MEDIA CHINESE INTERNATIONAL LIMITED

世界華文媒體有限公司

(Incorporated in Bermuda with limited liability)

(Malaysia Company No. 995098-A)

(Hong Kong Stock Code: 685)

(Malaysia Stock Code: 5090)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2015

The directors of Media Chinese International Limited (the "Company") hereby announce that the consolidated results of the Company and its subsidiaries (collectively the "Group") and the Group's interests in joint ventures and associates for the year ended 31 March 2015, together with comparative figures for the year ended 31 March 2014 are as follows:

CONSOLIDATED INCOME STATEMENT

		(Unaudited)	(Audited)
		Year ended 31 March	
		2015	2014
	Note	***US$'000***	*US$'000*
Turnover	*3*	**429,140**	468,728
Cost of goods sold		**(263,682)**	(285,588)
Gross profit		**165,458**	183,140
Other income	*5*	**10,829**	12,995
Other (losses)/gains, net	*6*	**(5,294)**	1,032
Selling and distribution expenses		**(69,298)**	(72,744)
Administrative expenses		**(39,172)**	(40,499)
Other operating expenses		**(6,385)**	(6,814)
Operating profit		**56,138**	77,110
Finance costs	*7*	**(6,595)**	(8,150)
Share of losses of joint ventures and associates		**(147)**	(397)
Allowance for impairment loss of interest in an associate		**(1,895)**	–
Profit before income tax		**47,501**	68,563
Income tax expense	*8*	**(16,411)**	(19,292)
Profit for the year		**31,090**	49,271
Profit/(loss) attributable to:			
Owners of the Company		**31,429**	48,236
Non-controlling interests		**(339)**	1,035
		31,090	49,271
Earnings per share attributable to owners of the Company			
Basic (US cents)	*9*	**1.86**	2.86
Diluted (US cents)	*9*	**1.86**	2.86
Dividends	*10*	**15,691**	24,127

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited)	(Audited)
	Year ended 31 March	
	2015	2014
	US$'000	*US$'000*
Profit for the year	**31,090**	49,271
Other comprehensive (loss)/income		
Item that may be reclassified subsequently to profit or loss:		
Currency translation differences	**(20,842)**	(8,319)
Item that will not be reclassified subsequently to profit or loss:		
Remeasurements of post-employment benefit obligations	**45**	652
Other comprehensive loss for the year, net of tax	**(20,797)**	(7,667)
Total comprehensive income for the year	**10,293**	41,604
Total comprehensive income/(loss) for the year attributable to:		
Owners of the Company	**10,660**	40,585
Non-controlling interests	**(367)**	1,019
	10,293	41,604

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**(Unaudited) As at 31 March 2015** *US$'000*	(Audited) As at 31 March 2014 *US$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**126,909**	144,308
Investment properties		**15,943**	17,144
Intangible assets		**59,004**	72,920
Deferred income tax assets		**723**	1,455
Interests in joint ventures and associates		**796**	2,956
		203,375	238,783
Current assets			
Inventories		**40,888**	52,386
Available-for-sale financial assets		**97**	97
Financial assets at fair value through profit or loss		**294**	237
Trade and other receivables	*11*	**58,911**	67,779
Income tax recoverable		**631**	684
Cash and cash equivalents		**118,620**	102,852
		219,441	224,035
Current liabilities			
Trade and other payables	*12*	**59,916**	68,746
Income tax liabilities		**3,657**	5,384
Bank and other borrowings	*13*	**9,585**	12,726
Current portion of other non-current liabilities		**58**	62
		73,216	86,918
Net current assets		**146,225**	137,117
Total assets less current liabilities		**349,600**	375,900
EQUITY			
Equity attributable to owners of the Company			
Share capital		**21,715**	21,715
Share premium		**54,664**	54,664
Other reserves		**(100,761)**	(79,946)
Retained earnings			
— Proposed dividend		**8,436**	11,473
— Others		**225,690**	209,906
		234,126	221,379
		209,744	217,812
Non-controlling interests		**6,361**	7,237
Total equity		**216,105**	225,049
Non-current liabilities			
Bank and other borrowings	*13*	**121,506**	137,804
Deferred income tax liabilities		**11,138**	12,306
Other non-current liabilities		**851**	741
		133,495	150,851
		349,600	375,900

NOTES TO THE CONSOLIDATED FINANCIAL INFORMATION

For the year ended 31 March 2015

1. BASIS OF PREPARATION

The consolidated financial information of the Company and its subsidiaries (collectively the "Group") have been prepared in accordance with International Financial Reporting Standards ("IFRSs") and under the historical cost convention, as modified by the revaluation of investment properties, available-for-sale financial assets, and financial assets at fair value through profit or loss. The consolidated financial information also included applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited ("HK Listing Rules").

(i) New and amended standards and interpretations to existing standards adopted by the Group

a) Amendment to IAS 32, 'Financial instruments: Presentation' on offsetting financial assets and financial liabilities. This amendment clarifies that the right of set-off must not be contingent on a future event. It must also be legally enforceable for all counterparties in the normal course of business, as well as in the event of default, insolvency or bankruptcy. The amendment also considers settlement mechanisms. The amendment does not have a significant effect on the Group's financial statements.

b) Amendment to IAS 36, 'Impairment of assets', on the recoverable amount disclosures for non-financial assets. This amendment removes certain disclosures of the recoverable amount of CGUs which had been included in IAS 36 by the issue of IFRS 13. It also enhances the disclosures of information about the recoverable amount of impaired assets if that amount is based on fair value less costs of disposal.

c) Amendment to IAS 39, 'Financial instruments: Recognition and measurement' on the novation of derivatives and the continuation of hedge accounting. This amendment considers legislative changes to 'over-the-counter' derivatives and the establishment of central counterparties. Under IAS 39 novation of derivatives to central counterparties would result in discontinuance of hedge accounting. The amendment provides relief from discontinuing hedge accounting when novation of a hedging instrument meets specified criteria. The amendment does not have a significant effect on the Group's financial statements.

d) IFRIC 21, 'Levies', sets out the accounting for an obligation to pay a levy if that liability is within the scope of IAS 37 'Provisions'. The interpretation addresses what the obligating event is that gives rise to the payment of a levy and when a liability should be recognised. As the Group is not currently subject to significant levies, the impact on the Group is not material.

