Media Chinese International Limited

ANNUAL GENERAL MEETING

26 AUGUST 2009

AGM 2009

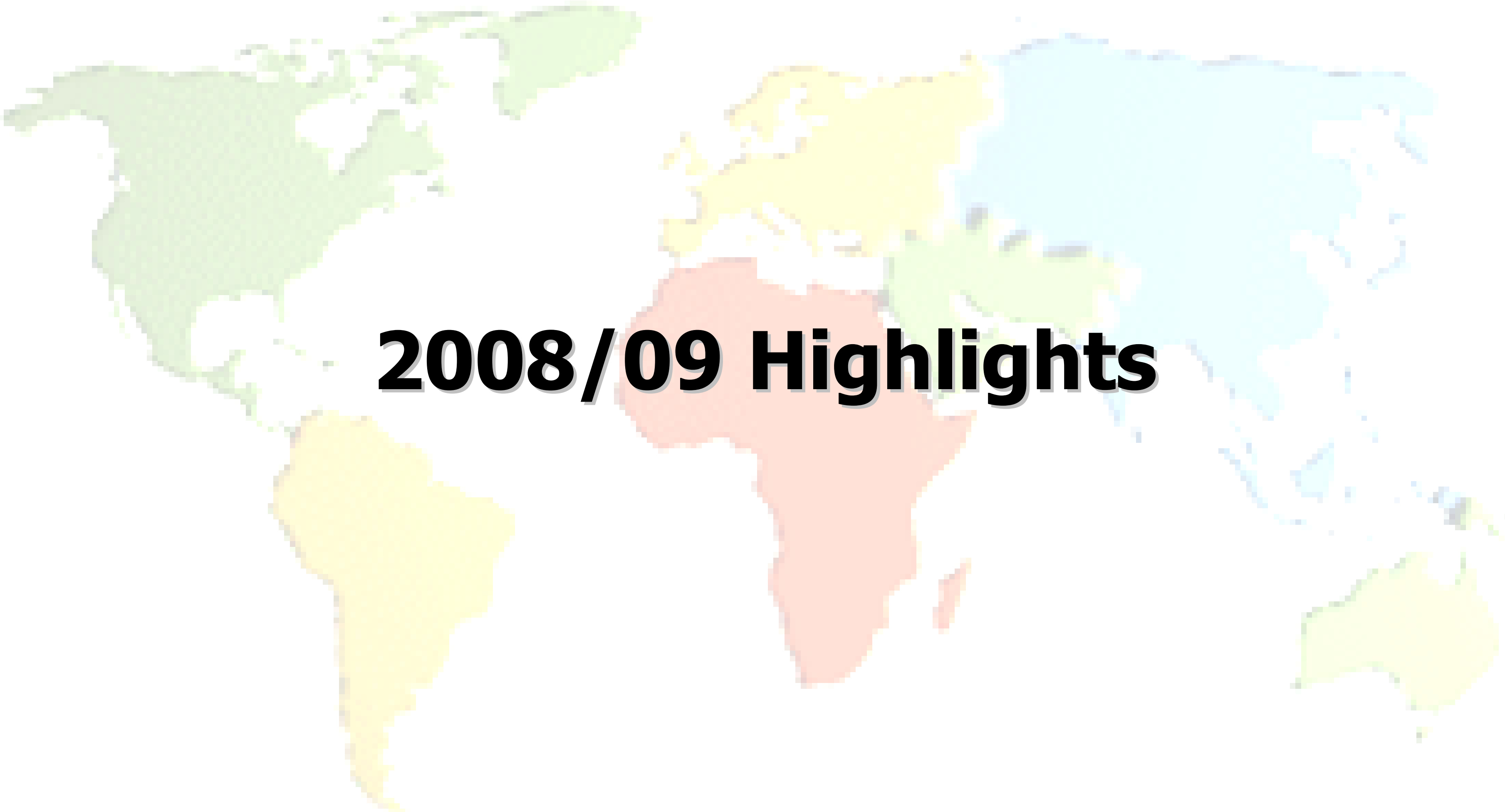
- Business Portfolio
- 2008-09 Highlights
- Financial Performance
- Business Conditions/Outlook
- Future Plans & Strategies – Positioning for Recovery
- Questions from Minority Shareholder Watchdog Group

