



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

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER
ENDED 31 DECEMBER 2011**

Unaudited Condensed Consolidated Income Statement

	Note	3 months ended		Financial year ended	
		31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
Revenue		301,346	296,909	1,067,668	1,061,700
Operating expenses	A8	(238,839)	(225,271)	(830,435)	(818,893)
Other operating income	A9	8,683	6,469	26,885	29,242
Profit from operations		71,190	78,107	264,118	272,049
Finance cost		(2,969)	(697)	(9,044)	(6,901)
		68,221	77,410	255,074	265,148
<i>Share of losses in associate company</i>		(181)	(1,067)	(687)	(1,767)
<i>Share of losses in jointly controlled entity/entities</i>		(873)	(1,172)	(3,856)	(4,574)
Profit before taxation		67,167	75,171	250,531	258,807
Taxation	B5	(15,478)	(18,550)	(65,219)	(68,639)
Profit for the financial year		51,689	56,621	185,312	190,168
Attributable to:					
Equity holders of the parent		50,435	54,054	186,665	184,941
Non-controlling interest		1,254	2,567	(1,353)	5,227
		51,689	56,621	185,312	190,168
Basic earnings per ordinary share (sen)		6.83	7.32	25.28	25.04
Diluted earnings per ordinary share (sen)		6.83	7.32	25.28	25.04

(The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31st December 2010)

Notes on Operating Expenses:

Included in the Operating Expenses are depreciation expenses :

	(11,344)	(12,340)	(46,847)	(48,235)
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**Unaudited Condensed Statement of Other Comprehensive Income
For the year ended 31 December 2011**

	3 months ended		Financial year ended	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
Profit for the financial year	51,689	56,621	185,312	190,168
Other comprehensive income				
- exchange differences on translating foreign operations	(428)	744	5,927	(5,663)
- fair value adjustment on available-for-sale financial assets	(180)	(81)	133	100
Total comprehensive income for the financial year	51,081	57,284	191,372	184,605
Attributable to:				
Equity holders of the parent	48,597	54,511	190,671	180,991
Non-controlling interest	2,484	2,773	701	3,614
	51,081	57,284	191,372	184,605

(The unaudited Condensed Statement of Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31st December 2010)

**Unaudited Condensed Consolidated Statement of Financial Position
As at 31 December 2011**

	31 December 2011 RM'000	31 December 2010 RM'000
Non-current assets		
Property, plant and equipment	526,644	580,225
Investment properties	8,495	16,068
Intangible assets	104,347	54,653
Investment in an associate	6,567	10,144
Investment in jointly-controlled entity	7,402	11,322
Other investments		
-Held-to-maturity investments	5,000	10,000
-Financial assets at fair value through profit or loss	42,518	28,007
-Available-for-sale investment	6,822	6,255
Deferred tax assets	60	574
	707,855	717,248
Current assets		
Inventories	139,449	210,502
Trade and other receivables	212,303	190,058
Current tax assets	276	87
Other investments		
-Held-to-maturity investments	5,000	5,000
Short term deposits	386,173	130,462
Cash and bank balances	107,510	86,226
	850,711	622,335
Non-current assets held for sale	32,418	24,120
TOTAL ASSETS	1,590,984	1,363,703

**Unaudited Condensed Consolidated Statement of Financial Position
As at 31 December 2011 (cont'd)**

	31 December 2011 RM'000	31 December 2010 RM'000
EQUITY AND LIABILITIES		
Share capital	738,564	738,564
Treasury shares	(225)	(225)
Reserves	327,882	269,883
Equity attributable to equity holders of the parent Company	1,066,221	1,008,222
Non-controlling interest	45,646	27,335
Total equity	1,111,867	1,035,557
Non-current liabilities		
Borrowings	207,194	42,066
Deferred tax liabilities	72,569	79,026
	279,763	121,092
Current liabilities		
Trade and other payables	132,430	138,855
Borrowings	55,335	53,065
Taxation	11,589	15,134
	199,354	207,054
Total Liabilities	479,117	328,146
TOTAL EQUITY AND LIABILITIES	1,590,984	1,363,703
Net assets per share attributable to ordinary equity holders of the parent company (RM)	1.44	1.37

