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 2013

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 jointly controlled entities and associates for the year ended 31 March 2013, together with comparative figures for the year ended 31 March 2012 as follows:

CONDENSED CONSOLIDATED INCOME STATEMENT

		Year ended 31 March	
		2013	2012
	Note	***US$'000***	*US$'000*
		(Unaudited)	(Audited)
Turnover	*3*	**477,853**	472,237
Cost of goods sold		**(289,116)**	(285,492)
Gross profit		**188,737**	186,745
Other income	*5*	**11,875**	9,707
Other gains, net	*6*	**3,165**	3,037
Selling and distribution expenses		**(72,511)**	(70,489)
Administrative expenses		**(42,045)**	(36,969)
Other operating expenses		**(8,261)**	(6,516)
Operating profit		**80,960**	85,515
Finance costs	*7*	**(3,417)**	(339)
Share of losses of jointly controlled entities and associates		**(142)**	(294)
Gain on dilution of interest in an associate		**–**	33
Profit before income tax		**77,401**	84,915
Income tax expense	*8*	**(19,125)**	(20,572)
Profit for the year		**58,276**	64,343
Profit attributable to:			
Owners of the Company		**56,985**	63,209
Non-controlling interests		**1,291**	1,134
		58,276	64,343
Earnings per share attributable to owners of the Company			
Basic (US cents)	*9*	**3.38**	3.75
Diluted (US cents)	*9*	**3.38**	3.75
Dividends	*10*	**254,195**	44,678

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Year ended 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Profit for the year	**58,276**	64,343
Other comprehensive (losses)/income		
Currency translation differences	**(591)**	(3,941)
Currency translation differences released upon disposal of subsidiaries	**(1,413)**	–
Actuarial losses of defined benefit plan assets	**(141)**	(830)
Actuarial gains/(losses) of long service payment obligations	**79**	(93)
Others	**46**	–
Other comprehensive losses for the year, net of tax	**(2,020)**	(4,864)
Total comprehensive income for the year	**56,256**	59,479
Total comprehensive income for the year attributable to:		
Owners of the Company	**54,943**	58,287
Non-controlling interests	**1,313**	1,192
	56,256	59,479

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	At 31 March 2013 US$'000 (Unaudited)	2012 US$'000 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment		**150,935**	151,049
Investment properties		**17,579**	11,212
Land use rights		**–**	2,025
Intangible assets		**77,908**	78,124
Deferred income tax assets		**1,674**	1,426
Interests in jointly controlled entities and associates		**3,142**	2,253
		251,238	246,089
Current assets			
Inventories		**50,128**	57,899
Available-for-sale financial assets		**97**	97
Financial assets at fair value through profit or loss		**230**	191
Investment in convertible notes — debt portion		**–**	568
Trade and other receivables	*11*	**74,695**	76,140
Income tax recoverable		**870**	1,625
Cash and cash equivalents		**101,829**	134,657
		227,849	271,177
Current liabilities			
Trade and other payables	*12*	**72,898**	70,623
Income tax liabilities		**7,147**	5,520
Short-term bank borrowings	*13*	**170,602**	5,285
Current portion of long-term liabilities		**58**	145
		250,705	81,573
Net current (liabilities)/assets		**(22,856)**	189,604
Total assets less current liabilities		**228,382**	435,693
EQUITY			
Equity attributable to owners of the Company			
Share capital		**21,715**	21,715
Share premium		**54,664**	280,818
Other reserves		**(74,282)**	(72,679)
Retained earnings			
— Proposed dividend		**17,125**	24,431
— Others		**187,784**	159,279
		207,006	413,564
Non-controlling interests		**6,939**	6,229
Total equity		**213,945**	419,793
Non-current liabilities			
Other long-term liabilities		**1,332**	1,348
Deferred income tax liabilities		**13,105**	14,552
		14,437	15,900
		228,382	435,693

NOTES TO THE FINANCIAL INFORMATION

For the year ended 31 March 2013

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.

