



中視金橋國際傳媒控股有限公司
SinoMedia Holding Limited

Stock Code: 623.HK

2011 Annual Results Corporate Presentation



March 2012

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Company Profile

A leading media corporation in China that features a fully integrated communication platform of well-rounded media resources

◆ The **first** Chinese TV media advertising operator listed on HKEX

◆ The **largest** privately-owned operator of TV advertisement time for CCTV

◆ “Top 10 CCTV advertising agencies” for **6** consecutive years

**REVENUE
CAGR = 45%
FOR 4-YEAR**

Company Representatives



Mr. Chen Xin
Chairman

Our executive director since November 2006. He was appointed as our Chairman in December 2007. He is primarily responsible for the strategic development, finance and overall management of the Group. Mr. Chen has over 20 years of experience in the media industry.



Ms. Liu Jinlan
Chief Executive Officer

Our Chief Executive Officer since she founded the Group in 1999. She has served as a director since 24 October 2001. She is primarily responsible for the management of the overall business operation and customer development. Ms. Liu previously worked at CCTV as a news broadcaster, a reporter and then a director from 1995 to 1998.



Mr. Chan Oi Nin, Derek
Chief Financial Officer

Our Qualified Accountant and Company Secretary since May 2008, and was appointed as our Chief Financial Officer in June 2010. Mr. Chan has over 15 years of experience in accounting and auditing and was the financial controller and qualified accountant of TCL Multimedia Technology Holdings Limited before joining us.

Agenda

1. Results Highlights

2. Business Review

3. Financial Review

4. Outlook



Results Highlights



Results Highlights

**RMB1,618
MILLION
+18% YOY**

**RMB352
MILLION
+68% YOY**

**RMB239
MILLION
+51% YOY**

Rise in utilization rates of key CCTV advertising time slots

REVENUE

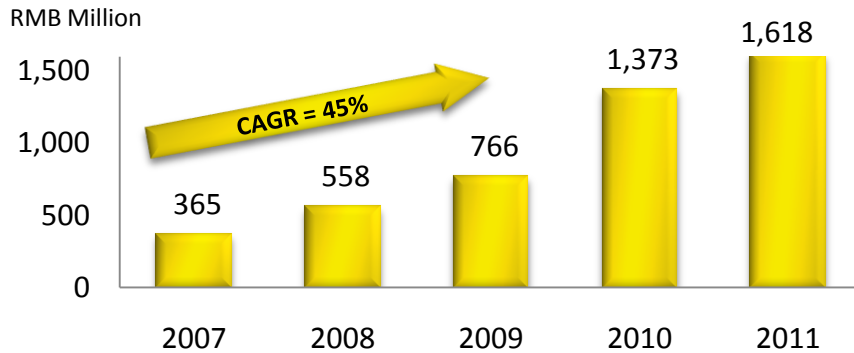
OPERATING PROFIT

NET PROFIT

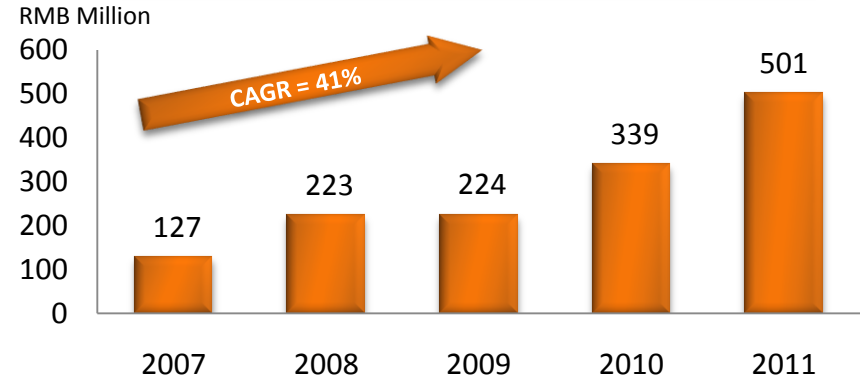
Increase in scale of operations of Integrated Brand Communication and Creative Production