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31st December 2010)

Unaudited Condensed Consolidated Statements of Changes in Equity For the year ended 31 December 2011

	[----- Attributable to equity holders of the Parent Company -----]						Total	Non-controlling interest	Total Equity
	[----- Non-distributable -----] Reserves			[----- Distributable -----] Reserves					
	Share capital	Foreign exchange translation reserves	Share option reserve	Available-for-sale reserve	Treasury shares	Retained earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2011	738,564	20,721	536	100	(225)	248,526	1,008,222	27,335	1,035,557
Total comprehensive income for the year	-	3,811	62	133	-	186,665	190,671	701	191,372
<u>Transactions with owners</u>									
Acquisition of subsidiaries	-	-	-	-	-	-	-	18,890	18,890
Share options granted under Employee Share Option Scheme ("ESOS") of a subsidiary	-	-	256	-	-	-	256	44	300
Dividend									
<i>Second Interim Dividend and Special Dividend for the financial year ended 31 December 2010, paid on 19 April 2011</i>	-	-	-	-	-	(66,464)	(66,464)	-	(66,464)
<i>First Interim Dividend and Special Dividend for the financial year ended 31 December 2011, paid on 18 October 2011</i>	-	-	-	-	-	(66,464)	(66,464)	-	(66,464)
<i>Dividends paid to non-controlling interest</i>	-	-	-	-	-	-	-	(1,324)	(1,324)
Balance as at 31 December 2011	738,564	24,532	854	233	(225)	302,263	1,066,221	45,646	1,111,867

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

	[----- Attributable to equity holders of the Parent Company -----]								Total Equity RM'000
	[----- Non-distributable -----] Reserves				[----- Distributable -----] Reserves				
	Share capital RM'000	Foreign exchange translation reserves RM'000	Share option reserve RM'000	Available- for-sale reserve RM'000	Treasury shares RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interest 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)	-	100	-	184,941	180,991	3,614	184,605
<u>Transactions with owners</u>									
Additional investment in a subsidiary	-	-	-	-	-	-	-	(2,848)	(2,848)
Share options granted under ESOS of a subsidiary	-	-	387	-	-	-	387	221	608
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 paid to non-controlling interest</i>	-	-	-	-	-	-	-	(2,430)	(2,430)
Balance as at 31 December 2010	738,564	20,721	536	100	(225)	248,526	1,008,222	27,335	1,035,557

(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 2010)

Unaudited Condensed Consolidated Statement of Cash Flow
For the year ended 31 December 2011

	31 December 2011 RM'000	31 December 2010 RM'000
Profit before taxation	250,531	258,807
Adjustments for non-cash flow items:-		
Share of loss in associate company	3,856	1,767
Share of loss in jointly controlled entity/ entities	687	4,574
Non-cash items	55,737	51,805
Non-operating items	(5,011)	(10,373)
Operating profit before working capital changes	305,800	306,580
Changes in working capital		
Net change in current assets	63,802	(122,636)
Net change in current liabilities	(32,238)	(18,238)
	31,564	(140,874)
Cash generated from operations	337,364	165,706
Net tax paid	(75,181)	(64,409)
Retirement benefit paid	(2,340)	-
Net cash from operating activities	259,843	101,297
Investing Activities		
Proceeds from disposal of property, plant and equipment	1,912	621
Proceeds from disposal of non-current assets held for sale	25,503	-
Proceeds from disposal of investment properties	5,356	-
Purchases of property, plant and equipment	(25,567)	(27,666)
Purchases of Television Programmes	(1,514)	-
Additions of investment properties	-	(143)
Additional investment in subsidiaries	-	(6,343)
Proceeds from disposal of jointly controlled entity	-	21
Purchase of other investment	-	(209)
Acquisition of subsidiaries, net of cash acquired	(19,320)	(2)
Investment in financial products	(5,360)	-
Investment in quoted securities	(4,977)	-
Investment in unquoted securities	(3,866)	-
Investment redeemed upon maturity	5,000	-
Interest and investment income received	12,252	16,406
Net cash used in investing activities	(10,581)	(17,315)
Financing Activities		
Interest paid	(7,745)	(6,636)
Repayment of hire purchase	(185)	-
Net drawdown/ (repayment) of term loan	17,912	(2,425)
Repayment of finance lease	(856)	(967)
Issuance of MTN/ Commercial Paper	200,000	50,102
Repayment of Commercial Paper/ MTN	(52,000)	(250,000)
Dividends paid	(132,928)	(427,403)
Dividends paid to non-controlling interest of subsidiary	(1,317)	(1,403)
Net cash from/ (used in) financing activities	22,881	(638,732)
Net Increase/ (Decrease) in Cash & Cash Equivalents	272,143	(554,750)
Effect of exchange rates fluctuations on cash held	4,852	(1,791)
Cash & Cash Equivalents at beginning of the year	216,688	773,229
Cash & Cash Equivalents at end of the year	493,683	216,688

