



Phoenix New Media

August 2016



This presentation contains forward-looking statements.

These statements are made under the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995.

These forward-looking statements can be identified by terminology such as "will," "expects," "anticipates," "future," "intends," "plans," "believes," "estimates" and similar statements.

WWW.IFENG.COM

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About the Company

Uniquely Successful in Bridging the Divide



Leveraging Phoenix Satellite TV's media brand and content on a truly convergence platform

The most credible and unbiased news provider available to an increasingly sophisticated Chinese audience globally



Website: www.ifeng.com



Mobile: News App, Video App, FM App and WAP



TV – Phoenix Satellite TV in over 150 countries and regions

Leading Verticals by Traffic

Almost 265 million MUV on PC in 2Q16, covering half of the Internet population in China
DUV was 42 million on PC in 2Q16, ranked No. 3 among Chinese internet portal.

#1-ranked News channel

#2-ranked media home page



#1-ranked fashion channel



#3-ranked entertainment channel



What Sets Phoenix New Media Apart Today?

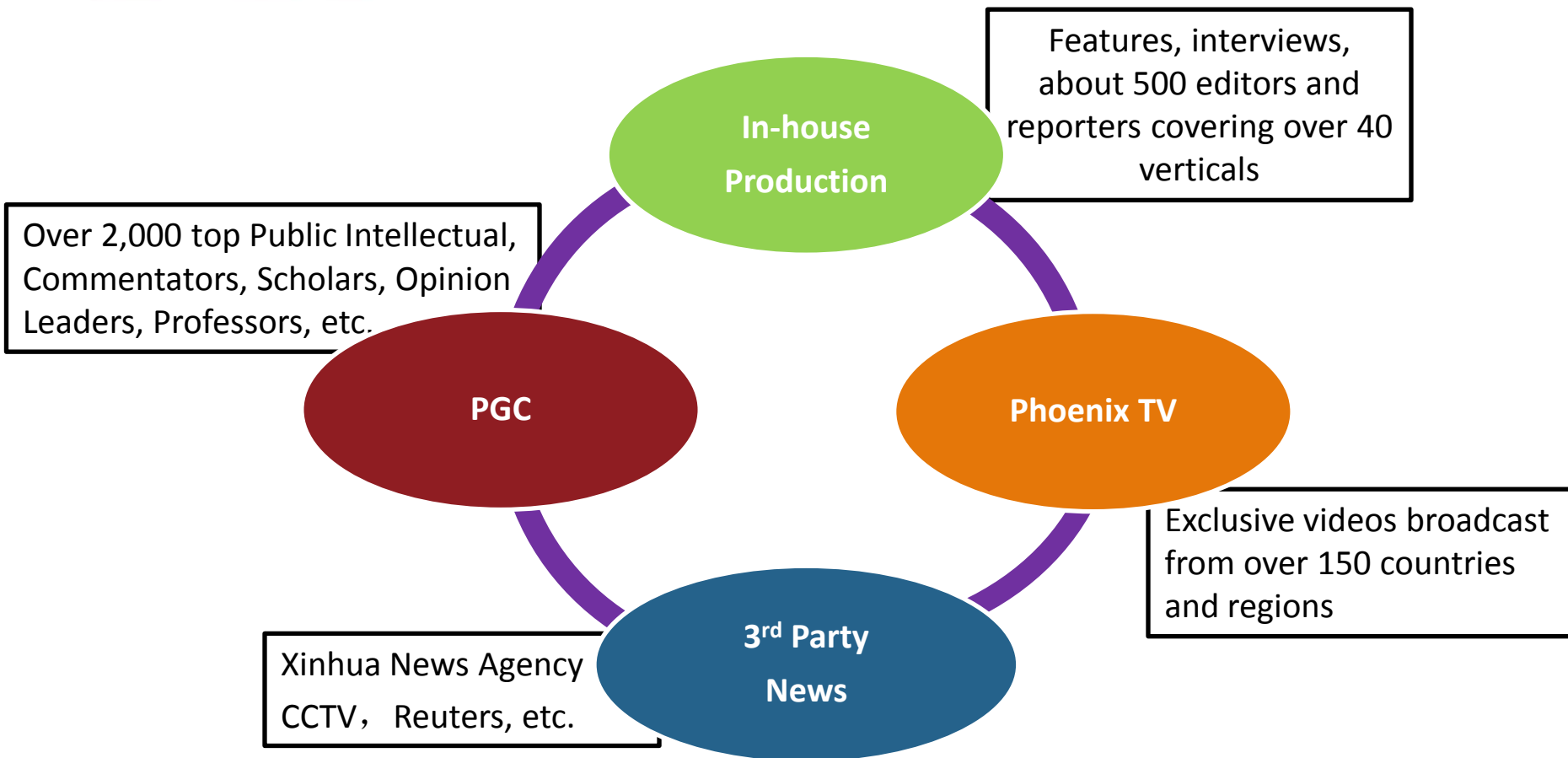
Media DNA + Big idea Advertising Solutions + Cross Media Platform