Sustained Growth Momentum

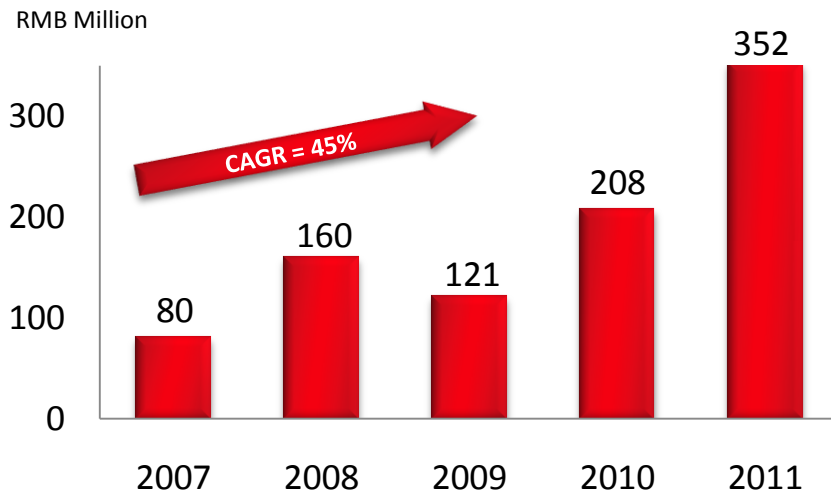
Revenue



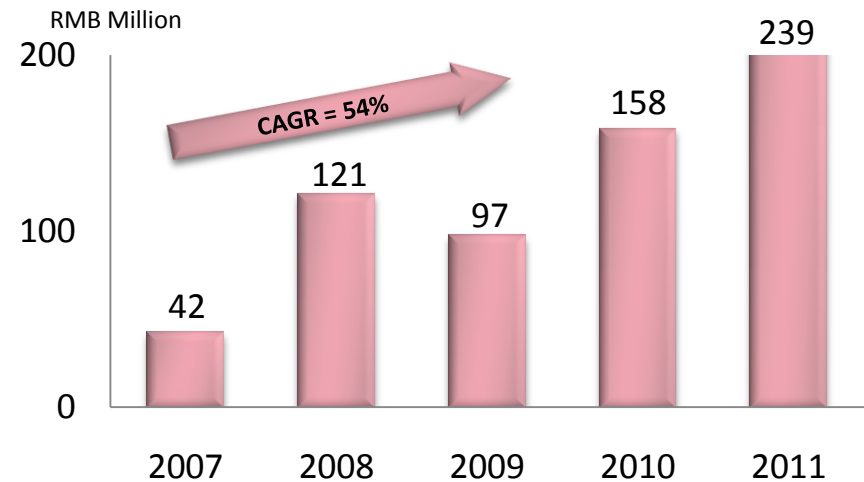
Gross Profit



EBIT



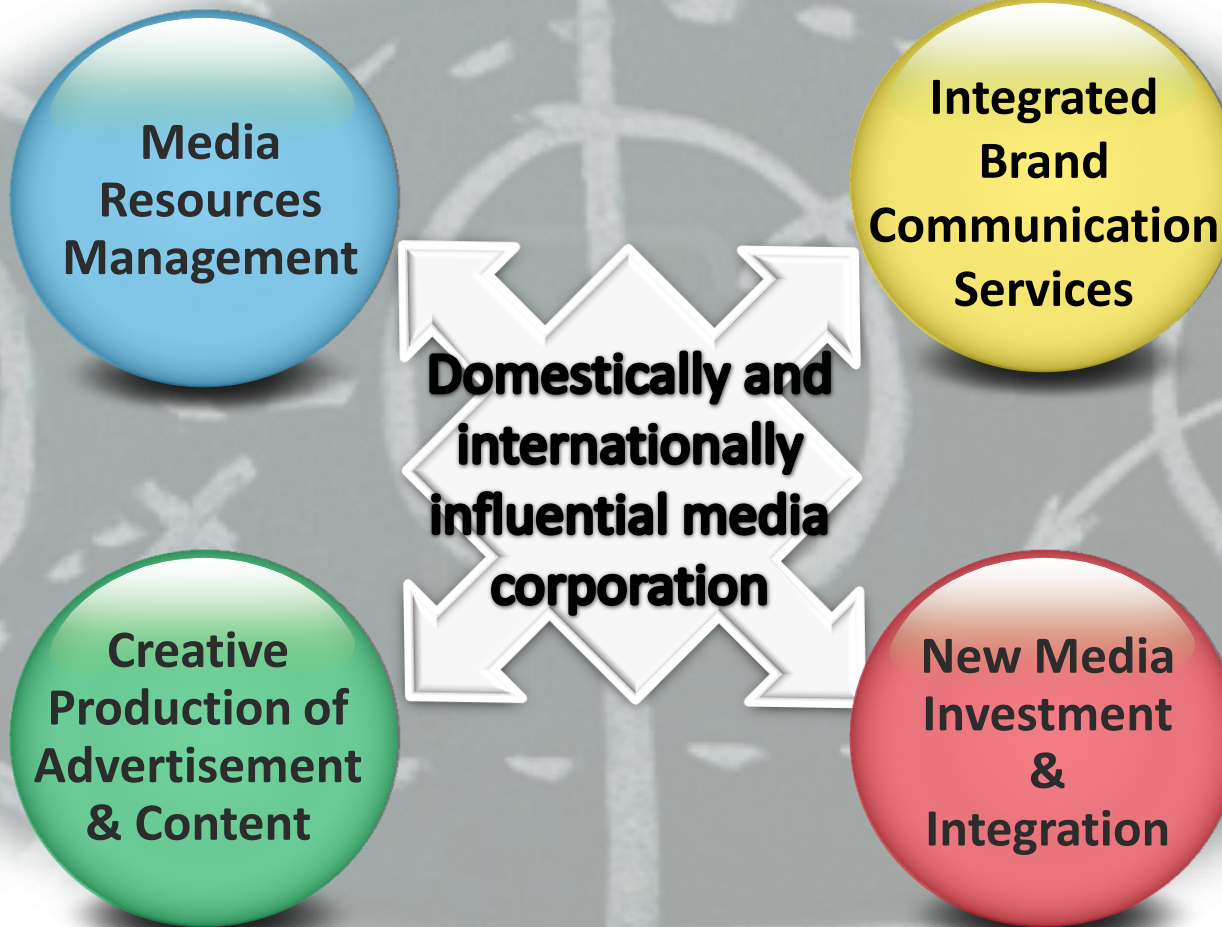
Profit Attributable to Equity Shareholders of the Company



Business Overview



Business Modules



1. Media Resources Management

CTV 中视金桥

Multinational Companies

Domestic Companies

500 cities and tourism destinations

Client

1,600 enterprises

Logos of various multinational and domestic companies including: BMW, Mercedes-Benz, Audi, Volvo, KIA, Lexus, SONY, SAMSUNG, FedEx, and others.



Underwrite Media Resources



1. Media Resources Management (con't)

Operations continue to expand

- One of the leading operators for CCTV in terms of the long partnership, the abundance of underwriting resources, the form of cooperation and the scale of operations; awarded as a “CCTV’s Top Ten Advertising Agency” for 6 consecutive years.
- The group had approximately 41,209 minutes of advertising time resources on 7 CCTV channels
- Hong Kong subsidiary creates a precedent of the China’s advertising company providing direct services to overseas customers.



Media Resources on CCTV in 2012

Underwritten media resources on CCTV in 2012

CCTV-1/13 (General)



→ “Night News” and “News 30”

CCTV-4 (Chinese International, including Europe and US)



→ “Across the Strait”, “China News Package”
→ “Exposition of Chinese Culture Relics”, “China Showbiz” and two time slots packages

CCTV-5 (Sports)



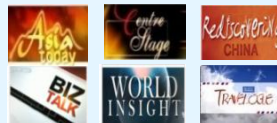
→ “Weather Forecast” during “Sports News”

CCTV-7 (Military and Agriculture)



