

**Condensed consolidated interim financial statements
for the three-month period ended 31 March 2015 (unaudited)**
Condensed Consolidated statement of comprehensive income

	Note	Current quarter 3 months ended		Cumulative quarter 3 months ended	
		31 Mar 2015 RM'000	31 Mar 2014 RM'000	31 Mar 2015 RM'000	31 Mar 2014 RM'000
Revenue		57,851	65,420	57,851	65,420
Other income		2,663	5,240	2,663	5,240
Raw materials and consumables used		(20,002)	(23,453)	(20,002)	(23,453)
Vendors' commissions		(7,636)	(8,633)	(7,636)	(8,633)
Transportation costs		(3,170)	(3,487)	(3,170)	(3,487)
Employee benefits expense		(31,387)	(38,527)	(31,387)	(38,527)
Depreciation and amortisation		(5,041)	(5,169)	(5,041)	(5,169)
Other expenses		(10,568)	(11,688)	(10,568)	(11,688)
Finance costs		(2,591)	(2,147)	(2,591)	(2,147)
Total costs		(80,395)	(93,104)	(80,395)	(93,104)
Operating loss		(19,881)	(22,444)	(19,881)	(22,444)
Share of results of associates		230	694	230	694
Loss before tax	5	(19,651)	(21,750)	(19,651)	(21,750)
Income tax /zakat	6	(314)	1,943	(314)	1,943
Loss for the period, net of tax		(19,965)	(19,807)	(19,965)	(19,807)
Other comprehensive income					
Net gain on available-for-sale financial assets					
- Gain/(loss) on fair value changes		123	(282)	123	(282)
- Transfer to profit or loss upon disposal		-	(3,429)	-	(3,429)
Foreign currency translation		1	-	1	-
Other comprehensive profit/(loss) for the period, net of tax		124	(3,711)	124	(3,711)
Total comprehensive loss for the period		(19,841)	(23,518)	(19,841)	(23,518)

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Condensed Consolidated statement of comprehensive income (contd.)

	Note	Current quarter 3 months ended		Cumulative quarter 3 months ended	
		31 Mar 2015 RM'000	31 Mar 2014 RM'000	31 Mar 2015 RM'000	31 Mar 2014 RM'000
Loss attributable to:					
Owners of the parent		(19,965)	(19,807)	(19,965)	(19,807)
Total comprehensive loss attributable to:					
Owners of the parent		(19,841)	(23,518)	(19,841)	(23,518)
Loss per share attributable to owners of the parent (sen):					
Basic, for loss for the year	7	(18.03)	(17.89)	(18.03)	(17.89)
Diluted, for loss for the year	7	(18.03)	(17.89)	(18.03)	(17.89)

These condensed consolidated statements of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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Condensed Consolidated statement of financial position (unaudited)

		31 March 2015 RM'000	31 December 2014 RM'000
	Note		
Assets			
Non-current assets			
Property, plant and equipment	8	283,833	285,717
Investment properties		16,800	16,894
Intangible assets	9	1,997	2,184
Investments in associates		26,389	26,159
Investment securities	12	2,515	2,391
Other investments	12	1,379	1,379
Deferred tax assets		99	187
Trade and other receivables		2,220	2,159
Retirement benefit assets		3,381	3,358
		338,613	340,428
Current assets			
Inventories	10	26,764	22,136
Trade and other receivables		75,153	70,254
Tax recoverable		2,520	2,466
Investment securities	12	2,310	2,586
Cash and bank balances	11	28,325	64,453
		135,072	161,895
Total assets		473,685	502,323
Equity and liabilities			
Equity attributable to owners of the parent			
Share capital		110,734	110,734
Share premium		50,703	50,703
Other reserves		5,499	5,375
Retained earnings		7,143	27,108
Total equity		174,079	193,920

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Condensed Consolidated statement of financial position (contd.)

