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 OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2010

The directors of Media Chinese International Limited (the "Company") are pleased to announce the consolidated results of the Company and its subsidiaries (collectively the "Group") and the Group's interest in an associate for the year ended 31 March 2010, together with comparative figures for the corresponding period in 2009 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31 March 2010

	Note	**2010** **US$'000**	2009 US$'000
Turnover	*3*	**376,001**	394,303
Cost of goods sold	*6*	**(228,401)**	(263,286)
Gross profit		**147,600**	131,017
Other income	*4*	**4,998**	6,474
Other gains, net	*5*	**2,684**	1,503
Selling and distribution expenses	*6*	**(58,548)**	(59,524)
Administrative expenses	*6*	**(35,054)**	(36,976)
Other operating expenses	*6*	**(5,729)**	(10,168)
Operating profit		**55,951**	32,326
Finance costs	*7*	**(754)**	(1,291)
Share of loss of an associate		**(84)**	–
Profit before income tax		**55,113**	31,035
Income tax expense	*8*	**(13,671)**	(13,680)
Profit for the year		**41,442**	17,355
Attributable to:			
Equity holders of the Company		**41,136**	16,790
Minority interests		**306**	565
		41,442	17,355
Earnings per share attributable to the equity holders of the Company			
Basic (US cents)	*9*	**2.44**	1.00
Diluted (US cents)	*9*	**2.44**	1.00
Dividends	*10*	**20,561**	9,986

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2010

	2010	2009
	US$'000	*US$'000*
Profit for the year	**41,442**	17,355
Other comprehensive income/(expense)		
Currency translation differences	**29,234**	(33,627)
Actuarial gains/(losses) of defined benefit plan assets	**260**	(817)
Actuarial gains/(losses) of long service payment obligations	**589**	(462)
Revaluation gain recognised upon transfer of property held for own use to investment properties	**301**	–
Other comprehensive income/(expense) for the year, net of tax	**30,384**	(34,906)
Total comprehensive income/(expense) for the year	**71,826**	(17,551)
Attributable to:		
Equity holders of the Company	**71,442**	(18,106)
Minority interests	**384**	555
	71,826	(17,551)

CONSOLIDATED BALANCE SHEET

As at 31 March 2010

	Note	**2010** **US$'000**	2009 US$'000
ASSETS			
Non-current assets			
Property, plant and equipment		**111,623**	99,692
Investment properties		**8,686**	6,224
Leasehold land and land use rights		**30,483**	22,445
Intangible assets		**77,466**	69,481
Non-current assets held for sale		**–**	77
Deferred income tax assets		**1,831**	2,430
Defined benefit plan assets		**258**	–
Interest in an associate		**2,739**	–
Investment in convertible notes – debt portion		**511**	–
		233,597	200,349
Current assets			
Inventories		**76,079**	41,948
Available-for-sale financial assets		**644**	646
Financial assets at fair value through profit or loss		**226**	221
Trade and other receivables	*11*	**67,608**	58,980
Income tax recoverable		**1,418**	1,057
Cash and cash equivalents		**77,635**	70,205
		223,610	173,057
Current liabilities			
Trade and other payables	*12*	**57,415**	50,210
Income tax liabilities		**4,240**	2,787
Short-term bank loans		**30,618**	14,579
Bank overdrafts, secured		**198**	2,428
Current portion of long-term liabilities		**1,230**	2,074
		93,701	72,078
Net current assets		**129,909**	100,979
Total assets less current liabilities		**363,506**	301,328

CONSOLIDATED BALANCE SHEET (Continued)
As at 31 March 2010

	Note	2010 US$'000	2009 US$'000
EQUITY			
Equity attributable to equity holders of the Company			
Share capital		**21,672**	21,672
Share premium		**280,160**	280,160
Other reserves		**(92,337)**	(122,666)
Retained earnings		**131,814**	100,652
		341,309	279,818
Minority interests		**8,263**	8,189
Total equity		**349,572**	288,007
Non-current liabilities			
Other long-term liabilities		**1,560**	2,987
Defined benefit plan liabilities		**–**	85
Deferred income tax liabilities		**12,374**	10,249
		13,934	13,321
		363,506	301,328

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2010

1. BASIS OF PREPARATION

The consolidated financial statements of the Company and its subsidiaries (together the "Group") have been prepared in accordance with International Financial Reporting Standards ("IFRSs") issued by the International Accounting Standards Board ("IASB"), requirements of the Hong Kong Companies Ordinance and applicable disclosure requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "HK Stock Exchange").

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of investment properties, available-for-sale financial assets, and financial assets at fair value through profit or loss.

(a) New and amended standards adopted by the Group

The Group has adopted the following new and amended IFRSs for the financial year ended 31 March 2010:

- IFRS 7, "Financial Instruments – Disclosures" (amendment). The amendment requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of fair value measurements by level of a fair value measurement hierarchy.

