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 INTERIM FINANCIAL RESULTS FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012

The directors of Media Chinese International Limited (the "Company") are pleased to announce the unaudited consolidated interim results of the Company and its subsidiaries (collectively the "Group") and the Group's interests in associates for the six months ended 30 September 2012, together with comparative figures for the corresponding period in 2011 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	(Unaudited) Six months ended 30 September 2012 US$'000	2011 US$'000
Turnover	4	**244,702**	245,660
Cost of goods sold		**(154,659)**	(153,182)
Gross profit		**90,043**	92,478
Other income	6	**4,617**	4,890
Other gains, net	7	**3,135**	796
Selling and distribution expenses		**(35,699)**	(34,504)
Administrative expenses		**(21,492)**	(21,243)
Other operating expenses		**(3,310)**	(3,327)
Operating profit		**37,294**	39,090
Finance costs	8	**(82)**	(216)
Share of losses of associates		**(8)**	(182)
Gain on dilution of interest in an associate		**–**	33
Profit before income tax		**37,204**	38,725
Income tax expense	9	**(8,297)**	(9,846)
Profit for the period		**28,907**	28,879
Profit attributable to:			
Equity holders of the Company		**28,372**	28,611
Non-controlling interests		**535**	268
		28,907	28,879
Earnings per share attributable to the equity holders of the Company			
Basic (US cents)	10	**1.68**	1.70
Diluted (US cents)	10	**1.68**	1.70
Dividends	11	**11,355**	20,247

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited) Six months ended 30 September **2012** *US$'000*	2011 *US$'000*
Profit for the period	**28,907**	28,879
Other comprehensive income/(losses) for the period, net of tax		
Currency translation differences	**482**	(17,771)
Total comprehensive income for the period	**29,389**	11,108
Total comprehensive income for the period attributable to:		
Equity holders of the Company	**28,848**	10,810
Non-controlling interests	**541**	298
	29,389	11,108

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	(Unaudited) As at 30 September 2012 US$'000	(Audited) As at 31 March 2012 US$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**153,958**	151,049
Investment properties		**11,234**	11,212
Leasehold land and land use rights		**1,997**	2,025
Intangible assets		**78,218**	78,124
Deferred income tax assets		**1,258**	1,426
Interests in associates		**2,247**	2,253
Investment in an exchangeable bond — equity derivatives		**1,166**	–
		250,078	246,089
Current assets			
Inventories		**51,672**	57,899
Available-for-sale financial assets		**97**	97
Financial assets at fair value through profit or loss		**210**	191
Investment in convertible notes		**–**	568
Trade and other receivables	*12*	**79,310**	76,140
Income tax recoverable		**952**	1,625
Cash and cash equivalents		**144,344**	134,657
		276,585	271,177
Current liabilities			
Trade and other payables	*13*	**74,947**	70,623
Income tax liabilities		**7,483**	5,520
Short-term bank loans		**4,820**	5,285
Current portion of long-term liabilities		**146**	145
		87,396	81,573
Net current assets		**189,189**	189,604
Total assets less current liabilities		**439,267**	435,693
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		**21,715**	21,715
Share premium		**280,818**	280,818
Other reserves		**(72,203)**	(72,679)
Retained earnings			
— Proposed dividend		**11,355**	24,431
— Others		**176,296**	159,279
		187,651	183,710
		417,981	413,564
Non-controlling interests		**6,496**	6,229
Total equity		**424,477**	419,793
Non-current liabilities			
Other long-term liabilities		**1,287**	1,348
Deferred income tax liabilities		**13,503**	14,552
		14,790	15,900
		439,267	435,693

NOTES TO THE INTERIM FINANCIAL INFORMATION

For the six months ended 30 September 2012

1. BASIS OF PREPARATION

The condensed consolidated interim financial information ("interim financial information") for the six months ended 30 September 2012 has been prepared in accordance with the International Accounting Standard ("IAS") 34 "Interim Financial Reporting" and with the applicable disclosure requirements of Appendix 16 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "HK Stock Exchange").

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2012, which have been prepared in accordance with International Financial Reporting Standards ("IFRSs").

The interim financial information has not been audited.