	Note	31 March 2015 RM'000	31 December 2014 RM'000
Non-current liabilities			
Loans and borrowings	14	81,766	90,457
Deferred tax liabilities		153	258
		<u>81,919</u>	<u>90,715</u>
Current liabilities			
Loans and borrowings	14	125,533	127,346
Trade and other payables		92,075	90,147
Taxation		79	195
		<u>217,687</u>	<u>217,688</u>
Total liabilities		<u>299,606</u>	<u>308,403</u>
Total equity and liabilities		<u>473,685</u>	<u>502,323</u>

These condensed consolidated statements of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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Condensed consolidated statement of changes in equity

	[-----Attributable to owners of the parent-----]								
	I-----Non-distributable-----I		Distributable		I-----Non-distributable-----				
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Other reserves RM'000	Fair value adjustment reserve RM'000	Foreign currency translation reserve RM'000	Share option reserve RM'000	Capital reserve RM'000	Total equity RM'000
At 1 January 2014	110,734	50,703	107,407	10,993	5,604	309	-	5,080	279,837
Loss for the year	-	-	(19,807)	-	-	-	-	-	(19,807)
Comprehensive income	-	-	-	(3,711)	(3,711)	-	-	-	(3,711)
At 31 March 2014	110,734	50,703	87,600	7,282	1,893	309	-	5,080	256,319
At 1 January 2015	110,734	50,703	27,108	5,375	(13)	308	-	5,080	193,920
Loss for the year	-	-	(19,965)	-	-	-	-	-	(19,965)
Comprehensive income	-	-	-	124	123	1	-	-	124
At 31 March 2015	110,734	50,703	7,143	5,499	110	309	-	5,080	174,079

These condensed consolidated statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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Condensed consolidated interim financial statements
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Condensed consolidated statement of cash flows

	3 months ended	
	31 Mar 2015	31 Mar 2014
	RM'000	RM'000
Cash flows from operating activities		
Loss before taxation	(19,651)	(21,750)
Adjustments for:		
Impairment loss on trade and other receivables	302	501
Reversal of impairment loss on trade and other receivables	(10)	(20)
Net fair value (gain)/loss on held for trading investment	(103)	159
Gain on disposal of held for trading investment	(89)	(39)
Gain on disposal of available-for-sale investment	-	(2,963)
Provision for retirement benefits	25	583
Share of results of associates	(230)	(694)
Interest income	(99)	(321)
Interest expenses	2,479	2,014
Depreciation of property, plant and equipment	4,854	4,974
Amortisation of intangible assets	187	195
Loss/(gain) on disposal of property, plant and equipment	41	(96)
Inventories written off	1	-
Gain on disposal of a subsidiary	-	(442)
Dividend income	(23)	(212)
Operating loss before working capital changes	(12,316)	(18,111)
Increase in receivables	(5,237)	(4,103)
Increase in inventories	(4,629)	(4,282)
Increase in payables	1,525	17,102
Cash generated from operations	(20,657)	(9,394)
Interest paid	(2,090)	(1,962)
Taxes paid/refund	(320)	(656)
RPGT	(181)	-
Net cash used in operating activities	(23,248)	(12,012)

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Condensed consolidated statement of cash flows (contd.)

	3 months ended	
	31 Mar 2015	31 Mar 2014
	RM'000	RM'000
Cash flows from investing activities		
Interest received	99	321
Purchase of property, plant and equipment	(2,954)	(603)
Proceeds from disposal of property, plant and equipment	37	96
Purchase of securities in held for trading investment	(1,274)	(2,280)
Proceeds from disposal of held for trading investment	1,742	1,510
Proceeds from disposal of available-for-sale investment	-	8,749
Dividends received	23	212
Disposal of a subsidiary, net of cash outflow	-	(650)
Net cash (used in)/generated from investing activities	<u>(2,327)</u>	<u>7,355</u>
Cash flows from financing activities		
(Repayment)/drawdown of short term borrowings	(2,547)	2,766
Drawdown of term loan	-	1,871
Payment of hire purchase payables	(319)	(306)
Repayment of long term borrowings	(9,403)	(7,541)
Payment of retirement benefits	(48)	(809)
Withdrawal of pledged fixed deposits	50	196
Net cash used in financing activities	<u>(12,267)</u>	<u>(3,823)</u>
Net decrease in cash and cash equivalents	(37,842)	(8,480)
Effects of foreign exchange rate changes	(1)	-
Cash and cash equivalents at 1 January	62,951	31,258
Cash and cash equivalents at 31 March	<u>25,108</u>	<u>22,778</u>

