
Sin Chew Media Corporation Berhad (98702-v)

**Unaudited Condensed Consolidated Income Statements
For the period ended 30 June 2007**

	3 months ended		Financial period ended	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
	RM'000	RM'000	RM'000	RM'000
Revenue	124,788	119,233	124,788	119,233
Operating Expenses	(102,418)	(100,903)	(102,418)	(100,903)
Other Operating Income	3,333	2,711	3,333	2,711
Profit from Operations	25,703	21,041	25,703	21,041
Finance Cost	(472)	(855)	(472)	(855)
Profit before taxation	25,231	20,186	25,231	20,186
Taxation	(6,559)	(5,466)	(6,559)	(5,466)
Profit for the period	18,672	14,720	18,672	14,720
Attributable to:				
Equity holders of the Parent	18,672	14,720	18,672	14,720
Minority Interest	-	-	-	-
	18,672	14,720	18,672	14,720
Earnings per share attributable to equity holders of the parent:				
Basic earnings per ordinary share (sen)	6.18	4.87	6.18	4.87
Diluted earnings per ordinary share (sen)	*	*	*	*

* The Group has no potential ordinary shares in issue for the quarter under review, therefore diluted earnings per share has not been presented.

The unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2007 and the accompanying explanatory notes attached to the interim financial statements.

Sin Chew Media Corporation Berhad (98702-V)

**Unaudited Condensed Consolidated Balance Sheets
As at 30 June 2007**

	30 June 2007	31 March 2007 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	146,033	148,142
Investment Property	5,000	5,000
Intangible assets	48,343	48,538
Prepaid Lease payments	29,461	29,545
Deferred tax assets	10,817	11,439
	<u>239,654</u>	<u>242,664</u>
Current assets		
Inventories	54,928	42,498
Trade receivables	78,108	77,730
Other receivables, deposits and prepayment	5,123	5,486
Short term deposits	75,042	72,042
Cash and bank balances	23,312	36,915
	<u>236,513</u>	<u>234,671</u>
TOTAL ASSETS	<u><u>476,167</u></u>	<u><u>477,335</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	151,000	151,000
Share Premium	467	467
Reserves	224,328	205,656
Total equity	<u>375,795</u>	<u>357,123</u>
Non-current liabilities		
Long-term Borrowings	13,462	15,666
Deferred tax liabilities	15,097	14,013
	<u>28,559</u>	<u>29,679</u>
Current liabilities		
Provision for liabilities	1,200	1,200
Short-term Borrowings	10,693	39,284
Trade payables	26,050	19,929
Other payables and accruals	25,674	24,068
Taxation	8,196	6,052
	<u>71,813</u>	<u>90,533</u>
Total Liabilities	100,372	120,212
TOTAL EQUITY AND LIABILITIES	<u><u>476,167</u></u>	<u><u>477,335</u></u>
Net assets per share attributable to Ordinary equity Holders of the parent (RM)	1.24	1.18

The unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2007 and the accompanying explanatory notes attached to the interim financial statements

Sin Chew Media Corporation Berhad (98702-V)

**Unaudited Condensed Consolidated Statements of Changes in Equity
For the period ended 30 June 2007**

	- Attributable to equity holders of the Parent -				Minority Interest	
	Share Capital	Non-distributable Share Premium	Distributable Revenue Reserve	Total		Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 April 2007 (Audited)	151,000	467	205,656	357,123	-	357,123
Profit for the period	-	-	18,672	18,672	-	18,672
Balance as at 30 June 2007	151,000	467	224,328	375,795	-	375,795
Balance as at 1 April 2006 (Audited)	151,000	467	167,484	318,951	-	318,951
Profit for the period	-	-	14,720	14,720		14,720
Balance as at 30 June 2006	151,000	467	182,204	333,671	-	333,671

The unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2007 and the accompanying explanatory notes attached to the interim financial statements.