(i) New and amended standards adopted by the Group

The International Accounting Standards Board ("IASB") has 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.

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 information is considered as insignificant. The comparative figures for the previous year have not been restated accordingly.

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 2012 that would be expected to have a material impact on the Group.

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

The following new standards and amendments and interpretations are effective for annual periods beginning after 1 April 2012, and have not been early adopted in preparing these consolidated financial information:

		Effective for annual periods beginning on or after
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
IFRS 9	Financial instruments	1 January 2015
IFRS 10	Consolidated financial statements	1 January 2013
IFRS 11	Joint arrangement	1 January 2013
IFRS 12	Disclosures of interests in other entities	1 January 2013
IFRS 13	Fair value measurements	1 January 2013
IFRIC-Int 20	Stripping costs in the production phase of a surface mine (November 2011)	1 January 2013
Amendments to IAS 1	Presentation of financial statements on other comprehensive income	1 July 2012
Amendments to IAS 32	Financial instruments: Presentation — Offsetting financial assets and financial liabilities	1 January 2014

		Effective for annual periods beginning on or after
Amendments to IFRS 7	Financial instruments: Disclosures — Offsetting financial assets and financial liabilities	1 January 2013
Amendments to IFRS 10 and 12, and IAS 27 (Revised 2011)	Investment entities	1 January 2014
Amendments to IFRS 10, 11 and 12	Transition guidance	1 January 2013
Improvements to IFRSs 2011	Several IFRSs	1 January 2013

IFRS 10, 'Consolidated financial statements', builds on existing principles by identifying the concept of control as the determining factors in whether an entity should be included within the consolidated financial statements of the parent company. The standard provides additional guidance to assist in the determination of control where this is difficult to assess.

The Group has assessed that the adoption of IFRS 10 does not have any financial impact on the Group as all subsidiaries within the Group satisfy the requirements for control under IFRS 10 and there are no new subsidiaries identified under the new guidance.

Apart from IFRS 10, management is in the process of making an assessment of the impact of the new standards, amendments and interpretations above. Management is not yet in a position to state what impact they would have, if any, on the Group's results of operations and financial positions.

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$, a globally recognised currency, as the presentation currency for the Group's consolidated financial statements. For those entities whose functional currency is not the presentation currency, i.e. US$, their 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 2013, 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$609,000 was recognised largely due to the changes in the exchange rate of US$ 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 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 2013, 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	**295,809**	**76,515**	**27,941**	**400,265**	**77,588**	**477,853**
Segment profit/(loss) before income tax	**69,985**	**9,717**	**(21)**	**79,681**	**1,790**	**81,471**
Unallocated interest expense						**(3,185)**
Other net unallocated expenses						**(743)**
Share of losses of jointly controlled entities and associates						**(142)**
Profit before income tax						**77,401**
Income tax expense						**(19,125)**
Profit for the year						**58,276**
Other information:						
Interest income	**2,124**	**249**	**–**	**2,373**	**6**	**2,379**
Interest expense	**(232)**	**–**	**–**	**(232)**	**–**	**(232)**
Depreciation	**(8,524)**	**(1,474)**	**(483)**	**(10,481)**	**(43)**	**(10,524)**
Amortisation of land use rights	**–**	**(35)**	**–**	**(35)**	**–**	**(35)**
Amortisation of intangible assets	**(872)**	**(118)**	**(84)**	**(1,074)**	**(18)**	**(1,092)**
Share of losses of jointly controlled entities and associates	**–**	**(142)**	**–**	**(142)**	**–**	**(142)**
Impairment of investment in an exchangeable bond — equity derivatives	**(1,148)**	**–**	**–**	**(1,148)**	**–**	**(1,148)**
Income tax expense	**(16,697)**	**(1,536)**	**(374)**	**(18,607)**	**(518)**	**(19,125)**