→ Three programmes including “Zhi Fu Jing”, “Focus on the Three Agricultural Issues” and “Daily Agricultural News”

CCTV- NEWS (English News)



→ All programs on CCTV-NEWS

2. Integrated Brand Communication Services



CCTV



CNBC



MEDIACORP

- ◆ Offers a full range of **brand positioning, campaign strategy** and **media execution services**
- ◆ Has developed a **comprehensive** advertising procurement and execution system, covering **TV, the Internet & mobile Internet, radio, print and outdoor media**



CTV 中视金桥®

Client

- ◆ Expands into the **international** media domain

- ◆ Enables **Chinese** clients to develop global business with effective brand and advertising exposure in **overseas markets**



2. Integrated Brand Communication Services(con't)

Significant improvement in service capability and scale of operations

In 2011, the Group has enhanced its promotion efforts and increased resources allocation to media strategy, campaign planning and creative production of content, thereby expanding the scale of the business and gaining wider recognition from clients.

2012 CCTV Prime Time
Resources Bidding

“Top 10 CCTV
advertising
agencies” for **6**
consecutive years

2011:

- Distinguished Underwriting Agency
- Star Execution
- Star Sales

RMB1.4
Billion

Integrated Brand
Communication



International Media
Resources



3. Creative Production of Advertisement & Content

➤ The solid and extensive execution experience in **campaign strategy, brand creativity, visual design** and **filming of advertisements**

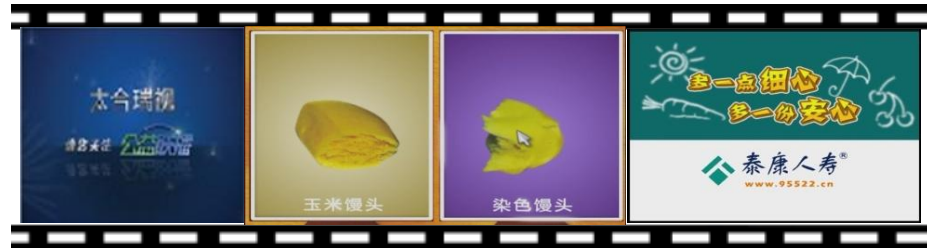
➤ The national **public service advertising broadcast network** now comprises **150 regional TV channels**



Everbright Bank's Image ad "Sunshine"



Taikang Life's "Food safety" public service advertising



Dalian Wanda's promotional clips



Microfilm "12 Horoscopes Series"



4. New Media Investment & Integration

2011.8 • www.wgool.com



2011.6 • Zhongtoushixun



2011.3 • 100TV



2010 • www.lotour.com



◆ **WGOOL.COM**

Aims to become the **largest** and
the **most**
authoritative
agricultural website in China

◆ **New media** investment is a
critical initiative for the Group to establish
a **diverse** and