Other than as disclosed above, there are no IFRSs or International Financial Reporting Interpretations Committee ("IFRIC") interpretations that are effective for the first time for the financial year beginning on 1 April 2014 that have a material impact on the Group.

(ii) New accounting standards and amendments to standards that are not yet effective and have not been early adopted by the Group

A number of new standards and amendments to standards are effective for annual periods beginning after 1 April 2014, and have not been applied in preparing this consolidated financial information. None of these is expected to have a significant effect on the consolidated financial statements of the Group, except the following set out below:

		Effective for annual periods beginning on or after
Amendment to IAS 19	Defined benefit plans — employee contributions	1 July 2014
IFRS 14	Regulatory Deferral Accounts	1 January 2016
Amendment to IFRS 11	Accounting for acquisitions of interests in joint operations	1 January 2016
Amendments to IAS 16 and IAS 38	Clarification of acceptable methods of depreciation and amortisation	1 January 2016
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	1 January 2016
Amendment to IAS 27	Equity method in separate financial statements	1 January 2016
IFRS 15	Revenue from Contracts with Customers	1 January 2017
IFRS 9	Financial Instruments	1 January 2018

(iii) New Hong Kong Companies Ordinance (Cap. 622)

The requirements of Part 9 “Accounts and Audit” of the new Hong Kong Companies Ordinance (Cap. 622) (the “New CO”) came into operation from the Group’s first financial year commencing on or after 3 March 2014 in accordance with section 358 of the New CO. The Group is in the process of making an assessment of expected impact of the changes in the New CO on the consolidated financial information in the period of initial application of Part 9 of the New CO. Management has concluded that the impact is unlikely to be significant and will primarily only affect the presentation and disclosure of information in the consolidated financial information.

2. FUNCTIONAL CURRENCY AND TRANSLATION TO PRESENTATION CURRENCY

Items included in the financial statements of each of the Group’s entities are measured using the currency of the primary economic environment in which the entity operates, i.e. the functional currency. The functional currency of the Company is Malaysian Ringgit (“RM”). However, each entity within the Group can present its financial statements in any currency, which can be the same or different from the entity’s functional currency. As the Group operates internationally, management considers that it is more appropriate to use United States Dollar (“US$”), a globally recognised currency, as the presentation currency for the Group’s consolidated financial statements. For the entity whose functional currency is not the presentation currency, i.e. US$, its results and financial position have been translated into US$.

The assets and liabilities of each entity within the Group are mostly denominated in its own functional currency and do not have material impact on the consolidated income statement for the year.

During the year ended 31 March 2015, the Group is particularly exposed to movements in the US$ to RM exchange rate as a major part of the Group’s operations is located in Malaysia, and a decrease in the exchange fluctuation reserve of US$20,815,000 was recognised largely due to the changes in the exchange rate of US$ to RM.

3. TURNOVER AND SEGMENT INFORMATION

The Group has determined the operating segments based on the reports that are reviewed and used by the Group Executive Committee for making strategic decisions.

The Group is organised operationally on a worldwide basis in four major operating segments:

Publishing and printing: Malaysia and other Southeast Asian countries
Publishing and printing: Hong Kong and Mainland China
Publishing and printing: North America
Travel and travel related services

Publishing and printing segments are engaged in the publication, printing and distribution of newspapers, magazines, digital contents and books primarily in Chinese language. The segments derive revenue mainly from advertising and sales of newspapers and magazines. Travel and travel related services segment derives revenue from the sale of travel packages and provision of tour services.

The Group Executive Committee assesses the performance of the operating segments based on a measure of segment profit before income tax as per the internal financial report. Other information provided is measured in a manner consistent with that in the internal financial report.

The Group's turnover and results for the year ended 31 March 2015, analysed by operating segments, are as follows:

	(Unaudited) Publishing and printing					
	Malaysia and other Southeast Asian countries *US$'000*	Hong Kong and Mainland China *US$'000*	North America *US$'000*	Sub-total *US$'000*	Travel and travel related services *US$'000*	Total *US$'000*
Turnover	**249,961**	**69,744**	**23,529**	**343,234**	**85,906**	**429,140**
Segment profit before income tax	**48,374**	**4,617**	**297**	**53,288**	**3,770**	**57,058**
Unallocated interest expense						**(6,323)**
Other net unallocated expenses						**(1,192)**
Share of losses of joint ventures and associates						**(147)**
Allowance for impairment loss of interest in an associate						**(1,895)**
Profit before income tax						**47,501**
Income tax expense						**(16,411)**
Profit for the year						**31,090**
Other information:						
Interest income	**1,861**	**258**	**–**	**2,119**	**12**	**2,131**
Interest expense	**(201)**	**(71)**	**–**	**(272)**	**–**	**(272)**
Depreciation of property, plant and equipment	**(8,374)**	**(1,485)**	**(420)**	**(10,279)**	**(123)**	**(10,402)**
Amortisation of intangible assets	**(872)**	**(151)**	**(70)**	**(1,093)**	**(33)**	**(1,126)**
Impairment loss of goodwill	**(5,315)**	**(351)**	**–**	**(5,666)**	**–**	**(5,666)**
Income tax expense	**(14,030)**	**(1,387)**	**(13)**	**(15,430)**	**(981)**	**(16,411)**

