

**MEDIA PRIMA BERHAD (532975-A)**  
(Incorporated in Malaysia)

**FINANCIAL RESULTS FOR THE QUARTER ENDED 31 MARCH 2011**

The Board of Directors of Media Prima Berhad ("MPB" or "Company") is pleased to announce the unaudited consolidated results of Media Prima Berhad Group (the "Group") for the 3 months ended 31 March 2011.

This interim report is prepared in accordance with Financial Reporting Standards ("FRS") 134 "Interim Financial Reporting" and paragraph 9.22 of the "Bursa Malaysia Securities Berhad" (BMSB) Listing Requirements, and should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2010.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		31.3.2011 RM'000	31.3.2010 RM'000	31.3.2011 RM'000	31.3.2010 RM'000
<u>Continuing Operations</u>					
Revenue		354,189	323,672	354,189	323,672
Operating expenses	A8	(303,134)	(279,837)	(303,134)	(279,837)
Other operating income		3,789	4,827	3,789	4,827
Profit from operations		54,844	48,662	54,844	48,662
Finance costs		(8,415)	(6,861)	(8,415)	(6,861)
Share of associate		1,132	(669)	1,132	(669)
Negative Goodwill	A4	-	17,535	-	17,535
Profit before tax		47,561	58,667	47,561	58,667
Taxation	B1	(12,232)	(11,792)	(12,232)	(11,792)
Net profit for the period from continuing operations		35,329	46,875	35,329	46,875
<u>Subsidiaries Held for Sale</u>					
Operational losses		(153)	-	(153)	-
Net profit for the period		35,176	46,875	35,176	46,875

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		31.3.2011 RM'000	31.3.2010 RM'000	31.3.2011 RM'000	31.3.2010 RM'000
<u>Other Comprehensive expenses:</u>					
Exchange differences on translation of foreign operations		134	(650)	134	(650)
Movement in Available-For-Sale reserve		-	-	-	-
Total Comprehensive Income for the period		<b>35,310</b>	46,225	<b>35,310</b>	46,225
<b>Profit attributable to:</b>					
- Owners of the Parent		<b>34,793</b>	45,572	<b>34,793</b>	45,572
- Non-Controlling Interest		<b>383</b>	1,303	<b>383</b>	1,303
		<b>35,176</b>	46,875	<b>35,176</b>	46,875
<b>Total comprehensive income attributable to:</b>					
- Owners of the Parent		<b>34,962</b>	45,017	<b>34,962</b>	45,017
- Non-Controlling Interest		<b>348</b>	1,208	<b>348</b>	1,208
		<b>35,310</b>	46,225	<b>35,310</b>	46,225
<b>Earnings per share (in sen)</b>					
Before share of losses from subsidiaries held for sale					
- Basic	B15	<b>3.37</b>	4.67	<b>3.37</b>	4.67
- Diluted	B15	<b>3.12</b>	4.64	<b>3.12</b>	4.64
After share of losses from subsidiaries held for sale					
- Basic	B15	<b>3.36</b>	4.67	<b>3.36</b>	4.67
- Diluted	B15	<b>3.11</b>	4.64	<b>3.11</b>	4.64

