

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

FINANCIAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 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 financial year ended 31 December 2011.

This 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	
		31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
<u>Continuing Operations</u>					
Revenue		428,804	411,271	1,622,133	1,546,643
Operating expenses	A8	(328,668)	(317,709)	(1,337,802)	(1,310,086)
Other operating (expense)/income	A9	5,641	(9,230)	25,143	29,711
Profit from operations		105,777	84,332	309,474	266,268
Finance costs		(7,041)	(8,076)	(32,085)	(32,597)
Share of associate		(45)	989	2,127	6,196
Negative Goodwill	A4	-	2,139	-	55,444
Profit before tax		98,691	79,384	279,516	295,311
Taxation	B1	(25,748)	10,771	(72,106)	(44,693)
Net profit for the period from continuing operations		72,943	90,155	207,410	250,618
<u>Subsidiaries Held for Sale</u>					
Operational profit/(losses)		1,681	(1,592)	1,528	(1,592)
Gain on disposal of subsidiaries		670	-	724	-
Net profit for the period		75,294	88,563	209,662	249,026

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
<u>Other Comprehensive income/(expenses):</u>					
Movement in Available-For-Sale reserve		280	119	280	119
Exchange differences on translation of foreign operations		(1,299)	2,206	(628)	2,370
Reclassification adjustment for gain included in Profit and Loss		(1,994)	-	(1,994)	-
Total Comprehensive Income for the period		72,281	90,888	207,320	251,515
Profit attributable to:					
- Owners of the Parent		75,046	88,200	207,650	242,294
- Non-controlling Interest		248	363	2,012	6,732
		75,294	88,563	209,662	249,026
Total comprehensive income attributable to:					
- Owners of the Parent		73,909	90,523	207,102	244,979
- Non-controlling Interest		(1,628)	365	218	6,536
		72,281	90,888	207,320	251,515
Earnings per share (in sen)					
Before share of losses from subsidiaries held for sale					
- Basic	B12	6.92	9.11	19.57	24.74
- Diluted	B12	6.47	8.41	18.30	22.84
After share of losses from subsidiaries held for sale					
- Basic	B12	7.15	8.95	19.78	24.58
- Diluted	B12	6.69	8.26	18.50	22.69

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 31.12.2011 RM'000	AS AT 31.12.2010 RM'000
ASSETS			
Non Current Assets			
Property, plant and equipment		727,087	728,748
Investment properties		55,704	57,850
Associates		214,501	212,374
Prepaid expenditure		1,855	1,882
Available-for-sale investments		1,400	1,120
Intangible assets		370,455	381,830
Deferred tax assets		50,139	56,491
		<u>1,421,141</u>	<u>1,440,295</u>
Current Assets			
Financial assets designated at fair value		3,318	3,253
Inventories		145,753	108,515
Receivables, deposits and prepayments		377,994	344,869
Tax recoverable		14,136	3,773
Deposits, bank and cash balances		450,096	317,931
		<u>991,297</u>	<u>778,341</u>
Assets of subsidiaries held for sale		-	16,302
Non-current assets held for sale		180	180
		<u>991,477</u>	<u>794,823</u>
TOTAL ASSETS		<u>2,412,618</u>	<u>2,235,118</u>
LIABILITIES AND EQUITY			
Non Current Liabilities			
Trade and other payables		409	409
Borrowings	B5	341,988	458,947
Deferred tax liabilities		102,422	87,844
		<u>444,819</u>	<u>547,200</u>
Current Liabilities			
Trade and other payables		415,362	315,029
Borrowings	B5	161,610	91,414
Taxation		8,422	8,043
		<u>585,394</u>	<u>414,486</u>
Liabilities of subsidiaries held for sale		-	23,239
		<u>585,394</u>	<u>437,725</u>
TOTAL LIABILITIES		<u>1,030,213</u>	<u>984,925</u>
Equity and Reserves			
Share capital		1,068,151	1,006,696
Reserves		295,687	220,454
Equity attributable to equity holders of the Company		<u>1,363,838</u>	<u>1,227,150</u>
Non-controlling interest		18,567	23,043
Total equity		<u>1,382,405</u>	<u>1,250,193</u>
TOTAL LIABILITIES AND EQUITY		<u>2,412,618</u>	<u>2,235,118</u>
Net Assets per share (sen)		127.68	121.90