The Group's turnover and results for the year ended 31 March 2014, analysed by operating segments, are as follows:

	(Audited)					
	Publishing and printing					
	Malaysia and other Southeast Asian countries	Hong Kong and Mainland China	North America	Sub-total	Travel and travel related services	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Turnover	282,387	71,558	26,360	380,305	88,423	468,728
Segment profit before income tax	66,487	6,349	992	73,828	4,215	78,043
Unallocated interest expense						(7,887)
Other net unallocated expenses						(1,196)
Share of losses of joint ventures and associates						(397)
Profit before income tax						68,563
Income tax expense						(19,292)
Profit for the year						49,271
Other information:						
Interest income	1,481	203	–	1,684	7	1,691
Interest expense	(249)	(14)	–	(263)	–	(263)
Depreciation of property, plant and equipment	(8,307)	(1,425)	(400)	(10,132)	(55)	(10,187)
Amortisation of intangible assets	(899)	(129)	(86)	(1,114)	(20)	(1,134)
Income tax expense	(16,632)	(1,339)	(512)	(18,483)	(809)	(19,292)

Turnover is derived from publishing, printing and distribution of newspapers, magazines, digital contents and books primarily in Chinese language, and provision of travel and travel related services. Turnover recognised during the year is as follows:

	(Unaudited)	(Audited)
	Year ended 31 March	
	2015	2014
	US$'000	*US$'000*
Advertising income, net of trade discounts	**248,319**	273,553
Sales of newspapers, magazines, digital contents and books, net of trade discounts and returns	**94,915**	106,752
Travel and travel related services income	**85,906**	88,423
	429,140	468,728

The segment assets and liabilities as at 31 March 2015 are as follows:

	(Unaudited) Publishing and printing						
	Malaysia and other Southeast Asian countries *US$'000*	Hong Kong and Mainland China *US$'000*	North America *US$'000*	Sub-total *US$'000*	Travel and travel related services *US$'000*	Elimination *US$'000*	Total *US$'000*
Segment assets	**318,147**	**70,272**	**15,595**	**404,014**	**17,110**	**(175)**	**420,949**
Unallocated assets							**1,867**
Total assets							**422,816**
Total assets include:							
Interests in joint ventures and associates	**–**	**796**	**–**	**796**	**–**	**–**	**796**
Additions to non-current assets (other than deferred income tax assets)	**7,598**	**870**	**733**	**9,201**	**180**	**–**	**9,381**
Segment liabilities	**(26,620)**	**(20,597)**	**(7,065)**	**(54,282)**	**(13,375)**	**175**	**(67,482)**
Unallocated liabilities							**(139,229)**
Total liabilities							**(206,711)**

The segment assets and liabilities as at 31 March 2014 are as follows:

	(Audited) Publishing and printing						
	Malaysia and other Southeast Asian countries *US$'000*	Hong Kong and Mainland China *US$'000*	North America *US$'000*	Sub-total *US$'000*	Travel and travel related services *US$'000*	Elimination *US$'000*	Total *US$'000*
Segment assets	356,121	72,071	16,813	445,005	15,387	(221)	460,171
Unallocated assets							2,647
Total assets							462,818
Total assets include:							
Interests in joint ventures and associates	–	2,956	–	2,956	–	–	2,956
Additions to non-current assets (other than deferred income tax assets)	9,840	711	289	10,840	329	–	11,169
Segment liabilities	(37,923)	(21,226)	(7,650)	(66,799)	(12,897)	221	(79,475)
Unallocated liabilities							(158,294)
Total liabilities							(237,769)

The elimination between segments represents intercompany receivables and payables between segments.

Segment assets consist primarily of property, plant and equipment, investment properties, intangible assets, interests in joint ventures and associates, inventories, trade and other receivables, and cash and cash equivalents. They exclude deferred income tax assets, available-for-sale financial assets, financial assets at fair value through profit or loss — listed equity securities, income tax recoverable and assets held by the Company.

Segment liabilities consist primarily of trade and other payables, retirement benefit obligations and bank and other borrowings. They exclude deferred income tax liabilities, defined benefit plan liabilities, income tax liabilities and liabilities of the Company.

The Group operates its publishing and printing businesses mainly in Malaysia, other Southeast Asian countries, Hong Kong and Mainland China ("Main operating countries"). Revenue from external customers of the Group's publishing and printing businesses for the year ended 31 March 2015, analysed by operating countries, is as follows:

	(Unaudited)	(Audited)
	Year ended 31 March	
	2015	2014
	US$'000	*US$'000*
Main operating countries		
Malaysia and other Southeast Asian countries	**249,961**	282,387
Hong Kong and Mainland China	**69,744**	71,558
Other countries	**23,529**	26,360
	343,234	380,305

As at 31 March 2015, the Group's total non-current assets, other than deferred income tax assets, analysed by operating countries, are as follows:

	(Unaudited)	(Audited)
	As at 31 March	
	2015	2014
	US$'000	*US$'000*
Main operating countries		
Malaysia and other Southeast Asian countries	**176,608**	207,786
Hong Kong and Mainland China	**18,559**	21,817
Other countries	**7,485**	7,725
	202,652	237,328

