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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 SECOND QUARTER ENDED 30 SEPTEMBER 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 September 2013 to Bursa Securities on 27 November 2013.

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

27 November 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 second quarter ended 30 September 2013

CONDENSED CONSOLIDATED INCOME STATEMENT

	(Unaudited)		(Unaudited)	
	Three months ended		Three months ended	
	30 September		30 September	
	2013	2012	2013	2012
	US\$'000	US\$'000	RM'000	RM'000
		(Restated)	(Note)	(Note)
Turnover	125,485	121,549	409,018	396,189
Cost of goods sold	(80,491)	(77,655)	(262,360)	(253,116)
Gross profit	44,994	43,894	146,658	143,073
Other income	2,882	2,260	9,394	7,366
Other gains, net	432	904	1,408	2,946
Selling and distribution expenses	(17,507)	(17,898)	(57,064)	(58,339)
Administrative expenses	(10,102)	(11,026)	(32,927)	(35,939)
Other operating expenses	(1,629)	(1,754)	(5,310)	(5,717)
Operating profit	19,070	16,380	62,159	53,390
Finance costs	(2,208)	(57)	(7,197)	(186)
Share of losses of jointly controlled entities and associates	(89)	(5)	(290)	(16)
Profit before income tax	16,773	16,318	54,672	53,188
Income tax expense	(4,570)	(3,245)	(14,896)	(10,577)
Profit for the quarter	12,203	13,073	39,776	42,611
Profit attributable to:				
Owners of the Company	12,067	12,889	39,333	42,011
Non-controlling interests	136	184	443	600
	12,203	13,073	39,776	42,611
Earnings per share attributable to owners of the Company				
Basic (US cents/sen) #	0.72	0.76	2.35	2.48
Diluted (US cents/sen) #	0.72	0.76	2.35	2.48

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 September 2013 with comparatives is shown for reference only and has been made at the same exchange rate of US\$1 to RM3.2595 ruling at 30 September 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 COMPREHENSIVE INCOME

	(Unaudited)		(Unaudited)	
	Three months ended		Three months ended	
	30 September		30 September	
	2013	2012	2013	2012
	US\$'000	US\$'000	RM'000	RM'000
		(Restated)	(Note)	(Note)
Profit for the quarter	12,203	13,073	39,776	42,611
Other comprehensive (losses) / income				
Item that may be reclassified subsequently to profit or loss				
Currency translation differences	(3,969)	13,163	(12,937)	42,905
Item that will not be reclassified subsequently to profit or loss				
Remeasurements of post employment benefit obligations	-	153	-	499
Other comprehensive (losses) / income for the quarter, net of tax	(3,969)	13,316	(12,937)	43,404
Total comprehensive income for the quarter	8,234	26,389	26,839	86,015
Total comprehensive income for the quarter attributable to:				
Owners of the Company	8,101	26,189	26,405	85,363
Non-controlling interests	133	200	434	652
	8,234	26,389	26,839	86,015

Note: The presentation currency of this unaudited financial information is US\$. Supplementary information in RM for the quarter ended 30 September 2013 with comparatives is shown for reference only and has been made at the same exchange rate of US\$1 to RM3.2595 ruling at 30 September 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 INCOME STATEMENT

	(Unaudited) Period ended 30 September		(Unaudited) Period ended 30 September	
	2013 US\$'000	2012 US\$'000 (Restated)	2013 RM'000 (Note)	2012 RM'000 (Note)
Turnover	251,787	244,702	820,700	797,606
Cost of goods sold	<u>(158,600)</u>	<u>(154,659)</u>	<u>(516,957)</u>	<u>(504,111)</u>
Gross profit	93,187	90,043	303,743	293,495
Other income	5,681	4,617	18,517	15,049
Other gains, net	600	3,135	1,956	10,219
Selling and distribution expenses	(35,892)	(35,699)	(116,990)	(116,361)
Administrative expenses	(20,000)	(21,645)	(65,190)	(70,552)
Other operating expenses	<u>(3,333)</u>	<u>(3,310)</u>	<u>(10,864)</u>	<u>(10,789)</u>
Operating profit	40,243	37,141	131,172	121,061
Finance costs	(4,390)	(82)	(14,309)	(267)
Share of losses of jointly controlled entities and associates	<u>(203)</u>	<u>(8)</u>	<u>(662)</u>	<u>(26)</u>
Profit before income tax	35,650	37,051	116,201	120,768
Income tax expense	<u>(9,885)</u>	<u>(8,297)</u>	<u>(32,220)</u>	<u>(27,044)</u>
Profit for the period	<u>25,765</u>	<u>28,754</u>	<u>83,981</u>	<u>93,724</u>
Profit attributable to:				
Owners of the Company	25,393	28,219	82,768	91,980
Non-controlling interests	<u>372</u>	<u>535</u>	<u>1,213</u>	<u>1,744</u>
	<u>25,765</u>	<u>28,754</u>	<u>83,981</u>	<u>93,724</u>
Earnings per share attributable to owners of the Company				
Basic (US cents/sen) #	1.51	1.67	4.92	5.44
Diluted (US cents/sen) #	<u>1.51</u>	<u>1.67</u>	<u>4.92</u>	<u>5.44</u>