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 YEAR ENDED 31 DECEMBER 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	-	-	-	-	207,650	207,650	2,012	209,662
Other comprehensive income	-	-	-	(548)	-	(548)	(1,794)	(2,342)
Total comprehensive income for the period	-	-	-	(548)	207,650	207,102	218	207,320
Exercise of Employee Share Option Scheme ("ESOS")	53,903	53,903	65,774	(22,306)	-	97,371	-	97,371
Exercise of warrants	7,552	7,552	7,930	(1,888)	-	13,594	-	13,594
Cancellation of expired ESOS during the year	-	-	-	(275)	214	(61)	-	(61)
Final dividends paid for the financial year ended 31 December 2010	-	-	-	-	(62,997)	(62,997)	(239)	(63,236)
Interim dividends for the financial year ended 31 December 2011	-	-	-	-	(63,935)	(63,935)	(2,733)	(66,668)
Special dividends for the financial year ended 31 December 2011	-	-	-	-	(53,385)	(53,385)	-	(53,385)
Effects of changes in stakes in a subsidiary	-	-	-	-	(1,001)	(1,001)	(1,722)	(2,723)
Total transaction with owners	61,455	61,455	73,704	(24,469)	(181,104)	(70,414)	(4,694)	(75,108)
At 31 December 2011	1,068,151	1,068,151	373,708	155,496	(233,517)	1,363,838	18,567	1,382,405

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2010

	← Attributable to Owners of the Company →								
	<u>Issued and fully paid ordinary shares of RM1 each</u>		<u>Non – distributable</u>			Accumulated losses RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
	Number of shares '000	Nominal Value RM'000	Share Premium RM'000	Revaluation and other reserves RM'000					
2010:									
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	-	-	-	251	454	705	5	710	
Restated balance	945,346	945,346	244,797	178,257	(409,588)	958,812	141,139	1,099,951	
Profit for the period	-	-	-	-	242,294	242,294	6,732	249,026	
Other comprehensive income	-	-	-	1,761	924	2,685	(196)	2,489	
Total comprehensive income for the period	-	-	-	1,761	243,218	244,979	6,536	251,515	
Exercise of Employee Share Option Scheme ("ESOS")	8,804	8,804	9,254	(2,770)	-	15,288	-	15,288	
Exercise of warrants	416	416	434	(102)	-	748	-	748	
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	31,580	31,580	31,751	-	-	63,331	(123,883)	(60,552)	
- Warrants issued	-	-	-	2,986	-	2,986	-	2,986	
Effects of changes in stakes in a subsidiary	-	-	-	-	-	-	902	902	
Warrants issued via issuance of redeemable bonds	-	-	-	1,844	-	1,844	-	1,844	
ESOS granted during the year	-	-	-	33,997	-	33,997	-	33,997	
Cancellation of ESOS	-	-	-	(1,142)	1,142	-	-	-	
Dividends paid for the financial year ended 31 December 2009	-	-	-	-	(54,747)	(54,747)	(846)	(55,593)	
Interim dividends paid for the financial year ended 31 December 2010	-	-	-	-	(40,088)	(40,088)	(805)	(40,893)	
Total transaction with owners	61,350	61,350	55,207	495	(93,693)	23,359	(124,632)	(101,273)	
At 30 September 2010	1,006,696	1,006,696	300,004	180,513	(260,063)	1,227,150	23,043	1,250,193	

