



## MEDIA PRIMA BERHAD (532975-A)

(Incorporated in Malaysia)

### INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2015

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 June 2015.

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 2014.

#### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	NOTE	30.6.2015	30.6.2014	30.6.2015	30.6.2014
		RM'000	RM'000	RM'000	RM'000
Revenue		<b>365,819</b>	388,580	<b>695,208</b>	742,684
Operating expenses	A8	<b>(312,187)</b>	(343,395)	<b>(614,497)</b>	(663,314)
Other operating income	A9	<b>7,889</b>	6,308	<b>14,015</b>	11,684
Profit from operations		<b>61,521</b>	51,493	<b>94,726</b>	91,054
Finance costs		<b>(3,439)</b>	(6,046)	<b>(8,767)</b>	(11,874)
Share of results of an associate		<b>(746)</b>	3,541	<b>(2,819)</b>	6,175
Profit before tax		<b>57,336</b>	48,988	<b>83,140</b>	85,355
Taxation	B1	<b>(15,036)</b>	(12,459)	<b>(21,490)</b>	(21,264)
Profit and total comprehensive income for the financial period		<b>42,300</b>	36,529	<b>61,650</b>	64,091
<b>Profit and comprehensive income attributable to:</b>					
- Owners of the Company		<b>43,944</b>	35,830	<b>62,826</b>	62,846
- Non-controlling interests		<b>(1,644)</b>	699	<b>(1,176)</b>	1,245
		<b>42,300</b>	36,529	<b>61,650</b>	64,091
<b>Earnings per share (in sen)</b>					
- Basic	B11	<b>3.96</b>	3.24	<b>5.66</b>	5.69
- Diluted	B11	<b>3.96</b>	3.18	<b>5.66</b>	5.58

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 2014.

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	NOTE	AS AT 30.6.2015 RM'000	AS AT 31.12.2014 RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		721,077	740,514
Investment properties		49,932	50,743
Associates		160,910	163,729
Prepaid expenditure		862	1,004
Available-for-sale financial assets		2,325	2,325
Intangible assets		392,542	388,004
Deferred tax assets		84,068	88,039
		<u>1,411,716</u>	<u>1,434,358</u>
<b>Current Assets</b>			
Financial assets at fair value through profit or loss		90	90
Inventories		68,695	74,313
Trade and other receivables		376,120	342,279
Tax recoverable		73,493	59,579
Deposits, cash and bank balances		360,712	564,990
		<u>879,110</u>	<u>1,041,251</u>
Non-current assets held for sale		<u>2,699</u>	<u>2,699</u>
<b>TOTAL ASSETS</b>		<u><b>2,293,525</b></u>	<u><b>2,478,308</b></u>
<b>LIABILITIES AND EQUITY</b>			
<b>Non-Current Liabilities</b>			
Borrowings	B5	300,036	300,108
Deferred tax liabilities		68,742	69,094
		<u>368,778</u>	<u>369,202</u>
<b>Current Liabilities</b>			
Trade and other payables		299,012	342,918
Borrowings	B5	6,175	152,984
		<u>305,187</u>	<u>495,902</u>
<b>TOTAL LIABILITIES</b>		<u><b>673,965</b></u>	<u><b>865,104</b></u>
<b>Equity and Reserves</b>			
Share capital		1,109,199	1,109,107
Reserves		490,910	483,470
Equity attributable to owners of the Company		<u>1,600,109</u>	<u>1,592,577</u>
Non-controlling interest		19,451	20,627
Total equity		<u>1,619,560</u>	<u>1,613,204</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u><b>2,293,525</b></u>	<u><b>2,478,308</b></u>
<b>Net Assets per share attributable to equity holders of the Company (sen)</b>			
		<b>144.26</b>	<b>143.59</b>

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 2014.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2015