Content Differentiated content offering rooted in media DNA

Monetization Big idea advertising strategies and integrated marketing solutions

Technology Cross-media platform making content and big ideas thrive

Diverse and Proprietary Content





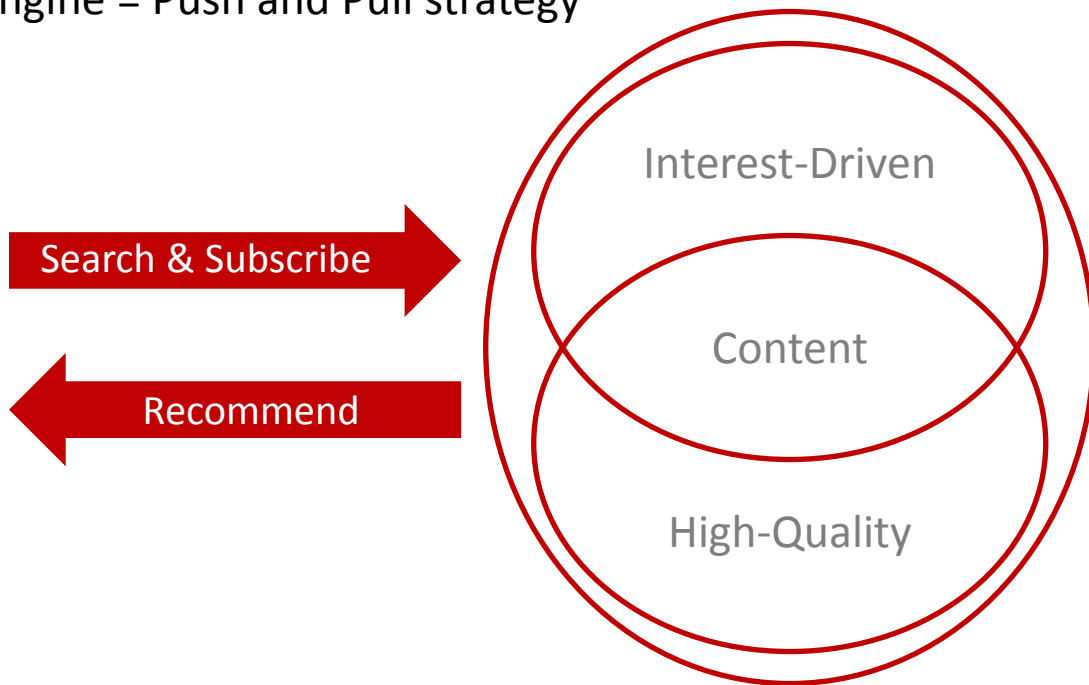
Mobile advertising revenues increased by about 72% YoY in 1H16

- Large and quality mobile user base with strong monetization potential
- Two platforms on Mobile
 - WAP portal: i.ifeng.com
 - Apps: ifeng News, ifeng Video, ifeng FM
- WAP portal + APPs DAU: around 35m in 2Q16

Yidian Investment Strengthens Mobile Product Portfolio

Very different, but yet complimentary

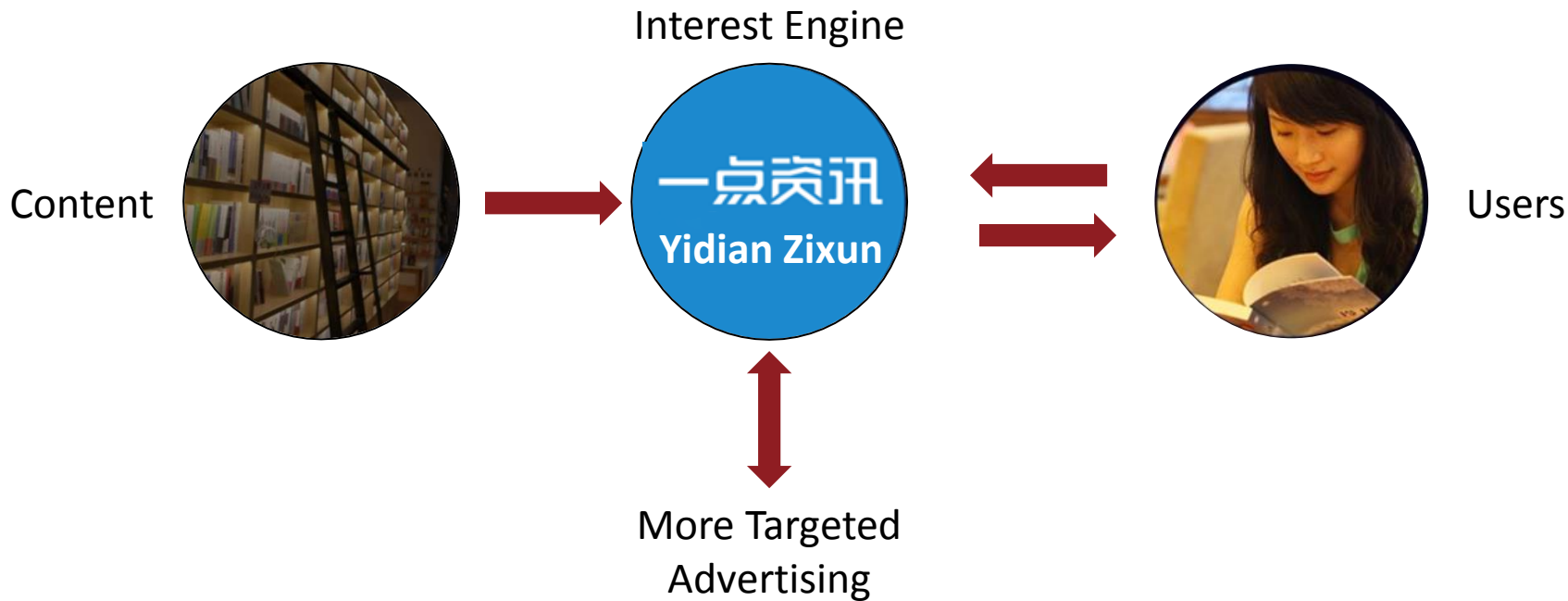
Interest Engine = Push and Pull strategy



