

## **Astro posts RM478 mil profit in FY14**

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**By Khairul Khalid**

Pay-TV operator Astro Malaysia Holdings Bhd posted higher net profit of RM478 million based on revenues of RM4.8 billion for the financial year ended 2014 based on lower cost of sales and lower tax expenses.

Net profit and revenues both increased 7.1% and 12.3% from the previous financial year, the company said in a filing to Bursa Malaysia. Earnings before interest, taxes, depreciation and amortization (EBITDA) grew 16% from RM1.4 billion to RM1.6 billion.

Chief executive officer (CEO) of Astro Rohana Rozhan said that its four consecutive quarters of double digit revenue growth in the financial year 2014 is based on expansion of customer base, higher take-up of value added products and services as well as industry leading Adex (advertising expenditure) growth.

“During the year, we successfully grew our total customer base by 400,000 to 3.9 million which translates to 56% Malaysian TV household penetration,” said Rohana.

The earnings increase was offset by an increase in depreciation of set-top boxes and amortisation of software of RM197.4 million and RM27.4 million respectively. On the other hand, revenue growth was driven by increase in subscription, advertising and other revenue of RM341.2million, RM77.8 million and RM106.7 million respectively.

“The increase in subscription revenue was due to higher ARPU (average revenue per user) for Pay-TV residential subscribers of RM2.80 (from RM93.20 to RM96.00) and higher Pay-TV residential subscribers by 166,800 from 3,275,500 to 3,442,300,” Astro said.

Astro’s television business saw a 13.1% increase in revenue to RM526.2 million, mainly due to an increase in subscription, advertising and other revenue of RM341.2million, RM55.2million and RM129.8million respectively.

Astro also registered a robust 15% growth in Adex to RM582 million due to increasing penetration of Malaysian households, strong TV viewership share and radio listenership.

“We aim to strengthen our market leading sports proposition by airing all 64 live matches of the 2014 FIFA World Cup in Brazil on five dedicated HD (high definition) channels and five dedicated SD (standard definition) channels, as well as making it available for consumption on tablets, smartphones and computers. We will also be broadcasting live coverage of the 17th Asian Games Incheon 2014 and the Glasgow 2014 Commonwealth Games,” Rohana said.

Astro’s board of directors is declaring a fourth interim dividend of 2 sen per share and to propose a final dividend of 1 sen per share, subject to shareholders’ approval. This brings the total dividend for the year to 9 sen per share.

At closing today, Astro shares were trading at RM3.20, up 1 sen.

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