2. ACCOUNTING POLICIES

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2012, as described in those annual financial statements.

(a) Change in accounting policy

In December 2010, the International Accounting Standard Board amended IAS 12, "Income taxes", to introduce an exception to the principle for the measurement of deferred tax assets or liabilities arising on an investment property measured at fair value. IAS 12 requires an entity to measure the deferred tax relating to an asset depending on whether the entity expects to recover the carrying amount of the asset through use or sale. The amendment introduces a rebuttable presumption that an investment property measured at fair value is recovered entirely by sale. The amendment is applicable retrospectively to annual periods beginning on or after 1 January 2012 with early adoption permitted.

As required by the amendment, the Group has re-measured the deferred tax relating to all investment properties according to the tax consequence on the presumption that they are recovered entirely by sales retrospectively, and the impact to the Group's financial statement is considered as insignificant. The comparative figures for the previous year have not been restated accordingly.

(b) Taxes on income in the interim periods are accrued using the tax rates that would be applicable to expected total annual earnings.

There are no other amended standards or interpretations that are effective for the first time for this interim period that could be expected to have a material impact on the Group.

The Group has not early adopted other new or revised standards and amendments to standards that have been issued but are not yet effective for the accounting period beginning 1 April 2012. The Group is in the process of making an assessment of the impact of these new or revised standards and amendments to standards on the Group's results and financial position in the period of initial application.

3. 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 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 period.

During the six months ended 30 September 2012, the Group is particularly exposed to movements in the US$ to RM exchange rate as a major part of the Group's operation is located in Malaysia, and an increase in the exchange fluctuation reserve of US$476,000 was recognised largely due to the changes in the exchange rate of US$ to RM.

4. 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 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 six months ended 30 September 2012, analysed by operating segment, 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	**144,322**	**38,297**	**13,921**	**196,540**	**48,162**	**244,702**
Segment profit/(loss) before income tax	**31,169**	**4,558**	**(227)**	**35,500**	**1,913**	**37,413**
Net unallocated expenses						**(201)**
Share of losses of associates						**(8)**
Profit before income tax						**37,204**
Income tax expense						**(8,297)**
Profit for the period						**28,907**
Other information:						
Interest income	**1,246**	**158**	**–**	**1,404**	**3**	**1,407**
Finance costs — interest expenses	**(82)**	**–**	**–**	**(82)**	**–**	**(82)**
Depreciation of property, plant and equipment	**(4,211)**	**(796)**	**(244)**	**(5,251)**	**(22)**	**(5,273)**
Amortisation of leasehold land and land use rights	**–**	**(30)**	**–**	**(30)**	**–**	**(30)**
Amortisation of intangible assets	**(485)**	**(56)**	**(41)**	**(582)**	**(8)**	**(590)**
Share of losses of associates	**–**	**(8)**	**–**	**(8)**	**–**	**(8)**
Income tax expense	**(6,800)**	**(970)**	**(136)**	**(7,906)**	**(391)**	**(8,297)**

The Group's turnover and results for the six months ended 30 September 2011, analysed by operating segment, 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	145,669	36,595	15,445	197,709	47,951	245,660
Segment profit before income tax	33,786	2,734	1,082	37,602	1,840	39,442
Net unallocated expenses						(568)
Share of loss of an associate						(182)
Gain on dilution of interest in an associate						33
Profit before income tax						38,725
Income tax expense						(9,846)
Profit for the period						28,879
Other information:						
Interest income	1,109	111	–	1,220	3	1,223
Finance costs — interest expenses	(168)	(4)	(44)	(216)	–	(216)
Depreciation of property, plant and equipment	(4,195)	(760)	(263)	(5,218)	(38)	(5,256)
Amortisation of leasehold land and land use rights	–	(30)	–	(30)	–	(30)
Amortisation of intangible assets	(450)	(40)	(40)	(530)	(5)	(535)
Share of loss of an associate	–	(182)	–	(182)	–	(182)
Gain on dilution of interest in an associate	–	33	–	33	–	33
Income tax expense	(9,222)	(106)	(314)	(9,642)	(204)	(9,846)

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 period is as follows:

	(Unaudited) Six months ended 30 September	
	2012 ***US$'000***	2011 *US$'000*
Advertising income, net of trade discounts	**139,579**	137,923
Sales of newspapers, magazines and books, net of trade discounts and returns	**56,961**	59,786
Travel and travel related services income	**48,162**	47,951
	244,702	245,660

The segment assets as at 30 September 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	**413,672**	**91,775**	**15,403**	**520,850**	**18,224**	**(15,035)**	**524,039**
Unallocated assets							**2,624**
Total assets							**526,663**
Total assets include:							
Interests in associates	**–**	**2,247**	**–**	**2,247**	**–**	**–**	**2,247**
Additions to non-current assets (other than investment in an exchangeable bond — equity derivatives and deferred income tax assets)	**6,354**	**2,013**	**52**	**8,419**	**10**	**–**	**8,429**

The segment assets as at 31 March 2012 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	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 elimination between segments represents intercompany receivables and payables between 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 an exchangeable bond — equity derivatives, investment in convertible notes, 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, income tax recoverable and assets held by the Company.

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 six months ended 30 September 2012, analysed by operating countries, is as follows:

	(Unaudited) Six months ended 30 September	
	2012	2011
	US$'000	*US$'000*
Main operating countries	**182,619**	182,264
Other countries	**13,921**	15,445
	196,540	197,709

At 30 September 2012 and 31 March 2012, the Group's total non-current assets, other than investment in an exchangeable bond — equity derivatives and deferred income tax assets, analysed by operating countries, are as follows:

	(Unaudited) As at 30 September 2012	(Audited) As at 31 March 2012
	US$'000	*US$'000*
Main operating countries	**242,361**	239,178
Other countries	**5,293**	5,485
	247,654	244,663

5. EXPENSES BY NATURE

	(Unaudited) Six months ended 30 September	
	2012	2011
	US$'000	*US$'000*
Employee benefit expense (including directors' emoluments)	**59,495**	55,906
Raw materials and consumables used	**59,443**	59,584
Depreciation of property, plant and equipment	**5,273**	5,256
Amortisation of intangible assets	**590**	535
Amortisation of leasehold land and land use rights	**30**	30
(Gains)/losses on disposal of property, plant and equipment — net	**(33)**	23

6. OTHER INCOME

	(Unaudited) Six months ended 30 September	
	2012	2011
	US$'000	*US$'000*
Scrap sales of old newspapers and magazines	**2,440**	2,900
Interest income	**1,407**	1,223
Rental and management fee income	**610**	616
License fee and royalty income	**153**	144
Dividend income	**7**	7
	4,617	4,890

7. OTHER GAINS, NET

	(Unaudited) Six months ended 30 September	
	2012	2011
	US$'000	*US$'000*
Net exchange gains/(losses)	**312**	(193)
Fair value gains/(losses) on financial assets at fair value through profit or loss	**18**	(20)
Gain on disposal of convertible notes	**1,126**	–
Others	**1,679**	1,009
	3,135	796

8. FINANCE COSTS

	(Unaudited) Six months ended 30 September	
	2012	2011
	US$'000	*US$'000*
Interest on bank loans and overdrafts	**82**	172
Interest element of finance lease payments	**–**	44
	82	216

9. 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 period. 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 period. Taxation on other countries' profits has been calculated on the estimated assessable profit for the period at the rates of taxation prevailing in the countries in which the Group operates.

Income tax expense in the condensed consolidated income statement represents:

	(Unaudited) Six months ended 30 September 2012 *US$'000*	2011 *US$'000*
Hong Kong taxation		
— Current period	**973**	749
Malaysian taxation		
— Current period	**7,933**	8,471
— Over provision in prior years	**(50)**	–
Other countries' taxation		
— Current period	**153**	598
— Under/(over) provision in prior years	**196**	(262)
Deferred income tax (income)/expense	**(908)**	290
	8,297	9,846

Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the full financial year.

