



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

**INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER  
ENDED 31 DECEMBER 2013**

**Unaudited Condensed Consolidated Statement of Profit or Loss**

	Note	3 months ended		Financial year ended	
		31.12.2013 RM'000	31.12.2012 RM'000	31.12.2013 RM'000	31.12.2012 RM'000
<b>Revenue</b>		<b>289,172</b>	<b>294,106</b>	<b>1,025,329</b>	<b>1,079,907</b>
Operating expenses	<b>A8</b>	(234,184)	(275,164)	(851,247)	(923,874)
Other operating income	<b>A9</b>	8,727	96,898	29,591	119,110
<b>Profit from operations</b>		<b>63,715</b>	<b>115,840</b>	<b>203,673</b>	<b>275,143</b>
Finance cost		(2,567)	(2,801)	(10,191)	(10,961)
		61,148	113,039	193,482	264,182
<i>Share of profit in an associate</i>		-	508	-	218
<i>Share of losses in a jointly controlled entity</i>		(588)	(1,042)	(896)	(4,752)
<b>Profit before taxation</b>		<b>60,560</b>	<b>112,505</b>	<b>192,586</b>	<b>259,648</b>
Taxation	<b>B5</b>	(16,202)	(18,023)	(53,170)	(58,906)
<b>Profit for the financial year</b>		<b>44,358</b>	<b>94,482</b>	<b>139,416</b>	<b>200,742</b>
<b>Attributable to:</b>					
Owners of the parent		44,204	97,107	142,876	208,099
Non-controlling interests		154	(2,625)	(3,460)	(7,357)
		<b>44,358</b>	<b>94,482</b>	<b>139,416</b>	<b>200,742</b>
Basic earnings per ordinary share (sen)		5.99	13.15	19.36	28.18
Diluted earnings per ordinary share (sen)		5.99	13.15	19.36	28.18

**(The unaudited Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31<sup>st</sup> December 2012)**

Notes on Operating Expenses:

Included in the Operating Expenses are depreciation and amortisation expenses:

	(13,237)	(12,761)	(49,161)	(48,832)
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**Unaudited Condensed Statement of Profit or Loss and Other Comprehensive Income  
For the year ended 31 December 2013**

	3 months ended		Financial year ended	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the financial year</b>	<b>44,358</b>	<b>94,482</b>	<b>139,416</b>	<b>200,742</b>
<b>Other comprehensive income</b>				
<b>Items that may be reclassified subsequently to profit or loss</b>				
- exchange differences on translating foreign operations	1,933	480	2,675	(3,030)
- fair value adjustment on available-for-sale financial assets	-	(30)	(261)	28
<b>Total comprehensive income for the financial year</b>	<b>46,291</b>	<b>94,932</b>	<b>141,830</b>	<b>197,740</b>
<b>Attributable to:</b>				
<b>Owners of the parent</b>	43,322	98,750	141,502	206,540
<b>Non-controlling interests</b>	2,969	(3,818)	328	(8,800)
	<b>46,291</b>	<b>94,932</b>	<b>141,830</b>	<b>197,740</b>

(The unaudited Condensed Statement of Profit or Loss and Other Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31<sup>st</sup> December 2012)

**Unaudited Condensed Consolidated Statement of Financial Position**  
**As at 31 December 2013**

	31 December 2013 RM'000	31 December 2012 RM'000
<b>Non-current assets</b>		
Property, plant and equipment	507,295	535,305
Investment properties	8,002	8,249
Intangible assets	141,068	124,455
Investment in a jointly-controlled entity	143	2,650
Other investments		
-Held-to-maturity investments	10,000	15,000
-Financial assets at fair value through profit or loss	45,687	39,179
-Available-for-sale investment	2,950	6,772
Deferred tax assets	2,376	585
Other receivables	130,554	122,950
	<b>848,075</b>	<b>855,145</b>
<b>Current assets</b>		
Inventories	117,162	160,285
Trade and other receivables	194,468	206,511
Current tax assets	278	-
Short term deposits	428,328	363,569
Cash and bank balances	109,788	110,166
	850,024	840,531
<b>TOTAL ASSETS</b>	<b>1,698,099</b>	<b>1,695,676</b>

