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## **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**

### **FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2015**

Pursuant to Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), Media Chinese International Limited (the “Company”), a public company listed on the main market of Bursa Securities, announced the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) and the Group’s interests in joint ventures and associates for the quarter ended 30 June 2015 to Bursa Securities on 26 August 2015.

This announcement is also made pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HK Listing Rules”) and the Inside Information Provisions (as defined under the HK Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

26 August 2015

*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 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.*

**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)**  
**Financial report for the first quarter ended 30 June 2015**

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	<b>(Unaudited)</b> <b>Three months ended</b> <b>30 June</b>		<b>(Unaudited)</b> <b>Three months ended</b> <b>30 June</b>	
	<b>2015</b> <b>US\$'000</b>	<b>2014</b> <b>US\$'000</b>	<b>2015</b> <b>RM'000</b> <i>(Note)</i>	<b>2014</b> <b>RM'000</b> <i>(Note)</i>
Turnover	99,974	115,465	377,202	435,649
Cost of goods sold	<u>(62,380)</u>	<u>(74,048)</u>	<u>(235,360)</u>	<u>(279,383)</u>
<b>Gross profit</b>	<b>37,594</b>	<b>41,417</b>	<b>141,842</b>	<b>156,266</b>
Other income	2,073	2,708	7,821	10,217
Other (losses) / gains, net	(93)	137	(351)	517
Selling and distribution expenses	(15,295)	(17,574)	(57,708)	(66,307)
Administrative expenses	(8,576)	(10,734)	(32,357)	(40,499)
Other operating expenses	<u>(1,586)</u>	<u>(1,686)</u>	<u>(5,984)</u>	<u>(6,361)</u>
<b>Operating profit</b>	<b>14,117</b>	<b>14,268</b>	<b>53,263</b>	<b>53,833</b>
Finance costs	(1,488)	(1,712)	(5,614)	(6,459)
Share of losses of joint ventures and associates	<u>(29)</u>	<u>(61)</u>	<u>(109)</u>	<u>(230)</u>
<b>Profit before income tax</b>	<b>12,600</b>	<b>12,495</b>	<b>47,540</b>	<b>47,144</b>
Income tax expense	<u>(3,706)</u>	<u>(4,052)</u>	<u>(13,983)</u>	<u>(15,288)</u>
<b>Profit for the quarter</b>	<b><u>8,894</u></b>	<b><u>8,443</u></b>	<b><u>33,557</u></b>	<b><u>31,856</u></b>
<b>Profit attributable to:</b>				
Owners of the Company	8,840	8,289	33,353	31,275
Non-controlling interests	<u>54</u>	<u>154</u>	<u>204</u>	<u>581</u>
	<b><u>8,894</u></b>	<b><u>8,443</u></b>	<b><u>33,557</u></b>	<b><u>31,856</u></b>
<b>Earnings per share attributable to owners of the Company</b>				
Basic (US cents/sen) #	0.52	0.49	1.96	1.85
Diluted (US cents/sen) #	<u>0.52</u>	<u>0.49</u>	<u>1.96</u>	<u>1.85</u>

# Refer to B11 for calculations of basic and diluted earnings per share

**Note:** The presentation currency of this unaudited financial information is United States Dollar ("US\$"). Supplementary information in Malaysian Ringgit ("RM") for the quarter ended 30 June 2015 with comparatives is shown for reference only and has been made at the same exchange rate of US\$1 to RM3.7730 ruling at 30 June 2015. This translation should not be construed as a representation that the US\$ amounts actually represented have been, or could be, converted into RM at this or any other rate.

**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)**  
**Financial report for the first quarter ended 30 June 2015**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<b>(Unaudited)</b> <b>Three months ended</b> <b>30 June</b>		<b>(Unaudited)</b> <b>Three months ended</b> <b>30 June</b>	
	<b>2015</b> <b>US\$'000</b>	<b>2014</b> <b>US\$'000</b>	<b>2015</b> <b>RM'000</b> <i>(Note)</i>	<b>2014</b> <b>RM'000</b> <i>(Note)</i>
<b>Profit for the quarter</b>	<b>8,894</b>	<b>8,443</b>	<b>33,557</b>	<b>31,856</b>
<b>Other comprehensive (loss) / income</b>				
<b>Item that may be reclassified subsequently to profit or loss:</b>				
Currency translation differences	<u>(2,944)</u>	<u>3,016</u>	<u>(11,108)</u>	<u>11,379</u>
<b>Other comprehensive (loss) / income for the quarter, net of tax</b>	<u>(2,944)</u>	<u>3,016</u>	<u>(11,108)</u>	<u>11,379</u>
<b>Total comprehensive income for the quarter</b>	<u><b>5,950</b></u>	<u><b>11,459</b></u>	<u><b>22,449</b></u>	<u><b>43,235</b></u>
<b>Total comprehensive income for the quarter attributable to:</b>				
Owners of the Company	<u>5,894</u>	<u>11,283</u>	<u>22,238</u>	<u>42,571</u>
Non-controlling interests	<u>56</u>	<u>176</u>	<u>211</u>	<u>664</u>
	<u><b>5,950</b></u>	<u><b>11,459</b></u>	<u><b>22,449</b></u>	<u><b>43,235</b></u>