- IAS 1 (revised), "Presentation of Financial Statements". The revised standard requires "non-owner changes in equity" to be presented separately from owner changes in equity in a statement of comprehensive income. As a result, the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. Comparative information has been re-presented so that it also is in conformity with the revised standard.

- IFRS 8, "Operating Segments". IFRS 8 replaces IAS 14, "Segment Reporting". It requires a "management approach", under which segment information is presented on the same basis as that used for internal reporting purposes and in a manner consistent with the internal reporting provided to the chief operating decision maker. This has resulted in a redesignation of the Group's reportable segments, but does not have any effect on the reported results or financial position of the Group.

- Improvements to IFRSs (2008) set out a number of amendments to various existing standards. Except for the amendment to IFRS 5 which is effective for annual periods beginning on or after 1 July 2009, the Group has adopted other amendments which are relevant to the Group's operations for the financial year ended 31 March 2010.

- IFRS 2 (amendment), "Share-based Payment". IFRS 2 (amendment) deals with vesting conditions and cancellations. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. These features would need to be included in the grant date fair value for transactions with employees and others providing similar services; they would not impact the number of awards expected to vest or valuation thereof subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The Group and the Company have adopted IFRS 2 (amendment) from 1 April 2009. The amendment does not have a material impact on the Group's or the Company's financial statements.

- IAS 23 (revised), "Borrowing Costs". In respect of borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after 1 April 2009, it is required to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. This change in accounting policy was due to the adoption of IAS 23 Borrowing Costs (2007) in accordance with the transition provisions of the standard. The change in accounting policy has no material impact on the Group's or the Company's financial statements.

1. **BASIS OF PREPARATION (Continued)**

(b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group

The Group has not early adopted the following new and revised standards, amendments and interpretations to existing standards that have been issued but are not yet effective for the financial year ended 31 March 2010. The Group is in the process of making an assessment of the impact of these new IFRSs in their period of initial application.

		Effective for accounting period beginning on or after
IFRSs (amendments)	Amendments to IFRS 5 as part of Improvements to IFRSs 2008	1 July 2009
IFRSs (amendments)	Improvements to IFRSs 2009	1 July 2009 and 1 January 2010
IFRS 3 (revised)	Business Combination	1 July 2009
IAS 27 (revised)	Consolidated and Separate Financial Statements	1 July 2009
IFRIC – Int 17	Distribution of Non-cash Assets to Owners	1 July 2009
IFRS 2 (amendment)	Group Cash-settled Share-based Payment Transactions	1 January 2010
IFRIC – Int 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2010
IFRSs (amendments)	Improvements to IFRSs 2010	1 July 2010 and 1 January 2011
IAS 24 (revised)	Related Party Disclosures	1 January 2011
IFRIC – Int 14 (amendment)	Prepayments of a Minimum Funding Requirement	1 January 2011
IFRS 9	Financial Instruments	1 January 2013

(c) Amendments to existing standards that are not yet effective and not relevant for the Group's operations

		Effective for accounting period beginning on or after
IAS 39 (amendment)	Eligible Hedged Items	1 July 2009
IFRS 1 (revised)	First-time Adoption of International Financial Reporting Standards	1 July 2009
IFRS 1 (amendment)	Additional Exemptions for First-time Adopters	1 January 2010
IAS 32 (amendment)	Classification of Rights Issues	1 February 2010
IFRS 1 (amendment)	Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters	1 July 2010

2. **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 Ringgit Malaysia ("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$.

3. SEGMENT INFORMATION

The Group has determined the operating segments based on the reports reviewed by the Group Executive Committee that are used to make 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 production of various newspapers and magazines in Chinese language, and other related printed and digital publications. 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/(loss) before income tax as per 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 year ended 31 March 2010, analysed by operating segment, were as follows:

	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*	Travel and travel related services *US$'000*	Total *US$'000*
Turnover	**234,386**	**70,230**	**25,062**	**329,678**	**46,323**	**376,001**
Segment profit/(loss) before income tax	**52,546**	**3,777**	**(442)**	**55,881**	**(42)**	**55,839**
Net unallocated expenses						**(642)**
Share of loss of an associate						**(84)**
Profit before income tax						**55,113**
Income tax expense						**(13,671)**
Profit for the year						**41,442**
Other information:						
Interest income	**642**	**79**	**–**	**721**	**2**	**723**
Interest expense	**(676)**	**(35)**	**(43)**	**(754)**	**–**	**(754)**
Depreciation	**(5,745)**	**(1,678)**	**(690)**	**(8,113)**	**(98)**	**(8,211)**
Amortisation of leasehold land and land use rights	**(207)**	**(339)**	**–**	**(546)**	**–**	**(546)**
Amortisation of intangible assets	**(688)**	**(29)**	**(9)**	**(726)**	**(1)**	**(727)**