**Unaudited Condensed Consolidated Statement of Financial Position  
As at 31 December 2013 (cont'd)**

	31 December 2013 RM'000	31 December 2012 RM'000
<b>EQUITY AND LIABILITIES</b>		
Share capital	738,564	738,564
Treasury shares	(1,634)	(583)
Reserves	425,390	401,092
Equity attributable to owners of the parent	<b>1,162,320</b>	<b>1,139,073</b>
Non-controlling interests	31,877	31,410
<b>Total equity</b>	<b>1,194,197</b>	<b>1,170,483</b>
<b>Non-current liabilities</b>		
Other payables	5,573	10,095
Borrowings	204,967	206,580
Deferred tax liabilities	66,785	68,362
	<b>277,325</b>	<b>285,037</b>
<b>Current liabilities</b>		
Trade and other payables	158,263	171,938
Borrowings	60,748	58,218
Taxation	7,566	10,000
	<b>226,577</b>	<b>240,156</b>
<b>Total Liabilities</b>	<b>503,902</b>	<b>525,193</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,698,099</b>	<b>1,695,676</b>
<b>Net assets per share attributable to owners of the parent company (RM)</b>	<b>1.58</b>	<b>1.54</b>

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31<sup>st</sup> December 2012)

**Unaudited Condensed Consolidated Statements of Changes in Equity  
For the year ended 31 December 2013**

[----- Attributable to equity holders of the Company -----]  
[-----Non-distributable -----] [-----Distributable-----]  
Reserves 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	Total Equity RM'000
<b>Balance as at 1 January 2013</b>	<b>738,564</b>	<b>22,361</b>	<b>1,040</b>	<b>261</b>	<b>(583)</b>	<b>377,430</b>	<b>1,139,073</b>	<b>31,410</b>	<b>1,170,483</b>
Total comprehensive income for the year	-	(1,245)	132	(261)	-	142,876	141,502	328	141,830
<u>Transactions with owners</u>									
Acquisition of subsidiaries	-	-	-	-	-	-	-	139	139
Repurchase of shares	-	-	-	-	(1,051)	-	(1,051)	-	(1,051)
Additional investment in a subsidiary	-	-	-	-	-	(6,466)	(6,466)	-	(6,466)
Dividend									
<i>Second Interim Dividend and Special Dividend for the financial year ended 31 December 2012, paid on 29 March 2013</i>	-	-	-	-	-	(66,453)	(66,453)	-	(66,453)
<i>First Interim Dividend for the financial year ended 31 December 2013, paid on 18 October 2013</i>	-	-	-	-	-	(44,285)	(44,285)	-	(44,285)
<b>Balance as at 31 December 2013</b>	<b>738,564</b>	<b>21,116</b>	<b>1,172</b>	<b>-</b>	<b>(1,634)</b>	<b>403,102</b>	<b>1,162,320</b>	<b>31,877</b>	<b>1,194,197</b>