comprehensive
media operation system



Financial Review



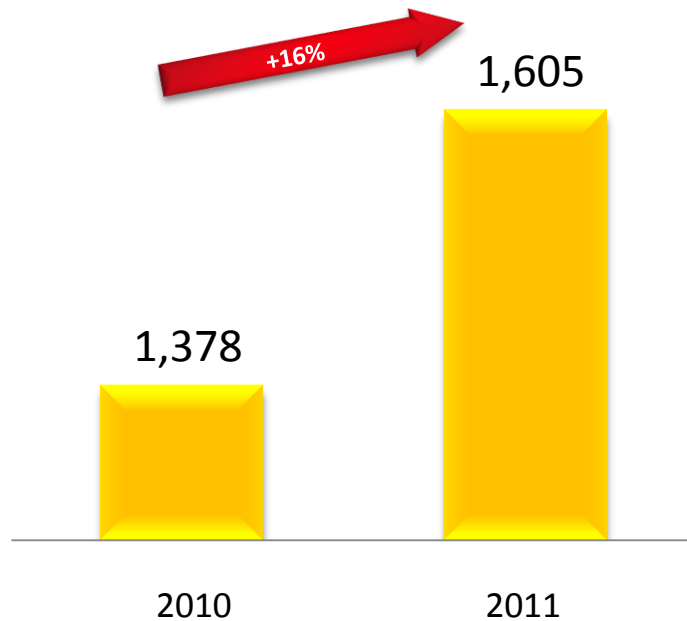
Financial Summary

	For the year ended 31 December			
	(RMB '000)	2011	2010	Change
Revenue		1,617,800	1,373,173	↑ 18%
Gross Profit		501,180	339,194	↑ 48%
Gross Profit Margin		31%	25%	+ 6 pts
Profit from operations		352,292	208,979	↑ 69%
Profit attributable to equity shareholders of the Company		238,945	158,064	↑ 51%
Net Profit Margin		15%	12%	+ 3pts

1. Media Resources Management - Continuous Improvement

Revenue from Media Resources Management

RMB Million



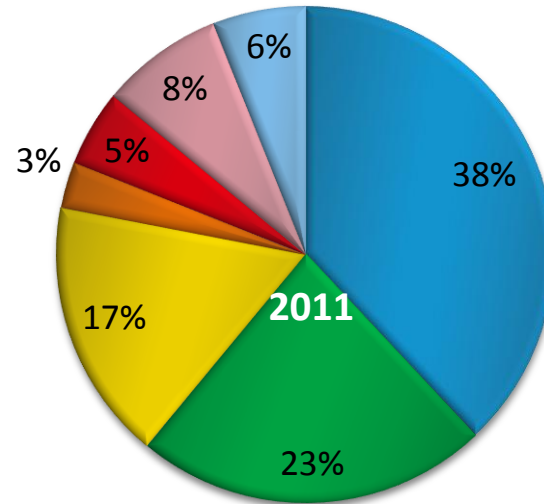
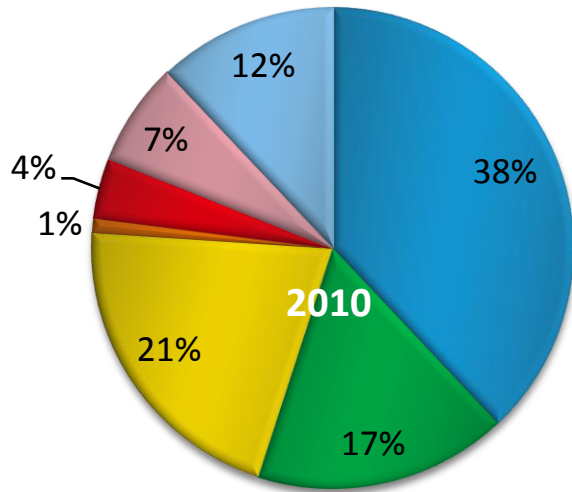
Core CCTV TV Programmes Advertisement Time

For the year ended 31 December

	2011	2010
Minutes Acquired	7,755	6,344
Minutes Sold	5,892	4,075

1. Media Resources Management (cont'd)



CCTV – 1, 2, 4, 5, 7 & News



- Tourism & City Image; Inviting Business; Convention & Exhibition
- Health & Medical
- Consumer Goods
- Building Materials
- Automobile
- Finance & Insurance
- Others

Revenue Contribution	YOY Growth
Tourism & City Image; Inviting Business; Convention & Exhibition	+19%
Consumer Goods	+54%
Finance & Insurance	+36%

2. Integrated Brand Communication Services

	(RMB '000)	For the year ended 31 December		Change
		2011	2010	
Turnover *		849,943	552,619	 54%
Revenue * <i>(after netting off procurement cost under IFRS)</i>		18,613	9,875	 88%

* Before deduction of sales taxes and surcharges

Turnover increased substantially YOY as a result of the Group's increased effort in promoting the business

3. Creative Production of Advertisement and Content

	Revenue for the year ended 31 December		Change	
	(RMB '000)	2011		2010
Creative production for commercial advertising		27,510	9,493	↑ 190%
Nationwide public service advertising broadcast network		11,745	8,974	↑ 31%

a. Creative production for commercial advertising

- ◆ Achieved significant increase in contract amounts and client volume
- ◆ Won prestigious awards both domestically and internationally

b. Nationwide public service advertising broadcast network

- ◆ Continue to develop favourably; the network expanded to 150 regional TV channels
- ◆ The trend of using public service advertisements for building corporate brands become more prominent

