

MEDIA PRIMA BERHAD (532975-A)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER

ENDED 30 SEPTEMBER 2016

The Board of Directors of Media Prima Berhad ("MPB" or "Company") is pleased to announce the unaudited consolidated results of Media Prima Berhad Group (the "Group") for the financial period ended 30 September 2016.

This interim report is prepared in accordance with the basis of preparation in Note A1 and paragraph 9.22 of the Bursa Malaysia Securities Berhad ("BMSB") Listing Requirements, and should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2015.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	NOTE	30.9.2016	30.9.2015	30.9.2016	30.9.2015
		RM'000	RM'000	RM'000	RM'000
Revenue		316,760	365,368	970,374	1,060,576
Operating expenses	A8	(329,326)	(302,037)	(938,394)	(916,534)
Restructuring expenses	A8	(104,569)	-	(104,569)	-
Other operating income	A9	9,204	3,314	22,013	17,329
(Loss)/profit from operations		(107,931)	66,645	(50,576)	161,371
Finance costs		(3,333)	(3,388)	(9,913)	(12,155)
Share of results of an associate		(939)	(2,095)	(581)	(4,914)
(Loss)/profit before tax		(112,203)	61,162	(61,070)	144,302
Taxation	B1	(1,059)	(16,062)	(10,579)	(37,552)
Net (loss)/profit and total comprehensive (loss)/income for the financial period		(113,262)	45,100	(71,649)	106,750
Net (loss)/profit and total comprehensive (loss)/income attributable to:					
- Owners of the Company		(109,357)	44,163	(64,194)	106,989
- Non-controlling interests		(3,905)	937	(7,455)	(239)
		(113,262)	45,100	(71,649)	106,750

The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2015.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTE	AS AT 30.9.2016 RM'000	AS AT 31.12.2015 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		623,869	720,312
Investment properties		36,693	37,704
Associates		155,903	156,484
Prepaid transmission station rentals		507	720
Available-for-sale financial assets		2,472	2,472
Intangible assets		444,082	421,172
Deferred tax assets		88,316	84,016
		<u>1,351,842</u>	<u>1,422,880</u>
Current Assets			
Financial assets at fair value through profit or loss		90	90
Inventories		48,846	53,268
Trade and other receivables		335,273	368,715
Current tax assets		42,382	50,288
Deposits, cash and bank balances		434,049	420,657
		<u>860,640</u>	<u>893,018</u>
Non-current assets held for sale		<u>14,156</u>	<u>14,156</u>
TOTAL ASSETS		<u>2,226,638</u>	<u>2,330,054</u>
LIABILITIES AND EQUITY			
Non-Current Liabilities			
Borrowings	B5	303,348	300,108
Deferred tax liabilities		67,726	68,280
		<u>371,074</u>	<u>368,388</u>
Current Liabilities			
Trade and other payables		348,272	319,409
Current tax liabilities		383	7,125
		<u>348,655</u>	<u>326,534</u>
TOTAL LIABILITIES		<u>719,729</u>	<u>694,922</u>
Equity and Reserves			
Share capital		1,109,199	1,109,199
Reserves		369,618	511,456
Equity attributable to owners of the Company		<u>1,478,817</u>	<u>1,620,655</u>
Non-controlling interests		28,092	14,477
Total equity		<u>1,506,909</u>	<u>1,635,132</u>
TOTAL LIABILITIES AND EQUITY		<u>2,226,638</u>	<u>2,330,054</u>
Net Assets per share attributable to equity holders of the Company (sen)			
		133.32	146.11

The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2015.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER

