



Quarterly report on consolidated results for the first quarter ended  
31 March 2011

(a) Unaudited Condensed Consolidated Statements of Comprehensive Income

	Current Quarter Ended 31/03/2011 RM'000	Comparative Quarter Ended 31/03/2010 RM'000	3 months Cumulative Ended 31/03/2011 RM'000	3 months Cumulative Ended 31/03/2010 RM'000
Revenue	85,828	74,830	85,828	74,830
Other Operating Income	1,769	2,434	1,769	2,434
Changes in inventories of finished goods and work-in-progress	(415)	2,075	(415)	2,075
Raw materials and consumables used	(30,866)	(23,764)	(30,866)	(23,764)
Vendors' commissions	(11,518)	(11,079)	(11,518)	(11,079)
Transportation costs	(3,806)	(3,051)	(3,806)	(3,051)
Staff costs	(30,812)	(28,933)	(30,812)	(28,933)
Depreciation/amortisation	(5,976)	(6,615)	(5,976)	(6,615)
Other operating expenses	(10,027)	(11,278)	(10,027)	(11,278)
Finance Costs	(1,730)	(1,438)	(1,730)	(1,438)
Share of results of associates	660	295	660	295
Loss before taxation	(6,893)	(6,524)	(6,893)	(6,524)
Taxation /Zakat	(197)	479	(197)	479
<b>Net loss after taxation</b>	<b>(7,090)</b>	<b>(6,045)</b>	<b>(7,090)</b>	<b>(6,045)</b>
Other comprehensive income:				
- fair value adjustment for available for sale financial assets	3,859	1,291	3,859	1,291
- foreign currency translation	(163)	49	(163)	49
<b>Total comprehensive income</b>	<b>(3,394)</b>	<b>(4,705)</b>	<b>(3,394)</b>	<b>(4,705)</b>

**(a) Unaudited Condensed Consolidated Statements of Comprehensive Income (contd)**

	Current Quarter Ended 31/03/2011 RM'000	Comparative Quarter Ended 31/03/2010 RM'000	3 months Cumulative Ended 31/03/2011 RM'000	3 months Cumulative Ended 31/03/2010 RM'000
<b>Net loss after taxation attributable to:</b>				
<b>Equity holders of the parent</b>	(7,090)	(6,045)	(7,090)	(6,045)
<b>Total comprehensive income attributable to:</b>				
<b>Equity holders of the parents</b>	(3,394)	(4,705)	(3,394)	(4,705)
<b>Earnings per share attributable to equity holders of the parent :</b>				
Basic	(6.40)	(5.46)	(6.40)	(5.46)
Diluted	(6.40)	(5.46)	(6.40)	(5.46)

*(The unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)*

**(b) Unaudited Condensed Consolidated Statement of Financial Position  
As At 31 March 2011**

	As at 31/03/11 RM'000	As at 31/12/10 RM'000
<b>ASSETS</b>		
<b>Non Current Assets</b>		
Property, plant and equipment	242,658	242,298
Investment properties	7,970	7,995
Intangible Assets	1,782	2,292
Investments in Associates	25,902	25,238
Investment Securities	23,265	19,406
Other Investments	1,379	1,379
Long Term Receivables	465	450
Deferred Tax Assets	1,320	1,171
	<b>304,741</b>	<b>300,229</b>
<b>Current Assets</b>		
Inventories	72,380	73,830
Trade and Other Receivables	100,577	93,583
Investment Securities	1,111	1,089
Cash & Cash Equivalents	43,796	48,557
	<b>217,864</b>	<b>217,059</b>
<b>TOTAL ASSETS</b>	<b>522,605</b>	<b>517,288</b>
<b>EQUITY AND LIABILITIES</b>		
Share Capital	110,734	110,734
Reserves	176,299	179,693
	287,033	290,427
<b>Total equity</b>	<b>287,033</b>	<b>290,427</b>

**(b) Unaudited Condensed Consolidated Statement of Financial Position  
As At 31 March 2011 (contd)**

	As at 31/03/11 RM'000	As at 31/12/10 RM'000
<b>Non Current Liabilities</b>		
Retirement Benefits	5,447	5,543
Borrowings	73,657	78,671
Deferred Tax Liability	17,215	17,215
	<b>96,319</b>	<b>101,429</b>
<b>Current Liabilities</b>		
Retirement Benefits	664	731
Overdraft & Short Term Borrowings	68,613	60,667
Trade and Other Payables	67,823	61,881
Taxation	2,153	2,153
	<b>139,253</b>	<b>125,432</b>
<b>Total liabilities</b>	<b>235,572</b>	<b>226,861</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>522,605</b>	<b>517,288</b>

