

SGX-ST Release

ASIAN PAY TELEVISION TRUST (“APTT”)

APTT ANNOUNCES FINANCIAL RESULTS FOR THE QUARTER ENDED 30 SEPTEMBER 2017

Singapore - 13 November 2017

KEY HIGHLIGHTS

- Revenue and EBITDA for the quarter of \$84.5 million¹ and \$50.8 million, up 6.5% and 8.9%
- Distribution of 1.625 cents per unit declared for the quarter ended 30 September 2017; reaffirmed full-year distribution guidance of 6.5 cents per unit for the year ending 31 December 2017
- Distribution guidance provided for the year ending 31 December 2018 of 6.5 cents per unit, unchanged from 2017
- Sale of Trustee-Manager to Dynami completed on 13 April 2017. Following the completion of the sale, interest margin has further decreased by 30 basis points starting from 30 June 2017

FINANCIAL HIGHLIGHTS

APTT² reported total revenue of \$84.5 million and EBITDA of \$50.8 million for the quarter ended 30 September 2017. Total revenue was \$250.1 million and EBITDA was \$149.6 million for the nine months ended 30 September 2017. Total revenue for the quarter and nine months ended 30 September 2017 was 6.5% and 6.3% higher than the prior corresponding period (“pcp”); in constant Taiwan dollars (“NT\$”) terms total revenue for the quarter and nine months ended 30 September 2017 was 1.1% higher and 1.3% lower than the pcp. Foreign exchange contributed to a positive variance of 5.4% for the quarter and 7.6% for the nine months ended 30 September 2017 compared to pcp.

	Quarter ended 30 September 2017	Quarter ended 30 September 2016	Variance ³	Nine months ended 30 September 2017	Nine months ended 30 September 2016	Variance ³
	\$'000	\$'000	%	\$'000	\$'000	%
Revenue						
Basic cable TV	68,026	63,174	7.7	199,955	187,134	6.9
Premium digital cable TV	3,865	3,737	3.4	11,850	11,034	7.4
Broadband	12,574	12,364	1.7	38,325	37,147	3.2
Total revenue	84,465	79,275	6.5	250,130	235,315	6.3
Total operating expenses	(33,702)	(32,667)	(3.2)	(100,488)	(95,978)	(4.7)
EBITDA	50,763	46,608	8.9	149,642	139,337	7.4
EBITDA margin	60.1%	58.8%		59.8%	59.2%	

¹ All figures, unless otherwise stated, are presented in Singapore dollars (“\$”).

² APTT refers to APTT and its subsidiaries taken as a whole.

³ A positive variance is favourable to the Group and a negative variance is unfavourable to the Group.

OPERATIONAL PERFORMANCE

Operational highlights for TBC⁴ for the quarter ended 30 September 2017 are as follows:

- **Basic cable TV:** Basic cable TV revenue of \$68.0 million for the quarter ended 30 September 2017 was up 7.7% on pcp; in constant NT\$ terms Basic cable TV revenue was up 2.3% on pcp. This comprised subscription revenue of \$53.3 million and non-subscription revenue of \$14.7 million. TBC's c.762,000 Basic cable TV revenue generating units ("RGUs") each contributed an ARPU of NT\$518 per month in the third quarter to access over 100 cable TV channels. Basic cable TV RGUs remained unchanged and ARPU was lower compared to the previous quarter ended 30 June 2017 (RGUs: c.762,000; ARPU: NT\$522 per month). In constant NT\$ terms subscription revenue was lower than the pcp because of a marginally lower Basic cable TV rate in one of TBC's five franchise areas. Non-subscription revenue was generated from the leasing of television channels to third parties, the sale of airtime advertising and fees for the installation of set-top boxes. In constant NT\$ terms non-subscription revenue was higher than the pcp mainly due to higher revenue generated from channel leasing.
- **Premium digital cable TV⁵:** Premium digital cable TV revenue of \$3.9 million for the quarter ended 30 September 2017 was up 3.4% on pcp; in constant NT\$ terms Premium digital cable TV revenue was 2.0% lower than the pcp. This was generated predominantly from TBC's c.195,000 Premium digital cable TV RGUs each contributing an ARPU of NT\$141 per month in the third quarter for Premium digital cable TV packages, bundled DVR or DVR-only services. Premium digital cable TV RGUs remained unchanged and ARPU was lower compared to the previous quarter ended 30 June 2017 (RGUs: c.195,000; ARPU: NT\$145 per month). The lower ARPU was due to promotions and discounted bundled packages that were offered to generate new RGUs and to retain existing RGUs.
- **Broadband:** Broadband revenue of \$12.6 million for the quarter ended 30 September 2017 was up 1.7% on pcp; in constant NT\$ terms Broadband revenue was 3.7% lower than the pcp. This was generated predominantly from TBC's c.201,000 Broadband RGUs each contributing an ARPU of NT\$450 per month in the third quarter for high-speed Broadband services. Broadband RGUs remained unchanged and ARPU was lower compared to the previous quarter ended 30 June 2017 (RGUs: c.201,000 and ARPU: NT\$453 per month). The lower ARPU was due to promotions and discounted bundled packages that were offered to generate new RGUs and to retain existing RGUs.
- **Capital expenditure:** Capital expenditure of \$24.2 million for the quarter ended 30 September 2017 was 21.2% higher than the pcp. Capital expenditure for the quarter ended 30 September 2017 was higher because of higher capital expenditure being incurred on maintenance and other capital expenditure compared to pcp.

BORROWING FACILITIES

Following the completion of the acquisition of the entire interest in the Trustee-Manager by Dynami Vision Pte. Ltd. ("Dynami"), the interest margin on the TBC NT\$28.0 billion loan facilities ("Onshore Facilities") has further decreased by 30 basis points starting from 30 June 2017, to 2.3% per annum.

OUTLOOK

The focus in 2017 remains on driving growth in cash flows through up-selling and cross-selling of services across TBC's subscriber base.

⁴ TBC refers to Taiwan Broadband Communications group.

⁵ Premium digital cable TV RGUs and ARPU have been updated to reflect the number of RGUs contributing incremental subscription revenue for additional video content and/or DTV-related services, such as DVR. This can result in more than one subscription, i.e. RGU, per home. The pcp figures for Premium digital cable TV RGUs and ARPU have been restated to conform to the new presentation.

Total revenue for 2017 is anticipated to be influenced by a number of factors. These factors include the continued weakness in the Taiwanese economy and a marginally lower Basic cable TV rate in one of TBC's five franchise areas. Broadband RGUs are expected to increase in the remainder of 2017 and Broadband ARPU is expected to stabilise and then begin to increase before the end of 2017. Consequently, overall EBITDA for the full year 2017, ignoring the impact of foreign exchange, is expected to be in line with 2016.

DISTRIBUTIONS

The Board of directors of the Trustee-Manager (the "Board") has declared an ordinary interim distribution of 1.625 cents per unit for the quarter ended 30 September 2017. The books closure date will be on 15 December 2017 and the distribution will be paid on 22 December 2017. Ordinary distributions of 1.625 cents per unit were paid for the quarters ended 31 March 2017 and 30 June 2017.

The Board is pleased to reaffirm distribution guidance for the year ending 31 December 2017. The distribution for the quarter ending 31 December 2017 is expected to be 1.625 cents per unit, totalling 6.5 cents per unit for the year ending 31 December 2017, in line with previous guidance.

The Board is also pleased to provide distribution guidance for the year ending 31 December 2018. The distribution for 2018 is expected to be consistent with 2017 at 6.5 cents per unit. It is anticipated that the distribution will continue to be paid in quarterly instalments of 1.625 cents per unit.

The distribution guidance is subject to no material changes in planning assumptions.

For further information, please contact:

Brian McKinley

Chief Executive Officer

Tel: +65 6653 3485

Email: brian.mckinley@aptt.sg