	Attributable to Owners of the Company						
	Issued and fully paid-up ordinary shares						
	of RM1 each	Non – distributable	Distributable				
	Share capital RM'000	Share premium RM'000	Other reserves RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total equity RM'000
2016:							
At 1 January 2016	1,109,199	415,536	2,255	93,665	1,620,655	14,477	1,635,132
Net loss and comprehensive loss for the financial period	-	-	-	(64,194)	(64,194)	(7,455)	(71,649)
<u>Transaction with owners:</u>							
Equity contribution from non-controlling interest	-	-	-	-	-	21,070	21,070
Bonus shares issued by a subsidiary from capital redemption reserves	-	-	(500)	500	-	-	-
Final dividends paid for the financial year ended 31 December 2015	-	-	-	(55,460)	(55,460)	-	(55,460)
First interim dividends paid for the financial year ending 31 December 2016	-	-	-	(22,184)	(22,184)	-	(22,184)
Total transaction with owners	-	-	(500)	(77,144)	(77,644)	21,070	(56,574)
At 30 September 2016	1,109,199	415,536	1,755	(47,673)	1,478,817	28,092	1,506,909
2015:							
At 1 January 2015	1,109,107	415,449	4,584	63,437	1,592,577	20,627	1,613,204
Total profit and comprehensive income for the period	-	-	-	106,989	106,989	(239)	106,750
<u>Transaction with owners:</u>							
Exercise of Employee Share Option Scheme ("ESOS")	92	87	(15)	-	164	-	164
Cancellation of expired ESOS during the period	-	-	(2,458)	2,458	-	-	-
Final dividends paid for financial year ended 31 December 2014	-	-	-	(55,460)	(55,460)	-	(55,460)
First interim dividends paid for financial year ended 31 December 2015	-	-	-	(33,281)	(33,281)	-	(33,281)
Dividends paid to non-controlling interests	-	-	-	-	-	(365)	(365)
Total transaction with owners	92	87	(2,473)	(86,283)	(88,577)	(365)	(88,942)
At 30 September 2015	1,109,199	415,536	2,111	84,143	1,610,989	20,023	1,631,012

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2015.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	NOTE	FOR THE PERIOD ENDED 30.9.2016 RM'000	FOR THE PERIOD ENDED 30.9.2015 RM'000
Cash flows from operating activities			
Receipts from customers		1,087,503	1,130,579
Payments to employees and suppliers		(950,550)	(971,937)
Income tax paid (net of refund)		(14,362)	(41,260)
<i>Net cash flows from operating activities</i>		<u>122,591</u>	<u>117,382</u>
Cash flows from investing activities			
Purchase of property, plant and equipment		(56,661)	(42,317)
Interest received		10,700	10,043
Proceeds from disposal of property, plant and equipment		472	1,023
<i>Net cash flows used in investing activities</i>		<u>(45,489)</u>	<u>(31,251)</u>
Cash flows from financing activities			
Proceeds from issuance of shares		-	172
Repayments of hire purchase		-	(1,226)
Interest paid		(6,587)	(10,605)
Decrease in restricted bank balances		1,157	8,570
Drawdown of short term borrowings		5,313	1,400
Repayment of Redeemable Fixed Rate Bonds		-	(150,000)
Repayment of short term borrowings		(5,313)	(1,400)
Equity contribution from non-controlling interest		21,070	-
Dividends paid to shareholders of the Company		(77,644)	(88,741)
Dividends paid to non-controlling interests		(549)	-
<i>Net cash flows used in financing activities</i>		<u>(62,553)</u>	<u>(241,830)</u>
Net movement in cash and cash equivalents		14,549	(155,699)
Cash and cash equivalents at beginning of the financial period		415,684	551,452
Cash and cash equivalents at end of the financial period	A13	<u>430,233</u>	<u>395,753</u>

The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Group's audited annual financial statements for the financial year ended 31 December 2015.

MEDIA PRIMA BERHAD (532975-A)

(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2016

NOTES TO THE INTERIM FINANCIAL REPORT

A1. BASIS OF PREPARATION

The unaudited interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The unaudited interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2015, which were prepared in compliance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act, 1965 in Malaysia. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2015.

The unaudited interim financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, and financial assets and financial liabilities (including derivative instruments, if any) at fair value through profit and loss.

