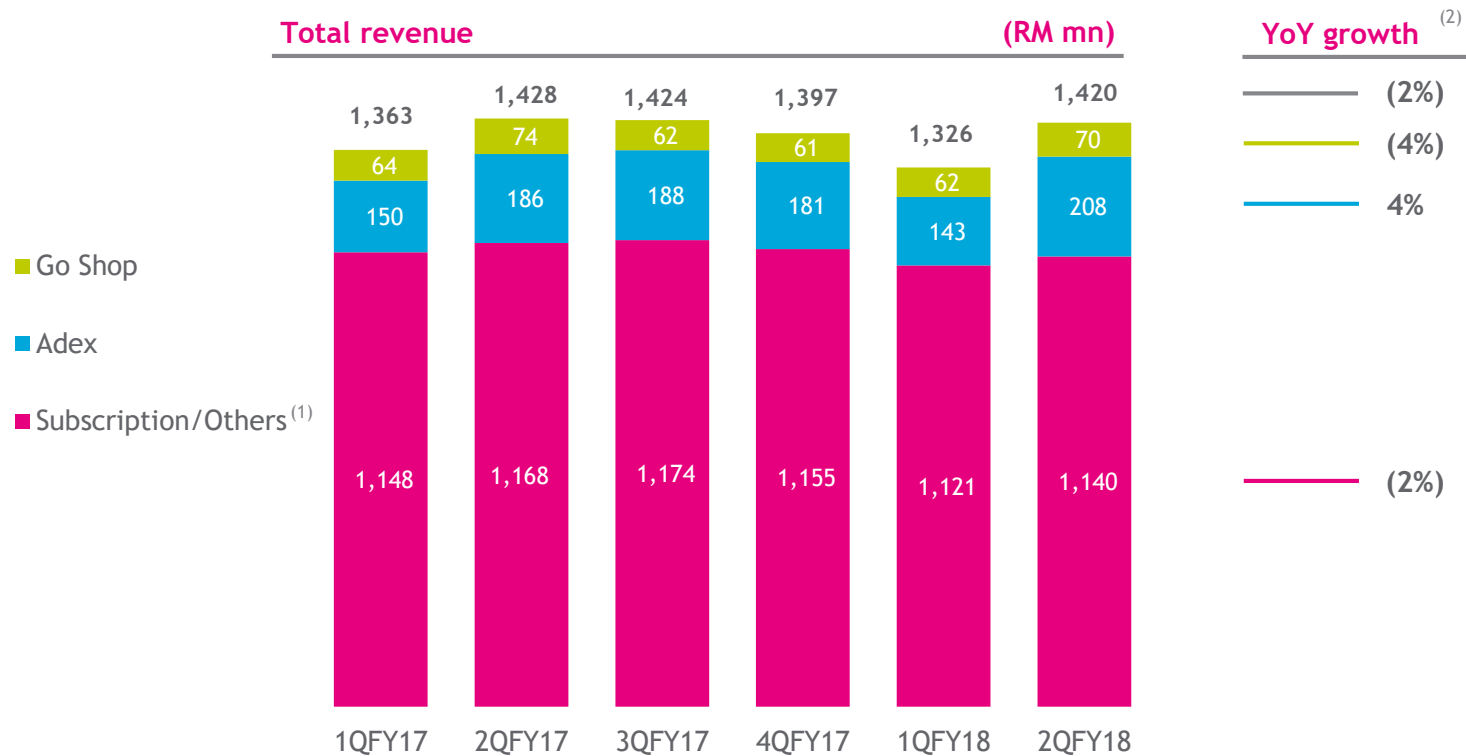
NB

(1) Number of channels as at 31 July

(2) Target Audience: Kantar Media, Dynamic TV Audience Measurement (DTAM). All Astro viewers.



