

Berjaya Media Berhad
(formerly known as Nexnews Berhad)
(Company No: 290601-T)

Date: 21 August 2008

Subject: **UNAUDITED SECOND QUARTER RESULTS FOR THE
PERIOD ENDED 30 JUNE 2008**

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UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2008
CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended 30.06.2008 RM'000	30.06.2007 RM'000	6 months ended 30.06.2008 RM'000	30.06.2007 RM'000
Revenue	17,126	25,179	37,116	46,197
Operating expenses	(14,224)	(24,580)	(33,869)	(46,059)
Other operating income	529	422	991	911
Profit from operations	3,431	1,021	4,238	1,049
Finance costs	(8)	(8)	(15)	(16)
Share of associate's profit	657	-	978	-
Profit before tax	4,080	1,013	5,201	1,033
Income tax expense	(36)	(723)	(302)	(1,262)
Profit/(loss) after tax	4,044	290	4,899	(229)
Attributable to:				
Equity holders of the Company	4,044	(606)	4,654	(1,589)
Minority interests	-	896	245	1,360
Net profit/(loss) for the period	4,044	290	4,899	(229)
Earnings/(loss) per ordinary share				
- Basic (Note B13)	1.74	(0.52)	2.00	(1.38)
- Diluted (Note B13)	1.72	N/A	1.98	N/A

The accompanying notes form an integral part of this interim financial report.

**UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2008
CONDENSED CONSOLIDATED BALANCE SHEET**

	Group	
	As At 30.06.2008 RM'000	As At 31.12.2007 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	4,427	6,637
Intangible assets	113,705	120,000
Other investments	4,200	4,200
	122,332	130,837
Current Assets		
Inventories	7,946	9,359
Trade receivables	14,094	25,302
Other receivables and prepaid expenses	1,916	1,950
Fixed deposits with licensed banks	14,207	21,000
Cash and bank balances	3,431	7,998
	41,594	65,609
Non-current asset classified as held for sale		
- Investment in an associated company [Note A8(i)]	17,398	-
	58,992	65,609
TOTAL ASSETS	181,324	196,446
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Ordinary share capital	232,353	231,915
Irredeemable Convertible Preference Shares ("ICPS")	241	295
Share premium	37,470	37,854
Accumulated loss	(103,060)	(107,714)
Equity funds	167,004	162,350
Minority interests	-	9,879
Total equity	167,004	172,229
Non-Current and Deferred Liabilities		
Hire-purchase payables (non-current portion)	41	139
Current Liabilities		
Trade payables	2,174	4,409
Other payables and accrued expenses	12,001	18,168
Hire-purchase payables (current portion)	50	163
Tax liabilities	54	1,338
	14,279	24,078
Total liabilities	14,320	24,217
TOTAL EQUITY AND LIABILITIES	181,324	196,446
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.72	0.70

The accompanying notes form an integral part of this interim financial report.

UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2008
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Company							
	Issued capital		Non-distributable reserves			Equity Funds	Minority Interests	Total Equity
	Share capital	ICPS	Share premium	Accumulated loss	RM'000			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2008	231,915	295	37,854	(107,714)	162,350	9,879	172,229	
Net profit for the 6 months period representing total recognised income and expense for the period	-	-	-	4,654	4,654	245	4,899	
Arising from deconsolidation of a subsidiary	-	-	-	-	-	(10,124)	(10,124)	
Arising from conversion of ICPS	438	(54)	(384)	-	-	-	-	
At 30 June 2008	232,353	241	37,470	(103,060)	167,004	-	167,004	
At 1 January 2007	112,561	15,453	142,066	(106,616)	163,464	6,413	169,877	
Net loss for the 6 months period representing total recognised income and expense for the period	-	-	-	(1,589)	(1,589)	1,360	(229)	
Arising from conversion of ICPS	3,014	(383)	(2,631)	-	-	-	-	
Arising from share options exercised by minority interests of a subsidiary	-	-	-	-	-	8,736	8,736	
Dividend paid by a subsidiary	-	-	-	-	-	(8,911)	(8,911)	
At 30 June 2007	115,575	15,070	139,435	(108,205)	161,875	7,598	169,473	

The accompanying notes form an integral part of this interim financial report.

**UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2008
CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	6 months ended	
	30.06.2008 RM'000	30.06.2007 RM'000
OPERATING ACTIVITIES		
Receipt from customers	44,139	25,620
Payment to suppliers	(30,009)	(26,488)
Payment for operating expenses (including taxes)	(14,972)	(8,161)
Net cash used in operating activities	<u>(842)</u>	<u>(9,029)</u>
INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(714)	(2,281)
Acquisition of investment	-	(4,200)
Proceeds from disposal of property, plant and equipment	271	39
Proceeds from disposal of other investments	-	18
Cash and cash equivalents of a subsidiary deconsolidated	(10,298)	-
Interest received	402	385
Net cash used in investing activities	<u>(10,339)</u>	<u>(6,039)</u>
FINANCING ACTIVITIES		
Payment of hire purchase obligations	(178)	(93)
Proceeds from exercised of share options by minority interests of a subsidiary company	-	8,736
Dividends paid to minority shareholders of subsidiary company	-	(8,911)
Net cash used in financing activities	<u>(178)</u>	<u>(268)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(11,359)	(15,336)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>28,997</u>	<u>40,485</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>17,638</u>	<u>25,149</u>

Cash and cash equivalents at the end of the financial period comprises the following:-

	RM'000	RM'000
Fixed deposits	14,207	19,366
Cash and bank balances	3,431	5,783
	<u>17,638</u>	<u>25,149</u>

The accompanying notes form an integral part of this interim financial report.

UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2008
NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting.

The accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2007 except for the adoption of the following new/revised FRSs effective for financial period beginning 1 January 2008:

FRS 107	Cash Flow Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The Group has not adopted FRS 139 Financial Instruments : Recognition and Measurement as its effective date has been deferred.

The adoption of the abovementioned FRSs does not result in significant changes in accounting policies of the Group.

A2. Seasonal or cyclical factors

The business of the Group is generally affected by the festive seasons and global newsprint prices.

A3. Unusual items

There were no unusual items for the current period under review.

A4. Changes in estimates

There were no changes in amount of estimates reported previously that have a material effect in the current period under review.

A5. Issuance and repayment of debt and equity securities

During the financial period ended 30 June 2008, the issued and paid up ordinary share capital of the Company increased from RM231,914,949 to RM232,353,279 resulting from the conversion of 539,150 ICPS of RM0.10 each into 438,330 new ordinary shares of RM1.00 each.

A6. Dividend paid

No dividend was paid in the current period under review.

A7. Segment reporting

The business segments for the Group in the 6 month period ended 30 June 2008 are categorised as follows:-

REVENUE	Total RM'000
Publishing	36,908
Others	208
Investment holding	-
Total revenue	<u>37,116</u>

RESULTS	RM'000
Publishing	4,139
Others	(1)
Investment holding	100
Profit from operations	<u>4,238</u>
Finance costs	(15)
Share of results in associate company	<u>978</u>
Profit before tax	5,201
Income tax expense	<u>(302)</u>
Profit after tax	<u>4,899</u>

Geographical segments are not applicable to the Group for the current period under review, as the Group operates principally in Malaysia.

A8. Material subsequent events

On 30 July 2008, the Company announced the following proposals:

- (i) the acceptance of the offer from Net Edge Online Sdn Bhd (“NEOSB”), to acquire from Gemtech (M) Sdn Bhd (“Gemtech”), a wholly-owned subsidiary of the Company, all of Gemtech's 2,800,000 ordinary shares of RM1.00 each representing 50% of the paid-up capital of The Edge Communications Sdn Bhd (“theEdge”) for a total consideration of RM85,000,000 to be satisfied by the transfer of 170,000,000 units of 0% Irredeemable Convertible Unsecured Loan Stocks 2005/2015 of Berjaya Corporation Berhad of RM0.50 nominal value each (“BCorp ICULS”) beneficially owned by NEOSB (“Proposed Disposal”);

An Extraordinary General Meeting will be convened on 26 August 2008 for the purpose of considering the Proposed Disposal.