## Unaudited Condensed Consolidated Statements of Changes in Equity For the year ended 31 December 2012

	[----- Attributable to equity holders of the 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	
<b>Balance as at 1 January 2012</b>	<b>738,564</b>	<b>23,972</b>	<b>854</b>	<b>233</b>	<b>(225)</b>	<b>302,261</b>	<b>1,065,659</b>	<b>40,195</b>	<b>1,105,854</b>
Total comprehensive income for the year	-	(1,611)	24	28	-	208,099	206,540	(8,800)	197,740
<u>Transactions with owners</u>									
Additional non-controlling interests arising on business combinations	-	-	-	-	-	-	-	(191)	(191)
Ordinary share capital contributed by non-controlling interest of a subsidiary	-	-	-	-	-	-	-	300	300
Share options granted under Employee Share Option Scheme ("ESOS") of a subsidiary	-	-	162	-	-	-	162	90	252
Repurchase of shares	-	-	-	-	(358)	-	(358)	-	(358)
Dividend <i>Dividends paid to non-controlling interest</i>	-	-	-	-	-	-	-	(184)	(184)
<i>Second Interim Dividend and Special Dividend for the financial year ended 31 December 2011, paid on 18 April 2012</i>	-	-	-	-	-	(66,465)	(66,465)	-	(66,465)
<i>First Interim Dividend and Special Dividend for the financial year ended 31 December 2012, paid on 18 October 2012</i>	-	-	-	-	-	(66,465)	(66,465)	-	(66,465)
<b>Balance as at 31 December 2012</b>	<b>738,564</b>	<b>22,361</b>	<b>1,040</b>	<b>261</b>	<b>(583)</b>	<b>377,430</b>	<b>1,139,073</b>	<b>31,410</b>	<b>1,170,483</b>

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31<sup>st</sup> December 2012)

**Unaudited Condensed Consolidated Statement of Cash Flows**  
**For the year ended 31 December 2013**

	31 December 2013	31 December 2012
	RM'000	RM'000
<b>Profit before taxation</b>	192,586	259,648
<b>Adjustments for non-cash flow items:-</b>		
Share of profits in an associate	-	(218)
Share of losses in a jointly controlled entity	896	4,752
Non-cash items	44,837	(7,000)
Non-operating items	(5,030)	(4,681)
<b>Operating profit before working capital changes</b>	<b>233,289</b>	<b>252,501</b>
<b>Changes in working capital</b>		
Net change in current assets	62,273	(19,778)
Net change in current liabilities	(27,045)	34,767
	35,228	14,989
<b>Cash generated from operations</b>	<b>268,517</b>	<b>267,490</b>
Net tax paid	(59,021)	(64,837)
<b>Net cash from operating activities</b>	<b>209,496</b>	<b>202,653</b>
<b>Investing Activities</b>		
Proceeds from disposal of property, plant and equipment	1,783	677
Proceeds from disposal of available-for-sale financial assets	6,128	-
Proceeds from disposal of investment in an associate	-	5,969
Purchases of property, plant and equipment	(18,062)	(55,760)
Purchases of intangible assets	(10,343)	(1,201)
Purchases of television programmes rights	-	(4,671)
Additional investment in a subsidiary	(6,466)	-
Acquisition of a subsidiary, net of cash acquired	(12,182)	(1,491)
Acquisition of a new business, net of cash acquired	-	(27,367)
Investment redeemed on maturity	5,000	5,000
Investment in unquoted securities	(2,950)	(3,430)
Investment in financial products	(5,451)	(10,406)
Interest and investment income received	14,247	14,306
<b>Net cash used in investing activities</b>	<b>(28,296)</b>	<b>(78,374)</b>
<b>Financing Activities</b>		
Interest paid	(10,020)	(10,632)
Repurchase of shares	(1,051)	(358)
Repayment of hire purchase	(944)	(330)
Net drawdown of term loan	581	1,162
Repayment of finance lease	(897)	(847)
Ordinary share capital contributed by non-controlling interest of a subsidiary	-	300
Dividend paid	(110,738)	(132,930)
Dividends paid to non-controlling interest of a subsidiary	-	(184)
<b>Net cash used in financing activities</b>	<b>(123,069)</b>	<b>(143,819)</b>

**Unaudited Condensed Consolidated Statement of Cash Flows  
For the year ended 31 December 2013 (cont'd)**

	31 December 2013	31 December 2012
	RM'000	RM'000
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>58,131</b>	<b>(19,540)</b>
Effect of exchange rates fluctuations on cash held	6,278	(585)
Cash and cash equivalents at beginning of the year	473,558	493,683
<b>Cash and cash equivalents at end of the year</b>	<b>537,967</b>	<b>473,558</b>