(The unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31st December 2010).

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 2010.

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 2010 except for the mandatory adoption of the following new and revised Financial Reporting Standards (“FRSs”) and Issues Committee Interpretations (“IC Int.”) effective for the financial period beginning on 1 January 2011:

Amendments to FRS 132	Classification of Rights Issues
FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 2	Share-based Payments
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138	Intangible Assets
Amendments to IC Int. 9	Reassessment of Embedded Derivatives
IC Int. 12	Service Concession Arrangements
IC Int. 16	Hedges of a Net investment in a Foreign Operations
IC Int. 17	Distributions of Non-cash Assets to Owners
Amendments to FRS 1	Limited Exemptions from Comparative FRS 7
Amendments to FRS 1	Additional Exemption for First-time Adopters
Amendments to FRS 7	Improving Disclosure about Financial Instruments
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
IC Int. 4	Determine Whether an Arrangement Contains a Lease
IC Int. 18	Transfer of Assets from Customer
Amendments to FRSs	Improvements to FRSs (2010)

The adoption of the above did not have any significant effect on the interim financial report upon their initial application.

Notes to the interim financial report

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 2011.

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

- On 4 April 2011, the Company announced the proposal to implement a Commercial Papers (“CPs”) programme of up to RM750.0 million in nominal value for 7 years (“CP Programme”) and a Medium Term Notes (“MTNs”) programme of up to RM750.0 million in nominal value for 15 years (“MTN Programme”, together with the Proposed CP Programme, are collectively known as the “Proposed Programmes”). The Proposed Programmes will have a combined limit of up to RM750.0 million.
- On 27 April 2011, the Company announced that the Proposed Programmes have been approved by Securities Commission (“SC”) via SC’s letter dated 26 April 2011. On 11 May 2011, the Company announced that it has made its first issuance of RM200.0 million in nominal value MTNs pursuant to the MTN Programme.
- On 11 November 2011, the Company made a full repayment for the Commercial Term Loan of RM52 million which was issued on 11 November 2010.

Notes to the interim financial report**A6. Dividend paid**

	2011 RM'000	2010 RM'000
<u>In respect of the financial year ended 31 December 2009</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 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
A special dividend of 47.9 sen per ordinary share, less tax and a special dividend of 4.7 sen per ordinary share, tax exempt, paid on 30 November 2010	-	300,013
Second interim dividend of 6.0 sen per ordinary share, single tier, and special tax exempt dividend of 3.0 sen per ordinary share, paid on 19 April 2011	66,464	-
<u>In respect of the financial year ended 31 December 2011</u>		
First interim dividend of 6.0 sen per ordinary share, single tier, and special tax exempt dividend of 3.0 sen per ordinary share, paid on 18 October 2011	66,464	-
	132,928	427,403

A7. Segment Reporting**Business Segment****12 months ended 31 December 2011**

	Financial year ended 31 December 2011		
	Assets	Revenue	Segment
	RM'000	RM'000	results RM'000
Print and new media	1,204,446	821,619	247,938
Radio broadcasting	112,062	57,312	9,022
Event, exhibition, interior and thematic	162,862	183,073	437
Television channel	59,545	2,102	(2,371)
Others	52,069	3,562	48
	1,590,984	1,067,668	255,074
Share of results in associate company			(687)
Share of results in jointly controlled entity			(3,856)
Profit before tax			250,531