These condensed consolidated statements of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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Explanatory notes pursuant to MFRS 134
For the three-month period ended 31 March 2015

1. Corporate information

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Market of Bursa Malaysia Securities Berhad.

2. Basis of Preparation

These condensed consolidated interim financial statements, for the period ended 31 March 2015, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

These financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2014. 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 and of the Company since the year ended 31 December 2014.

The accounting policies and presentation adopted by the Group for the quarterly financial statements are consistent with those adopted in the Group's consolidated audited financial statements for the financial year ended 31 December 2014.

During the financial period, the Group has adopted the following applicable new MFRS, the revised MFRS and amendments to MFRS:

MFRS and Amendments to MFRSs	Effective for annual periods beginning on or after
Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to MFRSs 2010 - 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 - 2013 Cycle	1 July 2014

The adoption of the above did not have any significant impact on the financial statements of the Group.

The Group will be adopting the following MFRSs when they become effective in the respective financial periods.

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2. Basis of Preparation (contd.)

MFRS and Amendments to MFRSs	Effective for annual periods beginning on or after
Annual Improvements to MFRSs 2012 - 2014 Cycle	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint	1 January 2016
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 101: Disclosure Initiatives	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 14 Regulatory Deferral Accounts	1 January 2016
MFRS 15 Revenue from Contracts with Customers	1 January 2017
MFRS 9 Financial Instruments	1 January 2018
Amendments to MFRS 139 Financial Instruments: Recognition and Measurement	1 January 2015

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

3. Changes in estimates

There were no changes in estimates that have had a material effect in the current interim results.

4. Changes in composition of the Group

There were no changes in composition of the Group that have had a material effect in the current interim results.

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5. Loss before tax

Included in the loss before tax are the following items:

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	31 Mar 2015 RM'000	31 Mar 2014 RM'000	31 Mar 2015 RM'000	31 Mar 2014 RM'000
Interest income	(99)	(321)	(99)	(321)
Interest expense	2,479	2,014	2,479	2,014
Net impairment loss on trade and other receivables	292	481	292	481
Loss/(gain) on disposal of property, plant & equipment	41	(96)	41	(96)
Net fair value (gain)/loss on held for trading investment securities	(103)	159	(103)	159
Depreciation of property, plant and equipment	4,854	4,974	4,854	4,974
Amortisation of intangible assets	187	195	187	195

6. Income tax expense

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	31 Mar 2015 RM'000	31 Mar 2014 RM'000	31 Mar 2015 RM'000	31 Mar 2014 RM'000
Current tax:				
Malaysian income tax	(151)	420	(151)	420
RPGT	(181)		(181)	
Deferred tax	18	1,523	18	1,523
	(314)	1,943	(314)	1,943

Income tax expense is recognised in each interim period based on the best estimate of the weighted average annual income tax rate expected for the full financial year. The effective tax rates are lower than statutory tax rate (2015: 25% and 2014: 25%) principally due to the increase in unabsorbed capital allowances.

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7. Loss Per Share

Basic loss per share amounts are calculated by dividing loss for the period, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares held by the Company.

Diluted loss per share amounts are calculated by dividing loss for the period, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the period, plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive ordinary shares into ordinary shares.

