



STAR PUBLICATIONS (MALAYSIA) BERHAD
Company No. 10894-D
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2010**

Unaudited Condensed Consolidated Income Statement

	3 months ended		Financial year ended	
	31.12.2010 RM'000	31.12.2009* RM'000	31.12.2010 RM'000	31.12.2009* RM'000
Revenue	296,909	314,541	1,061,700	973,921
Operating expenses	(225,271)	(238,511)	(818,893)	(789,911)
Other operating income	6,469	7,802	29,242	33,466
Profit from operations	78,107	83,832	272,049	217,476
Finance cost	(697)	(4,323)	(6,901)	(15,653)
	77,410	79,509	265,148	201,823
<i>Share of loss in associate company</i>	(1,067)	(338)	(1,767)	(328)
<i>Share of loss in jointly controlled entities</i>	(1,172)	(1,309)	(4,574)	(4,340)
Profit before taxation	75,171	77,862	258,807	197,155
Taxation	(18,550)	(14,456)	(68,639)	(47,522)
Profit for the financial year	56,621	63,406	190,168	149,633
Attributable to:				
Equity holders of the parent	54,054	60,973	184,941	144,711
Minority interest	2,567	2,433	5,227	4,922
	56,621	63,406	190,168	149,633
Basic earnings per ordinary share (sen)	7.32	8.26	25.04	19.59
Diluted earnings per ordinary share (sen)	7.32	8.26	25.04	19.59

* The Group has applied FRS 139 prospectively for financial year beginning 1 January 2010 onwards, as the Standard does not permit retrospective application.

(The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31st December 2009)

Notes on Operating Expenses:

Included in the Operating Expenses are depreciation expenses and amortisation of leasehold land :

(12,341)	(12,987)	(48,236)	(48,352)
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**Unaudited Condensed Statement of Other Comprehensive Income
For the year ended 31 December 2010**

	3 months ended		Financial year ended	
	31.12.2010 RM'000	31.12.2009* RM'000	31.12.2010 RM'000	31.12.2009* RM'000
Profit for the financial year	56,621	63,406	190,168	149,633
Other comprehensive income				
- exchange differences on translating foreign operations	(625)	1,428	(7,032)	25,725
- fair value adjustment for available-for-sale financial assets	(81)	-	100	-
Total comprehensive income for the financial year	55,915	64,834	183,236	175,358
Attributable to:				
Equity holders of the parent	54,418	62,673	180,898	170,708
Minority interest	1,497	2,161	2,338	4,650
	55,915	64,834	183,236	175,358

* The Group has applied FRS 139 prospectively for financial year beginning 1 January 2010 onwards, as the Standard does not permit retrospective application.

(The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31st December 2009)

**Unaudited Condensed Consolidated Statement of Financial Position
As at 31 December 2010**

	31 December 2010	31 December 2009*
	RM'000	(Restated) RM'000
Non-current assets		
Property, plant and equipment	580,225	622,787
Investment properties	16,068	20,093
Intangible assets	54,653	52,331
Investment in associate company	10,144	11,911
Investment in jointly-controlled entities	11,322	15,960
Other investments	-	47,352
Held-to-maturity investments	10,000	-
Financial assets at fair value through profit or loss	28,007	-
Available-for-sale investment	6,255	-
Deferred tax assets	574	632
Other non-current assets	-	1,825
	717,248	772,891
Current assets		
Inventories	210,502	85,514
Trade and other receivables	190,057	197,332
Tax recoverable	87	1,386
Other investments		
Held-to-maturity investments	5,000	-
Short term deposits	86,227	672,084
Cash and bank balances	130,462	101,145
	622,335	1,057,461
Non-current assets held for sale	24,120	-
	646,455	1,057,461
TOTAL ASSETS	1,363,703	1,830,352

