



**MEDIA PRIMA BERHAD (532975-A)**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER  
ENDED 30 SEPTEMBER 2013**

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 2013.

This interim report is prepared in accordance with the basis or 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 2012.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	NOTE	INDIVIDUAL QUARTER 30.09.2013 RM'000	30.09.2012 (Restated) RM'000	CUMULATIVE QUARTERS 30.09.2013 RM'000	30.09.2012 (Restated) RM'000
<u>Continuing operations</u>					
Revenue		<b>439,277</b>	437,211	<b>1,271,387</b>	1,220,118
Operating expenses	A8	<b>(357,338)</b>	(357,153)	<b>(1,072,826)</b>	(1,031,593)
Other operating income	A9	<b>7,105</b>	3,908	<b>19,733</b>	12,428
Profit from operations		<b>89,044</b>	83,966	<b>218,294</b>	200,953
Finance costs		<b>(5,852)</b>	(7,303)	<b>(20,045)</b>	(22,035)
Share of associate		<b>2,301</b>	2,027	<b>5,133</b>	5,651
Profit before tax		<b>85,493</b>	78,690	<b>203,382</b>	184,569
Taxation	B1	<b>(21,413)</b>	(19,776)	<b>(50,898)</b>	(46,875)
Net profit for the period from continuing operations		<b>64,080</b>	58,914	<b>152,484</b>	137,694
<u>Other comprehensive income/(expense):</u>					
Movement in Available-For- Sale reserve		<b>(145)</b>	-	<b>(145)</b>	(71)
Exchange differences on translation of foreign operations		-	2	-	40
Total Comprehensive Income for the period		<b>63,935</b>	58,916	<b>152,339</b>	137,663

	NOTE	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		30.09.2013	30.09.2012 (Restated)	30.09.2013	30.09.2012 (Restated)
		RM'000	RM'000	RM'000	RM'000
<b>Profit attributable to:</b>					
- Owners of the Parent		<b>63,516</b>	58,621	<b>150,726</b>	136,148
- Non-controlling Interest		<b>564</b>	293	<b>1,758</b>	1,546
		<b>64,080</b>	58,914	<b>152,484</b>	137,694
<b>Total comprehensive income attributable to:</b>					
- Owners of the Parent		<b>63,374</b>	58,623	<b>150,584</b>	136,113
- Non-controlling Interest		<b>561</b>	293	<b>1,755</b>	1,550
		<b>63,935</b>	58,916	<b>152,339</b>	137,663
<b>Earnings per share (in sen)</b>					
- Basic	B11	<b>5.82</b>	5.45	<b>13.81</b>	12.65
- Diluted	B11	<b>5.54</b>	5.14	<b>13.15</b>	11.94

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 2012.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	NOTE	AS AT 30.09.2013 RM'000	AS AT 31.12.2012 RM'000
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment		746,588	748,977
Investment properties		60,310	62,056
Associates		172,078	163,345
Prepaid expenditure		1,359	1,571
Available-for-sale investments		2,325	2,525
Intangible assets		387,398	375,240
Deferred tax assets		85,666	97,953
		<u>1,455,724</u>	<u>1,451,667</u>
<b>Current Assets</b>			
Financial assets designated at fair value		90	90
Inventories		90,320	84,418
Receivables, deposits and prepayments		399,738	435,352
Tax recoverable		31,793	14,265
Deposits, bank and cash balances		538,995	682,378
		<u>1,060,936</u>	<u>1,216,503</u>
<b>TOTAL ASSETS</b>		<u><b>2,516,660</b></u>	<u><b>2,668,170</b></u>
<b>LIABILITIES AND EQUITY</b>			
<b>Non Current Liabilities</b>			
Trade and other payables		311	279
Borrowings	B5	455,311	452,311
Deferred tax liabilities		69,431	70,297
		<u>525,053</u>	<u>522,887</u>
<b>Current Liabilities</b>			
Trade and other payables		315,488	343,823
Borrowings	B5	32,466	230,435
Taxation		2,281	4,295
		<u>350,235</u>	<u>578,553</u>
<b>TOTAL LIABILITIES</b>		<u><b>875,288</b></u>	<u><b>1,101,440</b></u>
<b>Equity and Reserves</b>			
Share capital		1,097,959	1,079,692
Reserves		523,410	467,598
Equity attributable to equity holders of the Company		1,621,369	1,547,290
Non-controlling interest		20,003	19,440
Total equity		<u>1,641,372</u>	<u>1,566,730</u>
<b>TOTAL LIABILITIES AND EQUITY</b>		<u><b>2,516,660</b></u>	<u><b>2,668,170</b></u>
<b>Net Assets per share attributable to equity holders of the Company (sen)</b>			
		<b>147.67</b>	<b>143.31</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 2012.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2013