The following reflect the profit and share data used in the computation of basic and diluted loss per share:

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	31 Mar 2015	31 Mar 2014	31 Mar 2015	31 Mar 2014
Loss net of tax attributable to owners of the parent used in the computation of loss per share (RM'000)	(19,965)	(19,807)	(19,965)	(19,807)
Weighted average number of ordinary shares in issue ('000)	110,734	110,734	110,734	110,734
Effects of dilution				
- Share options ('000)	-	-	-	-
Weighted average number of ordinary shares for diluted earnings per share computation ('000)	110,734	110,734	110,734	110,734
Basic and diluted loss per share (sen)	(18.03)	(17.89)	(18.03)	(17.89)

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8. Property, plant and equipment

Acquisitions and disposals

During the three months ended 31 March 2015, the Group acquired assets at a cost of RM3.0 million (31 March 2014: RM3.5 million). Included in the total assets acquired is an amount for construction work-in-progress of RM1.9 million (31 March 2014: RM0.4 million). This construction work-in-progress represents the expenditure incurred for upgrading printing line and infrastructure work at printing facility in Bangi and the construction of a new investment building.

Assets with RM78,281 carrying amount were disposed of by the Group during the three months ended 31 March 2015, resulting in a loss on disposal of RM40,969 (31 March 2014: gain of RM95,548), recognised and included in other income in the statement of comprehensive income.

9. Intangible assets

No goodwill was recognised in the intangible assets as at 31 March 2015 (31 March 2014:RMNil).

10. Inventories

During the three months ended 31 March 2015, the Group recognised a write-off of inventories of RM562 (31 March 2014: RMNil) and the cost was included in the statement of comprehensive income.

11. Cash and cash equivalents

Cash and cash equivalents compared the following amounts

	31 Mar 2015 RM'000	31 Mar 2014 RM'000
Cash at bank and in hand	21,246	17,384
Short Term Deposit	7,079	6,822
Total cash and cash equivalents	<u>28,325</u>	<u>24,206</u>

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12. Fair value hierarchy

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1 - Quoted price (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs that are based on observable market data, either directly or indirectly

Level 3 - Inputs that are not based on observable market data

As at reporting date, the Group held the following financial assets that are measured at fair value:

	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000
31 March 2015				
Available-for-sale financial assets				
- Equity instrument	3,894	2,515	-	1,379
Held for trading investments				
- Equity instrument	2,310	2,310	-	-
31 March 2014				
Available-for-sale financial assets				
- Equity instrument	32,364	20,979	-	11,385
Held for trading investments				
- Equity instrument	2,506	2,506	-	-

No transfer between any levels of the fair value hierarchy took place during the current interim period and the comparative period. There were also no changes in the purpose of any financial asset that subsequently resulted in a different classification of that asset.

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13. Share capital, share premium and treasury shares

There are no movement in share capital, share premium and treasury shares during the financial period ended 31 March 2015.

14. Interest bearing loans and borrowings

	31 Mar 2015 RM'000	31 Mar 2014 RM'000
Short term borrowings		
Secured	19,578	19,012
Unsecured	105,955	81,659
	<u>125,533</u>	<u>100,671</u>
Long term borrowings		
Secured	81,766	93,567
Unsecured	-	-
	<u>81,766</u>	<u>93,567</u>
	<u>207,299</u>	<u>194,238</u>

15. Dividends

The directors did not pay any dividend in respect of the financial year ended 31 December 2014.

16. Commitments

	31 Mar 2015 RM'000	31 Mar 2014 RM'000
Capital expenditure		
Approved and contracted for:		
Property, plant and equipment	35,247	50,199

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17. Contingent liabilities

There is two (2) new material litigations against the Group since the last status report for the position as at 31 December 2014. As for the reporting period, the contingent liabilities stood at RM 5.64 million.

After taking appropriate legal advice, no provision has been made in the financial results of the Group as at the reporting date as the Directors are of the opinion that the expected outcome of the legal suits against the Group is not expected to have any material impact on the financial position of the Group.