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. 5

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	NOTE	FOR THE PERIOD ENDED 31.12.2011 RM'000	FOR THE PERIOD ENDED 31.12.2010 RM'000
Cash flow from operating activities			
Receipts from customers		1,708,831	1,604,859
Payments to employees and suppliers		(1,356,483)	(1,169,438)
Income tax paid		(61,159)	(51,556)
		<u>291,189</u>	<u>383,865</u>
Net cash inflow arising from operating activities:			
- Continuing operation		291,189	383,865
- Subsidiaries held for sale		(16,357)	1,881
<i>Net cash flow from operating activities</i>		<u>274,832</u>	<u>385,746</u>
Cash flow from investing activities			
Purchase of property, plant & equipment		(91,929)	(70,708)
Purchase of investment properties		-	(210)
Acquisition of subsidiaries, net of cash acquired *		(2,723)	(6,930)
Interests received		8,538	4,348
Dividend received		80	103
Proceeds from disposal of property, plant and equipment		673	15,506
Proceeds from disposal of investment properties		416	2,950
Proceeds from disposal of subsidiaries held for sale		7,608	-
		<u>(77,337)</u>	<u>(54,941)</u>
Net cash outflow arising from investing activities:			
- Continuing operation		(77,337)	(54,941)
- Subsidiaries held for sale		(3)	(909)
<i>Net cash flow from investing activities</i>		<u>(77,340)</u>	<u>(55,850)</u>
Cash flow from financing activities			
Proceeds from issuance of shares		110,906	16,036
Repayments of hire purchase		(7,383)	(6,900)
Interests paid		(29,476)	(27,872)
Repayments of term loan		(14,000)	(14,000)
Repayment of Medium Term Notes ("MTN")		(70,000)	-
Increase in restricted fixed deposits		(12,611)	(2,968)
Drawdown of hire purchase		-	1,250
Drawdown of short term borrowings		125,445	73,230
Repayment of short term borrowings		(83,492)	(248,962)
Proceeds from issuance of bonds with detachable warrants		-	143,734
Dividend paid		(97,873)	(96,486)
		<u>(78,486)</u>	<u>(162,938)</u>
Net cash inflow arising from financing activities:			
- Continuing operation		(78,486)	(162,938)
- Subsidiaries held for sale		(31)	(107)
<i>Net cash flow from financing activities</i>		<u>(78,517)</u>	<u>(163,045)</u>
Net increase in cash and cash equivalents		118,975	166,851
Foreign exchange differences on opening balances		-	165
Cash and cash equivalents at beginning of period		305,942	138,926
Cash and cash equivalents at end of period	A13	424,917	305,942
* Acquisition of subsidiaries, net of cash acquired consists of:			
Purchase consideration settled in cash		2,723	6,930
Less: Cash and cash equivalents of subsidiaries acquired		-	-
		<u>2,723</u>	<u>6,930</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 PERIOD ENDED 31 DECEMBER 2011

NOTES TO THE FINANCIAL RESULTS

A1. BASIS OF PREPARATION

The unaudited condensed 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) Amendments 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 CASH FLOWS

During the period ended 31 December 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

On 13 July 2011, the Company paid a final single tier dividend in respect of the financial year ended 31 December 2010 of 6.0 sen per share on 1,049,943,368 ordinary shares amounting to RM63.0 million to shareholders registered on the Company's Register of Members at the close of business on 15 June 2011.

On 14 October 2011, the Company paid a first interim single tier dividend in respect of the financial year ended 31 December 2011 of 3.0 sen per share on 1,063,449,772 ordinary shares amounting to RM31.9 million to shareholders registered on the Company's Register of Members at the close of business on 15 September 2011.

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 period is as follows:

Quarter ended 31/12/2011	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	Subsidiaries Held for Sale RM'000	Consolidated RM'000
Revenues from external customers	690,302	58,773	143,775	699,541	29,742	-	1,622,133	-	1,622,133
Intersegment revenues	6,050	-	4,054	1,995	10,286	(22,385)	-	-	-
Total Revenue									1,622,133
Reportable segment profit / (loss) after tax before non- controlling interest	145,887	23,362	30,745	57,295	222,291	(272,170)	207,410	2,252	209,662

Quarter ended 31/12/2010	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	Subsidiaries Held for Sale RM'000	Consolidated RM'000
Revenues from external customers	655,165	63,385	129,811	670,385	27,897	-	1,546,643	-	1,546,643
Intersegment revenues	5,397	-	4,510	930	16,929	(27,766)	-	-	-
Total Revenue									1,546,643
Reportable segment profit / (loss) after tax before non- controlling interest	145,565	22,723	32,174	53,641	60,846	(64,331)	250,618	(1,592)	249,026