	← Attributable to Owners of the Company →							
	Issued and fully paid ordinary shares of RM1 each		Non – distributable					
	Number of shares '000	Nominal Value RM'000	Share Premium RM'000	Revaluation and other reserves RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
2013:								
At 1 January 2013	1,079,692	1,079,692	385,162	72,744	9,692	1,547,290	19,440	1,566,730
Profit for the period	-	-	-	-	150,726	150,726	1,758	152,484
Revaluation of available-for-sale financial assets	-	-	-	(142)	-	(142)	(3)	(145)
Total comprehensive income for the period	-	-	-	(142)	150,726	150,584	1,755	152,339
Exercise of Employee Share Option Scheme (“ESOS”)	6,715	6,715	8,295	(2,819)	-	12,191	-	12,191
Exercise of warrants	11,552	11,552	10,975	(1,733)	-	20,794	-	20,794
Cancellation of expired ESOS during the year	-	-	-	(17)	17	-	-	-
Redemption of redeemable preference shares	-	-	-	500	(500)	-	-	-
Final dividends paid for financial year ended 2012	-	-	-	-	(76,562)	(76,562)	-	(76,562)
First interim dividends paid for financial year ending 2013	-	-	-	-	(32,928)	(32,928)	-	(32,928)
Dividends paid to non-controlling interests	-	-	-	-	-	-	(1,192)	(1,192)
Total transaction with owners	18,267	18,267	19,270	(4,069)	(109,973)	(76,505)	(1,192)	(77,697)
At 30 September 2013	1,097,959	1,097,959	404,432	68,533	50,445	1,621,369	20,003	1,641,372

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2012**

	← Attributable to Owners of the Company →							
	<u>Issued and fully paid ordinary shares of RM1 each</u>		<u>Non – distributable</u>					
	Number of shares '000	Nominal Value RM'000	Share Premium RM'000	Revaluation and other reserves RM'000	Accumulated losses/ Retained earnings RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>2012:</b>								
At 1 January 2012	1,068,151	1,068,151	372,953	83,144	(80,789)	1,443,459	19,885	1,463,344
Profit for the period (restated)	-	-	-	-	136,148	136,148	1,546	137,694
Other comprehensive income				(35)	-	(35)	4	(31)
Total comprehensive income for the period	-	-	-	(35)	136,148	136,113	1,550	137,663
Exercise of Employee Share Option Scheme ("ESOS")	4,206	4,206	5,147	(1,747)	-	7,606	-	7,606
Exercise of warrants	6,844	6,844	6,501	(1,027)	-	12,318	-	12,318
Cancellation of expired ESOS during the year	-	-	-	(59)	59	-	-	-
Final dividends paid for the financial year ended 31 December 2011	-	-	-	-	(53,922)	(53,922)	-	(53,922)
First interim dividends paid for the financial year ended 31 December 2012	-	-	-	-	(32,371)	(32,371)	-	(32,371)
Effects of changes in stakes in a subsidiary	-	-	-	-	(245)	(245)	(2,023)	(2,268)
Total transaction with owners	11,050	11,050	11,648	(2,833)	(86,479)	(66,614)	(2,023)	(68,637)
At 30 September 2012 (restated)	1,079,201	1,079,201	384,601	80,276	(31,120)	1,512,958	19,412	1,532,370