The adoption of the following applicable amendments and improvements to MFRS that came into effect on 1 January 2016 did not have any significant impact on the Group upon the initial application.

Description		Effective for annual periods beginning on or after
Amendments to MFRS 11	Joint Arrangements	1 January 2016
	- Accounting for Acquisitions of Interest in Joint Operations	

NOTES TO THE INTERIM FINANCIAL REPORT

A1. BASIS OF PREPARATION (CONTINUED)

Description		Effective for annual periods beginning on or after
Amendments to MFRS 116	Property, Plant and Equipment <ul style="list-style-type: none">- Clarification of Acceptable Methods on Depreciation and Amortisation	1 January 2016
Amendments to MFRS 138	Intangible Assets <ul style="list-style-type: none">- Clarification of Acceptable Methods on Depreciation and Amortisation	1 January 2016
Amendments to MFRS 127	Separate Financial Statements <ul style="list-style-type: none">- Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 101	Presentation of Financial Statements <ul style="list-style-type: none">- Disclosure Initiative	1 January 2016
Amendments to MFRSs	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016

The Group will be adopting the following MFRSs when they become effective in the respective financial periods.

Description		Effective for annual periods beginning on or after
Amendments to MFRS 107	Statement of Cash Flows <ul style="list-style-type: none">- Disclosure Initiative	1 January 2017
Amendments to MFRS 112	Income Taxes <ul style="list-style-type: none">- Recognition of Deferred Tax Assets on Unrealised Losses	1 January 2017
Amendments to MFRS 2	Share-based Payment <ul style="list-style-type: none">- Classification and Measurement of Share-based Payment Transactions	1 January 2018
MFRS 9	Financial Instruments	1 January 2018
MFRS 15	Revenue from Contracts with Customers	1 January 2018
MFRS 16	Leases	1 January 2019

The effects of the above standards are currently being assessed by the Directors.

NOTES TO THE INTERIM FINANCIAL REPORT

A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2015 was not qualified.

A3. SEASONALITY OR CYCLICALITY FACTORS

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

A4. UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

The New Straits Times Press (Malaysia) Berhad ("NSTP"), a subsidiary of the Company, undertook a restructuring exercise for its regional printing plant ("RPP") operations. This involves optimising the Group's printing plant capacity to unlock potential cost savings in line with expansion into digital and new business initiatives. Under the restructuring plan, NSTP will cease the operation of its Ajil and Senai RPPs in Terengganu and Johor respectively. A review of the recoverable amount of its other RPPs that are subject to impairment was also performed and impaired accordingly.

The affected employees from the restructuring exercise will be provided with an equitable compensation package as well as outplacement programmes for a smoother transition.

As at 30 September 2016, the Group's Print reportable segment incurred a total of RM104.6 million arising from the exercise as disclosed in note A8.

Other than those disclosed above and in note A8, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group in the third quarter and financial period ended 30 September 2016.

A5. MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the third quarter and financial period ended 30 September 2016.

NOTES TO THE INTERIM FINANCIAL REPORT

A6. SEGMENTAL REPORTING

The Group determines and presents its operating segments based on information reported internally to the Group Managing Director and the Board of Directors. The Group predominantly operates in Malaysia and consequently, there is no disclosure on geographical segment being made. The segment information for the current financial period is as follows:

Period ended 30 September 2016	Television Network RM'000	Radio Network RM'000	Outdoor Media RM'000	Print Media RM'000	Digital Media RM'000	Content Creation RM'000	Corporate RM'000	Elimination RM'000	Consolidated RM'000
Revenues from external customers	465,594	49,117	115,413	324,411	1,082	14,757	-	-	970,374
Inter-segment revenue	1,238	126	511	2,627	24,141	67,605	139,507	(235,755)	-
Royalties	466,832 (2,182)	49,243 (178)	115,924 -	327,038 -	25,223 -	82,362 -	139,507 -	(235,755) -	970,374 (2,360)
Reportable segment (loss)/profit after tax before non-controlling interest	464,650 10,356	49,065 20,348	115,924 23,632	327,038 (125,388)	25,223 305	82,362 7,705	139,507 60,555	(235,755) (69,162)	968,014 (71,649)