4. EXPENSES BY NATURE

	(Unaudited)	(Audited)
	Year ended 31 March	
	2015	2014
	US$'000	*US$'000*
Employee benefit expense (including directors' emoluments)	**111,491**	113,714
Raw materials and consumables used	**88,661**	104,582
Direct costs of travel and travel related services	**72,424**	75,384
Depreciation of property, plant and equipment	**10,402**	10,187
Amortisation of intangible assets	**1,126**	1,134
Allowance for impairment and write-off of trade and other receivables	**544**	442
Allowance for impairment and write-off of inventories	**276**	108
(Gains)/losses on disposal of property, plant and equipment — net	**(184)**	256

5. OTHER INCOME

	(Unaudited)	(Audited)
	Year ended 31 March	
	2015	2014
	US$'000	*US$'000*
Scrap sales of old newspapers and magazines	**4,212**	4,920
Other media-related income	**2,815**	4,622
Interest income	**2,131**	1,691
Rental and management fee income	**1,221**	1,326
Licence fee and royalty income	**274**	269
Dividend income	**12**	12
Others	**164**	155
	10,829	12,995

6. OTHER (LOSSES)/GAINS, NET

	(Unaudited)	(Audited)
	Year ended 31 March	
	2015	2014
	US$'000	*US$'000*
Fair value gains on investment properties	**438**	322
Fair value gains on financial assets at fair value through profit or loss	**58**	6
Net exchange (losses)/gains	**(124)**	704
Impairment loss of goodwill	**(5,666)**	–
	(5,294)	1,032

7. FINANCE COSTS

	(Unaudited)	(Audited)
	Year ended 31 March	
	2015	2014
	US$'000	*US$'000*
Interest on medium-term notes	**6,323**	606
Interest on short-term bank borrowings	**272**	7,544
	6,595	8,150

8. INCOME TAX EXPENSE

Income tax for the Group's Hong Kong operations has been provided at the rate of 16.5% (2014: 16.5%) on the estimated assessable profit derived from Hong Kong for the year. Income tax for the Group's Malaysian operations is calculated at the rate of 25% (2014: 25%) on the estimated assessable profit derived from Malaysia for the year. Taxation on other countries' profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

Income tax expense in the consolidated income statement represents:

	(Unaudited)	(Audited)
	Year ended 31 March	
	2015	2014
	US$'000	*US$'000*
Hong Kong taxation		
Current year	**1,494**	1,836
Over provision in prior years	**(7)**	(10)
Malaysian taxation		
Current year	**13,599**	16,831
Under/(over) provision in prior years	**246**	(154)
Other countries' taxation		
Current year	**503**	735
(Over)/under provision in prior years	**(82)**	94
Deferred income tax expense/(credit)	**658**	(40)
	16,411	19,292

9. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

	(Unaudited)	(Audited)
	Year ended 31 March	
	2015	2014
Profit attributable to owners of the Company (US$'000)	**31,429**	48,236
Weighted average number of ordinary shares in issue	**1,687,238,085**	1,687,239,605
Basic earnings per share (US cents)	**1.86**	2.86
Diluted earnings per share (US cents)	**1.86**	2.86

The diluted earnings per share is the same as the basic earnings per share as there were no dilutive potential shares in issue during the years ended 31 March 2015 and 2014.

10. DIVIDENDS

	(Unaudited)	(Audited)
	Year ended 31 March	
	2015	2014
	US$'000	*US$'000*
Dividends attributable to the year:		
First interim, paid, US0.430 cents (2013/2014: US0.750 cents) per ordinary share	**7,255**	12,654
Second interim, declared after the end of the reporting period of US0.500 cents (2013/2014: US0.680 cents) per ordinary share	**8,436**	11,473
	15,691	24,127
Dividends paid during the year:		
Second interim, 2013/2014, US0.680 cents (2012/2013: US1.015 cents) per ordinary share *(note (a))*	**11,473**	17,125
First interim, 2014/2015, US0.430 cents (2013/2014: US0.750 cents) per ordinary share *(note (b))*	**7,255**	12,654
	18,728	29,779

The board of directors has declared a second interim dividend of US0.500 cents (2013/2014: US0.680 cents) per ordinary share in lieu of a final dividend for the year ended 31 March 2015. The dividend will be payable on 31 July 2015 to shareholders whose names appear on the register of members of the Company at the close of business on 10 July 2015 in cash in RM or in Hong Kong dollars ("HK$") at exchange rates determined on 28 May 2015 by reference to the middle exchange rates applicable to US$ at 12:00 noon as quoted by Bank Negara Malaysia. This interim dividend is not reflected as a dividend payable in this consolidated financial information.

The middle exchange rates at 12:00 noon on 28 May 2015 as quoted by Bank Negara Malaysia of US$ to RM and US$ to HK$, and the amount of the second interim dividend payable is as follows:

	Exchange rates	**Dividend per ordinary share**
US$ to RM	3.6500	1.825 sen
US$ to HK$	7.7536	HK3.877 cents

Note:

(a) The second interim dividend of US0.680 cents per ordinary share totaling US$11,473,000 in respect of the year ended 31 March 2014 was paid on 1 August 2014.

(b) The first interim dividend of US0.430 cents per ordinary share totaling US$7,255,000 in respect of the year ended 31 March 2015 was paid on 15 January 2015.

11. TRADE AND OTHER RECEIVABLES

	(Unaudited)	(Audited)
	As at 31 March	
	2015	2014
	US$'000	*US$'000*
Trade receivables	**50,172**	57,228
Less: allowance for impairment of trade receivables	**(2,064)**	(1,848)
Trade receivables — net *(note)*	**48,108**	55,380
Deposits and prepayments	**7,073**	8,227
Other receivables	**3,730**	4,172
	58,911	67,779

At 31 March 2015, the fair values of trade and other receivables approximated the carrying amounts.

Note: The Group allows in general a credit period ranging from 7 days to 120 days to its trade customers.