*For the purpose of the statement of cash flows, cash and cash equivalents comprise the following as at the end of the financial year:*

	31 December 2013	31 December 2012
	RM'000	RM'000
Short term deposits	428,328	363,569
Cash and bank balances	109,788	110,166
Bank overdrafts included in borrowings	(149)	(177)
	<u>537,967</u>	<u>473,558</u>

**(The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31<sup>st</sup> December 2012).**



## 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 Malaysian Financial Reporting Standard (“MFRS”) 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Main Market 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 2012.

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 2012 except for the adoption of the following MFRSs, IC Interpretation and Amendments to MFRSs during the current financial year:

Amendments to MFRS 101	<i>Presentation of Items of Other Comprehensive Income</i>
MFRS 10	<i>Consolidated Financial Statements</i>
MFRS 11	<i>Joint Arrangements</i>
MFRS 12	<i>Disclosure of Interests in Other Entities</i>
MFRS 13	<i>Fair Value Measurements</i>
MFRS 119	<i>Employee Benefits (revised)</i>
MFRS 127	<i>Separate Financial Statements</i>
MFRS 128	<i>Investments in Associates and Joint Ventures</i>
Amendments to MFRS 7	<i>Disclosures - Offsetting Financial Assets and Financial Liabilities</i>
Amendments to MFRSs	<i>Annual Improvements 2009-2011 Cycle</i>
Amendments to MFRS 10, MFRS 11 and MFRS 12	<i>Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance</i>
IC Interpretation 20	<i>Stripping Costs in the Production Phase of a Surface Mine</i>

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

The following MFRSs and Amendments to MFRSs have been issued by the MASB but are not yet effective to the Group:

#### Effective for annual periods commencing on or after 1 January 2014

Amendments to MFRS 10, MFRS 12 and MFRS 127	<i>Investment Entities</i>
Amendments to MFRS 132	<i>Offsetting Financial Assets and Financial Liabilities</i>
Amendments to MFRS 136	<i>Recoverable Amount Disclosures for Non-Financial Assets</i>
Amendments to MFRS 139	<i>Novation of Derivatives and Continuation of Hedge Accounting</i>
IC Interpretation 21	<i>Levies</i>
Amendments to MFRS 119	<i>Defined Benefit Plans: Employee Contributions</i>
Amendments to MFRSs	<i>Annual Improvements 2010-2012 Cycle</i>
Amendments to MFRSs	<i>Annual Improvements 2011-2013 Cycle</i>
MFRS 9 Financial Instruments (Hedge Accounting and Amendments to MFRS 9, MFRS 7 and MFRS 139)	

## Notes to the interim financial report

### A1. Basis of Preparation (cont'd)

#### The following MFRSs and Amendments to MFRSs have been issued by the MASB but are not yet effective to the Group (continued):

Effective for annual period commencing on or after 1 January 2014 (cont'd)

*Mandatory Effective Date of MFRS 9 and Transition Disclosures*  
MFRS 9 *Financial Instruments*

The Group will adopt the above when they become effective in the respective financial periods. These MFRSs and Amendments to MFRSs are not expected to have any significant effect to the financial statements of the Group upon their initial application.

### 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 2013.

### 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

As at the date of this report, the Company has repurchased 412,000 of its issued and paid-up ordinary share capital from the open market. The average price paid for the shares repurchased was RM2.54 per share. The repurchase transactions were financed by internally generated funds and the shares repurchased are held as Treasury Shares by the Company in accordance with the requirement of the Section 67A of the Companies Act 1965.

Other than the above, 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 2013.