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**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)**  
**Financial report for the first quarter ended 30 June 2015**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at 30 June 2015 US\$'000 (Unaudited)	As at 31 March 2015 US\$'000 (Audited)	As at 30 June 2015 RM'000 (Unaudited) (Note)	As at 31 March 2015 RM'000 (Unaudited) (Note)
<b>ASSETS</b>				
<b>Non-current assets</b>				
Property, plant and equipment	123,658	126,909	466,561	478,828
Investment properties	15,711	15,943	59,278	60,153
Intangible assets	57,741	59,004	217,857	222,622
Deferred income tax assets	628	723	2,369	2,728
Interests in joint ventures and associates	767	796	2,894	3,003
	<u>198,505</u>	<u>203,375</u>	<u>748,959</u>	<u>767,334</u>
<b>Current assets</b>				
Inventories	32,939	40,888	124,279	154,271
Available-for-sale financial assets	97	97	366	366
Financial assets at fair value through profit or loss	321	294	1,211	1,109
Trade and other receivables	59,184	58,911	223,301	222,271
Income tax recoverable	601	631	2,268	2,381
Cash and cash equivalents	139,547	118,620	526,511	447,553
	<u>232,689</u>	<u>219,441</u>	<u>877,936</u>	<u>827,951</u>
<b>Current liabilities</b>				
Trade and other payables	68,283	59,916	257,632	226,063
Dividend payable	8,436	-	31,829	-
Income tax liabilities	3,893	3,657	14,688	13,798
Bank and other borrowings	5,553	9,585	20,952	36,164
Current portion of other non-current liabilities	57	58	215	219
	<u>86,222</u>	<u>73,216</u>	<u>325,316</u>	<u>276,244</u>
<b>Net current assets</b>	<u>146,467</u>	<u>146,225</u>	<u>552,620</u>	<u>551,707</u>
<b>Total assets less current liabilities</b>	<u>344,972</u>	<u>349,600</u>	<u>1,301,579</u>	<u>1,319,041</u>
<b>EQUITY</b>				
<b>Equity attributable to owners of the Company</b>				
Share capital	21,715	21,715	81,931	81,931
Share premium	54,664	54,664	206,247	206,247
Other reserves	(103,641)	(100,761)	(391,037)	(380,171)
Retained earnings				
- Proposed dividend	-	8,436	-	31,829
- Others	234,530	225,690	884,881	851,528
	<u>207,268</u>	<u>209,744</u>	<u>782,022</u>	<u>791,364</u>
<b>Non-controlling interests</b>	<u>6,487</u>	<u>6,361</u>	<u>24,475</u>	<u>24,000</u>
<b>Total equity</b>	<u>213,755</u>	<u>216,105</u>	<u>806,497</u>	<u>815,364</u>
<b>Non-current liabilities</b>				
Bank and other borrowings	119,268	121,506	450,000	458,442
Deferred income tax liabilities	11,042	11,138	41,660	42,024
Other non-current liabilities	907	851	3,422	3,211
	<u>131,217</u>	<u>133,495</u>	<u>495,082</u>	<u>503,677</u>
	<u>344,972</u>	<u>349,600</u>	<u>1,301,579</u>	<u>1,319,041</u>
<b>Net assets per share attributable to owners of the Company (US cents/sen)</b>	<u>12.28</u>	<u>12.43</u>	<u>46.33</u>	<u>46.90</u>