At 31 March 2015, the ageing analysis of the net trade receivables based on invoice date is as follows:

	(Unaudited)	(Audited)
	As at 31 March	
	2015	2014
	US$'000	*US$'000*
1 to 60 days	**34,767**	38,400
61 to 120 days	**10,050**	13,412
121 to 180 days	**2,217**	2,366
Over 180 days	**1,074**	1,202
	48,108	55,380

12. TRADE AND OTHER PAYABLES

	(Unaudited)	(Audited)
	As at 31 March	
	2015	2014
	US$'000	*US$'000*
Trade payables *(note)*	**13,099**	18,855
Accrued charges and other payables	**29,069**	29,922
Receipts in advance	**17,440**	16,737
Amounts due to related parties	**308**	3,232
	59,916	68,746

At 31 March 2015, the fair values of trade and other payables approximated the carrying amounts.

Note: At 31 March 2015, the ageing analysis of the trade payables based on invoice date is as follows:

	(Unaudited)	(Audited)
	As at 31 March	
	2015	2014
	US$'000	*US$'000*
1 to 60 days	**10,978**	16,025
61 to 120 days	**1,689**	1,956
121 to 180 days	**76**	212
Over 180 days	**356**	662
	13,099	18,855

13. BANK AND OTHER BORROWINGS

	(Unaudited)	(Audited)
	As at 31 March	
	2015	2014
	US$'000	*US$'000*
Current		
Short-term bank borrowings (secured)	**892**	765
Short-term bank borrowings (unsecured)	**8,693**	11,961
	9,585	12,726
Non-current		
Medium term notes (unsecured)	**121,506**	137,804
Total bank and other borrowings	**131,091**	150,530

The carrying amounts of the bank and other borrowings are denominated in the following currencies:

	(Unaudited)	(Audited)
	As at 31 March	
	2015	2014
	US$'000	*US$'000*
Malaysian Ringgit	**126,330**	145,898
US dollars	**892**	765
Hong Kong dollars	**3,869**	3,867
	131,091	150,530

The carrying amounts of the bank and other borrowings that are repayable:

	(Unaudited)	(Audited)
	As at 31 March	
	2015	2014
	US$'000	*US$'000*
Within 1 year	**9,585**	12,726
After 1 year and within 2 years	**60,753**	–
After 2 years and within 5 years	**60,753**	137,804
	131,091	150,530

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS

(US$'000)

	Year ended 31 March		
	2015	2014	Change
Turnover	**429,140**	468,728	–8.4%
Profit before income tax	**47,501**	68,563	–30.7%
Profit for the year	**31,090**	49,271	–36.9%
Profit attributable to owners of the Company	**31,429**	48,236	–34.8%
EBITDA	**63,493**	86,343	–26.5%
Basic earnings per share (US cents)	**1.86**	2.86	–35.0%

OVERALL REVIEW OF OPERATIONS

The Group posted an annual turnover of US$429,140,000 for the year ended 31 March 2015, reflecting an 8.4% decrease from the US$468,728,000 reported in the prior year. Profit before income tax for the year amounted to US$47,501,000, down 30.7% from last year's US$68,563,000.

The decline in performance was mainly attributed to lower revenue contribution from the Group's publishing and printing segment against the backdrop of slowing advertising spending in the Group's major markets. Besides the lower revenue, the Group's results for the year was dragged down by the impairment loss of goodwill and allowance for impairment loss of interest in an associate totalling US$7,561,000.

During the year under review, the Group's publishing and printing segment was affected by the lethargic market conditions in its key operating markets. The segment reported a total turnover of US$343,234,000, 9.7% or US$37,071,000 less than the US$380,305,000 reported a year earlier. The decrease in revenue was cushioned by lower newsprint costs and the cost savings from the Group's on-going tight cost management. Segment profit before income tax fell 27.8% or US$20,540,000 year-on-year to US$53,288,000. The decline was attributed to the decrease in revenue as well as the impairment loss on goodwill of US$5,666,000.

Turnover of the Group's travel segment edged down 2.8% to US$85,906,000 from US$88,423,000 in the prior year, due mainly to the intensified market competition. The segment reported a profit before income tax of US$3,770,000, 10.6% or US$445,000 down from US$4,215,000 a year earlier.

Both Malaysian Ringgit and the Canadian dollar weakened against the US dollar during the year, resulting in negative currency impact on the Group's turnover and profit before income tax of approximately US$13,339,000 and US$2,108,000 respectively for the year ended 31 March 2015.

Basic earnings per share for the year ended 31 March 2015 was US1.86 cents, a decrease of US1.00 cent or 35.0% from US2.86 cents in the previous financial year. As at 31 March 2015, the Group's cash and cash equivalents and net assets per share attributable to owners of the Company amounted to US$118,620,000 and US12.43 cents, respectively.

SEGMENTAL REVIEW

Publishing and printing

Malaysia and other Southeast Asian countries

The operating environment for the media and advertising industry in Malaysia was tough during the year under review.

The Malaysian segment faced a soft advertising market as local businesses and consumers remain cautious in their spending given the overhanging economic uncertainties following the government's subsidy rationalisation plan and the impending implementation of the Goods and Services Tax ("GST") in April 2015.

Adding to the already soft market sentiments were the tragic airline incidents and one of the worst flood disasters that hit the country in December 2014. The entire nation was in shock and grief, and as a mark of respect, many corporations as well as government agencies scaled down their festive celebrations and promotional activities in the media. The slide in global crude oil prices, while bringing some respite to the consumers, created further uncertainties to the country's economy with the Malaysian Ringgit tumbled down against the US Dollar.