**Notes to the interim financial report**

**A6. Dividend paid**

	2013 RM'000	2012 RM'000
<b><u>In respect of the financial year ended 31 December 2011</u></b>		
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 18 April 2012	-	66,465
<b><u>In respect of the financial year ended 31 December 2012</u></b>		
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 2012	-	66,465
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 29 March 2013	66,453	-
<b><u>In respect of the financial year ended 31 December 2013</u></b>		
First interim dividend of 6.0 sen per ordinary share, single tier, paid on 18 October 2013	44,285	-
	<u>110,738</u>	<u>132,930</u>

**A7. Segment Reporting**

**Business Segment**

**12 months ended 31 December 2013**

	<b>Financial year ended 31 December 2013</b>		
	<b>Assets</b>	<b>Revenue</b>	<b>Segment results</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Print and digital	1,323,466	751,154	192,337
Broadcasting	101,888	55,420	(156)
Event, exhibition, interior and thematic	204,858	198,883	11,538
Television channel	25,531	9,984	(6,354)
Others	42,356	9,888	(3,883)
	<u>1,698,099</u>	<u>1,025,329</u>	193,482
Share of results of a jointly controlled entity			(896)
Profit before tax			<u>192,586</u>

**Notes to the interim financial report****A7. Segment Reporting (cont'd)**

12 months ended 31 December 2012

	Financial year ended 31 December 2012		
	Assets RM'000	Revenue RM'000	Segment results RM'000
Print and digital	1,297,861	794,350	274,242
Broadcasting	115,349	57,601	3,927
Event, exhibition, interior and thematic	198,143	215,896	(8,951)
Television channel	30,045	7,507	(5,893)
Others	54,278	4,553	857
	<u>1,695,676</u>	<u>1,079,907</u>	<u>264,182</u>
Share of results of an associate			218
Share of results of a jointly controlled entity			(4,752)
Profit before tax			<u>259,648</u>

**A8. Operating expenses**

	3 months ended		Financial year ended	
	31.12.2013 RM'000	31.12.2012 RM'000	31.12.2013 RM'000	31.12.2012 RM'000
(Reversal)/Allowance of credit losses	(579)	(1,559)	1,512	865
Write-off of receivables	4	99	4	37
Impairment on assets:-				
- Impairment on investment in a jointly controlled entity	-	-	1,611	-
- Impairment on property, plant and equipment	-	832	-	832
- Impairment on goodwill	-	22,117	-	22,117
- Impairment on other investment	-	5,765	-	5,765
Loss on disposal of investment in associate	-	816	-	816
Foreign exchange loss	46	589	-	1,098

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

	3 months ended		Financial year ended	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
	RM'000	RM'000	RM'000	RM'000
Interest income	1,986	1,818	7,647	10,295
Investment income	2,179	1,655	7,574	5,346
Gain on disposal of quoted investment	-	-	-	82
Gain on disposal of properties	-	89,982	-	89,982
Accretion of non-current receivable	1,050	1,050	4,200	1,050
Foreign exchange gain	-	-	212	-
Other income	3,512	2,393	9,958	12,355
Total	8,727	96,898	29,591	119,110

**A10. Events subsequent to the end of the reporting year**

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

**A11. Changes in composition of the Group**

On 15 April 2013, the Company announced the acquisition of 2 ordinary shares of RM1.00 each representing 100% equity interest in Eighth Power Sdn. Bhd. ("Eighth Power") for a total cash consideration of RM2.00 only. The intended principal activity of Eighth Power is to invest in high growth technology-based startups/industries.

On 18 April 2013, the Company announced the acquisition of 2 ordinary shares of RM1.00 each representing 100% equity interest in Axis Genesis Sdn. Bhd. ("Axis Genesis") for a total cash consideration of RM2.00 only. The intended principal activity of Axis Genesis is to carry on the business of publishers of magazines and books.