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**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)**  
**Financial report for the first quarter ended 30 June 2015**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	(Unaudited)						
	Attributable to owners of the Company					Non- controlling interests	Total equity
	Share capital US\$'000	Share premium US\$'000	Other reserves US\$'000	Retained earnings US\$'000	Total US\$'000		
<b>At 1 April 2014</b>	21,715	54,664	(79,946)	221,379	217,812	7,237	225,049
<b>Comprehensive income</b>							
Profit for the period	-	-	-	8,289	8,289	154	8,443
<b>Other comprehensive income</b>							
<b>Item that may be reclassified subsequently to profit or loss:</b>							
Currency translation differences	-	-	2,994	-	2,994	22	3,016
<b>Other comprehensive income, net of tax</b>	-	-	2,994	-	2,994	22	3,016
<b>Total comprehensive income for the period ended 30 June 2014</b>	-	-	2,994	8,289	11,283	176	11,459
<b>Total contributions by and distributions to owners of the Company recognised directly in equity</b>							
2013/2014 second interim dividend proposed	-	-	-	(11,473)	(11,473)	-	(11,473)
<b>Total transactions with owners</b>	-	-	-	(11,473)	(11,473)	-	(11,473)
<b>At 30 June 2014</b>	21,715	54,664	(76,952)	218,195	217,622	7,413	225,035
<b>At 1 April 2015</b>	21,715	54,664	(100,761)	234,126	209,744	6,361	216,105
<b>Comprehensive income</b>							
Profit for the period	-	-	-	8,840	8,840	54	8,894
<b>Other comprehensive (loss)/ income</b>							
<b>Item that may be reclassified subsequently to profit or loss:</b>							
Currency translation differences	-	-	(2,946)	-	(2,946)	2	(2,944)
<b>Other comprehensive (loss)/ income, net of tax</b>	-	-	(2,946)	-	(2,946)	2	(2,944)
<b>Total comprehensive (loss)/ income for the period ended 30 June 2015</b>	-	-	(2,946)	8,840	5,894	56	5,950
<b>Total contributions by and distributions to owners of the Company recognised directly in equity</b>							
2014/2015 second interim dividend proposed	-	-	-	(8,436)	(8,436)	-	(8,436)
<b>Total contributions by and distributions to owners of the Company</b>	-	-	-	(8,436)	(8,436)	-	(8,436)
Issue of shares under the share option scheme of a listed subsidiary	-	-	66	-	66	70	136
<b>Total transactions with owners</b>	-	-	66	(8,436)	(8,370)	70	(8,300)
<b>At 30 June 2015</b>	21,715	54,664	(103,641)	234,530	207,268	6,487	213,755

**MEDIA CHINESE INTERNATIONAL LIMITED**  
(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)  
Financial report for the first quarter ended 30 June 2015

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)**

	(Unaudited)						
	Attributable to owners of the Company					Non-controlling interests	Total equity
	Share capital	Share premium	Other reserves	Retained earnings	Total		
RM'000 (Note)	RM'000 (Note)	RM'000 (Note)	RM'000 (Note)	RM'000 (Note)	RM'000 (Note)	RM'000 (Note)	
<b>At 1 April 2014</b>	81,931	206,247	(301,636)	835,263	821,805	27,305	849,110
<b>Comprehensive income</b>							
Profit for the period	-	-	-	31,275	31,275	581	31,856
<b>Other comprehensive income</b>							
<b>Item that may be reclassified subsequently to profit or loss:</b>							
Currency translation differences	-	-	11,296	-	11,296	83	11,379
<b>Other comprehensive income, net of tax</b>	-	-	11,296	-	11,296	83	11,379
<b>Total comprehensive income for the period ended 30 June 2014</b>	-	-	11,296	31,275	42,571	664	43,235
<b>Total contributions by and distributions to owners of the Company recognised directly in equity</b>							
2013/2014 second interim dividend proposed	-	-	-	(43,288)	(43,288)	-	(43,288)
<b>Total transactions with owners</b>	-	-	-	(43,288)	(43,288)	-	(43,288)
<b>At 30 June 2014</b>	81,931	206,247	(290,340)	823,250	821,088	27,969	849,057
<b>At 1 April 2015</b>	81,931	206,247	(380,171)	883,357	791,364	24,000	815,364
<b>Comprehensive income</b>							
Profit for the period	-	-	-	33,353	33,353	204	33,557
<b>Other comprehensive (loss)/ income</b>							
<b>Item that may be reclassified subsequently to profit or loss:</b>							
Currency translation differences	-	-	(11,115)	-	(11,115)	7	(11,108)
<b>Other comprehensive (loss)/ income, net of tax</b>	-	-	(11,115)	-	(11,115)	7	(11,108)
<b>Total comprehensive (loss)/ income for the period ended 30 June 2015</b>	-	-	(11,115)	33,353	22,238	211	22,449
<b>Total contributions by and distributions to owners of the Company recognised directly in equity</b>							
2014/2015 second interim dividend proposed	-	-	-	(31,829)	(31,829)	-	(31,829)
<b>Total contributions by and distributions to owners of the Company</b>	-	-	-	(31,829)	(31,829)	-	(31,829)
Issue of shares under the share option scheme of a listed subsidiary	-	-	249	-	249	264	513
<b>Total transactions with owners</b>	-	-	249	(31,829)	(31,580)	264	(31,316)
<b>At 30 June 2015</b>	81,931	206,247	(391,037)	884,881	782,022	24,475	806,497