**Unaudited Condensed Consolidated Statement of Financial Position
As at 31 December 2010 (cont'd)**

	31 December 2010	31 December 2009* (Restated)
	RM'000	RM'000
EQUITY AND LIABILITIES		
Share capital	738,564	738,564
Treasury shares	(225)	(225)
Reserves	269,883	515,767
Equity attributable to equity holders of the parent Company	1,008,222	1,254,106
Minority interest	27,335	28,778
Total equity	1,035,557	1,282,884
Non-current liabilities		
Borrowings	42,066	45,555
Deferred tax liabilities	79,026	81,140
	121,092	126,695
Current liabilities		
Trade and other payables	138,854	157,135
Borrowings	53,065	253,410
Taxation	15,135	10,228
	207,054	420,773
Total Liabilities	328,146	547,468
TOTAL EQUITY AND LIABILITIES	1,363,703	1,830,352
Net assets per share attributable to ordinary equity holders of the parent company (RM)	1.37	1.70

The restatement of the 2009 Statement of Financial Position reflects the change in the Group's accounting policy for classification of prepaid lease payments for land required by *FRS 117: Leases*, as explained in Note A1(b).

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31st December 2009)

Unaudited Condensed Consolidated Statements of Changes in Equity For the year ended 31 December 2010

	[----- Attributable to equity holders of the Parent Company -----]								
	[----- Non-distributable -----]				[----- Distributable -----]				
	Reserves				Reserves				
	Share capital	Foreign exchange translation reserves	Capital reserves	Available-for-sale reserve	Treasury shares	Retained earnings	Total	Minority interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2010	738,564	24,771	149	-	(225)	490,847	1,254,106	28,778	1,282,884
Effect of adopting FRS 139	-	-	-	-	-	141	141	-	141
As at 1 January 2010, restated	738,564	24,771	149	-	(225)	490,988	1,254,247	28,778	1,283,025
Total comprehensive income for the year	-	(4,050)	(93)	100	-	184,941	180,898	2,338	183,236
<u>Transactions with owners</u>									
ESOS by subsidiary company to minority shareholders	-	-	480	-	-	-	480	95	575
Additional investment in existing subsidiary	-	-	-	-	-	-	-	(2,849)	(2,849)
Dividend									
<i>Second Interim Dividend and Special Dividend for the financial year ended 31 December 2009, paid on 16 April 2010</i>									
	-	-	-	-	-	(63,695)	(63,695)	-	(63,695)
<i>First Interim Dividend and Special Dividend for the financial year ended 31 December 2010, paid on 18 October 2010</i>									
	-	-	-	-	-	(63,695)	(63,695)	-	(63,695)
<i>Special dividend for the financial year ended 31 December 2010, paid on 30 November 2010</i>									
	-	-	-	-	-	(300,013)	(300,013)	-	(300,013)
<i>Dividends to minority shareholders of subsidiary</i>									
	-	-	-	-	-	-	-	(1,027)	(1,027)
Balance as at 31 December 2010	738,564	20,721	536	100	(225)	248,526	1,008,222	27,335	1,035,557

Unaudited Condensed Consolidated Statements of Changes in Equity For the year ended 31 December 2010

	[----- Attributable to equity holders of the Parent Company -----]							
	[-----Non-distributable -----] Reserves			[-----Distributable-----] Reserves				
	Share capital RM'000	Foreign exchange translation reserves RM'000	Capital reserves RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000	Minority interest RM'000	Total Equity RM'000
Balance as at 1 January 2009	738,564	(1,226)	-	-	473,532	1,210,870	23,117	1,233,987
Total comprehensive income for the year	-	25,997	-	-	144,711	170,708	4,650	175,358
<u>Transactions with owners</u>								
Repurchase of shares	-	-	-	(225)	-	(225)	-	(225)
ESOS by subsidiary to minority shareholders	-	-	149	-	-	149	84	233
Partial disposal of investment in a subsidiary	-	-	-	-	-	-	5,351	5,351
Additional investment in a subsidiary	-	-	-	-	-	-	(2,504)	(2,504)
Voluntary liquidation of a subsidiary	-	-	-	-	-	-	(1,103)	(1,103)
<u>Dividend</u>								
<i>Second Interim Dividend and Special Dividend for the financial year ended 31 December 2008, paid on 18 April 2009</i>	-	-	-	-	(63,701)	(63,701)	-	(63,701)
<i>First Interim Dividend and Special Dividend for the financial year ended 31 December 2009, paid on 18 October 2009</i>	-	-	-	-	(63,695)	(63,695)	-	(63,695)
<i>Dividend paid to minority shareholders of subsidiary</i>	-	-	-	-	-	-	(817)	(817)
Balance as at 31 December 2009	738,564	24,771	149	(225)	490,847	1,254,106	28,778	1,282,884