Note: The Company owned 41.2% of Yidian (fully diluted basis), as of July 31, 2016.

Enormous Monetization Opportunities

Yidian Zixun has reached almost 30million DAU in June, 2016.



Why Yidian can exhibit more accurate results

Market



User Click



Biased Push

Yidian Zixun



User Click



Search



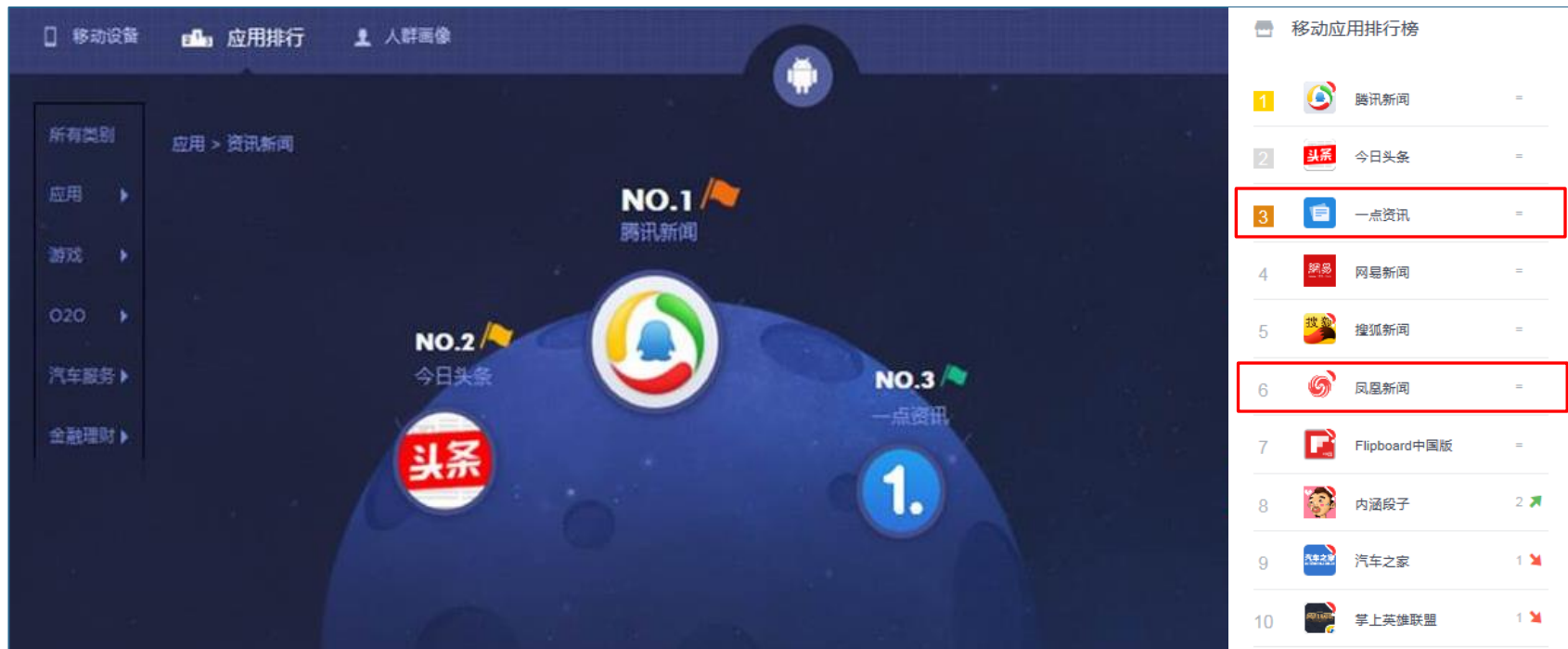
Channel Subscription



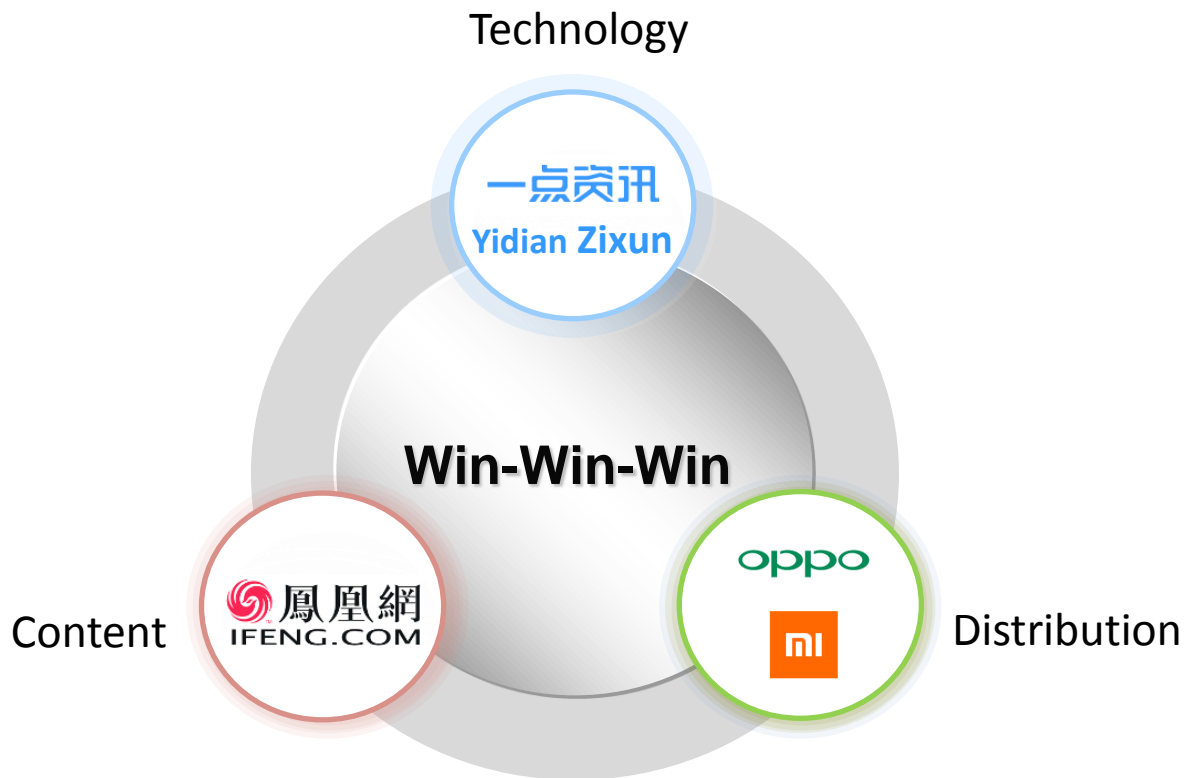
Balancing Results

Leading Mobile Coverage

Yidian was ranked as one of Top 3 in news and information apps.



Source: TalkingData's ranking of June, 2016.



Strategy Partners

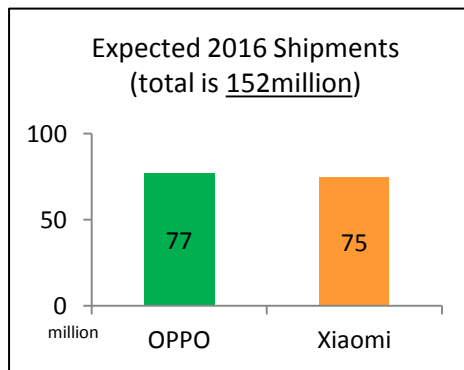
oppo



Xiaomi

Value Proposition

Browser + Pre-installed Apps



Synergies



Users



Ad Revenues

Source: IC Insights, company reports



- Specialize in Short Form Video
 - Professional news
 - Documentaries
 - In-house produced programs
 - Phoenix TV exclusive video constitutes about 40% of video traffic
- LOW content and bandwidth cost
- Highly suitable for mobile and 4G
- Video Ad Forms: Banner, Sponsorship, Pre-roll and Native