The Group's turnover and results for the year ended 31 March 2012, 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	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 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)

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

	Year ended 31 March	
	2013 **US$'000** **(Unaudited)**	2012 *US$'000* (Audited)
Advertising income, net of trade discounts	**286,816**	285,369
Sales of newspapers, magazines, books and digital contents, net of trade discounts and returns	**113,449**	116,551
Travel and travel related service income	**77,588**	70,317
	477,853	472,237

The segment assets as at 31 March 2013 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	**373,398**	**73,512**	**18,043**	**464,953**	**13,786**	**(2,674)**	**476,065**
Unallocated assets							**3,022**
Total assets							**479,087**
Total assets include:							
Interests in jointly controlled entities and associates	**–**	**3,142**	**–**	**3,142**	**–**	**–**	**3,142**
Additions to non-current assets (other than investment in an exchangeable bond — equity derivatives and deferred income tax assets)	**15,855**	**2,750**	**3,554**	**22,159**	**67**	**–**	**22,226**

The segment assets as at 31 March 2012 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	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 deferred income tax assets)	5,949	1,520	203	7,672	114	–	7,786

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

Segment assets consist of property, plant and equipment, investment properties, land use rights, intangible assets, interests in jointly controlled entities and associates, inventories, investment in convertible notes — debt portion, 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.

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 2013 and 2012, analysed by operating countries, is as follows:

	Year ended 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Main operating countries		
— Malaysia and other Southeast Asian countries	**295,809**	291,997
— Hong Kong and Mainland China	**76,515**	79,924
Other countries	**27,941**	29,999
	400,265	401,920

As at 31 March 2013, the Group's total non-current assets, other than deferred income tax assets, analysed by operating countries, are as follows:

	As at 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Main operating countries		
— Malaysia and other Southeast Asian countries	**218,812**	214,714
— Hong Kong and Mainland China	**22,574**	24,464
Other countries	**8,178**	5,485
	249,564	244,663

4. EXPENSES BY NATURE

	Year ended 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Amortisation of intangible assets	**1,092**	1,056
Amortisation of land use rights	**35**	60
Auditor's remuneration		
Current year	**959**	693
(Over)/Under provision in prior years	**(13)**	33
Depreciation	**10,524**	11,044
Direct costs of travel and travel related services	**67,109**	61,427
Employee benefit expense (including directors' emoluments)	**116,927**	107,224
Losses/(Gains) on disposal of property, plant and equipment — net	**410**	(27)
Gains on disposals of investment properties	**–**	(19)
Losses on disposals of intangible assets	**11**	–
Impairment of investment in an exchangeable bond — equity derivatives	**1,148**	–
Operating lease expenses		
Land and buildings	**2,149**	2,033
Machineries	**19**	18
Allowance for impairment and written off of trade receivables	**171**	205
Allowance for inventory obsolescence	**107**	102
Raw materials and consumables used	**115,055**	118,065
Other expenses	**96,230**	97,552
Total cost of goods sold, selling and distribution expenses, administrative expenses, and other operating expenses	**411,933**	399,466

5. OTHER INCOME

	Year ended 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Scrap sales of old newspapers and magazines	**4,871**	5,610
Interest income	**2,379**	2,572
Other media-related income	**2,099**	–
Rental and management fee income	**1,257**	1,210
Reversal of provision for service tax	**741**	–
Licence fee and royalty income	**337**	305
Dividend income	**10**	10
Others	**181**	–
	11,875	9,707

6. OTHER GAINS, NET

	Year ended 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Gain on disposal of subsidiaries	**1,243**	–
Gain on disposal of convertible notes	**1,126**	–
Net exchange gain	**231**	534
Fair value gains/(losses) on financial assets at fair value through profit or loss	**38**	(22)
Fair value gains on investment properties	**17**	118
Others	**510**	2,407
	3,165	3,037