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**MEDIA CHINESE INTERNATIONAL LIMITED**  
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**Financial report for the first quarter ended 30 June 2015**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	(Unaudited)		(Unaudited)	
	Three months ended 30 June		Three months ended 30 June	
	2015	2014	2015	2014
	US\$'000	US\$'000	RM'000	RM'000
			<i>(Note)</i>	<i>(Note)</i>
<b>Cash flows from operating activities</b>				
Cash generated from operations	30,426	28,895	114,797	109,021
Interest paid	(49)	(81)	(185)	(306)
Income tax paid	(3,302)	(4,712)	(12,458)	(17,778)
Net cash generated from operating activities	<u>27,075</u>	<u>24,102</u>	<u>102,154</u>	<u>90,937</u>
<b>Cash flows from investing activities</b>				
Purchases of property, plant and equipment	(1,076)	(1,021)	(4,060)	(3,852)
Purchases of intangible assets	(96)	(157)	(362)	(592)
Proceeds from disposal of property, plant and equipment	9	19	34	72
Interest received	600	445	2,264	1,678
Dividends received	6	6	23	23
Net cash used in investing activities	<u>(557)</u>	<u>(708)</u>	<u>(2,101)</u>	<u>(2,671)</u>
<b>Cash flows from financing activities</b>				
Proceeds from issue of shares under the share option scheme of a listed subsidiary	136	-	513	-
Proceeds from bank and other borrowings	1,010	4,300	3,811	16,224
Repayments of bank and other borrowings	(5,073)	(6,990)	(19,141)	(26,373)
Net cash used in financing activities	<u>(3,927)</u>	<u>(2,690)</u>	<u>(14,817)</u>	<u>(10,149)</u>
<b>Net increase in cash and cash equivalents</b>	<b>22,591</b>	<b>20,704</b>	<b>85,236</b>	<b>78,117</b>
Cash and cash equivalents at beginning of period	118,620	102,852	447,553	388,060
Exchange adjustments on cash and cash equivalents	(1,664)	1,286	(6,278)	4,852
<b>Cash and cash equivalents at end of period</b>	<b><u>139,547</u></b>	<b><u>124,842</u></b>	<b><u>526,511</u></b>	<b><u>471,029</u></b>

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**A. NOTES TO THE FINANCIAL INFORMATION**

**A1. Basis of preparation and changes in accounting policies**

**a) Basis of preparation**

This financial information for the quarter ended 30 June 2015 has been prepared in accordance with International Accounting Standard (“IAS”) 34 “Interim Financial Reporting” issued by the International Accounting Standard Board (“IASB”), Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (“HK Listing Rules”) and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

This financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2015, which were prepared in accordance with International Financial Reporting Standards (“IFRSs”).

This financial information has not been audited.

**b) Accounting policies**

The accounting policies adopted for preparing this financial information are consistent with those set out in the consolidated financial statements of the Company for the year ended 31 March 2015 as included in the Company’s annual report for the year ended 31 March 2015.

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

Taxes on income in the three months ended 30 June 2015 are accrued using the tax rate that would be applicable to expected total annual earnings.

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 2015. 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.

**c) 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 RM. However, each entity within the Group can present its financial statements in any currency, which can be the same or different from the entity’s functional currency. As the Group operates internationally, management considers that it is more appropriate to use US\$, a globally recognised currency, as the presentation currency for the Group’s consolidated financial statements. For the entity whose functional currency is not the presentation currency, i.e. US\$, its results and financial position have been translated into US\$.

**A2. Auditor’s report on preceding annual financial statements**

The auditor’s report of the Group’s annual financial statements for the year ended 31 March 2015 was not subject to any qualification.

**A3. Seasonal or cyclical factors**

The business operations of the Group may be affected by major festive seasons or major events that may increase or decrease the advertising expenditure and the travel business revenue.



**MEDIA CHINESE INTERNATIONAL LIMITED**  
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**Financial report for the first quarter ended 30 June 2015**

**A. NOTES TO THE FINANCIAL INFORMATION (Continued)**

**A4. Unusual items**

There were no unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the quarter under review.

**A5. Changes in estimates**

There were no material changes in estimates of amounts reported in prior financial years that have a material effect on the results of the current quarter under review.

**A6. Changes in debt and equity securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter under review.

**A7. Dividends paid**

There was no dividend paid during the current quarter.

**A8. 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 segments are engaged in the publication, printing and distribution of newspapers, magazines, digital contents and books primarily in Chinese language. The segments derive 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.

**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)**  
**Financial report for the first quarter ended 30 June 2015**

**A. NOTES TO THE FINANCIAL INFORMATION (Continued)**

**A8. Turnover and segment information (Continued)**

The Group's turnover and results for the quarter ended 30 June 2015, analysed by operating segment, are as follows:

	<b>(Unaudited)</b>					
	<b>Three months ended 30 June 2015</b>					
	<b>Publishing and printing</b>					
	<b>Malaysia and other Southeast Asian countries US\$'000</b>	<b>Hong Kong and Mainland China US\$'000</b>	<b>North America US\$'000</b>	<b>Sub-total US\$'000</b>	<b>Travel and travel related services US\$'000</b>	<b>Total US\$'000</b>
<b>Turnover</b>	<b>52,496</b>	<b>15,579</b>	<b>5,273</b>	<b>73,348</b>	<b>26,626</b>	<b>99,974</b>
<b>Segment profit / (loss) before income tax</b>	<b>11,721</b>	<b>313</b>	<b>(128)</b>	<b>11,906</b>	<b>2,395</b>	<b>14,301</b>
Unallocated interest expense						<b>(1,439)</b>
Other net unallocated expenses						<b>(233)</b>
Share of losses of joint ventures and associates						<b>(29)</b>
Profit before income tax						<b>12,600</b>
Income tax expense						<b>(3,706)</b>
<b>Profit for the quarter</b>						<b>8,894</b>
<b>Other information:</b>						
Interest income	<b>542</b>	<b>56</b>	<b>-</b>	<b>598</b>	<b>2</b>	<b>600</b>
Interest expense	<b>(32)</b>	<b>(17)</b>	<b>-</b>	<b>(49)</b>	<b>-</b>	<b>(49)</b>
Depreciation of property, plant and equipment	<b>(1,956)</b>	<b>(382)</b>	<b>(99)</b>	<b>(2,437)</b>	<b>(31)</b>	<b>(2,468)</b>
Amortisation of intangible assets	<b>(233)</b>	<b>(40)</b>	<b>(5)</b>	<b>(278)</b>	<b>(12)</b>	<b>(290)</b>
Income tax (expense) / credit	<b>(3,021)</b>	<b>(185)</b>	<b>96</b>	<b>(3,110)</b>	<b>(596)</b>	<b>(3,706)</b>

**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)**  
**Financial report for the first quarter ended 30 June 2015**

**A. NOTES TO THE FINANCIAL INFORMATION (Continued)**

**A8. Turnover and segment information (Continued)**

	(Unaudited)					
	Three months ended 30 June 2014					
	<u>Publishing and printing</u>					
	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
<b>Turnover</b>	66,698	16,979	5,997	89,674	25,791	115,465
<b>Segment profit before income tax</b>	<u>12,030</u>	<u>929</u>	<u>60</u>	<u>13,019</u>	<u>1,269</u>	<u>14,288</u>
Unallocated interest expense						(1,631)
Other net unallocated expenses						(101)
Share of losses of joint ventures and associates						<u>(61)</u>
Profit before income tax						12,495
Income tax expense						<u>(4,052)</u>
<b>Profit for the quarter</b>						<u>8,443</u>
<b>Other information:</b>						
Interest income	379	63	-	442	3	445
Interest expense	(62)	(19)	-	(81)	-	(81)
Depreciation of property, plant and equipment	(2,150)	(367)	(103)	(2,620)	(30)	(2,650)
Amortisation of intangible assets	(221)	(37)	(19)	(277)	(5)	(282)
Income tax expense	(3,282)	(343)	(55)	(3,680)	(372)	(4,052)

**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)**  
**Financial report for the first quarter ended 30 June 2015**

**A. NOTES TO THE FINANCIAL INFORMATION (Continued)**

**A8. Turnover and segment information (Continued)**

The segment assets and liabilities as at 30 June 2015 are as follows:

	(Unaudited)						Total US\$'000
	Publishing and printing				Travel and travel related services US\$'000	Elimination US\$'000	
	Malaysia and other Southeast Asian countries US\$'000	Hong Kong and Mainland China US\$'000	North America US\$'000	Sub-total US\$'000			
<b>Segment assets</b>	<b>316,306</b>	<b>70,209</b>	<b>15,259</b>	<b>401,774</b>	<b>27,862</b>	<b>(197)</b>	<b>429,439</b>
Unallocated assets							<u>1,755</u>
<b>Total assets</b>							<u><b>431,194</b></u>
<b>Total assets include:</b>							
Interests in joint ventures and associates	-	767	-	767	-	-	767
Additions to non-current assets (other than deferred income tax assets)	933	172	50	1,155	17	-	<u>1,172</u>
<b>Segment liabilities</b>	<b>(21,505)</b>	<b>(20,079)</b>	<b>(7,011)</b>	<b>(48,595)</b>	<b>(22,016)</b>	<b>197</b>	<b>(70,414)</b>
Unallocated liabilities							<u>(147,025)</u>
<b>Total liabilities</b>							<u><b>(217,439)</b></u>

The segment assets and liabilities as at 31 March 2015 are as follows:

	(Audited)						Total US\$'000
	Publishing and printing				Travel and travel related services US\$'000	Elimination US\$'000	
	Malaysia and other Southeast Asian countries US\$'000	Hong Kong and Mainland China US\$'000	North America US\$'000	Sub-total US\$'000			
<b>Segment assets</b>	<b>318,147</b>	<b>70,272</b>	<b>15,595</b>	<b>404,014</b>	<b>17,110</b>	<b>(175)</b>	<b>420,949</b>
Unallocated assets							<u>1,867</u>
<b>Total assets</b>							<u><b>422,816</b></u>
<b>Total assets include:</b>							
Interests in joint ventures and associates	-	796	-	796	-	-	796
Additions to non-current assets (other than deferred income tax assets)	7,598	870	733	9,201	180	-	<u>9,381</u>
<b>Segment liabilities</b>	<b>(26,620)</b>	<b>(20,597)</b>	<b>(7,065)</b>	<b>(54,282)</b>	<b>(13,375)</b>	<b>175</b>	<b>(67,482)</b>
Unallocated liabilities							<u>(139,229)</u>
<b>Total liabilities</b>							<u><b>(206,711)</b></u>

**A. NOTES TO THE FINANCIAL INFORMATION (Continued)**

**A8. Turnover and segment information (Continued)**

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

Segment assets consist primarily of property, plant and equipment, investment properties, intangible assets, interests in joint ventures and associates, 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 – listed equity securities, income tax recoverable and assets held by the Company.