	Attributable to Owners of the Company							
	Issued and fully paid ordinary shares of RM1 each					Non – distributable	Distributable	
	Nominal value 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	
2015:								
At 1 January 2015	1,109,107	415,449	4,584	63,437	1,592,577	20,627	1,613,204	
Profit for the financial period	-	-	-	62,826	62,826	(1,176)	61,650	
Total profit and comprehensive income for the financial period	-	-	-	62,826	62,826	(1,176)	61,650	
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 the financial year ended 31 December 2014	-	-	-	(55,458)	(55,458)	-	(55,458)	
Total transaction with owners	92	87	(2,473)	(53,000)	(55,294)	-	(55,294)	
At 30 June 2015	1,109,199	415,536	2,111	73,263	1,600,109	19,451	1,619,560	

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2014**

	Attributable to Owners of the Company						
	Issued and fully paid						
	ordinary shares						
	of RM1 each	Non – distributable	Distributable				
	Nominal Value 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
2014:							
At 1 January 2014	1,100,529	407,037	15,703	133,160	1,656,429	19,900	1,676,329
Profit for the financial period	-	-	-	62,846	62,846	1,245	64,091
Total profit and comprehensive income for the financial period	-	-	-	62,846	62,846	1,245	64,091
Exercise of Employee Share Option Scheme ("ESOS")	701	859	(292)	-	1,268	-	1,268
Exercise of warrants	4,481	4,257	(672)	-	8,066	-	8,066
Cancellation of expired ESOS during the period	-	-	(49)	49	-	-	-
Third interim dividends paid for financial year ended 31 December 2013	-	-	-	(33,120)	(33,120)	-	(33,120)
Final dividends paid for financial year ended 31 December 2013	-	-	-	(55,273)	(55,273)	-	(55,273)
Total transaction with owners	5,182	5,116	(1,013)	(88,344)	(79,059)	-	(79,059)
At 30 June 2014	1,105,711	412,153	14,690	107,662	1,640,216	21,145	1,661,361

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 2014.

# UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	FOR THE PERIOD ENDED NOTE 30.6.2015	FOR THE PERIOD ENDED 30.6.2014
	RM'000	RM'000
<b>Cash flows from operating activities</b>		
Receipts from customers	741,770	822,017
Payments to employees and suppliers	(682,381)	(722,276)
Income tax paid	(31,778)	(32,084)
<i>Net cash flows from operating activities</i>	<u>27,611</u>	<u>67,657</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(28,963)	(37,601)
Interest received	7,013	7,628
Proceeds from disposal of property, plant and equipment	999	92
Acquisition of other investment	-	(5,500)
<i>Net cash flows used in investing activities</i>	<u>(20,951)</u>	<u>(35,381)</u>
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	172	9,335
Repayments of hire purchase	(1,021)	(1,322)
Interest paid	(10,529)	(11,842)
Decrease/(Increase) in restricted bank balances	4,521	(829)
Drawdown of short term borrowings	5,900	15,000
Repayment of short term borrowings	(150,000)	(35,098)
Dividends paid to shareholders of the Company	(55,458)	(88,393)
<i>Net cash flows used in financing activities</i>	<u>(206,415)</u>	<u>(113,149)</u>
<b>Net movement in cash and cash equivalents</b>	<b>(199,755)</b>	<b>(80,873)</b>
<b>Cash and cash equivalents at beginning of the financial period</b>	<b>551,452</b>	<b>608,894</b>
<b>Cash and cash equivalents at end of the financial period</b>	<b>A13 <u>351,697</u></b>	<b><u>528,021</u></b>

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 2014.

**MEDIA PRIMA BERHAD (532975-A)**

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER  
ENDED 30 JUNE 2015**

**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 2014, 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 2014.

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 new MFRS, the revised MFRS and amendments to MFRS that came into effect on 1 January 2015 did not have any significant impact on the Group upon the initial application.