A8. OPERATING EXPENSES

Included within operating expenses for the period under review are the following expenses:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
Depreciation and amortisation	21,113	23,925	94,670	100,007
Allowance/(reversal) for and write off of receivables	9,274	(5,069)	10,363	2,411
Reversal of allowance and write off of inventories	(103)	195	(189)	364
Loss on disposal of quoted or unquoted investments or properties	2,134	-	2,134	-
Impairment of assets	2,015	-	2,168	-
Foreign exchange loss/(gain)	118	(139)	124	-
Gain or loss on derivatives	-	-	-	-
Exceptional items:				
- Share based compensation	-	1,551	-	33,997

A9. OTHER OPERATING INCOME

Included within other operating income for the period under review are the following incomes:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
Interest income	2,315	1,675	8,538	4,348
Other income	3,416	5,932	16,030	18,229
Allowance for and write off of inventories	-	-	-	-
Gain/(loss) on disposal of quoted or unquoted investments or properties	27	(30)	61	5,724
Foreign exchange gain/(loss)	(117)	481	514	1,410
Exceptional items:				
- Impairment on plant and machinery	-	(17,288)	-	-

A10. 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.

A11. CONTINGENT LIABILITIES

Since the last reported financial year end, there is one new material claim of RM2.5 million for defamation action brought against a subsidiary, Sistem Televisyen Malaysia Berhad, for words mentioned during its news programme broadcasted in 2011.

Apart from the above, there is no new material litigation against the Group since the last status reported for the position as at 31 December 2010 which, as at 31 December 2011 now stands at RM450 million.

After taking appropriate legal advice, no provision has been made in the financial results of the Group as at 31 December 2011 as the Directors are of the opinion that most of the claims have no sustainable merit.

A12. CAPITAL COMMITMENTS

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

	RM'000
Approved but not contracted:	
- Property, plant & equipment	127,126
Approved and contracted for:	
- Property, plant & equipment	<u>25,235</u>
	<u>152,361</u>

A13. CASH AND CASH EQUIVALENTS

Details of cash and cash equivalents are as follows:

	As at 31.12.2011 RM'000	As at 31.12.2010 RM'000
Cash and bank balances	89,006	65,084
Deposits with licensed financial institutions:		
Deposits with licensed banks	361,090	252,847
	<hr/>	<hr/>
Deposits, cash and bank balances	450,096	317,931
Cash from subsidiaries held for sale	-	578
<i>Less:</i>		
Restricted deposits:		
Deposits with licensed banks	(21,783)	(9,740)
<i>Less:</i>		
Trust monies held in relation to public donations:		
Deposits with licensed banks	-	(2,827)
Cash and bank balances	(3,396)	-
	<hr/>	<hr/>
Cash and cash equivalents	424,917	305,942

A14. REALISED AND UNREALISED PROFIT/(LOSSES)

	Current financial period RM'000	As at the end of last financial year RM'000
MPB realised retained earnings	136,847	82,466
Total accumulated losses of its subsidiaries:		
- Realised	(448,432)	(173,945)
- Unrealised	(50,327)	(29,635)
Total share of (accumulated losses) / retained profits from associated companies:		
- Realised	(11,459)	(12,921)
- Unrealised	3,226	2,600
Less: Consolidation adjustments	136,628	(128,628)
Total group accumulated losses as per consolidated accounts	(233,517)	(260,063)

ADDITIONAL INFORMATION AS REQUIRED BY THE BMSB's LISTING REQUIREMENTS**B1. TAXATION**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
In respect of the current period:				
Current income tax:				
- Malaysian Tax	29,563	11,757	61,370	51,279
- Foreign Tax	-	-	-	-
	29,563	11,757	61,370	51,279
Deferred tax	5,205	(15,620)	20,930	330
Under/(over) provision of taxation in prior year	(9,020)	(6,908)	(10,194)	(6,916)
	25,748	(10,771)	72,106	44,693

The Group's effective tax rate was higher than the statutory tax rate as certain expenses including amortisation on leasehold land and building and some interest expenses were disallowed for tax purposes.

B2. 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.