Segment liabilities consist primarily of trade and other payables, retirement benefit obligations and bank and other borrowings. They exclude deferred income tax liabilities, defined benefit plan liabilities, income tax liabilities and liabilities of the Company.

**A9. Valuation of property, plant and equipment**

There was no revaluation of the Group's property, plant and equipment during the quarter ended 30 June 2015.

**A10. Subsequent material events**

There were no subsequent material events of the Group.

**A11. Changes in the composition of the Group**

There were no material changes in the composition of the Group during the quarter under review, except for the following:

Reference is made to the announcement of the Company dated 5 May 2015. One Media Group Limited ("One Media") through its wholly-owned subsidiary, Polyman Investment Limited ("Polyman"), acquired a new wholly-owned subsidiary, namely Top Future Investments Limited of which the company name was subsequently changed to ST Productions Limited ("ST Productions"). ST Productions was incorporated in Hong Kong with an issued and paid-up share capital of HK\$1 comprising 1 share. Further, an internal re-organisation was implemented in which:

- a) Enston Investment Limited ("Enston") transferred 10 ordinary shares of US\$1 each representing its entire interest in Top Plus Limited ("Top Plus") to One Media Holdings Limited ("OMH") for a consideration of US\$10.
- b) Polyman transferred 1 ordinary share of US\$1 each representing its entire interest in Media2U (BVI) Company Limited ("M2U") to OMH for a consideration of US\$1.
- c) Polyman transferred 1 share at no par value representing its entire interest in Sky Success Enterprises Limited ("Sky Success") to OMH for a consideration of US\$1.
- d) Top Plus transferred 10 ordinary shares of US\$1 each representing its entire interest in Ming Pao Finance Limited ("MPF") to OMH for a consideration of US\$10.

Each of Enston, Top Plus, OMH, Polyman, M2U, Sky Success and MPF is indirectly, wholly and beneficially owned by One Media. One Media is a 73.01% indirect non wholly-owned subsidiary of the Company.

**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)**  
**Financial report for the first quarter ended 30 June 2015**

**A. NOTES TO THE FINANCIAL INFORMATION (Continued)**

**A12. Capital commitments**

Capital commitments outstanding as at 30 June 2015 are as follows:

	<b>(Unaudited)</b> <b>US\$'000</b>
Property, plant and equipment :	
Authorised and contracted for	1,086
Authorised but not contracted for	1,204
	<u>2,290</u>

**A13. Related party transactions**

	<b>(Unaudited)</b>	
	<b>Three months ended</b>	
	<b>30 June</b>	
	<b>2015</b>	<b>2014</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Newsprint purchases from a related company ( <i>note 1</i> )	4,153	9,778
Rental expenses paid to related companies ( <i>note 1</i> )	22	19
Purchases of air tickets from a related company ( <i>note 1</i> )	8	7
Royalty fee for sales of books and DVDs to a related company ( <i>note 1</i> )	-	3
Scrap sales of old newspapers and magazines to a related company ( <i>note 1</i> )	(432)	(694)
Content providing income received from a joint venture	(30)	(30)
Accounting & professional service income from an associate	(20)	-
Provision of air tickets and accommodation arrangement services to related companies ( <i>note 1</i> )	(9)	(4)
Provision of accounting service to related companies ( <i>note 1</i> )	(2)	(1)
Agency fee income received from an associate	-	(66)
Rental income received from a related company ( <i>note 1</i> )	-	(9)

*Notes:*

- 1) Certain shareholders and directors of the Company are shareholders and/or directors of these related companies.
- 2) All the transactions above have been entered into in the normal course of business and have been charged at predetermined rates agreed mutually by the parties involved.

**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)**  
**Financial report for the first quarter ended 30 June 2015**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'  
MAIN MARKET LISTING REQUIREMENTS**

**B1. Analysis of performance**

	<b>(Unaudited) Three months ended 30 June</b>	
	<b>2015 US\$'000</b>	<b>2014 US\$'000</b>
Turnover	<b>99,974</b>	115,465
Profit before income tax	<b>12,600</b>	12,495
EBITDA	<b>16,246</b>	16,694

In spite of the increasingly challenging environment, the Group recorded a slight growth in profit before income tax to US\$12,600,000 for the first quarter ended 30 June 2015. This was attributed primarily to improved performance of the Group's travel business as well as the reduction in operating expenses. This result was achieved against a 13.4% decline in the Group's turnover for the quarter to US\$99,974,000 from US\$115,465,000 in the previous year's same quarter.