Notes to the interim financial report

A7. Segment Reporting (cont'd)

	Financial year ended 31 December 2010		
	Assets RM'000	Revenue RM'000	Segment results RM'000
Print and new media	1,076,364	801,798	246,737
Radio broadcasting	79,812	45,133	2,024
Event, exhibition, interior and thematic	160,546	212,092	12,623
Others	46,981	2,677	3,764
	<u>1,363,703</u>	<u>1,061,700</u>	
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. Operating expenses

	3 months ended		Financial year ended	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
(Reversal)/ Allowance of credit losses	(1,115)	1,735	1,433	2,023
Write off of receivables	4	82	5	170
Impairment on assets :-				
-Impairment on investment in associate	2,890	-	2,890	-
-Impairment on investment in jointly controlled entity	64	-	64	-
-Impairment of goodwill	-	-	-	602
Amortisation of club membership and other intangible assets	1,267	67	2,352	694
Foreign exchange loss	1,498	-	2,451	1,913

There were no sales of quoted or unquoted investments for the financial period under review.

Notes to the interim financial report**A9. Other operating income**

	3 months ended		Financial year ended	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
	RM'000	RM'000	RM'000	RM'000
Interest income	3,263	2,530	11,283	13,533
Investment income	1,215	825	2,772	3,741
Gain on disposal of properties	-	-	1,545	-
Foreign exchange gain	34	223	579	-
Other income	4,171	2,891	10,706	11,968

A10. Events subsequent to the balance sheet date

On 6 January 2012, the Company announced the completion of the Proposed Acquisition to acquire 2,484,834 fully paid ordinary shares of RM1.00 each, representing 83.61% of the entire issued and paid-up share capital of Red Tomato Media Sdn Bhd ("RTMSB") for a cash consideration of RM1,490,900.40. The completion results in RTMSB becoming a subsidiary of the Company.

A11. Changes in composition of the Group

- On 17 March 2011, Cityneon Holdings Limited ("Cityneon") incorporated a wholly-owned subsidiary, Cityneon Vietnam Company Limited ("CVL"), in Vietnam. The principal activities are to provide project management services (other than for construction) and to engage in the installation, assembly, building completion and finishing works. CVL has a charter capital equivalent to USD50,000.
- On 28 April 2011, Cityneon announced the incorporation of a new wholly-owned subsidiary, Cityneon Shelter Events (Shenzhen) Pte Ltd ("CSSZ") in the People's Republic of China. The principal activities are to provide home and abroad exhibition information consultation, economic information and enterprise management consultation (excluding securities, insurance, fund, financing, employment agency service and other restricted projects), management services on exhibition and event activities, display design, enterprise image and marketing, stage design, showroom design and also consultation on exhibition etiquette. CSSZ has a registered capital of USD3,100,000.
- On 9 August 2011, the Company announced the completion of the acquisition of 80% equity interest in Capital FM for a cash consideration of RM15,000,000. This acquisition was first announced on 19 May 2011. The principal activity of Capital FM is operation of a radio station. Capital FM has an issued and fully paid up share capital of RM5,000,000 representing 5,000,000 ordinary shares of RM1.00 each.

Notes to the interim financial report

A11. Changes in composition of the Group (cont'd)

- On 19 July 2011, the Company announced a proposed acquisition of 51% equity interest in Li TV Holdings Limited (“Li Tv”) for a consideration of RM35,000,000. On 22 August 2011, the Company announced that the Proposed Acquisition was completed and Li Tv is effectively a 51% owned subsidiary of the Company. Li Tv is an investment holding company with wholly owned subsidiaries engaged in the provision of technical operations and broadcasting support for the high definition television channel operation of pay or cable television channel and films and sales of television channel airtime. The paid up share capital of Li Tv is USD6,666,667.
- On 29 December 2011, Leaderonomics Media Sdn Bhd (“LMSB”) was incorporated by a 51% owned subsidiary of the Company, Leaderonomics Sdn Bhd (“LSB”). LMSB has an issued and paid up share capital of RM2 divided into 2 ordinary shares of RM1.00 each. By virtue of the equity interest in LSB, LMSB became a 51% owned subsidiary of the Company. The principal activities of LMSB is produce, develop, distribute, market and deal with materials and contents related to leadership programmed or any business of human capital development including training of any form and consultancy of all kinds.