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

(a) Basic

	(Unaudited) Six months ended 30 September 2012	2011
Profit attributable to equity holders of the Company (US$'000)	**28,372**	28,611
Weighted average number of ordinary shares in issue	**1,687,241,066**	1,685,976,656
Basic earnings per share (US cents)	**1.68**	1.70

(b) Diluted

	(Unaudited) Six months ended 30 September 2012	2011
Profit attributable to equity holders of the Company (US$'000)	**28,372**	28,611
Weighted average number of ordinary shares in issue	**1,687,241,066**	1,685,976,656
Adjustment for share options	**–**	730,920
Weighted average number of ordinary shares for diluted earnings per share	**1,687,241,066**	1,686,707,576
Diluted earnings per share (US cents)	**1.68**	1.70

11. DIVIDENDS

	(Unaudited) Six months ended 30 September **2012** *US$'000*	2011 *US$'000*
Dividends attributable to the period:		
First interim dividend in respect of 2012–2013, proposed, US0.673 cents (2011–2012: US0.800 cents) per ordinary share	**11,355**	13,498
Special dividend in respect of 2011–2012, paid, US0.400 cents per ordinary share *(note b)*	**–**	6,749
	11,355	20,247
Dividends paid during the period:		
Second interim dividend in respect of 2011–2012, US1.448 cents (2010–2011: US1.153 cents) per ordinary share *(note a)*	**24,431**	19,437

The board of directors has declared a first interim dividend of US0.673 cents (2011–2012: US0.800 cents) per ordinary share in respect of the year ending 31 March 2013 payable on 15 January 2013 to shareholders whose names appear on the register of members of the Company at the close of the business on 17 December 2012 in cash in RM or in Hong Kong dollars ("HK$") at exchange rates determined on 29 November 2012 by reference to the middle exchange rates at 12:00 noon applicable to US$ as quoted by Bank Negara Malaysia. This interim dividend is not reflected as a dividend payable in this interim financial information.

The middle exchange rates at 12:00 noon on 29 November 2012 as quoted by Bank Negara Malaysia of US$ to RM and US$ to HK$, and the amount of the first interim dividend payable are as follows:

	Exchange rates	**Dividend per ordinary share**
US$ to RM	3.0498	2.053 sen
US$ to HK$	7.7502	HK5.216 cents

Notes:

(a) The second interim dividend represented a dividend of US1.448 cents per ordinary share in respect of the year ended 31 March 2012 and was paid to the shareholders of the Company on 27 June 2012.

(b) The special dividend represented a dividend of US0.400 cents per ordinary share in respect of the year ended 31 March 2012 and was paid to the shareholders of the Company on 6 October 2011.

12. TRADE AND OTHER RECEIVABLES

	(Unaudited) **As at** **30 September** **2012** ***US$'000***	(Audited) As at 31 March 2012 *US$'000*
Trade receivables	**68,786**	66,638
Less: allowance for impairment of trade receivables	**(2,696)**	(2,806)
Trade receivables — net *(note)*	**66,090**	63,832
Deposits and prepayments	**8,719**	8,622
Other receivables	**4,501**	3,686
	79,310	76,140

At 30 September 2012, the carrying amounts of trade and other receivables and deposits 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 30 September 2012 and 31 March 2012, the ageing analyses of the Group's net trade receivables based on invoice date are as follows:

	(Unaudited) **As at** **30 September** **2012** ***US$'000***	(Audited) As at 31 March 2012 *US$'000*
0 to 60 days	**47,415**	44,711
61 to 120 days	**14,589**	15,241
121 to 180 days	**2,630**	2,756
Over 180 days	**1,456**	1,124
	66,090	63,832

13. TRADE AND OTHER PAYABLES

	(Unaudited) **As at** **30 September** **2012** ***US$'000***	(Audited) As at 31 March 2012 *US$'000*
Trade payables *(note)*	**22,592**	23,271
Accrued charges and other payables	**36,670**	31,627
Receipts in advance	**15,685**	15,725
	74,947	70,623

At 30 September 2012, the carrying amounts of trade and other payables approximated their fair values.

