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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 2013

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 jointly controlled entities and associates for the quarter ended 30 June 2013 to Bursa Securities on 28 August 2013.

This announcement is also made pursuant to the 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 Inside Information Provisions (as defined under the HK Listing Rules) under Part XIV A of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

28 August 2013

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 2013

CONDENSED CONSOLIDATED INCOME STATEMENT

	(Unaudited)		(Unaudited)	
	Three months ended 30 June		Three months ended 30 June	
	2013	2012	2013	2012
	US\$'000	US\$'000	RM'000	RM'000
			<i>(Note)</i>	<i>(Note)</i>
Turnover	126,302	123,153	399,177	389,225
Cost of goods sold	(78,109)	(77,004)	(246,863)	(243,371)
Gross profit	48,193	46,149	152,314	145,854
Other income	2,799	2,357	8,846	7,449
Other gains, net	168	2,231	531	7,051
Selling and distribution expenses	(18,385)	(17,801)	(58,106)	(56,260)
Administrative expenses	(9,898)	(10,619)	(31,283)	(33,561)
Other operating expenses	(1,704)	(1,556)	(5,385)	(4,918)
Operating profit	21,173	20,761	66,917	65,615
Finance costs	(2,182)	(25)	(6,896)	(79)
Share of losses of jointly controlled entities and associates	(114)	(3)	(360)	(9)
Profit before income tax	18,877	20,733	59,661	65,527
Income tax expense	(5,315)	(5,052)	(16,798)	(15,967)
Profit for the quarter	13,562	15,681	42,863	49,560
Profit attributable to:				
Owners of the Company	13,326	15,330	42,117	48,451
Non-controlling interests	236	351	746	1,109
	13,562	15,681	42,863	49,560
Earnings per share attributable to owners of the Company				
Basic (US cents/sen) #	0.79	0.91	2.50	2.88
Diluted (US cents/sen) #	0.79	0.91	2.50	2.88

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 2013 with comparatives is shown for reference only and has been made at the same exchange rate of US\$1 to RM3.1605 ruling at 30 June 2013. 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 2013

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited)		(Unaudited)	
	Three months ended		Three months ended	
	30 June		30 June	
	2013	2012	2013	2012
	US\$'000	US\$'000	RM'000	RM'000
			<i>(Note)</i>	<i>(Note)</i>
Profit for the quarter	13,562	15,681	42,863	49,560
Other comprehensive losses				
Item that may be reclassified to profit or loss				
Currency translation differences	(3,672)	(12,681)	(11,606)	(40,078)
Other comprehensive losses for the quarter, net of tax	(3,672)	(12,681)	(11,606)	(40,078)
Total comprehensive income for the quarter	9,890	3,000	31,257	9,482
Total comprehensive income for the quarter attributable to:				
Owners of the Company	9,647	2,659	30,489	8,404
Non-controlling interests	243	341	768	1,078
	9,890	3,000	31,257	9,482

Note: The presentation currency of this unaudited financial information is US\$. Supplementary information in RM for the quarter ended 30 June 2013 with comparatives is shown for reference only and has been made at the same exchange rate of US\$1 to RM3.1605 ruling at 30 June 2013. 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
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Financial report for the first quarter ended 30 June 2013

CONDENSED CONSOLIDATED INCOME STATEMENT

	(Unaudited) Period ended 30 June		(Unaudited) Period ended 30 June	
	2013 US\$'000	2012 US\$'000	2013 RM'000 <i>(Note)</i>	2012 RM'000 <i>(Note)</i>
Turnover	126,302	123,153	399,177	389,225
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MEDIA CHINESE INTERNATIONAL LIMITED
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	(Unaudited) Period ended 30 June		(Unaudited) Period ended 30 June	
	2013 US\$'000	2012 US\$'000	2013 RM'000 <i>(Note)</i>	2012 RM'000 <i>(Note)</i>
Profit for the period	13,562	15,681	42,863	49,560
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	9,890	3,000	31,257	9,482