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31st December 2009)

Unaudited Condensed Consolidated Statement of Cash Flow
For the year ended 31 December 2010

	31 December 2010 RM'000	31 December 2009 RM'000
Profit before taxation	258,807	197,155
Adjustments for non-cash flow items:-		
Share of loss in associate company	1,767	328
Share of loss in jointly controlled entities	4,574	4,340
Non-cash items	52,050	49,925
Non-operating items	(10,373)	2,114
Operating profit before working capital changes	306,825	253,862
Changes in working capital		
Net change in current assets	(113,728)	98,652
Net change in current liabilities	(17,723)	30,981
	(131,451)	129,633
Cash generated from operations	175,374	383,495
Net tax paid	(64,391)	(45,480)
Retirement benefit paid	-	(500)
Net cash from operating activities	110,983	337,515
Investing Activities		
Proceeds from disposal of property, plant and equipment	576	673
Purchases of property, plant and equipment	(27,666)	(15,357)
Acquisition of subsidiaries, net of cash acquired	-	(12)
Additions to investment properties	(143)	(11,596)
Investment in associate company	-	(12,239)
Additional investment in existing subsidiary	(6,318)	(6,670)
Acquisition of subsidiaries	(26)	-
Investment in financial products	(209)	(47,352)
Cash paid to minority shareholders upon liquidation of subsidiary	-	(1,111)
Interest received	12,665	11,832
Investment income received	3,741	3,073
Proceeds from partial disposal of subsidiary	-	9,006
Net cash used in investing activities	(17,380)	(69,753)
Financing Activities		
Interest paid	(7,691)	(15,653)
Repayment of hire purchase	(160)	-
Net (Repayment)/ drawdown of term loan	(2,425)	4,246
Repayment of finance lease	(807)	(898)
Repurchase of shares	-	(225)
Issuance of Commercial Papers	50,102	-
Repayment of MTN	(250,000)	-
ESOS expenses to minority shareholders	(95)	-
Dividends paid	(427,403)	(127,396)
Dividends paid to minority shareholders of subsidiary	(1,027)	(817)
Net cash used in financing activities	(639,506)	(140,743)
Net (Decrease)/ Increase in Cash & Cash Equivalents	(545,903)	127,019
Effect of exchange rates fluctuations on cash held	(10,637)	24,654
Cash & Cash Equivalents at beginning of year	773,229	621,556
Cash & Cash Equivalents at end of the year	216,689	773,229

(The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31st December 2009).

Notes to the interim financial report

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (FRS) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (MASB) and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2009.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the most recent annual audited financial statements for the year ended 31 December 2009 except that:

- (i) The Group has adopted FRS 5 Non-Current Assets Held for Sales and Discontinued Operations. Non-current assets are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. In addition, the assets are available for immediate sale in their present condition subject only to terms that are usual and customary for sales of such assets and its sales must be highly probable.

The sale is expected to qualify for recognition as a completed sale within one year from the date of classification. However, an extension of the period required to complete the sale does not preclude the assets from being classified as held for sale if the delay is caused by events or circumstances beyond the control of the Group and there is sufficient evidence that the Group remains committed to its plan to sell the assets.

Immediately before initial classification as held for sale, the carrying amounts of the non-current assets are measured in accordance with applicable FRSs. Then, on initial classification as held for sale, assets (other than inventories, investment properties measured at fair value, deferred tax assets and financial assets) are measured at the lower of carrying amount immediately prior to being classified as held for sale and fair value less costs to sell. The differences, if any, are recognised in profit or loss as impairment loss

Non-current assets held for sale are classified as current assets in the statement of financial position and are stated at the lower of carrying amount immediately before initial classification and fair value less costs to sell and are not depreciated.

If the Group has classified an asset as held for sale but subsequently the criteria for classification is no longer met, the Group ceases to classify the asset (or disposal group) as held for sale. The Group measures a non-current asset that ceases to be classified as held for sale at the lower of:

- a) its carrying amount before the asset was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset not been classified as held for sale; and
- b) its recoverable amount at the date of the subsequent decision not to sell.