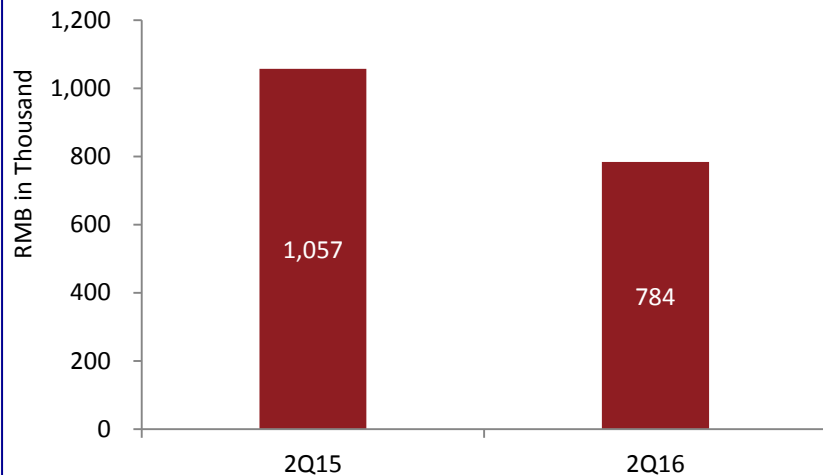


Monetization

Secular Advertising Growth

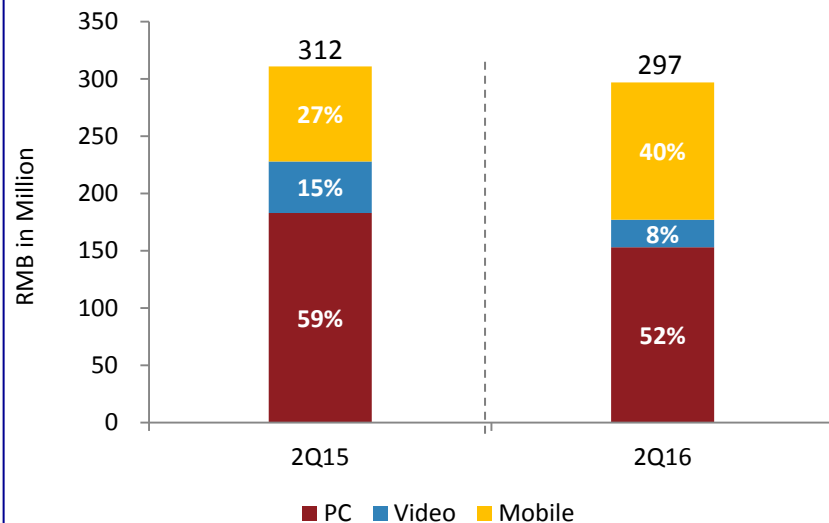
Number of advertisers increased by 28% YoY in 2Q16
SME customer accounts for 1/3 of the total advertisers

Average Rev Per Advertiser



Total net ad. revenues decreased by 5% YoY in 2Q16
Mobile ad. revenues increased by 72% YoY in 1H16