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MEDIA CHINESE INTERNATIONAL LIMITED
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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) As at 30 June 2013 US\$'000	(Audited) As at 31 March 2013 US\$'000	(Unaudited) As at 30 June 2013 RM'000 (Note)	(Unaudited) As at 31 March 2013 RM'000 (Note)
ASSETS				
Non-current assets				
Property, plant and equipment	147,425	150,935	465,937	477,030
Investment properties	17,274	17,579	54,594	55,558
Intangible assets	76,060	77,908	240,388	246,228
Deferred income tax assets	1,805	1,674	5,705	5,291
Interests in jointly controlled entities and associates	3,030	3,142	9,576	9,930
	<u>245,594</u>	<u>251,238</u>	<u>776,200</u>	<u>794,037</u>
Current assets				
Inventories	59,669	50,128	188,584	158,429
Available-for-sale financial assets	97	97	307	307
Financial assets at fair value through profit or loss	227	230	718	727
Trade and other receivables	74,202	74,695	234,515	236,074
Income tax recoverable	680	870	2,149	2,750
Cash and cash equivalents	117,988	101,829	372,901	321,831
	<u>252,863</u>	<u>227,849</u>	<u>799,174</u>	<u>720,118</u>
Current liabilities				
Trade and other payables	91,445	72,898	289,012	230,394
Dividend payable	17,125	-	54,124	-
Income tax liabilities	6,554	7,147	20,714	22,588
Short-term bank borrowings	161,995	170,602	511,985	539,188
Current portion of long-term liabilities	56	58	177	183
	<u>277,175</u>	<u>250,705</u>	<u>876,012</u>	<u>792,353</u>
Net current liabilities	(24,312)	(22,856)	(76,838)	(72,235)
Total assets less current liabilities	221,282	228,382	699,362	721,802
EQUITY				
Equity attributable to owners of the Company				
Share capital	21,715	21,715	68,630	68,630
Share premium	54,664	54,664	172,766	172,766
Other reserves	(77,961)	(74,282)	(246,396)	(234,768)
Retained earnings				
- Proposed dividend	-	17,125	-	54,124
- Others	201,110	187,784	635,608	593,491
	<u>199,528</u>	<u>207,006</u>	<u>630,608</u>	<u>654,243</u>
Non-controlling interests	7,182	6,939	22,699	21,931
Total equity	206,710	213,945	653,307	676,174
Non-current liabilities				
Other long-term liabilities	1,375	1,332	4,346	4,210
Deferred income tax liabilities	13,197	13,105	41,709	41,418
	<u>14,572</u>	<u>14,437</u>	<u>46,055</u>	<u>45,628</u>
	<u>221,282</u>	<u>228,382</u>	<u>699,362</u>	<u>721,802</u>
Net assets per share attributable to owners of the Company (US cents/sen)	<u>11.83</u>	<u>12.27</u>	<u>37.39</u>	<u>38.78</u>