Despite the increasingly challenging environment, the Malaysian operations remained resilient and recorded an annual turnover of US$249,961,000 for the year ended 31 March 2015, an 11.5% decrease from US$282,387,000 a year earlier. Profit before income tax fell 27.2% to US$48,374,000 from US$66,487,000 in the previous year. The decrease in profit was due in part to an impairment loss of goodwill of US$5,315,000 recognised during the year. The depreciation of Malaysian Ringgit against US dollar also had a negative currency impact on the segment's turnover and profit before income tax. If excluding the impairment loss and currency impact, the decrease in profit would have been 14.1%.

As a leading publisher, the Group continues to reinforce its brand positioning by reaching out to different targeted Chinese readers in Malaysia. Our four Chinese language newspapers, *Sin Chew Daily*, *China Press*, *Guang Ming Daily* and *Nanyang Siang Pau*, continue to maintain their leading positions in their respective markets. Together they amassed a total average daily readership of 2.7 million and accounted for about 70% of all the Chinese language newspapers sold in Malaysia during the year under review.

Sin Chew Daily, which celebrated its 85th years of publishing in 2014, remains the largest circulating and most widely read Chinese daily in Malaysia. Being a responsible corporate citizen, *Sin Chew Daily* adheres to high standards of journalism as the most trusted and credible source of news and information. It constantly provides independent, fair and reasonable commentaries and views on socio-political news, as well as issues that are relevant to the Chinese communities. It also launched the "I support moderation" campaign in December 2014 in opposing extremist tendency, while helping to preserve Malaysia as a moderate and harmonious nation for all citizens.

As the Group's flagship newspaper, *Sin Chew Daily* continued to reach 1.2 million readers during the period from January to December 2014 (Source: Q4 2014 Nielsen Consumer and Media View). Average circulation of *Sin Chew Daily* for the period from January to June 2014 was 379,504 copies daily, according to the latest available Audit Bureau of Circulation report ("ABC report").

China Press continues to be the second most popular Chinese daily newspaper in Malaysia. With a mix of daily socio-political news, entertainment and lifestyle features, it attracts 1.1 million readers nationwide (Source: Q4 2014 Nielsen Consumer and Media View). Based on the ABC report, *China Press* achieved a daily circulation of 233,713 copies for the period from January to June 2014.

Guang Ming Daily maintains its leading position in the northern region while serving all its readers in the whole of Peninsular Malaysia. It remains the most popular Chinese newspaper in the northern region with 103,549 daily circulated copies between January to June 2014 according to the ABC report, and has a daily readership of 356,000 from January to December 2014. As part of its effort to be closely connected to the community, *Guang Ming Daily* continues to strengthen its editorial content with new layout and design for readers of all ages and walks of life.

Nanyang Siang Pau, with a strong focus on business and economic news, continues to attract a readership profile of professionals, managers, executives and businessmen. To cater for the needs of these readers, *Nanyang Siang Pau* continues to enhance its content by introducing a daily pullout, together with more relevant and meaningful content for its business section.

Life Magazines remains Malaysia's largest Chinese language magazine publisher with a combined portfolio of one tabloid newspaper and 16 magazines, covering the hottest topics in town including fashion, bridal, parenting and lifestyle. Adding to this, Life Magazines has also achieved success in organising various events and trade fairs such as "Health Fair", "Romance in Fate Bridal Fair" and "Angling & Outdoor Recreational Fair".

Following the launch of the Group's digital versions of newspapers and magazines, the Group has been aggressively promoting its digital presence to cater to the growing online audiences. We work closely with our business partners for more bundling offerings, including collaborating with *The Star* on a joint e-paper promotion that can reach out to a wider spectrum of readers. With these initiatives, we attempt to broaden our reach and to better serve the stakeholders of the Group.

Hong Kong and Mainland China

Turnover for the Group's operations in Hong Kong and Mainland China for the financial year ended 31 March 2015 amounted to US$69,744,000, representing a marginal decline of 2.5% from US$71,558,000 reported in the prior year, while the segment's profit before income tax decreased 27.3% or US$1,732,000 to US$4,617,000. The decrease was largely due to the decline in turnover, as well as an impairment loss of goodwill of about US$351,000 recognised by the Group's listed subsidiary, One Media Group, in relation to its investment in Mainland China.

2014 had been an eventful year, both in Hong Kong and internationally. Though information is now easily accessible through digital and mobile devices and such behavioral change is continuously evolving, yet reliable information from credible newspapers is still what the public needs. Well recognised for its credibility, *Ming Pao Daily News* has achieved a commendable growth in readership for both its print and digital editions during the second half-year of 2014/2015. According to Nielsen Media Index 2014 report, *Ming Pao Daily News* registered an 8% growth in readership during the said period, especially among professionals and business executives.

Following our renowned and award-winning "Investigative Reports", *Ming Pao Daily News* has launched a new reporting series in August 2014, the "In-depth Analytical Reports", which provides thorough and detailed analysis as well as critical insights into key issues and events around the world. The news series has received recognition from the public and won three awards in the "2014 Hong Kong Best News Award". In addition, a new column "An Idiom To See The World" was also launched in September 2014 which aims to widen readers' horizon with credible, analytical and in-depth perspectives on international affairs.

In the digital end, we have regularly enhanced and upgraded our main website, mingpao.com, as well as all the apps for mobile devices. Since October 2014, mingpao.com has been providing 24-hour news coverage, uploading over 100 news articles every day to keep our readers abreast of what is happening in Hong Kong and on the global front. Our around-the-clock reporting has been well received and brought us another record high in users' base.