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

Note: The presentation currency of this unaudited financial information is US\$. Supplementary information in RM for the period ended 30 September 2013 with comparatives is shown for reference only and has been made at the same exchange rate of US\$1 to RM3.2595 ruling at 30 September 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 COMPREHENSIVE INCOME

	(Unaudited) Period ended 30 September		(Unaudited) Period ended 30 September	
	2013	2012	2013	2012
	US\$'000	US\$'000	RM'000	RM'000
		(Restated)	(Note)	(Note)
Profit for the period	25,765	28,754	83,981	93,724
Other comprehensive (losses) / income				
Item that may be reclassified subsequently to profit or loss				
Currency translation differences	(7,641)	482	(24,906)	1,570
Item that will not be reclassified subsequently to profit or loss				
Remeasurements of post employment benefit obligations	-	153	-	499
Other comprehensive (losses) / income for the period, net of tax	(7,641)	635	(24,906)	2,069
Total comprehensive income for the period	18,124	29,389	59,075	95,793
Total comprehensive income for the period attributable to:				
Owners of the Company	17,748	28,848	57,849	94,030
Non-controlling interests	376	541	1,226	1,763
	18,124	29,389	59,075	95,793

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CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) As at 30 September 2013 US\$'000	(Audited) As at 31 March 2013 US\$'000 (Restated)	(Unaudited) As at 30 September 2013 RM'000 (Note)	(Unaudited) As at 31 March 2013 RM'000 (Note)
ASSETS				
Non-current assets				
Property, plant and equipment	144,109	150,935	469,723	491,973
Investment properties	16,847	17,579	54,913	57,299
Intangible assets	73,613	77,908	239,942	253,941
Deferred income tax assets	1,681	1,674	5,479	5,456
Interests in jointly controlled entities and associates	3,023	3,142	9,853	10,241
	<u>239,273</u>	<u>251,238</u>	<u>779,910</u>	<u>818,910</u>
Current assets				
Inventories	56,646	50,128	184,638	163,392
Available-for-sale financial assets	97	97	316	316
Financial assets at fair value through profit or loss	220	230	717	750
Trade and other receivables	73,332	74,695	239,026	243,468
Income tax recoverable	642	870	2,093	2,836
Cash and cash equivalents	104,125	101,829	339,395	331,912
	<u>235,062</u>	<u>227,849</u>	<u>766,185</u>	<u>742,674</u>
Current liabilities				
Trade and other payables	75,675	72,898	246,663	237,611
Income tax liabilities	8,151	7,147	26,568	23,296
Short-term bank borrowings	161,756	170,602	527,244	556,077
Current portion of long-term liabilities	55	58	179	189
	<u>245,637</u>	<u>250,705</u>	<u>800,654</u>	<u>817,173</u>
Net current liabilities	<u>(10,575)</u>	<u>(22,856)</u>	<u>(34,469)</u>	<u>(74,499)</u>
Total assets less current liabilities	<u>228,698</u>	<u>228,382</u>	<u>745,441</u>	<u>744,411</u>
EQUITY				
Equity attributable to owners of the Company				
Share capital	21,715	21,715	70,780	70,780
Share premium	54,664	54,664	178,177	178,177
Other reserves	(79,288)	(71,643)	(258,439)	(233,520)
Retained earnings				
- Proposed dividend	12,654	17,125	41,245	55,819
- Others	197,884	185,145	645,003	603,480
	<u>207,629</u>	<u>207,006</u>	<u>676,766</u>	<u>674,736</u>
Non-controlling interests	<u>6,821</u>	<u>6,939</u>	<u>22,233</u>	<u>22,618</u>
Total equity	<u>214,450</u>	<u>213,945</u>	<u>698,999</u>	<u>697,354</u>
Non-current liabilities				
Other long-term liabilities	1,410	1,332	4,596	4,341
Deferred income tax liabilities	12,838	13,105	41,846	42,716
	<u>14,248</u>	<u>14,437</u>	<u>46,442</u>	<u>47,057</u>
	<u>228,698</u>	<u>228,382</u>	<u>745,441</u>	<u>744,411</u>
Net assets per share attributable to owners of the Company (US cents/sen)	<u>12.31</u>	<u>12.27</u>	<u>40.12</u>	<u>39.99</u>