Note: The presentation currency of this unaudited financial information is US\$. Supplementary information in RM as at 30 June 2013 with comparatives is shown for reference only and has been made at the same exchange rate of US\$1 to RM3.1605 ruling at 30 June 2013. 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.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	(Unaudited)						
	Attributable to owners of the Company						
	Share capital US\$'000	Share premium US\$'000	Other reserves US\$'000	Retained earnings US\$'000	Total US\$'000	Non- controlling interests US\$'000	Total equity US\$'000
At 1 April 2012	21,715	280,818	(72,679)	183,710	413,564	6,229	419,793
Comprehensive income							
Profit for the period	-	-	-	15,330	15,330	351	15,681
Other comprehensive losses							
Item that may be reclassified to profit or loss							
Currency translation differences	-	-	(12,671)	-	(12,671)	(10)	(12,681)
Other comprehensive losses, net of tax	-	-	(12,671)	-	(12,671)	(10)	(12,681)
Total comprehensive (losses) / income for the period ended 30 June 2012	-	-	(12,671)	15,330	2,659	341	3,000
Total contributions by and distributions to owners of the Company recognised directly in equity							
2012 second interim dividend paid	-	-	-	(24,431)	(24,431)	-	(24,431)
Total contributions by and distributions to owners of the Company	-	-	-	(24,431)	(24,431)	-	(24,431)
2013 interim dividend paid by a subsidiary	-	-	-	-	-	(18)	(18)
Convertible bond reserve	-	-	(180)	-	(180)	180	-
Total transactions with owners	-	-	(180)	(24,431)	(24,611)	162	(24,449)
At 30 June 2012	21,715	280,818	(85,530)	174,609	391,612	6,732	398,344
At 1 April 2013	21,715	54,664	(74,282)	204,909	207,006	6,939	213,945
Comprehensive income							
Profit for the period	-	-	-	13,326	13,326	236	13,562
Other comprehensive (losses) / income							
Item that may be reclassified to profit or loss							
Currency translation differences	-	-	(3,679)	-	(3,679)	7	(3,672)
Other comprehensive (losses) / income, net of tax	-	-	(3,679)	-	(3,679)	7	(3,672)
Total comprehensive (losses) / income for the period ended 30 June 2013	-	-	(3,679)	13,326	9,647	243	9,890
Total contributions by and distributions to owners of the Company recognised directly in equity							
2013 second interim dividend proposed	-	-	-	(17,125)	(17,125)	-	(17,125)
Total transactions with owners	-	-	-	(17,125)	(17,125)	-	(17,125)
At 30 June 2013	21,715	54,664	(77,961)	201,110	199,528	7,182	206,710

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

	(Unaudited)						
	Attributable to owners of the Company					Non- controlling interests	Total equity
	Share capital RM'000 (Note)	Share premium RM'000 (Note)	Other reserves RM'000 (Note)	Retained earnings RM'000 (Note)	Total RM'000 (Note)		
At 1 April 2012	68,630	887,525	(229,702)	580,616	1,307,069	19,687	1,326,756
Comprehensive income							
Profit for the period	-	-	-	48,451	48,451	1,109	49,560
Other comprehensive losses							
Item that may be reclassified to profit or loss							
Currency translation differences	-	-	(40,047)	-	(40,047)	(31)	(40,078)
Other comprehensive losses, net of tax	-	-	(40,047)	-	(40,047)	(31)	(40,078)
Total comprehensive (losses) / income for the period ended 30 June 2012	-	-	(40,047)	48,451	8,404	1,078	9,482
Total contributions by and distributions to owners of the Company recognised directly in equity							
2012 second interim dividend paid	-	-	-	(77,214)	(77,214)	-	(77,214)
Total contributions by and distributions to owners of the Company	-	-	-	(77,214)	(77,214)	-	(77,214)
2013 interim dividend paid by a subsidiary	-	-	-	-	-	(57)	(57)
Convertible bond reserve	-	-	(569)	-	(569)	569	-
Total transactions with owners	-	-	(569)	(77,214)	(77,783)	512	(77,271)
At 30 June 2012	68,630	887,525	(270,318)	551,853	1,237,690	21,277	1,258,967
At 1 April 2013	68,630	172,766	(234,768)	647,615	654,243	21,931	676,174
Comprehensive income							
Profit for the period	-	-	-	42,117	42,117	746	42,863
Other comprehensive (losses) / income							
Item that may be reclassified to profit or loss							
Currency translation differences	-	-	(11,628)	-	(11,628)	22	(11,606)
Other comprehensive (losses) / income, net of tax	-	-	(11,628)	-	(11,628)	22	(11,606)
Total comprehensive (losses) / income for the period ended 30 June 2013	-	-	(11,628)	42,117	30,489	768	31,257
Total contributions by and distributions to owners of the Company recognised directly in equity							
2013 second interim dividend proposed	-	-	-	(54,124)	(54,124)	-	(54,124)
Total transactions with owners	-	-	-	(54,124)	(54,124)	-	(54,124)
At 30 June 2013	68,630	172,766	(246,396)	635,608	630,608	22,699	653,307

