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 2012

The directors of Media Chinese International Limited (the "Company") are pleased to announce the consolidated results of the Company and its subsidiaries (collectively the "Group") and the Group's interests in associates for the year ended 31 March 2012, together with comparative figures for the corresponding period in 2011 as follows:

CONSOLIDATED INCOME STATEMENT

		For the year ended 31 March	
		2012	2011
	Note	***US$'000***	*US$'000*
		(Unaudited)	(Audited)
Turnover	*3*	**472,237**	445,844
Cost of goods sold		**(285,492)**	(265,271)
Gross profit		**186,745**	180,573
Other income	*5*	**9,707**	7,652
Other gains, net	*6*	**3,037**	2,108
Selling and distribution expenses		**(70,489)**	(64,233)
Administrative expenses		**(36,969)**	(40,026)
Other operating expenses		**(6,516)**	(10,682)
Operating profit		**85,515**	75,392
Finance costs	*7*	**(339)**	(831)
Share of losses of associates		**(294)**	(354)
Gain on dilution of interest in an associate		**33**	—
Profit before income tax		**84,915**	74,207
Income tax expense	*8*	**(20,572)**	(18,422)
Profit for the year		**64,343**	55,785
Attributable to:			
Equity holders of the Company		**63,209**	54,825
Non-controlling interests		**1,134**	960
		64,343	55,785
Earnings per share attributable to the equity holders of the Company			
Basic *(US cents)*	*9*	**3.75**	3.26
Diluted *(US cents)*	*9*	**3.75**	3.25
Dividends	*10*	**24,431**	32,908

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For the year ended 31 March	
	2012	2011
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Profit for the year	**64,343**	55,785
Other comprehensive (losses)/income		
Currency translation differences	**(3,941)**	23,299
Actuarial losses of defined benefit plan assets	**(830)**	(117)
Actuarial losses of long service payment obligations	**(93)**	(9)
Revaluation gain recognised upon transfer from property held for own use to investment properties	**—**	699
Other comprehensive (losses)/income for the year, net of tax	**(4,864)**	23,872
Total comprehensive income for the year	**59,479**	79,657
Attributable to:		
Equity holders of the Company	**58,287**	78,653
Non-controlling interests	**1,192**	1,004
	59,479	79,657

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	**At 31 March 2012 US$'000 (Unaudited)**	At 31 March 2011 US$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**151,049**	157,145
Investment properties		**11,212**	11,428
Leasehold land and land use rights		**2,025**	2,079
Intangible assets		**78,124**	79,300
Deferred income tax assets		**1,426**	972
Defined benefit plan assets		**—**	277
Interests in associates		**2,253**	2,379
Investment in convertible notes — debt portion		**—**	537
		246,089	254,117
Current assets			
Inventories		**57,899**	69,153
Available-for-sale financial assets		**97**	97
Financial assets at fair value through profit or loss		**191**	213
Investment in convertible notes — debt portion		**568**	—
Trade and other receivables	*11*	**76,140**	68,911
Income tax recoverable		**1,625**	1,471
Cash and cash equivalents		**134,657**	110,519
		271,177	250,364
Current liabilities			
Trade and other payables	*12*	**70,623**	68,816
Income tax liabilities		**5,520**	5,671
Short-term bank loans		**5,285**	14,865
Current portion of long-term liabilities		**145**	451
		81,573	89,803
Net current assets		**189,604**	160,561
Total assets less current liabilities		**435,693**	414,678
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		**21,715**	21,681
Share premium		**280,818**	280,299
Other reserves		**(72,679)**	(67,757)
Retained earnings			
— Proposed dividend		**24,431**	19,437
— Others		**159,279**	140,748
		413,564	394,408
Non-controlling interests		**6,229**	5,457
Total equity		**419,793**	399,865
Non-current liabilities			
Other long-term liabilities		**1,348**	1,267
Deferred income tax liabilities		**14,552**	13,546
		15,900	14,813
		435,693	414,678

NOTES TO THE FINANCIAL INFORMATION

For the year ended 31 March 2012

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"). The financial information have been prepared 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.

