



Quarterly report on consolidated results for the second quarter ended  
30 June 2009

The figures have not been audited

(a) Condensed Consolidated Income Statement

	Current Quarter Ended 30/06/2009 RM'000	Comparative Quarter Ended 30/06/2008 RM'000	6 months Cumulative Ended 30/06/2009 RM'000	6 months Cumulative Ended 30/06/2008 RM'000
Revenue	84,664	92,611	164,068	184,219
Other Operating Income	1,449	1,913	2,983	3,545
Changes in inventories of finished goods and work-in-progress	(859)	620	(810)	910
Raw materials and consumables used	(25,842)	(30,033)	(56,806)	(59,115)
Vendors' commissions	(10,828)	(11,700)	(22,023)	(23,754)
Transportation costs	(3,257)	(3,605)	(6,607)	(7,311)
Staff costs	(25,701)	(27,965)	(50,357)	(55,547)
Depreciation and amortisation	(7,086)	(7,012)	(14,143)	(13,902)
Other operating expenses	(11,466)	(12,714)	(22,693)	(23,957)
Finance Costs	(1,753)	(2,066)	(3,610)	(3,981)
Share of results of associates	937	822	1,577	1,133
Profit/(Loss) before taxation	258	871	(8,421)	2,240
Taxation	84	(912)	1,298	(1,256)
Net profit/(loss) after taxation	342	(41)	(7,123)	984
Attributable to:				
Equity holders of the parent	342	(41)	(7,123)	984
Earnings per share attributable to equity holders of the parent :				
Basic	0.31	(0.04)	(6.43)	0.89
Diluted	0.31	(0.04)	(6.43)	0.89

*(The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements)*

**(b) Condensed Consolidated Balance Sheet**

	<b>As at 30/06/09</b>	<b>As at 31/12/08</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant and equipment	244,915	254,824
Investment properties	5,009	5,114
Prepaid lease payments	10,649	10,560
Intangible Assets	5,115	6,743
Investments in Associates	21,970	20,381
Other Investments	2,661	2,661
Long Term Receivables	457	495
Deferred Tax Assets	1,062	1,029
	<b>291,838</b>	<b>301,807</b>
<b>Current Assets</b>		
Inventories	33,106	45,537
Trade Debtors	62,547	66,027
Other Debtors	13,244	16,999
Marketable Securities	5,164	4,103
Cash & Cash Equivalents	62,434	60,550
	<b>176,495</b>	<b>193,216</b>
<b>TOTAL ASSETS</b>	<b>468,333</b>	<b>495,023</b>
<b>EQUITY AND LIABILITIES</b>		
Share Capital	110,734	110,734
Reserves	162,936	170,411
	<b>273,670</b>	<b>281,145</b>
<b>Total equity</b>	<b>273,670</b>	<b>281,145</b>

**(b) Condensed Consolidated Balance Sheet (Cont'd)**

	As at 30/06/09 RM'000	As at 31/12/08 RM'000
<b>Non Current Liabilities</b>		
Retirement Benefits	6,390	6,587
Borrowings	99,152	102,837
Deferred Tax Liability	16,184	18,004
	<b>121,726</b>	<b>127,428</b>
<b>Current Liabilities</b>		
Retirement Benefits	816	823
Overdraft & Short Term Borrowings	25,443	37,554
Trade Payables	5,733	5,925
Other Payables	38,939	40,275
Taxation	2,006	1,873
	<b>72,937</b>	<b>86,450</b>
<b>Total liabilities</b>	<b>194,663</b>	<b>213,878</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>468,333</b>	<b>495,023</b>

*(The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements)*

**(c) Condensed Consolidated Cash Flow Statement**

	<b>2009</b>	<b>2008</b>
	<b>6 months ended 30 June (RM'000)</b>	<b>6 months ended 30 June (RM'000)</b>
<b>Profit before tax</b>	(8,421)	2,240
<b>Adjustment for non-cash flow:-</b>		
Non-cash items	14,969	17,249
<b>Operating profit before changes in working capital</b>	<u>6,548</u>	<u>19,489</u>
<b>Changes in working capital</b>		
Net Change in Current Assets	18,498	(10,206)
Net Change in Current Liabilities	(1,412)	(2,264)
Tax paid/refund & Zakat paid	177	(1,111)
Interest paid	(3,404)	(3,714)
<b>Net cash flows from operating activities</b>	<u>20,407</u>	<u>2,194</u>
<b>Investing Activities</b>		
- Equity/Other Investments	293	(6,820)
- (Purchase)/Disposal of property, plant and equipment	(2,429)	(5,530)
- Net dividends received	491	287
	<u>(1,645)</u>	<u>(12,063)</u>
<b>Financing Activities</b>		
- Retirement Benefits	(718)	(1,537)
- Placement of Pledged Fixed Deposit	-	-
- Bank Borrowings	(15,870)	5,007
- Net dividends paid	-	-
	<u>(16,588)</u>	<u>3,470</u>
<b>Net Change in Cash &amp; Cash Equivalents</b>	2,174	(6,399)
Cash & Cash Equivalents at beginning of year	58,578	61,043
Effect of change in exchange rate	(365)	(14)
<b>Cash &amp; Cash Equivalents at end of period</b>	<u>60,387</u>	<u>54,630</u>