*(The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)*

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

	<b>2011</b>	<b>2010</b>
	<b>3 months ended 31 Mar (RM'000)</b>	<b>3 months ended 31 Mar (RM'000)</b>
<b>Loss before tax</b>	(6,893)	(6,524)
<b>Adjustment for non-cash flow:-</b>		
Non-cash items	7,320	6,333
<b>Operating profit before changes in working capital</b>	427	(191)
<b>Changes in working capital</b>		
Net Change in Current Assets	(5,957)	(2,770)
Net Change in Current Liabilities	6,070	3,934
Tax paid	(295)	(453)
RPGT paid	(168)	-
Interest paid	(1,514)	(1,306)
<b>Net cash flows from operating activities</b>	(1,437)	(786)
<b>Investing Activities</b>		
- Equity/Other Investments	93	5,135
- (Purchase)/Disposal of property, plant and equipment	(5,864)	1,346
- Net dividends received	82	122
	(5,689)	6,603
<b>Financing Activities</b>		
- Retirement Benefits	(400)	(648)
- Withdrawal/(Placement) of Pledged Fixed Deposit	-	-
- Drawdown/(Repayment) of Bank Borrowings	3,202	(7,626)
- Net dividends paid	-	-
	2,802	(8,274)
<b>Net Change in Cash &amp; Cash Equivalents</b>	(4,324)	(2,457)
Cash & Cash Equivalents at beginning of period	46,829	56,752
Effect of change in exchange rate	(167)	51
<b>Cash &amp; Cash Equivalents at end of period</b>	42,338	54,346

*(The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)*

**(d) Unaudited Condensed Consolidated Statement of Changes In Equity**

	<Attributable to Equity Holders of the Parent>				
	<Non-Distributable>			Retained Profits	Total Equity
	Share Capital	Share Premium	Other Reserves		
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
<b>Financial Period Ended 31 March 2010</b>					
At 1 January 2010	110,734	50,703	10,674	112,749	284,860
Effect of adopting FRS 139	-	-	779	438	1,217
At 1 January 2010 (As restated)	110,734	50,703	11,453	113,187	286,077
Total comprehensive income for the period	-	-	1,340	(6,045)	(4,705)
As at 31 Mar 2010	110,734	50,703	12,793	107,142	281,372
<b>Financial Period Ended 31 March 2011</b>					
At 1 January 2011	110,734	50,703	13,525	115,465	290,427
Total comprehensive income for the period	-	-	3,696	(7,090)	(3,394)
As at 31 Mar 2011	110,734	50,703	17,221	108,375	287,033

*(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 2010 and the accompanying explanatory notes attached to the interim financial statements)*

## **Notes to the accounts – 31 March 2011**

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### **A1. Basis of Preparation**

The interim financial statements have been prepared in accordance with Financial Reporting Standards, the Companies Act, 1965 in Malaysia 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 2010. 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 2010.

### **A2. Changes in Accounting Policies**

The accounting policies and presentation adopted are consistent with those adopted in the audited financial statements for the year ended 31 December 2010, except as follows:

#### **Effective for financial periods beginning on or after 1 March 2010**

- Amendments to FRS 132: Classification of Rights Issues

#### **Effective for financial periods beginning on or after 1 July 2010**

- FRS 3 Business Combinations (Revised)
- Amendments to FRS 127: Consolidated and Separate Financial Statements
- Amendments to FRS 2 Share-based Payment
- Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations
- Amendments to FRS 138 Intangible Assets
- Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives
- IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation
- IC Interpretation 17 Distributions of Non-cash Assets to Owners