According to ComScore, a market leader in digital media analytics, the number of unique visitors of mingpao.com has reached 710,100 in the 4th quarter of 2014, which is a 39% increase over last year's. Mingpao.com is ranked 27 amongst Hong Kong's top 100 websites, up from 38 and its Page View has also registered a 54% increase. Furthermore, according to the data from Socialbakers, the facebook page of mingpao.com's instant news (https://www.facebook.com/mingpaoinews) has accumulated over 200,000 fans, and is ranked the second most liked facebook pages amongst the Chinese newspaper titles in Hong Kong.

Besides the support from readers, *Ming Pao Daily News* has also received recognition in the media industry for its unbiased news reporting and high journalism quality. In the Hong Kong News Awards 2014 organised by The Newspaper Society of Hong Kong, *Ming Pao Daily News* won a total of 14 awards including 3 Winner awards, 5 First Runner-up awards and 3 Second Runner-up awards. Adding to this, it was also granted 13 awards in the "Focus at the Frontline 2014" Photo Contest organised by Hong Kong Press Photographers Association.

The Group's new education business of providing textbooks on certain subjects under the curricula of secondary schools in Hong Kong has been well accepted by the market, and has progressively gained increasing market share among secondary schools in Hong Kong. During the year under review, the Group continued to extend efforts in expanding its distribution channels within the local education community.

One Media Group, the Group's listed subsidiary providing Chinese language lifestyle publications in the Greater China region, reported a decline of 11.9% and 49.2% in turnover and operating profit respectively for the year ended 31 March 2015. It was mainly due to the slowing retail market which negatively impacted advertising spending in the region, in particular for branded and luxury products. Furthermore, One Media Group has recognised an impairment loss on goodwill and an allowance for impairment loss of interest in an associate which resulted in the group reporting a loss for the year. The impairment losses were non-cash items and have no impact on One Media Group's cash position.

North America

The Group's publishing and printing operations in North America registered an annual turnover of US$23,529,000, 10.7% or US$2,831,000 less than the US$26,360,000 reported in 2013/2014. About 60% of the decline was due to negative currency impact caused by the depreciation of the Canadian dollar against the US dollar during the year. In addition, the segment's advertising revenue was impacted by the region's slow economy which resulted in reduced spending by the advertisers. Segment profit before income tax decreased by US$695,000 to US$297,000 from last year's US$992,000, attributed to both the decline in revenue and negative currency impact.

Travel and travel related services

Turnover for the Group's travel operations in Hong Kong and North America for 2014/2015 was US$85,906,000, a slight decrease of 2.8% from last year's US$88,423,000 attributed mainly to intensified market competition. Segment profit before income tax amounted to US$3,770,000, reflecting a decrease of 10.6% from US$4,215,000 in the prior year.

Digital business

The inevitable digital revolution has broadened the choices for readers in all age groups. In view of this unrelenting trend, the Group has been reallocating resources to enlarge its readership base by attracting new online audiences while at the same time retaining its existing print readers.

In terms of expanding its digital footprint, the Group has provided e-versions of all its newspapers as well as its major magazine titles. The Group's subscription-based e-papers and e-magazines together with the respective websites and mobile apps have generated additional revenue sources and monetizing opportunities through the offer of cross-platform marketing solutions to advertisers.

In July 2014, the Group introduced "Pocketimes" which is an online mobile video portal providing daily newscast. It produces short and crisp online videos covering topics from breaking news, business, entertainment, sports and lifestyle for smartphone users in Malaysia, in particular, those in younger age groups. It has since garnered more than a million video views, and continues to grow in popularity.

In view of the strong growth potential for online shopping, the Group has officially launched its online shopping portal "Logon" in Malaysia on 26 November 2014. It is an e-commerce marketplace with a vision to facilitate SMEs/SMIs to grow their businesses online, and at the same time, empowering new or existing merchants to extend their business reach to the under-tapped e-marketplace and their targeted consumers. The Group will continuously improve this online portal in order to provide an enriching shopping experience for all the e-shoppers. A new merchant facility centre and a new mobile apps version will be launched soon to serve as additional catalysts for the continuing e-commerce growth in the years to come.

Recognising the changing dynamics in society and the shift in reading preferences, the Group will continue to diversify its media assets and strengthen its position as a global multimedia group.

OUTLOOK

The Board is expecting another challenging year in 2015/2016, given the continued economic uncertainties in the Group's operating markets as well as the slow pace of recovery of the global economy.

We anticipate that the implementation of the GST in April 2015 and the ensuing deterioration in consumer and business sentiments will continue to weigh on the Group's performance as well as that of the media industry in Malaysia in the short term.

Newsprint prices are expected to remain weak for the coming year which can create a buffer for the Group amidst unfavorable business environment. Despite the challenges ahead, we will remain focused on driving revenue growth and work towards strengthening the Group's market position. The Group will continue to reinforce its business strategies and strive for higher productivity and profitability while at the same time maintain ongoing vigilance over all operating costs.

PLEDGE OF ASSETS

As at 31 March 2015, general security agreements under which all the assets of certain subsidiaries with net carrying amount of US$10,484,000 (31 March 2014: US$11,974,000) were pledged to certain banks to secure general banking facilities granted to the Group.

CONTINGENT LIABILITIES

As at 31 March 2015, there were several libel suits which involved claims against some companies in the Group. The Group has been strongly contesting those claims. Even though the final outcome of the proceedings is still uncertain as of the date this consolidated financial information is authorised for issue, the directors of the Company are of the opinion that the respective ultimate liability, if any, will not have a material adverse impact upon the Group's financial position.

CAPITAL COMMITMENTS

As at 31 March 2015, the Group's authorised capital expenditure for property, plant and equipment contracted but not provided for in this consolidated financial information amounted to US$4,003,000 whereas authorised capital expenditure for property, plant and equipment not contracted and not provided for in this consolidated financial information amounted to US$1,753,000.