3. SEGMENT INFORMATION (Continued)

The Group's turnover and results for the year ended 31 March 2009, analysed by operating segment, were as follows:

	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*	Travel and travel related services *US$'000*	Total *US$'000*
Turnover	234,338	75,836	29,197	339,371	54,932	394,303
Segment profit/(loss) before income tax	36,585	(175)	(4,162)	32,248	(148)	32,100
Net unallocated expenses						(1,065)
Profit before income tax						31,035
Income tax expense						(13,680)
Profit for the year						17,355
Other information:						
Interest income	1,167	478	2	1,647	26	1,673
Interest expense	(1,031)	(45)	(215)	(1,291)	–	(1,291)
Depreciation	(6,773)	(1,945)	(907)	(9,625)	(120)	(9,745)
Amortisation of leasehold land and land use rights	(308)	(339)	–	(647)	–	(647)
Amortisation of intangible assets	(791)	(9)	–	(800)	–	(800)

The segment assets as at 31 March 2010 were as follows:

	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***	**Travel and travel related services** ***US$'000***	**Elimination** ***US$'000***	**Total** ***US$'000***
Segment assets	**360,702**	**75,603**	**12,786**	**449,091**	**7,881**	**(4,019)**	**452,953**
Unallocated assets							**4,254**
Total assets							**457,207**
Total assets include:							
Interest in an associate	**–**	**2,739**	**–**	**2,739**	**–**	**–**	**2,739**
Additions to non-current assets (other than financial assets, defined benefit plan assets, and deferred tax assets)	**17,866**	**391**	**352**	**18,609**	**21**	**–**	**18,630**

3. **SEGMENT INFORMATION (Continued)**

The segment assets as at 31 March 2009 were as follows:

	Publishing and printing						
	Malaysia and other Southeast Asian countries	Hong Kong and Mainland China	North America	Sub-total	Travel and travel related services	Elimination	Total
	US$'000	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*	*US$'000*
Segment assets	279,014	76,478	11,896	367,388	5,567	(3,817)	369,138
Unallocated assets							4,268
Total assets							373,406
Total assets include:							
Additions to non-current assets (other than financial assets, defined benefit plan assets, and deferred tax assets)	8,509	873	580	9,962	143	–	10,105

The Company is domiciled in Bermuda while the Group operates its publishing and printing businesses mainly in Malaysia, other Southeast Asian countries, Hong Kong and Mainland China ("main operating countries"). Revenue from external customers of the Group's publishing and printing businesses in the main operating countries for the year ended 31 March 2010 amounted to US$304,616,000 (2009: US$310,174,000), and revenue from external customers in other countries amounted to US$25,062,000 (2009: US$29,197,000).

As at 31 March 2010, total non-current assets, other than financial assets, defined benefit plan assets and deferred tax assets, located in the main operating countries were US$224,807,000 (2009: US$192,101,000), and total non-current assets located in other countries were US$6,190,000 (2009: US$5,818,000).

The elimination between segments is intercompany receivables and payables between these segments.

Segment assets consist primarily of property, plant and equipment, investment properties, leasehold land and land use rights, intangible assets, non-current assets held for sale, interest in an associate, investment in convertible notes, inventories, trade and other receivables, and cash and cash equivalents. They exclude defined benefit plan assets, deferred income tax assets, available-for-sale financial assets, financial assets at fair value through profit or loss – listed equity securities, and income tax recoverable.

3. SEGMENT INFORMATION (Continued)

Turnover is derived from publishing, printing and distribution of Chinese language newspapers, magazines and books, and provision of travel and travel related services. Turnover recognised during the year was as follows:

	2010	2009
	US$'000	*US$'000*
Advertising income, net of trade discounts	**221,963**	227,378
Sales of newspapers, magazines and books, net of trade discounts and returns	**107,715**	111,993
Travel and travel related services income	**45,986**	54,522
Travel agency commission income	**337**	410
	376,001	394,303

4. OTHER INCOME

	2010	2009
	US$'000	*US$'000*
Sales of newsprint waste	**3,254**	3,805
Interest income	**723**	1,673
Rental and management fee income	**698**	483
License fee and royalty income	**278**	502
Dividend income	**45**	11
	4,998	6,474

5. OTHER GAINS, NET

	2010	2009
	US$'000	*US$'000*
Net exchange gain	**559**	319
Fair value gains on investment properties	**398**	101
Discount on acquisition of additional interest in a subsidiary *(note)*	**10**	–
Fair value losses on financial assets at fair value through profit or loss	**(77)**	(1,184)
Others	**1,794**	2,267
	2,684	1,503

Note: On 24 February 2010, the Group acquired from a minority shareholder an additional 8% non-voting deferred shares of a subsidiary at a consideration of US$0.13 (equivalent to HK$1). The excess of the carrying amounts of the net assets of the subsidiary attributable to the interest over the cost of acquisition amounting to approximately US$10,300 (equivalent to HK$79,999) has been taken up in the consolidated income statement for the year.