B3. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

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

B4. 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 bonus consideration of up to RM4.291 million which is dependent on the achievement of certain profitability targets for the financial years ended 31 December 2009, 31 December 2010 and 31 December 2011. The acquisition is to be completed in four (4) tranches and the stages of completion to date are as follows:

Date of acquisition	% of issued & paid up share capital of Kurnia	Purchase consideration	Bonus consideration	Profit target year
13 November 2009	80%	RM33.00 million	Not applicable	Not applicable
19 April 2010	9%	RM4.08 million	RM1.8 million	31 December 2009
10 May 2011	6%	RM2.72 million	RM1.1 million	31 December 2010

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") and its 70% equity interest in Gama Film Company ("GFC"), Gama Media System Limited ("GMS") and Cableview Network Limited ("CVN")

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 disposal was subsequently completed on 5 September 2011 for a purchase consideration of USD2.8 million equivalent to RM8.2 million.

On 15 December 2011, GMI disposed GFC to a third party for a purchase consideration of USD1 whilst GMS and CVN were disposed on 16 December 2011 to the Non-controlling Interest for a purchase consideration of USD1 each. The full financial effect of the disposal is reflected in this announcement.

B5. BORROWINGS

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

	31.12.2011	31.12.2010
	RM'000	RM'000
Current		
Unsecured:		
- Term loans	14,000	14,000
- Hire Purchase creditor	5,404	7,383
- Banker's acceptance	31,953	-
- Revolving credit	10,000	-
- Medium Term Notes	100,253	70,031
	161,610	91,414
Non Current		
Unsecured:		
- Term loans	187,000	201,000
- Hire Purchase creditor	8,309	13,713
- Bond with detachable warrant	146,679	145,008
- Medium Term Notes	-	99,226
	341,988	458,947
Total borrowings	503,598	550,361

B6. MATERIAL LITIGATION

Apart from the material litigation disclosed under Note A11, there was no other material litigation in the period under review since the last announcement.

B7. COMPARISON WITH IMMEDIATE PRECEDING QUARTER RESULTS

The Group registered a 3% revenue growth compared to third quarter 2011 as most corporate clients utilises their advertising budget for the year 2011.

The Group registered a Profit Before Tax ("PBT") of RM98.7 million for the fourth quarter 2011 against RM72.7 million recorded in the third quarter of 2011 i.e. a 36% higher profit than third quarter 2011, due to a combination of revenue growth and efficient cost management. The results by platform are as follows:

- a) Television Network – profit after tax increased by 2% due the utilization of advertising budget by corporate client which boosted revenue by 5% and lower costs due to efficient costs management.
- b) Print Media – profit after tax decreased by 69% mainly as a result of contraction in revenue by 1%, additional expenses incurred in advertising and promotion, product revamp and additional provision made on performance bonus.
- c) Outdoor Media – profit after tax increased by 13% as revenue grew by 3% and lower costs due to efficient cost management.

- d) Radio Network – Radio Network – profit after tax increased by 6% due to combination of revenue growth by 22% and savings in tax over provision.

B8. REVIEW OF PERFORMANCE FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

The Group's results for the financial year ended 31 December 2011 were significantly driven by its core platforms; Television Network, Print Media, Outdoor Media and Radio Network.

Continuous growth momentum in advertisement spending during the first half of 2011, coupled with effective cost management, contributed to the improvement in the Group's results. Group's revenue grew by 4.9% led by advertisement revenue that recorded a growth of 7%. The results by platform were as follows:

- a) Television Network – non-recurring events such as State Elections and news driven viewership; coupled with advertisement spending growth during the first half of 2011 contributed towards a 5% revenue growth. The growth is however offset against increase in programme cost and overheads by 3% resulting in a marginal drop in profit after tax.
- b) Print Media – revenue grew by 5% as advertisement revenue grew by 12% buoyed by the growth in advertisement spending but registered a lower profit after tax compared to the same period last year which had included exceptional items totaling RM7.8 million from disposal of property and reversal of asset impairment.
- c) Outdoor Media – profit after tax decreased by 4% despite revenue growth of 10% mainly as a result of increment in site rental costs.
- d) Radio Network – profit after tax increased by 3% mainly due to efficient cost management and tax savings.