Notes to the interim financial report

A1. Basis of Preparation (cont'd)

(ii) The Group has adopted the Malaysian Financial Reporting Standards (FRSs) and other interpretations that are effective for the financial statements commencing 1 January 2010. The FRSs which are effective commencing 1 January 2010 and have significant impact on the financial statements of the Group are:

- a) FRS 101 : Presentation of Financial Statements
Changes in financial statements presentation have been adopted by the Group.
- b) FRS 117 : Leases
The amendments requires entity with existing leases of land and building to reassess the classification of land as finance or operating lease. Following the amendments, the Group has reclassified the existing leasehold land to property, plant and equipment, with no effect on reported profit or equity. However, as a result of the adoption of the amendments, comparative balances as at 31 December 2009 have been restated as follows:

	As previously reported RM'000	Effects of adopting amendments to FRS 117 RM'000	As restated RM'000
Property, plant and equipment	579,986	42,801	622,787
Prepaid lease payments for land	42,801	(42,801)	-

- c) FRS 139 : Financial Instruments : Recognition and Measurement
Held-to-maturity investments are initially recognised at fair value and subsequently measured at amortised cost. Financial assets at fair value through profit and loss are measured at fair value and fair value changes are recognised directly in profit or loss. Available-for-sale financial assets are measured at fair value and changes in the fair value are recognised directly in equity as "available-for-sale reserve" except for impairment losses which are recognised in profit or loss.

Notes to the interim financial report**A1. Basis of Preparation (cont'd)**

c) FRS 139 : Financial Instruments : Recognition and Measurement (cont'd)

Financial liabilities are initially measured at fair value and subsequently measured at amortised cost.

Derivatives are initially recognised at fair value on the trade date and subsequently re-measured at fair value. Fair value changes are recognised directly in profit or loss.

Impact on opening balance

In accordance with the transitional provisions of FRS139, the above changes are applied prospectively and the comparative as at 31 December 2009 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the Statement of Financial Position as at 1 January 2010.

	Previously stated RM'000	Effect of FRS 139 RM'000	As restated RM'000
Assets			
Other investments	47,352	(47,352)	-
Held-to-maturity investments	-	15,000	15,000
Financial assets at fair value through profit or loss	-	26,312	26,312
Available-for-sale investment	-	6,181	6,181
Equity			
Retained earnings	490,847	141	490,988

d) FRS 4 : Insurance contract

The Group has adopted FRS 4 in relation to financial guarantee contracts.

A2. Seasonal or cyclical factors

The operations of our major business segment are generally affected by the major festive seasons.

A3. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial year ended 31 December 2010.

Notes to the interim financial report**A4. Changes in estimates**

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the current quarter.

A5. Debt and equity securities

There were no other issuances and repayment of debts and equity securities, share cancellations and resale of treasury shares during the financial year ended 31 December 2010 except for repayment of RM150 million and RM100 million Medium Term Notes ("MTN") which matured on 26 February 2010 and 27 August 2010 respectively.

The Company also issued Commercial Papers for RM50 million on 11 November 2010.

A6. Dividend paid

	2010 RM'000	2009 RM'000
<u>In respect of the financial year ended 31 December 2008</u>		
Second interim dividend of 7.5 sen per ordinary share, less tax and special tax exempt dividend of 3.0 sen per ordinary share, paid on 18 April 2009	-	63,701
<u>In respect of the financial year ended 31 December 2009</u>		
First interim dividend of 7.5 sen per ordinary share, less tax and special tax exempt dividend of 3.0 sen per ordinary share, paid on 16 October 2009	-	63,695
Second interim dividend of 7.5 sen per ordinary share, less tax and special tax exempt dividend of 3.0 sen per ordinary share, paid on 16 April 2010	63,695	-
<u>In respect of the financial year ended 31 December 2010</u>		
First interim dividend of 7.5 sen per ordinary share, less tax and special tax exempt dividend of 3.0 sen per ordinary share, paid on 18 October 2010	63,695	-
Special dividend of 47.9 sen per ordinary share, less tax and special tax exempt dividend of 4.7 sen per ordinary share, paid on 30 November 2010	300,013	-
	427,403	127,396

Notes to the interim financial report**A7. Segment Reporting****Business Segment****12 months ended 31 December 2010**

	Financial year ended 31 December 2010		
	Assets RM'000	Revenue RM'000	Segment results RM'000
Print and electronic media	1,156,176	846,931	248,761
Event, exhibition, interior and thematic	160,546	212,092	12,623
Others	46,981	2,677	3,764
	1,363,703	1,061,700	265,148
Share of results in associate company			(1,767)
Share of results in jointly controlled entities			(4,574)
Profit before tax			<u>258,807</u>

A8. Events subsequent to the balance sheet date

There are no material events subsequent to the end of the financial year under review that have not been reflected in the quarterly financial statements.

