

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

FINANCIAL RESULTS FOR THE QUARTER ENDED 31 MARCH 2012

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 2012.

This report is prepared in accordance with the basis or preparation in Note A1 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 2011.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		31.03.2012 RM’000	31.3.2011 RM’000	31.03.2012 RM’000	31.03.2011 RM’000
<u>Continuing Operations</u>					
Revenue		335,284	354,189	335,284	354,189
Operating expenses	A8	(304,914)	(303,134)	(304,914)	(303,134)
Other operating income	A9	3,090	3,789	3,090	3,789
Profit from operations		33,460	54,844	33,460	54,844
Finance costs		(7,226)	(8,415)	(7,226)	(8,415)
Share of associate		2,688	1,132	2,688	1,132
Profit before tax		28,922	47,561	28,922	47,561
Taxation	B1	(7,494)	(12,232)	(7,494)	(12,232)
Net profit for the period from continuing operations		21,428	35,239	21,428	35,239
<u>Subsidiaries Held for Sale</u>					
Operational profit/(losses)		-	(153)	-	(153)
Net profit for the period		21,428	35,176	21,428	35,176

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		31.3.2012 RM'000	31.3.2011 RM'000	31.3.2012 RM'000	31.3.2011 RM'000
<u>Other Comprehensive income/(expenses):</u>					
Movement in Available-For-Sale reserve		(71)	-	(71)	-
Exchange differences on translation of foreign operations		(3)	134	(3)	134
Total Comprehensive Income for the period		(74)	35,310	(74)	35,310
Profit attributable to:					
- Owners of the Parent		20,792	34,793	20,792	34,793
- Non-controlling Interest		636	383	636	383
		21,428	35,176	21,428	35,176
Total comprehensive income attributable to:					
- Owners of the Parent		20,714	34,962	20,714	34,962
- Non-controlling Interest		640	348	640	348
		21,354	35,310	21,354	35,310
Earnings per share (in sen)					
Before share of losses from subsidiaries held for sale					
- Basic	B12	1.94	3.37	1.94	3.37
- Diluted	B12	1.83	3.12	1.83	3.12
After share of losses from subsidiaries held for sale					
- Basic	B12	1.94	3.36	1.94	3.36
- Diluted	B12	1.83	3.11	1.83	3.11

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 2011.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTE	AS AT 31.3.2012 RM'000	AS AT 31.12.2011 RM'000
ASSETS			
Non Current Assets			
Property, plant and equipment		723,334	727,087
Investment properties		55,229	55,704
Associates		217,189	214,501
Prepaid expenditure		1,855	1,855
Available-for-sale investments		1,325	1,400
Intangible assets		379,173	370,455
Deferred tax assets		50,139	50,139
		<u>1,428,244</u>	<u>1,421,141</u>
Current Assets			
Financial assets designated at fair value		3,275	3,318
Inventories		124,431	145,753
Receivables, deposits and prepayments		317,043	377,994
Tax recoverable		15,216	14,136
Deposits, bank and cash balances		413,271	450,096
		<u>873,236</u>	<u>991,297</u>
Non-current assets held for sale		<u>180</u>	<u>180</u>
		<u>873,416</u>	<u>991,477</u>
TOTAL ASSETS		<u>2,301,660</u>	<u>2,412,618</u>
LIABILITIES AND EQUITY			
Non Current Liabilities			
Trade and other payables		409	409
Borrowings	B5	160,581	341,988
Deferred tax liabilities		103,849	102,422
		<u>264,839</u>	<u>444,819</u>
Current Liabilities			
Trade and other payables		253,800	415,362
Borrowings	B5	363,537	161,610
Taxation		4,531	8,422
		<u>621,868</u>	<u>585,394</u>
TOTAL LIABILITIES		<u>886,707</u>	<u>1,030,213</u>
Equity and Reserves			
Share capital		1,074,359	1,068,151
Reserves		321,387	295,687
Equity attributable to equity holders of the Company		<u>1,395,746</u>	<u>1,363,838</u>
Non-controlling interest		19,207	18,567
Total equity		<u>1,415,953</u>	<u>1,382,405</u>
TOTAL LIABILITIES AND EQUITY		<u>2,301,660</u>	<u>2,412,618</u>
Net Assets per share (sen)		129.92	127.68