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2010.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTE	AS AT 31.3.2011 RM'000	AS AT 31.12.2010 RM'000
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment		723,277	728,748
Investment properties		57,304	57,850
Associates		213,506	212,374
Prepaid expenditure		1,833	1,882
Available-for-sale investments		1,120	1,120
Intangible assets		372,307	381,830
Deferred tax assets		55,372	56,491
		<u>1,424,719</u>	<u>1,440,295</u>
<b>Current Assets</b>			
Financial assets designated at fair value		3,287	3,253
Inventories		116,106	108,515
Receivables, deposits and prepayments		312,630	344,869
Tax recoverable		10,409	3,773
Deposits, bank and cash balances		354,502	317,931
		<u>796,934</u>	<u>778,341</u>
Assets of subsidiaries held for sale		16,050	16,302
Non-current assets held for sale		180	180
		<u>813,164</u>	<u>794,823</u>
<b>TOTAL ASSETS</b>		<u><b>2,237,883</b></u>	<u><b>2,235,118</b></u>
<b>LIABILITIES AND EQUITY</b>			
<b>Non Current Liabilities</b>			
Trade and other payables		409	409
Borrowings	B7	456,695	458,947
Deferred tax liabilities		91,713	87,844
		<u>548,817</u>	<u>547,200</u>
<b>Current Liabilities</b>			
Trade and other payables		227,562	315,029
Borrowings	B7	88,892	91,414
Taxation		7,778	8,043
		<u>324,232</u>	<u>414,486</u>
Liabilities of subsidiaries held for sale		22,999	23,239
		<u>347,231</u>	<u>437,725</u>
<b>TOTAL LIABILITIES</b>		<u><b>896,048</b></u>	<u><b>984,925</b></u>
<b>Equity and Reserves</b>			
Share capital		1,037,931	1,006,696
Reserves		280,513	220,454
Equity attributable to equity holders of the Company		1,318,444	1,227,150
Non-controlling interest		23,391	23,043
Total equity		<u>1,341,835</u>	<u>1,250,193</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u><b>2,237,883</b></u>	<u><b>2,235,118</b></u>
<b>Net Assets per share (sen)</b>		<b>127.03</b>	<b>121.90</b>

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the group's audited annual financial statements for the financial year ended 31 December 2010.



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2011

← Attributable to Owners of the Company →  
Issued and fully paid  
ordinary shares of RM1  
each

Non – distributable

	Number of shares '000	Nominal Value RM'000	Share Premium RM'000	Revaluation and other reserves RM'000	Accumulated losses RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
2011:								
At 1 January 2011	1,006,696	1,006,696	300,004	180,513	(260,063)	1,227,150	23,043	1,250,193
Profit for the period	-	-	-	-	34,793	34,793	383	35,176
Other comprehensive income	-	-	-	169	-	169	(35)	134
Total comprehensive income for the period	-	-	-	169	34,793	34,962	348	35,310
Exercise of Employee Share Option Scheme ("ESOS")	31,234	31,234	38,060	(12,903)	-	56,391	-	56,391
Exercise of warrants	1	1	1	-	-	2	-	2
Cancellation of expired ESOS during the year	-	-	-	(153)	92	(61)	-	(61)
Total transaction with owners	31,235	31,235	38,061	(13,056)	92	56,332	-	56,332
At 31 March 2011	1,037,931	1,037,931	338,065	167,626	(225,178)	1,318,444	23,391	1,341,835

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2010**

← Attributable to Owners of the Company →  
Issued and fully paid  
ordinary shares of RM1  
each

	<u>Number of shares '000</u>	<u>Nominal Value RM'000</u>	<u>Share Premium RM'000</u>	<u>Revaluation and other reserves RM'000</u>	<u>Accumulated losses RM'000</u>	<u>Total RM'000</u>	<u>Non-controlling interests RM'000</u>	<u>Total equity RM'000</u>
At 1 January 2010	945,346	945,346	244,797	178,006	(410,042)	958,107	141,134	1,099,241
Effects of applying FRS 139	-	-	-	-	454	454	-	454
Restated balance	945,346	945,346	244,797	178,006	(409,588)	958,561	141,134	1,099,695
Profit for the period	-	-	-	-	45,572	45,572	1,303	46,875
Other comprehensive income	-	-	-	(555)	-	(555)	(95)	(650)
Total comprehensive income for the period	-	-	-	(555)	45,572	45,017	1,208	46,225
Exercise of Employee Share Option Scheme ("ESOS")	2,051	2,051	1,079	-	-	3,130	-	3,130
Acquisition of a new subsidiary:								
- Shares not yet issued on acquisition of a subsidiary now issued	20,550	20,550	13,768	(34,318)	-	-	-	-
- Shares issued during the period	9,290	9,290	6,504	-	-	15,794	(34,420)	(18,626)
- Warrants issued	-	-	-	836	-	836	-	836
Warrants issued via issuance of redeemable bonds	-	-	-	1,844	-	1,844	-	1,844
Cancellation of ESOS	-	-	-	(620)	620	-	-	-
Total transaction with owners	31,891	31,891	21,351	(32,258)	620	21,604	(34,420)	(12,816)
At 31 March 2010	977,237	977,237	266,148	145,193	(363,396)	1,025,182	107,922	1,133,104

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2010.