Business Portfolio

- Leading Chinese language global media group
  - Dual Primary Listing in Kuala Lumpur and Hong Kong
  - Total shareholders funds of USD 280 million (RM1,020 million)
- Geographically and operationally diverse:
  - Main geographic markets
    - Hong Kong, Mainland China, Malaysia, Canada and USA

Business Portfolio (continued)

- Core business segments
  - Publishing and printing
  - Travel and travel related services
- 5 newspapers and over 30 magazines
- 8 online sites



2008/09 Highlights

What is changing in the Media Industry…

- Advertisers are more focus on measurability and ROI
  - Invest in media that deliver results
- Advertisers hold tighter budgets
  - So, brand reputation and readers' trust and loyalty become more important

What is changing in the Media Industry…. (continued)

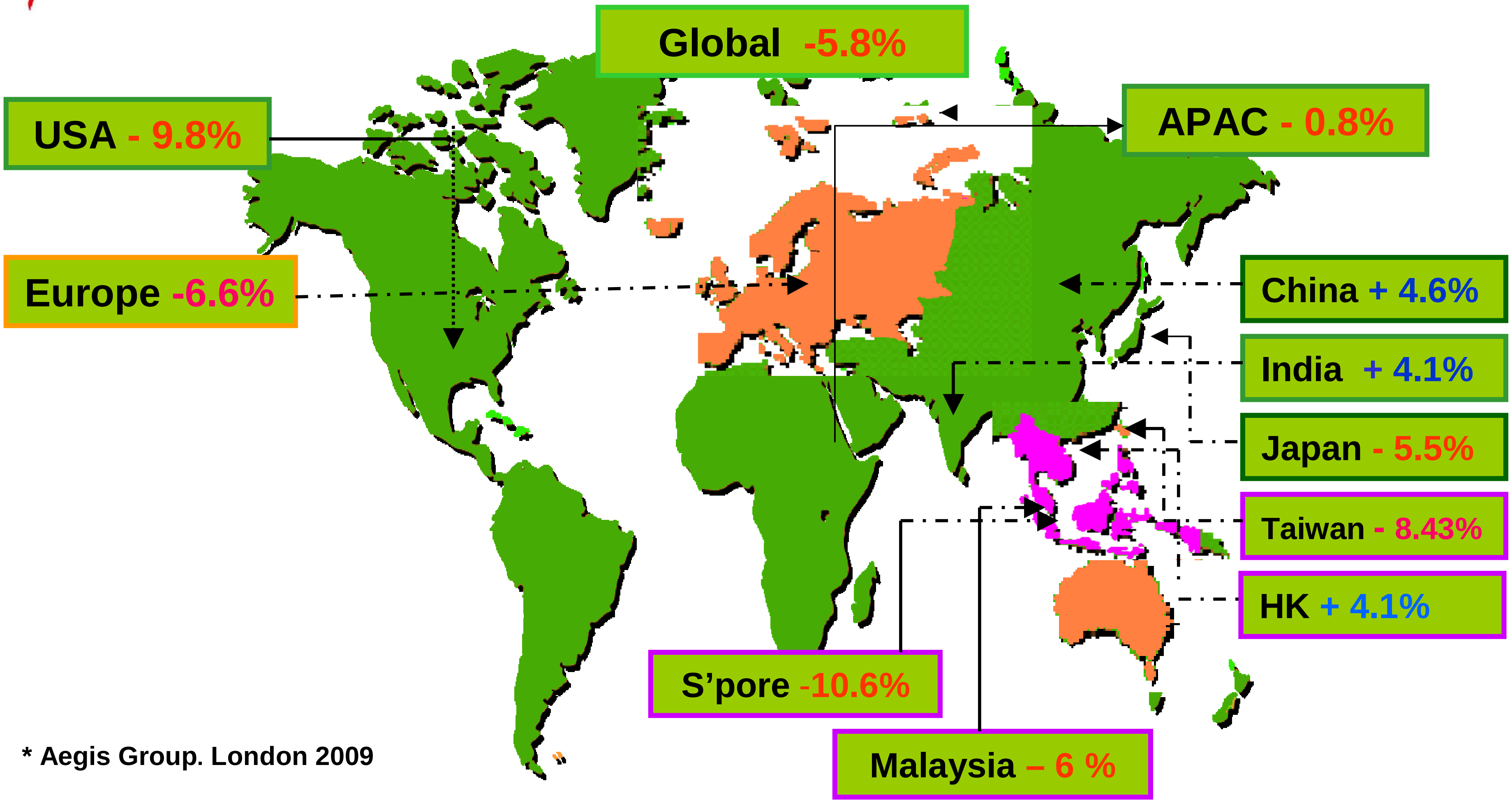
- Moving towards short term investment and planning in Media campaign
- Newsprint prices softened in Q1 and Q2 2009
- Internet and mobile technology rapidly adopted
  - Strategy in place