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 2011.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 MARCH 2012

← 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
2012:								
At 1 January 2012	1,068,151	1,068,151	372,953	156,251	(233,517)	1,363,838	18,567	1,382,405
Profit for the period	-	-	-	-	20,792	20,792	636	21,428
Other comprehensive income	-	-	-	(78)	-	(78)	4	(74)
Total comprehensive income for the period	-	-	-	(78)	20,792	20,714	640	21,354
Exercise of Employee Share Option Scheme ("ESOS")	2,640	2,640	3,225	(1,094)	-	4,771	-	4,771
Exercise of warrants	3,568	3,568	3,390	(535)	-	6,423	-	6,423
Cancellation of expired ESOS during the year	-	-	-	(6)	6	-	-	-
Total transaction with owners	6,208	6,208	6,615	(1,635)	6	11,194	-	11,194
At 31 March 2012	1,074,359	1,074,359	379,568	154,538	(212,719)	1,395,746	19,207	1,414,953

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

	← Attributable to Owners of the Company →							
	<u>Issued and fully paid ordinary shares of RM1 each</u>		<u>Non – distributable</u>			<u>Total</u> <u>RM'000</u>	<u>Non- controlling interests</u> <u>RM'000</u>	<u>Total equity</u> <u>RM'000</u>
	Number of shares '000	Nominal Value RM'000	Share Premium RM'000	Revaluation and other reserves RM'000	Accumulated losses 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	34,692	348	35,310
Exercise of Employee Share Option Scheme ("ESOS")	31,324	31,324	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	31,325	31,325	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

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 2011.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	NOTE	FOR THE PERIOD ENDED 31.3.2012 RM'000	FOR THE PERIOD ENDED 31.3.2011 RM'000
Cash flow from operating activities			
Receipts from customers		396,235	427,381
Payments to employees and suppliers		(342,649)	(399,631)
Income tax paid		(12,746)	(14,354)
		<u> </u>	<u> </u>
Net cash inflow arising from operating activities:			
- Continuing operation		40,840	13,396
- Subsidiaries held for sale		-	(496)
<i>Net cash flow from operating activities</i>		<u>40,840</u>	<u>12,904</u>
Cash flow from investing activities			
Purchase of property, plant & equipment		(18,842)	(21,508)
Interests received		2,158	968
Dividend received		47	47
Proceeds from disposal of property, plant and equipment		13	539
Proceeds from disposal of investment		129	-
<i>Net cash flow from investing activities</i>		<u>(16,495)</u>	<u>(19,954)</u>
Cash flow from financing activities			
Proceeds from issuance of shares		11,194	56,334
Repayments of hire purchase		(1,407)	(2,027)
Interests paid		(9,670)	(11,280)
(Increase)/Decrease in restricted fixed deposits		(5,697)	1,532
Drawdown of short term borrowings		24,129	-
Dividends paid		(85,416)	-
<i>Net cash flow from financing activities</i>		<u>(66,867)</u>	<u>44,559</u>
Net (decrease)/increase in cash and cash equivalents		(42,522)	37,509
Foreign exchange differences on opening balances		-	91
Cash and cash equivalents at beginning of period		424,917	305,942
Cash and cash equivalents at end of period	A13	<u>382,395</u>	<u>343,542</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 2011.

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FINANCIAL RESULTS FOR THE PERIOD ENDED 31 MARCH 2012

NOTES TO THE FINANCIAL RESULTS

A1. BASIS OF PREPARATION

The unaudited interim financial statements for the 1st quarter ended 31 March 2012 have been prepared under the historical cost convention. The unaudited interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The unaudited interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2011. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2011.