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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 (Restated)	21,715	280,818	(70,106)	181,137	413,564	6,229	419,793
Comprehensive income							
Profit for the period	-	-	-	28,219	28,219	535	28,754
Other comprehensive income							
Item that may be reclassified subsequently to profit or loss							
Currency translation differences	-	-	476	-	476	6	482
Item that will not be reclassified subsequently to profit or loss							
Remeasurements of post employment benefit obligations	-	-	-	153	153	-	153
Other comprehensive income, net of tax	-	-	476	153	629	6	635
Total comprehensive income for the period ended 30 September 2012	-	-	476	28,372	28,848	541	29,389
Total contributions by and distributions to owners of the Company recognised directly in equity							
2011/2012 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)
Capital contribution from a non-controlling interest of a newly incorporated subsidiary	-	-	-	-	-	297	297
2012/2013 interim dividend paid by a subsidiary	-	-	-	-	-	(18)	(18)
2011/2012 final dividend paid by a listed subsidiary	-	-	-	-	-	(553)	(553)
Total transactions with owners	-	-	-	(24,431)	(24,431)	(274)	(24,705)
At 30 September 2012	21,715	280,818	(69,630)	185,078	417,981	6,496	424,477
At 1 April 2013 (Restated)	21,715	54,664	(71,643)	202,270	207,006	6,939	213,945
Comprehensive income							
Profit for the period	-	-	-	25,393	25,393	372	25,765
Other comprehensive (losses) / income							
Item that may be reclassified subsequently to profit or loss							
Currency translation differences	-	-	(7,645)	-	(7,645)	4	(7,641)
Other comprehensive (losses) / income, net of tax	-	-	(7,645)	-	(7,645)	4	(7,641)
Total comprehensive (losses) / income for the period ended 30 September 2013	-	-	(7,645)	25,393	17,748	376	18,124
Total contributions by and distributions to owners of the Company recognised directly in equity							
2012/2013 second interim dividend paid	-	-	-	(17,125)	(17,125)	-	(17,125)
Total contributions by and distributions to owners of the Company	-	-	-	(17,125)	(17,125)	-	(17,125)
2012/2013 interim dividend paid by a subsidiary	-	-	-	-	-	(10)	(10)
2012/2013 final dividend paid by a listed subsidiary	-	-	-	-	-	(484)	(484)
Total transactions with owners	-	-	-	(17,125)	(17,125)	(494)	(17,619)
At 30 September 2013	21,715	54,664	(79,288)	210,538	207,629	6,821	214,450

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Continued)