Period ended 30 September 2015	Television Network RM'000	Radio Network RM'000	Outdoor Media RM'000	Print Media RM'000	Digital Media RM'000	Content Creation RM'000	Corporate RM'000	Elimination RM'000	Consolidated RM'000
Revenues from external customers	460,752	47,273	111,608	414,554	10,502	15,887	-	-	1,060,576
Inter-segment revenue	2,363	174	343	340	9,268	70,823	115,958	(199,269)	-
Royalties	463,115 (2,318)	47,447 (237)	111,951 -	414,894 -	19,770 -	86,710 -	115,958 -	(199,269) -	1,060,576 (2,555)
Reportable segment profit after tax before non-controlling interest	460,797 57,872	47,210 17,303	111,951 23,052	414,894 24,240	19,770 (2,582)	86,710 15,082	115,958 79,965	(199,269) (108,182)	1,058,021 106,750

Certain comparatives were reclassified to conform to the current period's presentation.

NOTES TO THE INTERIM FINANCIAL REPORT

A7. DIVIDENDS PAID

	30.9.2016 RM'000	30.9.2015 RM'000
<u>In respect of the financial year ended 31 December 2016</u>		
First interim, single tier dividend of 2.0 sen per ordinary share paid on 30 September 2016	22,184	-
<u>In respect of the financial year ended 31 December 2015</u>		
First interim, single tier dividend of 3.0 sen per ordinary share paid on 30 September 2015	-	33,281
Final, single tier dividend of 5.0 sen per ordinary share paid on 24 June 2016	55,460	-
<u>In respect of the financial year ended 31 December 2014</u>		
Final, single tier dividend of 5.0 sen per ordinary share paid on 26 June 2015	-	55,460
	77,644	88,741

A8. OPERATING EXPENSES

Included within operating expenses for the period under review are the following expenses:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.9.2016 RM'000	30.9.2015 RM'000	30.9.2016 RM'000	30.9.2015 RM'000
Depreciation and amortisation	29,060	26,217	82,186	76,825
Impairment of receivables	2,370	671	3,569	1,936
Foreign exchange loss	406	1,289	841	2,158
Restructuring expenses:				
- Allowance and write off of inventories	1,500	-	1,500	-
- Impairment of property, plant and equipment	76,069	-	76,069	-
- Provision for termination benefits	20,000	-	20,000	-
- Other closure costs	7,000	-	7,000	-

A9. OTHER OPERATING INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.9.2016 RM'000	30.9.2015 RM'000	30.9.2016 RM'000	30.9.2015 RM'000
Interest income	4,242	3,030	10,700	10,043
Other income	4,658	183	9,726	7,122
Reversal of receivables impairment	-	-	251	-
Foreign exchange gain	304	101	1,336	164
	9,204	3,314	22,013	17,329

NOTES TO THE INTERIM FINANCIAL REPORT

A10. VALUATIONS OF PROPERTY, PLANT & EQUIPMENT

The Group's property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

A11. CONTINGENT LIABILITIES

The Group is a defendant in 22 (As at 31.12.2015: 27) legal suits with contingent liabilities amounting to approximately RM4.2 million (As at 31.12.2015: RM4.7 million). All of the 22 legal suits are for alleged defamation.

It is noted that despite the amount claimed, the current trend of award for defamation are significantly lower. Hence, the likelihood of the amount claimed materialising into the sum as claimed is highly unlikely.

Based on the above and after taking appropriate legal advice, no provision has been made in the financial statements of the Group as the Directors are of the opinion that most of the claims have no sustainable merit. The Directors do not therefore expect the outcome of the legal suits against the Group to have a material impact on the financial position of the Group.