(a) New/revised standards, amendments and interpretations adopted by the Group

The following new/revised standards, amendments and interpretations are mandatory for the first time for the Company's financial year beginning 1 April 2011:

IAS 24 (Revised)	Related party disclosures
IAS 32 (Amendment)	Classification of rights issues
IFRS 1 (Amendment)	Limited exemption from comparative IFRS 7 disclosures for first-time adopters
IFRIC 14 (Amendment)	Prepayments of a minimum funding requirement
IFRIC 19	Extinguishing financial liabilities with equity instruments
Annual Improvements Project	Third annual improvements projects (2010) published in May 2010

The Group has assessed the impact of the adoption of these new/revised standards, amendments and interpretations and considered that there was no significant impact on the Group's results and financial position nor any substantial changes in the Group's accounting policies and presentation of the accounts.

(b) New/revised standards, amendments and interpretations that are not effective and have not been early adopted

The following new/revised standards, amendments and interpretations have been issued but not yet effective for the financial year beginning 1 April 2011 and have not been early adopted by the Group:

		Effective for accounting period beginning on or after
IAS 1 (amendment)	Presentation of financial statements	1 July 2012
IAS 12 (amendment)	Deferred tax: Recovery of underlying assets	1 January 2012
IAS 19 (revised 2011)	Employee benefits	1 January 2013
IAS 27 (revised 2011)	Separate financial statements	1 January 2013
IAS 28 (revised 2011)	Associates and joint ventures	1 January 2013
IAS 32 (amendment)	Offsetting financial assets and financial liabilities	1 January 2014
IFRS 1 (amendment)	Severe hyper inflation and removal of fixed dates for first-time adopters	1 July 2011
IFRS 1 (amendment)	Government grants for first time adopters	1 January 2013
IFRS 7 (amendment)	Disclosures — transfers of financial assets	1 July 2011
IFRS 7 (amendment)	Disclosures — offsetting financial assets and financial liabilities	1 January 2013
IFRS 9	Financial instruments	1 January 2015
IFRS 10	Consolidated financial statements	1 January 2013
IFRS 11	Joint arrangements	1 January 2013
IFRS 12	Disclosure of interests in other entities	1 January 2013
IFRS 13	Fair value measurement	1 January 2013
IFRIC 20	Stripping costs in the production phase of a surface mine (November 2011)	1 January 2013

The Group is currently assessing the impact of the adoption of the above new/revised standards, amendments and interpretations, but not yet in a position to state whether they would have a significant impact to the Group's 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 Ringgit Malaysia ("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 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 Group's profit or loss for the year.

During the year ended 31 March 2012, 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 by US$4,003,000 was recognised largely due to the changes in the exchange rate of US$ 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 segment is engaged in the publication of various newspapers and magazines in Chinese language, and other related printed and digital publications. It derives its 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's Executive Committee assesses the performance of the operating segments based on a measure of segment profit before income tax as per 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 2012, analysed by operating segments, are as follows:

	(Unaudited) 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	**291,997**	**79,924**	**29,999**	**401,920**	**70,317**	**472,237**
Segment profit before income tax	**72,718**	**9,217**	**1,452**	**83,387**	**2,461**	**85,848**
Net unallocated expenses						**(672)**
Share of losses of associates						**(294)**
Gain on dilution of interest in an associate						**33**
Profit before income tax						**84,915**
Income tax expense						**(20,572)**
Profit for the year						**64,343**
Other information:						
Interest income	**2,278**	**285**	**4**	**2,567**	**5**	**2,572**
Interest expense	**(286)**	**(9)**	**(44)**	**(339)**	**—**	**(339)**
Depreciation	**(8,309)**	**(2,146)**	**(511)**	**(10,966)**	**(78)**	**(11,044)**
Amortisation of leasehold land and land use rights	**—**	**(60)**	**—**	**(60)**	**—**	**(60)**
Amortisation of intangible assets	**(877)**	**(88)**	**(79)**	**(1,044)**	**(12)**	**(1,056)**
Share of losses of associates	**—**	**(294)**	**—**	**(294)**	**—**	**(294)**
Gain on dilution of interest in an associate	**—**	**33**	**—**	**33**	**—**	**33**
Income tax expense	**(18,581)**	**(1,180)**	**(450)**	**(20,211)**	**(361)**	**(20,572)**