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 2012.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	NOTE	FOR THE PERIOD ENDED 30.09.2013	FOR THE PERIOD ENDED 30.09.2012
		RM'000	RM'000
<b>Cash flow from operating activities</b>			
Receipts from customers		1,408,393	1,363,417
Payments to employees and suppliers		(1,140,112)	(1,063,744)
Income tax paid		(63,010)	(43,489)
<i>Net cash flow from operating activities</i>		<u>205,271</u>	<u>256,184</u>
<b>Cash flow from investing activities</b>			
Purchase of property, plant & equipment		(69,312)	(57,063)
Acquisition of subsidiaries, net of cash acquired*		-	(2,269)
Interests received		10,866	4,675
Dividends received		-	4,861
Proceeds from disposal of property, plant and equipment		1,247	919
Proceeds from disposal of investment		-	3,384
Proceeds from disposal of investment properties		624	794
<i>Net cash flow used in investing activities</i>		<u>(56,575)</u>	<u>(44,699)</u>
<b>Cash flow from financing activities</b>			
Proceeds from issuance of shares		32,985	19,925
Repayments of hire purchase		(3,744)	(4,023)
Interests paid		(16,413)	(22,141)
Repayment of term loan		(187,000)	(7,000)
Repayment of Medium Term Notes ("MTN")		-	(100,000)
Increase in restricted fixed deposits		(26,419)	(11,132)
Drawdown of short term borrowings		42,131	124,519
Repayment of short term borrowings		(49,356)	(111,204)
Dividends paid		(110,682)	(171,709)
<i>Net cash flow used in financing activities</i>		<u>(318,498)</u>	<u>(282,765)</u>
<b>Net increase in cash and cash equivalents</b>		<b>(169,802)</b>	<b>(71,280)</b>
<b>Cash and cash equivalents at beginning of period</b>		<b>646,733</b>	<b>424,917</b>
<b>Cash and cash equivalents at end of period</b>	A13	<b><u>476,931</u></b>	<b><u>353,637</u></b>
* Acquisition of subsidiaries, net of cash acquired consists of:			
Purchase consideration settled in cash		-	2,269
Less: Cash and cash equivalents of subsidiaries acquired		-	-
		<u>-</u>	<u>2,269</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 2012.

**MEDIA PRIMA BERHAD (532975-A)**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER**  
**ENDED 30 SEPTEMBER 2013**

**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 2012, which were prepared in compliance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards. 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 2012. The Group has restated its quarter result ended 30 September 2012 to conform with current year's presentation.

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 at fair value through profit and loss.

During the financial period, the Group has adopted the following applicable new MFRS, the revised MFRS and amendments to MFRS issued by the Malaysian Accounting Standards Board:

MFRS 3	Business Combination
MFRS 10	Consolidated financial statements
MFRS 12	Disclosures of interests in other entities
MFRS 13	Fair value measurement
MFRS 119	Employee Benefits
Amendment to MFRS 1	Government Loans
Amendment to MFRS 7	Financial Instruments: Disclosures
Amendment to MFRS 101	Presentation of items of other comprehensive income
The revised MFRS 127	Separate financial statements
The revised MFRS 128	Investments in associates and joint ventures
Annual Improvements to IC Interpretations and MFRSs 2009-2011 Cycle	

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

### **A1. BASIS OF PREPARATION (CONT'D)**

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

		<b>Effective dates</b>
Amendments to MFRS 132	Financial Instruments: Presentation	1 January 2014
MFRS 9	Financial instruments - classification and measurement of financial assets and financial liabilities	1 January 2015

The impact of the new accounting standards, amendments and improvements to published standards and interpretations on the financial statements of the Group and Company is not expected to be material.

### **A2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2012 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 third quarter and financial period ended 30 September 2013.

### **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 2013.



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

### **A6. DIVIDENDS PAID**

	<b>2013</b>	2012
	<b>RM'000</b>	RM'000
<u>In respect of the financial year ended 31 December 2011</u>		
A final single tier dividend of 5.0 sen per share on 1,078,449,869 ordinary shares amounting to RM53,922,493 paid on 13 July 2012;	-	53,922
<u>In respect of the financial year ended 31 December 2012</u>		
A first interim single tier dividend of 3.0 sen per share on 1,079,001,666 ordinary paid on 28 September 2012;	-	32,371
A final single tier dividend of 7.0 sen per share on 1,093,738,488 paid on 13 July 2012;	<b>76,562</b>	-
<u>In respect of the financial year ended 31 December 2013</u>		
First interim, single tier dividend of 3.0 sen per ordinary share on 1,097,588,417 paid on 30 September 2013.	<b>32,928</b>	-
	<b>109,490</b>	<b>86,293</b>

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

### **A7. 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 period is as follows:

<b>Period ended 30 September 2013</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>Others RM'000</b>	<b>Elimination RM'000</b>	<b>Continuing operation RM'000</b>	<b>Subsidiaries Held for Sale RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenues from external customers</b>	<b>523,304</b>	<b>52,998</b>	<b>117,239</b>	<b>542,083</b>	<b>35,763</b>	<b>-</b>	<b>1,271,387</b>	<b>-</b>	<b>1,271,387</b>
<b>Intersegment revenues</b>	<b>4,324</b>	<b>-</b>	<b>4,885</b>	<b>1,899</b>	<b>5,340</b>	<b>(16,448)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenue</b>									
<b>Reportable segment Profit/(loss) after tax before non-controlling interest</b>	<b>102,273</b>	<b>25,254</b>	<b>25,054</b>	<b>42,713</b>	<b>(56,122)</b>	<b>13,312</b>	<b>152,484</b>	<b>-</b>	<b>152,484</b>