Since the previous annual audited financial statements as at 31 December 2011 were issued, the Group has adopted the Malaysian Financial Reporting Standards ("MFRS") framework issued by the Malaysian Accounting Standards Board ("MASB") with effect from 1 January 2012. This MFRS framework was introduced by the MASB in order to fully converge Malaysia's existing Financial Reporting Standards ("FRS") framework with the International Financial Reporting Standards ("IFRS") framework issued by the International Accounting Standards Board.

Whilst all FRSs issued under the previous FRS framework were equivalent to the MFRSs issued under the MFRS framework, there are some differences in relation to the transitional provisions and effective dates contained in certain of the FRSs. The financial effects of the transitional provisions of adoption of MFRSs are still being assessed due to the complexity of these new MFRSs as well as the time required to ascertain its proper accounting treatment and measurement. The Directors foresee that upon conclusion of that assessment, the Group will be adjusting its opening balances relating to Property, Plant and Equipment; Investment Properties, Asset Revaluation Reserves, Foreign Translation Reserves and Accumulated Losses; as well as the impact it has on depreciation recorded in the results for the periods in comparative year 2011 and the current quarter.

The following MFRS, Issues Committee (IC) Interpretation and Amendments to MFRSs have been adopted by the Group during the current period:

- IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments
- Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters (Amendments to MFRS 1)
- Disclosures - Transfers of Financial Assets (Amendments to MFRS 7)
- Deferred tax: Recovery of Underlying Assets (Amendments to MFRS 112)

The adoption of the IC Interpretation and Amendments to MFRSs above did not have any significant financial impact on the Group as they introduce new disclosure requirements and also mainly help to clarify the requirements of or provide further explanations to existing MFRSs. Consequently, there is no significant impact on the classification and valuation of the Group's financial instruments.

A2. AUDIT QUALIFICATION

The annual audited financial statements for the financial year ended 31 December 2011 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 first quarter ended 31 March 2012, 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

The following dividends were paid during the period under review:

- a) In respect of the financial year ended 31 December 2011, a second interim single tier dividend of 3.0 Sen per share totaling RM32.03 million, paid on 16 January 2012; and
- b) In respect of the financial year ended 31 December 2011, a special single tier dividend of 5.0 Sen per share totaling RM53.38 million, paid on 16 January 2012.

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 is no disclosure on geographical segment being made. The segment information for the current period is as follows:

Quarter ended 31/03/2012	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	119,656	13,816	37,392	158,407	6,103	-	335,284	-	335,284
Intersegment revenues	1,260	-	530	156	1,266	(3,212)	-	-	-
Total Revenue									335,284
Reportable segment profit / (loss) after tax before non- controlling interest	6,223	5,982	7,631	12,148	(15,892)	5,336	21,428	-	21,428

Quarter ended 31/03/2011	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	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	12,738	(15,775)	(82)	35,329	(153)	35,176

A8. OPERATING EXPENSES

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.3.2012	31.3.2011	31.3.2012	31.3.2011
	RM'000	RM'000	RM'000	RM'000
Depreciation and amortisation	23,482	23,001	23,482	23,001
Allowance/(reversal) for and write off of receivables	998	617	998	617
Allowance for and write off of inventories	-	67	-	67
Reversal of allowance and write off of inventories	(175)	(42)	(175)	(42)
Foreign exchange loss	2	2	2	2

A9. OTHER OPERATING INCOME

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.3.2012	31.3.2011	31.3.2012	31.3.2011
	RM'000	RM'000	RM'000	RM'000
Interest income	2,134	968	2,134	968
Other income	468	2,440	468	2,440
Gain/(loss) on disposal of quoted or unquoted investments or properties	58	-	58	-
Foreign exchange gain/(loss)	430	270	430	270

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. However, as disclosed in Note A1, the valuation of Property, Plant and Equipment brought forward from the previous financial year may be adjusted as a consequence of the adoption of MFRSs when the assessment is completed subsequent to the quarter ended 31 March 2012.