Sin Chew Media Corporation Berhad (98702-V)

**Unaudited Condensed Consolidated Cash Flow Statements
For the period ended 30 June 2007**

	30 Jun 2007 RM'000	30 Jun 2006 RM'000
Profit before taxation	25,231	20,186
Adjustments for:-		
Non cash items	4,828	4,109
Non operating items	(483)	647
Operating profit before changes in working capital	29,576	24,942
Changes in working capital		
Net changes in current assets	(14,607)	21,031
Net changes in current liabilities	9,124	753
Cash generated from operations	24,093	46,726
Tax paid	(2,894)	(2,776)
Interest paid	(472)	(855)
Interest received	931	160
Net cash generated from operating activities	21,658	43,255
Investing activities		
- Equity investments	-	-
- Other investments	(1,303)	(2,028)
Net cash used in investing activities	(1,303)	(2,028)
Financing activities		
- Net decrease in borrowings	(30,956)	(36,226)
- Dividend Paid	-	-
- Issue of shares	-	-
Net cash used in financing activities	(30,956)	(36,226)
Net increase/(decrease) in cash and cash equivalents	(10,601)	5,001
Cash and cash equivalents at beginning of the period	108,955	32,212
Cash and cash equivalents at end of the period	98,354	37,213

The unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31st March 2007 and the accompanying explanatory notes attached to the interim financial statements.

Sin Chew Media Corporation Berhad (98702-V)

Notes to the interim financial report

A1. Basis of Preparation and Changes in Accounting Policies

The interim financial statements are unaudited and have been prepared in accordance with FRS 134 – “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing requirements.

The interim financial report should be read in conjunction with the Group’s audited financial statements for the year ended 31 March 2007.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 31 March 2007.

The principal impacts of changes in accounting policies resulting from the adoption of the applicable new or revised FRS are as follows:-

(1) FRS 3 - Business Combinations, FRS 136 – Impairment of assets and FRS 138 – Intangible Assets

Goodwill acquired in a business combination is now carried at cost less any accumulated impairment losses and is now tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Under FRS 136 “Impairment of Assets”, periodic impairment reviews are required should there be any indications of impairment of goodwill.

In addition, the useful lives of other intangible assets are now assessed at the individual asset level as having either a finite or indefinite life. Prior to 1 April 2006, intangible assets were considered to have a finite useful life and were stated at cost less accumulated amortization and impairment losses.

Prior to the adoption of FRS 138, computer software cost was classified as property, plant and equipment. Upon the adoption of FRS 138 “intangible assets”, intangible assets will continue to be amortized over its useful life and the amortization method of this intangible asset will be assessed annually. Intangible assets include software and goodwill. Intangible assets with finite useful lives continue to be stated at cost less accumulated amortization and impairment losses.

(2) FRS 101 - Presentation of Financial Statements

The adoption of the revised FRS 101 has affected the presentation of minority interest and other disclosures. In the condensed balance sheet, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the net profit or loss for the period. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognized income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest.

The current period’s presentation of the Group’s financial statements is based on the revised requirements of FRS 101, with the comparatives restated to conform with the current periods’ presentation.

Sin Chew Media Corporation Berhad (98702-V)

A1. Basis of Preparation and Changes in Accounting Policies (continue)

(3) FRS116 – Property, Plant and Equipment

In accordance with FRS 116, the asset's residual values, useful lives and depreciation methods will be assessed at each financial year end and adjusted if necessary. If the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, the asset's depreciation charge is zero and until its residual value subsequently decreases to an amount below the asset's carrying amount.

Upon adoption of this standard, the Group and the company have reviewed and re-estimated the useful lives and residual values of each significant part of property, plant and equipment in accordance with the requirements of FRS 116.

(4) FRS 140 – Investment Property

The adoption of FRS 140 has resulted in a change in accounting policy for investment properties.

Before adoption of FRS 140, all investment properties were included in property, plant and equipment and were not classified separately. The Group has adopted the fair value model of FRS 140.