A12. CAPITAL COMMITMENTS

Capital commitments not provided for in the financial statements as at 30 September 2016 are as follows:

	RM'000
Approved but not contracted:	
- Property, plant and equipment	63,320
- Programmes and film rights	73,566
Approved and contracted for:	
- Property, plant and equipment	9,842
	146,728
	<hr/>
Share of an associate's capital commitments	-
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A13. CASH AND CASH EQUIVALENTS

Details of cash and cash equivalents are as follows:

	As at 30.9.2016 RM'000	As at 30.9.2015 RM'000
Cash and bank balances	216,344	152,758
Deposits with licensed banks	217,705	247,961
Deposits, cash and bank balances	434,049	400,719
<i>Less: Restricted deposits</i>		
Deposits with licensed banks	(3,816)	(4,966)
Cash and cash equivalents	430,233	395,753

NOTES TO THE INTERIM FINANCIAL REPORT

A14. REALISED AND UNREALISED PROFIT

	As at 30.9.2016 RM'000	As at 31.12.2015 RM'000
MPB realised retained earnings	97,593	114,182
Total accumulated losses of its subsidiaries:		
- Realised	(334,158)	(270,643)
- Unrealised	19,880	13,998
	(314,280)	(256,645)
Total share of retained profits from associated companies:		
- Realised	(174)	1,995
- Unrealised	3,653	2,054
	3,479	4,049
Total Group's accumulated losses (before consolidation adjustments)	(213,208)	(138,414)
Add: Consolidation adjustments	165,535	232,079
Total Group retained earnings as per consolidated accounts	(47,673)	93,665

A15. CHANGES IN COMPOSITION OF THE GROUP

On 18 January 2016, Sistem Televisyen Malaysia Berhad ("STMB"), a wholly-owned subsidiary of the Company, entered into a Joint Venture Agreement ("JVA") with CJ O Co., Ltd ("CJ O") to establish a joint venture company ("JV Co") for the purpose of a home shopping business. The JV Co was incorporated on 22 February 2016 as MP CJ O Shopping Sdn Bhd ("MPCJ") with an initial issued and paid-up share capital of RM100 comprising 100 ordinary shares of RM1.00 each, issued to STMB and CJ O in the ratio of 51% and 49% respectively. On 13 April 2016, STMB and CJ O subscribed for a further 21,929,949 and 21,069,951 ordinary shares of RM1.00 each in MPCJ, proportionate to their respective shareholding proportion of 51% and 49% respectively.

MPCJ shall have an eventual issued and paid-up capital of RM65.0 million and the shareholding structure of MPCJ shall be held by STMB and CJ O in the ratio of 51% and 49% respectively.

NOTES TO THE INTERIM FINANCIAL REPORT

A16. SIGNIFICANT EVENT AFTER REPORTING PERIOD

On 10 October 2016, Big Tree Outdoor Sdn Bhd (“BTO”), a wholly-owned subsidiary of the Company, incorporated Big Tree Seni Jaya Sdn Bhd (“Big Tree Seni Jaya”) for the purpose of design, build, operate and transfer advertising infrastructure under Projek Mass Rapid Transit Lembah Kelang – Jajaran Sungai Buloh – Kajang for MRT Corp, for Package B (Exterior Station).

Big Tree Seni Jaya had been incorporated with an initial issued and paid-up share capital of RM2.00 comprising 2 ordinary shares of RM1.00 each, issued to BTO and Seni Jaya Sdn Bhd in the ratio of 60% and 40% respectively.

ADDITIONAL INFORMATION AS REQUIRED BY BMSB's LISTING REQUIREMENTS

B1. TAXATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.9.2016	30.9.2015	30.9.2016	30.9.2015
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:				
- Current income tax	705	8,266	10,505	24,289
- Deferred taxation	(4,667)	2,343	(4,947)	5,969
- Under accruals of taxation in prior year	5,021	5,453	5,021	7,294
	1,059	16,062	10,579	37,552

The Group's current financial period effective tax rate is higher than the statutory tax rate primarily attributed to income tax on profitable subsidiaries which cannot be fully set-off against losses incurred by other subsidiaries.