On 7 May 2013, the Company announced the acquisition of 2 ordinary shares of RM1.00 each in I.Star Events Sdn. Bhd. ("I.Star Events") for a cash consideration of RM2.00 only, resulting in I.Star Events becoming a wholly-owned subsidiary of the Company. The intended principal activities of I.Star Events are to carry on the business as managers, promoters and organisers of all kinds of events.

On 17 June 2013, the Company completed the acquisition of 90% equity interest in Ocision Sdn. Bhd. and group of companies through its wholly-owned subsidiaries, Star MediaWorks Sdn. Bhd. and Star Commercial Publications Sdn. Bhd.

With effect from the abovementioned date, Ocision becomes a subsidiary of Star MediaWorks Sdn. Bhd., which in turn is a sub-subsidiary of the Company.

On 3 September 2013, the Company announced the acquisition of 2 ordinary shares of RM1.00 each representing 100% equity interest in Venus Agency Sdn. Bhd. for a total cash consideration of RM2.00 only. The intended principal activity is to carry on the business of advertising agency.

**Notes to the interim financial report**

**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	17,497
Rental guarantee	1,967
	<hr/>
	<u>19,464</u>

**A13. Capital commitments**

	RM'000
Authorised capital expenditure not provided for in the financial statements	
- contracted	36,474
- not contracted	4,624
	<hr/>
	<u>41,098</u>

**Additional information required by Bursa Malaysia Securities Listing Requirements****B1. Review of performance**

	Current Year Quarter 31.12.2013 (4Q 2013) RM'000	Preceding Year Corresponding Quarter 31.12.2012 (4Q 2012) RM'000
Revenue	289,172	294,106
Consolidated Profit before taxation	60,560	112,505
Consolidated Profit after taxation	44,358	94,482

Group revenue in 4Q 2013 decreased by 1.7% to RM289.17 million from RM294.11 million in the same quarter of 2012 mainly due to lower advertising revenue. Group profit before tax and profit after tax in 4Q 2013 fell by 46.2% and 53.1% respectively against the corresponding quarter of 2012. This was mainly due to the gain on sale of section 13 land amounted to RM89.98 million which was included in 2012 profits.

*Performance of the respective business segments for 4Q 2013 compared to the corresponding quarter of 2012 is as follows:-*

*Print and Digital* – Print revenue declined by 5.5% or RM10.84 million to RM186.83 million mainly due to lower advertising revenue. However, Digital revenue increased by 4.9% to RM5.96 million in the current quarter under review. Profit for this segment has declined slightly by 0.9% to RM53.38 million from RM53.84 million in the corresponding quarter of 2012.

*Radio Broadcasting* – Revenue declined by 3.2% to RM16.48 million as compared to RM17.04 million in the corresponding quarter of 2012. Profit before tax in 4Q 2013 declined to RM2.31 million from RM5.0 million in 4Q 2012, mainly due to lower advertising revenue and higher advertising and promotional expenses in 4Q 2013.

*Event, exhibition, interior and thematic* – This segment consists of Cityneon and I.Star Ideas Factory (Perfect Livin'). During the quarter under review, this segment's revenue increased to RM72.44 million from RM70.05 million in 4Q 2012. The increase is mainly due to projects secured by Cityneon for the Asian Youth Games 2013 and revenue contribution from Perfect Livin' which amounted to RM5.03 million from four exhibitions held in 4Q 2013. With significant cost savings from Cityneon, this segment recorded a profit before tax of RM7.80 million as compared to a loss before tax of RM7.0 million in 4Q 2012.

*Television channel* – Revenue from Li TV Holdings Ltd increased to RM4.02 million in 4Q 2013 as compared to RM1.90 million in 4Q 2012 mainly due to the higher distribution revenue with new affiliates. This segment's loss before tax improved by 26.2% to RM 1.41 million as compared to RM1.91 million in 4Q 2012 due to higher revenue.