The current quarter's results also reflected the adverse effects of currency volatility. The Malaysian Ringgit ("RM") and the Canadian dollar had depreciated against the US dollar ("US\$") by 13.2% and 12.9% respectively when compared with the corresponding period of last year, resulting in negative currency impact of about US\$7,942,000 and US\$1,590,000 on the Group's turnover and profit before income tax respectively.

As a consequence, EBITDA for the quarter was US\$16,246,000, a decrease of 2.7% or US\$448,000 when compared with US\$16,694,000 in the year-ago quarter.

During the current quarter, turnover and profit before income tax from the Group's publishing and printing segment amounted to US\$73,348,000 and US\$11,906,000, representing decreases of 18.2% and 8.5% respectively from the corresponding quarter in 2014/2015.

Turnover of the Group's Malaysian segment reduced by 21.3% to US\$52,496,000, mainly due to the persistent weak consumer and business sentiments led by rising costs of living, the depreciation of RM against the US\$, and uncertainties arising from the implementation of Goods and Services Tax in April 2015. Nevertheless, the Group implemented effective cost management strategies and successfully achieved a profit, in RM, which was 10.1% higher than that of the corresponding quarter last year. Yet the substantial depreciation of the RM led to a lower profit being reported when the results were presented in US\$. Segment profit before income tax for the quarter was US\$11,721,000, 2.6% below the US\$12,030,000 reported in the same quarter of 2014/2015. If excluding the currency impact, the decrease in the Malaysian segment's turnover would have been only 11.0% whereas the segment profit would have increased by 10.1%.

The Group's operations in Hong Kong and Mainland China continued to be adversely affected by the weak retail environment which saw advertising and promotion spending being curtailed, especially for luxury and high-end goods. The impact was more felt by the Group's lifestyle magazine group, One Media Group, which reported an 18.0% decline in revenue for the quarter. As a result, turnover from the segment dropped 8.2% to US\$15,579,000 from US\$16,979,000 in the prior-year quarter. Segment profit before income tax amounted to US\$313,000 as against the US\$929,000 reported a year ago.

Falling oil prices and slow retail sales continued to weigh on Canada's economy and affected the performance of the Group's publishing and printing segment in North America during the quarter under review. The weakening Canadian dollar further impacted the reported revenue from this segment which registered a 12.1% decline from last year's US\$5,997,000 to US\$5,273,000 in the current quarter. The segment reported a loss of US\$128,000 for the quarter, compared with a profit before income tax of US\$60,000 in the prior year's quarter.

**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)**  
**Financial report for the first quarter ended 30 June 2015**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' MAIN MARKET LISTING REQUIREMENTS (Continued)**

**B1. Analysis of performance (Continued)**

Turnover of the tour segment rose 3.2% or US\$835,000 to US\$26,626,000 while its profit before income tax surged 88.7% or US\$1,126,000 to US\$2,395,000. The higher revenue was attributable to the segment's continued strengthening of its market competitiveness by offering new customised tour products as well as increased sales force. Besides higher revenue, the increase in the segment's profit before income tax was also driven by improved profit margins and tighter controls on all costs.

**B2. Variation of results against immediate preceding quarter**

	<b>(Unaudited) Three months ended 30 June 2015 US\$'000</b>	<b>(Unaudited) Three months ended 31 March 2015 US\$'000</b>	<b>% change</b>
Turnover	99,974	86,809	+15.2%
Profit before income tax	12,600	5,791	+117.6%

The Group's turnover grew 15.2% or US\$13,165,000 to US\$99,974,000 while profit before income tax surged 117.6% to US\$12,600,000 from US\$5,791,000 in the immediate preceding quarter. The increases were mainly attributable to the improved performance of the tour segment. In addition, an allowance for impairment loss of interest in an associate and impairment loss of goodwill totalling US\$7,561,000 was recognised in the immediate preceding quarter.

**B3. Current year prospects**

China's recent devaluation of the Renminbi, the continued slump in crude oil and commodity prices along with the external economic headwinds faced by the Group's businesses worldwide will continue to challenge our resilience. As such, we remain cautious on the remaining quarters of 2015/2016 because consumers spending and advertising business sentiments are expected to stay weak, in particular in the post-GST period in Malaysia.

Nevertheless, newsprint price is expected to remain weak which would provide the Group with some cushion against the difficult operating environment, subject to any further strengthening of the US\$.

Despite the increasingly challenging market conditions, the Group will keep its focus on higher productivity and profitability through effective sales initiatives while at the same time, continue to drive the existing digital business and to continuously improve overall operational efficiencies.

**B4. Profit forecast and profit guarantee**

The Group has not provided any profit forecast or profit guarantee in any public document.