	(Unaudited)						
	Attributable to owners of the Company						
	Share capital RM'000 (Note)	Share premium RM'000 (Note)	Other reserves RM'000 (Note)	Retained earnings RM'000 (Note)	Total RM'000 (Note)	Non- controlling interests RM'000 (Note)	Total equity RM'000 (Note)
At 1 April 2012	70,780	915,326	(228,510)	590,416	1,348,012	20,303	1,368,315
Comprehensive income							
Profit for the period	-	-	-	91,980	91,980	1,744	93,724
Other comprehensive income							
Item that may be reclassified subsequently to profit or loss							
Currency translation differences	-	-	1,551	-	1,551	19	1,570
Item that will not be reclassified subsequently to profit or loss							
Remeasurements of post employment benefit obligations	-	-	-	499	499	-	499
Other comprehensive income, net of tax	-	-	1,551	499	2,050	19	2,069
Total comprehensive income for the period ended 30 September 2012	-	-	1,551	92,479	94,030	1,763	95,793
Total contributions by and distributions to owners of the Company recognised directly in equity							
2011/2012 second interim dividend paid	-	-	-	(79,633)	(79,633)	-	(79,633)
Total contributions by and distributions to owners of the Company	-	-	-	(79,633)	(79,633)	-	(79,633)
Capital contribution from a non-controlling interest of a newly incorporated subsidiary	-	-	-	-	-	968	968
2012/2013 interim dividend paid by a subsidiary	-	-	-	-	-	(59)	(59)
2011/2012 final dividend paid by a listed subsidiary	-	-	-	-	-	(1,802)	(1,802)
Total transactions with owners	-	-	-	(79,633)	(79,633)	(893)	(80,526)
At 30 September 2012	70,780	915,326	(226,959)	603,262	1,362,409	21,173	1,383,582
At 1 April 2013	70,780	178,177	(233,520)	659,299	674,736	22,618	697,354
Comprehensive income							
Profit for the period	-	-	-	82,768	82,768	1,213	83,981
Other comprehensive (losses) / income							
Item that may be reclassified subsequently to profit or loss							
Currency translation differences	-	-	(24,919)	-	(24,919)	13	(24,906)
Other comprehensive (losses) / income, net of tax	-	-	(24,919)	-	(24,919)	13	(24,906)
Total comprehensive (losses) / income for the period ended 30 September 2013	-	-	(24,919)	82,768	57,849	1,226	59,075
Total contributions by and distributions to owners of the Company recognised directly in equity							
2012/2013 second interim dividend paid	-	-	-	(55,819)	(55,819)	-	(55,819)
Total contributions by and distributions to owners of the Company	-	-	-	(55,819)	(55,819)	-	(55,819)
2012/2013 interim dividend paid by a subsidiary	-	-	-	-	-	(33)	(33)
2012/2013 final dividend paid by a listed subsidiary	-	-	-	-	-	(1,578)	(1,578)
Total transactions with owners	-	-	-	(55,819)	(55,819)	(1,611)	(57,430)
At 30 September 2013	70,780	178,177	(258,439)	686,248	676,766	22,233	698,999

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	(Unaudited) Period ended 30 September		(Unaudited) Period ended 30 September	
	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	40,174	47,936	130,947	156,247
Interest paid	(3,561)	(82)	(11,607)	(267)
Income tax paid	(8,150)	(6,661)	(26,565)	(21,712)
Net cash generated from operating activities	28,463	41,193	92,775	134,268
Cash flows from investing activities				
Acquisition of a subsidiary, net of cash acquired	-	(75)	-	(244)
Acquisition of an exchangeable bond - equity derivatives	-	(1,145)	-	(3,732)
Purchases of property, plant and equipment	(4,854)	(7,981)	(15,822)	(26,014)
Purchases of intangible assets	(235)	(448)	(766)	(1,460)
Proceeds from disposal of property, plant and equipment	7	184	23	600
Proceeds from disposal of convertible notes	-	1,694	-	5,522
Interest received	823	1,407	2,683	4,586
Dividends received	12	7	39	23
Net cash used in investing activities	(4,247)	(6,357)	(13,843)	(20,719)
Cash flows from financing activities				
Dividends paid	(17,125)	(24,431)	(55,819)	(79,633)
Dividends paid to non-controlling interests by a subsidiary	(10)	(18)	(33)	(59)
Dividends paid to non-controlling interests by a listed subsidiary	(484)	(553)	(1,578)	(1,802)
Capital contribution from a non-controlling interest of a newly incorporated subsidiary	-	297	-	968
Proceeds from bank borrowings	7,857	8,361	25,610	27,252
Repayments of bank borrowings	(9,117)	(8,830)	(29,717)	(28,781)
Net cash used in financing activities	(18,879)	(25,174)	(61,537)	(82,055)
Net increase in cash and cash equivalents	5,337	9,662	17,395	31,494
Cash and cash equivalents at beginning of period	101,829	134,657	331,912	438,914
Exchange adjustments on cash and cash equivalents	(3,041)	25	(9,912)	81
Cash and cash equivalents at end of period	104,125	144,344	339,395	470,489

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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 and period ended 30 September 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”) 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 in those annual financial statements.

