



**Quarterly report on consolidated results for the fourth quarter ended
31 December 2011**

(a) Unaudited Condensed Consolidated Statements of Comprehensive Income

	Current Quarter Ended 31/12/2011 RM'000	Comparative Quarter Ended 31/12/2010 RM'000	12 months Cumulative Ended 31/12/2011 RM'000	12 months Cumulative Ended 31/12/2010 RM'000
Revenue	99,407	94,783	366,163	341,394
Other Operating Income	7,444	11,938	22,821	18,243
Changes in inventories of finished goods and work-in-progress	1,235	(8,944)	618	(3,074)
Raw materials and consumables used	(30,538)	(18,067)	(115,438)	(95,603)
Vendors' commissions	(11,852)	(11,754)	(46,496)	(45,227)
Transportation costs	(3,528)	(3,929)	(15,419)	(13,910)
Staff costs	(31,556)	(24,606)	(125,167)	(113,775)
Depreciation/amortisation	(5,605)	(6,266)	(23,002)	(25,924)
Other operating expenses	(12,931)	(17,950)	(49,269)	(53,991)
Finance Costs	(1,127)	(1,710)	(6,403)	(6,369)
Share of results of associates	1,416	1,960	8,921	3,009
Profit before taxation	12,365	15,455	17,329	4,773
Taxation	(780)	(3,701)	1,726	(2,506)
Net profit after taxation	11,585	11,754	19,055	2,267
Other comprehensive income:				
Net gain on available-for-sale financial assets:				
- gain on fair value changes	1,645	808	2,262	1,926
- transfer to profit or loss upon disposal	-		(15)	(30)
Foreign currency translation	191	167	(92)	264
Total comprehensive income	13,421	12,729	21,210	4,427

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

	Current Quarter Ended 31/12/2011 RM'000	Comparative Quarter Ended 31/12/2010 RM'000	12 months Cumulative Ended 31/12/2011 RM'000	12 months Cumulative Ended 31/12/2010 RM'000
Net profit after taxation attributable to: Equity holders of the parent	11,585	11,754	19,055	2,267
Total comprehensive income attributable to: Equity holders of the parent	13,421	12,729	21,210	4,427
Earnings per share attributable to equity holders of the parent:				
Basic	10.46	10.61	17.21	2.05
Diluted	10.46	10.61	17.21	2.05
The following amounts have been included in arriving at profit before taxation:				
- interest income	445	87	917	602
- interest expense	1,175	1,613	5,920	5,876
- impairment of and write off of receivables	310	2,514	3,783	3,301
- impairment of and write off of inventories	(129)	(5)	(196)	170
- impairment of property, plant and equipment	-	3,303	-	3,303
- impairment of goodwill	-	736	-	736
- gain on disposal of quoted investment	98	91	111	401
- gain on disposal of properties, plant & equipment	4	133	52	1,090

(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 December 2011**

	As at 31/12/11 RM'000	As at 31/12/10 RM'000
ASSETS		
Non Current Assets		
Property, plant and equipment	230,594	242,298
Investment properties	13,411	7,995
Intangible Assets	665	2,292
Investments in Associates	27,448	25,238
Investment Securities	22,019	19,406
Other Investments	14,379	1,379
Long Term Receivables	584	450
Deferred Tax Assets	1,297	1,171
	<u>310,397</u>	<u>300,229</u>
Current Assets		
Inventories	34,907	73,830
Trade and Other Receivables	111,813	93,583
Investment Securities	-	1,089
Cash & Cash Equivalents	67,598	48,557
	<u>214,318</u>	<u>217,059</u>
TOTAL ASSETS	<u><u>524,715</u></u>	<u><u>517,288</u></u>
EQUITY AND LIABILITIES		
Share Capital	110,734	110,734
Reserves	200,645	179,693
	<u>311,379</u>	<u>290,427</u>
Total equity	<u><u>311,379</u></u>	<u><u>290,427</u></u>

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

	As at 31/12/11 RM'000	As at 31/12/10 RM'000
Non Current Liabilities		
Retirement Benefits	3,959	5,543
Borrowings	83,200	78,671
Deferred Tax Liability	11,904	17,215
	99,063	101,429
Current Liabilities		
Retirement Benefits	522	731
Overdraft & Short Term Borrowings	56,844	60,667
Trade and Other Payables	55,350	61,881
Taxation	1,557	2,153
	114,273	125,432
Total liabilities	213,336	226,861
TOTAL EQUITY AND LIABILITIES	524,715	517,288