<b>Period ended 30 September 2012 (Restated)</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>Others RM'000</b>	<b>Elimination RM'000</b>	<b>Continuing operation RM'000</b>	<b>Subsidiaries Held for Sale RM'000</b>	<b>Consolidated RM'000</b>
<b>Revenues from external Customers</b>	<b>497,037</b>	<b>43,409</b>	<b>115,661</b>	<b>532,684</b>	<b>31,327</b>	<b>-</b>	<b>1,220,118</b>	<b>-</b>	<b>1,220,118</b>
<b>Intersegment revenues</b>	<b>3,948</b>	<b>-</b>	<b>3,168</b>	<b>1,440</b>	<b>6,103</b>	<b>(14,659)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Revenue</b>									<b>1,220,118</b>
<b>Reportable segment Profit/(loss) after tax before non-controlling interest</b>	<b>95,784</b>	<b>17,755</b>	<b>23,192</b>	<b>48,350</b>	<b>15,058</b>	<b>(62,445)</b>	<b>137,694</b>	<b>-</b>	<b>137,694</b>

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

### **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>30.09.2013</b>	30.09.2012 Restated	<b>30.09.2013</b>	30.09.2012 Restated
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Depreciation and amortisation	<b>24,810</b>	25,540	<b>74,759</b>	75,893
Allowance for and write off of receivables	<b>988</b>	776	<b>2,298</b>	2,402
Allowance and write off of inventories	-	-	-	-
Impairment of assets	-	-	-	-
Foreign exchange loss	<b>69</b>	10	<b>74</b>	14
Gain or loss on derivatives	-	-	-	-

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

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTERS</b>	
	<b>30.09.2013</b>	30.09.2012	<b>30.09.2013</b>	30.09.2012
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Interest income	<b>2,886</b>	2,363	<b>10,866</b>	7,124
Other income	<b>4,382</b>	1,068	<b>8,516</b>	4,081
Gain on disposal of quoted or unquoted investments or properties	<b>153</b>	353	<b>153</b>	457
Foreign exchange gain/(loss)	<b>(316)</b>	124	<b>198</b>	766
	<b>7,105</b>	3,908	<b>19,733</b>	12,428

### **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**

As at the date of this report, the following are the additional Group contingent liabilities since the date of the last annual statement of financial position:

- A claim of RM100 million was brought against a subsidiary company, Sistem Televisyen Malaysia Berhad ("STMB") and 4 others by plaintiff whom alleged he was defamed during a telecast.
- A claim of RM2 million was brought against a subsidiary company, Sistem Televisyen Malaysia Berhad ("STMB") by plaintiff whom alleged he was defamed during a telecast.
- A claim of RM1 million was brought against another subsidiary company, News Straits Times Press (M) Berhad by plaintiff whom alleged he was defamed over an article published in one of the Group's newspaper.

Apart from the above, there is no new material litigation against the Group. The contingent liabilities as at 30 September 2013 stands at RM468.7 million. The Directors are not aware of any other proceedings pending against the Company 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 Company and/or its subsidiaries.

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 crystallising into the sum as claimed is highly 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 September 2013 are as follows:

	<b>RM'000</b>
Approved but not contracted:	
- Property, plant & equipment	27,472
Approved and contracted for:	
- Property, plant & equipment	53,203
	<u>80,675</u>

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

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

Details of cash and cash equivalents are as follows:

	<b>As at 30.09.2013 RM'000</b>	<b>As at 30.09.2012 RM'000</b>
Cash and bank balances	114,832	169,415
Deposits with licensed banks	424,163	220,533
	<hr/>	<hr/>
<b>Deposits, cash and bank balances</b>	<b>538,995</b>	<b>389,948</b>
<i>Less:</i>		
<b>Restricted deposits</b>		
Deposits with licensed banks	(60,895)	(34,428)
Bank balances and deposits held in respect of public donations	(1,169)	(1,883)
	<hr/>	<hr/>
<b>Cash and cash equivalents</b>	<b>476,931</b>	<b>353,637</b>