Revenues resilient in a challenging environment



NB

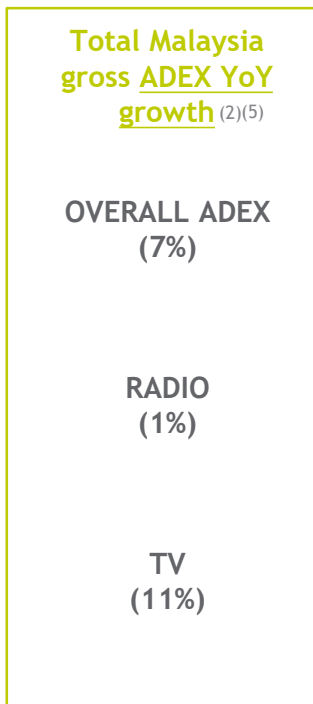
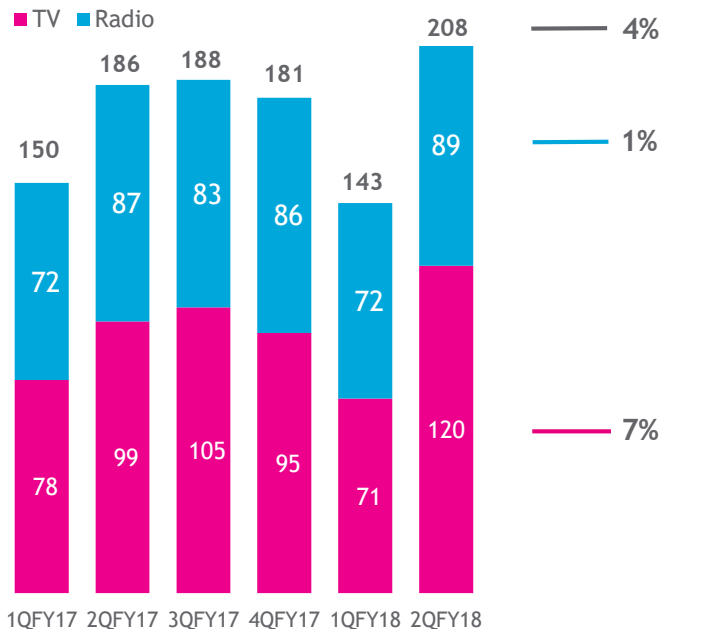
(1) Disclosed as Subscription revenue and Other revenue in our financial statements, includes revenue streams such as TV subscription, licensing income, programme sales, NJOI revenue and theatrical revenue

(2) YoY refers to 1HFY17 vs. 1HFY18

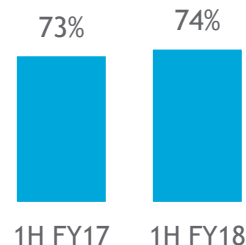
(3) Numbers may not add up due to rounding differences

Adex growth amid industry contraction

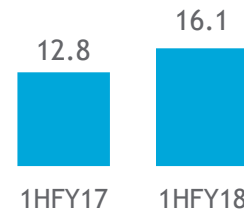
Advertising income ⁽¹⁾ (RM mn) YoY growth ⁽²⁾