7. FINANCE COSTS

	Year ended 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Interest on bank borrowings	**3,417**	295
Interest element of finance lease payments	**–**	44
	3,417	339

8. INCOME TAX EXPENSE

Income tax for the Group's Hong Kong operations has been provided at the rate of 16.5% (2012: 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% (2012: 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	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Hong Kong taxation		
Current year	**1,704**	1,687
Over provision in prior years	**(13)**	–
Malaysian taxation		
Current year	**18,396**	17,712
(Over)/Under provision in prior years	**(36)**	39
Other countries' taxation		
Current year	**401**	471
Under provision in prior years	**209**	3
Deferred income tax (credit)/expense	**(1,536)**	660
	19,125	20,572

9. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to owners 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	
	2013	2012
	(Unaudited)	(Audited)
Profit attributable to owners of the Company *(US$'000)*	**56,985**	63,209
Weighted average number of ordinary shares in issue	**1,687,240,655**	1,686,608,949
Basic earnings per share *(US cents)*	**3.38**	3.75

(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 are the share options. The number of shares that would have been issued assuming the exercise of share options less the number of shares that could have been issued at fair value (determined as the average price of the Company's shares during the financial year) for the same total proceeds is the number of shares issued for no consideration. The number of shares issued for no consideration is added to the weighted average number of ordinary shares in issue to arrive at the weighted average number of shares for diluted earnings per share.

The share option scheme of the Company expired on 20 August 2011 and no new share option scheme has been adopted by the Company.

	Year ended 31 March	
	2013	2012
	(Unaudited)	(Audited)
Profit attributable to owners of the Company *(US$'000)*	**56,985**	63,209
Weighted average number of ordinary shares in issue	**1,687,240,655**	1,686,608,949
Adjustment for share options	**–**	363,463
Weighted average number of ordinary shares for diluted earnings per share	**1,687,240,655**	1,686,972,412
Diluted earnings per share *(US cents)*	**3.38**	3.75

10. DIVIDENDS

	Year ended 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Dividends attributable to the year:		
Special, paid, US$0.13 (equivalent to RM0.41 or HK$1.01) (2012: US0.400 cents) per ordinary share	**225,715**	6,749
First interim, paid, US0.673 cents (2012: US0.800 cents) per ordinary share	**11,355**	13,498
Second interim, declared after the end of the reporting period of US1.015 cents (2012: US1.448 cents) per ordinary share	**17,125**	24,431
	254,195	44,678
Dividends paid during the year:		
Second interim, 2012, US1.448 cents (2011: US1.153 cents) per ordinary share	**24,431**	19,437
Special, 2013, US$0.13 (equivalent to RM0.41 or HK$1.01) (2012: US0.400 cents) per ordinary share	**225,715**	6,749
First interim, 2013, US0.673 cents (2012: US0.800 cents) per ordinary share	**11,355**	13,498
	261,501	39,684

Notes:

(a) The special dividend of US$0.13 (equivalent to RM0.41 or HK$1.01) (2012: US0.400 cents) per ordinary share amounting to US$225,715,000 was paid on 28 November 2012. The total dividend paid was different from the declared dividend stated in the circular dated 25 September 2012. This was caused by the fluctuations in exchange rates between the dividend declaration date and the dividend payment date.

(b) The first interim dividend of US0.673 cents (2012: US0.800 cents) per ordinary share amounting to US$11,355,000 was paid on 15 January 2013.

(c) On 29 May 2013, the Board of Directors has declared a second interim dividend of US1.015 cents per ordinary share in respect of the year ended 31 March 2013 in lieu of a final dividend for the year ended 31 March 2013. The dividend will be payable on 31 July 2013 in cash in RM or in HK$ at exchange rates determined on 29 May 2013 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 12 July 2013. No tax is payable on the dividend declared by the Company to be received by shareholders in Malaysia 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 29 May 2013 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	3.0575	3.103 sen
US$ to HK$	7.7634	HK7.880 cents

(d) The 2012 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 shareholders of the Company on 27 June 2012.