Description		Effective for annual periods beginning on or after
Amendments to MFRSs	Annual Improvements to MFRSs 2010-2012 Cycle	1 July 2014
Amendments to MFRSs	Annual Improvements to MFRSs 2011-2013 Cycle	1 July 2014
Amendments to MFRS 119	Employee Benefits - Defined Benefit Plans: Employee Contributions	1 July 2014

## **NOTES TO THE INTERIM FINANCIAL REPORT**

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 11	Joint Arrangements	1 January 2016
	- Accounting for Acquisitions of Interest in Joint Operations	
Amendments to MFRS 10	Consolidated Financial Statements	1 January 2016
	- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	
Amendments to MFRS 10	Consolidated Financial Statements	1 January 2016
	- Investment Entities: Applying the Consolidation Exception	
Amendments to MFRS 12	Disclosure of Interests in Other Entities	1 January 2016
	- Investment Entities: Applying the Consolidation Exception	
Amendments to MFRS 101	Presentation of Financial Statements	1 January 2016
	- Disclosure Initiative	
Amendments to MFRS 116	Property, Plant and Equipment	1 January 2016
	- Clarification of Acceptable Methods on Depreciation and Amortisation	
Amendments to MFRS 127	Separate Financial Statements	1 January 2016
	- Equity Method in Separate Financial Statements	
Amendments to MFRS 128	Investment in Associates	1 January 2016
	- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	
Amendments to MFRS 128	Investment in Associates	1 January 2016
	- Investment Entities: Applying the Consolidation Exception	
Amendments to MFRS 138	Intangible Assets	1 January 2016
	- Clarification of Acceptable Methods on Depreciation and Amortisation	
Amendments to MFRSs	Annual Improvements to MFRSs 2012-2014 Cycle	1 January 2016
MFRS 15	Revenue from Contracts with Customers	1 January 2017
MFRS 9	Financial Instruments	1 January 2018

The effects of the above standards and amendments to published 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 2014 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**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group in the second quarter and financial period ended 30 June 2015.

### **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 second quarter and financial period ended 30 June 2015.



## **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:

<b>Period ended 30 June 2015</b>	<b>Television Network RM'000</b>	<b>Radio Network RM'000</b>	<b>Outdoor Media RM'000</b>	<b>Print Media RM'000</b>	<b>Digital Media RM'000</b>	<b>Content Creation RM'000</b>	<b>Corporate and Others RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
Revenues from external customers	294,378	29,760	71,881	277,691	9,228	12,061	209	-	695,208
Intersegment revenues	2,625	-	300	2,330	481	3,013	-	(8,749)	-
Total Revenue	297,003	29,760	72,181	280,021	9,709	15,074	209	(8,749)	695,208
Reportable segment Profit/(loss) after tax before non-controlling interest	39,919	11,535	13,431	15,277	(1,205)	4,858	50,680	(72,845)	61,650

  

<b>Period ended 30 June 2014</b>	<b>Television Network RM'000</b>	<b>Radio Network RM'000</b>	<b>Outdoor Media RM'000</b>	<b>Print Media RM'000</b>	<b>Digital Media RM'000</b>	<b>Content Creation RM'000</b>	<b>Corporate and Others RM'000</b>	<b>Elimination RM'000</b>	<b>Consolidated RM'000</b>
Revenues from external customers	309,146	35,176	70,384	302,207	14,749	11,020	2	-	742,684
Intersegment revenues	2,583	-	2,128	1,066	188	1,054	-	(7,019)	-
Total Revenue	311,729	35,176	72,512	303,273	14,937	12,074	2	(7,019)	742,684
Reportable segment Profit/(loss) after tax before non-controlling interest	46,337	15,535	13,563	16,607	(2,741)	1,914	(22,891)	(4,233)	64,091