#### **Effective for financial periods beginning on or after 1 January 2011**

- Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions
- Amendments to FRS 3: Business Combinations [Improvements to FRS (2010)]
- Amendments to FRS 7: Improving Disclosures about Financial Instruments
- Amendments to FRS 7: Financial Instruments: Disclosures [Improvement to FRS (2010)]
- Amendments to FRS 101: Presentation of Financial Statements [Improvements to FRS (2010)]
- Amendments to FRS 121: The Effects of Changes in Foreign Exchange Rates [Improvements to FRS (2010)]
- Amendments to FRS 128: Investments in Associates [Improvements to FRS (2010)]
- Amendments to FRS 131: Interests in Joint Ventures [Improvements to FRS (2010)]
- Amendments to FRS 132: Financial Instruments: Presentation [Improvements to FRS (2010)]
- Amendments to FRS 134: Interim Financial Reporting [Improvements to FRS (2010)]
- Amendments to FRS 139: Financial Instruments: Recognition and Measurement [Improvements to FRS (2010)]

**Notes to the accounts – 31 March 2011**

**A2. Changes in Accounting Policies (Contd.)**

**Effective for financial periods beginning on or after 1 January 2011 (contd.)**

- IC Interpretation 4: Determining whether an Arrangement contains a Lease
- Amendments to IC Interpretation 13: Customer Loyalty Programme [Improvements to FRS (2010)]
- IC Interpretation 18: Transfer of Assets from Customers

The adoption of the above Standards, Interpretations and Amendments do not have any significant financial impact on the Group.

**A3. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the year ended 31 December 2010 was not qualified.

**A4. Segmental Reporting**

<b>Segment Revenue</b>	<b>31/03/2011 RM'000</b>	<b>31/03/2010 RM'000</b>
Publishing, Distribution and Advertising	84,432	74,014
Printing	4,348	3,774
Investment Holdings & Mgt Services	533	1,352
Information Technology & Multimedia	1,388	707
Total revenue incl inter-segment sales	<u>90,701</u>	<u>79,847</u>
Elimination of inter-segment sales	<u>(4,873)</u>	<u>(5,017)</u>
Total	<u><u>85,828</u></u>	<u><u>74,830</u></u>
 <b>Segment Results</b>		
Publishing, Distribution and Advertising	(6,746)	(6,287)
Printing	(999)	(1,155)
Investment Holdings & Mgt Services	423	728
Information Technology & Multimedia	(143)	(167)
Share of results of associates	660	295
	<u>(6,805)</u>	<u>(6,586)</u>
Eliminations	<u>(88)</u>	<u>62</u>
Loss before tax	<u><u>(6,893)</u></u>	<u><u>(6,524)</u></u>

**A5. 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.



**Notes to the accounts – 31 March 2011**

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**A6. Material Changes in Estimates**

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

**A7. Seasonal and Cyclical Factors**

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

**A8. Dividend**

The directors did not recommend any payment of dividend in respect of the financial year ended 31 December 2010.

**A9. 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 2010.

**A10. 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 01/01/2011	lapsed/ forfeited	As at 31/03/2011
Option 1	2.13	908,900	-	908,900
Option 2	1.69	419,100	-	419,100
Option 3	1.00	6,803,100	-	6,803,100
Option 4	1.00	1,960,800	-	1,960,800
		10,091,900	-	10,091,900

**Notes to the accounts – 31 March 2011**

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**A11. 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.

**A12. Commitments and Contingent Liabilities/Assets**

<b>(i) Commitments</b>	<b>As at 31/03/11 RM'000</b>
Capital Expenditure:-	
Approved and contracted for	724
Approved but not contracted for	76,918
<b>(ii) Contingent Liabilities/Assets</b>	

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

**A13. 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**

Revenue for the current quarter under review of RM85.8 million was 15% higher than that of the preceding year's corresponding quarter of RM74.8 million. The increase was mainly contributed by higher circulation of newspapers and distribution of books. However the Group registered a slightly higher loss before tax (LBT) of RM6.9 million as compared with LBT of RM6.5 million in 2010 mainly due to an increase in raw materials by 30%.

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 lower revenue of RM85.8 million for the current quarter as compared with RM93.9 million in the preceding quarter ended 31 December 2010 mainly due to lower contribution from advertising segment. Higher operating costs coupled with lower other income contributed to a loss before taxation (LBT) of RM6.9 million as compared with profit before taxation (PBT) of RM15.5 million for the preceding quarter.

**B3. Current Year Prospects**

Intense competition for the market share of advertising expenditure (ADEX) is expected to continue in 2011. Nevertheless the expected positive growth in the Gross Domestic Product and the overall ADEX for 2011 would provide an opportunity for the Group to increase its advertising revenue. The Group's compact newspaper, Kosmo! which grew by 18 percent in the first quarter of 2011, is expected to increase its contribution to the Group's revenue and profitability in 2011.