Effective Cost Control

	For the year ended 31 December	
	2011	2010
Total operating expenses as a % of revenue	9.7%	9.9%
Selling & marketing expenses (RMB'000)	66,778	67,493
<i>As a % of revenue</i>	4.1%	4.9%
General & administration expenses (RMB'000)	89,348	68,820
<i>As a % of revenue</i>	5.5%	5.0%

	For the year ended 31 December	
	2011	2010
Finance income	17,068	20,960
Finance cost	(728)	(7,406)
Net finance income	16,340	13,554

(RMB '000)

Strong Balance Sheet

	At 31 December		
	(RMB '000)	2011	2010
Cash and cash equivalents		913,179	795,791
Trade & bills receivables (net of impairment)		93,737	74,539
Current assets		1,479,218	1,214,899
Total assets		1,851,158	1,284,248
Current liabilities		811,679	410,506
Total liabilities		825,924	428,204
Net assets		1,025,234	856,044

Receivables Maintained at Low Level

	For the year ended 31 December		
	(RMB '000)	2011	2010
Current		63,515	64,783
Less than 6 months past due		10,511	2,616
More than 6 months but less than 12 months past due		784	-
Trade debtors (net of impairment losses)		74,810	67,399
Turnover days		16	14
Bills receivables		18,927	7,140

Healthy Cash Flow

	For the year ended 31 December		
	(RMB '000)	2011	2010
Net cash from operating activities		526,983	504,392
Net cash used in investing activities		(319,014)	(4,981)
Net cash used in financing activities		(84,912)	(25,434)
Net increase in cash and cash equivalents		123,057	473,977
Cash and cash equivalents at 1 January		795,791	323,084
Effect of exchange rate fluctuations		(5,669)	(1,270)
Cash and cash equivalents at 31 December		913,179	795,791



Outlook



Outlook in 2012

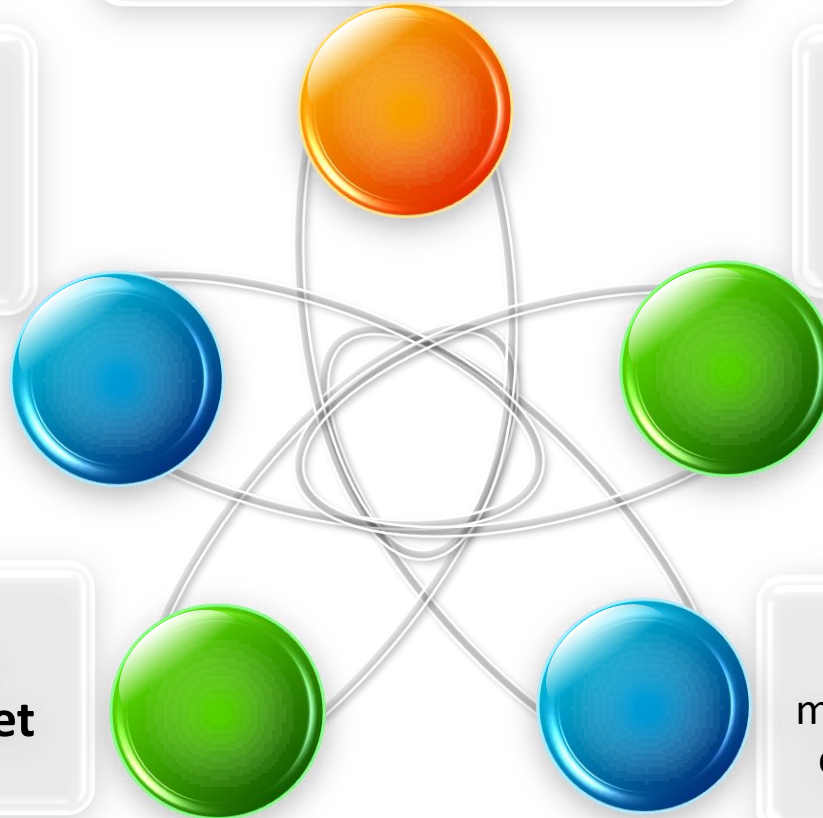
China's advertising industry remains healthy, **exceeding the growth** pace of Europe and America