## **NOTES TO THE INTERIM FINANCIAL REPORT**

### **A7. DIVIDENDS PAID**

	<b>30.6.2015 RM'000</b>	<b>30.6.2014 RM'000</b>
<u>In respect of the financial year ended 31 December 2014</u>		
Final, single tier dividend of 5.0 sen per ordinary share on 1,109,199,286 ordinary shares paid on 26 June 2015	<b>55,458</b>	-
<u>In respect of the financial year ended 31 December 2013</u>		
Third interim, single tier dividend of 3.0 sen per ordinary share on 1,103,994,194 ordinary shares paid on 28 March 2014	-	33,120
Final, single tier dividend of 5.0 sen per ordinary share on 1,105,460,355 ordinary shares paid on 27 June 2014	-	55,273
	<b><u>55,458</u></b>	<b><u>88,393</u></b>

### **A8. OPERATING EXPENSES**

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

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTERS</b>	
	<b>30.6.2015 RM'000</b>	<b>30.6.2014 RM'000</b>	<b>30.6.2015 RM'000</b>	<b>30.6.2014 RM'000</b>
Depreciation and amortisation	<b>25,397</b>	24,900	<b>50,608</b>	49,936
Impairment and write off of receivables	<b>594</b>	944	<b>1,265</b>	1,766
Foreign exchange loss	<b>319</b>	27	<b>869</b>	49

### **A9. OTHER OPERATING INCOME**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTERS</b>	
	<b>30.6.2015 RM'000</b>	<b>30.6.2014 RM'000</b>	<b>30.6.2015 RM'000</b>	<b>30.6.2014 RM'000</b>
Interest income	<b>3,323</b>	3,863	<b>7,013</b>	7,628
Other income	<b>4,532</b>	2,413	<b>6,939</b>	3,953
Foreign exchange gain	<b>34</b>	32	<b>63</b>	103
	<b><u>7,889</u></b>	<b><u>6,308</u></b>	<b><u>14,015</u></b>	<b><u>11,684</u></b>

### **A10. VALUATIONS OF PROPERTY, PLANT & EQUIPMENT**

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

## **NOTES TO THE INTERIM FINANCIAL REPORT**

### **A11. CONTINGENT LIABILITIES**

The Group is a defendant in 27 (As at 31.12.2014: 35) legal suits with contingent liabilities amounting to approximately RM13.8 million (As at 31.12.2014: RM15.3 million). Of the 27 legal suits, 26 suits are for alleged defamation and one is for alleged breach of contract.

As at the date of this report, five legal suits for alleged defamation brought against a subsidiary company, The New Straits Times Press (M) Berhad were unsuccessfully litigated while the Plaintiffs in another two suits withdrew their respective claims and the matter was resolved out-of-court, with no admission to liability on the part of the New Straits Times Press (M) Berhad. Two suits brought against other subsidiary companies, Sistem Televisyen Malaysia Berhad and Big Tree Outdoor Sdn Bhd were successfully litigated respectively. All of the suits mentioned herein have been included in the quarter as contingent liabilities as at 31 December 2014. There are no new material litigation against the Group since 31 December 2014.

The Directors are not aware of any other proceedings pending against the Group and/or its subsidiaries or of any facts likely to give rise to any proceedings which might materially affect the position or business of the Group and/or its subsidiaries.

It is noted that despite the amount claimed, the current trend of awards for defamation is significantly lower. Hence, the likelihood of the amount claimed crystallising into the sum as claimed is unlikely. In addition, for the defamation suits against the Group, the Group continues to have in place insurance coverage against damages awarded against it. Based on the above and after taking appropriate legal advice, no provision has been made in the financial statements of the Group as at the date of this report 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 June 2015 are as follows:

	<b>RM'000</b>
Approved but not contracted:	
- Property, plant and equipment	<b>83,769</b>
- Programmes and film rights	<b>116,220</b>
Approved and contracted for:	
- Property, plant and equipment	<b>35,163</b>
	<b>235,152</b>