**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/credit for the period comprise the following:

	Current Quarter		Year-to-date	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	RM'000	RM'000	RM'000	RM'000
Current/prior year taxation	(48)	(190)	(48)	(190)
Deferred Taxation	(149)	669	(149)	669
Total	(197)	479	(197)	479

The Group still has tax charges even in a loss position principally due to the losses of certain subsidiaries cannot be set off against taxable profits made by other subsidiaries, and certain expenses which are not deductible for tax purposes. Higher tax charges compared to the proceeding year's corresponding quarter due to higher accruals made by certain subsidiaries in the first quarter of 2010 leading to higher deferred tax benefit compared to the first quarter of 2011.

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

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

**B7. Investment Securities (Non Current & Current)**

There was no purchase or disposal of quoted securities for the current period under review except for the following:

Investment Securities (current)	Current Quarter		Year-to-date	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010
	RM	RM	RM	RM
Sale proceeds	-	3,880,008	-	3,880,008

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

	As at 31/03/2011		As at 31/03/2010	
	RM'000		RM'000	
	Non Current	Current	Non Current	Current
At cost	19,569	948	10,345	1,513
At book value	23,265	1,111	9,654	1,809
At market value	23,265	1,111	9,654	1,809

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

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**B8. Status of Corporate Proposal**

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

**B9. Group Borrowings**

The Group's bank borrowings were as follows:

	<b>As at 31/03/2011 RM'000</b>	<b>As at 31/03/2010 RM'000</b>
<b>Short term borrowings</b>		
Secured	12,965	13,005
Unsecured	<u>55,648</u>	<u>19,284</u>
	68,613	32,289
<b>Long term borrowings</b>		
Secured	73,657	86,484
Unsecured	<u>-</u>	<u>-</u>
	73,657	86,484
	<u>142,270</u>	<u>118,773</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 31 March 2011 (31 March 2010: Nil)

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

**B13. Realised and Unrealised Profits or Losses**

The breakdown of retained profits of the Group as at the reporting date into realised and unrealised profits is as follows:

	<b>As at 31/03/2011 RM'000</b>	<b>As at 31/12/2010 RM'000</b>
Total retained profits of the Company and its subsidiaries		
- Realised	39,347	47,179
- Unrealised loss	(15,813)	(15,983)
	<u>23,534</u>	<u>31,196</u>
Total share of retained profits from associated companies		
- Realised	23,240	22,546
- Unrealised loss	(56)	(22)
	<u>23,184</u>	<u>22,524</u>
	<u>61,656</u>	<u>53,720</u>
Add: Consolidation adjustments	61,657	61,745
Total group retained profits	<u>108,375</u>	<u>115,465</u>

The determination of realised and unrealised profits is based on the Guidance of Special Matter No.1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements* issued by the Malaysian Institute of Accountants on 20 December 2010.

Accordingly, the unrealised retained profits of the Group as disclosed above exclude translation gains and losses on monetary items denominated in a currency other than the functional currency and foreign exchange contracts, as these translation gains and losses are incurred in the ordinary course of business of the Group, hence deemed as realised.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

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

**B14. 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 31/03/2011 RM'000</b>	<b>Comparative quarter ended 31/03/2010 RM'000</b>	<b>3 months cumulative ended 31/03/2011 RM'000</b>	<b>3 months cumulative ended 31/3/2010 RM'000</b>
<b>a) Basic Earnings per share</b>				
Net loss for equity holder of the parent	(7,090)	(6,045)	(7,090)	(6,045)
Weighted average number of ordinary shares in issue ('000)	110,734	110,734	110,734	110,734
Basic earnings per share (sen)	(6.40)	(5.46)	(6.40)	(5.46)
<b>b) Diluted earnings per share</b>				
Net loss for equity holder of the parent	(7,090)	(6,045)	(7,090)	(6,045)
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)	-	-	-	-
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	110,734	110,734	110,734	110,734
Diluted earnings per share (sen)	(6.40)	(5.46)	(6.40)	(5.46)

**BY ORDER OF THE BOARD**

**Sharina Saidon**  
Company Secretary  
Date: 18 May 2011