A9. Changes in composition of the Group

- On 15 March 2010, the Company announced that it has acquired 2 ordinary shares of RM1.00 each fully paid, representing 100% of the issued and paid up share capital of Acacia Forecast (M) Sdn Bhd, a dormant shelf company incorporated in Malaysia, for a cash consideration of RM2.00.
- On 15 March 2010, Laviani Pte Ltd ("Laviani"), a wholly-owned subsidiary of the Company increased its share capital from SGD1 to SGD11,750,412. The new allotment of SGD11,750,411 were fully subscribed by the Company by converting the amount owing by Laviani to equity. There are no changes in the stakeholding of the Company subsequent to this allotment and Laviani remains a wholly-owned subsidiary of the Company.

Notes to the interim financial report

A9. Changes in composition of the Group (cont'd)

- On 9 April 2010, Cityneon Holdings Limited ("Cityneon"), a subsidiary incorporated in Singapore announced that it has acquired the remaining 49% interest comprising 12,250 ordinary shares, fully paid in the capital of Cityneon-World Project Pte Ltd ("CWP"), thereby increasing the Company's interest in CWP from 51% to 100%. The consideration of SGD10,000 is based on willing-buyer willing-seller basis and are internally funded. CWP is incorporated in Singapore and its principal activities involve provision of design and build services for museums and visitor galleries, interior architecture and shop fit-outs.
- On 22 April 2010, CWP changed its name to Wonderful World Pte Ltd. Subsequently on 29 April 2010, CWP included advertising, public relations, media placement and provision of related services as part of its principal activities.
- On 10 May 2010, Laviani, a wholly owned subsidiary of the Company increased its equity interest in Cityneon from 59.08% to 64.08% by the acquisition of additional 4,426,270 shares of Cityneon for a total consideration of SGD2,700,025.
- On 28 June 2010, an indirect wholly-owned subsidiary of the Company, StarProperty Sdn. Bhd. [formerly known as Star Rediffusion Sdn. Bhd.] ("StarProperty") increased its authorised share capital from RM100,000 to RM5,000,000 by the creation of 4,900,000 ordinary shares of RM1.00 each. StarProperty also increased its paid up share capital from RM2 to RM1,000,000 by the allotment of 999,998 shares at RM1.00 each. The new shares allotted were fully subscribed by StarProperty's immediate holding company, Star MediaWorks Sdn. Bhd. (SMWSB"), a wholly-owned subsidiary of the Company.
- On 9 July 2010, Cityneon announced the incorporation of a wholly-beneficially-owned subsidiary in Indonesia, PT.Wonderful World Marketing Services Indonesia ("WWMSI"). WWMSI is 90% held by Cityneon and 10% held by a Director of Cityneon who acts as a nominee of Cityneon. This is to comply with Indonesian statutory requirement of at least 2 shareholders in an Indonesian company. WWMSI has an issued share capital of 2,500 ordinary shares of USD100 each. The principal activities of WWMSI is provision of management consultancy, consultancy services on thematic, interior and project management and consultancy services on tourism.
- In September 2010, the Company disposed its entire 35% equity interest in one of its Jointly Controlled Entities, LLL-Lifelong Learning Network Sdn Bhd for a cash consideration of RM21,000.
- On 20 September 2010, Cityneon incorporated a new wholly-owned subsidiary in Singapore, Cityneon Management Services Pte. Ltd. ("CMS"). CMS has an issued and paid up capital of SGD2.00 comprising 2 shares of SGD1.00 each. The principal activities of CMS is provision of management and administration services.