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited) Period ended 30 June		(Unaudited) Period ended 30 June	
	2013 US\$'000	2012 US\$'000	2013 RM'000 <i>(Note)</i>	2012 RM'000 <i>(Note)</i>
Cash flows from operating activities				
Cash generated from operations	32,152	28,960	101,616	91,528
Interest paid	(1,759)	(25)	(5,559)	(79)
Income tax paid	(5,342)	(3,720)	(16,883)	(11,757)
Net cash generated from operating activities	25,051	25,215	79,174	79,692
Cash flows from investing activities				
Acquisition of a subsidiary, net of cash acquired	-	(75)	-	(237)
Purchases of property, plant and equipment	(1,948)	(3,362)	(6,157)	(10,626)
Purchases of intangible assets	(69)	(288)	(218)	(910)
Proceeds from disposal of property, plant and equipment	3	76	9	240
Proceeds from disposal of convertible notes	-	1,694	-	5,354
Interest received	429	726	1,356	2,295
Dividends received	11	5	35	16
Net cash used in investing activities	(1,574)	(1,224)	(4,975)	(3,868)
Cash flows from financing activities				
Dividends paid	-	(24,431)	-	(77,214)
Dividends paid to non-controlling interests by a subsidiary	-	(18)	-	(57)
Proceeds from bank borrowings	619	5,552	1,956	17,547
Repayments of bank borrowings	(6,178)	(3,728)	(19,525)	(11,782)
Net cash used in financing activities	(5,559)	(22,625)	(17,569)	(71,506)
Net increase in cash and cash equivalents	17,918	1,366	56,630	4,318
Cash and cash equivalents at beginning of period	101,829	134,657	321,831	425,583
Exchange adjustments on cash and cash equivalents	(1,759)	(3,676)	(5,560)	(11,618)
Cash and cash equivalents at end of period	117,988	132,347	372,901	418,283

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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 2013 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”), 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) and with 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 2013, which were prepared in accordance with International Financial Reporting Standards (“IFRSs”).

This financial information has not been audited.

b) Accounting policies

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 March 2013 as described therein.

- i) Amendments to IAS 1 “Presentation of financial statements” require grouping of items presented in other comprehensive income on the basis of whether they are potentially reclassifiable to profit or loss subsequently. The Group’s presentation of other comprehensive income in the consolidated financial statements has been modified accordingly with comparative information re-presented.
- ii) IAS19 (revised) “Employee benefits” amends the accounting for employment benefits. The Group has applied the standard retrospectively in accordance with the transition provisions of the standard. The impact on the Group has been in the following areas:

The standard replaces the interest cost on the defined benefit obligation and the expected return on plan assets with a net interest cost based on the net defined benefit asset or liability and the discount rate, measured at the beginning of the year. There is no change to determining the discount rate; this continues to reflect the yield on high-quality corporate bonds. This has increased the income statement charge as the discount rate applied to assets is lower than the expected return on assets. This has no effect on total comprehensive income as the increased charge in profit or loss is offset by a credit in other comprehensive income.

There is a new term “remeasurements”. This is made up of actuarial gains and losses, the difference between actual investment returns and the return implied by the net interest cost.

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

A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A1. Basis of preparation and changes in accounting policies (Continued)

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 2013 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.

A4. Unusual item

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.

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A. NOTES TO THE FINANCIAL INFORMATION (Continued)

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 segment is engaged in the publication of various newspapers and magazines, and other related printed and digital publications in primarily Chinese language. It derives its revenue mainly from advertising and sales of newspapers and magazines. Travel and travel related services segment derives revenue from the sale of travel packages and provision of tour services.

The Group Executive Committee assesses the performance of the operating segments based on a measure of segment profit before income tax as per the internal financial report. Other information provided is measured in a manner consistent with that in the internal financial report.