A12. Changes in contingent liabilities

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

	RM'000
Project related bonds/ Guarantee	24,324
Rental guarantee	1,489

	25,813
	=====

A13. Capital commitments

	RM'000
Authorised capital expenditure not provided for in the financial statements	
- contracted	11,342
- not contracted	47,947

	59,289
	=====

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 31.12.2011 RM'000	Preceding Year Corresponding Quarter 31.12.2010 RM'000
Revenue	301,346	296,909
Consolidated Profit before taxation	67,167	75,171
Consolidated Profit after taxation	51,689	56,621

The revenue of the Group in 4Q 2011 increased by 1.5% on an overall basis compared to the preceding year corresponding quarter. However, due to higher operating expenses and finance cost in the 4Q 2011, profit before tax and profit after tax both declined by 10.6% and 8.7% respectively.

Performance of the respective business segments for 4Q in the current year as compared to the corresponding quarter of preceding year is analysed as follows:

- Unlike previous financial quarters of the year where revenue showed an increase when compared to the corresponding quarter of preceding year, revenue of the Print and New Media segment for the current year Q4 declined by 2.5% due to softer economic condition in the last quarter of the current financial year. Adex growth for 4Q 2011 was lower at 12% as compared to 16% in the same quarter in year 2010. This segment's profit before tax and profit after tax moved in tandem with the revenue performance.
- Radio Broadcasting segment revenue improved by as much as 31.1% due to higher promotional spending from major clients. Higher airtime booking, higher spot buy and run-of-station advertisement sold further boosted the revenue in the last quarter of year 2011. Although revenue surged positively, profit before tax dropped by 29.4% as a result of losses recorded in the Group's newly acquired broadcasting subsidiary, Capital FM and the amortisation of radio licence. Excluding the losses from Capital FM and the amortisation of radio licence, the segment showed a 34.6% increase in the profit before tax of its other broadcasting subsidiaries.
- The 4Q 2011 showed a 5.7% increase in the revenue of Events, Exhibition, Interior and Thematic segment compared to 4Q 2010. The increase is attributable to higher revenue in the thematic and interior division particularly on revenue from interior design work performed on Resort World Sentosa. Despite increase in revenue, profit before tax reduced by 37.5% due to higher cost of sales and operating expenses.
- The revenue contribution from the newly acquired subsidiary, Li TV accounts for less than 1% of the total Group revenue of 4Q 2011. The losses from the Television segment further dragged the Group's profit before tax lower.

Additional information required by Bursa Malaysia Securities Listing Requirements**B1. Review of performance (cont'd)**

	Financial Year 31.12.2011 RM'000	Preceding Year 31.12.2010 RM'000
Revenue	1,067,668	1,061,700
Consolidated Profit before taxation	250,531	258,807
Consolidated Profit after taxation	185,312	190,168

The Group revenue increased by 0.6% as compared to previous financial year. The increase is mainly due to the improved full year revenue of Print and New Media segment and the Broadcasting segment. The revenue of Print and New Media segment grew by 2.5% while the Broadcasting segment revenue increased by 27%. Profit before tax declined by 3.2% mainly attributable to the decline in the performance of the Event, exhibition, interior and thematic segment.