**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	NOTE	FOR THE QUARTER ENDED 31.3.2011 RM'000	FOR THE QUARTER ENDED 31.3.2010 RM'000
<b>Cash flow from operating activities</b>			
Receipts from customers		427,381	359,031
Payments to employees and suppliers of goods and services		(399,631)	(299,120)
Income tax paid		(14,354)	(7,898)
Net cash inflow arising from operating activities:			
- Continuing operation		13,396	52,013
- Subsidiaries held for sale		(492)	-
<i>Net cash flow from operating activities</i>		<u>12,904</u>	<u>52,013</u>
<b>Cash flow from investing activities</b>			
Purchase of property, plant & equipment		(21,508)	(12,157)
Acquisition of subsidiaries, net of cash acquired *		-	(255)
Interests received		968	22
Dividend received		47	50
Proceeds from disposal of property, plant and equipment		539	-
Net cash outflow arising from investing activities:			
- Continuing operation		(19,954)	(12,340)
- Subsidiaries held for sale		-	-
<i>Net cash flow from investing activities</i>		<u>(19,954)</u>	<u>(12,340)</u>
<b>Cash flow from financing activities</b>			
Proceeds from issuance of shares		56,334	3,130
Repayments of hire purchase		(2,027)	(1,819)
Interests paid		(11,280)	(670)
Repayments of term loan		-	(91)
Decrease in restricted fixed deposits		1,532	4,165
Drawdown of short term borrowings		-	6,594
Repayment of short term borrowings		-	(83,560)
Proceeds from issuance of bonds with detachable warrants		-	143,747
Net cash inflow arising from financing activities:			
- Continuing operation		44,559	71,496
- Subsidiaries held for sale		-	-
<i>Net cash flow from financing activities</i>		<u>44,559</u>	<u>71,496</u>
<b>Net increase in cash and cash equivalents</b>		<b>37,509</b>	<b>111,169</b>
<b>Foreign exchange differences on opening balances</b>		<b>91</b>	<b>(152)</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>305,942</b>	<b>138,926</b>
<b>Cash and cash equivalents at end of period</b>	A12	<b>343,542</b>	<b>249,943</b>
* Acquisition of subsidiaries, net of cash acquired consists of:			
Purchase consideration settled in cash		-	255
Less: Cash and cash equivalents of subsidiaries acquired		-	-
		<u>-</u>	<u>255</u>

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2010.

**MEDIA PRIMA BERHAD (532975-A)**  
*(Incorporated in Malaysia)*

**FINANCIAL RESULTS FOR THE QUARTER ENDED 31 MARCH 2011**

**NOTES TO THE FINANCIAL RESULTS**

**A1. BASIS OF PREPARATION**

The unaudited condensed interim financial statements of the Group have been prepared in accordance with Financial Reporting Standards ("FRS") 134 "Interim Financial Reporting" and paragraph 9.22 of the "Bursa Malaysia Securities Berhad" (BMSB) Listing Requirements, and should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2010.

The accounting policies, method of computation and basis of consolidation applied in the unaudited condensed interim financial statements are consistent with those used for the annual audited financial statements for the financial year ended 31 December 2010 except for adoption of the following Financial Reporting Standard ("FRS"), amendments to FRSs, Interpretations of the Issues Committee ("IC Interpretations") and Technical Release ("TR"):