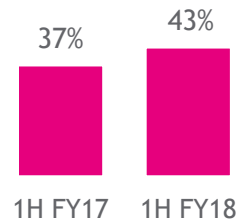
Share of Radex



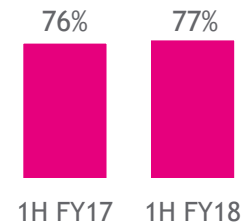
Radio listeners (mn) ⁽³⁾



Share of TV adex



Astro TV viewership share ⁽⁴⁾



NB

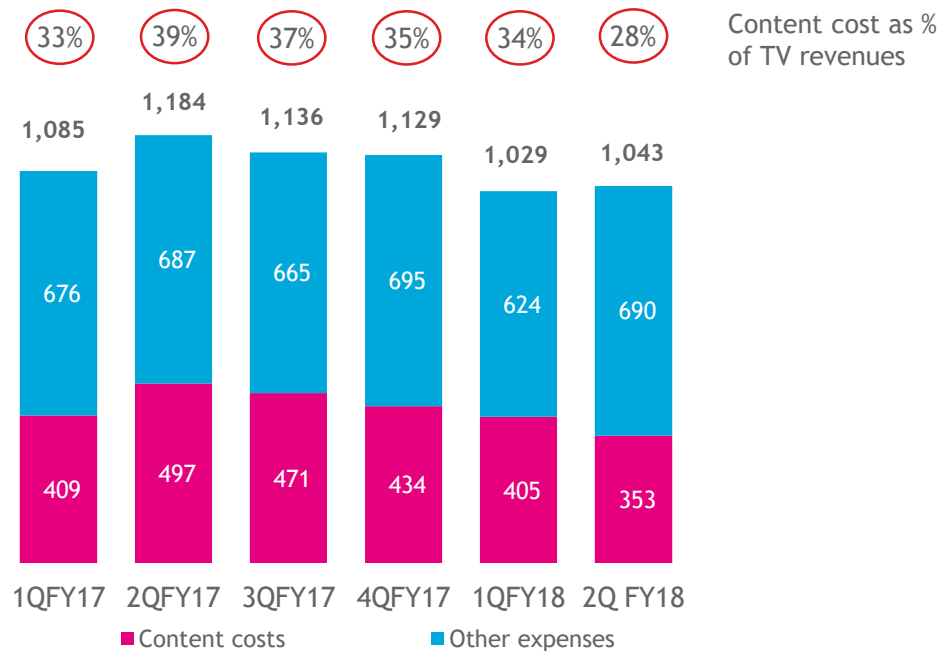
- (1) Advertising income is net of commissions and discounts. Digital adex is included in TV and Radio adex.
- (2) YoY refers to 1HFY17 vs. 1HFY18
- (3) There was a change in audience measurement partner for the radio industry in Malaysia commencing H2FY17. The ratings prior to the change were provided by Nielsen whereas it is now being provided by GfK. Share of radex is based on internal estimates

- (4) Viewership share is based on DTAM deployed by Kantar Media. Share of TV adex is based on Astro and Group M's estimates
- (5) Malaysia gross adex figures are based on Nielsen and Group M's data
- (6) Numbers may not add up due to rounding differences

Cost optimisation remains a key focus

Total operating expenditure

(RM mn)



NB

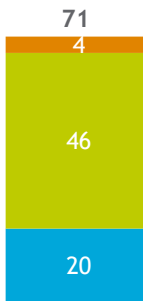
- (1) Content costs are disclosed as part of cost of sales in our financial statements
- (2) Other expenses include marketing and distribution costs, administrative expenses, STB installation and smartcard costs, depreciation and amortisation, as well as maintenance costs
- (3) Numbers may not add up due to rounding differences

Applying ROI discipline in capex spend

Cash capex (RM mn)

as % of revenue

3%



1HFY17

■ Revenue Growth ■ Digitalisation ■ Capital Maintenance

(RM mn)

3%

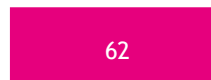


1HFY18

Capitalised capex (RM mn)

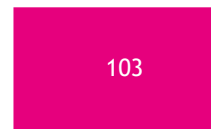
as % of revenue

2%



1HFY17

4%



1HFY18

Key capex investments in 1HFY18 include:

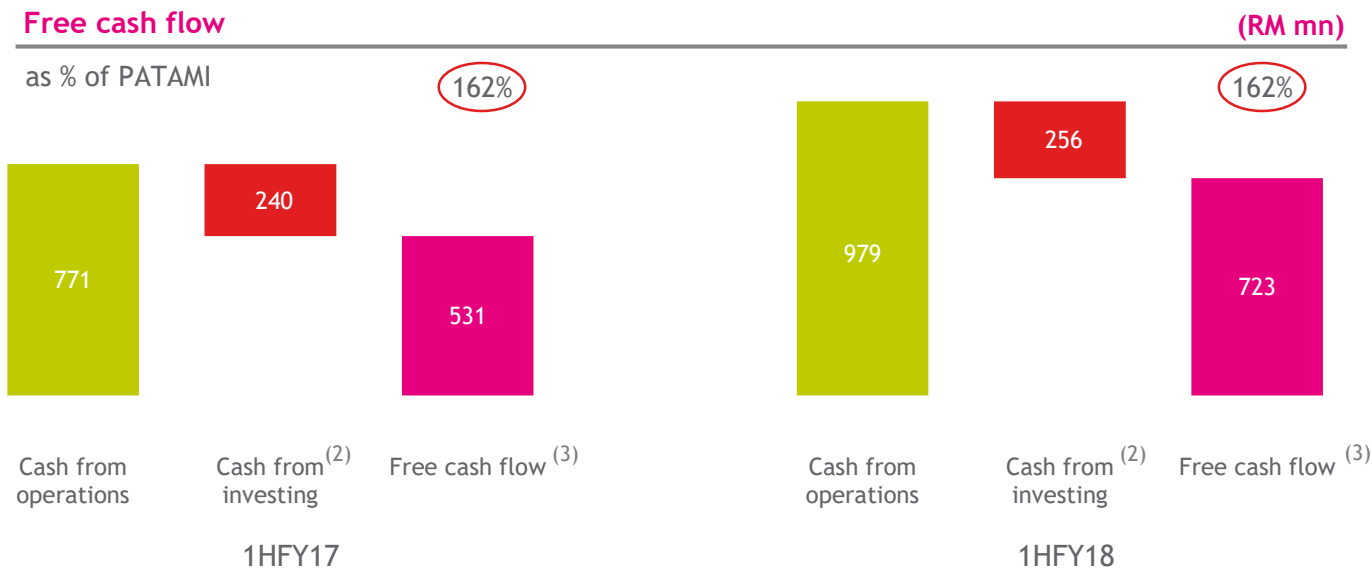
- Product and service upgrading
- Technology infrastructure
- Customer experience

- STBs/ODUs are owned by Astro, and are capitalised
- STBs/ODUs are conservatively amortised over 3 years; note that actual useful life is typically greater than 5 years
- Discretionary 36 month bullet payment vendor financing is available for Astro for STB/ODU purchases
- RM745mn of vendor financing recorded in payables, of which RM182mn is current and RM563mn is non-current

NB

- (1) Data presented are for the 6 months ended 31 July
- (2) Numbers may not add up due to rounding differences

Strong cash generation consistently exceeds PATAMI...



...enabling significant flexibility on capital management and dividend policy

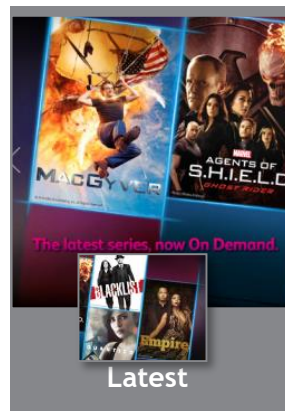
NB

- (1) Data presented are for the 6 months ended 31 July
- (2) Excludes investments, disposals and maturities of unit trust and money market funds
- (3) Excludes repayments of vendor financing and payments of finance leases, which are categorised as cash from financing for consistency with Bursa disclosure
- (4) Numbers may not add up due to rounding differences

Quarterly **dividend** announcement

- Leveraging on invested capital, AMH continues to be highly cash generative
- The Board of Directors of AMH has declared a quarterly dividend of **3.00 sen per share** for 2QFY18
- Quarterly dividend entitlement and payment dates: **3 October 2017** and **13 October 2017**, respectively