Net Advertising Revenues



High Quality and Expanding Advertising Client Base

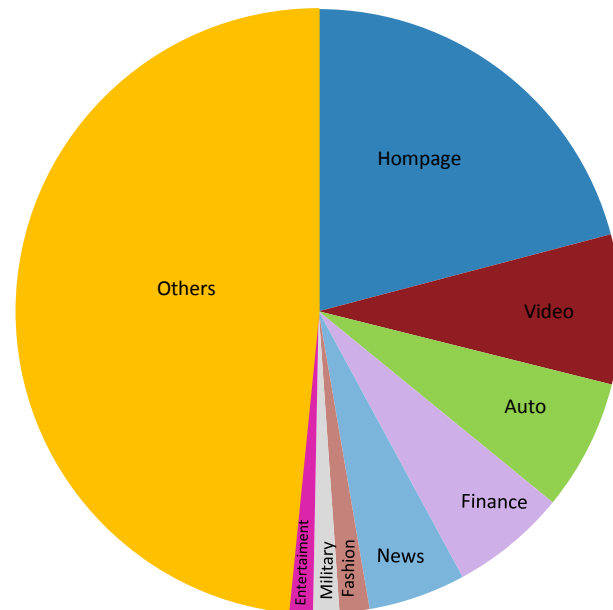
Number of clients increased by 28% YoY

379 in 2Q16, 295 in 2Q15



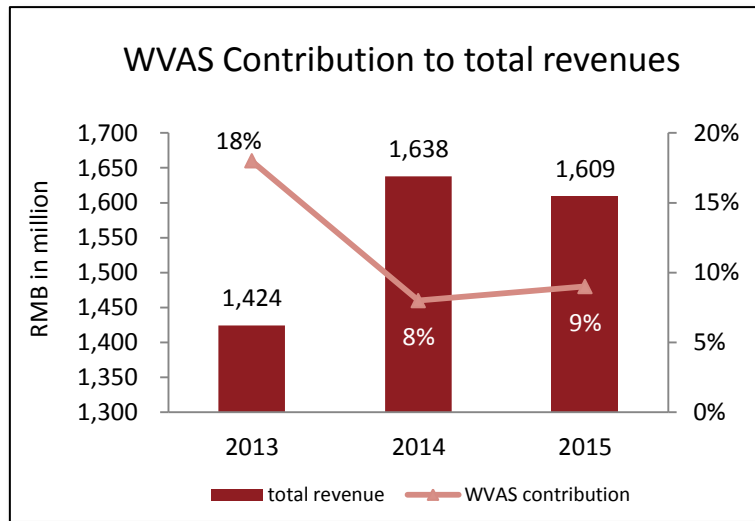
Source: Company data in 2Q16

Advertising Rev by website verticals



Source: Company data in 2Q16

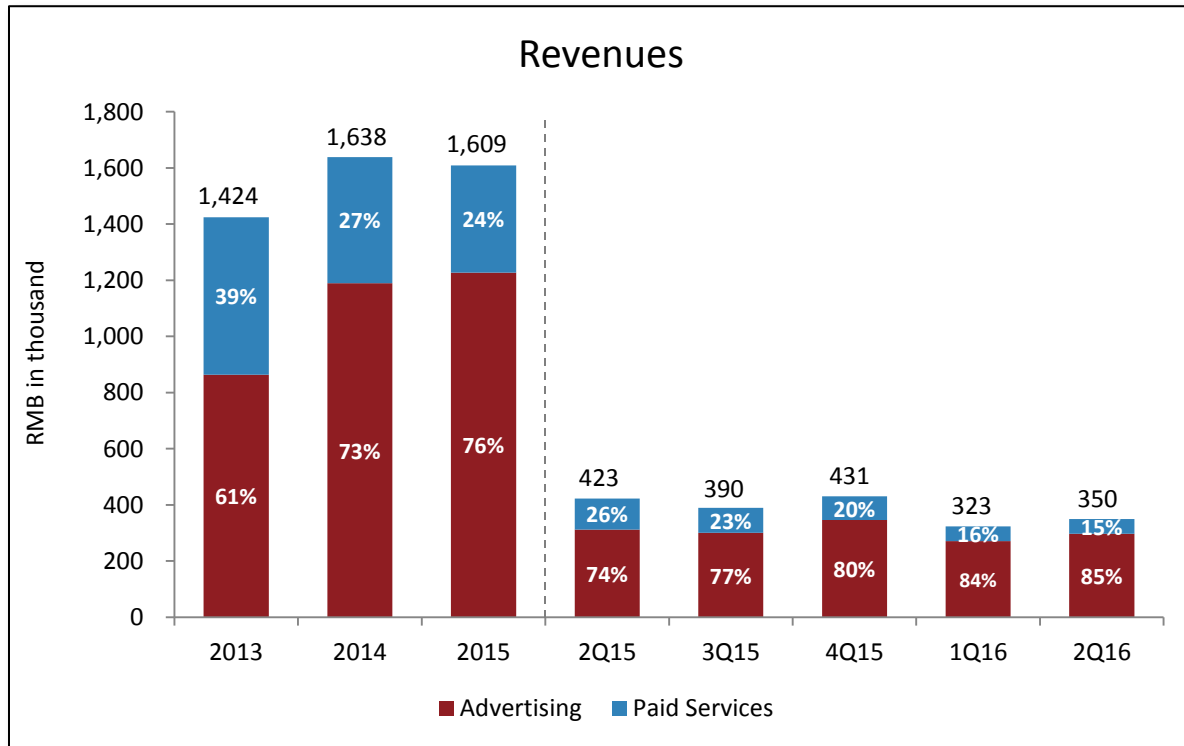
Paid Services – Subscription and Transaction



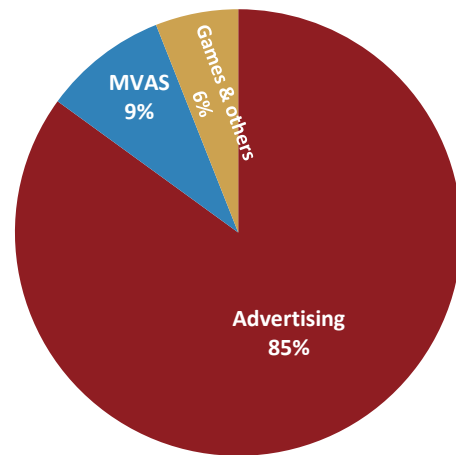
- WVAS contribution to total revenues decreased
- WVAS impact to P/L decreased



Financial Highlights



2Q16 Revenues Breakdown



Profits and Loss Highlights

(RMB 000's)	2014	2015	2Q15	3Q15	4Q15	1Q16	2Q16
Revenue	1,637,860	1,609,196	422,907	390,419	430,769	322,940	350,063
Cost of Revenues	781,632	829,386	222,383	209,841	207,028	158,168	180,508
Revenue sharing fees	192,076	216,972	67,327	51,576	46,603	18,854	19,274
Content and operational costs	376,555	406,740	101,583	107,812	106,585	95,450	117,190