The implications on Media Chinese's strategy

- Maintaining our leadership status
  - Revamping the manner in which Ad Col cm is sold
  - Delivering Value Added services

- Further development in non-print business, multi media

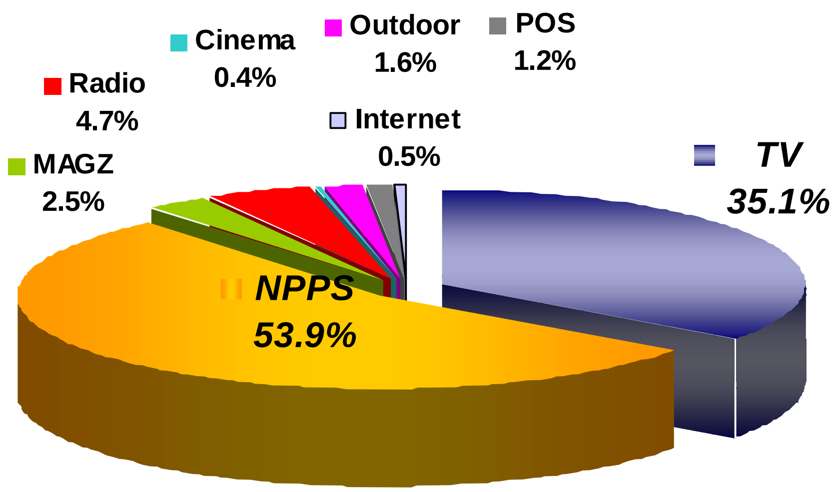
2009 Ad Sales Forecast… in a Broader View



* Aegis Group. London 2009

Total Adex for 2008 in Malaysia

Total Adex in 2008



RM 6,160m

13%

Total Adex 2007: RM5,464m

Total Adex (RM)