- a) FRS 1: First-time Adoption of Financial Reporting Standards
- b) FRS 3: Business Combinations
- c) FRS 127: Consolidated and Separate Financial Statements
- d) Amendments to FRS 1: First-time Adoption of Financial Reporting Standards
- e) Amendments to FRS 2: Share-based Payment
- f) Amendments to FRS 3: Business Combinations
- g) Amendment to FRS 5: Non-current Assets Held for Sale and Discontinued Operations
- h) Amendments to FRS 7: Financial Instruments-Disclosures
- i) Amendments to FRS 101: Presentation of Financial Statements
- j) Amendments to FRS 121: The Effects of Changes in Foreign Exchange Rate
- k) Amendments to FRS 128: Investments in Associates
- l) Amendments to FRS 132: Financial Instruments: Presentation
- m) Amendments to FRS 134: Interim Financial Reporting
- n) Amendments to FRS 138: Intangible Assets
- o) Amendments to FRS 139: Financial Instruments: Recognition and Measurement
- p) IC Interpretation 4: Determining whether an Arrangement contains a Lease
- q) IC Interpretation 9: Reassessment of Embedded Derivatives
- r) IC Interpretation 10: Interim Financial Reporting and Impairment
- s) IC Interpretation 11: FRS 2 – Group and Treasury Share Transactions
- t) IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation
- u) IC Interpretation 17: Distributions of Non-cash Assets to Owners
- v) IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments
- w) TR - 3: Guidance on Disclosures of Transition to IFRSs



The adoption of the above FRSs, amendments to FRSs and IC Interpretations did not have any material impact on the financial statements of the Group.

**A2. AUDIT QUALIFICATION**

The annual audited financial statements for the financial year ended 31 December 2010 were not subject to any qualification.

**A3. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS**

The operations of our major business segments are generally affected by the major festive seasons.

**A4. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASHFLOWS**

During the first quarter ended 31 March 2011, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group.

**A5. MATERIAL CHANGE IN ESTIMATES**

There was no material change in accounting estimates used in the preparation of the financial statements in the current financial quarter as compared to the previous financial quarters or previous financial year.

**A6. DIVIDENDS PAID**

There was no dividend paid during the period under review.

**A7. SEGMENTAL REPORTING**

The Group determines and presents its operating segments based on information reported internally to the Group Managing Director and the Board of Directors. The Group predominantly operates in Malaysia and consequently, there are no disclosures on geographical segment being made. The segment information for the current quarter is as follows:



Quarter ended 31/3/2011	Television Networks RM'000	Radio Networks RM'000	Outdoor Media RM'000	Print Media RM'000	Others RM'000	Elimination RM'000	Continuing operation RM'000	Discontinued operation RM'000	Consolidated RM'000
Revenues from external customers	147,658	12,552	32,213	154,771	6,995	-	354,189	-	354,189
Intersegment revenues	1,302	-	1,117	126	2,196	(4,741)	-	-	-
Total Revenue									354,189
Reportable segment profit / (loss) after tax before non- controlling interest	27,744	4,400	6,308	12,734	(15,775)	(82)	35,329	(153)	35,176

Quarter ended 31/3/2010	Television Network RM'000	Radio Network RM'000	Outdoor Media RM'000	Print Media RM'000	Others RM'000	Elimination RM'000	Continuing operation RM'000	Discontinued operation RM'000	Consolidated RM'000
Revenues from external customers	127,218	12,323	29,995	144,897	9,239	-	323,672	-	323,672
Intersegment revenues	1,870	-	281	-	2,281	(4,432)	-	-	-
Total Revenue									323,672
Reportable segment profit / (loss) after tax before non- controlling interest	20,977	4,503	6,371	10,592	(13,321)	17,753	46,875	-	46,875

**A8. OPERATING EXPENSES**

Included within operating expenses for the period under review are depreciation and amortisation charges of RM25.23 million (2010: RM24.14 million).

**A9. VALUATIONS OF PROPERTY, PLANT & EQUIPMENT**

The group's property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. There were no changes to valuation of property, plant and equipment brought forward from the previous financial year.

**A10. CONTINGENT LIABILITIES**

As at the date of this report, there are no new Group contingent liabilities since the last status reported for the position as at 31 December 2010 of RM692.97 million.