Performance of the respective business segments for the current financial year as compared to the previous financial year is analysed as follows:

- Revenue of the Print and New Media segment for the current year improved to RM821.62 million as compared to RM801.80 million due higher advertising revenue in its print media. Other than 4Q 2011 being slightly lower than its preceding year corresponding quarter, all other financial quarters during the year showed an increase in revenue between 3.8% to 4.8%. Profit before tax showed a lower increase of 0.5% due to higher finance cost and operating expenses.
- The 27% increase in Broadcasting segment revenue was attributable to higher airtime booking. Higher airtime booking during the festive seasons of the current year also enhanced the revenue. The full year profit before tax soared by 345.8%. The commendable results were due to the growth experienced by the Group's Chinese station, 988 and Malay Station, SuriaFM. Excluding the losses and amortisation of radio licence from Capital FM, profit before tax of this segment would have been better with approximately a 470% increase.
- Cityneon Group, which is accountable for the Event, Exhibition, Interior and Thematic segment of the Group, showed a revenue decline of RM29.02 million. The segment's operation in Bahrain has always contributed significantly to the overall performance of this segment. The political turmoil in the Middle East has affected the current year's performance. Cityneon Group took proactive steps to compensate for the setback and tried to boost growth in other regions and sectors. Their effort in cost control helped to mitigate some of the effect of the decline in revenue. Profit before tax declined by RM12.19 million.
- The revenue contribution from the newly acquired subsidiary, Li TV amounts to RM2.10 million. However the high operating cost, such as amortisation of television programmes, transmission cost and marketing cost resulted in a segment loss of RM2.37 million in the current financial year.

Additional information required by Bursa Malaysia Securities Listing Requirements**B2. Variation of results against preceding quarter**

	Current Quarter 31.12.2011 RM'000	Preceding Quarter 30.09.2011 RM'000
Revenue	301,346	244,042
Consolidated Profit before taxation	67,167	52,718

The Group revenue increased from RM301.35 million in the current quarter as compared to RM244.04 million in the preceding quarter ended 30 September 2011. All segments showed an increase in revenue in 4Q 2011. Highest improvement was noted in the Event, Exhibition, Interior and Thematic segment, showing a growth of 171% in revenue. Revenue from new segment, Television segment, also contributed to higher revenue. Profit after tax showed a corresponding increase from RM52.72 million to RM67.17 million.

B3. Current year prospects

According to Malaysian Institute of Economic Research (MIER), inflation moderated slightly in November 2011 to 3.2 per cent year-on-year, giving an indication that inflation could cool going forward amid expectation of slower global growth. The Business Sentiments Index fell below 100 points in fourth quarter to 96.6 points. Consumer Sentiments Index fell marginally by 2.4 points to 106.3 points. The GDP and Consumer or Business Sentiments are likely to affect the Company's performance.

The media related segments of the Group, such as the Print, New Media, Broadcasting and Television segment will continue their effort in growing the advertising revenue. The adex growth of the market will have a direct impact on the revenue growth of these segments. The Group expects its recent acquisitions to enable it to increase its advertising revenue as it now is able to offer a wider advertising platform to its clients.

The Event, Exhibition, Interior and Thematic segment will continue to operate from their base in Bahrain, but it will fan out and aggressively explore more opportunities in the other countries in the Gulf region, especially those that has not been affected by any political upheavals or regime changes. These include countries like United Arab Emirates, Oman and Qatar. In Asia, it will continue to invest in the growth of their Interior Architecture business as an alternative growth platform. The segment will continue to invest in and grow the Sports Infrastructures business in the coming year. The outlook for the Meeting, Incentive, Convention and Exhibition ("MICE") business remain challenging as the US is still in the midst of recovering from its last recession, while the European Union countries are struggling with the onset of their sovereign debt problems. The Group will aggressively defend its share in this sector.

The Board of Directors expects the Company to perform satisfactorily for financial year ending 31 December 2012.

Additional information required by Bursa Malaysia Securities Listing Requirements

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	
	31.12.2011 RM'000	31.12.2010 RM'000	31.12.2011 RM'000	31.12.2010 RM'000
Current period tax expense based on profit for the financial year				
1. Malaysian taxation	19,813	20,614	71,098	67,690
2. Foreign taxation	(281)	1,113	175	2,996
3. Deferred taxation	(4,054)	(3,177)	(6,054)	(2,047)
	15,478	18,550	65,219	68,639

