


**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)

To: Business Editor

**【For Immediate Release】**
**THIRD QUARTER FINANCIAL RESULTS  
FOR THE PERIOD ENDED 31 DECEMBER 2014**
**Unaudited Financial Highlights**

	For the three months ended 31 December		Change %
	2014	2013	
	US\$'000	US\$'000	
<b>Turnover</b>	<b>105,195</b>	117,332	-10.3%
<b>Profit before income tax</b>	<b>15,424</b>	19,920	-22.6%
<b>EBITDA</b>	<b>19,269</b>	24,369	-20.9%

	For the nine months ended 31 December		Change %
	2014	2013	
	US\$'000	US\$'000	
<b>Turnover</b>	<b>342,331</b>	369,119	-7.3%
<b>Profit before income tax</b>	<b>41,710</b>	55,570	-24.9%
<b>EBITDA</b>	<b>53,991</b>	69,277	-22.1%

(26 February 2015) - **Media Chinese International Limited** (“**Media Chinese**” which together with its subsidiaries, the “**Group**”, HKSE Stock Code: 685, KUL Stock Code: 5090) today announced the unaudited results for the third quarter and nine months ended 31 December 2014.

The Group’s turnover for the third quarter ended 31 December 2014 amounted to US\$105,195,000, reflecting a decrease of 10.3% or US\$12,137,000 from US\$117,332,000 in the corresponding quarter last year.

Profit before income tax for the current quarter was US\$15,424,000, down 22.6% or US\$4,496,000 compared to US\$19,920,000 reported in the prior-year quarter. The decline in the Group's performance for the quarter was mainly due to lower revenue from the publishing and printing segment, compensated in part by savings in operating expenses.

EBITDA for the third quarter was US\$19,269,000, a decrease of 20.9% from US\$24,369,000 in the year-ago quarter.

During the current quarter, turnover for the Group's publishing and printing segment dropped 11.5% to US\$88,611,000, while segment profit before income tax was US\$16,578,000, down 25.5% from the year-ago reported profit of US\$22,256,000.

The Malaysian operations reported a turnover of US\$61,983,000, down 13.2% year-on-year, with profit before income tax decreased 27.2% to US\$12,590,000 from US\$17,298,000 reported in the third quarter of last year.

During the quarter, the Malaysian operations were impacted by the difficult operating conditions arising from poor consumer sentiments, more cautious spending with the impending implementation of GST coupled with one of the worst flood disasters in December 2014. The resultant weak consumer sentiments have lowered advertisers' appetite in the overall spending in the current quarter and thus negatively affected the media advertising market.

The Group's publishing operations in Hong Kong and Mainland China reported a 6.8% decline in segment turnover to US\$20,420,000 from US\$21,914,000 in the previous year, while segment profit before income tax was down by 21.0% to US\$3,613,000. The decrease in segment profit was mainly due to lower contribution from One Media Group, the Group's listed subsidiary, which was impacted by the weak magazine advertising market. The decrease was mitigated in part by tightened cost controls during the quarter.

Turnover for the Group's North America segment fell 9.0% to US\$6,208,000, due primarily to negative currency impact resulting from the weakening Canadian Dollar. Segment profit before income tax was US\$375,000, about the same level as that of the prior-year quarter.

The Group's tour segment reported a turnover of US\$16,584,000, a decrease of 3.7% from the previous corresponding quarter. This was mainly attributed to lower revenue from the North American operation due to competitive price pressure especially for tours to China. However, profit before income tax for the tour segment grew to US\$802,000 from US\$53,000 in the same quarter a year earlier, attributed mainly to improvement in gross profit margin from the Hong Kong operation.

The Group's profit before income tax for the nine months ended 31 December 2014 decreased by 24.9% or US\$13,860,000 to US\$41,710,000, due mainly to the decline in turnover of 7.3% or US\$26,788,000 to US\$342,331,000 from the US\$369,119,000 reported in the previous year.

Both Malaysian Ringgit and Canadian Dollar weakened against the US Dollar during the quarter and the nine months ended 31 December 2014, resulting in negative currency impact on the Group's revenue and profit before income tax of approximately US\$3,572,000 and US\$672,000 respectively for the current quarter; and US\$7,174,000 and US\$1,127,000 respectively for the nine-month period.

Basic earnings per share for the nine months ended 31 December 2014 was US1.72 cents, decreased by US0.61 cents or 26.2% from US2.33 cents in the previous corresponding period.

As at 31 December 2014, the Group's cash and cash equivalents and net assets per share attributable to owners of the Company amounted to US\$117,084,000 and US12.82 cents respectively. The Group's net gearing ratio dropped to 9.0% from 21.9% as at 31 March 2014.

Looking ahead to the last quarter of the current financial year, **Media Chinese's Group Chief Executive Officer, Mr Francis TIONG** said, "The difficult business environment in the Group's major markets is expected to continue into the last quarter of 2014/2015."

He added, "The Malaysian segment is expecting a challenging quarter ahead as the consumer sentiment is expected to remain weak due to uncertainties underpinning the economy. Adding to this, the rising costs of living, impact of the upcoming GST implementation, and the depreciation of Malaysian Ringgit against US Dollar would continue to weigh on consumer sentiments."

"Looking on the bright side, falling newsprint prices will continue to create some buffer for the Group's performance amid the difficult operating environment. Given the tough market conditions, the Group will keep on strengthening operational efficiencies while at the same time enforcing financial discipline and measures for the enhancement of revenue generation." Mr TIONG concluded.

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**About Media Chinese International Limited (Stock Code: 685 HK)**

Media Chinese International Limited is a leading global Chinese language media group dual-listed on The Stock Exchange of Hong Kong Limited (Stock Code: 685) and Bursa Malaysia Securities Berhad (Stock Code: 5090). Media Chinese's product portfolio in Southeast Asia, Greater China and North America comprises 5 daily newspapers in 11 editions and 3 free newspapers, as well as about 30 magazines. The Group has also expanded its business into digital media. Media Chinese is the proprietor of Life Magazines, the largest Chinese language magazine publisher in Malaysia, and is the major shareholder of One Media Group Limited (listed on The Stock Exchange of Hong Kong Limited, Stock Code: 426).

For more information, please visit: [www.mediachinesegroup.com](http://www.mediachinesegroup.com)

For further enquiries, please contact:

**Media Chinese International Limited**

Malaysia

Ms TONG Siew Kheng      Tel: (603) 7965-8885  
   Fax: (603) 7965-8689

Hong Kong

Corporate Communications Department

Ms Justina FAN              Tel: (852) 2595-3355  
   Fax: (852) 2515-0294  
   E-mail: [corpcom@mediachinese.com](mailto:corpcom@mediachinese.com)

**Financial PR (HK) Limited**

Mr Fung HON                E-mail: [hf@financialpr.hk](mailto:hf@financialpr.hk)  
Ms Cara PANG              E-mail: [carapang@financialpr.hk](mailto:carapang@financialpr.hk)  
Ms Eiko XU                  E-mail: [eikoxu@financialpr.hk](mailto:eikoxu@financialpr.hk)  
   Tel: (852) 2610-0846  
   Fax: (852) 2610-0842