Maintain CCTV as our core media resources, while **expanding** into different areas of media operations

Expand and integrate various links of the media operations **value chain**

Focus on **new** media industry, particularly in **DTV & mobile internet** media

Develop **overseas** market, increasing exposure of Southeast Asian clients



Outlook in 2012

Assure the **operation** of the
agricultural Internet portal

will be **stable** in 1H 2012



www.wgool.com

- ◆ integrates **agricultural information** home and abroad
- ◆ reports hit topics and policies on '**three agricultural issues**' from a timely, objective and accurate angle
- ◆ provides users with comprehensive **industrial trends** and **practical technologies**
- ◆ Serves **the national agricultural industry**, which agricultural manufacture and processing and circulation of agricultural products.

Outlook in 2012

Start the investment on
DTV platform during the
year, bracing for future DTV market
expansion in line with the
Tri-networks Integration

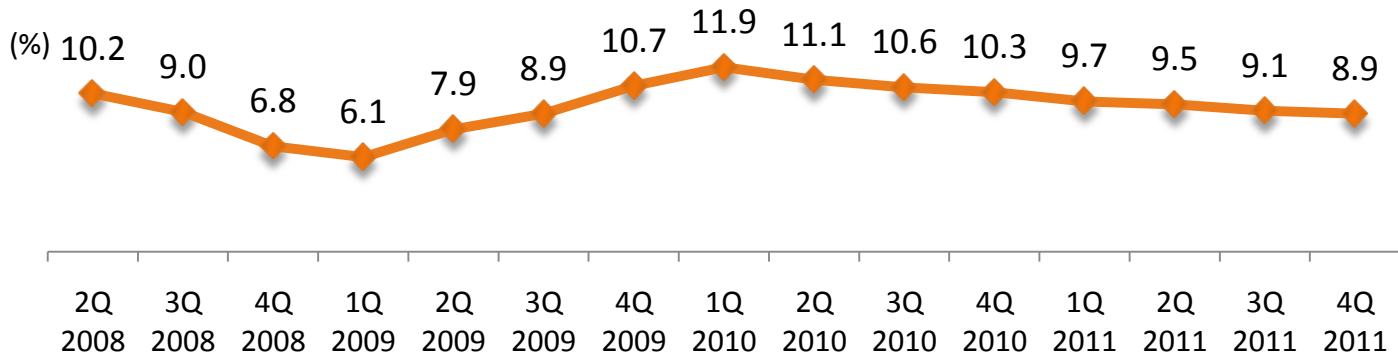


Consolidate the **omni-media** platform
of **“Television + the Internet
+ Mobile terminals”**



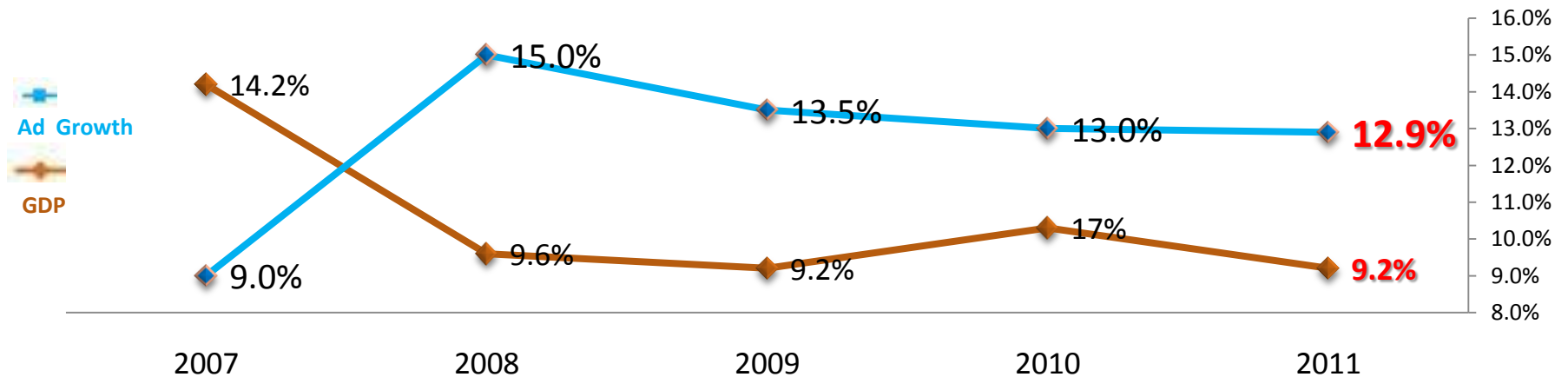
Stable Growth for Advertising Market in China