- 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. The change has resulted in increases in the income statement charge for the six months ended 30 September 2012 and the year ended 31 March 2013 of US\$153,000 and US\$307,000 respectively.

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.

The standard requires remeasurements to be recognised in retained earnings or a separate reserve. The Group has elected to recognise the remeasurements in retained earnings, this resulted in increases of US\$2,573,000 and US\$2,639,000 in other reserves with corresponding decreases in the retained earnings as at 1 April 2012 and 1 April 2013 respectively.

- 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

- a) In August 2013, the Company repurchased a total of 1,000 of its listed shares on The Stock Exchange of Hong Kong Limited from the open market at the price of HK\$2.90 per share for the purpose of validating the declaration of solvency in relation to the share buyback mandate in accordance with the provision of the Malaysian Companies Act. The repurchase was financed by internally generated funds. Details of the repurchase are summarised as follows:

(Unaudited)

Month/Year	Number of ordinary shares repurchased	Purchase price per share		Aggregate purchase consideration HK\$	Equivalents in US\$
		Highest HK\$	Lowest HK\$		
August 2013	1,000	2.90	2.90	2,900	374

All the shares repurchased during the period ended 30 September 2013 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.

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A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A6. Changes in debt and equity securities (Continued)

- a) Save as disclosed above, neither the Company nor any of its subsidiaries had purchased, sold or the Company had redeemed any of the Company's listed securities during the period ended 30 September 2013.
- b) Details of the movements in the Company's shares during the period ended 30 September 2013 are as follows:

	(Unaudited) Number of shares
As at 1 April 2013	1,687,240,241
Repurchase of ordinary shares	<u>(1,000)</u>
As at 30 September 2013	<u>1,687,239,241</u>

A7. Dividends paid

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.

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.

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A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A8. Turnover and segment information (Continued)

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

	(Unaudited)					Total US\$'000
	Three months ended 30 September 2013					
	Publishing and printing				Travel and travel related services US\$'000	
	Malaysia and other Southeast Asian countries US\$'000	Hong Kong and Mainland China US\$'000	North America US\$'000	Sub-total US\$'000		
Turnover	<u>69,031</u>	<u>16,650</u>	<u>6,203</u>	<u>91,884</u>	<u>33,601</u>	<u>125,485</u>
Segment profit / (loss) before income tax	<u>15,986</u>	<u>788</u>	<u>(224)</u>	<u>16,550</u>	<u>2,797</u>	19,347
Unallocated interest expense						(2,135)
Other net unallocated expenses						(350)
Share of losses of jointly controlled entities and associates						<u>(89)</u>
Profit before income tax						16,773
Income tax expense						<u>(4,570)</u>
Profit for the quarter						<u>12,203</u>
Other information:						
Interest income	341	50	-	391	3	394
Interest expense	(73)	-	-	(73)	-	(73)
Depreciation of property, plant and equipment	(2,051)	(346)	(98)	(2,495)	(11)	(2,506)
Amortisation of intangible assets	(227)	(32)	(22)	(281)	(5)	(286)
Share of losses of jointly controlled entities and associates	-	(89)	-	(89)	-	(89)
Income tax expense	(3,981)	(250)	(13)	(4,244)	(326)	(4,570)

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A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A8. Turnover and segment information (Continued)

	(Unaudited and restated) Three months ended 30 September 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	Travel and travel related services US\$'000	Total US\$'000
Turnover	72,185	18,745	6,790	97,720	23,829	121,549
Segment profit / (loss) before income tax	14,601	1,261	(187)	15,675	522	16,197
Net unallocated income						126
Share of losses of associates						(5)
Profit before income tax						16,318
Income tax expense						(3,245)
Profit for the quarter						<u>13,073</u>
Other information:						
Interest income	611	68	-	679	2	681
Interest expense	(57)	-	-	(57)	-	(57)
Depreciation of property, plant and equipment	(2,114)	(401)	(122)	(2,637)	(11)	(2,648)
Amortisation of land use rights	-	(15)	-	(15)	-	(15)
Amortisation of intangible assets	(286)	(29)	(21)	(336)	(4)	(340)
Share of losses of associates	-	(5)	-	(5)	-	(5)
Income tax expense	(2,450)	(555)	(44)	(3,049)	(196)	(3,245)

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A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A8. Turnover and segment information (Continued)