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

	Financial Year 31.12.2013 RM'000	Preceding Year 31.12.2012 RM'000
Revenue	1,025,329	1,079,907
Consolidated Profit before taxation	192,586	259,648
Consolidated Profit after taxation	139,416	200,742

*Performance of the company and subsidiaries for financial year ended 31 December 2013 vs 31 December 2012*

Group revenue declined by 5.1% mainly due to lower advertising revenue and lesser projects completed in the current year by Cityneon. Group profit before tax and profit after tax fell by 25.8% and 30.5% respectively mainly due to the gain on sale of section 13 land amounted to RM89.98 million which was included in 2012 profits. If the gain on disposal of section 13 land is excluded, the Group profit before and after tax would have increased by 13.5% and 25.9% respectively.

*Performance of the respective business segments are as follows:-*

Print and Digital – Print revenue declined to RM727.26 million from RM768.41 million in the current financial year mainly due to lower advertising revenue. Digital revenue decreased by 7.9% to RM23.89 million in 2013 from RM25.94 million in the last corresponding year of 2012. The drop in advertising revenue was due to uncertainties related to the general election which caused advertisers to be more cautious in the first half of the year. However, revenue gradually picked up in the second half of the year. Overall, profit before tax for print and digital fell to RM192.34 million in the current financial year of 2013 as compared to RM274.24 million in 2012.

Radio Broadcasting – Revenue decreased by 3.8% from RM57.60 million to RM55.42 million due to lower airtime revenue. Higher advertising and promotion for the branding of RedFM and 988's radio stations as well as Capital FM's 1<sup>st</sup> Year Anniversary have caused the segment to suffer a loss before tax of RM0.15 million in 2013 as compared to a profit before tax of RM3.93 million in the last corresponding year of 2012.

Event, exhibition, interior and thematic – This segment consists of Cityneon and I.Star Ideas Factory (Perfect Livin'). Overall revenue decreased by 7.9% to RM198.88 million in 2013 as compared to RM215.90 million in 2012 mainly due to lesser projects completed in the current year by Cityneon. Since the acquisition of Perfect Livin' took place in 3Q 2012, revenue generated from Perfect Livin' amounted to RM24.31 million in 2013 contributed by 13 exhibitions held during the financial year in comparison with 4 exhibitions in the last corresponding year of 2012. With significant cost savings from Cityneon and increase in revenue from Perfect Livin', this segment increased to a profit before tax of RM11.54 million for the current financial period under review as compared to a loss before tax of RM8.95 million in 2012.

Television channel – Revenue from Li TV Holdings Ltd increased to RM9.98 million for current financial year as compared to RM7.51 million in the corresponding year of 2012. However, due to higher marketing and staff costs, it recorded a higher loss before tax of RM6.35 million in the current period under review as compared to RM5.89 million in 2012.



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

	Current Quarter 31.12.2013 RM'000	Preceding Quarter 30.09.2013 RM'000
Revenue	289,172	264,220
Consolidated Profit before taxation	60,560	55,932
Consolidated Profit after taxation	44,358	43,887

Group revenue for 4Q 2013 increased to RM289.17 million compared to RM264.22 million in the preceding quarter ended 30 September 2013 mainly due to higher revenue contribution from event, interior and thematic segment and a slight increase in advertising revenue in 4Q 2013. Group profit before tax for the current quarter was also higher at RM60.56 million compared to RM55.93 million in the preceding quarter due to higher revenue recorded in the current quarter.

**B3. Current year prospects**

According to the Malaysian Institute of Economic Research ("MIER"), the Consumer Sentiments Index for 4Q 2013 plunged by 36.3 points settling at 82.4 points. Business Condition Index have also showed a downward trend and fell to 92.0 points. MIER mentioned that consumers remain cautious in their spending and business confidence is still generally weak.

The media related segments of the Group, such as the Print, Digital, Broadcasting and Television will continue their efforts in growing the advertising revenue and to offer better advertising platforms to extend their reach to wider audiences.