- (ii) proposed capital distribution of up to 145,330,713 units of BCorp ICULS to the shareholders of the Company or an amount of up to RM72,665,357, on the basis of one (1) unit of BCorp ICULS for every two (2) of the Company shares. This will result in the reduction of the par value of the ordinary shares in the Company from RM1.00 to RM0.75 (“Proposed Capital Distribution”); and
- (iii) proposed cancellation of accumulated losses by an amount of up to RM21,672,262 by a corresponding reduction of the Company's share premium account (“Proposed Cancellation of Accumulated Losses”).

The Proposed Capital Distribution and Proposed Cancellation of Accumulated Losses are conditional upon the Proposed Disposal. The aforesaid proposals are subject to the approvals of the Securities Commission, High Court of Malaya and shareholders of the Company.

A9. Changes in composition of the Group

Prior to 1 March 2008, theEdge was treated as a subsidiary company whereby the Company had Board representation and management control over theEdge. On 1 March 2008, theEdge became an associated company following the cessation of Board representation as well as management control. Except for the aforesaid, there was no change in composition of the Group for the current quarter including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

A10. Changes in contingent liabilities or contingent assets

There are no material changes in contingent liabilities and contingent assets for the current period under review since the last annual balance sheet date.

**UNAUDITED SECOND QUARTER RESULTS FOR THE PERIOD ENDED 30 JUNE 2008
ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES LR**

B1 Review of group performance

For the quarter

For the second quarter ended 30 June 2008, the Group reported a consolidated revenue of RM17.13 million and pre-tax profit of RM4.08 million as compared to RM25.18 million revenue and pre-tax profit of RM1.01 million in the preceding year's corresponding quarter. The decrease in revenue was mainly due to the deconsolidation of theEdge with effect from 1 March 2008 whereby the results of theEdge are now equity accounted for. The increase in pre-tax profit was mainly due to turnaround in profitability of its principal subsidiary, Sun Media Corporation Sdn Bhd arising from improved advertisement revenue.

For the 6 months period

For the 6 months period ended 30 June 2008, the Group registered a consolidated revenue of RM37.17 million and pre-tax profit of RM5.20 million as compared to RM46.20 million and RM1.03 million pre-tax profit in the preceding year's corresponding period. The decrease in revenue was mainly due to the deconsolidation of theEdge as mentioned above and hence only 2 months results (up to 29 February 2008) of theEdge was consolidated in the current financial period. The increase in pre-tax profit was mainly due to turnaround in profitability of its principal subsidiary, Sun Media Corporation Sdn Bhd arising from improved advertisement revenue coupled with lower operating expenses of certain subsidiary companies.

B2. Material changes in the quarterly results compared with immediate preceding quarter

For the current quarter under review, the Group registered a consolidated revenue of RM17.13 million and pre-tax profit of RM4.08 million as compared to RM19.99 million revenue and pre-tax profit of RM1.12 million in the preceding quarter. The decrease in revenue was mainly due to the deconsolidation of theEdge with effect from 1 March 2008 (i.e. the second quarter revenue has the full effect of deconsolidation of theEdge whereas the preceding quarter consolidated 2 months revenue of theEdge). The increase in pre-tax profit was mainly due to turnaround in profitability of its principal subsidiary, Sun Media Corporation Sdn Bhd arising from improved advertisement revenue.

B3. Current year prospects

The Group operates in a competitive business environment and will strive to increase its advertisement revenue by way of increasing its market share and rates. However, the increase in global newsprint prices will have an adverse impact on our publishing costs. This, coupled with the current economic environment, may adversely impact our operating results for the remaining period of the financial year.