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

	As at 31.12.2011 RM'000	As at 31.12.2010 RM'000
Total retained profits of Star Publications (Malaysia) Berhad and its subsidiaries		
-Realised	346,020	298,660
-Unrealised	(70,541)	(76,799)
	<hr/> 275,479	<hr/> 221,861
Total share of accumulated losses from associate company		
-Realised	(2,793)	(2,461)
-Unrealised	11	366
Total share of accumulated losses from jointly controlled entity		
-Realised	(12,539)	(8,683)
-Unrealised	-	-
Consolidation adjustments	42,105	37,443
Total group retained profits as per consolidated accounts	<hr/> <hr/> 302,263	<hr/> <hr/> 248,526

Additional information required by Bursa Malaysia Securities Listing Requirements

B7. Status of corporate proposal announced

(a) Corporate Proposals

On 19 August 2011, the Company announced that it has entered into a Sale and Purchase Agreement (the “SPA”) with JAKS Island Circle Sdn. Bhd. (“JAKS”) for the proposed disposal of a leasehold land located along Jalan 13/6 in Section 13, Petaling Jaya, Selangor Darul Ehsan (“the Land”) for a consideration of RM135 million satisfied in cash and in kind, upon the terms and conditions as contained in the SPA.

Simultaneously, with the execution of the SPA, the Company and JAKS have mutually agreed to enter into a Transition Agreement on 19 August 2011 to suspend all their rights and obligations under the Joint Development Agreement entered on 3 March 2010.

The completion of the proposed disposal is conditional upon the fulfillment of conditions stated in the SPA.

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

(b) Status of utilisation of proceeds

The status of the utilisation of the MTN as at 31 December 2011 is as follows:

	<u>Amount raised RM'000</u>	<u>Amount utilised RM'000</u>	<u>Amount outstanding RM'000</u>
Working capital	200,000	200,000	-

Additional information required by Bursa Malaysia Securities Listing Requirements**B8. Borrowings and debt securities**

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

	As at 31.12.2011 RM'000	As at 31.12.2010 RM'000
<u>Short Term Borrowings</u>		
Unsecured		
Commercial paper	-	50,367
Hire purchase	189	168
Finance lease	847	795
	1,036	51,330
Secured		
Term loan	54,299	1,735
	55,335	53,065
<u>Long Term Borrowings</u>		
Unsecured		
5-years MTN 2011/2016 with a coupon rate of 4.50% per annum, maturing on 11 May 2016	100,000	-
7-years MTN 2011/2018 with a coupon rate of 4.80% per annum, maturing on 11 May 2018	100,000	-
	200,000	-
Hire purchase	766	910
Finance lease	6,428	7,269
	207,194	8,179
Secured		
Term loan	-	33,887
	207,194	42,066

Except for the secured term loan and hire purchase of RM910,900 which are denominated in Singapore Dollar, other borrowings are in Ringgit Malaysia.

B9. Changes in material litigation

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.

Additional information required by Bursa Malaysia Securities Listing Requirements**B10. Dividend**

The Board of Directors is pleased to declare an interim dividend of 6.0 sen per ordinary share, single tier, (2010: 6.0 sen single tier) and a special tax exempt dividend of 3.0 sen per ordinary share (2010: 3.0 sen per ordinary share) in respect of the financial year ended 31 December 2011.

The dividend is to be payable to the shareholders on 18 April 2012.

A Depositor shall qualify for entitlement to the Dividend only in respect of:-

- (a) Securities transferred into the Depositor's Securities Account before 4.00pm on 30 March 2012 in respect of transfer;
- (b) Securities bought on Bursa Malaysia on a cum entitlement basis according to the rules of Bursa Malaysia.

B11. 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 period.

	3 months ended		Financial year ended	
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Group's profit after taxation attributable to equity holders of the parent (RM'000)	50,435	54,054	186,665	184,941
Number of shares at the beginning of the year ('000)	738,493	738,493	738,493	738,493
Effect of Share Buy Back during the year ('000)	-	-	-	-
Weighted average number of ordinary shares outstanding ('000)	738,493	738,493	738,493	738,493
Basic earnings per share (sen)	6.83	7.32	25.28	25.04

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 Lymn

Company Secretary
27 February 2012
Petaling Jaya, Selangor Darul Ehsan