The Group's turnover and results for the year ended 31 March 2011, analysed by operating segments, 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$'000*	Total *US$'000*
Turnover	276,185	74,542	29,790	380,517	65,327	445,844
Segment profit before income tax	64,390	5,245	3,468	73,103	1,892	74,995
Net unallocated expenses						(434)
Share of loss of an associate						(354)
Profit before income tax						74,207
Income tax expense						(18,422)
Profit for the year						55,785
Other information:						
Interest income	1,240	124	—	1,364	2	1,366
Interest expense	(773)	(34)	(24)	(831)	—	(831)
Depreciation	(7,388)	(1,645)	(551)	(9,584)	(85)	(9,669)
Amortisation of leasehold land and land use rights	—	(60)	—	(60)	—	(60)
Amortisation of intangible assets	(776)	(52)	(69)	(897)	(4)	(901)
Impairment of an intangible asset	(4,132)	—	—	(4,132)	—	(4,132)
Share of loss of an associate	—	(354)	—	(354)	—	(354)
Income tax expense	(15,244)	(1,346)	(1,566)	(18,156)	(266)	(18,422)

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

	Year ended 31 March	
	2012 ***US$'000*** **(Unaudited)**	2011 *US$'000* (Audited)
Advertising income, net of trade discounts	**285,369**	264,004
Sales of newspapers, magazines and books, net of trade discounts and returns	**116,551**	116,513
Travel and travel related service income	**70,317**	65,327
	472,237	445,844

The segment assets as at 31 March 2012 are as follows:

	(Unaudited)						
	Publishing and printing						
	Malaysia and other Southeast Asian countries	**Hong Kong and Mainland China**	**North America**	**Sub-total**	**Travel and travel related services**	**Elimination**	**Total**
	US$'000	***US$'000***	***US$'000***	***US$'000***	***US$'000***	***US$'000***	***US$'000***
Segment assets	**408,824**	**85,138**	**14,814**	**508,776**	**11,352**	**(6,309)**	**513,819**
Unallocated assets							**3,447**
Total assets							**517,266**
Total assets include:							
Interests in associates	**—**	**2,253**	**—**	**2,253**	**—**	**—**	**2,253**
Additions to non-current assets (other than defined benefit plan assets, and deferred income tax assets)	**5,949**	**1,520**	**203**	**7,672**	**114**	**—**	**7,786**

The segment assets as at 31 March 2011 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	Elimination	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Segment assets	406,079	74,122	14,680	494,881	9,233	(2,755)	501,339
Unallocated assets							3,142
Total assets							504,481
Total assets include:							
Interest in an associate	—	2,379	—	2,379	—	—	2,379
Additions to non-current assets (other than investment in convertible notes — debt portion, defined benefit plan assets, and deferred income tax assets)	18,906	725	223	19,854	72	—	19,926

The elimination between segments represented intercompany receivables and payables between these segments.

Segment assets consist primarily of property, plant and equipment, investment properties, leasehold land and land use rights, intangible assets, interests in associates, investment in convertible notes, inventories, trade and other receivables, and cash and cash equivalents. They exclude defined benefit plan assets, deferred income tax assets, available-for-sale financial assets, financial assets at fair value through profit or loss — listed equity securities, and income tax recoverable.

The Company is domiciled in Bermuda while 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 2012 and 2011, analysed by operating countries, is as follows:

	Year ended 31 March	
	2012	2011
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Main operating countries	**371,921**	350,727
Other countries	**29,999**	29,790
	401,920	380,517

As at 31 March 2012, the Group's total non-current assets, other than defined benefit plan assets, investment in convertible notes and deferred income tax assets, analysed by operating countries, are as follows:

	As at 31 March 2012	As at 31 March 2011
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Main operating countries	**239,178**	246,346
Other countries	**5,485**	5,985
	244,663	252,331