B4. Variance of actual profit from profit forecast and profit guaranteed

There was no profit forecast or profit guarantee given by the Company for the current quarter under review.

B5. Income tax expense

	3 months ended		6 months ended	
	30.06.2008	30.06.2007	30.06.2008	30.06.2007
	RM'000	RM'000	RM'000	RM'000
Current taxation	89	723	355	1,262
Overprovision in prior year	(53)	-	(53)	-
	<u>36</u>	<u>723</u>	<u>302</u>	<u>1,262</u>

The effective tax rate of the Group's current tax charge for the current period under review was lower than the statutory tax rate mainly due to utilisation of tax losses and capital allowance brought forward.

B6. Profit/(loss) on sale of investments and properties

There were no disposals of unquoted investments and properties for the current quarter under review.

B7. Quoted Securities

There were no purchases or disposal of quoted securities by the Group for the current quarter under review.

B8. Additional Corporate Disclosure

The Company does not comply with the public shareholding spread requirement set out in paragraph 8.15(1) of Bursa Malaysia Securities Berhad ("Bursa Securities") Listing Requirements.

The Company had on 4 July 2008 made an application to Bursa Securities for a further extension of time to comply with the public shareholding spread requirement.

On 7 August 2008, the Company announced that Tan Sri Dato' Seri Vincent Tan Chee Yioun, the Chairman and a substantial shareholder of the Company, had informed the Company that he had undertaken to place out up to a total of 32.60 million ordinary shares ("Placement") representing 14.03% of the existing issued and paid-up share capital of the Company to investors (including Bumiputera investors) to address the public shareholding spread shortfall. The Placement is expected to be completed within 3 months period from the completion of Proposed Capital Distribution as mentioned in Note A8 (ii).

On 21 August 2008, Bursa Securities resolved to reject the aforesaid application for extension of time by the Company. In view of this latest development, the Company will consult with Tan Sri Dato' Seri Vincent Tan Chee Yioun on this matter.

B9. Group bank borrowings and debt securities

The Group has no bank borrowings and debt securities for the current quarter under review.

B10. Summary of off balance sheet financial instruments

The Group has no off balance sheet financial instruments as at the date of this announcement other than a total of 56,280,264 warrants issued in conjunction with the rights issue of 28,140,132 ordinary shares by the Company on 19 December 2006. Each of the said warrant entitles the holder to subscribe for one ordinary share of RM1.00 each at an exercise price of RM1.00 per share. The expiry date of the said warrants is 18 December 2016.

B11. Changes in material litigation

There is no change in material litigation since the last annual balance sheet date.

B12. Dividend

The Board of Directors does not recommend the payment of any dividend in respect of the financial period ended 30 June 2008 (preceding year's corresponding period ended 30 June 2007: Nil).

B13. Earnings/(loss) per ordinary share

<u>Basic</u>	3 months ended		6 months ended	
	30.06.2008	30.06.2007	30.06.2008	30.06.2007
Net profit/(loss) attributable to ordinary shareholders (RM'000)	4,044	(606)	4,654	(1,589)
Weighted average number of ordinary shares of RM1.00 each in issue ('000)	232,284	115,575	232,284	115,233
Basic earnings/(loss) per ordinary share (sen)	1.74	(0.52)	2.00	(1.38)
<hr/>				
<u>Diluted</u>	3 months ended		6 months ended	
	30.06.2008	30.06.2007	30.06.2008	30.06.2007
Net profit/(loss) attributable to ordinary shareholders (RM'000)	4,044	(606)	4,654	(1,589)
Weighted average number of ordinary shares of RM1.00 each in issue ('000)	232,284	115,575	232,284	115,233
Adjustment for assumed conversion of:				
ICPS	196	-	196	-
Warrants	2,680	-	2,680	-
Adjusted weighted average number of ordinary shares of RM1.00 each in issue ('000)	235,160	115,575	235,160	115,233
Diluted earnings/(loss) per ordinary share (sen)	1.72	N/A	1.98	N/A