Notes to the interim financial report

A10. Changes in contingent liabilities

The contingent liabilities of the Group, arising from a subsidiary company, are as follow:

	RM'000
Project related bonds/ Guarantee	15,329
Rental guarantee	1,335

	16,664
	=====

A11. Capital commitments

	RM'000
Authorised capital expenditure not provided for in the financial statements	
- contracted	12,422
- not contracted	7,726

	20,148
	=====

Included in the contracted capital commitments is an amount of RM10,000,000 relating to balance subscription for the investment in a jointly controlled entity of the Company. The amount was supposed to be paid on or before 16 May 2010, but it has been deferred indefinitely pending review by the Company and joint venture partner.

Additional information required by Bursa Malaysia Securities Listing Requirements

B1. Review of performance

	Current Year Quarter 31.12.2010 RM'000	Preceding Year Corresponding Quarter 31.12.2009 RM'000
Revenue	296,909	314,541
Consolidated Profit before taxation	75,171	77,862
Consolidated Profit after taxation	56,621	63,406

For the current financial quarter under review, the Group's revenue was lower at RM296.91 million as compared to RM314.54 million in the same quarter last year.

The Group's profit before tax and profit after tax for the current quarter was lower at RM75.17million and RM56.62 million respectively due to lower revenue compared to that of 2009's corresponding results of RM77.86 million and RM63.41 million respectively.

	Financial Year 31.12.2010 RM'000	Preceding Year 31.12.2009 RM'000
Revenue	1,061,700	973,921
Consolidated Profit before taxation	258,807	197,155
Consolidated Profit after taxation	190,168	149,633

The increase in the Group's revenue for the financial year was mainly due to better performance by print and electronic media segment of the Group.

The Group's profit before tax and profit after tax for the current financial year are higher following the increase in revenue.

B2. Variation of results against preceding quarter

	Current Quarter 31.12.2010 RM'000	Preceding Quarter 30.09.2010 RM'000
Revenue	296,909	238,464
Consolidated Profit before taxation	75,171	57,868

The Group's revenue for the current quarter was higher at RM296.91 million as compared to RM238.46 million in the preceding quarter due to better performance from the print and electronic media segment. The Group's profit before tax for the current quarter was higher at RM75.17 million as compared to RM57.87 million in the preceding quarter as a result of higher revenue in the current quarter.

Additional information required by Bursa Malaysia Securities Listing Requirements**B3. Current year prospects**

Malaysian Institute of Economic Research ("MIER") reported that the Consumer Sentiment Index ("CSI") has surged to 117.2 in the last quarter of year 2010. Adex also grew by 16% (source: Nielsen Media Research) in fourth quarter of 2010. MIER also projected a moderate economic growth of 5.2% yoy in 2011.

In view of the above, the Board of Directors expects the performance for the year ending 31 December 2011 to be satisfactory.

B4. Profit forecast

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

B5. Taxation

Taxation comprises the following: -

	3 months ended		Financial year ended	
	31.12.2010 RM'000	31.12.2009 RM'000	31.12.2010 RM'000	31.12.2009 RM'000
Current period tax expense based on profit for the financial year				
1. Malaysian taxation	20,615	10,446	67,691	42,239
2. Foreign taxation	1,113	698	2,996	1,930
3. Deferred taxation	(3,178)	3,312	(2,048)	3,353
	18,550	14,456	68,639	47,522

The effective tax rate on the Group's profit for the financial year under review is higher than the statutory tax rate due to the tax impact of non-deductible expenses.

B6. Retained Earnings

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive that requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the format required.

Additional information required by Bursa Malaysia Securities Listing Requirements

B6. Retained Earnings (cont'd)

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

	As at 31.12.2010 RM'000	As at 30.09.2010 RM'000
Total retained profits of Star Publications (Malaysia) Berhad and its subsidiaries		
-Realised	298,659	562,107
-Unrealised	(76,799)	(79,998)
	221,860	482,109
Total share of accumulated losses from associate company		
-Realised	(2,461)	(1,316)
-Unrealised	366	288
	(2,095)	(1,028)
Total share of accumulated losses from jointly controlled entity		
-Realised	(8,683)	(7,511)
-Unrealised	-	-
	(8,683)	(7,511)
Consolidation adjustments	37,444	20,915
Total group retained profits as per consolidated accounts	248,526	494,485

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

Accordingly, the unrealised retained profits of the Group as disclosed above excludes 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.