The Group's turnover and results for the quarter ended 30 June 2013, analysed by operating segments, are as follows:

	(Unaudited)					
	Three months ended 30 June 2013					
	<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
Turnover	<u>76,127</u>	<u>17,507</u>	<u>6,856</u>	<u>100,490</u>	<u>25,812</u>	<u>126,302</u>
Segment profit before income tax	<u>18,054</u>	<u>976</u>	<u>379</u>	<u>19,409</u>	<u>1,907</u>	21,316
Unallocated interest expense						(2,113)
Other net unallocated expenses						(212)
Share of losses of jointly controlled entities and associates						(114)
Profit before income tax						<u>18,877</u>
Income tax expense						<u>(5,315)</u>
Profit for the quarter						<u>13,562</u>
Other information:						
Interest income	386	42	-	428	1	429
Interest expense	(69)	-	-	(69)	-	(69)
Depreciation	(2,162)	(342)	(96)	(2,600)	(11)	(2,611)
Amortisation of intangible assets	(228)	(33)	(22)	(283)	(5)	(288)
Share of losses of jointly controlled entities and associates	-	(114)	-	(114)	-	(114)
Income tax expense	(4,642)	(260)	(198)	(5,100)	(215)	(5,315)

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A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A8. Turnover and segment information (Continued)

	(Unaudited)					Travel and travel related services US\$'000	Total US\$'000
	Three months ended 30 June 2012						
	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			
Turnover	72,137	19,552	7,131	98,820	24,333	123,153	
Segment profit / (loss) before income tax	16,568	3,144	(40)	19,672	1,391	21,063	
Net unallocated expenses						(327)	
Share of losses of associates						(3)	
Profit before income tax						20,733	
Income tax expense						(5,052)	
Profit for the quarter						15,681	
Other information:							
Interest income	635	90	-	725	1	726	
Interest expense	(25)	-	-	(25)	-	(25)	
Depreciation	(2,097)	(395)	(122)	(2,614)	(11)	(2,625)	
Amortisation of land use rights	-	(15)	-	(15)	-	(15)	
Amortisation of intangible assets	(199)	(27)	(20)	(246)	(4)	(250)	
Share of losses of associates	-	(3)	-	(3)	-	(3)	
Income tax expense	(4,350)	(415)	(92)	(4,857)	(195)	(5,052)	

Turnover is derived from publishing, printing and distribution of newspapers, magazines, digital contents and books in primarily Chinese language, and provision of travel and travel related services.

Turnover recognised during the current quarter is as follows:

	(Unaudited)	
	Three months ended 30 June	
	2013 US\$'000	2012 US\$'000
Advertising income, net of trade discounts	71,433	70,533
Sales of newspapers, magazines, digital contents and books, net of trade discounts and returns	29,057	28,287
Travel and travel related services income	25,812	24,333
	<u>126,302</u>	<u>123,153</u>

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A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A8. Turnover and segment information (Continued)

The segment assets as at 30 June 2013 are as follows:

	(Unaudited)						Total US\$'000
	Publishing and printing				Travel and travel related services	Elimination	
	Malaysia and other Southeast Asian countries US\$'000	Hong Kong and Mainland China US\$'000	North America US\$'000	Sub-total US\$'000			US\$'000
Segment assets	381,382	73,940	16,955	472,277	24,419	(1,188)	495,508
Unallocated assets							2,949
Total assets							498,457
Total assets include:							
Interests in jointly controlled entities and associates	-	3,030	-	3,030	-	-	3,030
Additions to non-current assets (other than deferred income tax assets)	1,905	82	21	2,008	9	-	2,017

The segment assets as at 31 March 2013 are as follows:

	(Audited)						Total US\$'000
	Publishing and printing				Travel and travel related services	Elimination	
	Malaysia and other Southeast Asian countries US\$'000	Hong Kong and Mainland China US\$'000	North America US\$'000	Sub-total US\$'000			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 elimination between segments represents intercompany receivables and payables between segments.

Segment assets consist of property, plant and equipment, investment properties, intangible assets, interests in jointly controlled entities 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.