B2. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES

As at 30 September 2016, the Group does not have any financial liabilities measured at fair value through profit or loss.

B3. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals as at the date of this report.

B4. MATERIAL LITIGATION

Apart from the material litigation disclosed under Note A11, there was no other material litigation in the period under review since the last announcement.

B5. BORROWINGS AND DEBT SECURITIES

	30.9.2016	31.12.2015
	RM'000	RM'000
<u>Non-current Borrowing</u>		
Unsecured:		
- 5 years MTN 2012/2017 with a coupon rate of 4.38%, maturing on 28 December 2017	303,348	300,108
Total borrowings	303,348	300,108

The Group's borrowing is denominated in Ringgit Malaysia.

ADDITIONAL INFORMATION AS REQUIRED BY BMSB's LISTING REQUIREMENTS**B6. REVIEW OF PERFORMANCE FOR THE CURRENT QUARTER VS. PRECEDING QUARTER**

	Quarter ended 30.9.2016 RM'000	Quarter ended 30.6.2016 RM'000
Revenue	316,760	349,551
(Loss) / Profit Before Tax (PBT)	(112,203)	29,841
(Loss) / Profit After Tax (PAT)	(113,262)	24,373

Due to the one-off restructuring expenses under the Print operations of RM104.6 million, coupled with soft consumer sentiments and the overall challenging operating environment, the Group revenue for 3QFY16 declined by 9% against the immediate preceding quarter. If the one-off restructuring expenses were excluded, the Group posted a loss after tax of RM8.7 million for 3QFY16.

The performance of the respective business platforms for 3QFY16 against the preceding quarter is as follows:

- a) Television Network – Revenue declined by 4% against 2QFY16.
- b) Print Media – Print revenue for 3QFY16 was a 20% decline against 2QFY16.
- c) Outdoor Media – Revenue for the quarter registered a growth of 6% against the preceding quarter.
- d) Radio Network – Recorded revenue of RM15.8 million, a decline of 16% compared to 2QFY16.
- e) Digital Media – Revenue for the current and preceding quarter remained fairly flat at RM8.3 million.
- f) Content Creation – Lower production revenue resulted in revenue to decline by 7% against 2QFY16.

ADDITIONAL INFORMATION AS REQUIRED BY BMSB's LISTING REQUIREMENTS**B7. REVIEW OF PERFORMANCE FOR THE CURRENT YEAR TO DATE VS. PREVIOUS YEAR TO DATE**

	Period ended 30.9.2016 RM'000	Period ended 30.9.2015 RM'000
Revenue	970,374	1,060,576
(Loss) / Profit Before Tax (PBT)	(61,070)	144,302
(Loss) / Profit After Tax (PAT)	(71,649)	106,750

Similarly, as a result of the one-off restructuring exercise, revenue decreased by 9% year on year, and the Group recorded a LAT of RM71.6 million. If the one-off restructuring expenses were excluded, the Group posted a PAT of RM32.9 million.

The performance of the respective platforms for the period ended 30 September 2016 as compared to the comparative financial period is analysed as follows:

- a) Television Network – Slight growth in revenue by 1% contributed by home shopping revenue which offset the lower advertising revenue. Current period PAT of RM10.4 million was lower against PAT of RM57.9 million in the corresponding period due to lacklustre adex coupled with implementation and operating costs from the home shopping business.
- b) Print Media – The one-off restructuring exercise coupled with the challenging operating environment affected the performance that resulted in a RM125.4 million loss. Excluding the one-off item, Print Media recorded a lower loss for the current period.
- c) Outdoor Media – PAT increased by 3% in the current period is in line with the 4% growth in revenue against the corresponding period.
- d) Radio Network – Revenue for the current period grew by 4% year-on-year. Lower operating expenses incurred during the period improved the PAT to post an 18% increase against comparative period.
- e) Digital Media – Recorded a RM0.3 million PAT for the current period against RM2.6 million loss in the corresponding period.
- f) Content Creation – Revenue decreased by 5% due to lower production revenue. As a result of lower revenue and higher overheads, PAT declined by 49% compared to the corresponding period.