6. EXPENSES BY NATURE

	2010 US$'000	2009 US$'000
Amortisation of intangible assets	**727**	800
Amortisation of leasehold land and land use rights	**546**	647
Auditor's remuneration		
Current year	**548**	545
Under provision in prior years	**7**	11
Depreciation		
Owned property, plant and equipment	**7,927**	9,371
Leased property, plant and equipment	**284**	374
Direct cost of travel and travel related services	**40,965**	49,448
Employee benefit expense (including directors' emoluments)	**92,136**	100,927
Gain on disposal of property, plant and equipment – net	**(113)**	(25)
Operating lease expenses		
Land and buildings	**2,940**	3,240
Machineries	**18**	19
Provision for impairment and written off of trade receivables	**368**	312
Provision for impairment of intangible assets	**–**	3,895
Provision for impairment of property, plant and equipment	**42**	–
Provision for inventory obsolescence	**164**	103
Raw materials and consumables used	**99,900**	120,092
Other expenses	**81,273**	80,195
Total cost of goods sold, selling and distribution expenses, administrative expenses, and other operating expenses	**327,732**	369,954

7. FINANCE COSTS

	2010 US$'000	2009 US$'000
Interest on bank loans and overdrafts wholly repayable within five years	**732**	1,208
Interest element of finance lease payments wholly repayable within five years	**22**	83
	754	1,291

8. INCOME TAX EXPENSE

Income tax for the Group's Hong Kong operations has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profit derived from Hong Kong for the year. Income tax for the Group's Malaysian operations is calculated at the statutory tax rate of 25% (2009: 25%) on the estimated assessable profit derived from Malaysia for the year. Taxation on other countries' profits has been calculated on the estimated assessable profit for the year at the rates of taxation prevailing in the countries in which the Group operates.

The amount of income tax expense charged to the consolidated income statement represents:

	2010	2009
	US$'000	*US$'000*
Hong Kong profits tax		
Current year	**1,104**	1,369
(Over)/under provision in prior years	**(51)**	14
Malaysian taxation		
Current year	**10,633**	9,047
(Over)/under provision in prior years	**(244)**	64
Other countries' taxation		
Current year	**686**	513
Over provision in prior years	**(377)**	(390)
Deferred income tax expense	**1,920**	3,063
	13,671	13,680

The tax on the Group's profit before income tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows:

	2010	2009
	US$'000	*US$'000*
Profit before income tax	**55,113**	31,035
Tax calculated at domestic tax rates applicable to profits in the respective countries	**13,315**	7,319
Income not subject to tax	**(798)**	(385)
Expenses not deductible for tax purposes	**1,251**	2,639
Utilisation of previously unrecognised tax losses	**(826)**	(9)
Temporary differences not recognised	**498**	186
Utilisation of current year's reinvestment allowance	**(725)**	(187)
Utilisation of group tax relief	**(349)**	–
Over provision in prior years	**(672)**	(312)
Deferred tax assets unrecognised during the year	**1,977**	3,786
Recognition of deferred tax assets arising from previously unrecognised tax losses	**–**	(20)
Effect on deferred tax resulting from a change in tax rates	**–**	(11)
Under provision in prior years – deferred tax	**–**	674
Income tax expense	**13,671**	13,680

The weighted average applicable tax rate for the year was 24% (2009: 24%).

9. EARNINGS PER SHARE ATTRIBUTABLE TO THE EQUITY HOLDERS OF THE COMPANY

(a) Basic

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year excluding ordinary shares repurchased by the Company.

	2010	2009
Profit attributable to equity holders of the Company (US$'000)	**41,136**	16,790
Weighted average number of ordinary shares in issue	**1,683,897,666**	1,684,618,455
Basic earnings per share (US cents)	**2.44**	1.00

(b) Diluted

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The Company has one category of dilutive potential ordinary shares, which is the share options. A calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average annual market share price of the Company's shares) based on the monetary value of the subscription rights attached to the outstanding share options. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share options. In current year, the share options have no dilutive effect, as the exercise price of the share options is higher than the average share price for the year.

	2010	2009
Profit attributable to equity holders of the Company (US$'000)	**41,136**	16,790
Weighted average number of ordinary shares in issue	**1,683,897,666**	1,684,618,455
Adjustment for share options	**–**	152,209
Weighted average number of ordinary shares used to compute diluted earnings per share	**1,683,897,666**	1,684,770,664
Diluted earnings per share (US cents)	**2.44**	1.00

10. DIVIDENDS

	2010	2009
	US$'000	*US$'000*
First interim, paid US0.450 cents (2008-2009: paid US0.450 cents) per ordinary share	**7,578**	7,578
Second interim, proposed US0.771 cents (2008-2009: paid US0.143 cents) per ordinary share	**12,983**	2,408
	20,561	9,986

Notes:

(a) The first interim dividend of US0.450 cents (2008-2009: US0.450 cents) per ordinary share amounting to US$7,578,000 was paid on 21 January 2010.