## **ADDITIONAL INFORMATION AS REQUIRED BY THE BMSB's LISTING REQUIREMENTS**

### **A13. CASH AND CASH EQUIVALENTS**

Details of cash and cash equivalents are as follows:

	As at 30.6.2015 RM'000	As at 30.6.2014 RM'000
Cash and bank balances	114,468	119,210
Deposits with licensed banks	246,244	419,136
<b>Deposits, cash and bank balances</b>	<b>360,712</b>	<b>538,346</b>
<i>Less: Restricted deposits</i>		
Deposits with licensed banks	(9,015)	(10,325)
<b>Cash and cash equivalents</b>	<b>351,697</b>	<b>528,021</b>

### **A14. REALISED AND UNREALISED PROFIT**

	As at 30.6.2015 RM'000	As at 31.12.2014 RM'000
MPB realised retained earnings	98,797	104,295
Total accumulated losses of its subsidiaries:		
- Realised	(277,404)	(299,031)
- Unrealised	15,491	19,037
	(261,913)	(279,994)
Total share of retained profits from associated companies:		
- Realised	6,340	9,107
- Unrealised	2,054	2,054
	8,394	11,161
Total Group's accumulated losses (before consolidation adjustments)	(154,722)	(164,538)
Add: Consolidation adjustments	227,985	227,975
Total Group retained earnings as per consolidated accounts	73,263	63,437

## **ADDITIONAL INFORMATION AS REQUIRED BY THE BMSB's LISTING REQUIREMENTS**

### **B1. TAXATION**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTERS</b>	
	<b>30.6.2015</b>	30.6.2014	<b>30.6.2015</b>	30.6.2014
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
In respect of the current period:				
Current Malaysian income tax	<b>9,349</b>	9,064	<b>16,023</b>	17,581
Deferred tax liabilities	<b>3,846</b>	3,077	<b>3,626</b>	3,365
Under accruals of				
taxation in prior year	<b>1,841</b>	318	<b>1,841</b>	318
	<b>15,036</b>	12,459	<b>21,490</b>	21,264

### **B2. FAIR VALUE CHANGES OF FINANCIAL LIABILITIES**

As at 30 June 2015, 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**

The Group's borrowings as at the end of the financial period are as follows:

	<b>30.6.2015</b>	30.6.2014
	<b>RM'000</b>	RM'000
<b><u>Current Borrowings</u></b>		
Unsecured:		
- Hire purchase	<b>275</b>	1,455
- Revolving credit	<b>5,900</b>	25,000
Secured:		
- Redeemable Fixed Rate Bonds	-	151,120
	<b>6,175</b>	177,575
<b><u>Non-current Borrowings</u></b>		
Unsecured:		
- Hire purchase	-	1,041
- 5 years MTN 2012/2017 with a coupon rate of 4.38%, maturing on 28 December 2017	<b>300,036</b>	300,000
	<b>300,036</b>	301,041
Total borrowings	<b>306,211</b>	478,616

## **ADDITIONAL INFORMATION AS REQUIRED BY THE BMSB's LISTING REQUIREMENTS**

### **B5. BORROWINGS AND DEBT SECURITIES (CONTINUED)**

The Group's borrowings are denominated in Ringgit Malaysia.

#### Debt securities

The Group issued 4.95% Redeemable Fixed Rate Bonds at a total nominal value of RM150 million with 50 million detachable warrants on 23 March 2010. The bonds mature five years from the issue date at their nominal value of RM150 million. The value of the liability component (RM141.9 million) and the warrant component (RM1.8 million), net of transaction costs of RM1.5 million, were determined at issuance of the bond. The fair value of the liability component included in long-term borrowings was calculated using a market interest rate for an equivalent non-convertible bond. The liability component is subsequently stated at amortised cost until extinguished on maturity of the bond. The residual amount, representing the value of the warrant component, is included in shareholders' equity in warrant reserves.

The bonds have been fully settled on 23 March 2015 via internally generated funds.