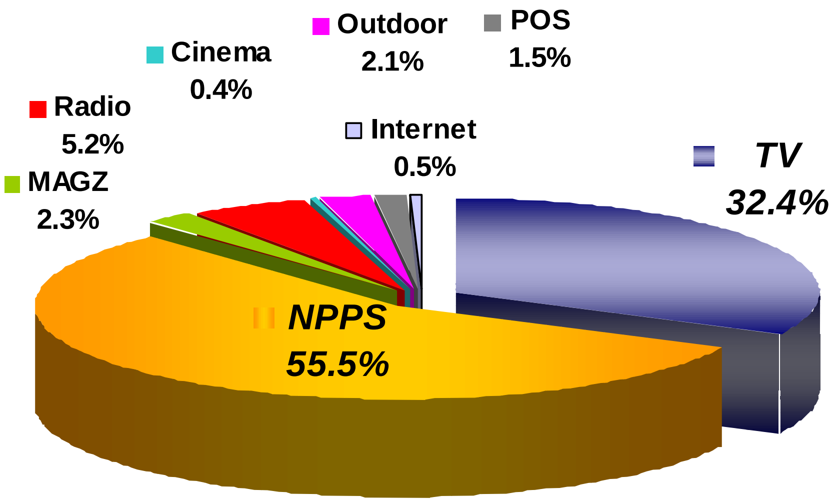
NPPS: 3,321m
Magazines: 156m **8%**

TV: 2,161m
Radio: 291m
Outdoor: 96m
POS: 74m
Internet: 33m
Cinema: 27m

Source: NMR Adex Report

Decline in Q1 2009 Adex in Malaysia

Total Adex Jan – Mar 2009



RM 1,330 m

-3%

Total Adex Jan-Mar 2008: RM1,368m

Total Adex (RM)

NPPS: 738m
Magazines: 30m

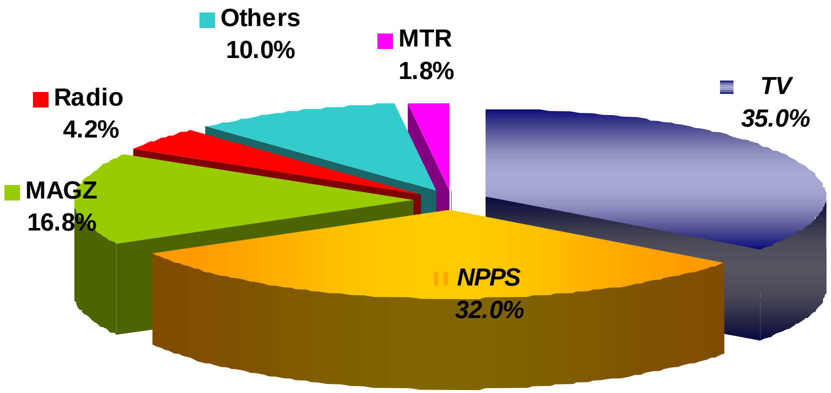
-8%

TV: 432m
Radio: 70m
Outdoor: 29m
POS: 20m
Internet: 7m
Cinema: 5m

Source: NMR Adex Report

Total Adex for 2008 in Hong Kong

Total Adex in 2008



HKD 61,653m

7%

Total Adex 2007: HKD 57,675m

Total Adex (HKD)

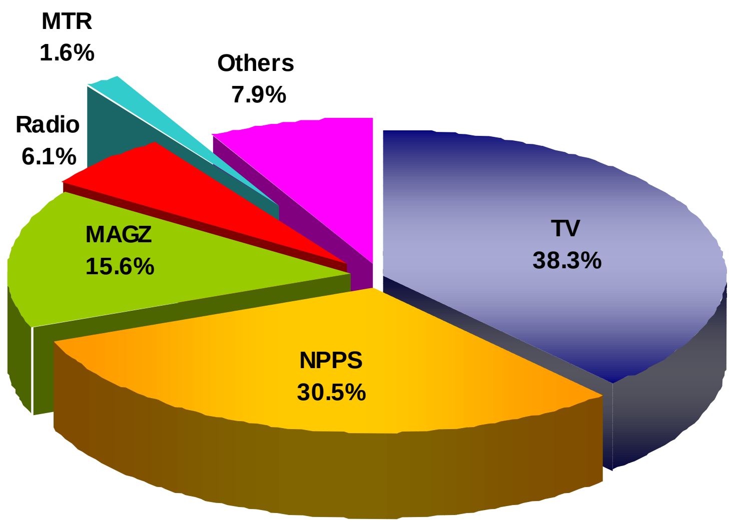
NPPS: 19,732m **-0.3%**
Magazines: 10,378m