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

	(Unaudited)					Total US\$'000
	Period ended 30 September 2013					
	Publishing and printing				Travel and travel related services US\$'000	
	Malaysia and other Southeast Asian countries US\$'000	Hong Kong and Mainland China US\$'000	North America US\$'000	Sub-total US\$'000		
Turnover	<u>145,158</u>	<u>34,157</u>	<u>13,059</u>	<u>192,374</u>	<u>59,413</u>	<u>251,787</u>
Segment profit before income tax	<u>34,040</u>	<u>1,764</u>	<u>155</u>	<u>35,959</u>	<u>4,704</u>	40,663
Unallocated interest expense						(4,248)
Other net unallocated expenses						(562)
Share of losses of jointly controlled entities and associates						<u>(203)</u>
Profit before income tax						35,650
Income tax expense						<u>(9,885)</u>
Profit for the period						<u>25,765</u>
Other information:						
Interest income	727	92	-	819	4	823
Interest expense	(142)	-	-	(142)	-	(142)
Depreciation of property, plant and equipment	(4,213)	(688)	(194)	(5,095)	(22)	(5,117)
Amortisation of intangible assets	(455)	(65)	(44)	(564)	(10)	(574)
Share of losses of jointly controlled entities and associates	-	(203)	-	(203)	-	(203)
Income tax expense	(8,623)	(510)	(211)	(9,344)	(541)	(9,885)

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A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A8. Turnover and segment information (Continued)

	(Unaudited and restated) Period ended 30 September 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	Travel and travel related services US\$'000	Total US\$'000
Turnover	144,322	38,297	13,921	196,540	48,162	244,702
Segment profit / (loss) before income tax	31,169	4,405	(227)	35,347	1,913	37,260
Net unallocated expenses						(201)
Share of losses of associates						(8)
Profit before income tax						37,051
Income tax expense						(8,297)
Profit for the period						28,754
Other information:						
Interest income	1,246	158	-	1,404	3	1,407
Interest expense	(82)	-	-	(82)	-	(82)
Depreciation of property, plant and equipment	(4,211)	(796)	(244)	(5,251)	(22)	(5,273)
Amortisation of land use rights	-	(30)	-	(30)	-	(30)
Amortisation of intangible assets	(485)	(56)	(41)	(582)	(8)	(590)
Share of losses of associates	-	(8)	-	(8)	-	(8)
Income tax expense	(6,800)	(970)	(136)	(7,906)	(391)	(8,297)

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 and period is as follows:

	(Unaudited) Three months ended 30 September 2013		(Unaudited) Period ended 30 September 2012	
	US\$'000	US\$'000	US\$'000	US\$'000
Advertising income, net of trade discounts	65,162	69,046	136,595	139,579
Sales of newspapers, magazines, digital contents and books, net of trade discounts and returns	26,722	28,674	55,779	56,961
Travel and travel related services income	33,601	23,829	59,413	48,162
	<u>125,485</u>	<u>121,549</u>	<u>251,787</u>	<u>244,702</u>

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A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A8. Turnover and segment information (Continued)

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

	(Unaudited)						Total US\$'000
	Publishing and printing				Travel and travel related services US\$'000	Elimination US\$'000	
	Malaysia and other Southeast Asian countries US\$'000	Hong Kong and Mainland China US\$'000	North America US\$'000	Sub-total US\$'000			
Segment assets	<u>364,125</u>	<u>71,498</u>	<u>16,922</u>	<u>452,545</u>	<u>19,181</u>	<u>(165)</u>	<u>471,561</u>
Unallocated assets							<u>2,774</u>
Total assets							<u>474,335</u>
Total assets include:							
Interests in jointly controlled entities and associates	-	3,023	-	3,023	-	-	3,023
Additions to non-current assets (other than deferred income tax assets)	<u>4,638</u>	<u>322</u>	<u>117</u>	<u>5,077</u>	<u>12</u>	<u>-</u>	<u>5,089</u>

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

	(Audited)						Total US\$'000
	Publishing and printing				Travel and travel related services US\$'000	Elimination US\$'000	
	Malaysia and other Southeast Asian countries US\$'000	Hong Kong and Mainland China US\$'000	North America US\$'000	Sub-total US\$'000			
Segment assets	<u>373,398</u>	<u>73,512</u>	<u>18,043</u>	<u>464,953</u>	<u>13,786</u>	<u>(2,674)</u>	<u>476,065</u>
Unallocated assets							<u>3,022</u>
Total assets							<u>479,087</u>
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)	<u>15,855</u>	<u>2,750</u>	<u>3,554</u>	<u>22,159</u>	<u>67</u>	<u>-</u>	<u>22,226</u>

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

Segment assets consist primarily of property, plant and equipment, investment properties, intangible assets, interests in 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 and period are as follows:

	(Unaudited)	
	Three months ended 30 September 2013 US\$'000	Period ended 30 September 2013 US\$'000
Additions	2,906	4,854
Disposals	(16)	(55)

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.