Pushing connected homes to drive engagement on demand VOD




- Full box sets for binge watching
- Never miss TV with Catch Up

- Latest content | Day/Date
- Seamless access on PVR & Astro Go

 **62%** increase in connected homes YoY

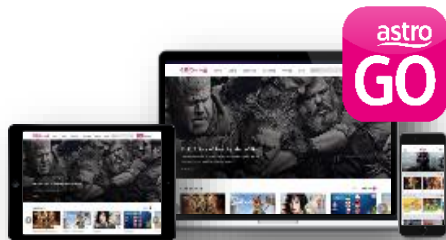
 **1 in 3** connected homes are multi-screened

 **2x** viewing hours for OD homes vs linear homes

Positioning **Astro Go** as the go to OTT for Astro subs..

#1

Entertainment app in Malaysia on iTunes and Google Play Store ⁽¹⁾



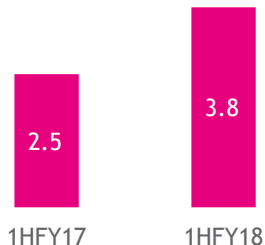
Take your TV everywhere.
For Free.

- Personalised content offerings covering linear, VOD and live
- Strong focus on vernaculars including exclusive content
- Differentiated features including Kids Mode and Sport Control

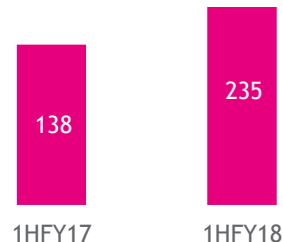
Registered Users (mn)



App Downloads⁽²⁾ (mn)



Average Weekly Viewing (mins)



NB

(1) As sourced from iTunes, Google Play Store & App Annie (Aug 2017)

(2) Downloads are cumulative

..and **NJOI Now** as the go to OTT for the freemium segment

Mobility and OD extension to our NJOI customer base

18 channels free with options for in-app purchases, driven by existing Astro vernaculars and VOD content

Provides flexibility for customers who are commitment averse

#3

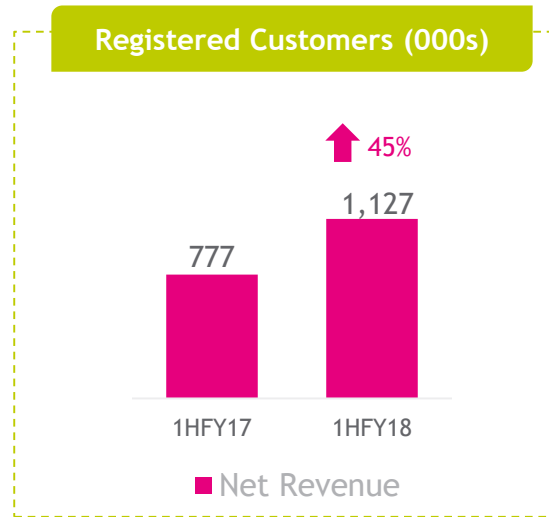
Entertainment app in Malaysia on Google Play Store (1)

nJOI now™



...as we pivot to be a digital first, mobile-first entertainment and lifestyle company

Go Shop priority on growing customer numbers via differentiated offerings



1HFY18
Revenue
132mn

- Celebrity endorsed products
- 4x daily live show
- Launch of 'Brand Day' programme

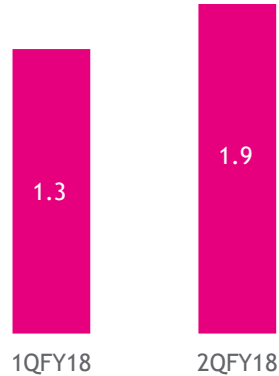
633k app downloads⁽¹⁾



Tribe continues to expand regionally



Registered Users (mn)



Thailand
Soft launch
August 2017

Average Time Spent (mins/week)



Going beyond creating leading vernacular content..