TV: 21,592m
Radio: 2,596m
MTR: 1,136m
Others: 6,219m

Source: Adviews (Nielson)

Decline in Q1 2009 Adex in Hong Kong

Total Adex Jan-Mar 2009



HKD 12,923m

- 5%

Total Adex Jan – Mar 2008: HKD13,571

Total Adex (HKD)

NPPS: 3,952m
Magazines: 2,016m

-10%

TV: 4,943m
Radio: 794m
MTR: 202m
Others: 1,016m

Source: Adviews (Nielson)

Financial Performance

2008-09 Financial Highlights

- ✓ Full-year contribution from Nanyang Group in FY2009.
- ✓ In FY2009, impairment charge on masthead (US$ 3.9m).
- ✓ In FY2008, one-off gain from negative goodwill (US$13.1m) arising from acquisition of Nanyang, and impairment charge of US$ 5.4 m.
- ✓ Depreciation of RM and Can$ against USD have a negative impact on financial performance. Impact on Revenue is (USD6.3mil) and on PBT is (USD1.2mil).
- ✓ FY2009 full year dividend per share of US 0.593 cents, approximately payout ratio of 57% (FY2008: 51%).

FY2008-9 Full Year Results

	For the year ended 31 March		
(In US$ ’000)	**2009**	2008	% Change
Turnover	**394,303**	328,260	+20%
Profit before exceptional items	**34,930**	36,060	-3%
Negative goodwill	**-**	13,094	-100%
Impairment charge	**(3,895)**	(5,393)	-28%
Profit before tax	**31,035**	43,761	-29%
Profit after tax for the year	**17,355**	31,952	-46%

FY2008-9 Full Year Results
Breakdown by business segments

For the year ended 31 March

Segment Revenue (in US$ 'mil)	2009	2008	Change
Publishing & printing	**339.4**	264.0	+29%
Travel and travel related services	**54.9**	64.3	- 15%
	394.3	328.3	+20%

Segment Results (in US$ 'mil)	2009	2008	Change
Publishing & printing	**37.0**	35.1	+5%
Travel and travel related services	**(0.2)**	0.1	-300%
	36.8	35.2	+5%

FY2008-9 Full Year Results…
Breakdown by Geographical Presence

For the year ended 31 March

Segment Revenue (in US$ 'mil)	**2009**	**%**	2008	%	% Change
Hong Kong & PRC	**100.0**	**25.4%**	115.0	35.0%	-13.0%
North America	**60.0**	**15.2%**	65.5	20.0%	-8.4%
M'sia and other SEA countries	**234.3**	**59.4%**	147.8	45.0%	+58.5%
	394.3	**100%**	328.3	100%	+20.1%

Segment Results (in US$ 'mil)	**2009**	**%**	2008	%	% Change
Hong Kong & PRC	**2.1**	**5.5%**	7.0	19.0%	-70.0%
North America	**(4.2)**	**(11.0%)**	(2.3)	(6. 2%)	-82.6%
M'sia and other SEA countries	**40.3**	**105.5%**	32.1	87.2%	+25.5%
	38.2	**100%**	36.8	100%	+3.8%

Summary Balance Sheet

(In US$ '000)	2009	2008	% Change
	As at 31 March		
Intangible Assets	**69,481**	84,472	-18%
Tangible Assets	**128,438**	143,921	-11%
Other Net Assets / Liabilities	**90,088**	100,835	-11%
Total Net Assets	**288,007**	329,228	-13%
Minority Interests	**(8,189)**	(7,952)	+3%
Net Assets Value Attributable to Shareholders	**279,818**	321,276	-13%

Summary Balance Sheet (continued)

- ✓ Total net assets decline by 13% mainly due to adverse currency effect.