ADDITIONAL INFORMATION AS REQUIRED BY BMSB's LISTING REQUIREMENTS

B8. PROSPECTS FOR 2016

The remainder of the year is expected to be challenging as market sentiment remain cautious. Within the media industry, the Group continues to face challenges from factors such as customer fragmentation, technological advancements, shift in advertisement to digital, and increase competition from global media players. Due to these factors, the Group's traditional business will continue to be affected, whilst new initiatives launched in the year remain in gestation period.

- a) Television Network – Free-To-Air segment remains challenging as adex spending is expected to remain soft until the end of the year despite being the strongest period for adex utilisation. Nevertheless, the Network's diversification initiatives, notably CJ WOW SHOP home shopping and *tonton* video-on-demand, are showing progress whilst still in gestation period.
- b) Print Media – Newspaper sales and print advertising continues to be affected by consumers shift to digital. The recent printing plant restructuring exercise was part of platform's plan to continuously reviewing its operational and cost structure towards a more digital-oriented business model.
- c) Outdoor Media – Outdoor revenue and profitability is expected to remain stable. Continuous roll-out of digital assets and investment into recently secured concessions shall be able to support its long-term competitiveness.
- d) Radio Network – Continuously offering "integrated radio solutions" based on the encouraging listenership survey results for all of Media Prima Radio Network's ("MPRN") stations. This digital and social media engagement will certainly be key for MPRN to sustain its listenership and reach.
- e) Digital Media – Continue to support all digital initiatives within the Group. Demand for mobile applications and games presents an opportunity for Media Prima Labs to leverage and develop product based on the Group's unique intellectual properties.
- f) Content Creation – Seeking to grow external revenue through advertiser content as well as tapping into international markets through original content programming for video-on-demand services.

Despite the challenging outlook for its traditional segments, the Group is continuously improving its cost structure whilst remaining committed in delivering quality content and offering integrated media solutions on its multiple platforms. The Group is also slowly growing its new media initiatives as part of its long term strategy to shift into digital in line with industry trends.

ADDITIONAL INFORMATION AS REQUIRED BY BMSB's LISTING REQUIREMENTS

B9. PROFIT FORECAST/PROFIT GUARANTEE

The Group has not issued any Group profit forecast/profit guarantee during the current financial period.

B10. DIVIDEND

The Board of Directors declares a second interim, single tier dividend of 2.0 sen (2015: 2.0 sen) per ordinary share for the financial year ending 31 December 2016 to be paid on 30 December 2016 to Depositors whose name appear in the Record of Depositors at the close of business on 16 December 2016.

The total dividends declared for the current financial period ended 30 September 2016 is 4.0 sen (2015: 5.0 sen).

ADDITIONAL INFORMATION AS REQUIRED BY BMSB's LISTING REQUIREMENTS**B11. (LOSS)/EARNINGS PER SHARE**

The Group's (loss)/earnings per share are calculated as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	30.9.2016	30.9.2015	30.9.2016	30.9.2015
(Loss) / profit attributable to owners of the Company (RM'000)	(109,357)	43,944	(64,194)	106,989
Weighted average number of ordinary shares in issue ('000)	1,109,199	1,109,192	1,109,199	1,109,192
Basic (loss) / earnings per share (sen)	(9.86)	3.96	(5.79)	9.65

BY ORDER OF THE BOARD

TAN SAY CHOON (MAICSA 7057849)

FARNIDA BINTI NGAH (MIA 22495)

COMPANY SECRETARIES

Kuala Lumpur

29 November 2016

The full financial analysis of Media Prima Berhad Group can also be viewed at Media Prima Berhad's website:

<http://www.mediaprima.com.my>