

# Chairman's Statement

## 主席報告

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The Hong Kong economy experienced a robust recovery in 2004, with GDP growth of 8.1% and the unemployment rate reversing its previous rising trend. The stronger economy benefited the local advertising market and, in turn, our core media business in Hong Kong, which recorded a respectable increase in business volume. In general, 2004 was a year of growth for the Group and all operating units continued to develop and expand their businesses.

Our flagship newspaper, Sing Tao Daily, recorded a significant increase in circulation and readership, thanks to our committed strategy of offering the highest quality newspaper for Hong Kong's middle-class and the enduring efforts by the editorial team to make content improvements tailored to the needs of our target readers. This dedication to editorial excellence has also won Sing Tao Daily a number of media awards during the year, both in Hong Kong and overseas, which further demonstrated the market's recognition of Sing Tao Daily as a quality newspaper. In the Hong Kong News Awards 2004 organized by The Newspaper Society of Hong Kong, Sing Tao Daily took the limelight by winning three top honors and emerged as the Chinese-language newspaper with the most awards.

In light of the favorable operating environment and our confidence in business prospects, we have made appropriate investments in our media business in order to strengthen our competitiveness and expand in areas where the market represents growth potential. In particular, additional resources have been allocated to the overseas operations of Sing Tao Daily, in terms of enlarging the readership base, enhancing the editorial offering as well as improving the production facilities, resulting in considerable growth in circulation and advertising in all our major markets. In Los Angeles, preparations are underway for a brand new printing and production plant, to be in operation later this year, which will further enhance business growth.

香港經濟於二零零四年強勁復甦，本地生產總值增長達8.1%，並且扭轉了過去幾年失業率之上升趨勢。經濟復甦帶動了本港廣告市場增長，本集團於香港之核心媒體業務亦因而受惠，業務量錄得理想升幅。總體而言，二零零四年乃本集團增長之一年，所有營運單位均繼續發展及拓展其業務。

本集團旗艦報章《星島日報》之發行量及讀者人數均錄得顯著增長，這實應歸功於本集團堅守一貫的策略，為香港中產階層提供最優質報章，及編採人員不斷努力改革報章內容以迎合目標讀者之需要。正是這種對編輯工作之投入與熱誠，使《星島日報》在本年內於香港及海外贏得多項媒體大獎，進一步證明市場對《星島日報》作為優質報章的肯定。在由「香港報業公會」舉辦之「2004年香港最佳新聞獎」中，《星島日報》榮獲三個重要獎項的冠軍，為奪得最多獎項之中文報章，成為矚目的焦點。

鑒於利好之經營環境及本集團對業務前景充滿信心，本集團於本年內對媒體業務作出了適當投資，以增強競爭力及開拓具有發展潛力之市場領域。本集團亦在《星島日報》之海外業務投放額外資源，通過擴大讀者群、提供更豐富內容及改善生產設備，使本集團於各主要海外市場之發行量及廣告量均有相當可觀的增長。在洛杉磯，本集團正籌備一所全新之印刷及製作廠房，預計該廠房可於今年稍後投入運作，進一步促進業務發展。

During the year, we also continued to cultivate the Group's flagship magazine, East Week, which we re-launched in May 2004 with a new logo and new layout. With the investments made to bolster its management and editorial strength, we have successfully rebuilt the image and quality of this established magazine brand and both circulation and advertising are on an upward trend with good potential ahead.

In Mainland China, the businesses in which we have invested progressed steadily and we have focused on building the business organically and improving operational efficiencies. Through these efforts, improvements in financial performance have been achieved and a number of the businesses have contributed positively to Group results.

The Group has made determined efforts during the past year to strengthen the foundation for its media business. Earlier this year, we also adopted a new name, Sing Tao News Corporation Limited, to better reflect our core focus and to leverage on the strength of the recognized and respected "Sing Tao" brand. We believe that this will augment the platform for our growth. With this stronger platform, we are approaching the coming year with confidence. Although increasing competition and rising newsprint prices will place continuous pressure on us, we will continue to strive for improvements in our financial and operational performance to create value for our shareholders.

I would like to thank the Board of Directors and all staff for their professionalism, hard work and dedication in the past year, and our readers, advertisers, business partners and shareholders for their continuous support. I also wish to thank Mr. Wong Wai Ming, who is leaving the Group by the end of April, for the valuable contributions he has made as Chief Executive Officer of the Group during the past few years.

**Ho Tsu Kwok, Charles**  
*Chairman*

Hong Kong, 25 April 2005

於本年內，本集團繼續為旗艦雜誌《東周刊》進行革新，並於二零零四年五月份採用新的標誌及版面推出市面。透過資源投放以加強管理層及編採實力，本集團已成功為該刊重新定位及提高質素，而其發行量及廣告量均呈上升趨勢，並具良好發展潛力。

在中國大陸，本集團投資之各個業務正穩步進展，發展重點亦專注於業務內部擴充及改善經營效率。透過上述的努力，業務的財務表現已獲得改善，而多個業務亦對本集團的業績作出正面貢獻。

本集團於過去一年銳意鞏固其媒體業務之基礎，並於今年初採納新名稱「星島新聞集團有限公司」，從而更有效地反映本集團專注於媒體之業務重心，並可充份發揮廣受公認及尊崇之「星島」品牌。本集團相信新的名稱將能為其日後拓展提供堅穩之平台。有了更加穩固的平台，本集團對來年充滿信心。儘管日益劇烈之競爭及報紙紙張價格上升對本集團構成持續壓力，本集團將繼續致力於提升財務及營運表現，為股東締造更高價值的回報。

本人謹向董事會及全體員工在過去一年所發揮之專業精神、努力及貢獻致以衷心謝意，並感謝本集團之讀者、廣告商、業務夥伴及股東長久以來的支持。此外，在過去數年擔任本集團行政總裁的黃偉明先生將於四月底離任，在此本人誠摯感謝黃偉明先生在任期間所作出的貢獻。

**何柱國**  
*集團主席*

香港，二零零五年四月二十五日