In the events and exhibition business segment, Cityneon will continue to work towards growing its portfolio especially in the thematic and interior design businesses. I.Star Ideas Factory meanwhile will continue its efforts to grow its revenue and profits by organising more events in 2014.

The Group will continue to maintain its leadership position in the English print segment and further improve its position in the non-print segment.

The Company and the Board of Directors expect the business environment in the media industry to remain highly challenging in 2014, and will do its best to achieve a better performance for the financial year ending 31 December 2014.

**B4. Profit forecast**

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

**Additional information required by Bursa Malaysia Securities Listing Requirements****B5. Taxation**

Taxation comprises the following: -

	3 months ended		Financial year ended	
	31.12.2013 RM'000	31.12.2012 RM'000	31.12.2013 RM'000	31.12.2012 RM'000
Current period tax expense based on profit for the financial year				
1. Malaysian taxation	14,997	18,920	55,269	61,089
2. Foreign taxation	1,091	2,168	1,267	2,561
3. Deferred taxation	114	(3,065)	(3,366)	(4,744)
	16,202	18,023	53,170	58,906

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 31.12.2013 RM'000	As at 31.12.2012 RM'000
Total retained profits of Star Publications (Malaysia) Berhad and its subsidiaries		
-Realised	446,653	414,446
-Unrealised	(62,793)	(69,283)
	<u>383,860</u>	<u>345,163</u>
Total share of accumulated losses from a jointly controlled entity		
-Realised	(18,188)	(17,292)
Consolidation adjustments	37,430	49,559
Total group retained profits as per consolidated accounts	<u>403,102</u>	<u>377,430</u>

**Additional information required by Bursa Malaysia Securities Listing Requirements****B7. Status of corporate proposal announced**

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

**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 31.12.2013 RM'000	As at 31.12.2012 RM'000
<b><u>Short Term Borrowings</u></b>		
<b>Unsecured</b>		
Hire purchase	136	259
Finance lease	956	897
	1,092	1,156
<b>Secured</b>		
Term loan	59,507	56,885
Bank overdraft	149	177
	60,748	58,218
<b><u>Long Term Borrowings</u></b>		
<b>Unsecured</b>		
5-years MTN 2011/2016 with a coupon rate of 4.50% per annum, maturing on 11 May 2016	100,000	100,000
7-years MTN 2011/2018 with a coupon rate of 4.80% per annum, maturing on 11 May 2018	100,000	100,000
	200,000	200,000
Hire purchase	393	1,049
Finance lease	4,574	5,531
	204,967	206,580

Except for the secured term loan of RM59,506,916 and hire purchase of RM179,405 which are denominated in Singapore Dollar, other borrowings are in Ringgit Malaysia.

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

**B10. Dividend**

The Board of Directors is pleased to declare an interim dividend of 6.0 sen per ordinary share, single tier and special tax exempt dividend of 3.0 sen per ordinary share (2012: interim dividend of 6.0 sen per ordinary share, single tier and special tax exempt dividend of 3.0 sen per ordinary share) in respect of the financial year ended 31 December 2013.

The dividend is to be payable to the shareholders on 18 April 2014.

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 28 March 2014 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 owners of the parent divided by the weighted average number of ordinary shares outstanding during the financial year.

	3 months ended		Financial year ended	
	31.12.2013	31.12.2012	31.12.2013	31.12.2012
Group's profit after taxation attributable to owners of the parent (RM'000)	44,204	97,107	142,876	208,099
Number of shares at the beginning of the year ('000)	738,171	738,493	738,368	738,493
Effect of Share Buy Back during the year ('000)	(22)	(7)	(219)	(7)
Weighted average number of ordinary shares outstanding ('000)	738,149	738,486	738,149	738,486
<b>Basic earnings per share (sen)</b>	<b>5.99</b>	<b>13.15</b>	<b>19.36</b>	<b>28.18</b>

**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 2014  
Petaling Jaya, Selangor Darul Ehsan