**A11. CAPITAL COMMITMENTS**

Capital commitments not provided for in the financial statements as at 31 March 2011 are as follows:

	<b>RM'000</b>
Approved but not contracted:	
- Property, plant & equipment	94,841
Approved and contracted for:	
- Property, plant & equipment	24,557
	<u>119,398</u>

**A12. CASH AND CASH EQUIVALENTS**

Details of cash and cash equivalents are as follows:

	<b>As at 31.3.2011 RM'000</b>	<b>As at 31.3.2010 RM'000</b>
<b>Cash and bank balances</b>	<b>108,933</b>	112,416
<b>Deposits with licensed financial institutions:</b>		
Deposits with licensed banks	245,569	136,047
Deposits with finance companies	-	1,106
Deposits with licensed discount houses	-	7,242
	<b>245,569</b>	144,395
<b>Deposits, cash and bank balances</b>	<b>354,502</b>	256,811
<b>Cash from subsidiaries held for sale</b>	<b>74</b>	-
<i>Less:</i>		
Bank Overdraft	-	(1,434)
<i>Less:</i>		
<b>Restricted deposits:</b>		
Deposits with licensed banks	<b>(8,901)</b>	(3,050)
<i>Less:</i>		
<b>Trust monies held in relation to public donations:</b>		
Deposits with licensed banks	-	(2,384)
Cash and bank balances	<b>(2,133)</b>	-
<b>Cash and cash equivalents</b>	<b>343,542</b>	249,943

**A13. REALISED AND UNREALISED PROFIT/(LOSSES)**

	<b>RM'000</b>
<b>As at 31 March 2011:</b>	
MPB realised retained earnings	<b>69,614</b>
Total accumulated losses of MPB and its subsidiaries:	
- Realised	<b>(120,178)</b>
- Unrealised	<b>(34,542)</b>
	<b>(85,106)</b>
Total share of (accumulated losses) / retained profits from associated companies:	
- Realised	<b>(14,403)</b>
- Unrealised	<b>2,971</b>
	<b>(96,538)</b>
<b>Less: Consolidation adjustments</b>	<b>(128,640)</b>
<b>Total group accumulated losses as per consolidated accounts</b>	<b>(225,178)</b>



## ADDITIONAL INFORMATION AS REQUIRED BY THE BMSB's LISTING REQUIREMENTS

### B1. TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.3.2011 RM'000	31.3.2010 RM'000	31.3.2011 RM'000	31.3.2010 RM'000
In respect of the current period:				
Current income tax:				
- Malaysian Tax	7,941	11,955	7,941	11,955
- Foreign Tax	-	-	-	-
	<u>7,941</u>	<u>11,955</u>	<u>7,941</u>	<u>11,955</u>
Deferred tax	4,291	(160)	4,291	(160)
Over provision of taxation in prior year	-	(3)	-	(3)
	<u>12,232</u>	<u>11,792</u>	<u>12,232</u>	<u>11,792</u>

### B2. SALE OF UNQUOTED INVESTMENT AND/OR PROPERTIES

There was no sale of unquoted investment or properties included in the financial period under review.

### B3. QUOTED SECURITIES

- a. There were no purchases and disposals of quoted securities during the financial period under review.
- b. Investment in quoted securities is as follows:

	AS AT 31.3.2011 RM'000	AS AT 31.12.2010 RM'000
At cost	<u>5,501</u>	<u>5,501</u>
At carrying value	<u>3,197</u>	<u>3,165</u>
At market value	<u>3,197</u>	<u>3,165</u>

### B4. DEBT SECURITIES

The Group issued 4.95% redeemable fixed rate bonds at a total nominal value of RM150 million with 50 million detachable warrants on 23 March 2010. The bonds mature five years from the issue date at their nominal value of RM150 million. The value of the liability component (RM141.9 million) and the warrant component (RM1.8 million), net of transaction costs of RM1.5 million, were determined at issuance of the bond. The fair value of the liability component included in long-term borrowings was calculated using a market interest rate for an equivalent non-convertible bond. The liability component is subsequently stated at amortised cost until extinguished on maturity of the bond. The residual amount, representing the value of the warrant component, is included in shareholders' equity in warrant reserves.

## **B5. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES**

As at 31 March 2011, the Group does not have any financial liabilities measured at fair value through profit or loss.