Bandwidth costs	83,233	83,171	21,272	20,696	19,662	17,346	15,291
Sales tax and surcharges	129,768	122,503	32,201	29,757	34,178	26,518	28,753
Operating Expenses	618,591	700,836	173,802	172,275	186,734	160,959	186,678
S&M	330,777	346,133	92,219	83,568	82,756	75,558	87,017
G&A	137,818	183,989	39,195	45,715	60,020	45,043	57,587
R&D	149,996	170,714	42,388	42,992	43,958	40,358	42,074
Non GAAP Income from Operations	290,818	113,328	40,183	20,348	31,050	7,894	(12,670)
Non GAAP Net Profits	305,151	145,156	40,721	35,943	44,877	14,692	3,484
% to Revenue							
Revenue sharing fees	11.7%	13.5%	15.9%	13.2%	10.8%	5.8%	5.5%
Content and operational costs	23.0%	25.3%	24.0%	27.6%	24.7%	29.6%	33.5%
Gross Margin	52.3%	48.5%	47.4%	46.3%	51.9%	51.0%	48.4%
S&M	20.2%	21.5%	21.8%	21.4%	19.2%	23.4%	24.9%
G&A	8.4%	11.4%	9.3%	11.7%	13.9%	13.9%	16.5%
R&D	9.2%	10.6%	10.0%	11.0%	10.2%	12.5%	12.0%
Non GAAP Operation Income Margin	17.8%	7.0%	9.5%	5.2%	7.2%	2.4%	-3.6%
Non GAAP Net Margin	18.6%	9.0%	9.6%	9.2%	10.4%	4.5%	1.0%