(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

	2011	2010
	12 months ended 31 Dec (RM'000)	12 months ended 31 Dec (RM'000)
Profit before tax	17,329	4,773
Adjustment for non-cash flow:-		
Non-cash items	10,989	24,599
Operating profit before changes in working capital	<u>28,318</u>	<u>29,372</u>
Changes in working capital		
Net Change in Current Assets	(7,177)	(28,900)
Net Change in Current Liabilities	29,979	14,149
Tax paid/refund	(2,785)	(1,558)
RPGT paid	(224)	(112)
Interest paid	(5,977)	(5,741)
Net cash flows from operating activities	<u>42,134</u>	<u>7,210</u>
Investing Activities		
- Equity/Other Investments	438	(2,599)
- (Purchase)/Disposal of property, plant and equipment	(24,469)	(27,007)
- Net dividends received	1,492	714
	<u>(22,539)</u>	<u>(28,892)</u>
Financing Activities		
- Retirement Benefits	(1,167)	(1,813)
- Drawdown/(Repayment) of Bank Borrowings	1,144	12,676
- Withdrawal of pledged fixed deposit	-	492
	<u>(23)</u>	<u>11,355</u>
Net Change in Cash & Cash Equivalents	19,572	(10,327)
Cash & Cash Equivalents at beginning of period	46,829	56,882
Effect of change in exchange rate	(92)	274
Cash & Cash Equivalents at end of period	<u>66,309</u>	<u>46,829</u>

(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)
Financial Period Ended 31 December 2010					
At 1 January 2010	110,734	50,703	10,674	112,749	284,860
Effect of adopting FRS 139	-	-	701	439	1,140
At 1 January 2010 (As restated)	110,734	50,703	11,375	113,188	286,000
Total comprehensive income for the period	-	-	2,160	2,267	4,427
Forfeiture of share options granted under ESOS	-	-	(10)	10	-
As at 31 Dec 2010	110,734	50,703	13,525	115,465	290,427
Financial Period Ended 31 December 2011					
At 1 January 2011	110,734	50,703	13,525	115,465	290,427
Impact on retained earnings upon disposal of 70% equity in a subsidiary	-	-	(860)	602	(258)
Total comprehensive income for the period	-	-	2,155	19,055	21,210
As at 31 Dec 2011	110,734	50,703	14,820	135,122	311,379

(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 December 2011

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 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)]
- 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.

Notes to the accounts – 31 December 2011

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

Segment Revenue	31/12/2011 RM'000	31/12/2010 RM'000
Publishing, Distribution and Advertising	368,169	340,262
Printing	11,906	21,749
Investment Holdings & Mgt Services	2,727	2,587
Information Technology & Multimedia	4,863	3,344
Total revenue incl inter-segment sales	<u>387,665</u>	<u>367,942</u>
Elimination of inter-segment sales	<u>(21,502)</u>	<u>(26,548)</u>
Total	<u><u>366,163</u></u>	<u><u>341,394</u></u>

Segment Results

Publishing, Distribution and Advertising	26,109	(1,441)
Printing	(4,053)	(5,132)
Investment Holdings & Mgt Services	2,200	2,133
Information Technology & Multimedia	(1,108)	(1,024)
Share of results of associates	8,921	3,009
	<u>32,069</u>	<u>(2,455)</u>
Eliminations	<u>(14,740)</u>	<u>7,228</u>
Profitbefore tax	<u><u>17,329</u></u>	<u><u>4,773</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 December 2011

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 31/12/2011
Option 1	2.13	908,900	-	908,900
Option 2	1.69	419,100	-	419,100
Option 3	1.00	6,803,100	(80,200)	6,722,900
Option 4	1.00	1,960,800	-	1,960,800
		10,091,900	(80,200)	10,011,700

Notes to the accounts – 31 December 2011

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 except for the following:

On 12 August 2011 the Board of Directors of Utusan Melayu (Malaysia) Berhad (UMMB) had announced to Bursa Malaysia that UMMB had entered into a Share Sale Agreement with DTSP Consortium Sdn Bhd for the disposal of 3,500,000 ordinary shares of RM1.00 each in its subsidiary, Utusan Printcorp Sdn Bhd (UPSB) representing 70% of the issued and paid-up share capital of UPSB for the purchase consideration of RM1.00. Upon completion of the Agreement effectively on 1 September 2011 UPSB has become an associate of UMMB.