(b) On 26 May 2010, the Board of Directors has declared a second interim dividend of US0.771 cents per ordinary share in lieu of a final dividend for the year ended 31 March 2010. The dividend will be payable on 6 August 2010 in cash in RM or in HK$ (at exchange rates determined on 26 May 2010 by reference to the middle exchange rates applicable to US$ at 12:00 noon as quoted by Bank Negara Malaysia) to ordinary shareholders whose names appear on the register of members of the Company at the close of business on 9 July 2010. No tax is payable on the dividend declared by the Company to be received by Malaysian shareholders as it is income from foreign source in accordance to paragraph 28 of Schedule 6 of Malaysian Income Tax Act 1967.

The middle exchange rates at 12:00 noon on 26 May 2010 as quoted by Bank Negara Malaysia of US$ to RM and US$ to HK$, and the amount of the second interim dividend payable are as follows:

	Exchange rates	**Dividend per ordinary share**
US$ to RM	3.34	2.575 sens
US$ to HK$	7.80	HK6.014 cents

(c) The 2008-2009 second interim dividend represented a dividend of US0.143 cents per ordinary share in respect of the year ended 31 March 2009 and was paid to shareholders of the Company on 13 August 2009.

The actual 2008-2009 second interim dividend paid was different from the proposed 2008-2009 second interim dividend as disclosed in Annual Report 2009. This was caused by the fluctuations in exchange rates between the dividend declaration date and the dividend payment date.

11. TRADE AND OTHER RECEIVABLES

	2010	2009
	US$'000	*US$'000*
Trade receivables	**61,539**	52,226
Less: provision for impairment of trade receivables	**(3,871)**	(4,182)
Trade receivables, net *(note)*	**57,668**	48,044
Deposits and prepayments	**7,423**	6,929
Other receivables	**2,517**	4,007
	67,608	58,980

Note: The Group allows in general a credit period ranging from 7 days to 120 days to its trade customers.

At 31 March 2010, the ageing analysis of net trade receivables was as follows:

	2010	2009
	US$'000	*US$'000*
0 to 60 days	**42,097**	36,871
61 to 120 days	**12,400**	8,453
121 to 180 days	**2,023**	1,726
Over 180 days	**1,148**	994
	57,668	48,044

12. TRADE AND OTHER PAYABLES

	2010	2009
	US$'000	*US$'000*
Trade payables *(note)*	**17,763**	18,736
Accrued charges	**26,938**	20,191
Subscriptions received in advance	**12,714**	11,283
	57,415	50,210

Note: At 31 March 2010, the ageing analysis of trade payables was as follows:

	2010	2009
	US$'000	*US$'000*
0 to 60 days	**15,074**	15,257
61 to 120 days	**1,604**	1,853
121 to 180 days	**313**	391
Over 180 days	**772**	1,235
	17,763	18,736

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL HIGHLIGHTS

	For the year ended 31 March		
(in US$'000)	**2010**	2009	Change
Turnover	**376,001**	394,303	- 5%
Profit before income tax	**55,113**	31,035	+78%
Profit for the year	**41,442**	17,355	+139%
Profit attributable to equity holders of the Company	**41,136**	16,790	+145%
Basic earnings per share (US cents)	**2.44**	1.00	+144%

OVERALL REVIEW OF OPERATIONS

For the year ended 31 March 2010, the Group achieved a profit before income tax of US$55,113,000, a significant increase of 78% or US$24,078,000 over that of the previous financial year.

This good result was achieved through effective cost management and productivity improvements, as well as lower newsprint prices during the financial year.

In the first half of the financial year, the Group was facing great uncertainty and volatility in its advertising revenue which affected its performance. However, with the steady recovery of the global economy and increasing consumer confidence, the Group was able to catch up on the revenue in the second half of the financial year, which led to only a mild decline of 5 % in total annual revenue.

Basic earnings per share were US2.44 cents, up by US1.44 cents or 144% from US1.00 cent in the previous financial year. As at 31 March 2010 the Group had US$77,635,000 of cash and cash equivalents and the net assets per share stood at US20.27 cents.

SEGMENTAL REVIEW

Publishing and Printing

Malaysia and other Southeast Asian countries

The Malaysian operations produced an impressive performance year-on-year with profit before income tax of US$52,546,000, which was 44% or US$15,961,000 higher than that of the previous year.

The outstanding performance of the Malaysian operations in 2009/10 was achieved in spite of difficult economic conditions. In 2009, the Malaysian economy registered a GDP contraction of about 1.7%. This affected the Malaysian operations which reported flat revenue growth in 2009/10.