18. Related party transactions

The following table provides information on the transactions which have been entered into with related parties during the quarters ended 31 March 2015 and 31 March 2014:

	2015	2014
	RM'000	RM'000
Services rendered by Utusan Transport Sdn Bhd and Group, an associate	1,759	1,976
Services rendered by Utusan Printcorp Sdn Bhd and Group, an associate	-	356

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19. Segment information

	Publishing, distribution and advertisements	Printing	Information technology and multimedia	Investment holding, management services and others	Total	Adjustments and eliminations	Per consolidated financial statements
	31 Mar 2015 RM'000	31 Mar 2015 RM'000	31 Mar 2015 RM'000	31 Mar 2015 RM'000	31 Mar 2015 RM'000	31 Mar 2015 RM'000	31 Mar 2015 RM'000
Revenue:							
External customers	56,173	-	285	1,393	57,851	-	57,851
Inter-segment	1,951	-	-	152	2,103	(2,103)	-
Total revenue	58,124	-	285	1,545	59,954	(2,103)	57,851
Segment profit/(loss) (Note A)	(19,763)	(9)	9	(267)	(20,030)	379	(19,651)
	31 Mar 2014 RM'000	31 Mar 2014 RM'000	31 Mar 2014 RM'000	31 Mar 2014 RM'000	31 Mar 2014 RM'000	31 Mar 2014 RM'000	31 Mar 2014 RM'000
Revenue:							
External customers	62,156	-	2	3,262	65,420	-	65,420
Inter-segment	2,049	-	4	57	2,110	(2,110)	-
Total revenue	64,205	-	6	3,319	67,530	(2,110)	65,420
Segment profit/(loss) (Note A)	(23,626)	(24)	(45)	1,260	(22,435)	685	(21,750)

Note A

Segment profit is reconciled to loss before tax presented in the condensed consolidated statement of comprehensive income as follows:

	31 Mar 2015 RM'000	31 Mar 2014 RM'000
Segment profit/(loss)	(20,030)	(22,435)
Share of profit of associates	230	694
Finance costs	(2,591)	(2,147)
Unallocated corporate expenses (inter-co transactions)	2,740	2,138
Loss before tax	(19,651)	(21,750)

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Explanatory notes pursuant to MFRS 134
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19. Segment information (contd)

The Group comprises the following main business segments:

- (i) Publishing, distribution and advertisements - publishing and distribution of newspapers, magazines and books and print, online and outdoor advertising;
- (ii) Information technology and multimedia; and
- (iii) Investment holding, management services and others.

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**Explanatory notes pursuant to Bursa Malaysia Listing
Requirements: Chapter 9, Appendix 9B, Part A
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20. Performance review

Revenue for the current quarter under review of RM57.9 million was 11.6% lower than that of the preceding year's corresponding quarter of RM65.4 million. The decrease was mainly attributed to lower circulation of newspapers and magazines. Revenue from circulation of newspapers declined by 12.6%. Nevertheless the Group recorded a lower loss before tax (LBT) of RM19.7 million as compared with a LBT of RM21.8 million for the corresponding quarter last year as a result of a reduction in total costs by 13.7%. Employee benefits expenses decreased by RM7.1 million mainly due to a voluntary separation scheme exercise implemented by a subsidiary company last year.

The performance of the respective operating business segments for the current quarter as compared with the corresponding quarter last year is analysed as follows:-

- i. **Publication, distribution and advertisements**
Revenue for the current quarter decreased by 9.6% mainly due to lower circulation of newspapers and magazines as compared with the corresponding quarter last year. Meanwhile advertising revenue dropped by 1.7%. However, this segment registered lower LBT of RM19.8 million as compared with LBT of RM23.6 million last year consequent to a significant reduction in total costs particularly employee benefit expenses as a result of a voluntary separation scheme implemented by a subsidiary company last year.
- ii. **Information technology and multimedia**
This segment posted a higher revenue by RM283 thousand arising from a TV programme's revenue. Accordingly this segment registered a profit before tax (PBT) of RM9 thousand as compared with LBT of RM45 thousand last year.
- iii. **Investment holding, management services and others**
This segment reported lower revenue by 57.3% attributed to lower gain on disposal of quoted shares by an investment holding company. Accordingly this segment posted a LBT of RM267 thousand as compared with PBT of RM1.3 million in the same quarter last year.

