

**Condensed consolidated interim financial statements  
for the six-month period ended 30 June 2015 (unaudited)**
**Condensed Consolidated statement of comprehensive income**

	Note	Current quarter 3 months ended		Cumulative quarter 6 months ended	
		30 June 2015 RM'000	30 June 2014 RM'000	30 June 2015 RM'000	30 June 2014 RM'000
Revenue		62,020	74,444	119,871	139,864
Other income		2,947	3,329	5,610	8,569
Raw materials and consumables used		(19,266)	(25,347)	(39,268)	(48,800)
Vendors' commissions		(7,954)	(8,776)	(15,590)	(17,409)
Transportation costs		(3,345)	(3,345)	(6,515)	(6,832)
Employee benefits expense		(31,169)	(31,905)	(62,556)	(70,432)
Depreciation and amortisation		(5,362)	(5,159)	(10,403)	(10,328)
Other expenses		(12,064)	(12,031)	(22,632)	(23,719)
Finance costs		(2,546)	(2,211)	(5,137)	(4,358)
Total costs		(81,706)	(88,774)	(162,101)	(181,878)
<b>Operating loss</b>		(16,739)	(11,001)	(36,620)	(33,445)
Share of results of associates		1,193	144	1,423	838
<b>Loss before tax</b>	5	(15,546)	(10,857)	(35,197)	(32,607)
Income tax	6	(592)	(193)	(906)	1,750
<b>Loss for the period, net of tax</b>		(16,138)	(11,050)	(36,103)	(30,857)
Other comprehensive income					
Net gain on available-for-sale financial assets					
- (Gain)/loss on fair value changes		(236)	167	(113)	(115)
- Transfer to profit or loss upon disposal		-	(1,875)	-	(5,304)
Foreign currency translation		-	-	1	-
Other comprehensive loss for the period, net of tax		(236)	(1,708)	(112)	(5,419)
<b>Total comprehensive loss for the period</b>		(16,374)	(12,758)	(36,215)	(36,276)

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Condensed Consolidated statement of comprehensive income (contd.)

	Note	Current quarter 3 months ended		Cumulative quarter 6 months ended	
		30 June 2015 RM'000	30 June 2014 RM'000	30 June 2015 RM'000	30 June 2014 RM'000
<b>Loss attributable to:</b>					
Owners of the parent		(16,138)	(11,050)	(36,103)	(30,857)
<b>Total comprehensive loss attributable to:</b>					
Owners of the parent		(16,374)	(12,758)	(36,215)	(36,276)
<b>Loss per share attributable to owners of the parent (sen):</b>					
Basic, for loss for the year	7	(14.57)	(9.98)	(32.60)	(27.87)
Diluted, for loss for the year	7	(14.57)	(9.98)	(32.60)	(27.87)

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)**

		<b>30 June</b>	<b>31 December</b>
		<b>2015</b>	<b>2014</b>
	<b>Note</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	285,272	285,717
Investment properties		17,396	16,894
Intangible assets	9	1,835	2,184
Investments in associates		27,582	26,159
Investment securities	12	2,279	2,391
Other investments	12	1,379	1,379
Deferred tax assets		212	187
Trade and other receivables		2,192	2,159
Retirement benefit assets		3,450	3,358
		<u>341,597</u>	<u>340,428</u>
<b>Current assets</b>			
Inventories	10	22,821	22,136
Trade and other receivables		78,893	70,254
Tax recoverable		2,460	2,466
Investment securities	12	2,254	2,586
Cash and bank balances	11	30,339	64,453
		<u>136,767</u>	<u>161,895</u>
<b>Total assets</b>		<u>478,364</u>	<u>502,323</u>
<b>Equity and liabilities</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		110,734	110,734
Share premium		50,703	50,703
Other reserves		5,263	5,375
Retained earnings		(8,995)	27,108
<b>Total equity</b>		<u>157,705</u>	<u>193,920</u>

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Condensed Consolidated statement of financial position (contd.)