A major contributing factor to the strong results from the Malaysian operations for the current year was the reduction in newsprint costs of about 14% when compared to last year, driven by a lower newsprint price and the tight controls on consumption. The average newsprint price fell about 12% in the current year.

The uncertainty and volatility of the advertising market were noted in the first half year. Nevertheless, improvement in the market sentiment in the second half year has helped maintain the operations' revenue at last year's level.

According to Nielsen Media Research, total advertising expenditure in Malaysia grew by 13% to RM6.9 billion for the period from April 2009 to March 2010 as compared to RM6.1 billion in the corresponding period last year.

In the newspapers category, advertising expenditure rose 9% to RM3.5 billion from last year's RM3.2 billion. Although newspapers have been enjoying the lion's share of the advertising pie, their share of the total advertising expenditure shrunk by 2% in 2009/10 to 51% from 53% in last year; while free-to-air TV saw its advertising expenditure share grow to 38% from 36%, an indication of its increasing threat to the print media.

The encouraging advertising growth demonstrated that the Malaysian economy, although still subjected to some volatility, has rebounded from the economic downturn reached during the financial crisis in late 2008.

The Group is the largest Chinese publisher in Malaysia with *Sin Chew Daily, Guang Ming Daily*, *China Press* and *Nanyang Siang Pau* which are all market leaders in their respective segments.

Our journalistic excellence and credibility earned the trust of Chinese language readers in Malaysia. The Group's newspaper titles account for 19% of all the newspapers sold in Malaysia. It has 73% of total circulation of the Chinese language newspaper market and reach over 63% of the Chinese adults who read Chinese newspapers daily.

Against this backdrop, the mass circulation of our titles continues to generate significant reach and to provide a large and appealing audience to advertisers. Almost three quarters of total advertising spending on Chinese newspapers in Malaysia goes to our titles.

The Group is also the largest Chinese magazine publisher in Malaysia with one tabloid and 23 magazine titles under its portfolio.

During the year, the magazine segment reported satisfactory advertising growth and maintained its market share. The Group will continue to leverage its market leading brands to expand its preprint advertising revenue particularly in the community markets.

Quality journalism is the key to success, and our newspapers and magazines have been consistently awarded. In 2009, we won many important awards in a number of prestigious reporting and journalism contests.

The Group also operates a range of exhibitions and consumer fairs. These include Malaysia's largest consumer fairs, "My Wedding Bridal Fair" and "International Health Fair". Both fairs saw another record year in terms of number of visitors and stand spaces leased.

The Group operates and owns 14 online enterprises in Malaysia that work closely with the Group's newspapers and magazine titles. The flagship website, *Sinchew-i.com* maintained its position as one of the most popular Chinese news website in Malaysia. The Group will continue to leverage its publications' contents online.

Hong Kong and Mainland China

For the operations in Hong Kong and Mainland China, the financial year 2009/10 saw a very slow start in the first two quarters. Market conditions gradually improved when the economy started to stabilise since the third quarter. For the financial year 2009/10, revenue from this business segment declined by 7% to US$70,230,000. Nevertheless, this segment reported a profit of US$3,777,000 for the year, representing a modest turnaround from the US$175,000 loss made in the previous year, mainly driven by lower newsprint costs and the ongoing efforts in optimising efficiency and productivity.

Ming Pao Daily News has been adhering to its mission and long standing editorial direction in providing comprehensive and accurate coverage of social, political and economic issues in Hong Kong and Mainland China. According to a media credibility survey conducted by the Chinese University of Hong Kong in 2009, *Ming Pao Daily News* was accredited as the most credible Chinese language newspaper in Hong Kong.

Mingpao.com continued to operate and fulfill its promise as a trusted and reliable online source of news and information to the Chinese community around the globe.

The Group's lifestyle magazine publication unit in the Greater China region, One Media Group ("OMG"), also experienced a slow revival since the last quarter of the financial year. Although expenditure budgets from most of the major advertisers have started to pick up again, the amount was still lower than previous year's figure. Turnover of OMG Hong Kong operation during the year was therefore still below that of the last financial year by 19%. Nevertheless, revenue from the OMG's magazines in Mainland China grew 26% in 2009/10, driven by the strong Chinese economy.

North America

The Group's newspaper operations in Vancouver, Toronto and New York were still affected by the weak economies on the continent, albeit less severe than the situation experienced during the first half of the financial year. Nevertheless, this segment's result improved during the year with its loss narrowed down significantly to US$442,000 from US$4,162,000 in the previous year, despite a 14% decrease in turnover when compared to the previous year. This was attributable to the savings from lower newsprint costs as well as reduction in other operating expenses as a result of the Group's restructuring of its USA operations in early 2009.

The Canadian economy is now on the track of a gradual recovery as indicated by an improving consumer sector, the declining of unemployment rate as well as the strengthening of the Canadian dollar.