Note: At 30 September 2012 and 31 March 2012, the ageing analyses of the Group's trade payables based on invoice date are as follows:

	(Unaudited) As at 30 September 2012 *US$'000*	(Audited) As at 31 March 2012 *US$'000*
0 to 60 days	**19,837**	20,628
61 to 120 days	**1,844**	1,928
121 to 180 days	**300**	239
Over 180 days	**611**	476
	22,592	23,271

14. EVENT AFTER THE BALANCE SHEET DATE

(a) On 16 July 2012, the board of directors announced that the Company proposed to:

i. cancel approximately US$219.78 million (equivalent to approximately RM700.00 million or HK$1,704.41 million) standing to the credit of the Company's share premium account;

ii. transfer the credit arising from the cancellation of the share premium account of the Company to the contributed surplus account of the Company; and

iii. distribute approximately US$219.78 million (equivalent to approximately RM700.00 million or HK$1,704.41 million) or US$0.13 (equivalent to RM0.41 or HK$1.01) per ordinary share to the shareholders ("Proposed Dividend") (collectively referred to as the "Proposals").

At the special general meeting held on 19 October 2012, the Proposals have been approved.

Subsequently on 22 November 2012, the Company entered into a facility agreement with Malayan Banking Berhad ("MBB"), pursuant to which MBB agreed to provide the Company with a bridge loan facility of RM500.00 million (equivalent to approximately US$156.99 million or HK$1,217.43 million) in relation to the Proposed Dividend.

The Proposed Dividend was paid to the entitled shareholders on 28 November 2012.

(b) Reference is made to the announcement of the Company dated 15 August 2012, the board of directors announced the proposal to spin off the Group's travel and travel related business and to have a separate listing of the same on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited ("GEM") (the "Proposed Spin-off"). For the purpose of the Proposed Spin-off, the Group will undergo a reorganisation. As part of the group reorganisation, five companies with limited liabilities, namely Sun Bloom Limited, Charming Holidays International Limited, Charming Holidays Holdings Limited, Easy Trillion Limited and Ever Gallant Limited, have been incorporated or acquired on 15 August 2012 and became wholly-owned subsidiaries of the Company. On 9 October 2012, Charming Holidays International Limited, the wholly-owned subsidiary of the Company, has submitted an application for the listing of, and permission to deal in, the shares of Charming Holidays International Limited in issue and to be issued on GEM under the Proposed Spin-off. A circular containing, among other matters, further details of the Proposed Spin-off and a notice convening a special general meeting of the Company will be despatched to the shareholders as soon as practicable.

MANAGEMENT DISCUSSION & ANALYSIS

FINANCIAL HIGHLIGHTS

	(Unaudited) For the six months ended 30 September		
(in US$'000)	**2012**	2011	Change
Turnover	**244,702**	245,660	–0.4%
Profit before income tax	**37,204**	38,725	–3.9%
Basic earnings per share (US cents)	**1.68**	1.70	–1.2%

OVERALL REVIEW OF OPERATIONS

For the six months ended 30 September 2012, the Group achieved a turnover of US$244,702,000 which showed a slight decline when compared to US$245,660,000 in the corresponding period last year. Profit before income tax for the period was US$37,204,000 as against US$38,725,000 in the same period in 2011/2012.

The marginal decline in turnover was due primarily to negative currency impact on the Malaysian operations, while the decrease in the Group's profit before income tax was mainly attributable to increased operating expenses, in particular paper and staff costs.

The negative currency impact, resulting mainly from the weakening of Ringgit Malaysia ("RM") against US dollar, on the turnover and profit before income tax for the period under review amounted to about US$5,449,000 and US$1,131,000 respectively.

Basic earnings per share for the six months ended 30 September 2012 was US1.68 cents, representing a 1.2% decrease from the corresponding period last year. As at 30 September 2012, the Group's net assets per share attributable to equity holders of the Company was US24.77 cents.

INTERIM DIVIDEND

The board of directors resolved to declare the payment of a first interim dividend for the six months ended 30 September 2012 of US0.673 cents per ordinary share (2011: US0.800 cents per ordinary share) payable on 15 January 2013.

SEGMENTAL REVIEW

Publishing and printing

Malaysia and other Southeast Asian countries

The Malaysian operations achieved a profit before income tax of US$31,169,000, representing a decline of 7.7% or US$2,617,000 with revenue decreased 0.9% or US$1,347,000 to US$144,322,000. The decline in revenue was solely a negative currency impact caused by the weakening of RM against US dollar.