4. EXPENSES BY NATURE

	Year ended 31 March	
	2012	2011
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Amortisation of intangible assets	**1,056**	901
Amortisation of leasehold land and land use rights	**60**	60
Auditor's remuneration		
Current year	**693**	602
Under provision in prior years	**33**	41
Depreciation	**11,044**	9,669
Direct costs of travel and travel related services	**61,427**	57,547
Employee benefit expense (including directors' emoluments)	**107,224**	105,189
(Gains)/losses on disposal of property, plant and equipment — net	**(27)**	7
(Gain)/loss on disposal of investment properties	**(19)**	11
Impairment of an intangible asset	**—**	4,132
Loss on disposal of intangible assets	**—**	1
Operating lease expenses		
Land and buildings	**2,033**	1,824
Machineries	**18**	18
Provision for impairment and written off of trade receivables	**205**	344
Provision for inventory obsolescence	**102**	137
Raw materials and consumables used	**118,065**	109,910
Other expenses	**97,552**	89,819
Total cost of goods sold, selling and distribution expenses, administrative expenses, and other operating expenses	**399,466**	380,212

5. OTHER INCOME

	Year ended 31 March	
	2012	2011
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Scrap sales of old newspapers and magazines	**5,610**	5,009
Interest income	**2,572**	1,366
Rental and management fee income	**1,210**	1,012
License fee and royalty income	**305**	256
Dividend income	**10**	9
	9,707	7,652

6. OTHER GAINS, NET

	Year ended 31 March	
	2012	2011
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Net exchange gain	**534**	364
Fair value gains/(losses) on investment properties	**118**	(7)
Fair value losses on financial assets at fair value through profit or loss	**(22)**	(10)
Provision for impairment of available-for-sale financial assets	**—**	(546)
Others	**2,407**	2,307
	3,037	2,108

7. FINANCE COSTS

	Year ended 31 March	
	2012	2011
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Interest on bank loans and overdrafts	**295**	807
Interest element of finance lease payments	**44**	24
	339	831

8. INCOME TAX EXPENSE

Income tax for the Group's Hong Kong operations has been provided at the rate of 16.5% (2011: 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% (2011: 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.

	Year ended 31 March	
	2012	2011
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Hong Kong taxation		
Current year	**1,687**	1,522
Over provision in prior years	**—**	(3)
Malaysian taxation		
Current year	**17,712**	14,510
Under/(over) provision in prior years	**39**	(599)
Other countries' taxation		
Current year	**471**	1,602
Under/(over) provision in prior years	**3**	(37)
Deferred income tax expense	**660**	1,427
	20,572	18,422

9. EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares repurchased by the Company.

	Year ended 31 March	
	2012	2011
	(Unaudited)	(Audited)
Profit attributable to equity holders of the Company *(US$'000)*	**63,209**	54,825
Weighted average number of ordinary shares in issue	**1,686,608,949**	1,683,914,726
Basic earnings per share *(US cents)*	**3.75**	3.26

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares, which is the share options. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options.

	Year ended 31 March	
	2012	2011
	(Unaudited)	(Audited)
Profit attributable to equity holders of the Company *(US$'000)*	**63,209**	54,825
Weighted average number of ordinary shares in issue	**1,686,608,949**	1,683,914,726
Adjustment for share options	**363,463**	641,295
Weighted average number of ordinary shares for diluted earnings per share	**1,686,972,412**	1,684,556,021
Diluted earnings per share *(US cents)*	**3.75**	3.25

10. DIVIDENDS

	Year ended 31 March	
	2012	2011
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Dividends attributable to the year:		
Special, paid, US0.400 cents (2010–2011: Nil) per ordinary share	**6,749**	—
First interim, paid, US0.800 cents (2010–2011: US0.800 cents) per ordinary share	**13,498**	13,471
Second interim, declared after the end of the reporting period, US1.448 cents (2010–2011: US1.153 cents) per ordinary share	**24,431**	19,437
	44,678	32,908
Dividends paid during the year:		
Second interim, 2010–2011, US1.153 cents (2009–2010:US0.771 cents) per ordinary share	**19,437**	12,983
Special, 2011–2012, US0.400 cents (2010–2011: Nil) per ordinary share	**6,749**	—
First interim, 2011–2012, US0.800 cents (2010–2011: US0.800 cents) per ordinary share	**13,498**	13,471
	39,684	26,454

Notes:

(a) The special dividend of US0.400 cents (2010–2011:Nil) per ordinary share amounting to US$6,749,000 was paid on 6 October 2011.