The situation in the USA follows a similar pattern, albeit with more uncertainties as major growth indicators occasionally indicates conflicting trends. Nevertheless, the Group's only publication in the USA, *Ming Pao (NY) Free Daily*, continues to experience a pick-up momentum.

Travel

The Group's travel business, via Charming Holidays and Delta Group, continued to be affected by the sluggish global economy, especially that of the USA. Turnover declined year-over-year by 16% to US$46,323,000 due to weak market conditions and keen price competition. Nevertheless, the travel segment achieved a near break-even position for the year compared to the previous year's loss of US$148,000.

DIGITAL MEDIA

In November 2009, the Group made a major inroad in China's vast mobile e-book reading community by acquiring a 25.44% shareholding in the China-based mobile reading platform provider, ByRead Inc. ("ByRead"). This project was another key milestone of the Group's expansion from print media to digital media. It created a platform for our content to reach a wider circle of readers and also helped strengthen our capabilities in digital publication and mobile reading business.

ByRead develops mobile software, operates and provides social networking solutions and mobile reading platforms for mobile device users in China to read e-books and e-magazines, to play both online and standalone games, and to connect and interact with other users through mobile devices. This move propels ByRead's forthcoming full-fledged development, namely, development of its backbone e-book reading software and supporting architecture. It therefore can access to the Group's rich, high-quality, new and archival Chinese-language content that will help facilitate enrolment of paid users. ByRead's number of registered users has reached 25 million by the time of this report.

In January 2010, the Group launched a Chinese-language eBook applications "MediaChinese iPhone App", allowing discerning readers and followers of the Group's well-regarded books to enjoy reading on a newer, better and up-to-date medium by using a unique interface mechanism. The initial responses are very encouraging. The Group plans to extend this platform with more e-books in the near future.

During the year, the Group has also subscribed convertible bonds issued by Iatopia.com Limited ("Iatopia.com"), a technology provider of its own patented technologies. Iatopia.com allows the Group to use and exploit its content management technologies to develop, create, protect and maintain the Group's digital content archives. As such, the Group can strive to realise the full potential of its rich contents by leveraging on its existing strengths to extend its reach to new customers, products, markets and channels.

OUTLOOK

The advertising market in Hong Kong and Malaysia has stabilised and begun to register positive growth with the impacts of the global financial crisis receding in these economies. The Group's advertising sales have improved in recent months and are expected to grow in tandem with the rebounding economy in 2010.

Circulation sales are expected to remain at sustainable levels, albeit some organic growth is expected as private consumption and investment continue to drive consumer sentiments further.

Newsprint prices are expected to rise significantly in the ensuing year due to tightening of supply and rising raw material costs. However, the Group's stock holding position will help to mitigate some of the increases in production costs.

Moving forward, the Group will continue with its cost control measures and its effort to improve the efficiencies for its core business.

Barring unforeseen circumstances, the Directors expect overall performance of the Group for the next year to be satisfactory.

PLEDGE OF ASSETS

As at 31 March 2010, certain machinery and printing equipment, land and buildings and assets of certain subsidiaries with an aggregate value of US$19,951,000 (31 March 2009: US$37,453,000) were pledged to banks to secure general banking facilities.

FINANCIAL GUARANTEES

As at 31 March 2010, the Company issued financial guarantees in favour of certain of its subsidiaries totalling US$15,969,000 (31 March 2009: US$20,099,000) in connection with general banking facilities granted to those subsidiaries. As at 31 March 2010, total facilities utilised amounted to US$5,488,000 (31 March 2009: US$4,878,000). The directors of the Company do not consider that it is probable that a claim will be made against the Company under the financial guarantees. The maximum liability of the Company at the balance sheet date under the financial guarantees was the facility drawn down by its subsidiaries. No provision was therefore made in this respect as at 31 March 2010.

CAPITAL COMMITMENTS

As at 31 March 2010, the Group's authorised capital expenditure for property, plant and equipment contracted but not provided for in the consolidated financial statements amounted to US$3,422,000 whereas authorised capital expenditure for property, plant and equipment not contracted and not provided for in the consolidated financial statements amounted to US$6,002,000. In addition, the Group's authorised capital injection for a subsidiary contracted but not provided for in the consolidated financial statements amounted to US$439,000.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily with respect to RM, Renminbi, Canadian dollar, HK$ and US$. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Currency exposure arising from the net assets of the Group's operations, such as those in Mainland China, Hong Kong, Malaysia and Southeast Asia and North America are managed primarily through operating liabilities denominated in the relevant foreign currencies.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

As at 31 March 2010, the Group's net current assets amounted to US$129,909,000 (31 March 2009: US$100,979,000) and the shareholders' funds were US$341,309,000 (31 March 2009: US$279,818,000). Total bank borrowings and finance lease obligations were US$32,620,000 (31 March 2009: US$20,516,000) and the gearing ratio, which is defined as the ratio of total borrowings to shareholders' funds, was 0.096 (31 March 2009: 0.073).