11. TRADE AND OTHER RECEIVABLES

	As at 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Trade receivables	**66,452**	66,638
Less: allowance for impairment of trade receivables	**(2,362)**	(2,806)
Trade receivables, net *(note)*	**64,090**	63,832
Deposits and prepayments	**7,063**	8,622
Other receivables	**3,542**	3,686
	74,695	76,140

At 31 March 2013, 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 2013, the ageing analysis of the net trade receivables based on invoice date is as follows:

	As at 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
1 to 60 days	**45,739**	44,711
61 to 120 days	**14,631**	15,241
121 to 180 days	**2,023**	2,756
Over 180 days	**1,697**	1,124
	64,090	63,832

12. TRADE AND OTHER PAYABLES

	As at 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Trade payables *(note)*	**22,601**	23,271
Accrued charges and other payables	**33,376**	31,627
Receipts in advance	**16,921**	15,725
	72,898	70,623

Note: At 31 March 2013, the ageing analysis of the trade payables based on invoice date is as follows:

	As at 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
1 to 60 days	**19,990**	20,628
61 to 120 days	**1,889**	1,928
121 to 180 days	**253**	239
Over 180 days	**469**	476
	22,601	23,271

13. SHORT-TERM BANK BORROWINGS

	As at 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Secured	**–**	336
Unsecured	**170,602**	4,949
	170,602	5,285

The carrying amounts of the short-term bank borrowings are denominated in the following currencies:

	As at 31 March	
	2013	2012
	US$'000	*US$'000*
	(Unaudited)	(Audited)
Ringgit Malaysia	**170,602**	4,949
US dollar	**–**	336
	170,602	5,285

Secured bank borrowings are secured by the guarantee issued by the Company and have a term of up to 120 days.

Short-term bank borrowings bear average coupon rate of 4.5% annually (2012: 3.6% annually).

The increase in short-term bank borrowings was primarily due to the drawdown of a short-term bank borrowing to finance, in part, the payment of the special dividend on 28 November 2012.

The carrying amounts of the short-term bank borrowings approximate their fair values.

MANAGEMENT DISCUSSION & ANALYSIS

FINANCIAL HIGHLIGHTS

	Year ended 31 March 2013	Year ended 31 March 2012	Change
	US$'000	*US$'000*	*(%)*
Turnover	**477,853**	472,237	+1.2
Profit before income tax	**77,401**	84,915	–8.8
Profit for the year	**58,276**	64,343	–9.4
Profit attributable to owners of the Company	**56,985**	63,209	–9.8
EBITDA	**90,090**	94,842	–5.0
Basic earnings per share (US cents)	**3.38**	3.75	–9.9

OVERALL REVIEW OF OPERATIONS

For the year ended 31 March 2013, the Group's turnover registered a marginal increase of 1.2% or US$5,616,000 to US$477,853,000 from US$472,237,000 in the last financial year. The increase was attributable to improved performance of the travel segment while the publishing and printing segment's revenue remained at last year's level.

The revenue growth, however, was offset by the increase in operating expenses and finance costs. The Group's profit before income tax was US$77,401,000, which was 8.8% or US$7,514,000 lower than last year's US$84,915,000.

The publishing and printing segment's revenue was US$400,265,000, about the same level as last year. Revenue from the Malaysian operations grew marginally by 1.3%, driven mainly by the increase in advertising revenue. On the other hand, the slow moving economic conditions in North America and the intensified competition from the free papers in Hong Kong have led to decrease in revenue from these two markets.

The publishing and printing segment achieved a profit before tax of US$79,681,000, down 4.4% or US$3,706,000 from last year mainly due to rise in costs.