(b) The first interim dividend of US0.800 cents (2010–2011:US0.800 cents) per ordinary share amounting to US$13,498,000 was paid on 30 December 2011.

(c) On 30 May 2012, the Board of Directors has declared a second interim dividend of US1.448 cents per ordinary share in lieu of a final dividend for the year ended 31 March 2012. The dividend will be payable on 27 June 2012 in cash in RM or in HK$ at exchange rates determined on 30 May 2012 by reference to the middle exchange rates applicable to US$ at 12:00 noon as quoted by Bank Negara Malaysia to ordinary shareholders, whose names appear on the register of members of the Company at the close of business on 14 June 2012. No tax is payable on the dividend declared by the Company to be received by Malaysian shareholders as it is income from foreign source in accordance to paragraph 28 of Schedule 6 of Malaysian Income Tax Act 1967.

The middle exchange rates at 12:00 noon on 30 May 2012 as quoted by Bank Negara Malaysia of US$ to RM and US$ to HK$, and the amount of the second interim dividend payable are as follows:

	Exchange rates	**Dividend per ordinary share**
US$ to RM	3.1595	4.575 sen
US$ to HK$	7.7634	HK11.241 cents

(d) The 2010–2011 second interim dividend represented a dividend of US1.153 cents per ordinary share in respect of the year ended 31 March 2011 and was paid to shareholders of the Company on 2 August 2011.

11. TRADE AND OTHER RECEIVABLES

	As at 31 March 2012 *US$'000* (Unaudited)	2011 *US$'000* (Audited)
Trade receivables	**66,638**	63,258
Less: provision for impairment of trade receivables	**(2,806)**	(3,082)
Trade receivables, net *(note)*	**63,832**	60,176
Deposits and prepayments	**8,622**	5,650
Other receivables	**3,686**	3,085
	76,140	68,911

At 31 March 2012, the carrying amount of trade and other receivables approximated their fair values.

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

At 31 March 2012, the ageing analysis of the Group's net trade receivables based on invoice date is as follows:

	As at 31 March 2012 *US$'000* (Unaudited)	2011 *US$'000* (Audited)
0 to 60 days	**44,711**	43,487
61 to 120 days	**15,241**	13,430
121 to 180 days	**2,756**	2,496
Over 180 days	**1,124**	763
	63,832	60,176

12. TRADE AND OTHER PAYABLES

	As at 31 March 2012 *US$'000* (Unaudited)	2011 *US$'000* (Audited)
Trade payables *(note)*	**23,271**	20,108
Accrued charges and other payables	**31,627**	35,310
Receipts in advance	**15,725**	13,398
	70,623	68,816

At 31 March 2012, the carrying amount of trade and other payables approximated their fair values.

Note: At 31 March 2012, the ageing analysis of the Group's trade payables based on invoice date is as follows:

	As at 31 March 2012 *US$'000* (Unaudited)	2011 *US$'000* (Audited)
0 to 60 days	**20,628**	16,176
61 to 120 days	**1,928**	2,577
121 to 180 days	**239**	260
Over 180 days	**476**	1,095
	23,271	20,108

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS

(in US$'000)	**For the year ended 31 March** **2012** **(Unaudited)**	2011 (Audited)	Change
Turnover	**472,237**	445,844	6%
Profit before income tax	**84,915**	74,207	14%
Profit for the year	**64,343**	55,785	15%
Profit attributable to equity holders of the Company	**63,209**	54,825	15%
Basic earnings per share *(US cents)*	**3.75**	3.26	15%

OVERALL REVIEW OF OPERATIONS

The results of the Group for the year ended 31 March 2012 reflected a strong underlying performance of its businesses, benefiting from their strong market positions and the steady improvement in the economies of the Group's key markets.

Turnover of the Group for the year under review amounted to US$472,237,000, representing a year-on-year growth of 6%. Profit before income tax rose by 14% to US$84,915,000 when compared to the previous financial year, while profit for the year increased by 15% to US$64,343,000. Driven by the strong performance of the Group's publishing and printing operations as well as its travel segment, the Group achieved this double-digit growth in profit despite the rise in costs, in particular newsprint and tour costs. With respect to the publishing and printing segment, turnover and profit before income tax grew by 6% and 14% to US$401,920,000 and US$83,387,000 respectively when compared to the previous financial year. The surge in the profit of the publishing and printing segment was driven by the strong growth in advertising revenue with increase in both volume and rate.