SEPAHTU REUNION
LIVE



3.2mn
viewership

MAHARAJA LAWAK
MEGA 2017



4.8mn
viewership

SURI HATI MR. PILOT



5.2mn
viewership

ANUGERAH
MELETOP ERA 2017



3.6mn
viewership

HERO SEORANG
CINDERELLA



3.1mn
viewership

ASTRO C.G.M 2017



292k
viewership

EVENING EDITION



269k
viewership

PRIME TALK



260k
viewership

RASIKKA RUSIKKA S3



200k
viewership

..to harnessing our digital assets and social media reach



Social Media Reach	30mn Facebook Followers	8mn Instagram Followers	4mn Twitter Followers	3mn YouTube subscribers
Viewership	Product Reach		Digital	
astro nJOI	astro GO SHOP	Tribe IT'S YOUR SHOW	astro AWANI	astro GEMPAK
13.4mn daily average viewers	4.3mn registered users ⁽¹⁾		6.7mn monthly unique visits	
Multi-channel touchpoint engagements across various platforms				



..to generate buzz for new signature IPs



#1 Islamic IP on Astro



..and propel viewership for major live events such as the recent SEA Games



TV

4 dedicated channels for around the clock coverage

11mn
unique viewers

Most watched event



3mn viewership

Football Final
(Malaysia vs Thailand)

OTT

additional 4 exclusive channels



Official Broadcaster

All 8 channels for free

1.5mn
views

Avg. downloads ↑ by 90% and views ↑ by 277% during Games

Digital/Social

Boost in fan engagement
Social media postings and advertising generated

64mn
reach



Positioned 1st-to-report on digital garnered

186k
social mentions
#kitasamahero
on par with Rio Olympics



177% increase in web traffic and

611k
unique visitors
to www.stadiumastro.com

Building on successful digital IPs with new themes..



3 seasons collectively garnering over 30mn digital views..



The House enters Season 4

Cast



Fattah Amin
@FattahAminz
2.3mil followers



Lead actor in highest rated drama Suri Hati Mr. Pilot



Alvin Chong
@AlvinChong123
346k followers

Breakthrough role as supporting actor in Suri Hati Mr. Pilot

Storyline



- Filmed on a houseboat in Royal Belum, Perak
- Focuses on physical activities like fishing, kayaking
- New angle as previous seasons focused on family and feminine themes

Digital-first release



1st



- First window release exclusively on Gempak



2nd



- Linear TV window on Astro Ria HD
- Entire box set release on VOD



..and championing **content** which can **travel regionally**

				
Nusantara Premium Nusantara series	Kids Transmedia kids and animation content with Asian values	Islamic Islamic content and interactive digital engagement	Horror Asian horror original series and movies	eSports The next wave of sports for millennials

..to ultimately leverage on 360° fandom for IP monetisation



600m views;
600k subs
Top 3 Malaysian
channel



A Malaysian Channel

VOD



Singapore



CDs & DVDs



MeadJohnson



Tesco

Brand ambassadorships



Mall rides



Concept store

FREE

PAID



#4 app in
Google Play

VOD



68K buys

Cinema
screenings



In-flight



Top 10
in-flight videos

Events



Malaysia



Singapore
(ticketed)

Licensing & Merchandising



15 Categories | 200+ SKUs in >200 retail stores



Appendix

Go Beyond

PAT reconciliation

(RM mn)	1HFY17	1HFY18
EBITDA	903	1,011
<i>Margin %</i>	32%	37%
Depreciation and amortisation ⁽¹⁾	(374)	(329)
EBIT	530	682
<i>Margin %</i>	19%	25%
Finance income	39	33
Finance cost	(122)	(106)
Share of post tax results from investments	3	0
PBT	449	609
Tax expense	(124)	(171)
<i>Tax rate %</i>	28%	28%
PAT	325	438
PATAMI	328	442
<i>Margin %</i>	12%	16%
Normalised PATAMI ⁽²⁾	320	430
<i>Margin %</i>	11%	16%