A12. Commitments and Contingent Liabilities/Assets

(i) Commitments	As at 31/12/11 RM'000
Capital Expenditure:-	
Approved and contracted for	71,078
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.

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

B1. Review Of Current Performance

The Group registered higher revenue of RM366.2 million for the year ended 31 December 2011 as compared with RM341.4 million for the previous year mainly due to the contribution from advertising segment. In addition, gain of RM12.9 million on disposal of a subsidiary and higher contribution by associates had enabled the Group to record profit before taxation (PBT) of RM17.3 million as compared with PBT of RM4.8 million the previous 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's revenue for the current quarter was higher at RM99.4 million as compared with RM92.1 million in the preceding quarter ended 30 September 2011 mainly due to the increase in publishing & distribution revenue. The Group recorded lower PBT of RM12.4 million as compared with PBT of RM14.8 million for the preceding quarter as a result of recognition of gain on disposal of a subsidiary and higher contribution from associates in the preceding quarter.

B3. Current Year Prospects

The year 2012 will continue to post challenges to the Group in view of stiff competition for the market share of advertising expenditure (ADEX) among all media. Nevertheless the expected positive growth in the Gross Domestic Product and the overall ADEX for 2012 would provide an opportunity for the Group to further increase its advertising revenue. The Group's compact newspaper, Kosmo which circulation grew by 15 percent last year is expected to grow positively in terms of its circulation and advertising revenue. Kosmo's cover price has been increased by 20 sen and for its Sunday edition by 30 sen since January this year partly to cushion the impact of increasing operational costs in 2012.

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 comprises the following:

	Current Quarter		Year-to-date	
	31/12/2011	31/12/2011	31/12/2011	31/12/2010
	RM'000	RM'000	RM'000	RM'000
Current/prior year taxation	(2,872)	(560)	(3,711)	(1,232)
Deferred Taxation	2,092	(2,965)	5,437	(1,098)
RPGT	-	(176)	-	(176)
Total	(780)	(3,701)	1,726	(2,506)

The effective tax rates are lower than statutory tax rate (2011: 25% and 2010: 25%) principally due to the increase in unabsorbed capital allowances arising from the upgrade of printing plants.

B6. Status of Corporate Proposal

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

B7. Group Borrowings

The Group's bank borrowings were as follows:

	As at 31/12/2011 RM'000	As at 31/12/2010 RM'000
Short term borrowings		
Secured	16,170	12,920
Unsecured	40,674	47,747
	<u>56,844</u>	<u>60,667</u>
Long term borrowings		
Secured	83,200	78,671
Unsecured	-	-
	<u>83,200</u>	<u>78,671</u>
	<u>140,044</u>	<u>139,338</u>

ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS

B8. Off Balance Sheet Risk

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

B9. 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.

B10. Proposed Dividend

No interim ordinary dividend has been declared for the financial period ended 31 December 2011 (31 December 2010: Nil)

ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS

B11. 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:

	As at 31/12/2011 RM'000	As at 31/12/2010 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	88,581	47,179
- Unrealised loss	(10,655)	(15,983)
	<u>77,926</u>	<u>31,196</u>
 Total share of retained profits from associated companies		
- Realised	23,759	22,546
- Unrealised loss	(400)	(22)
	<u>23,359</u>	<u>22,524</u>
	<u>101,285</u>	<u>53,720</u>
 Add: Consolidation adjustments	33,837	61,745
 Total group retained profits	<u>135,122</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.

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

B12. 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.

	Current quarter ended 31/12/2011 RM'000	Comparative quarter ended 31/12/2010 RM'000	12 months cumulative ended 31/12/2011 RM'000	12 months cumulative ended 31/12/2010 RM'000
a) Basic Earnings per share				
Net profit for equity holder of the parent	11,585	11,754	19,055	2,267
Weighted average number of ordinary shares in issue ('000)	110,734	110,734	110,734	110,734
Basic earnings per share (sen)	10.46	10.61	17.21	2.05
b) Diluted earnings per share				
Net profit for equity holder of the parent	11,585	11,754	19,055	2,267
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)	10.46	10.61	17.21	2.05

BY ORDER OF THE BOARD

Sharina Saidon
Company Secretary
Date: 29 February 2012