2008-2011 Quarterly GDP Growth in China



Source: National Statistics Bureau

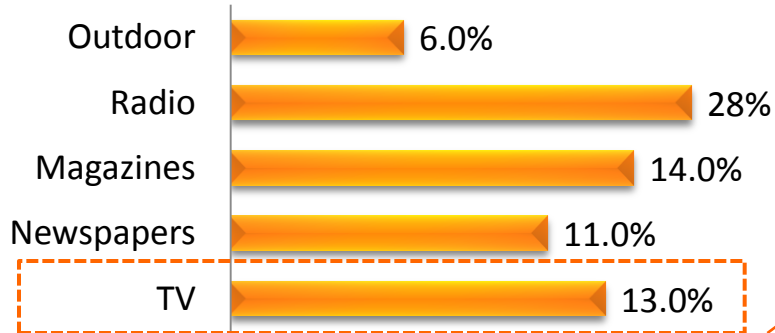
Advertisement Growth Steadily Moves Forward



Source: CTR Market Research

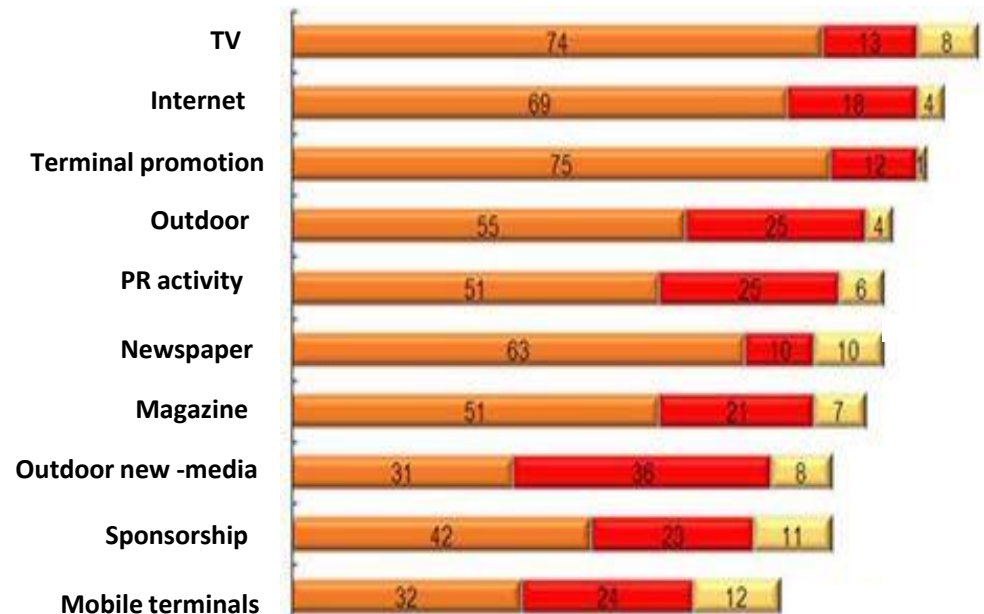
TV Remains the Main Advertising Medium

Year-on-year growth in ad spending



Source: CTR AdEx Power

Willingness to spend on different media 2012



Source: CTR Market Research



Q&A Time



Thank You