Turnover from the travel segment registered a growth of 10.3% or US$7,271,000 to US$77,588,000, while its profit before income tax dropped by 27.3% or US$671,000 to US$1,790,000 from US$2,461,000 in last year. The decline in profit was mainly due to costs incurred in connection with the ongoing listing application of the travel segment.

Basic earnings per share for the year ended 31 March 2013 was US3.38 cents, compared with last year's US3.75 cents. As at 31 March 2013, the Group's cash and cash equivalents and net assets per share attributable to owners of the Company amounted to US$101,829,000 and US12.27 cents respectively.

SEGMENT REVIEW

Publishing and Printing

Malaysia and other Southeast Asia countries

In spite of the challenging trading conditions, the Malaysian operations were able to generate moderate growth in revenue year-on-year.

Total revenue increased by 1.3% or US$3,812,000 to US$295,809,000. However, the revenue growth was offset by surge in operating costs during the year under review. As a result, profit before income tax for the current year was down by 3.8% or US$2,733,000 to US$69,985,000 compared with US$72,718,000 a year ago.

The performance of the Malaysian operations was also impacted by the impairment of an investment in an exchangeable bond amounting to US$1,148,000. Excluding the impairment charge, the Malaysian operations' profit before income tax would have decreased by 2.2%.

According to Nielsen Media Research, newspaper advertising expenditure in Malaysia fell by 1% for the period from April 2012 to March 2013 to RM4.3 billion (equivalent to US$1.4 billion). The weak performance was caused by contraction in the English segment (down by 4%) while the Malay segment was flat and the Chinese segment maintained stable growth momentum of 3% to RM1.3 billion (equivalent to US$0.4 billion). The Group's newspapers grew in tandem with the Chinese newspaper advertising market, and accounted for 73.1% market share of the Chinese newspaper advertising market.

Our businesses benefit from the Group's strong market position in Malaysia with 4 print brands having a total combined average daily readership of 2,857,000, reaching 65.0% of Chinese population aged 15 and above. It accounts for 87.8% of Chinese newspapers sold in Peninsular Malaysia. These strong market positions are built on our long term commitment to deliver high quality products to our readers and advertisers.

Sin Chew Daily remained the most widely read Chinese newspaper in Malaysia attracting 1,285,000 readers each day for the period of January to December 2012 according to AC Nielsen Readership Survey; up 3.9% or 48,000 readers as compared to the same period last year. It is commanding 38.5% market share of the Chinese newspaper advertising market in Malaysia.

Sin Chew Daily's performance was achieved through continued improvement in the editorial quality, impactful commentary which triggered national debate on issues concerning the Chinese communities and outstanding news coverage. With its growing readership, *Sin Chew Daily* will continue to strengthen advertising growth in the future.

China Press continues to maintain its leadership as the most popular evening newspaper, while continuing to grow steadily nationwide. The paper had an average daily readership of 1,089,000 readers during the period of January to December 2012, an increase of 78,000 readers or 7.7% over the same period last year. Meanwhile, it enjoyed a 22.3% share of Chinese newspaper advertising market. *China Press* has been particularly successful in classified advertising and this contributes to its overall performance.

Guang Ming Daily remained its position as the most read newspaper in the northern market with 357,000 readers. During the year, *Guang Ming Daily* redesigned its presentation and strengthened its contents to be more appealing to readers and advertisers. The successful mix of strong regional news and strong feature based journalism differentiated Guang Ming Daily from its competitors.

Nanyang Siang Pau is celebrating its 90th anniversary this year. Through all these years' efforts, Nanyang Siang Pau has raised the demographic profile of its readerships targeting at professionals, managers, businessmen and executives. It reached out to 126,000 educated and quality readers daily. This strong readership profile has made *Nanyang Siang Pau* a preferred paper for companies to advertise their services and products targeting at highly educated and affluent professional and manager readers.