B7. Unquoted investments and properties

There were no sales of unquoted investments and properties for the financial year to date.

Additional information required by Bursa Malaysia Securities Listing Requirements**B8. Quoted investments**

- (a) There were no purchases or disposals of quoted securities for the financial year to date.
- (b) There were no investments in quoted securities as at the end of the financial year under review.

B9. Status of corporate proposal announced

There were no corporate proposals announced but not completed as at the date of this report.

B10. Borrowings and debt securities

The Group's borrowings and debt securities as at the end of the fourth quarter are as follows:

	As at 31.12.2010 RM'000	As at 31.12.2009 RM'000
<u>Short Term Borrowings</u>		
Unsecured		
5-years MTN 2005/2010 with a coupon rate of 5.50% per annum, maturing on 26 February 2010	-	150,000
5-years MTN 2005/2010 with a coupon rate of 5.70% per annum, maturing on 27 August 2010	-	100,000
	-	250,000
Commercial Papers	50,367	-
Hire purchase	168	163
Finance lease	795	808
	51,330	971
Secured		
Term loan	1,735	2,439
	53,065	253,410
<u>Long Term Borrowings</u>		
Unsecured		
Hire purchase	910	1,098
Finance lease	7,269	8,064
	8,179	9,162
Secured		
Term loan	33,887	36,393
	42,066	45,555

Except for the secured term loan and hire purchase of RM1,031,000 which are denominated in Singapore Dollar, other borrowings are in Ringgit Malaysia.

Additional information required by Bursa Malaysia Securities Listing Requirements

B11. Derivatives

Forward Foreign Exchange Contracts

As at 31 December 2010, there is no outstanding foreign currency contract.

B12. Changes in material litigation

Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date which shall be made up to a date not earlier than seven (7) days from the date of issue of the quarterly report.

There are several libel suits which involve claims against the Company of which the outcome and probable compensation, if any, cannot be determined at this juncture.

B13. Dividend

The Board of Directors is pleased to declare a second interim dividend of 6.0 sen single tier (2009: 7.5 sen less tax) per ordinary share and special tax exempt dividend of 3.0 sen (2009: 3.0 sen) per ordinary share in respect of the financial year ended 31 December 2010.

The dividend will be payable on 19 April 2011 to shareholders whose names appear in the Record of Depositors of the Company at the close of business on 31 March 2011

The second interim single tier dividend of 6.0 sen and the special tax exempt dividend of 3.0 sen, together with the first interim dividend of 7.5 sen less tax, special tax exempt dividend of 3.0 sen paid on 18 October 2010 and 47.9 sen less tax, special tax exempt dividend of 4.7 sen paid on 30 November 2010, would make a total dividend of 61.4 sen per ordinary share (which consist of 55.4 sen less tax and 6.0 sen under the single tier tax system) and special tax exempt dividend of 10.7 sen, for the year ended 31 December 2010 (2009: total 21.0 sen per ordinary share, 15.0 sen less tax and special tax exempt dividend of 6.0 sen).

The second interim dividend declared has not been recognised as a liability at the balance sheet date and will be accounted for as an appropriation of retained earnings in the financial year ending 31 December 2011.

The Directors do not recommend the payment of any final dividend in respect of the current financial year (2009: Nil).

Additional information required by Bursa Malaysia Securities Listing Requirements

B14. Basic earnings per share

The basic earnings per share has been calculated based on the Group's profit after taxation attributable to equity holders of the parent divided by the weighted average number of ordinary shares outstanding during the financial year.

	3 months ended		Financial year ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
Group's profit after taxation attributable to equity holders of the parent (RM'000)	54,054	60,973	184,941	144,711
Number of shares at the beginning of the year ('000)	738,493	738,515	738,493	738,564
Effect of Share Buy Back during the year ('000)	-	-	-	(49)
Weighted average number of ordinary shares outstanding ('000)	738,493	738,515	738,493	738,515
Basic earnings per share (sen)	7.32	8.26	25.04	19.59

Diluted earnings per share

The Group does not have in issue any financial instrument or other contract that may entitle its holder to ordinary shares and therefore, dilutive to its basic earnings per share.

By Order of the Board

Ong Wei Lynn

Company Secretary
23 February 2011
Petaling Jaya, Selangor Darul Ehsan