- ✓ Net asset value per share of USD 16.62 cents represents a discount of 8% to current MCIL share price.

- ✓ Gearing ratio was zero as the Group has net balance of cash in excess of total borrowing. Cash in excess of total borrowing US$49,689,000 (FY2008: US$37,272,000).

Business Conditions/ Outlook

Business Conditions / Outlook

- ✓ The economic downturn is expected to last for several quarters and this will continue to impact the Group's advertising and tour revenue.

- ✓ H1N1 Influenza will continue to impact the tour business.

- ✓ However, the recent fall in newsprint price will benefit the newspaper operations.

Future Plans and Strategies

Positioning for Recovery

- Effective marketing strategies to improve revenue
- Strengthen New York Free paper and Nanyang Siang Pau
- Granted licence to operate the Eastern Airline magazine (a domestic airline in China)

Positioning for Recovery (continued)

- Continuous cost control measures and enhancing operational efficiencies
- Consolidating print facilities in Malaysia
- Harnessing opportunities that will enhance the Group's digital media capabilities

Questions from Minority Shareholder Watchdog Group

Questions from Minority Shareholder Watchdog Group

a) **How does the financial and non-financial impacts of the shifting of publishing newspaper into the multimedia / online channels in terms of its prospects. Wider reach and coverage?**

To date, the multimedia/online channels although growing is presently not significant enough to impact our businesses financially. For example, in Malaysia, many still prefer to read printed media where we experienced a surge in circulation during the last general elections in Malaysia last year.

Questions from Minority Shareholder Watchdog Group

(Question no: 1(a) …continued)

Nevertheless, we are not complacent but fully aware that delivery of news via multimedia platforms is a growing trend. To mitigate any "non-financial" impact, we are working towards digitalizing our archival and new content to be able to deliver them via any platform.

Questions from Minority Shareholder Watchdog Group

b) What are the performances of the respective newspapers in the Group for Malaysian Operations, namely, Sin Chew Daily, China Press, Guang Ming Daily, Nanyang Siang Pau and Hong Kong's Ming Pao Daily News in terms of their substantial contribution to the Group's revenue and earnings?

The performances of our publications can be seen from the management discussion analysis (pg 22 to 24 of our annual report 2009) and the business and geographical segmentation report (pg 104 to 107 of our annual report 2009) which is as follows:

Questions from Minority Shareholder Watchdog Group

FY 2008/9	**MY**	**HK/PRC**	**NA**
Revenue	59.4%	25.4%	15.2%
Results	105.5%	5.6%	(11.0%)

In Malaysia, Sin Chew Daily contributes the most towards the revenue and profitability of the Malaysian operations whilst in Hong Kong, Ming Pao Daily News which is the major contributor did not perform so well due to the global economic crisis.

Questions from Minority Shareholder Watchdog Group

c) The already weakening demand for long-haul tours, high fuel surcharges levied and a shortage of flight seats available for resale in the advent of the Beijing Olympics had severely impacted the Group's business segment results. What is the expected contribution of the travel segment for the year ending 31st March 2010 given the unexpected challenges across the globe and slowdown of economic recovery?

Questions from Minority Shareholder Watchdog Group

(Question no: 1(c) …continued)

The dampening global economy and the H1N1 flu pandemic has greatly impacted the performance of our tour business. As we are only in the first quarter of our financial year, it is difficult to ascertain our tour segment's contribution for this whole financial year. Nevertheless, we will continue implementing measures to control costs and improve the competitiveness of our tour operations.

Questions from Minority Shareholder Watchdog Group

d) It is noted that the capital commitments for property, plant and equipment and leasehold land and land use rights increased to US$18.87 million from US$5.65 million. Would the Board brief the shareholders the requirements for the additional capital commitments? Please refer to Note 36(b) on page 150.