The travel segment reported a turnover of US$70,317,000 and profit before income tax of US$2,461,000 for the year under review, representing increases of 8% and 30% respectively from those of the previous financial year.

The strengthening of Ringgit Malaysia and Canadian dollar against the US dollar during the year under review had positive impact of about US$8,142,000 and US$1,627,000 on the Group's turnover and profit before income tax respectively.

Basic earnings per share for the year ended 31 March 2012 amounted to US3.75 cents, representing a 15% increase from that of the previous financial year. As at 31 March 2012, the Group's cash and cash equivalents and net assets per share attributable to equity holders of the Company amounted to US$134,657,000 and US24.51 cents respectively.

SEGMENTAL REVIEW

Publishing and Printing

Malaysia and other Southeast Asian countries

The Malaysian operations continued to deliver excellent results, backed by the sustained growth in the Malaysian economy. Revenue and profit before income tax of the Malaysian operations reached record highs of US$291,997,000 and US$72,718,000 respectively, representing increases of 6% and 13% respectively from those of the previous financial year.

Much of the growth in operating results was driven by an 8% year-on-year increase in advertising revenue for the year under review. This improvement was also the result of growth in other income and in part offset by higher operating costs incurred during the year. The increase also reflected the Malaysian operations' success in leveraging the strong market positions of its four daily newspapers and effective sales packages to timely capitalise the advertising budget boost in Malaysia. According to Nielsen, total advertising spending in Malaysia amounted to RM7.75 billion (equivalent to US$2.53 billion) for the period from April 2011 to March 2012. Advertising spending on newspapers for the same period amounted to RM3.89 billion (equivalent to US$1.27 billion), representing an increase of 9% year-on-year. The increase in advertising revenue for our Malaysian operations was seen across almost all of the categories of advertisement, with strong growth from property, banking, telecommunications and government sectors.

The Group's four Chinese newspapers in the Malaysia segment have different market positions targeting different segments of readers of different profiles and needs. This clear segmentation promotes the growth of the Group's publications operating in the same marketplace. With a total combined average daily readership of 2,794,000, the four daily publications continued to command a leading position in their respective market segments for the year under review.

Sin Chew Daily maintained its market leadership in the Chinese newspapers market, with an average daily readership of 1,237,000 readers during the year under review. Its readership rose by 4% as compared to the same period last year, while circulation continued to increase.

China Press continued to be the largest selling evening newspaper as well as the second most popular Chinese newspaper in Malaysia during the year under review. Its average daily readership rose by 8% to 1,011,000 readers during the year. In February 2012, it relaunched its regional edition. New fonts were used and new layouts were employed. The new look and vibrant content of *China Press's* regional edition was well received.

Guang Ming Daily, a regional newspaper, attracted 409,000 readers on a daily basis during the year under review, making it the most popular newspaper in the northern region. It constantly reviews its content to enhance its position in the challenging northern region of Peninsular Malaysia market.

With a focus on business and economic news, *Nanyang Siang Pau* maintained an average daily readership of 137,000 readers during the year under review.

Our magazine publishing business, Life Magazines, has delivered a positive performance in a competitive and challenging market over the past twelve months.

Life Magazines is a renowned Chinese magazine publisher in Malaysia with a portfolio of 19 titles covering current affairs, interior design, women's lifestyle and fashion, men's lifestyle, parenting, bridal and food. It also publishes many popular Chinese magazine titles such as *Feminine, New Tide, Citta Bella, Oriental Cuisine, Mommy Baby, Long Life* and *Rod & Line.*

Hong Kong and Mainland China

Results of the operations in Hong Kong and Mainland China for the year under review maintained the upward momentum of 2010/2011 financial year. Turnover for the year ended 31 March 2012 increased by 7% to US$79,924,000, while profit before income tax surged by 76% to US$9,217,000 when compared to the previous financial year.