(5) FRS 117 - Leases

The adoption of the revised FRS 117 has resulted in a change in the accounting policy relating to the classification of leases of land and building. Leasehold land held for own use is now classified as operating lease. The up-front payments made for the leasehold land represents prepaid lease payments and are amortized on a straight-line basis over the lease term.

The adoption of the other FRSs does not have significant financial impact on the group.

The Group has not elected to early adopt the following Standard:
FRS 139: Financial Instruments : Recognition and Measurement) effective date yet to be determined by MASB)

A2. Audit Report of the Group's Preceding Annual Financial Statements

The audit report of the Group's most recent annual audited financial statements for the year ended 31 March 2007 was not qualified.

A3. Seasonal or cyclical factors

The business operations of the Group may be affected by major festive seasons or major events which may increase or decrease the advertising expenditure.

A4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period under review.

A5. Changes in estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

Sin Chew Media Corporation Berhad (98702-V)

A1. Basis of Preparation and Changes in Accounting Policies (continue)

A6. Dividend paid

There was no dividend paid in respect of the quarter under review.

A7. Issuance and repayment of debt and equity securities

There were no issuance, cancellations, repurchase, resale and repayment of debt and equity securities for the current quarter under review.

A8. Segment Reporting

No segmental reporting has been prepared as the Group's activities are predominantly in the publication, printing and distribution of newspaper and magazines within Malaysia.

A9. Property, plant and equipment

There was no valuation for property, plant and equipment of the Group in the quarter under review. The valuations of property, plant and equipment of the Group have been brought forward without amendment from the financial statements for the year ended 31 March 2007.

A10. Events subsequent to the balance sheet date

There were no material events subsequent to the end of the financial period under review that have not been reflected in the quarterly financial statements.

A11. Changes in composition of the Group

There were no changes in the composition of the Group during the current financial period ended 30 June 2007.

A12. Changes in contingent liabilities

There are no changes in the contingent liabilities or assets of the Group since the last annual balance sheet date to the date of this announcement.

A13. Capital commitments

There is no authorized capital expenditure contracted but not provided for in the financial statements

RM'000

NIL

Sin Chew Media Corporation Berhad (98702-V)

Additional information required by Bursa Malaysia Securities Berhad's Listing Requirements

B1. Review of performance

	Current Year Quarter 30.06.2007 RM'000	Preceding Year Corresponding Quarter 30.06.2006 RM'000
Revenue	124,788	119,233
Consolidated Profit before taxation	25,231	20,186
Consolidated Profit after taxation	18,672	14,720

As compared to the same quarter in preceding year, the higher profit before tax and profit after tax for the current quarter was mainly due to higher revenue generated and management's continuous efforts in achieve cost efficient operation.

	Current Year To Date 30.06.2007 RM'000	Preceding Year Corresponding Period 30.06.2006 RM'000
Revenue	124,788	119,233
Consolidated Profit before taxation	25,231	20,186
Consolidated Profit after taxation	18,672	14,720

B2. Variation of results against preceding quarter

	Current Quarter 30.06.2007 RM'000	Preceding Quarter 31.03.2007 RM'000
Revenue	124,788	119,732
Consolidated Profit after taxation	18,672	15,158

Both the profit before taxation and profit after taxation for the quarter is higher as compared to the immediate preceding quarter due to higher advertisement and circulation revenue and management's effort to contain costs.

B3. Current year prospect

For the current year, the Group expects to operate against a background of moderating adex growth and intense cost pressure. The Group will strive towards achieving satisfactory results barring any unforeseen circumstances.

B4. Profit forecast

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

B5. Taxation

Taxation comprises the following: -

	Individual Quarter		Cumulative Quarter	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
	RM'000	RM'000	RM'000	RM'000
<u>In respect of current year</u>				
- Malaysian taxation	4,852	3,923	4,852	3,923
- Deferred taxation	1,707	1,543	1,707	1,543
	6,559	5,466	6,559	5,466

The effective tax rate for the current financial year is estimated same as statutory tax rate.