Questions from Minority Shareholder Watchdog Group

(Question no: 1(d) …continued)

About US$9 million is for the acquisition of land and construction of the new office building as disclosed in the Company's announcements dated 14th July 2008 and 11th September 2008. The remaining balance is mainly for upgrade and/or enhancement of the Group's existing plant facilities and machinery.

Questions from Minority Shareholder Watchdog Group

e) How does the Board plan to deal with the negative capital reserves of US$122.67 million on the Group's balance sheet?

These balance mainly comprised of exchange reserve and a merger reserve that arose upon the issue of the Company's shares to Sin Chew pursuant to the merger exercise. These are non-cash items and will not affect the Company's operating profit. Both reserves will remain part of the equity and while the merger reserve balance will stay the same, the exchange reserve will fluctuate depending on the currencies movements.

Questions from Minority Shareholder Watchdog Group

f) **Why are there no longer any shares being repurchased subsequent to the last share buy-back dated 1st December 2008, despite the share price fell below HK$1.22?**

Questions from Minority Shareholder Watchdog Group

The directors believe that the share buy-back proposal is in the best interests of the Company and its shareholders. Such repurchases will only be made when the directors believe that such repurchases will benefit the Company and its shareholders, such as leading to an enhancement of the net assets value per share and/or earnings per share of the Company. Thus this is the reason why no further share buy backs have been effected.

Questions from Minority Shareholder Watchdog Group

The share repurchase will depend on market conditions and funding arrangements at the time, in addition, the Company is required to comply with certain restrictions on purchasing its own shares on stock exchange. As stated in Chapter 10 of the HK Listing Rules, during the period of one (1) month immediately preceding the announcement of the Company's annual results, half-year results or quarterly results, the Company may not repurchase its own securities.

Questions from Minority Shareholder Watchdog Group

This limits the timing when the repurchase may be carried out. The close periods are listed as below:

- 3rd quarterly results for the period ended 31/12/2008 - from 27/1/2009 to 27/2/2009
- 4th quarterly results for the period ended 31/3/2009 - from 26/4/2009 to 26/5/2009
- annual results for the year ended 31/3/2009 - from 25/5/2009 to 25/6/2009
- 1st quarterly results for the period ended 30/6/2009 - from 26/7/2009 to 26/8/2009

Questions from Minority Shareholder Watchdog Group

g) Pursuant to paragraph 6.03(3)(c) of the Listing Requirements of Bursa Malaysia, where a general mandate for issue of securities is sought, the listed issuer must include in the statement accompanying the proposed resolution the purpose and utilisation of proceeds from the general mandate sought.

The amended paragraph 6.03(3)(c) only came into effect on 3rd August 2009. The circular was despatched on 28th July 2009. We will definitely comply in our next year's circular.

Questions from Minority Shareholder Watchdog Group

g) What is the Board's purpose and utilization of proceeds from the Proposed General Mandate to issue new shares under the Company's Bye-Laws?

Apart from the shares to be issued pursuant to the Company's ESOS scheme in HK, the Company does not have any plan to issue new shares in the near future at this juncture. As usual, the Company will annually seek a general mandate to issue new shares and the purpose of this resolution is to enable the Company to make business decisions and capture business opportunities effectively and efficiently.

Forward-Looking Statements

This presentation includes certain forward-looking statements. All statements, other than statements of historical facts, that address activities, events or developments that Media Chinese International Ltd expects or anticipates will or may occur in the future are forward-looking statements. Media Chinese International Ltd's actual results or developments may differ materially from those indicated by these forward-looking statements as a result of various factors and uncertainties, including but not limited to price fluctuations, actual demand, exchange rate fluctuations, market shares, competition, environmental risks, changes in legal, financial and regulatory frameworks, international economic and financial market conditions, political risks, project delay, project approval, cost estimates and other risks and factors beyond the control of Media Chinese International Ltd. In addition, Media Chinese International Ltd makes the forward-looking statements referred to in this presentation as of today and undertakes no obligation to update these statements.