A11. CONTINGENT LIABILITIES

There is no new material litigation against the Group since the last status reported for the position as at 31 December 2011 for which, as at 31 March 2012 now stands at RM449 million, lower than what was reported at 31 December 2011.

After taking appropriate legal advice, no provision has been made in the financial results of the Group as at 31 March 2012 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 March 2012 are as follows:

	RM'000
Approved but not contracted:	
- Property, plant & equipment	109,355
Approved and contracted for:	
- Property, plant & equipment	16,499
	<u>125,854</u>

A13. CASH AND CASH EQUIVALENTS

Details of cash and cash equivalents are as follows:

	As at 31.3.2012 RM'000	As at 31.3.2011 RM'000
Cash and bank balances	80,167	108,933
Deposits with licensed financial institutions:		
Deposits with licensed banks	333,104	245,569
	<hr/>	<hr/>
Deposits, cash and bank balances	413,271	354,502
Cash from subsidiaries held for sale	-	74
<i>Less:</i>		
Restricted deposits:		
Deposits with licensed banks	(27,596)	(8,901)
<i>Less:</i>		
Trust monies held in relation to public donations:		
Cash and bank balances	(3,281)	(2,133)
	<hr/>	<hr/>
Cash and cash equivalents	382,395	343,542

A14. REALISED AND UNREALISED PROFIT/(LOSSES)

	As at 31.3.2012 RM'000	As at 31.12.2011 RM'000
MPB realised retained earnings	123,101	136,847
Total accumulated losses of its subsidiaries:		
- Realised	(417,879)	(448,432)
- Unrealised	(51,953)	(50,327)
Total share of (accumulated losses) / retained profits from associated companies:		
- Realised	(9,699)	(11,459)
- Unrealised	4,105	3,226
Less: Consolidation adjustments	139,606	136,628
Total group accumulated losses as per consolidated accounts	(212,719)	(233,517)

ADDITIONAL INFORMATION AS REQUIRED BY THE BMSB's LISTING REQUIREMENTS

B1. TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.3.2012 RM'000	31.3.2011 RM'000	31.3.2012 RM'000	31.3.2011 RM'000
In respect of the current period:				
Current income tax:				
- Malaysian Tax	6,066	7,941	6,066	7,941
- Foreign Tax	-	-	-	-
Deferred tax	1,427	4,291	1,427	4,291
Under/(over) provision of taxation in prior year	-	-	-	-
	<u>7,494</u>	<u>12,232</u>	<u>7,494</u>	<u>12,232</u>

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 March 2012, 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 was to be completed in four (4) tranches and the stages of completion to date are as follows which completes the entire 100% acquisition of Kurnia:

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
13 April 2012	5%	RM2.27 million	RM0.9 million	31 December 2011

B5. BORROWINGS

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

	31.3.2012 RM'000	31.3.2011 RM'000
Current		
Unsecured:		
- Term loans	194,000	14,000
- Hire Purchase creditor	3,997	5,355
- Banker's acceptance	56,082	-
- Revolving credit	10,000	-
- Medium Term Notes	99,458	69,537
	<u>363,537</u>	<u>88,892</u>
Non Current		
Unsecured:		
- Term loans	7,000	201,000
- Hire Purchase creditor	8,309	13,713
- Bond with detachable warrant	145,272	143,565
- Medium Term Notes	-	98,417
	<u>160,581</u>	<u>456,695</u>
Total borrowings	<u>524,118</u>	<u>545,587</u>

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 Profit Before Tax (“PBT”) of RM28.9 million for the first quarter 2012 was lower than the RM98.7 million recorded for the fourth quarter 2011 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. The results by platform are as follows:

- a) Television Network – profit after tax reduced by 87% mainly as a result of lower in revenue by 36% as advertisers start their annual promotion roll out low at the start of the year.
- b) Print Media – profit after tax increased by 99% mainly as a result of lower overheads expenses and better cost management for its newsprint cost in the current quarter.
- c) Outdoor Media – profit after tax fell by 16% as a result of lower revenue by 3% as outdoor advertisers organise their outdoor advertisements towards later part of the year.
- d) Radio Network – profit after tax declined by 15% due to a fall in revenue by 20% as competition intensified while advertisers start their annual promotion roll out low at the start of the year.