A12. Capital commitments

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

	(Unaudited) US\$'000
Property, plant and equipment :	
Authorised and contracted for	3,303
Authorised but not contracted for	2,858
	<u>6,161</u>

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A. NOTES TO THE FINANCIAL INFORMATION (Continued)

A13. Related party transactions

	(Unaudited)			
	Three months ended		Period ended	
	30 September	2012	30 September	2012
	2013	2012	2013	2012
	US\$'000	US\$'000	US\$'000	US\$'000
Newsprint purchases from a related company (<i>note 1</i>)	9,468	11,134	22,328	20,775
Rental expenses paid to related companies (<i>note 1</i>)	5	6	10	12
Purchases of air tickets from a related company (<i>note 1</i>)	17	12	23	20
Consultancy fee paid to a non-executive director	-	32	-	56
Scrap sales of old newspapers and magazines to a related company (<i>note 1</i>)	(750)	(664)	(1,509)	(1,410)
Provision of services such as air tickets and accommodation arrangement services to related companies (<i>note 1</i>)	-	(4)	(73)	(9)
Rental income received from a related company (<i>note 1</i>)	(28)	(27)	(46)	(45)
Agency fee income received from an associate	(90)	-	(131)	-
Content providing and video production income received from a jointly controlled entity	(220)	-	(220)	-
Software development income from a jointly controlled entity	(10)	-	(10)	-

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 September		(Unaudited) Period ended 30 September	
	2013 US\$'000	2012 US\$'000	2013 US\$'000	2012 US\$'000
		(Restated)		(Restated)
Turnover	125,485	121,549	251,787	244,702
Profit before income tax	16,773	16,318	35,650	37,051
EBITDA	21,379	18,697	44,908	41,619

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

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

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

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

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

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

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

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

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

As at 30 September 2013, the Group's cash and cash equivalents amounted to US\$104,125,000, an increase of 2.3% since 31 March 2013; and the Group's net gearing ratio dropped to 27.8% from 33.2% as at 31 March 2013.

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

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

B2. Variation of results against immediate preceding quarter

	(Unaudited) Three months ended 30 September 2013 US\$'000	(Unaudited) Three months ended 30 June 2013 US\$'000	% change
Turnover	125,485	126,302	-0.6%
Profit before income tax	16,773	18,877	-11.1%

The current quarter's turnover of US\$125,485,000 was about the same as that of the immediate preceding quarter. Profit before income tax, however, decreased by 11.1% to US\$16,773,000 mainly due to lower revenue from the publishing and printing segment during the current quarter.

B3. Current year prospects

The directors expect the operating environment in the coming quarters to remain challenging in the light of economic slowdown in those markets that the Group operates in.

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

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

Nevertheless, the Group will continue to explore more revenue sources while keeping tight controls on costs.

Barring any unforeseen circumstances, the Group expects its performance for the second half-year to be satisfactory.

B4. Profit forecast and profit guarantee

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

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

B5. Profit before income tax

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

	(Unaudited)		(Unaudited)	
	Three months ended		Period ended	
	30 September		30 September	
	2013	2012	2013	2012
	US\$'000	US\$'000	US\$'000	US\$'000
(Allowance for and write-off) / reversal of allowance of trade and other receivables	(53)	32	(215)	(64)
Allowance for and write-off of inventories	(36)	(36)	(73)	(277)
Exchange gains - net	290	392	374	312
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)		(Unaudited)	
	Three months ended		Period ended	
	30 September		30 September	
	2013	2012	2013	2012
	US\$'000	US\$'000	US\$'000	US\$'000
Current period income tax expense	4,499	4,287	9,631	9,059
Under provision of income tax expense in prior years	2	130	6	146
Deferred income tax expense/(credit)	69	(1,172)	248	(908)
	4,570	3,245	9,885	8,297

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

B7. Status of corporate proposals

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

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

B8. Group borrowings

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

	Secured US\$'000	(Unaudited) Unsecured US\$'000	Total US\$'000
Current			
Short-term bank borrowings	669	161,087	161,756

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

	(Unaudited) US\$'000
Malaysian Ringgit	161,087
United States Dollars	669
	<u>161,756</u>

The net gearing ratio of the Group, calculated as net debt over owners' equity, was 27.8% as at 30 September 2013 (31 March 2013: 33.2%).