*(The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements)*

(d) **Condensed Consolidated Statement of Changes in Equity**

	<--Attributable to Equity Holders of the Parent-->				Total Equity
	Share Capital	Share Premium	Other Reserves	Retained Profits	
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
<b>Financial Year Ended 30 June 2008</b>					
At 1 January 2008	110,734	50,703	6,948	111,573	<b>279,958</b>
Profit for the year	-	-	-	984	<b>984</b>
Forfeiture of share options granted under ESOS	-	-	(20)	20	-
Currency Translation	-	-	(35)	-	<b>(35)</b>
As at 30 June 2008	<b>110,734</b>	<b>50,703</b>	<b>6,893</b>	<b>112,577</b>	<b>280,907</b>
<b>Financial Year Ended 30 June 2009</b>					
At 1 January 2009	110,734	50,703	7,117	112,591	<b>281,145</b>
Profit for the year	-	-	-	(7,123)	<b>(7,123)</b>
Currency Translation	-	-	(352)	-	<b>(352)</b>
As at 30 June 2009	<b>110,734</b>	<b>50,703</b>	<b>6,765</b>	<b>105,468</b>	<b>273,670</b>

***(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements)***

**Notes to the accounts – 30 June 2009**

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**A1. Basis of Preparation**

The interim financial statements have been prepared under the historical cost convention except for the revaluation of certain land and buildings.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“BMSB”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008. These 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 year ended 31 December 2008.

**A2. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the financial statements for the year ended 31 December 2008 was not qualified.

**A3. Segmental Reporting**

<b>Segment Revenue</b>	<b>30/06/2009 RM'000</b>	<b>30/06/2008 RM'000</b>
Publishing, Distribution and Advertising	165,532	187,425
Printing	10,281	11,513
Investment Holdings & Mgt Services	834	655
Information Technology & Multimedia	1,349	1,312
Total revenue incl inter-segment sales	<u>177,996</u>	<u>200,905</u>
Elimination of inter-segment sales	<u>(13,928)</u>	<u>(16,686)</u>
Total	<u><u>164,068</u></u>	<u><u>184,219</u></u>
 <b>Segment Results</b>		
Publishing, Distribution and Advertising	(9,768)	1,694
Printing	(1,407)	(1,008)
Investment Holdings & Mgt Services	73	905
Information Technology & Multimedia	(346)	(390)
Share of results of associates	1,577	1,133
	<u>(9,871)</u>	<u>2,334</u>
Eliminations	1,450	(94)
Profit before tax	<u><u>(8,421)</u></u>	<u><u>2,240</u></u>

**Notes to the accounts – 30 June 2009**

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**A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the financial period under review.

**A5. Material Changes in Estimates**

There were no material changes in estimates for the financial period under review.

**A6. Seasonal and Cyclical Factors**

The Group was not significantly affected by any major seasonal or cyclical factors during the period under review.

**A7. Dividend**

The shareholders at the company's Annual General Meeting (AGM) held on 4 June 2009 had approved the first and final dividend of 1 sen less taxation of 25% on 110,733,837 ordinary shares for the year 2008 (2007: 2.75 sen less taxation of 26%). Payment has been made to the shareholders on 24 July 2009.

**A8. Carrying Amount of Revalued Assets**

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2008.

**Notes to the accounts – 30 June 2009**

**A9. Issuance and Repayment of Debt and Equity Securities**

There were no issuance and repayment of debt and equity securities, share buy backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period under review, other than as mentioned below:

**Executives' Share Options Scheme (ESOS)**

Details of share options movement during the period:

Options	Exercise price (RM)	Number of share (options)				As at 30/06/2009
		As at 01/01/2009	granted	exercised	lapsed/ forfeited	
Option 1	2.13	939,600	-	-	-	939,600
Option 2	1.69	431,600	-	-	-	431,600
Option 3	1.00	7,189,700	-	-	(169,600)	7,020,100
Option 4	1.00	2,147,500	-	-	(78,900)	2,068,600
		10,708,400	-	-	(248,500)	10,459,900

**A10. Changes In The Composition Of The Group**

There were no changes in the composition of the Group in respect of business combination, acquisition or disposal of subsidiaries and long term investments, restructuring or discontinuing operations during the current financial period.

**A11. Commitments and Contingent Liabilities/Assets**

**(i) Commitments**

**As at 30/06/09  
RM'000**

Capital Expenditure:-

Approved and contracted for

-

Approved but not contracted for

-

**(ii) Contingent Liabilities/Assets**

There are no material changes to the contingent liabilities/assets since the last annual balance sheet date to the date of this announcement.

**A12. Material Events Subsequent To The End of The Period**

There are no material events as at the date of this announcement that will affect the financial results of the period under review.