B8. REVIEW OF PERFORMANCE FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2012

The Group's results for the financial quarter ended 31 March 2012 were significantly driven by its core platforms; Television Network, Print Media, Outdoor Media and Radio Network.

The group experienced 5.3% revenue contraction against corresponding first quarter 2011 primarily driven by the advertisers' lower spending reacting to the current volatile global economic conditions. The results by platform were as follows:

- a) Television Network – low advertisement spending during the first quarter of 2012 contributed towards a 19% revenue contraction and reduction of profit after tax of 78% against corresponding first quarter 2011.
- b) Print Media – revenue grew by 2% but registered a lower profit after tax by 5% compared to the same period last year mainly due to higher overheads cost incurred from editorial charges and agency related expenses.
- c) Outdoor Media – profit after tax increased by 21% as a result of revenue growth of 16% as well as efficient cost management.
- d) Radio Network – revenue grew by 10% with profit after tax increased by 36% due to lower overhead costs.

B9. PROSPECTS FOR 2012

Whilst the advertisement expenditure slowed down in Quarter 1, 2012, the Group is cautiously 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, relevant content and branding for its targeted market. Concurrently, the Group will continue to exercise prudent financial and risk management whilst leveraging on operating efficiency.

The Group expects advertisement revenue to improve in the coming months on the expectation of a General Election, a resilient Malaysian economy and two mega sporting events namely UEFA Euro 2012 and the 2012 London Olympics. The Group is cognisant of the challenges faced by the global economy as well as the respective platforms and will adopt the following strategies:

- a) Television Network – continue to invest in compelling 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 – optimal management of newsprint inventories in light of the softening newsprint price; 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 cautiously optimistic on the Group's 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

The shareholders had, at the Annual General Meeting of the Company held on 19 April 2012, approved the payment of a final single-tier dividend of 5.0 sen per ordinary share for the financial year ended 31 December 2011 to be paid on 13 July 2012 to shareholders registered on the Company's Register of Members at the close of business on 15 June 2012.

B12. EARNINGS PER SHARE

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	31.3.2012	31.3.2011	31.3.2012	31.3.2011
Profit attributable to ordinary equity holders of the Company (RM'000):				
- Before share of gains/(loss) from subsidiaries held for sale	20,792	34,886	20,792	34,886
- After share of gains/(loss) from subsidiaries held for sale	20,792	34,793	20,792	34,793
Weighted average number of ordinary shares in issue adjusted with the potential ordinary shares of the mandatorily convertible instruments ('000)	1,073,297	1,035,421	1,073,297	1,035,421
Basic earnings per share (sen):				
- Before share of gains/(loss) from subsidiaries held for sale	1.94	3.37	1.94	3.37
- After share of gains/(loss) from subsidiaries held for sale	1.94	3.36	1.94	3.36
Net profit used to determine diluted earnings per share (RM000):				
- Before share of gains/(loss) from subsidiaries held for sale	20,792	34,886	20,792	34,886
- After share of gains/(loss) from subsidiaries held for sale	20,792	34,793	20,792	34,793
Weighted average number of ordinary shares in issue ('000)	1,073,297	1,035,421	1,073,297	1,035,421
Adjustments for Warrants ('000)	59,205	70,860	59,205	70,860
Adjustments for ESOS ('000)	5,275	12,323	5,275	12,323
	1,137,777	1,118,604	1,137,777	1,118,604
Diluted earnings per share (sen):				
- Before share of gains from subsidiaries held for sale	1.83	3.12	1.83	3.12
- After share of gains from subsidiaries held for sale	1.83	3.11	1.83	3.11

BY ORDER OF THE BOARD

TAN SAY CHOON (MAICSA 7057849)

TASNEEM MOHD DAHALAN (LS 6966)

COMPANY SECRETARIES

Petaling

16 May 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