	Note	30 June 2015 RM'000	31 December 2014 RM'000
<b>Non-current liabilities</b>			
Loans and borrowings	14	83,820	90,457
Deferred tax liabilities		96	258
		<u>83,916</u>	<u>90,715</u>
<b>Current liabilities</b>			
Loans and borrowings	14	123,337	127,346
Trade and other payables		113,049	90,147
Taxation		357	195
		<u>236,743</u>	<u>217,688</u>
<b>Total liabilities</b>		<u>320,659</u>	<u>308,403</u>
<b>Total equity and liabilities</b>		<u>478,364</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-----]								
	-----Non-distributable-----		Distributable		-----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	-	-	(30,857)	-	-	-	-	-	(30,857)
Comprehensive income	-	-	-	(5,419)	(5,419)	-	-	-	(5,419)
At 30 June 2014	110,734	50,703	76,550	5,574	185	309	-	5,080	243,561
At 1 January 2015	110,734	50,703	27,108	5,375	(13)	308	-	5,080	193,920
Loss for the year	-	-	(36,103)	-	-	-	-	-	(36,103)
Comprehensive income	-	-	-	(112)	(113)	1	-	-	(112)
At 30 June 2015	110,734	50,703	(8,995)	5,263	(126)	309	-	5,080	157,705

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

	6 months ended	
	30 June 2015 RM'000	30 June 2014 RM'000
<b>Cash flows from operating activities</b>		
Loss before taxation	(35,197)	(32,607)
Adjustments for:		
Impairment loss on trade and other receivables	304	2,644
Reversal of impairment loss on trade and other receivables	(10)	(225)
Net fair value (gain)/loss on held for trading investment	(30)	13
Gain on disposal of held for trading investment	(118)	(89)
Gain on disposal of available-for-sale investment	-	(4,566)
Provision for retirement benefits	51	603
Share of results of associates	(1,423)	(838)
Interest income	(189)	(650)
Interest expenses	4,906	4,049
Depreciation of property, plant and equipment	10,030	9,937
Amortisation of intangible assets	373	391
Loss/(gain) on disposal of property, plant and equipment	27	(104)
Inventories written off	1	-
Gain on disposal of a subsidiary	-	(442)
Dividend income	(74)	(550)
Operating loss before working capital changes	(21,349)	(22,434)
Increase in receivables	(8,984)	(9,410)
Increase in inventories	(685)	(1,942)
Increase in payables	22,035	25,424
Cash generated from operations	(8,983)	(8,362)
Interest paid	(4,046)	(4,042)
Taxes paid/refund	(745)	(1,089)
RPGT	(181)	-
Net cash used in operating activities	(13,955)	(13,493)

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**Condensed consolidated statement of cash flows (contd.)**

	<b>6 months ended</b>	
	<b>30 June 2015</b>	<b>30 June 2014</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from investing activities</b>		
Interest received	189	650
Purchase of property, plant and equipment	(5,693)	(2,133)
Purchase of intangible assets	-	(56)
Proceeds from disposal of property, plant and equipment	51	105
Purchase of securities in held for trading investment	(1,366)	(3,174)
Proceeds from disposal of held for trading investment	1,846	3,504
Proceeds from disposal of available-for-sale investment	-	13,804
Dividends received	74	550
Disposal of a subsidiary, net of cash outflow	-	(650)
Net cash (used in)/generated from investing activities	<u>(4,899)</u>	<u>12,600</u>
<b>Cash flows from financing activities</b>		
Repayment of short term borrowings	(3,202)	(1,369)
Drawdown of term loan	-	3,630
Payment of hire purchase payables	(613)	(612)
Repayment of long term borrowings	(11,832)	(9,082)
Payment of retirement benefits	(142)	(900)
Withdrawal of pledged fixed deposits	30	196
Net cash used in financing activities	<u>(15,759)</u>	<u>(8,137)</u>
<b>Net decrease in cash and cash equivalents</b>	<b>(34,613)</b>	<b>(9,030)</b>
<b>Effects of foreign exchange rate changes</b>	<b>1</b>	<b>-</b>
<b>Cash and cash equivalents at 1 January</b>	<b>62,951</b>	<b>31,258</b>
<b>Cash and cash equivalents at 30 June</b>	<b><u>28,339</u></b>	<b><u>22,228</u></b>

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 six-month period ended 30 June 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 30 June 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:

<b>MFRS and Amendments to MFRSs</b>	<b>Effective for annual periods beginning on or after</b>
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.)**

<b>MFRS and Amendments to MFRSs</b>	<b>Effective for annual periods beginning on or after</b>
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 6 months ended	
	30 June 2015 RM'000	30 June 2014 RM'000	30 June 2015 RM'000	30 June 2014 RM'000
Interest income	(90)	(329)	(189)	(650)
Interest expense	2,427	2,035	4,906	4,049
Net impairment loss on trade and other receivables	2	1,938	294	2,419
Loss/(gain) on disposal of property, plant & equipment	(14)	(8)	27	(104)
Net fair value (gain)/loss on held for trading investment securities	73	(146)	(30)	13
Depreciation of property, plant and equipment	5,176	4,963	10,030	9,937
Amortisation of intangible assets	186	196	373	391

## 6. Income tax expense

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	30 June 2015 RM'000	30 June 2014 RM'000	30 June 2015 RM'000	30 June 2014 RM'000
Current tax:				
Malaysian income tax	(762)	(295)	(913)	125
RPGT	-	-	(181)	-
Deferred tax	170	102	188	1,625
	(592)	(193)	(906)	1,750

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 Group reported tax expense during the period 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.