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

	<b>As at 30.09.2013 RM'000</b>	<b>As at 31.12.2012 RM'000</b>
MPB realised retained earnings	<b>96,306</b>	95,007
Total accumulated losses of its subsidiaries:		
- Realised	<b>(249,881)</b>	(315,930)
- Unrealised	<b>16,360</b>	27,594
	<hr/>	<hr/>
Total share of retained profits from associated companies:		
- Realised	<b>7,294</b>	1,726
- Unrealised	<b>6,005</b>	6,534
	<hr/>	<hr/>
Add: Consolidation adjustments	<b>174,361</b>	194,761
	<hr/>	<hr/>
Total group retained earnings as per consolidated accounts	<b>50,445</b>	9,692

**ADDITIONAL INFORMATION AS REQUIRED BY THE BMSB's LISTING REQUIREMENTS****B1. TAXATION**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTERS</b>	
	<b>30.09.2013</b>	30.09.2012	<b>30.09.2013</b>	30.09.2012
		Restated		Restated
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
In respect of the current period:				
Current Malaysian income tax	<b>21,331</b>	13,442	<b>42,267</b>	30,433
Deferred tax	<b>82</b>	6,491	<b>7,431</b>	16,599
(Over)/Under provision of taxation in prior year	-	(157)	<b>1,200</b>	(157)
	<b>21,413</b>	19,776	<b>50,898</b>	46,875

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

As at 30 September 2013, 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.

**ADDITIONAL INFORMATION AS REQUIRED BY THE BMSB's LISTING REQUIREMENTS****B5. BORROWINGS AND DEBT SECURITIES**

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

	<b>30.09.2013</b>	31.12.2012
	<b>RM'000</b>	RM'000
<b><u>Short Term Borrowings</u></b>		
Unsecured:		
- Term Loans	-	187,000
- Hire purchase	751	4,495
- Banker's acceptance	31,715	26,940
- Revolving credit	-	12,000
	<b>32,466</b>	230,435
<b><u>Long Term Borrowings</u></b>		
Unsecured:		
- Hire purchase	3,814	3,814
- 5 years MTN 2012/2017 with a coupon rate of 4.38%, maturing on 28 December 2017	303,420	300,144
Secured:		
- Redeemable Fixed Rate Bonds	148,077	148,353
	<b>455,311</b>	452,311
Total borrowings	<b>487,777</b>	682,746

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.

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

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

	<b>Current Quarter 30.09.2013 RM'000</b>	<b>Preceding Quarter 30.06.2013 RM'000</b>
Revenue	<b>439,277</b>	466,274
Profit before tax	<b>85,493</b>	81,247
Profit after tax	<b>64,080</b>	60,624

The Group registered 6% lower revenue compared to Q2 2013. This was mainly due to election related campaign advertisements in the second quarter. However, the Group remains resilient by managing its costs well, hence resulted in the profit before and after tax to increase by 5% and 6% respectively.

Performance of the respective business platforms for Q3 2013 against the preceding quarter is as follows:

- a) Television Network – Slight contractions against the boom experienced in Q2 2013. Advertisement revenue fell by 7%. The platform continues to invest in content and manage its operational costs resulting in profit after tax to reduce by 13% from preceding quarter.
- b) Print Media – The fall in revenue by 8% was highly complemented by a reduction in direct cost of 14%, resulting in an improvement in profit after tax by 1%.
- c) Outdoor Media – Both revenue and profit after tax has declined by 6% and 1% respectively.
- d) Radio Network – Higher sponsorship by the advertisers resulted in a higher revenue and profit after tax by 6% and 15% respectively.



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

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

	<b>Financial Year 30.09.2013  RM'000</b>	<b>Preceding Year 30.09.2012 (Restated) RM'000</b>
Revenue	<b>1,271,387</b>	1,220,118
Profit before tax	<b>203,382</b>	184,569
Profit after tax	<b>152,484</b>	137,694

In line with positive Malaysia's adex growth in the nine months of the year, the Group recorded an increase of 4% and 11% in revenue and profit after tax respectively which are mainly attributable to the Non Traditional Advertisers spending. The Group's complete media offering and leadership position enables it to remain resilient and relevant by being able to offer comprehensive, customised and integrated solutions to the clients.