**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)**  
**Financial report for the first quarter ended 30 June 2015**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' MAIN MARKET LISTING REQUIREMENTS (Continued)**

**B5. Profit before income tax**

Profit before income tax has been arrived at after crediting / (charging):

	(Unaudited)	
	Three months ended	
	30 June	
	2015	2014
	US\$'000	US\$'000
Allowance for impairment and write-off of trade and other receivables	(160)	(63)
Allowance for impairment and write-off of inventories	(43)	(36)
Exchange (losses) / gains - net	(120)	113

Save as disclosed above and in A8, the other items as required under Part A(16) of Appendix 9B of the Bursa Securities' Listing Requirements are not applicable.

**B6. Income tax expense**

Income tax expense comprises the following:

	(Unaudited)	
	Three months ended	
	30 June	
	2015	2014
	US\$'000	US\$'000
Current period income tax expense	3,632	3,613
(Over) / under provision of income tax expense in prior years	(83)	53
Deferred income tax expense	157	386
	<u>3,706</u>	<u>4,052</u>

The effective tax rate of the Group for the current quarter under review was higher than the Malaysian statutory tax rate of 25% mainly due to the non-deductibility of certain expenses for income tax purposes.

**B7. Status of corporate proposals**

There were no corporate proposals announced but not completed at the latest practicable date, which is not earlier than seven days from the date of issue of this unaudited financial information.

**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)**  
**Financial report for the first quarter ended 30 June 2015**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES' MAIN MARKET LISTING REQUIREMENTS (Continued)**

**B8. Group borrowings**

The Group's borrowings as at 30 June 2015 are as follows:

	Secured US\$'000	(Unaudited) Unsecured US\$'000	Total US\$'000
<b>Current</b>			
Short-term bank borrowings	758	4,795	5,553
<b>Non-current</b>			
Medium term notes	-	119,268	119,268
	<u>758</u>	<u>124,063</u>	<u>124,821</u>

The Group's borrowings were denominated in the following currencies:

	(Unaudited) US\$'000
Malaysian Ringgit	120,193
United States Dollars	758
Hong Kong Dollars	3,870
	<u>124,821</u>

The net gearing ratio of the Group, calculated as net debt over owners' equity, was zero as at 30 June 2015 (31 March 2015: 5.9%).

**B9. Material litigation**

As at 30 June 2015, 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 is still uncertain as of the date this unaudited financial information is authorised for issue, 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.

**B10. Dividend payable**

The tax-exempt second interim dividend of US0.500 cents per ordinary share totalling US\$8,436,000 in respect of the year ended 31 March 2015 was paid on 31 July 2015.

The board of directors does not recommend any distribution of dividend for the current quarter under review.

**B11. Earnings per share attributable to owners of the Company**

	(Unaudited) Three months ended 30 June	
	2015	2014
Profit attributable to owners of the Company (US\$'000)	<u>8,840</u>	8,289
Weighted average number of ordinary shares in issue	<u>1,687,237,241</u>	1,687,239,241
Basic earnings per share (US cents)	<u>0.52</u>	0.49
Diluted earnings per share (US cents)	<u>0.52</u>	0.49

The diluted earnings per share is the same as the basic earnings per share as there were no dilutive potential shares in issue during the quarters ended 30 June 2015 and 2014.

**MEDIA CHINESE INTERNATIONAL LIMITED**  
**(Incorporated in Bermuda with limited liability) (Malaysia Company No. 995098-A)**  
**Financial report for the first quarter ended 30 June 2015**

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES'**  
**MAIN MARKET LISTING REQUIREMENTS (Continued)**

**B12. Disclosure of realised and unrealised retained profits**

The following analysis of realised and unrealised retained profits is prepared in accordance with the Guidance on Special Matter No.1 "Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Securities Listing Requirements", as issued by the Malaysian Institute of Accountants and based on the prescribed format by Bursa Securities.

	<b>(Unaudited)</b>	<b>(Audited)</b>
	<b>As at</b>	<b>As at</b>
	<b>30 June</b>	<b>31 March</b>
	<b>2015</b>	<b>2015</b>
	<b>US\$'000</b>	<b>US\$'000</b>
Total retained profits of the Company and its subsidiaries:		
- Realised	270,782	262,220
- Unrealised	(9,311)	(9,725)
	<u>261,471</u>	<u>252,495</u>
Total share of accumulated losses of joint ventures and associates:		
- Realised	(1,414)	(1,385)
- Unrealised	-	-
	<u>(1,414)</u>	<u>(1,385)</u>
Less : consolidation adjustments	<u>(25,527)</u>	<u>(16,984)</u>
Group's retained profits as per condensed consolidated statement of financial position	<u><u>234,530</u></u>	<u><u>234,126</u></u>

The disclosure of realised and unrealised retained profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Securities and should not be applied for any other purposes.

On behalf of the Board  
Media Chinese International Limited

Law Yuk Kuen  
Tong Siew Kheng  
Joint Company Secretaries  
26 August 2015