The Group's publishing and printing businesses in Hong Kong and Mainland China are operated through *Ming Pao Daily News*, a popular Chinese daily newspaper; Mingpao.com, a news portal in Hong Kong covering a wide spectrum of subjects; and One Media Group ("OMG"), the Group's magazine publication arm listed on The Stock Exchange of Hong Kong Limited.

The notable improvements in the results of the operations in Hong Kong and Mainland China were underpinned by the growth in advertising revenue.

During the year, *Ming Pao Daily News* continued to attract prestigious brands' advertisers owing to its reputation for delivery of quality contents which appeal to higher-income demographics. According to Nielsen Hong Kong Media Index, *Ming Pao Daily News* was the only daily newspaper among the top five highly circulated daily newspapers to register an increase in readership in 2011. With its firm stand for professional journalism and comprehensive coverage of social, political and economic issues, *Ming Pao Daily News* saw satisfactory growth in advertising revenue, despite the increase in the number of free newspapers in the market during the year under review.

With its excellent operating results achieved during the year, contributions from OMG to the Group improved significantly. OMG's turnover and profit before income tax rose by 12% and 48% from those of the previous financial year respectively. This remarkable performance was attributable to OMG's continued efforts to improve its operations and cost structure, while at the same time broaden its earnings base through fine-tuning and diversifying its platforms to reach a wider spectrum of readers, which in turn serve to retain and attract new advertisers.

Ming Pao Weekly明報周刊 ("*MP Weekly*"), *Top Gear極速誌*, and *Top Gear汽車測試報告* under OMG continued to be among the favourite choices of advertisers. Leveraging their niche market positioning and solid editorial contents, all three magazine titles reported satisfactory growth in advertising revenue as well as contributions to OMG.

During the year under review, OMG launched its watch magazine, *MING Watch* and a new travel guide, *Travel Planner*, with an aim to broaden its revenue stream. *MING Watch*, the professional watch magazine, through its unique positioning and rich contents, has attracted prominent brands' advertisers and has started to make positive contributions for OMG. *Travel Planner*, targeted at the mass market, is intended to complement OMG's another guidebook, *Hong Kong Voyage*, which is for the high-end market.

North America

Results of the operations in North America during the year reflected the impact of rising staff and newsprint costs as well as a union issue in Toronto, which involved a certain amount of legal costs during negotiations. Profit before income tax decreased to US$1,452,000 from US$3,468,000 in the previous financial year, despite a slight increase in turnover from US$29,790,000 to US$29,999,000. This business segment is expected to be back on track to normal growth in the 2012/13 financial year.

Travel

The Group operates its travel business through Charming Holidays and Delta Group. Just as Charming Holidays celebrated its silver jubilee in 2012, the travel segment reported record profit before income tax for the year under review, which reaffirmed Charming Holidays' niche position in the travel industry.

Turnover rose by 8% year-on-year to US$70,317,000, while profit before income tax surged by 30% to US$2,461,000 as compared to the previous financial year, despite inflationary pressure on the segment's cost structure. This was mainly due to the travel operations' continuing improvement in performance, especially in the first half of the financial year, driven by robust demand for their long-haul tours.

Digital Media

Media contents will continue to be delivered in various types of platforms to reach a wider spectrum of readers. That will be the trend for the media industry. In view of this, the Group has been investing in digital media, in addition to print publications. This way, the Group can enhance the utilisation of its contents by distribution via multimedia platforms. The combination of the print and digital media across different markets will not only expand the Group's readership base, but also enable the Group to provide comprehensive marketing solutions to advertisers and expand revenue base through cross-selling among its various titles. The Group will continue to diversify its platforms for advertising to attract advertisers who are looking for creative marketing channels to reach its target audience more effectively.

During the year under review, the Group's Chinese news website www.sinchew.com.my in Malaysia gained increasing popularity with about 9,472,000 unique visitors, an increase of 18% and about 121,751,000 page views, an increase of 17% year-on-year (source: Google Analytics). The improvement was mainly due to the Group's continued application of various innovative initiatives to attract readers and advertisers.

Mingpao.com, the Group's online platform in Hong Kong, continued to attract a global audience with its comprehensive range of topics including news, current affairs, finance, health, education, technology, travel, entertainment and lifestyle.