As at 31 March 2010, total cash and cash equivalents was US$77,635,000 (31 March 2009: US$70,205,000) and net cash position was US$45,015,000 (31 March 2009: US$49,689,000) after deducting the total bank borrowings.

EMPLOYEES

At 31 March 2010, the Group has approximately 4,659 employees (2009: approximately 4,780 employees), the majority of whom are employed in Malaysia and Hong Kong. The Group remunerates its employees based on industry practice and performance of individual employees. The emoluments of the directors and senior management are reviewed by the Remuneration Committee regularly, having regard to the Group's operating results, individual performance and comparable market statistics. No director, or any of his associates, and executive is involved in dealing with his own remuneration. The Group has share option schemes as an incentive to directors and eligible employees.

CORPORATE GOVERNANCE

The board of directors is committed to practising the highest standards of corporate governance and operating within a governance framework that is formulated based on the recommendations of the Malaysian Code on Corporate Governance (the "Malaysian Code") and the Code on Corporate Governance Practices (the "Hong Kong Code") contained in Appendix 14 of the Rules Governing the Listing of Securities on the HK Stock Exchange. The Company has adopted the recommendations of the Malaysian Code and all the code provisions in the Hong Kong Code as its own code on corporate governance practices.

During the year under review, the Company has complied with the best practices of the Malaysian Code, save for the appointment of a senior independent non-executive director ("INED"). In addition, the Company met the code provisions as set out in the Hong Kong Code except for a deviation from code provision B.1.1 which requires that the majority members of remuneration committee should be INEDs. Reason for the deviation is given as below.

On 1 October 2009, Mr Victor Yang resigned as an INED, the Chairman of the Nomination Committee, and a member of the Audit Committee and Remuneration Committee of the Company. Following his resignation, the composition of the Remuneration Committee was below the requirement of the code provision B.1.1. The Company will fill up the post as soon as practicable so as to meet the said code provision.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

During the year, the Company repurchased a total of 1,000 of its listed shares on the HK Stock Exchange for the purpose of enhancing the net asset value per share of the Company. Details of the repurchases are summarised as follows:

Month/Year	Number of shares repurchased	Purchase price per share Highest	Purchase price per share Lowest	Aggregate purchase consideration	Equivalents in
		HK$	*HK$*	*HK$*	*US$*
September 2009	1,000	1.18	1.18	1,180	153

All the shares repurchased during the year were cancelled. Accordingly, the issued share capital of the Company was reduced by the par value of the repurchased shares and the premiums paid on these shares were charged against the share premium account. An amount equivalent to the par value of the shares cancelled was transferred from the Company's retained earnings to the capital redemption reserve.

Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the year.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the requirements and code as set out in (i) Chapter 14 (Dealings in Listed Securities) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Chapter 14 of the Listing Requirements of Bursa Securities") and (ii) Model Code for Securities Transactions by Directors of Listed Issuers (the "HK Model Code") contained in Appendix 10 of the Rules Governing the Listing of Securities on the HK Stock Exchange. All directors of the Company have confirmed, following specific enquiry by the Company, their compliance with the required standards as set out in (i) Chapter 14 of the Listing Requirements of Bursa Securities and (ii) HK Model Code during the year under review.

REVIEW OF FINANCIAL STATEMENTS

The audit committee of the Company has reviewed with management the consolidated financial statements for the year ended 31 March 2010, including accounting principles and practices adopted by the Group and discussed internal controls and financial reporting matters.

POST BALANCE SHEET EVENT

On 4 June 2010, Comwell Investment Limited ("Comwell"), a wholly-owned subsidiary of the Company, has accepted an offer from Redgate Media Group, a substantial shareholder of One Media Group Limited ("OMG"), to acquire 44,260,188 ordinary shares of HK$0.001 each in OMG (the "Sale Shares") at US$0.04 (equivalent to approximately HK$0.30) per ordinary share for a total cash consideration of US$1.7 million (equivalent to approximately HK$13.28 million) (the "Transaction"). Prior to the Transaction, the Company was a substantial shareholder of OMG with an indirect shareholding of 251,339,812 shares, representing 62.83% of the entire issued and paid up capital in OMG. Upon completion of the Transaction, the Company would hold 295,600,000 shares in OMG, representing 73.9% equity interest in OMG. The Transaction was completed on 11 June 2010.

By Order of the Board
Tiong Kiew Chiong
Director

25 June 2010

At the date of this announcement, the Board comprises Tan Sri Datuk Sir Tiong Hiew King, Mr Tiong Kiu King, Dato' Sri Dr Tiong Ik King, Mr Tiong Kiew Chiong, Ms Siew Nyoke Chow and Ms Sim Sai Hoon, being executive directors; Mr Leong Chew Meng, 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.