

CLEAR MEDIA LIMITED

白馬戶外媒體有限公司

Clear Media Announces Interim Results For the Six Months Ended 30 June 2014

Steady Growth in Revenue and Net Profit

- Bus shelter advertising revenue, net of value added tax, increased by 5.3% to HK\$819 million
- EBITDA increased by 7.4% to HK\$315 million
- EBIT increased by 12.1% to HK\$151 million
- Net profit increased by 4.4% to HK\$91 million
- Basic earnings per share increased by 3% to HK16.90 cents

(Hong Kong, 5 August 2014) – **Clear Media Limited** (“Clear Media” or the “Company”, together with its subsidiaries, the “Group”; SEHK Stock Code: 100), the largest bus shelter advertising panel operator in China listed on The Stock Exchange of Hong Kong, is pleased to announce its interim results for the six months ended 30 June 2014.

The Group’s total turnover for the six months ended 30 June 2014 increased by 5.3% year on year to HK\$819 million. The Group’s earnings before interest, tax, depreciation and amortisation (“EBITDA”) for the period increased by 7.4% year on year to HK\$315 million (1H2013: HK\$294 million). Earnings before interest and tax (“EBIT”) increased by 12.1% to HK\$151 million (1H2013: HK\$135 million). Net profit for the period increased by 4.4% year on year to HK\$91 million (1H2013: HK\$87 million) mainly driven by the higher turnover from the core bus shelter advertising business. Basic earnings per share for the first half of 2014 increased by 3% year on year to HK16.90 cents (1H2013: HK16.41 cents).

As of 30 June 2014, Clear media operated the most extensive standardized bus shelter advertising network in Mainland China, with a total of more than 41,000 panels (1H2013: 37,000) covering 27 cities. Revenue, net of value added tax, from the bus shelter advertising business increased by 5.3% year on year to HK\$819 million (1H2013: HK\$778 million), on the back of the moderate economic growth China. The average selling price before value added tax (the “ASP”) increased by 3.6% (1H2013: 2%) during the first half of 2014. The overall occupancy rate increased marginally to 60% (1H2013: 59%)

For the six months ended 30 June 2014, revenue before value added tax ("gross revenue") from the Group's bus shelter advertising operations in the key cities of Beijing, Guangzhou and Shanghai increased by 15.8% year on year to HK\$487 million (1H2013: HK\$420 million). Among the three key cities, the revenue performance was led by the operation in Beijing, followed by Guangzhou and Shanghai.

Gross revenue from Beijing increased by 12.7% year on year to HK\$218 million (1H2013: HK\$193 million) for the first half of 2014, mainly due to a 4.5% increase in the average number of panels, a 4.0% increase in the ASP and the higher occupancy rate at 66% (1H2013: 64%).

Gross revenue from Guangzhou increased by 17.5% year on year to HK\$157 million (1H2013: HK\$134 million). Although the average number of bus shelter panels in the city decreased by 2.1%, the ASP grew 5.4% and the occupancy rate increased to 58% (1H2013: 51%).

Gross revenue from Shanghai increased by 19.7% year on year to HK\$112 million (1H2013: HK\$93 million), attributable to a 15.5% increase in the average number of panel and a 3.8% increase in the ASP. The occupancy rate in this city for the first half in 2014 reached 50% (1H2013: 51%).

Gross revenue from all mid-tier cities, where the Group has operations in, increased by 4.5% to HK\$381 million (1H2013: HK\$365 million) for the six months ended 30 June 2014. The ASP increased by 0.7% and the average number of bus shelter panels increased by 7.2%. The occupancy rate during the period dropped slightly to 60% (1H2013: 62%).

Mr. Han Zi Jing, the Chief Executive Officer of the Group, said: "Despite mild economic growth in Mainland China and the fact that both local and international advertisers remained cautious about advertising placements, the Group achieved stable business growth during the period. With a total of more than 41,000 panels covering 27 cities, Clear Media has maintained its leading position as the largest bus shelter advertising panel operator in China. The Group is confident about maintaining its leading position in the outdoor advertising market in China going forward."

Mr. Mark Thewlis, the Executive Chairman of the Group, said: "We expect the current trading conditions to continue for our core bus shelter advertising business for the remainder of 2014. We envisage that advertisers will continue to prefer to commit their orders as late as possible. In July 2014, our first batch of commercial digital panels was introduced, attracting a new advertising revenue stream. We hope that this new business strategy would help boost return for our shareholders."

Financial Highlights

Income statement highlights for the six months ended 30 June 2014

(HK\$'000)	2014 (Unaudited)	2013 (Unaudited)	% Change
Turnover	819,249	777,786	+5.3%
EBITDA	315,369	293,652	+7.4%
Net profit	90,645	86,804	+4.4%
Basic EPS (HK cents)	16.90	16.41	+3%

Balance sheet highlights

(HK\$'000)	30 June 2014 (Unaudited)	31 December 2013 (Audited)
Cash and cash equivalents	953,305	892,822
Net assets	2,846,799	2,884,724

- End -

About Clear Media Limited

Clear Media is the largest bus shelter advertising panel operator in China, with leading market shares from 60% to more than 90% in top-tier cities, and also a broad presence in the fastest growing cities across the country. We provide one-stop solutions for countrywide advertising campaigns for our customers. Listed on the Main Board of The Stock Exchange of Hong Kong since 2002 under the stock code 100, Clear Media's largest shareholder is Clear Channel Outdoor (NYSE: CCO), one of the world's largest outdoor media companies.

For more information on Clear Media, please visit: www.clear-media.net.

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