In local currency terms, the Malaysian operations' profit before income tax declined by 4.6% despite a 2.3% increase in revenue. The decrease in profit was mainly due to higher operating costs incurred during the period under review.

Operating costs for the period rose by 4.8% in the local currency terms when compared to the corresponding period last year resulting from the impact of higher newsprint expenses, higher staff costs and other inflationary cost pressure.

The Malaysian economy has grown at a slower pace of 5.2% in the current quarter from 5.6% a quarter earlier due to slower external demand. The slowdown in global economy has resulted in advertisers being more cautious in their spending.

Despite the weak advertising environment, advertising spending in Malaysia grew 2% year-on-year to RM4.3 billion during the period under review. Much of the growth was driven by a 4% increase in television advertising expenditure which had benefited from the 2012 London Olympics and the 2012 European Football Championship. Magazines have been most affected by the economic downturn with advertising expenditure shrinking 2%, while newspaper advertising spending was flat. The advertising expenditure for the Chinese Newspaper grew marginally 2% to RM621 million from the prior year corresponding period. Our Group's titles account for about 89% of the Chinese newspaper advertising market in the Peninsular Malaysia.

Sin Chew Daily remained the most read Chinese newspaper with an increase of 42,000 readers in the most recent AC Nielsen Readership Survey (April to June 2012) to reach an average 1,345,000 readers each day. *China Press* also continued to win market share, adding 62,000 readers on the prior year corresponding quarter to 1,028,000 readers. *Guang Ming Daily* remained the most read newspaper in the Northern market with 391,000 readers. *Nanyang Siang Pau*, with its focus on business and economic news, reached out to 155,000 readers daily during the period. *Nanyang Siang Pau*'s clear market position helped strengthen its brand among professionals, managers, businessmen and executives.

Hong Kong and Mainland China

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 ("One Media"), a subsidiary listed on the main board of the HK Stock Exchange (stock code: 426) that engages in print and digital media business in this region.

Turnover from the Hong Kong and Mainland China operations for the six months ended 30 September 2012 increased by 4.7% to US$38,297,000 from US$36,595,000 in the corresponding period last year while segment profit before income tax rose year-on-year by 66.7% to US$4,558,000.

Despite the looming global economic uncertainty, Hong Kong's economy stayed relatively stable during the period under review. According to a recent research, Hong Kong's advertising spending rose 11% from the same period last year driven mainly by the local retail market. Advertising spending for newspapers also rose by about the same percentage and that newspapers' share of total advertising expenditure was about 31%.

Ming Pao Daily News achieved a satisfactory growth in advertising revenue during the period under review. This was attributable to its wide recognition as a newspaper with high credibility and quality of journalism in providing comprehensive and accurate coverage on social, political and economic issues in Hong Kong and Mainland China.

One Media achieved an outstanding operating result for the period. Its turnover and profit before income tax for the period were US$13,632,000 and US$2,449,000, up 8.9% and 89.3% respectively as compared to those of the same period last year. The significant growth in profit was mainly due to the organic growth in One Media's Hong Kong operation and the positive impact from the restructuring of its business operations.

North America

The Group's publishing and printing operation in North America was affected by the weakening of local economy over the first half year under review. Turnover of this business segment amounted to US$13,921,000, reflecting a decrease of 9.9% from US$15,445,000 in the last corresponding period. The decrease was mainly caused by the decline in advertising revenue, in particular revenue from the property market.

Travel and travel related services

Revenue from the Group's travel segment for the period rose slightly to US$48,162,000 from US$47,951,000 in the last corresponding period. The segment's European tours increased satisfactorily during the period driven by the weakening of Euro, while China tours and inbound business for the tour operations in North America continued to register growth, supported mainly by customers from Asia. The travel segment reported a 4% growth in profit before income tax to US$1,913,000 in the current period.

The Group is currently in the process of applying for listing of the travel segment on the GEM board of the HK Stock Exchange.