NB

- (1) Depreciation and amortisation excludes the amortisation of film library and programme rights which is expensed as part of content costs (cost of sales)
- (2) Normalised PATAMI excludes post-tax impact of unrealised forex gain (1HFY18: RM11.7m, 1HFY17: RM7.9m) due to MTM revaluation of M3B transponder lease liability
- (3) Numbers may not add up due to rounding differences

Balance sheet overview

(RM mn)	FY17	1HFY18
Non-current assets	4,559	4,944
Property, plant and equipment	1,818	2,498
Other non-current assets	2,741	2,446
Current assets	1,707	1,716
Receivables and prepayments	859	1,017
Cash and bank balances ⁽¹⁾	647	603
Other current assets	202	97
	6,266	6,660

(RM mn)	FY17	1HFY18
Non-current liabilities	3,356	3,847
Payables	490	563
Borrowings	2,776	3,197
Other non-current liabilities	90	87
Current liabilities	2,280	2,133
Payables	1,627	1,314
Borrowings	629	747
Other current liabilities	24	73
Shareholders' equity	630	680
	6,266	6,660

Net debt / LTM EBITDA: 1.7x

NB

- (1) Includes money market unit trusts
- (2) Comparative data presented is as of 31 Jan 2017
- (3) Numbers may not add up due to rounding differences

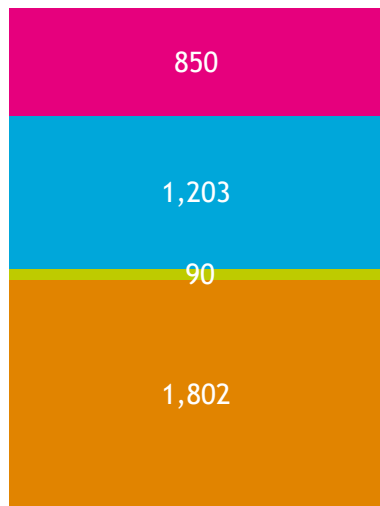
Debt profile

Total borrowings

(RM mn)

- Finance lease
- Revolving credit
- RM term loan
- USD term loan

Total borrowings is net of debt issuance costs (RM10.2 mn) **▶ 3,944**



FY18

Details of borrowings

USD term loan

- As at 31 July 2017, outstanding principal US dollar term loan stood at US\$198.0mn. The ninth principal repayment of USD24.75mn (RM74.72mn) is scheduled to be paid on 8 December 2017
- Fully hedged via cross currency interest rate swap at an exchange rate of USD/RM3.0189 and an all-in interest rate of 4.19% p.a.
- Back ended amortisation schedule. With first drawdown date of 8 June 2011, average life is 7 years with final maturity date of 8 June 2021

RM term loan

- As at 31 July 2017, total outstanding principal RM term loan stood at RM1,200mn. The ninth principal repayment of RM150mn is scheduled to be paid on 20 November 2017
- All-in interest rate (post-hedging) for the hedged portion of RM900mn is 5.4404% p.a. while balance unhedged of RM300mn stood at 4.8331% p.a. (variable floating rate based on cost of funds)
- Back ended amortisation schedule. With first drawdown date of 19 May 2011, average life is 7 years with final maturity date of 19 May 2021

Revolving credit

- A total of RM90mn drawn from revolving credit facility on 5 July 2017 at 4.03% p.a. (floating rate based on cost of funds). Repayment on 5 September 2017

Finance lease (primarily satellite transponders)

- Finance lease related to lease of Ku-band transponders on MEASAT-3, MEASAT-3A and MEASAT-3B. Payment arrangement for the remaining contractual years for M3 and M3A have been redenominated into Ringgit at USD/RM3.0445 w.e.f. 21 May 2013. The unhedged portion of the finance lease related to M3B is USD301m.
- Effective interest rate: 6.2%, 4.6%, 12.5% and 5.56% p.a. for M3, M3-T11, M3A and M3B respectively
- Average life: 15 years

astro

Thank you

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