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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 6 months ended	
	30 June 2015	30 June 2014	30 June 2015	30 June 2014
Loss net of tax attributable to owners of the parent used in the computation of loss per share (RM'000)	(16,138)	(11,050)	(36,103)	(30,857)
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)	(14.57)	(9.98)	(32.60)	(27.87)

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## **8. Property, plant and equipment**

### Acquisitions and disposals

During the six months ended 30 June 2015, the Group acquired assets at a cost of RM5.7 million (30 June 2014: RM5.2 million). Included in the total assets acquired is an amount for construction work-in-progress of RM3.6 million (30 June 2014: RM1.2 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 six months ended 30 June 2015, resulting in a loss on disposal of RM27,079 (30 June 2014: gain of RM104,048), 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 30 June 2015 (30 June 2014:RMNil).

## **10. Inventories**

During the six months ended 30 June 2015, the Group recognised a write-off of inventories of RM562 (30 June 2014: RMNil) and the cost was included in the statement of comprehensive income.

## **11. Cash and bank balances**

Cash and cash equivalents compared the following amounts

	<b>30 June 2015 RM'000</b>	<b>30 June 2014 RM'000</b>
Cash at bank and in hand	23,900	19,345
Short Term Deposit	6,439	6,845
Cash and bank balances	<b>30,339</b>	<b>26,190</b>

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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
<b>30 June 2015</b>				
<b>Available-for-sale financial assets</b>				
- Equity instrument	3,658	2,279	-	1,379
<b>Held for trading investments</b>				
- Equity instrument	2,254	2,254	-	-
<b>30 June 2014</b>				
<b>Available-for-sale financial assets</b>				
- Equity instrument	32,364	20,979	-	11,385
<b>Held for trading investments</b>				
- 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 30 June 2015.

### 14. Interest bearing loans and borrowings

	30 June 2015 RM'000	30 June 2014 RM'000
<b>Short term borrowings</b>		
Secured	19,274	19,888
Unsecured	104,063	80,057
	<u>123,337</u>	<u>99,945</u>
<b>Long term borrowings</b>		
Secured	83,820	92,790
Unsecured	-	-
	<u>83,820</u>	<u>92,790</u>
	<u>207,157</u>	<u>192,735</u>

### 15. Dividends

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

### 16. Commitments

	30 June 2015 RM'000	31 Dec 2014 RM'000
Capital expenditure		
Approved and contracted for:		
Property, plant and equipment	29,079	37,071

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### **17. Contingent liabilities**

There are no new material litigation against the Group since the last status report for the position as at 31 March 2015. As for the reporting period, the contingent liabilities stood at RM 4.55 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 cumulative quarter ended 30 June 2015 and 30 June 2014:

	<b>2015</b>	<b>2014</b>
	<b>RM'000</b>	<b>RM'000</b>
Services rendered by Utusan Transport Sdn Bhd and Group, an associate	2,953	3,883
Services rendered by Utusan Printcorp Sdn Bhd and Group, an associate	-	392

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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
	30 June 2015 RM'000	30 June 2015 RM'000	30 June 2015 RM'000	30 June 2015 RM'000	30 June 2015 RM'000	30 June 2015 RM'000	30 June 2015 RM'000
Revenue:							
External customers	117,598	-	-	2,274	119,872	-	119,872
Inter-segment	4,557	-	-	273	4,830	(4,830)	-
Total revenue	122,155	-	-	2,547	124,702	(4,830)	119,872
Segment profit/(loss) (Note A)	(35,320)	(27)	9	(580)	(35,918)	721	(35,197)
	<b>30 June 2014 RM'000</b>	<b>30 June 2014 RM'000</b>	<b>30 June 2014 RM'000</b>	<b>30 June 2014 RM'000</b>	<b>30 June 2014 RM'000</b>	<b>30 June 2014 RM'000</b>	<b>30 June 2014 RM'000</b>
Revenue:							
External customers	133,186	-	24	6,654	139,864	-	139,864
Inter-segment	4,778	-	4	270	5,052	(5,052)	-
Total revenue	137,964	-	28	6,924	144,916	(5,052)	139,864
Segment profit/(loss) (Note A)	(36,322)	(48)	(89)	3,014	(33,445)	838	(32,607)