DIGITAL MEDIA

The Group aims to become a global multimedia enterprise and continues to apply innovative initiatives to broaden its digital platform so as to remain competitive in the current business environment. The combination of print and digital media across different markets not only expands the Group's readership base, but also enables the Group to provide comprehensive marketing solutions to advertisers and expand revenue base through cross-selling among its various titles.

The six months under review also witnessed the Group's aggressive efforts to expand into the online education market with the development of a comprehensive educational package including i-campus, e-learning and library management. The Group's strong school network in Hong Kong, coupled with its deep market penetration, was conducive to its business promotion. More resources will be invested into the development of this business, which is considered to be promising as a platform for future growth opportunities.

Capitalising on its broad digital media network and rich Chinese archive contents, the Group is also expanding its video capabilities to broaden its business platform for further development.

OUTLOOK

The slowdown in global economy has an impact on consumer spending which in turn will affect the marketing and advertising expenditures. In this connection, the Group's advertising revenue may be affected by the downturn. Nevertheless, as newsprint price is expected to remain steady in the coming quarters, this will help ease the pressure on the Group's operating costs.

The Group maintains a cautious outlook on the economic environment in the second half of 2012/2013. The Group will, however, continue to reinforce its business strategies to enhance revenue and contain costs in order to achieve satisfactory results in the remaining of the financial year.

PLEDGE OF ASSETS

As at 30 September 2012, land and buildings and assets of certain subsidiaries with an aggregate value of US$13,090,000 (31 March 2012: US$11,741,000) were pledged to banks to secure general banking facilities granted to the Group.

CONTINGENT LIABILITIES

At 30 September 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 interim financial information, 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 30 September 2012, the Group's authorised capital expenditure for property, plant and equipment contracted but not provided for in this interim financial information amounted to US$6,281,000 whereas authorised capital expenditure for property, plant and equipment not contracted and not provided for in this interim financial information amounted to US$2,504,000.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 30 September 2012, the Group's net current assets amounted to US$189,189,000 (31 March 2012: US$189,604,000) and the equity attributable to equity holders of the Company was US$417,981,000 (31 March 2012: US$413,564,000). Total bank borrowings were US$4,820,000 (31 March 2012: US$5,285,000).

The Group's gearing ratio as at 30 September 2012 was 1.2%, calculated based on the total bank borrowings and the equity attributable to equity holders of the Company. The gearing ratio is expected to increase significantly after payment of the Proposed Dividend as disclosed in note 14(a).

As at 30 September 2012, total cash and cash equivalents was US$144,344,000 (31 March 2012: US$134,657,000) and net cash position was US$139,524,000 (31 March 2012: US$129,372,000) after deducting total bank borrowings.

EMPLOYEES AND EMOLUMENT POLICY

As at 30 September 2012, the Group had approximately 4,709 employees (31 March 2012: approximately 4,728 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 associates and executive 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 2012, the Company repurchased a total of 1,000 of its listed shares on the HK Stock Exchange from the open market at the price of HK$3.80 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. The repurchase was financed by internally generated funds. Details of the repurchases are summarised as follows:

Month/Year	Number of ordinary shares repurchased	Purchase price per share Highest	Lowest	Aggregate purchase consideration	Equivalents in
		HK$	*HK$*	*HK$*	*US$*
August 2012	1,000	3.80	3.80	3,800	490

All the shares repurchased during the period 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 period.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members in Hong Kong will be closed on Monday, 17 December 2012 whereby no transfer of shares will be registered on that date. In order to qualify for the first interim dividend of US0.673 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, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Friday, 14 December 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 Monday, 17 December 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 first interim dividend will be payable to the shareholders on 15 January 2013.

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 11 December 2012 to 17 December 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 Corporate Governance Code (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 period 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 period under review.

REVIEW OF INTERIM FINANCIAL RESULTS

The Audit Committee of the Company has reviewed with management the interim financial information for the six months ended 30 September 2012, including accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters.

The interim financial information for the six months ended 30 September 2012 has also been reviewed by PricewaterhouseCoopers, the Company's independent auditor, in accordance with International Standard on Review Engagements 2410 "Review of interim financial information performed by the independent auditor of the entity" issued by the International Auditing and Assurance Standards Board.

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

29 November 2012

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 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.