There has been no material change in total liabilities from the amount disclosed in the last annual financial statements.

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A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A9. Property, plant and equipment

The valuations of property, plant and equipment of the Group have been brought forward without amendment from the audited annual financial statements for the year ended 31 March 2013.

Additions and disposals of property, plant and equipment at net book amount during the current quarter are as follows:

	(Unaudited) Three months ended 30 June 2013 US\$'000
Additions	1,948
Disposals	(39)

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 9 July 2013 that Delta Tour & Travel Services (New York) Inc. ("Delta NY"), a dormant and indirect wholly-owned subsidiary of the Company, has been dissolved pursuant to the New York Corporation Code, Bylaws of Delta NY and rules and regulations of New York Department of Corporation.

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A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A12. Capital commitments

Capital commitments outstanding as at 30 June 2013 are as follows:

	(Unaudited) US\$'000
Property, plant and equipment :	
Authorised and contracted for	4,817
Authorised but not contracted for	4,308
	<u>9,125</u>

A13. Related party transactions

	(Unaudited)	
	Three months ended	
	30 June	
	2013	2012
	US\$'000	US\$'000
Newsprint purchases from a related company (<i>note 1</i>)	12,860	9,641
Consultancy fee paid to a non-executive director	-	24
Rental expenses paid to related companies (<i>note 1</i>)	5	6
Purchases of air tickets from a related company (<i>note 1</i>)	6	8
Agency fee income received from an associate	(41)	-
Scrap sales of old newspapers and magazines to a related company (<i>note 1</i>)	(759)	(746)
Provision of services such as air tickets and accommodation arrangement services to related companies (<i>note 1</i>)	(73)	-
Rental income received from a related company (<i>note 1</i>)	(18)	(18)
Advertising income received on behalf of an associate	(134)	-

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.

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

B1. Analysis of performance

	(Unaudited) Three months ended 30 June	
	2013 US\$'000	2012 US\$'000
Turnover	126,302	123,153
Profit before income tax	18,877	20,733
EBITDA	23,529	22,922

The Group's turnover for the quarter ended 30 June 2013 amounted to US\$126,302,000, representing an increase of 2.6% as compared to the last corresponding quarter. The growth was mainly contributed by the increase in revenue from the Group's publishing business in Malaysia and the tour segment.

Profit before income tax for the current quarter was US\$18,877,000 as against US\$20,733,000 in the same quarter last year. The 9.0% or US\$1,856,000 decrease in profit before income tax was mainly due to the increase in finance costs and the recognition of a gain on disposal of convertible notes of US\$1,126,000 in last year.

Nevertheless, EBITDA for the quarter improved 2.6% to US\$23,529,000 from US\$22,922,000 in the same quarter last year.

The publishing & printing segment's revenue rose 1.7% or US\$1,670,000 to US\$100,490,000 from US\$98,820,000. The segment's profit before income tax was US\$19,409,000, a slight decline of 1.3% compared to the same quarter last year. The growth in revenue was attributable to the increase in advertising revenue from the Malaysian operations, driven by election-related advertisements in the run-up to the country's 13th General Election held in May 2013. On the other hand, decline in revenue was reported by the Group's publishing business in other regions. While Hong Kong operations were impacted by the downturn in the local property market and China's policy in clamping down on extravagant spending, the Group's operations in North America continued to be affected by the region's slow moving economic conditions.

The travel segment delivered a solid performance during the quarter with revenue rose 6.1% or US\$1,479,000 from the year-ago quarter to US\$25,812,000, while its profit before income tax surged 37.1% to US\$1,907,000. The improvement was attributed primarily to the continuing popularity of the segment's Europe and other long-haul tour products among customers in Asia.

There was no significant currency impact on the Group's financial results for the quarter under review as the exchange rates of Malaysian Ringgit and Canadian dollar against US dollar remained fairly stable during the quarter.

