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PRESS RELEASE

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】**

SECOND QUARTER AND INTERIM FINANCIAL RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2013

Unaudited Financial Highlights

	For the three months ended 30 September 2013 US$'000	For the three months ended 30 September 2012 US$'000	**Change %**
Turnover	**125,485**	121,549	**+3.2%**
Profit before income tax	**16,773**	16,318	**+2.8%**
EBITDA	**21,379**	18,697	**+14.3%**

	For the six months ended 30 September 2013 US$'000	For the six months ended 30 September 2012 US$'000	**Change %**
Turnover	**251,787**	244,702	**+2.9%**
Profit before income tax	**35,650**	37,051	**-3.8%**
EBITDA	**44,908**	41,619	**+7.9%**

(27 November 2013) **- Media Chinese International Limited** ("**Media Chinese**" or the "Group", HKSE Stock Code: 685, KUL Stock Code: 5090) today announced the unaudited results for the second quarter and six months ended 30 September 2013.

The Group achieved a 3.2% growth in revenue to US$125,485,000 and a 2.8% increase in profit before income tax to US$16,773,000 for the second quarter of 2013/2014.

Revenue growth was primarily attributable to the robust performance of the Group's tour segment during the quarter.

EBITDA for the quarter was US$21,379,000, up 14.3% from US$18,697,000 in the corresponding quarter last year on the back of higher revenue.

The Group's publishing and printing segment's results for the current quarter reflected the difficult trading environment in the markets that the Group operates in. The Group's publishing and printing segment saw a 6.0% decrease in revenue to US$91,884,000 from US$97,720,000 in the same quarter last year. However, the segment's profit before income tax improved by 5.6% to US$16,550,000, primarily attributable to lower operating costs in the current quarter.

The Malaysian operations achieved a satisfactory result amidst challenging market conditions, with profit before income tax rose 9.5% despite a 4.4% decline in revenue. This performance was achieved through improvement in profit margins and reduction of overheads.

The Group's operations in Hong Kong and Mainland China were adversely impacted by the property market cooling policies introduced by the governments and Mainland China's slowing economic growth which led to decline in advertising spending from the property sector and luxury brands. The operations in North America faced similar challenges from weak domestic consumer sentiment and declining property market.

The tour segment continued to deliver strong performance with revenue and profit before income tax rose 41.0% and 435.8% to US$33,601,000 and US$2,797,000 respectively in the current quarter. This notable growth was bolstered by strong demand for the segment's high-quality tour packages, in particular its flagship European tours.

For the first six months ended 30 September 2013, the Group's turnover grew 2.9% or US$7,085,000 to US$251,787,000 from US$244,702,000 a year ago. This revenue growth was mainly attributed to improved performance from the tour segment. The increase in revenue, however, was offset in part by higher finance costs incurred during the period, resulting in a 3.8% decline in profit before income tax to US$35,650,000 from US$37,051,000 in the corresponding period last year.

The Group's EBITDA improved by 7.9% or US$3,289,000 over the same period last year to US$44,908,000.

Both Malaysian Ringgit and the Canadian dollar weakened against the US dollar during the current quarter, resulting in negative currency impact of approximately US$3,200,000 and US$600,000 on the Group's revenue and profit before income tax respectively. For the six months ended 30 September 2013, the Group also experienced negative currency impact of approximately US$2,200,000 and US$400,000 on its revenue and profit before income tax respectively.

Basic earnings per share for the six months ended 30 September 2013 was US1.51 cents, down by US0.16 cents or 9.6% from US1.67 cents in the previous corresponding period. As at 30 September 2013, the Group's cash and cash equivalents amounted to US$104,125,000, an increase of 2.3% since 31 March 2013; and the Group's net gearing ratio dropped to 27.8% from 33.2% as at 31 March 2013.

The board of directors resolved to declare the payment of a first interim dividend for the year ending 31 March 2014 of US0.750 cents per ordinary share (2012/2013: US0.673 cents per ordinary share) payable on 15 January 2014.

Looking ahead for the rest of the financial year, **Media Chinese's Group Chief Executive Officer, Mr Francis TIONG** said, "We expect the operating environment in the coming quarters to remain challenging in the light of economic slowdown in those markets that the Group operates in."

"The Malaysian government has introduced the goods and services tax (GST) in Budget 2014, and will implement further subsidy rationalisation measures; these would weigh on consumer sentiments and ultimately impact the advertising spending in Malaysia. Adding to this, China's anti-extravagance campaign and Hong Kong government's property market cooling measures will continue to impact the Group's advertising revenue in these markets."

He added, "On a positive note, newsprint prices are expected to stay flat in the near term. However, cost pressures arising from strengthening of US dollar against Malaysian Ringgit remains a concern."

"Nevertheless, we will continue to explore more revenue sources while keeping tight controls on costs. Barring any unforeseen circumstances, the Group expects its performance for the second half-year to be satisfactory." Mr TIONG concluded.

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<u>About Media Chinese International Limited (Stock Code: 685 HK)</u>

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 13 editions and 3 free newspapers with a total daily circulation of about 1 million copies, 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

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