Life Magazines is the largest Chinese language magazine publisher in Malaysia, which publishes one tabloid newspaper and 17 magazines titles. Our flagship title, Feminine, continues to maintain its position as number one Chinese women magazine in the country in terms of advertising revenue and readership. In May 2012, Life Magazines launched a new Malay language pet magazine, "*Jinak*". It is Malaysia's first Malay language lifestyle magazine targeting pet owners.

The Malaysian operations continued to expand into the exhibition and event business with the highly successful My Wedding Bridal Fair, Nanyang Education Fair, International Health Fair and Nanyang Property Fair. The exhibition and event business have achieved strong stand space growth and increase in visitor numbers.

During the year, the Group further extended its geographical presence in Indonesia Chinese newspaper market through the joint venture with the local partners to manage and distribute a Chinese daily called "*Sin Chew-Harian Indonesia*".

Hong Kong and Mainland China

Faced with a tough operating environment, the Group's publishing and printing segment in Hong Kong and Mainland China reported a 4.3% drop in revenue to US$76,515,000 from US$79,924,000 a year ago. The segment's profit before income tax for the year was US$9,717,000, reflecting a 5.4% increase from last year's US$9,217,000, mainly attributed to gains from the disposals of subsidiaries and convertible notes of US$1,243,000 and US$1,126,000 respectively during the year.

Ming Pao Daily News, the Group's flagship newspaper in Hong Kong, differentiating itself with a niche market position, consistently adheres to high standard of professional journalism and provides comprehensive coverage of social, political and economic issues across the Greater China region. Over the past years, *Ming Pao Daily News* has been recognised for its journalistic integrity and excellence. In the Hong Kong News Awards 2012, an annual competition hosted by The Newspaper Society of Hong Kong, *Ming Pao Daily News* won a total of 12 awards including 4 Winner awards in Best Scoop, Best News Reporting, Best Business News Reporting and Best Young Reporter categories.

During the year under review, *Ming Pao Daily News* was granted licenses to develop e-textbooks in line with the local curricula. The Group will continue to invest in this education sector by upgrading its current educational package which consists of i-campus, e-learning and library management, etc. With its strong school network, this business venture will open up new opportunities and further expand the Group's presence in the education market.

For the year ended 31 March 2013, the Group's subsidiary, One Media Group Limited ("One Media") achieved record results since its listing, with the completion of the restructuring plan together with organic growth in its Hong Kong operations. The profit attributable to owners of One Media for the year under review rose 10%.

North America

Given the slow recovery in the U.S. and the downturn in Canada's housing market, both consumers and advertisers in North America have become increasingly cautious on their spending which drove a decline in advertising revenue from this segment. Turnover of the Group's operations in North America dropped 6.9% to US$27,941,000 and the segment delivered a near breakeven result for 2012/2013 compared to a profit before income tax of US$1,452,000 in 2011/12.

Travel and travel related services

Despite continued economic volatility around the globe, international tourism managed to stay on course. According to the latest UNWTO World Tourism Barometer, international tourist arrivals grew by 4% in 2012 with Asia and the Pacific showing the strongest results (+7%) while Europe, a popular destination of the Group's travel segment, saw an increase of 3%. In tandem with the trends in the macro-environment, the Group's travel segment, operated through Charming Holidays and Delta Group, reported satisfactory growth in its long-haul tours mainly supported by Asian customers as well as higher demand for European tours driven by the weakening of Euro.

The travel segment's turnover for 2012/2013 grew 10.3% to US$77,588,000 from US$70,317,000 in 2011/2012. Profit before income tax was US$1,790,000 against last year's US$2,461,000, the decrease was mainly due to higher operating expenses and costs associated with the proposed listing of the travel segment in Hong Kong.

On 15 August 2012, the Board announced the proposal to spin off the Group's travel and travel related business and have a separate listing of the same on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited ("GEM"). In this connection, an application has been submitted to the GEM on 9 October 2012.