B2. Variation of results against immediate preceding quarter

	(Unaudited) Three months ended 30 June 2013 US\$'000	(Unaudited) Three months ended 31 March 2013 US\$'000	% change
Turnover	126,302	110,093	14.7%
Profit before income tax	18,877	18,320	3.0%

Turnover for the quarter ended 30 June 2013 amounted to US\$126,302,000, reflecting an increase of 14.7% or US\$16,209,000 over the US\$110,093,000 reported in the immediate preceding quarter. The higher turnover was mainly attributed to the increase in revenue from all of the Group's operating segments, notably the tour segment. Profit before income tax rose 3% from US\$18,320,000 to US\$18,877,000 on the back of higher turnover.

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

B3. Current year prospects

We expect the business environment to remain challenging in the coming quarters due to the slowing economy and increased competition in our core markets.

Nevertheless, the Group will devote continuous efforts to maintaining our market share through enhancing our editorial contents, strengthening our relationships with customers and business partners.

Newsprint price is expected to remain stable in the coming quarters. However, if the strengthening of US dollar against Malaysian Ringgit is to continue, there may be impact on the Group's profitability. We will continue to maintain our strong focus on cost management in all business units.

Barring any unforeseen circumstances, the Group expects its overall performance for the financial year 2013/2014 to be satisfactory.

B4. Profit forecast and profit guarantee

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

B5. Profit before income tax

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

	(Unaudited)	
	Three months ended	
	30 June	
	2013	2012
	US\$'000	US\$'000
Allowance for and write-off of trade and other receivables	(162)	(96)
Allowance for and write-off of inventories	(37)	(241)
Exchange gains / (losses) - net	84	(80)
Gain on disposal of convertible notes	-	1,126

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	
	2013	2012
	US\$'000	US\$'000
Current period income tax expense	5,132	4,772
Under provision of income tax expense in prior years	4	16
Deferred income tax expense	179	264
	5,315	5,052

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

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

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, except for the following:

Reference is made to the announcement of the Company dated 15 August 2012 in relation to the proposed spin-off and separate listing of the Group's travel and travel related business on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "Proposed Spin-off"). An application for the Proposed Spin-off has been submitted to The Stock Exchange of Hong Kong Limited on 9 October 2012 and is pending for approval.

B8. Group borrowings

The Group's borrowings as at 30 June 2013 are as follows:

	Secured US\$'000	(Unaudited) Unsecured US\$'000	Total US\$'000
Current			
Short-term bank borrowings	-	161,995	161,995

The Group's borrowings were denominated in Malaysian Ringgit.

The gearing ratio of the Group, calculated as net debt over owners' equity, was approximately 22% as at 30 June 2013 (31 March 2013: 33%).

B9. Material litigation

There are several libel suits which involve 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 of this unaudited financial information are 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 US1.015 cents per ordinary share totaling US\$17,125,000 in respect of the year ended 31 March 2013 was paid on 31 July 2013.

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

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

B11. Earnings per share attributable to owners of the Company

	(Unaudited)	
	Three months ended 30 June	
	2013	2012
Profit attributable to owners of the Company (US\$'000)	13,326	15,330
Weighted average number of ordinary shares in issue	<u>1,687,240,241</u>	<u>1,687,241,241</u>
Basic earnings per share (US cents)	<u>0.79</u>	<u>0.91</u>
Diluted earnings per share (US cents)	<u>0.79</u>	<u>0.91</u>

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 quarter ended 30 June 2013.

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.

	(Unaudited) As at 30 June 2013 US\$'000	(Audited) As at 31 March 2013 US\$'000
Total retained profits of the Company and its subsidiaries:		
- Realised	240,131	230,589
- Unrealised	<u>(6,520)</u>	<u>(10,543)</u>
	233,611	220,046
Total share of accumulated losses of jointly controlled entities and associates:		
- Realised	(988)	(874)
- Unrealised	<u>33</u>	<u>33</u>
	(955)	(841)
Less : consolidation adjustments	(31,546)	(14,296)
Group's retained profits as per condensed consolidated statement of financial position	<u>201,110</u>	<u>204,909</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
28 August 2013