21. Comparison with the immediate preceding quarter results

The Group posted lower revenue by RM18.6 million from RM76.5 million in the preceding quarter ended 31 December 2014 to RM57.9 million in the current quarter mainly due to a decrease of revenue from publishing, distribution and advertisements segment by 25.1%. However the Group recorded a lower LBT of RM19.7 million as compared with LBT of RM45.2 million for the preceding quarter due to a significant reduction in total costs by 36.5%. The Group has provided higher impairment allowances on trade and other receivables in the fourth quarter 2014.

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Requirements: Chapter 9, Appendix 9B, Part A
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21. Comparison with the immediate preceding quarter results (contd.)

The Group's performance by segments is as follows:-

- i. Publication, distribution and advertisements
Revenue dropped by 25.1% but this segment posted lower LBT of RM19.7 million as compared with LBT of RM30.1 million in the preceding quarter mainly due to higher impairment allowances on trade and other receivables posted in the fourth quarter 2014.
- ii. Information technology and multimedia
This segment's revenue increased by RM101 thousand primarily due to the recognition of a TV programme's income in the current quarter. Hence this segment registered a PBT of RM9 thousand as compared with LBT of RM117 thousand in the preceding quarter.
- iii. Investment holding, management services and others
This segment's revenue increased slightly by 1.7% and reported lower LBT of RM267 thousand as compared with LBT of RM4.4 million in the preceding quarter mainly due to lower other operating costs as a result of higher impairment expenses on trade and other receivables and investment in quoted securities in the fourth quarter 2014.

22. Comment on current year prospects

The Group expects to continue to face challenges in 2015 given the on-going issues that are affecting consumer sentiment e.g. the implementation of Goods and Services Tax (GST) and the weakening performance of Ringgit against other major currencies.

Nevertheless, we will continue to strengthen our core business amidst strategies to seek new revenue streams to expand our business portfolios. Newspapers' content improvements are undertaken and creative packages for advertisements are offered in our effort to increase readership and revenue. Promotional activities to enable the Company to increase its direct engagement with readers and advertisers will continue to be organised. We are also exploring fund raising proposals to address the capital requirements to venture into other businesses.

The Group will continue to implement stringent cost control measures and to improve operational efficiency in order to sustain our immediate survival. We will constantly focus on strengthening our internal structure to ensure a solid foundation for the Group to embark on our future plans.

23. Profit forecast or profit guarantee

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

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Explanatory notes pursuant to Bursa Malaysia Listing
Requirements: Chapter 9, Appendix 9B, Part A
For the three-month period ended 31 March 2015

24. Corporate proposals

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

25. Changes in material litigation

There was no material litigation against the Group except as disclosed in Note 17.

26. Dividend payable

No interim ordinary dividend has been declared for the quarter ended 31 March 2015 (31 March 2014: Nil)

27. Disclosure of outstanding derivatives

There were no outstanding derivatives as at the end of the reporting period.

28. Rationale for entering into derivatives

The group did not enter into any derivatives during the quarter ended 31 March 2015 or the corresponding quarter ended 31 March 2014.

29. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2014 was not qualified.

Utusan Melayu (Malaysia) Berhad
(Incorporated in Malaysia)



Explanatory notes pursuant to Bursa Malaysia Listing
Requirements: Chapter 9, Appendix 9B, Part A
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30. Supplementary information

Breakdown of retained profits into realised and unrealised

	As at 31/3/2015 RM'000	As at 31/3/2014 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	(44,268)	40,620
- Unrealised loss	36	(1,555)
	<u>(44,232)</u>	<u>39,065</u>
Total share of retained profits from associated companies		
- Realised	28,087	24,617
- Unrealised loss	(279)	(210)
	<u>27,808</u>	<u>24,407</u>
	(16,424)	63,472
Add: Consolidation adjustments	23,567	24,128
Total group retained profits	<u>7,143</u>	<u>87,600</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.

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.

BY ORDER OF THE BOARD

Shirad Anuar

Company Secretary

Date: 21 May 2015