Excluding the non-recurring negative goodwill in 2010 arising from the acquisition of the equity interest in NSTP, the Group's Profit After Tax and Non-controlling Interests from continuing operations grew by 11% to RM205.4 million compared to RM185.3 million in the same period last year. Profit After Tax and Non-controlling Interests decreased by 14% for the year ended 31 December 2011 compared to the same period last year because of the non-recurring RM55.4 million negative goodwill recorded in previous corresponding period.

B9. PROSPECTS FOR 2012

As the Malaysian economy continues to grow, the Group is optimistic about an improved outlook for both consumers and advertisers. 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 is, however, cognisant of the challenges faced by the industry at large and by its respective platforms and will strategise as follows:

- a) Television Network – continue to invest in compelling high quality content and ground events across the nation to sustain its leadership position in television viewership and brand loyalty. This will in turn translate to higher confidence by customers to invest in advertisement.
- b) Print Media – address the volatility of newsprint cost by implementing a flexible forward buying of newsprint inventories, reviving of brand, image and content, focusing on printing quality and productivity as well as maximising advertising revenue from the strong Malay sector readership.
- c) Outdoor Media – maintain its industry edge by exploring new mediums of display at strategic key locations.
- d) Radio Network – continue to develop new talent to attract listeners in order to maintain and strengthen its listenership evident in the improvement of overall listenership across all radio stations operated by the Group.

Barring any unforeseen circumstances, the Board remains optimistic that the Group will register an improved financial performance for 2012.

B10. PROFIT FORECAST/PROFIT GUARANTEE

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

B11. DIVIDEND

On 24 August 2011, the Board of Directors had declared a first interim single-tier dividend for the financial year ended 31 December 2011 of 3.0 Sen per ordinary share (2010: 4.0 Sen) that was paid on 14 October 2011.

On 18 November 2011, the Board of Directors had declared a second interim single-tier dividend for the financial year ended 31 December 2011 of 3.0 Sen (2010: Nil) per ordinary share and a special single-tier dividend of 5.0 Sen (2010: Nil) that were paid on 16 January 2012.

With the declaration of the second interim single-tier dividend and the special single-tier dividend, total dividends declared for the current financial period is 11.0 Sen per ordinary share.

The Board of Directors recommend a final single-tier dividend of 5.0 sen (2010: 6.0 Sen) per ordinary share for the financial year ended 31 December 2011 which is subject to the approval of the shareholders at the forthcoming Annual General Meeting of the Company.

B12. EARNINGS PER SHARE

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Profit attributable to ordinary equity holders of the Company (RM'000):				
- Before share of gains/(loss) from subsidiaries held for sale	72,582	89,792	205,398	243,886
- After share of gains/(loss) from subsidiaries held for sale	75,046	88,200	207,650	242,294
Weighted average number of ordinary shares in issue adjusted with the potential ordinary shares of the mandatorily convertible instruments ('000)	1,049,540	985,817	1,049,540	985,817
Basic earnings per share (sen):				
- Before share of gains/(loss) from subsidiaries held for sale	6.92	9.11	19.57	24.74
- After share of gains/(loss) from subsidiaries held for sale	7.15	8.95	19.78	24.58
Net profit used to determine diluted earnings per share (RM000):				
- Before share of gains/(loss) from subsidiaries held for sale	72,582	89,792	205,398	243,886
- After share of gains/(loss) from subsidiaries held for sale	75,046	88,200	207,650	242,294
Weighted average number of ordinary shares in issue ('000)	1,049,540	985,817	1,049,540	985,817
Adjustments for Warrants ('000)	62,403	69,500	62,403	69,500
Adjustments for ESOS ('000)	10,165	12,483	10,165	12,483
	1,122,108	1,067,800	1,122,108	1,067,800
Diluted earnings per share (sen):				
- Before share of gains from subsidiaries held for sale	6.47	8.41	18.30	22.84
- After share of gains from subsidiaries held for sale	6.69	8.26	18.50	22.69

BY ORDER OF THE BOARD

TAN SAY CHOON (MAICSA 7057849)

TASNEEM MOHD DAHALAN (LS 6966)

COMPANY SECRETARIES

Petaling

23 February 2012

The full financial analysis of Media Prima Berhad Group can also be viewed at Media Prima Berhad's website:

http://www.mediaprima.com.my/investorcenter/quarterly_reports.aspx