## **ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS**

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### **B1. Review Of Current Performance**

The Group registered lower revenue of RM164.1 million for the period ended 30 June 2009 as compared with RM184.2 million for the previous year's corresponding period mainly due to a decrease in advertising and publishing revenue. This contributed to the loss after taxation (LAT) of RM7.1 million as compared with the profit after taxation (PAT) of RM1 million last year.

In the opinion of the Directors, the results of the period under review have not been affected by any transaction or event of a material or unusual in nature.

### **B2. Explanatory Comment On The Result of The Current Quarter Against The Preceding Quarter**

The Group registered higher revenue of RM84.7 million for the current quarter as compared with RM79.4 million in the preceding quarter ended 31 March 2009. The Group recorded PAT of RM0.3 million as compared with LAT of RM7.5 million for the preceding quarter mainly due to higher revenue and lower raw material and consumables used in the current quarter.

### **B3. Current Year Prospects**

The Board of Directors expects the remaining period of 2009 to be very challenging. With the uncertain economic recovery, the Board foresees another difficult period this year. Current economic slowdown has resulted in slower advertising expenditure and affected the Group's performance. Nevertheless, the Group's compact size newspaper, Kosmo, has shown substantial growth and will continue to be promoted to mitigate the impact of lower revenue from the mainstream newspapers.

### **B4. Variance from Profit Forecast or Profit Guarantee**

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

## **ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS**

### **B5. Taxation**

The taxation charges for the period comprise the following:

	<b>Current Quarter</b>		<b>Year-to-date</b>	
	<b>30/06/2009</b>	<b>30/06/2008</b>	<b>30/06/2009</b>	<b>30/06/2008</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current year provision	(350)	(348)	(555)	(1,140)
Deferred Taxation	434	(564)	1,853	(116)
<b>Total</b>	<b>84</b>	<b>(912)</b>	<b>1,298</b>	<b>(1,256)</b>

The effective tax rates is lower than statutory tax rate (2009: 25% and 2008: 26%) principally due to certain income which is not taxable and availability of reinvestment allowance. However, the effective tax rates for the year of 2008 were higher than statutory tax rate (26%) principally due to the losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries, and certain expenses which are not deductible for tax purposes.

### **B6. Sale of Unquoted Investments and Properties**

There was no sale of unquoted investments or properties for the period under review.

### **B7. Quoted Securities**

There was no purchase or disposal of quoted securities for the current period under review.

The Group's investment in quoted securities as at the end of the reporting period was as follows:

	<b>As at</b>	<b>As at</b>
	<b>30/06/2009</b>	<b>30/06/2008</b>
	<b>RM'000</b>	<b>RM'000</b>
At cost	8,657	8,615
At book value	5,164	7,043
At market value	<u>5,164</u>	<u>7,800</u>

### **B8. Status of Corporate Proposal**

There were no corporate proposals announced as at the date of this report.

**ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS**

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**B9. Group Borrowings**

The Group's bank borrowings were as follows:

	<b>As at 30/06/2009 RM'000</b>	<b>As at 30/06/2008 RM'000</b>
<b>Short term borrowings</b>		
Secured	12,400	11,903
Unsecured	13,043	18,112
	<u>25,443</u>	<u>30,015</u>
<b>Long term borrowings</b>		
Secured	99,152	112,719
Unsecured	-	-
	<u>99,152</u>	<u>112,719</u>
	<u>124,595</u>	<u>142,734</u>

**B10. Off Balance Sheet Risk**

There were no financial instruments with off balance sheet risk as at the date of this report.

**B11. Changes in Material Litigations**

There are several libel suits which involve claims against the Group of which the outcome and compensation, if any, is currently indeterminable.

**B12. Proposed Dividend**

No interim ordinary dividend has been declared for the financial period ended 30 June 2009 (30 June 2008: Nil)

**ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS**

**B13. Earnings Per Share**

Basic earnings per share of the Group are calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the financial period.

For the purpose of calculating diluted earnings per share, the net profit for the period and the weighted average number of ordinary shares in issue during the period have been adjusted for the effects of dilutive potential ordinary shares from ESOS.

	<b>Current quarter ended 30/06/2009 RM'000</b>	<b>Comparative quarter ended 30/06/2008 RM'000</b>	<b>6 months cumulative ended 30/06/2009 RM'000</b>	<b>6 months cumulative ended 30/06/2008 RM'000</b>
<b>a) Basic Earnings per share</b>				
Net (loss)/profit for equity holder of the parent	342	(41)	(7,123)	984
Weighted average number of ordinary shares in issue ('000)	110,734	110,734	110,734	110,734
Basic earnings per share (sen)	0.31	(0.04)	(6.43)	0.89
<b>b) Diluted earnings per share</b>				
Net (loss)/profit for equity holder of the parent	342	(41)	(7,123)	984
Weighted average number of ordinary shares in issue ('000)	110,734	110,734	110,734	110,734
Adjustment for assumed exercise of share option ('000)	-	256	-	256
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	110,734	110,990	110,734	110,990
Diluted earnings per share (sen)	0.31	(0.04)	(6.43)	0.89

**BY ORDER OF THE BOARD**

**Sharina Saidon**  
Company Secretary  
Date: 26 August 2009