## **B6. STATUS OF CORPORATE PROPOSALS**

### **Acquisition of Kurnia Outdoor Sdn Bhd and Jupiter Outdoor Networks Sdn Bhd (collectively known as “Kurnia”)**

On 13 November 2009, MPB announced the acquisition of 100% issued and paid-up capital of Kurnia for an aggregate purchase consideration of RM42.076 million and an additional of up to RM4.291 million which is dependent on the achievement of certain profitability targets for the financial years ended 31 December 2009 and 31 December 2010; and financial year ending 31 December 2011. As at 31 December 2009, MPB completed 80% of the transaction.

On 19 April 2010, MPB acquired a further 9% stake in Kurnia for the purchase consideration of RM4.1 million and bonus consideration of RM1.8 million for achieving a certain percentage of the agreed profit target of Kurnia for the financial year ended 31 December 2009. As at 31 March 2011, MPB holds 89% equity interest in Kurnia.

On 10 May 2011, MPB acquired a further 6% stake in Kurnia for purchase consideration of RM2.7 million and bonus consideration of RM1.1 million for achieving a certain percentage of the agreed profit target of Kurnia for the financial year ended 31 December 2010. As at the date of this announcement, MPB holds 95% equity interest in Kurnia.

### **Proposed Divestment by Gama Media International (BVI) Ltd (“GMI”), A Wholly-Owned Subsidiary of MPB, of its 90% equity interest in TV3 Network Limited (“TV3N”)**

On 14 January 2011, the Group announced its intention to dispose its subsidiary in Ghana following a conditional sales and purchase agreement entered into with a third party in Ghana. The completion of this transaction is pending the fulfillment of conditions precedent to the agreement.

**B7. BORROWINGS**

The Group's borrowings classified as short term and long term are as follows:

	<b>31.3.2011</b>	31.12.2010
	<b>RM'000</b>	RM'000
Current		
Unsecured:		
- Term loans	<b>14,000</b>	14,000
- Hire Purchase creditor	<b>5,355</b>	7,383
- Medium Term Notes	<b>69,537</b>	70,031
	<u><b>88,892</b></u>	<u>91,414</u>
Non Current		
Unsecured:		
- Term loans	<b>201,000</b>	201,000
- Hire Purchase creditor	<b>13,713</b>	13,713
- Bond with detachable warrant	<b>143,565</b>	145,008
- Medium Term Notes	<b>98,417</b>	99,226
	<u><b>456,695</b></u>	<u>458,947</u>
Total borrowings	<u><b>545,587</b></u>	<u>550,361</u>

**B8. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There were no off balance sheet financial instruments issued by the Group as at the date of this report.

**B9. MATERIAL LITIGATION**

Apart from the material litigation disclosed under Note A10, there was no other material litigation in the period under review since the last announcement.



**B10. COMPARISON WITH IMMEDIATE PRECEDING QUARTER RESULTS**

The Group Profit Before tax of RM47.6 million for the first quarter 2011 was lower than the RM79.4 million achieved in the fourth quarter 2010 mainly due to the lower revenue, in line with the general seasonal trends of advertising spending by advertisers. The first quarter of the year has always been the lowest quarter in terms of advertising spending as compared to other quarters, when most advertisers will start their annual promotion roll out.

**B11. REVIEW OF PERFORMANCE**

The Group's results and revenue activities were significantly driven by its core platforms; Television Networks, Print Media, Outdoor Media and Radio Networks.

A combination of continuing improvement in economic climate and effective cost management contributed to the improvement in the Group's results. Revenue grew by 9.4% led by advertisement revenue which recorded a growth of 13.5%; as advertisement expenditure ("adex") growth maintained its momentum into 2011.

Profit After Tax and Non-controlling Interests decreased by 23.7% in the quarter ended 31 March 2011 compared to preceding period which had included RM17.5 million negative goodwill from increased stake in NSTP. Excluding the negative goodwill in 2010, the Profit After Tax and Non-controlling Interests from continuing operations for the first quarter 2010 was RM28.0 million compared to RM34.9 million for the first quarter 2011 representing a growth of 24.6%.