Sin Chew Media Corporation Berhad (98702-V)

B6. Quoted investments

There is no Investment in quoted securities as at 30 June 2007.

B7. Status of corporate proposal announced

On 29 January 2007, the Company had entered into a Heads of Agreement (“HOA”) with Ming Pao Enterprise Corporation Limited (“MingPao”) in relation to a proposed business combination exercise involving SinChew, MingPao and Nanyang Press Holdings Berhad (“Nanyang”) comprising the following proposals:-

- Proposed scheme of arrangement under section 176 of the Companies Act, 1965 whereby all the shareholders of Sin Chew will exchange all their Ordinary shares of RM0.50 each in Sin Chew (“SinChew Shares”) at a consideration of RM4.00 per share for new Ordinary shares of HKD0.10 each in MingPao (“MingPao Shares”) to be issued and credited as fully paid-up at an issue price of HKD2.70;
- Proposed scheme of arrangement under section 176 of the Companies Act, 1965 whereby all the shareholders of Nanyang will exchange all their Ordinary shares of RM1.00 each in Nanyang (“Nanyang Shares”) at a consideration of RM4.20 per share for new MingPao shares to be issued and credited as fully paid-up at an issue price of HKD2.70;
- Proposed placement of either new or existing MingPao shares for purposes of complying with public shareholding spread or equity conditions which may be imposed by the relevant authorities in Malaysia or Hong Kong; and
- Proposed transfer of listing status of SinChew to MingPao on the Main board of Bursa Malaysia Securities Berhad.

(Collectively referred to as the “Proposals”)

On the same date, both SinChew and MingPao had sent an irrevocable joint letter of offer to the board of directors of Nanyang, inviting Nanyang to participate in the Proposals.

On 19 April 2007, the Company, Nanyang and MingPao entered into a Deed of Accession for Nanyang to accede to the HOA such that the provisions applying to both SinChew and MingPao will also apply to Nanyang.

On 23 April 2007, the Company entered into a Merger Agreement with MingPao and Nanyang in relation to the Proposals.

Further to the above, the Company is currently in the process of procuring all the necessary approvals from the relevant authorities and/or parties in relation to the Proposals.

B8. Borrowing and debt securities

The Group borrowings and debt securities as at 30 June 2007 are as follows:

	As at 30.06.2007 RM'000	As at 30.06.2006 RM'000
Unsecured		
Short term borrowings	1,000	30,140
Secured		
Hire purchase	1,424	1,977
Term loans	21,731	21,731
Total	24,155	53,848

All borrowings are denominated in Ringgit Malaysia, except for certain short term borrowings in trade loan that are denominated in US Dollar.

Sin Chew Media Corporation Berhad (98702-V)

B9. Changes in material litigation

There are several libel suits which involve claims against the Companies in the Group. The outcome and probable compensation of these suits, if any, are currently indeterminable.

B10. Dividend payable

No dividend has been declared for the financial period ended 30 June 2007.

The Board of Directors has recommended a first and final dividend of 10.0 sen per ordinary share as shown below in respect of the financial year ended 31 March 2007, which will be tabled for approval by shareholders at the forthcoming Annual General Meeting at a date to be determined later:

- (1) Tax exempt dividend of 5.0 sen per ordinary share; and
- (2) 5.0 sen gross per ordinary share less income tax

B11. Earnings per share

The earnings per share for the financial period has been calculated based on the Group's profit after taxation and divided by the number of ordinary shares during the financial period.

	Individual Quarter		Cumulative Quarter	
	30.06.2007	30.06.2006	30.06.2007	30.06.2006
Group's profit after taxation (RM'000)	18,672	14,720	18,672	14,720
Weighted average number of ordinary shares in issue ('000)	302,000	302,000	302,000	302,000
Earnings per share (sen)	6.18	4.87	6.18	4.87

The Group has no potential ordinary shares in issue, therefore diluted earnings per share has not been presented.

By Order of the Board

Tong Siew Kheng
Woo Ying Pun
Secretaries

23 August 2007