Partyline, a social networking application powered by *MP Weekly*, was launched in November 2011. It brings to audience the hottest events in Hong Kong, including fashion show parties of illustrious brands and private parties of well-known celebrities etc.

The Group provides online quality entertainment content through Hihoku, which attracts a daily page view of about 500,000. Hihoku is under the operation of OMG and is currently targeted at the Chinese communities in Mainland China. It plans to expand the geographical scope of its target audience to Hong Kong and Taiwan in the future.

OUTLOOK

2012 is an eventful year, with uncertainties looming and opportunities hidden. The recent election of the Chief Executive of Hong Kong, the coming Malaysian general election, the London Olympic Games, China top party and military leadership reshuffle at the 18th National Congress of the Communist Party of China, the US presidential election as well as the unresolved European debt crisis will play their roles in shaping not only their respective economies but also the global economic environment. With these uncertainties, the Group expects the local businesses and consumer spending to be conservatively prudent and this may impact the Group's advertising revenue.

Barring from any unforeseen circumstances, the Board remains cautiously optimistic on the Group's performance for the financial year 2012/2013.

The Group will continue to enhance its cost efficiency and strengthen its media business through improvement in contents and diversification of distribution platforms. In addition to strengthening its existing operations, the Group will also identify suitable acquisition projects that will complement and create synergy with its existing businesses, so as to achieve sustainable growth.

PLEDGE OF ASSETS

As at 31 March 2012, land and buildings and assets of certain subsidiaries with an aggregate value of US$12,967,000 (31 March 2011: US$18,882,000) were pledged to banks to secure general banking facilities.

CONTINGENT LIABILITIES

At 31 March 2012, 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 was still uncertain as of the date of this announcement, 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 2012, the Group's authorised capital expenditure for property, plant and equipment contracted but not provided for in the consolidated financial information amounted to US$2,550,000 whereas authorised capital expenditure for property, plant and equipment not contracted and not provided for in the consolidated financial information amounted to US$3,425,000.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 March 2012, the Group's net current assets amounted to US$189,604,000 (31 March 2011: US$160,561,000) and the shareholders' funds were US$413,564,000 (31 March 2011: US$394,408,000). Total bank borrowings and finance lease obligations were US$5,285,000 (31 March 2011: US$15,589,000).

As at 31 March 2012, total cash and cash equivalents was US$134,657,000 (31 March 2011: US$110,519,000) and net cash position was US$129,372,000 (31 March 2011: US$94,930,000) after deducting the total bank borrowings and finance lease obligations.

EMPLOYEES AND EMOLUMENT POLICY

At 31 March 2012, the Group has approximately 4,728 employees (2011: approximately 4,639 employees), the majority of whom are 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 associates is involved in dealing with his 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 August 2011, the Company repurchased a total of 3,000 of its listed shares on the HK Stock Exchange from the open market at the price of HK$2.95 per share for the purpose of validating the declaration of solvency in relation to the share buyback mandate in accordance with the provision of the Malaysian Companies Act. Aggregate purchase consideration paid for the repurchase was HK$8,850 (equivalent to US$1,135). The repurchase was financed by internally generated funds.

All the shares repurchased during the year 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.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members in Hong Kong will be closed on Thursday, 14 June 2012 whereby no transfer of shares will be registered on that date. In order to qualify for the second interim dividend of US1.448 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 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Wednesday, 13 June 2012. In respect of 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 Thursday, 14 June 2012 in respect of transfers; and (ii) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the rules of Bursa Malaysia Securities Berhad. The second interim dividend will be payable to the shareholders on 27 June 2012.

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 8 June 2012 to 14 June 2012, 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 recommendations of the Malaysian Code on Corporate Governance (the "Malaysian Code") and the Code on Corporate Governance Practices (the "Hong Kong Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on the HK Stock Exchange. The Company has adopted the 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 complied with the best practices of the Malaysian Code save for the appointment of a senior independent non-executive director and met the code provisions as set out in the Hong Kong Code.

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 Malaysia Securities Berhad ("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 Rules Governing the Listing of Securities on the HK Stock Exchange. 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) HK Model Code during the year under review.

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

30 May 2012

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 Ms Siew Nyoke Chow, being executive directors; Mr Leong Chew Meng, 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.