#### Note A

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

	30 June 2015 RM'000	30 June 2014 RM'000
Segment profit/(loss)	(35,918)	(33,445)
Share of profit of associates	1,423	838
Finance costs	(5,137)	(4,358)
Unallocated corporate expenses (inter-co transactions)	4,435	4,358
Loss before tax	(35,197)	(32,607)



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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 RM62.0 million declined by 16.7% as against the preceding year's corresponding quarter of RM74.4 million. The decrease was attributed to the publication, distribution and advertisements segment. Consequently the Group recorded a higher loss before tax (LBT) of RM15.5 million as compared with a LBT of RM10.9 million for the corresponding quarter last year. Similarly on a year-to-date basis the Group registered a lower revenue of RM119.9 million for the period ended 30 June 2015 as compared with RM139.9 million last year. As a result, the Group recorded higher LBT of RM35.2 million as compared with LBT of RM32.6 million last year. Nevertheless, more stringent cost control measures and improvement on operational efficiency exercise have shown positive results primarily on raw materials and consumables used and employee benefits expenses.

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 13.9% mainly due to lower advertising revenue and circulation of newspapers and magazines as compared with the corresponding quarter last year. Accordingly, this segment registered higher LBT of RM15.6 million as compared with LBT of RM12.7 million last year.

Similarly on a year-to-date basis, this segment posted 11.7% lower revenue which was primarily contributed by a reduction in revenue from circulation of newspapers and magazines. However, lower employee benefit expenses, vendors' commission and raw materials have lessened the impact of the reduction in revenue. This segment recorded higher LBT of RM35.2 million as compared with LBT of RM32.6 million last year.

ii. Information technology and multimedia

There were no significant transactions recorded in this segment for both current quarter and six months period ended 30 June 2015.

iii. Investment holding, management services and others

Revenue for the current quarter declined by 74.0%, mainly due to lower gain on disposal of quoted shares by an investment holding subsidiary company. This has resulted in a LBT of RM0.3 million as compared with PBT of RM1.8 million in the same quarter last year. Similarly on a year-to-date basis, this segment's revenue decreased by 65.8% mainly due to the same reason and a reduction by 30.4% from recruitment services. Accordingly this segment reported a LBT of RM0.6 million as compared with PBT of RM3.0 million last year.

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## **21. Comparison with the immediate preceding quarter results**

The Group posted higher revenue by RM4.2 million from RM57.8 million in the preceding quarter ended 31 March 2015 to RM62.0 million in the current quarter contributed mainly by higher advertising revenue. The increase in total costs by RM1.3 million have been mitigated by higher share of results of associates. Accordingly the Group recorded a lower LBT of RM15.5 million as compared with LBT of RM19.7 million in the preceding quarter.

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

- i. Publication, distribution and advertisements  
Revenue increased by 8.3% mainly contributed by advertising revenue. Hence, this segment posted lower LBT of RM15.6 million as compared with LBT of RM19.8 million in the preceding quarter.
- ii. Information technology and multimedia  
No significant transactions posted in this segment.
- iii. Investment holding, management services and others  
This segment's revenue decreased by RM0.5 million mainly due to lower revenue from recruitment services and recorded a slightly higher LBT of RM314 thousand as compared with LBT of RM267 thousand in the preceding quarter.

## **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.

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**23. Profit forecast or profit guarantee**

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

**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 30 June 2015 (30 June 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 30 June 2015 or the corresponding quarter ended 30 June 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.

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### 30. Supplementary information

#### Breakdown of retained profits into realised and unrealised

	As at 30/6/2015 RM'000	As at 30/6/2014 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	(60,859)	27,792
- Unrealised loss	147	70
	<u>(60,712)</u>	<u>27,862</u>
Total share of retained profits from associated companies		
- Realised	26,340	24,886
- Unrealised loss	243	(336)
	<u>26,583</u>	<u>24,550</u>
	(34,129)	52,412
Add: Consolidation adjustments	25,134	24,138
Total group retained profits	<u>(8,995)</u>	<u>76,550</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: 26 August 2015