In accordance with FRS 5 'Non-current Assets Held for Sale and Discontinued Operations', as a result of the intention to dispose the Group's subsidiary in Ghana as disclosed in Note B6, this subsidiary has been reclassified under operations from 'Subsidiaries Held for Sale'. However, the result of this subsidiary has been consolidated as part of the result from continuing operation from the first quarter 2010 to the third quarter 2010.

**B12. PROSPECTS FOR 2011**

As the Malaysian economy continues to show positive growth on the back of strong domestic fundamentals, the Group is optimistic about an improved outlook for both consumers and advertisers. The Group is, however, cognisant of the challenges ahead. For the financial year 2011, the Group is committed to maintaining its industry leadership position and its earnings through continued investment in quality and relevant content and branding for its targeted market. Concurrently, the Group will continue to exercise prudent financial and risk management and is optimising its cost management for better leverage on its operating efficiency.

The Group will continue its efforts in realising the value of its diverse media platforms by embarking on various integration initiatives involving the assimilation of its new investments in NSTP and Kurnia into the enlarged Media Prima Group. These efforts include improving the revenue generating capacity and improving operational efficiency to achieve synergy within the Group's stable of media assets. At the same time, it will continue to invest, improve and monetise its New Media platform as an alternative medium for consumers to access its contents.

Barring any unforeseen circumstances, the Board remains optimistic that the Group will register an improved operational financial performance in 2011.

**B13. PROFIT FORECAST/PROFIT GUARANTEE**

The Group has not issued any Group forecast/profit guarantee during the current financial period.

**B14. DIVIDEND**

On 23 February 2011, the Directors had recommended the payment of a final single-tier dividend of 6.0 sen per ordinary share for the financial year ended 31 December 2010. The shareholders had, at the Annual General Meeting of the Company held on 20 April 2011, approved the payment of the final dividend. The final dividend is to be paid on 13 July 2011 to shareholders registered on the Company's Register of Members at the close of business on 15 June 2011.

**B15. EARNINGS PER SHARE**

The Group's earnings per share are calculated as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.3.2011	31.3.2010	31.3.2011	31.3.2010
Profit attributable to ordinary equity holders of the Company (RM'000):				
- Before share of losses from subsidiaries held for sale	<b>34,886</b>	45,572	<b>34,886</b>	45,572
- After share of losses from subsidiaries held for sale	<b>34,793</b>	45,572	<b>34,793</b>	45,572
Weighted average number of ordinary shares in issue adjusted with the potential ordinary shares of the mandatorily convertible instruments ('000)	<b>1,035,421</b>	976,808	<b>1,035,421</b>	976,808
<b>Basic earnings per share (sen):</b>				
- Before share of losses from subsidiaries held for sale	<b>3.37</b>	4.67	<b>3.37</b>	4.67
- After share of losses from subsidiaries held for sale	<b>3.36</b>	4.67	<b>3.36</b>	4.67
Net profit used to determine diluted earnings per share (RM000):				
- Before share of losses from subsidiaries held for sale	<b>34,886</b>	45,572	<b>34,886</b>	45,572
- After share of losses from subsidiaries held for sale	<b>34,793</b>	45,572	<b>34,793</b>	45,572
Weighted average number of ordinary shares in issue ('000)	<b>1,035,421</b>	976,808	<b>1,035,421</b>	976,808
Adjustments for Warrants ('000)	<b>70,860</b>	5,686	<b>70,860</b>	5,686
Adjustments for ESOS ('000)	<b>12,323</b>	-	<b>12,323</b>	-
	<b>1,118,604</b>	982,494	<b>1,118,604</b>	982,494
<b>Diluted earnings per share (sen):</b>				
- Before share of losses from subsidiaries held for sale	<b>3.12</b>	4.64	<b>3.12</b>	4.64
- After share of losses from subsidiaries held for sale	<b>3.11</b>	4.64	<b>3.11</b>	4.64

**BY ORDER OF THE BOARD**

**TAN SAY CHOON (MAICSA 7057849)**

**COMPANY SECRETARY**

**Petaling**

**12 May 2011**