LIQUIDITY, FINANCIAL RESOURCES AND NET GEARING RATIO

As at 31 March 2015, the Group's cash and cash equivalents were US$118,620,000 (31 March 2014: US$102,852,000) and total bank and other borrowings were US$131,091,000 (31 March 2014: US$150,530,000). The net debt position was US$12,471,000 (31 March 2014: US$47,678,000). Owners' equity was US$209,744,000 (31 March 2014: US$217,812,000).

The net gearing ratio of the Group, calculated as net debt over owners' equity, was 5.9% as at 31 March 2015 (31 March 2014: 21.9%).

EMPLOYEES AND EMOLUMENT POLICY

As at 31 March 2015, the Group had 4,554 employees (31 March 2014: 4,659 employees), the majority of whom were employed in Malaysia and Hong Kong. The Group remunerates its employees based on industry practice and performance of individual employees. The emoluments of the directors and senior management are reviewed by the Remuneration Committee regularly, having regard to the Group's operating results, individual performance and comparable market statistics. No director or any of his/her associates is involved in dealing with his/her own remuneration. The Group has share option schemes as an incentive to directors and eligible employees.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

In September 2014, the Company repurchased a total of 2,000 of its listed shares on The Stock Exchange of Hong Kong Limited ("HK Stock Exchange") from the open market at the price of HK$2.15 per share for the purpose of validating the declaration of solvency in relation to the share buyback mandate in accordance with the provisions of the Malaysian Companies Act. The repurchase was financed by internally generated funds. Details of the repurchase are summarised as follows:

Month/Year	Number of ordinary shares repurchased	Purchase price per share Highest	Purchase price per share Lowest	Aggregate purchase consideration	Equivalents in
		HK$	*HK$*	*HK$*	*US$*
September 2014	2,000	2.15	2.15	4,300	555

All the shares repurchased during the year ended 31 March 2015 were cancelled. Accordingly, the issued share capital of the Company was reduced by the par value of the repurchased shares and the premiums paid on these shares were charged against the share premium account. An amount equivalent to the par value of the shares cancelled was transferred from the Company's retained earnings to the capital redemption reserve.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or the Company had redeemed any of the Company's listed securities during the year ended 31 March 2015.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members in Hong Kong will be closed on Friday, 10 July 2015 whereby no transfer of shares will be registered on that date. In order to qualify for the second interim dividend of US0.500 cents per ordinary share, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar and transfer office, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Thursday, 9 July 2015. In respect of the shareholders in Malaysia, a depositor in Malaysia shall qualify for the entitlement to the dividend only in respect of: (i) shares transferred into the depositor's securities account before 4:00 p.m. on Friday, 10 July 2015 in respect of transfers; and (ii) shares bought on Bursa Malaysia Securities Berhad ("Bursa Securities") on a cum entitlement basis according to the rules of Bursa Securities. The second interim dividend will be payable to the shareholders on 31 July 2015.

Shareholders who wish to request for transmission of their shares between the Malaysia Register and Hong Kong Register are advised to take note that request for transmission will be suspended from 6 July 2015 to 10 July 2015, both days inclusive.

CORPORATE GOVERNANCE

The board of directors is committed to practising the highest standards of corporate governance and operating within a governance framework that is formulated based on the Malaysian Code on Corporate Governance (the "Malaysian Code") and the Corporate Governance Code (the "Hong Kong Code") contained in Appendix 14 of the HK Listing Rules. The Company has adopted the principles and recommendations of the Malaysian Code and all the code provisions in the Hong Kong Code as its own code on corporate governance practices.

During the year under review, the Company has met the code provisions as set out in the Hong Kong Code. In respect of the Malaysian Code, the Company has complied with the principles and recommendations set out in the Malaysian Code wherever possible save for (i) the appointment of a senior independent non-executive director; and (ii) the appointment of an independent non-executive chairman, or to have a board with a majority of independent directors. The board will continue to review and evaluate such recommendations under the Malaysian Code and is committed to achieving and sustaining high standards of corporate governance.

A detailed Statement of Corporate Governance setting out the Group's framework of governance and explanations about how the recommendations of the Malaysian Code and the code provisions in the Hong Kong Code have been applied will be included in the Company's Annual Report 2014/15.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the requirements and code as set out in (i) Chapter 14 (Dealings in Listed Securities) of the Main Market Listing Requirements of Bursa Securities ("Chapter 14 of the Listing Requirements of Bursa Securities") and (ii) Model Code for Securities Transactions by Directors of Listed Issuers (the "HK Model Code") contained in Appendix 10 of the HK Listing Rules. All directors of the Company have confirmed, following specific enquiry by the Company, their compliance with the required standards as set out in (i) Chapter 14 of the Listing Requirements of Bursa Securities and (ii) the HK Model Code during the year under review.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee of the Company has reviewed with management the consolidated financial statements for the year ended 31 March 2015, including accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters.

By Order of the Board
MEDIA CHINESE INTERNATIONAL LIMITED
TIONG Kiew Chiong
Director

28 May 2015

As at the date of this announcement, the Board comprises Tan Sri Datuk Sir TIONG Hiew King, Dato' Sri Dr TIONG Ik King, Mr TIONG Kiew Chiong, Mr NG Chek Yong and Mr LEONG Chew Meng, being executive directors; Ms TIONG Choon, being non-executive director; and Mr David YU Hon To, Tan Sri Dato' LAU Yin Pin and Temenggong Datuk Kenneth Kanyan ANAK TEMENGGONG KOH, being independent non-executive directors.