Notes: The above table is the excerpts of Condensed Consolidated Statements of Income

Strong Balance Sheet

(RMB in mn)	2016/6/30	2016/6/30	2015/12/31	2015/6/30
	RMB	USD	RMB	RMB
Cash and Cash Equivalents and Term Deposits and Short Term Investments and Restricted Cash	1,154	174	1,205	1,031
Total Current Assets	1,955	294	1,931	1,763
Total Non-Current Assets	653	98	636	616
Total Liabilities	759	114	762	680
Total Shareholders' Equity	1,849	278	1,805	1,699

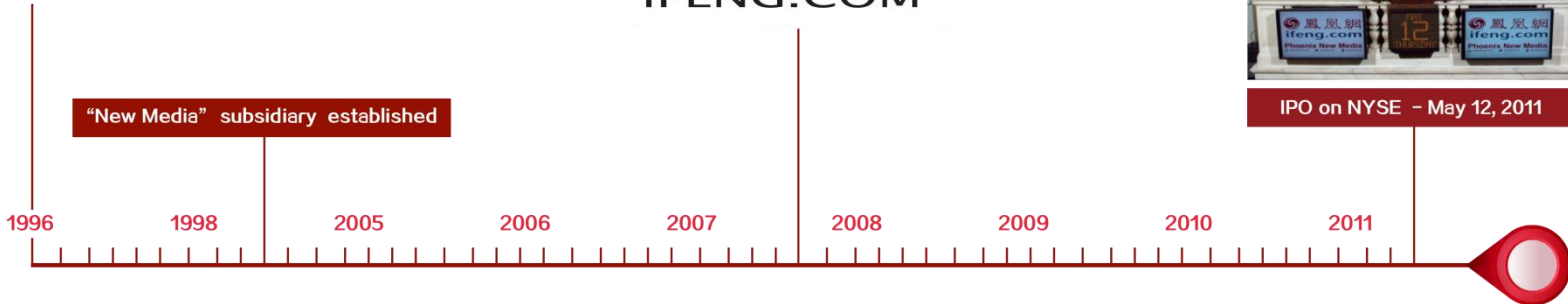


Appendix

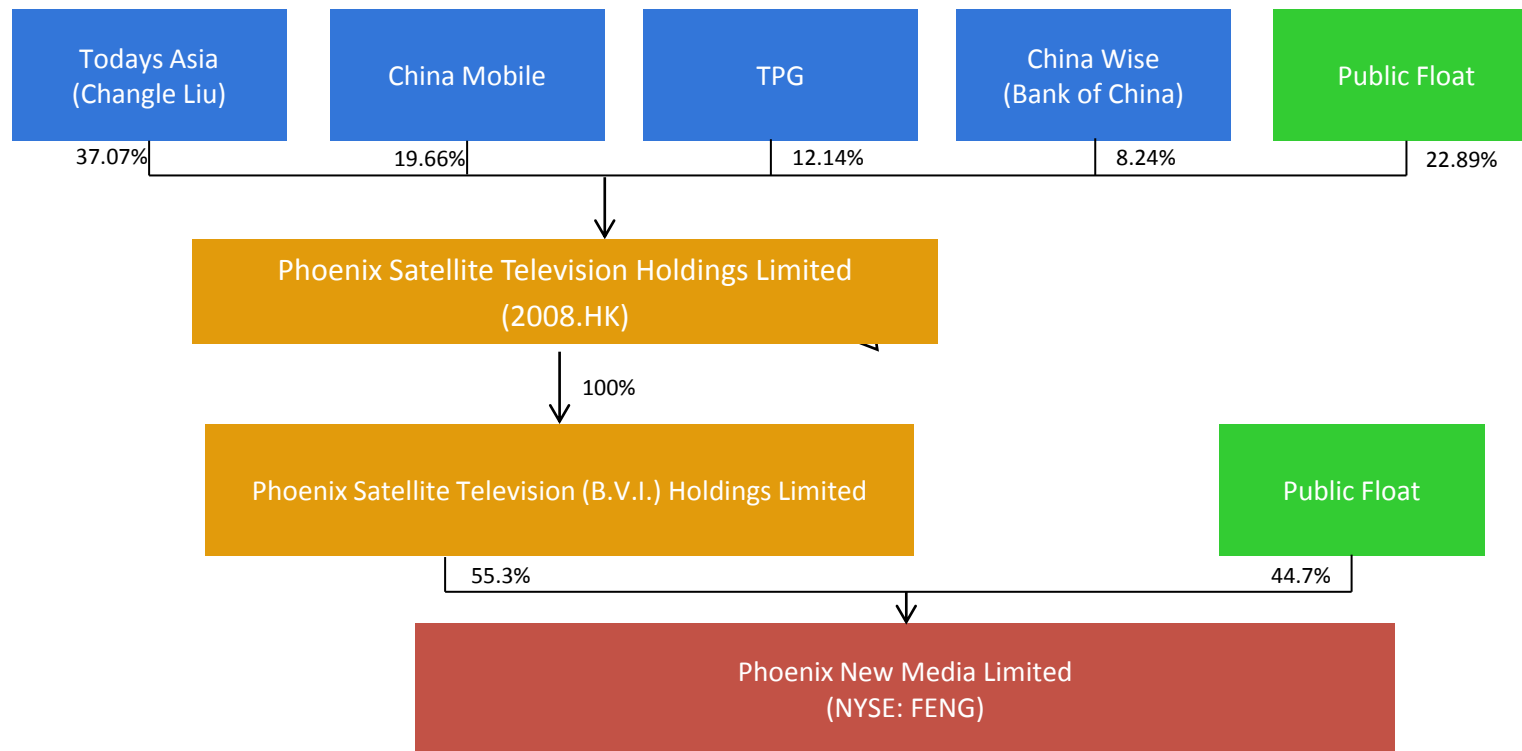
Young Company with Long History



Phoenix TV founded- a leading Chinese language
TV & media group based in HK



Shareholding Structure



Notes: As of June 30, 2016, 7.40% of total outstanding shares were granted but not exercised.

Top 10 shareholders accounted for about 20% of total shares outstanding as of June 30, 2016.



CEO – Shuang Liu

13+ (Media industry)
Joined in 2005



President – Ya Li

19+ (Internet industry and entrepreneurship)
Joined in 2006



CFO – Betty Ho

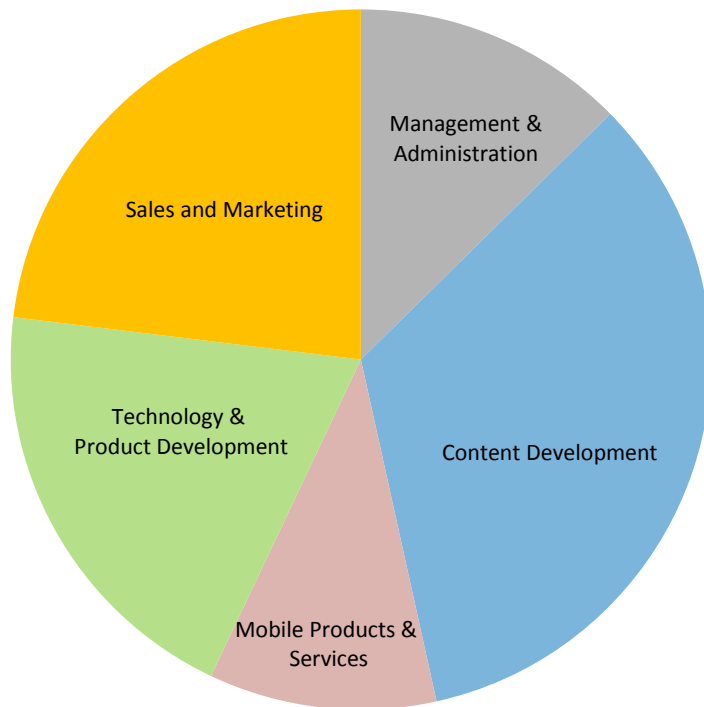
AICPA and HKICPA
21+ (TMT, manufacturing and retail)
Joined in 2013



SVP – Shu Liu

21+ (Internet & media industry)
Joined in 2010

Content Development consist of over 30 % of our total headcount, out of a total of around 1,500 headcounts



Native Marketing:

Customer: Huawei P9

Ad Revenue: 3million RMB

Project Introduction: Under the theme of “Life Aesthetician”, the program invites iconic figures, such as super model Mr. Liang Zhang, to share their altitudes towards the aesthetics of life. Cooperated with ifeng’s travel show, *Life Aesthetician*, the program presents P9 customized video, introducing the product features and illustrating the brand spirit of Huawei. Through multi-platforms promotion plus social media marketing, the program attracts users to get to know the core value of Huawei P9, and contributes to improve the brand recognition and reputation of Huawei.

ROI: PV around 3.8million, UV 3.2million, VV 3.3million



As of August 11, 2016

Exchange / Ticker

NYSE: FENG

Market Cap

US\$ 266Mn

Price

US\$ 3.72

ADS Outstanding

71.5Mn

**Average Daily Trading Volume
(last 3 months)**

0.1Mn

Analysts Coverage



J.P.Morgan

Deutsche Bank



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谢谢观赏
Thanks