### **B6. REVIEW OF PERFORMANCE FOR THE CURRENT QUARTER VS. PRECEDING QUARTER**

	<b>Quarter ended 30.6.2015 RM'000</b>	Quarter ended 31.3.2015 RM'000
Revenue	<b>365,819</b>	329,389
Profit Before Tax (PBT)	<b>57,336</b>	25,805
Profit After Tax (PAT)	<b>42,300</b>	19,351

For 2QFY15, revenue rose 11% to RM365.8 million while PAT jumped more than 100% to RM42.3 million due to 1QFY15 seasonally low base effect and business sentiment pick up in June for Ramadhan and Raya festivities.

Performance of the respective business platforms for 2QFY15 against the preceding quarter is as follows:

- Television Network – Advertising revenue improved by 16% from RM137.7 million in 1QFY15 to RM159.3 million in 2QFY15. Profit after tax increased by more than 100% in tandem with higher revenue and cost saving efficiencies.
- Print Media – Revenue increased by 10%. A higher PAT of RM12.8 million in 1QFY15 compared to RM2.4 million in 1QFY15 is mainly due to lower newsprint costs and production cost efficiencies.
- Outdoor Media – Revenue decreased by 2% however PAT increased by 22% against the preceding quarter.
- Radio Network – Increase in revenue and PAT by 29% and 55% respectively against the preceding quarter.

## **ADDITIONAL INFORMATION AS REQUIRED BY THE BMSB's LISTING REQUIREMENTS**

### **B6. REVIEW OF PERFORMANCE FOR THE CURRENT QUARTER VS. PRECEDING QUARTER (CONTINUED)**

- e) Digital Media – Lower revenue by 63% together with the corresponding PAT drop of more than 100% is due to transfer of several business operations to Television Networks and Print Media made effective in 2QFY15 as part of streamlining the business.
- f) Content Creation – PAT increased by 92% against the preceding quarter mainly due to lower staff costs and operating overheads.

### **B7. REVIEW OF PERFORMANCE FOR CURRENT YEAR TO DATE VS. PREVIOUS YEAR TO DATE**

	<b>Period ended 30.6.2015 RM'000</b>	Period ended 30.6.2014 RM'000
Revenue	<b>695,208</b>	742,684
Profit Before Tax (PBT)	<b>83,140</b>	85,355
Profit After Tax (PAT)	<b>61,650</b>	64,091

Sluggish advertising spending and lacklustre macroeconomic sentiment are having a profound effect on the Group. The Group posted a drop in revenue and PAT by 6% and 4% respectively against the corresponding period.

The performance of the respective platforms for the period ended 30 June 2015 as compared to the previous financial period is analysed as follows:

- a) Television Network – Revenue for the period was lower by 5% as advertising expenditure remains sluggish. PAT has also declined by 14%, in line with lower revenue recorded during the period.
- b) Print Media – Revenue declined by 8% due to lower advertising and circulation revenue. Despite the revenue decline and share of losses from an associate, PAT only reduced by 8% on the back of production cost savings and efficiencies.
- c) Outdoor Media – Minimal decline of less than 1% in revenue as well as 1% in PAT compared to the comparative period.
- d) Radio Network – Competitive conditions saw advertising revenue slide by 15% while PAT declined by 26% against the corresponding period.
- e) Digital Media – Transfer of several business operations to other platforms within the Group caused revenue to fall by 34%, however PAT increased by 56% due to recharging of digital support costs to other platforms.

Content Creation – Revenue increased by 25% was contributed by higher sales of content to international customers. This increase coupled with savings in overheads led to a growth in PAT exceeding 100% compared to the corresponding period.