The performance of the respective platforms for the nine months of 2013 as compared to the restated previous corresponding quarter is analysed as follows:

- a) Television Network – On the encouraging growth of FTA TV adex, revenue rose by 5% and subsequently result in 7% higher profit after tax.
- b) Print Media – Although there was a shifting trend of adex from print to TV, Print Media continue to reap the benefits from its strong readership in Malay market, hence, translated to higher advertising and circulation revenue by 1%. However, due to investment in new market to sustain readership, profit after tax contracted by 12% against last year.
- c) Outdoor Media – Recorded 3% revenue growth with increased contributions from production revenue. Accordingly, it translated to 8% increase in profit after tax.
- d) Radio Network – Higher sponsorship by the advertisers and government related adspend resulted in a higher revenue and profit after tax by 22% and 42% respectively.

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

### **B8. PROSPECTS FOR 2013**

The momentum is still positive in 2013 despite the absence of major adex friendly events. The Group's revenue is highly affected by the market's adex growth, particularly the television and print adex, which currently contributes more than 80% of the Group's total revenue. Fourth quarter is expected to experience an increase in its revenue due to the year end annual festivities.

The Group is committed to sustain its industry leadership position and earnings growth through continued investment in quality and relevant content. It will leverage its media integration to offer complete solution for customised marketing and branding. Concurrently, the Group will continue to exercise prudent financial and risk management whilst leveraging on operating efficiency. The Group is cognisant of the challenges faced by the industry at large and through the platforms has laid out the following strategies:

- a) Television Network - Continue to invest in compelling quality content and ground events across the nation to sustain its leadership position in viewership and brand loyalty in addition to be a creative solution to expand advertising revenue.
- b) Print Media - Improving on print quality and productivity as well as optimising advertising revenue from the buoyant Malay readership.
- c) Outdoor Media - Maintain its industry edge by investing in higher yield and creative assets at the same time exploring new technology/mediums of display at strategic key locations.
- d) Radio Network - Continue to develop new talent to attract listeners in order to maintain and strengthen its regional listenership evident in the improvement of overall listenership across all radio stations operated by the Group.
- e) Digital media would continue to grow, support and complementing the traditional media. Digital media is expected to continue monetising its online portals and online subscription business. The Group will also continue to expand its content production and distribution for market beyond TV broadcasting and the Group platform.

The Group expects the business environment for the media industry for the final quarter of 2013 to remain challenging as there are no major adex friendly events other than the normal annual festivals. The Group will, however, continue to reinforce its business strategies to enhance revenue and contain costs by leveraging on its complete media platform and to continue to attract the Non Traditional Advertisers while upholding strong corporate governance.

### **B9. PROFIT FORECAST/PROFIT GUARANTEE**

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

**ADDITIONAL INFORMATION AS REQUIRED BY THE BMSB's LISTING REQUIREMENTS****B10. DIVIDEND**

The Board of Directors declares a second interim single tier dividend of 3.0 sen (FYE 2012: 3.0 sen) per ordinary share for the financial year ending 31 December 2013, to be paid on 30 December 2013 to shareholders whose names appear in the Record of Depositors at the close of business on 13 December 2013. With the declaration of the second interim single tier dividend, total dividends declared for the current financial period is 6.0 sen (FYE 2012: 6.0 sen) per ordinary share.

**B11. EARNINGS PER SHARE**

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

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTERS</b>	
	<b>30.09.2013</b>	<b>30.09.2012 (Restated)</b>	<b>30.09.2013</b>	<b>30.09.2012 (Restated)</b>
Profit attributable to ordinary equity holders of the Company (RM'000)	<b>63,516</b>	58,621	<b>150,726</b>	136,148
Weighted average number of ordinary shares in issue ('000)	<b>1,091,237</b>	1,076,262	<b>1,091,237</b>	1,076,262
<b>Basic earnings per share (sen)</b>	<b>5.82</b>	5.45	<b>13.81</b>	12.65
<hr/>				
Weighted average number of ordinary shares in issue ('000)	<b>1,091,237</b>	1,076,262	<b>1,091,237</b>	1,076,262
Adjustments for Warrants ('000)	<b>51,731</b>	59,702	<b>51,731</b>	59,702
Adjustments for ESOS ('000)	<b>2,956</b>	4,280	<b>2,956</b>	4,280
Weighted average number of ordinary shares for purposes of computing diluted earnings per share ('000)	<b>1,145,924</b>	1,140,244	<b>1,145,924</b>	1,140,244
<b>Diluted earnings per share (sen)</b>	<b>5.54</b>	5.14	<b>13.15</b>	11.94

**BY ORDER OF THE BOARD**

**TAN SAY CHOON (MAICSA 7057849)**  
**TASNEEM MOHD DAHALAN (LS 6966)**  
**COMPANY SECRETARIES**

**Kuala Lumpur**

18 November 2013

*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)