A short-term bank borrowing of RM500 million (equivalent to US\$153,146,000) matured on 26 November 2013 and was renewed for a period of three months.

B9. Material litigation

As at 30 September 2013, there were 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 this unaudited financial information is authorised for issue, the directors of the Company are of the opinion that the respective ultimate liability, if any, will not have a material adverse impact upon the Group's financial position.

B10. Dividend payable

The board of directors has declared a first interim dividend of US0.750 cents (2012/2013: US0.673 cents) per ordinary share in respect of the year ending 31 March 2014. The dividend will be payable on 15 January 2014 to shareholders whose names appear on the register of members of the Company at the close of the business on 17 December 2013 in cash in RM or in HK\$ at exchange rates determined on 27 November 2013 by reference to the middle exchange rates applicable to US\$ at 12:00 noon as quoted by Bank Negara Malaysia. This interim dividend is not reflected as a dividend payable in this unaudited financial information.

The middle exchange rates at 12:00 noon on 27 November 2013 as quoted by Bank Negara Malaysia of US\$ to RM and US\$ to HK\$, and the amount of the first interim dividend payable is as follows:

	Exchange rates	Dividend per ordinary share
US\$ to RM	3.2240	2.418 sen
US\$ to HK\$	7.7521	HK5.814 cents

No tax is payable on the dividend declared by the Company to be received by shareholders in Malaysia as it is income from foreign source in accordance to paragraph 28 of Schedule 6 of Malaysian Income Tax Act 1967.

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

B10. Dividend payable (Continued)

The register of members in Hong Kong will be closed on Tuesday, 17 December 2013 whereby no transfer of shares will be registered on that date. In order to qualify for the first interim dividend of US0.750 cents per ordinary share, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's Hong Kong share registrar and transfer office, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration no later than 4:30 p.m. on Monday, 16 December 2013. In respect of the shareholders in Malaysia, a depositor in Malaysia shall qualify for the entitlement to the dividend only in respect of: i) shares transferred into the depositor's securities account before 4:00 p.m. on Tuesday, 17 December 2013 in respect of transfers; and ii) shares bought on Bursa Securities on a cum entitlement basis according to the rules of Bursa Securities.

Shareholders who wish to request for transmission of their shares between the Malaysia Register and Hong Kong Register are advised to take note that request for transmission will be suspended from 11 December 2013 to 17 December 2013, both days inclusive.

B11. Earnings per share attributable to owners of the Company

	(Unaudited)		(Unaudited)	
	Three months ended		Period ended	
	30 September		30 September	
	2013	2012	2013	2012
		(Restated)		(Restated)
Profit attributable to owners of the Company (US\$'000)	12,067	12,889	25,393	28,219
Weighted average number of ordinary shares in issue	1,687,239,698	1,687,240,893	1,687,239,968	1,687,241,066
Basic earnings per share (US cents)	0.72	0.76	1.51	1.67
Diluted earnings per share (US cents)	0.72	0.76	1.51	1.67

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 and period ended 30 September 2013.

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

B12. Disclosure of realised and unrealised retained profits

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

	(Unaudited)	(Audited)
	As at	As at
	30 September	31 March
	2013	2013
	US\$'000	US\$'000
		(Restated)
Total retained profits of the Company and its subsidiaries:		
- Realised	236,662	227,950
- Unrealised	(10,003)	(10,543)
	226,659	217,407
Total share of accumulated losses of jointly controlled entities and associates:		
- Realised	(1,077)	(874)
- Unrealised	33	33
	(1,044)	(841)
Less : consolidation adjustments	(15,077)	(14,296)
Group's retained profits as per condensed consolidated statement of financial position	210,538	202,270

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
27 November 2013