## **ADDITIONAL INFORMATION AS REQUIRED BY THE BMSB's LISTING REQUIREMENTS**

### **B8. PROSPECTS FOR 2015**

The current business environment is proving to be a challenge for the Group as lacklustre adex and market uncertainties are set to remain. However, we are hopeful that the impact of the Goods and Services Tax (GST) since its implementation on 1 April 2015 will likely fade in the second half of 2015 as businesses and consumer spending take a breather post-GST.

The Group will also continue to expand its multi-platform content to markets beyond MPB TV Network while concurrently enhancing its respective platforms' business strategies as follows:

- a) Television Network – Continue to focus on high quality content and market positioning by introducing new programmes in order to maintain leading viewership positions. The platform is also seeking to explore non-traditional revenue streams in the form of home and online shopping.
- b) Print Media – Outlook for Print Media will continue to be challenging due to consumers gradual shift in media consumption preferences. New marketing and readership initiatives are constantly being executed to address advertising and circulation challenges while seeking to grow digital presence of its brands. The practise of efficient production and cost management is also expected to improve margins and performance.
- c) Outdoor Media – Investment in technology and creativity to offer more digital rollouts at prime sites while securing renewal of existing key concessions and seeking new concession opportunities.
- d) Radio Network – Engage listeners in the digital space through various online and social media outlets in order to maintain and strengthen its listenership in the face of digital music consumption trends at the same time offering attractive deals in the form of combo packages and sponsorships across its radio stations.
- e) Digital Media – Following the transfer to several business operations to its fellow platforms within the Group, Digital Media will now focus on offering digital production and project services for clients and eCommerce.
- f) Content Creation – Delivery of high quality production and commercially viable content to increase external revenue domestically and regionally. While continuing to be an in-house production house for MPB TVN, it seeks to monetise its content through partnerships with other content producers, foreign broadcasters and emerging digital media providers.

Concurrently, the Group will continue its effort in managing the costs and improve operational effectiveness and efficiency.

In view of the above, barring any unforeseen circumstances, the Board remains cautiously optimistic for the Group financial performance for 2015.



## **ADDITIONAL INFORMATION AS REQUIRED BY THE 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 first interim, single tier dividend of 3.0 sen (2014: 3.0 sen) per ordinary share for the financial year ending 31 December 2015 to be paid on 30 September 2015 to Depositors whose name appear in the Record of Depositors at the close of business on 11 September 2015.

### **B11. EARNINGS PER SHARE**

The Group's earnings per share are calculated as follows:

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTERS</b>	
	<b>30.6.2015</b>	<b>30.6.2014</b>	<b>30.6.2015</b>	<b>30.6.2014</b>
Profit attributable to owners of the Company (RM'000)	<b>43,944</b>	35,830	<b>62,826</b>	62,846
Weighted average number of ordinary shares in issue ('000)	<b>1,109,192</b>	1,104,749	<b>1,109,192</b>	1,104,749
<b>Basic earnings per share (sen)</b>	<b>3.96</b>	3.24	<b>5.66</b>	5.69
Weighted average number of ordinary shares in issue ('000)	<b>1,109,192</b>	1,104,749	<b>1,109,192</b>	1,104,749
Adjustments for Warrants ('000)	-	19,101	-	19,101
Adjustments for ESOS ('000)	-	1,825	-	1,825
Weighted average number of ordinary shares for purposes of computing diluted earnings per share ('000)	<b>1,109,192</b>	1,125,675	<b>1,109,192</b>	1,125,675
<b>Diluted earnings per share (sen)</b>	<b>3.96</b>	3.18	<b>5.66</b>	5.58

### **BY ORDER OF THE BOARD**

**TAN SAY CHOON (MAICSA 7057849)**  
**COMPANY SECRETARY**

**Kuala Lumpur**

13 August 2015

*The full financial analysis of Media Prima Berhad Group can also be viewed at Media Prima Berhad's website:*  
[http://www.mediaprima.com.my/investorcenter/quarterly\\_reports.aspx](http://www.mediaprima.com.my/investorcenter/quarterly_reports.aspx)