Digital Media

Riding on the wave of digital revolution, media industry is undergoing reshuffle which brings opportunities to companies capable of taking good advantages of the unresisting trend. The Group is committed to providing multi-platform digital media content through the web, smart phones and tablets. The Group believes that the quality and richness of media contents are keys to reach a larger spectrum of audience and bring about new sources of revenue. The Group's strategic moves in this business enable it to provide comprehensive marketing solutions to advertisers and achieve synergetic effects from cross-selling activities.

OUTLOOK

The directors anticipate that the business environment in those markets that the Group operates in will be challenging.

The Group's advertising revenue is expected to grow in tandem with the local economy that the Group operates in. With the ongoing efforts to strengthen the editorial contents of the Group's publications, circulations sales are expected to remain at sustainable level.

The Group will continue to put in place cost management measures and take steps to preserve the profit margin.

Barring any unforeseen circumstances, the Group is expected to achieve satisfactory performance in the new financial year.

PLEDGE OF ASSETS

General security agreements under which all the assets of certain subsidiaries with net book value of US$12,401,000 at 31 March 2013 (2012: US$11,741,000) were pledged to certain banks.

CONTINGENT LIABILITIES

At 31 March 2013, 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 2013, the Group's authorised capital expenditure for property, plant and equipment contracted but not provided for in the consolidated financial information amounted to US$4,402,000 whereas authorised capital expenditure for property, plant and equipment not contracted and not provided for in the consolidated financial information amounted to US$1,143,000.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 31 March 2013, the Group's cash and cash equivalents were US$101,829,000 (31 March 2012: US$134,657,000) and total bank borrowings were US$170,602,000 (31 March 2012: US$5,285,000). The net debt position was US$68,773,000 (31 March 2012: net cash US$129,372,000). Owners' equity was US$207,006,000 (31 March 2012: US$413,564,000).

The gearing ratio of the Group, calculated as net debt over owners' equity, was approximately 33% as at 31 March 2013 (31 March 2012: zero). The increase in gearing was primarily due to the drawdown of a short-term bank borrowing to finance, in part, the payment of the special dividend on 28 November 2012.

As at 31 March 2013, the Group's net current liabilities amounted to US$22,856,000 (31 March 2012: net current asset US$189,604,000) primarily resulted from the drawdown of the abovementioned short-term bank borrowing. Notwithstanding this, the Group has sufficient working capital and is able to continue to generate net cash inflows from its operating activities to enable it to meet in full its financial obligations as and when they fall due. In addition, the Group is currently in the process of refinancing such borrowing.

EMPLOYEES AND EMOLUMENT POLICY

At 31 March 2013, the Group has 4,651 employees (2012: 4,728 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 2012, the Company repurchased a total of 1,000 of its listed shares on The Stock Exchange of Hong Kong Limited (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. Aggregate purchase consideration paid for the repurchase was HK$3,800 (equivalent to US$490). The repurchase was financed by internally generated funds.

All the shares repurchased during the year ended 31 March 2013 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 2013.

CLOSURE OF THE REGISTER OF MEMBERS

The register of members in Hong Kong will be closed on Friday, 12 July 2013 whereby no transfer of shares will be registered on that date. In order to qualify for the second interim dividend of US1.015 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 Thursday, 11 July 2013. 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 Friday, 12 July 2013 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 31 July 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 8 July 2013 to 12 July 2013, 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 principles and 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 year under review, the Company has met the code provisions as set out in the Hong Kong Code and complied with the recommendations of the Malaysian Code save for the appointment of an independent non-executive chairman and a senior independent director. The Board of Directors will continuously review and evaluate such recommendations under the Malaysian Code.

A detailed Statement on Corporate Governance setting out the Group's framework of corporate 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 2012/13.

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.

REVIEW OF FINANCIAL STATEMENTS

The Audit Committee of the Company has reviewed with management the consolidated financial statements for the year ended 31 March 2013, 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

29 May 2013

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.