



Next Media 2005/2006 Annual Results
Still Dominant in Hong Kong
Taiwan Began to Turn in Profit

Financial Summary:

For the year ended 31 March /As at 31 March	2006 HK\$'000	2005 HK\$'000 (restated)
Turnover	3,322,024	2,932,172
Earnings before interest, tax, depreciation, amortization and impairment of intangible assets	720,321	543,373
Profit for the year	440,766	104,257
Basic earnings per share	HK28 cents	HK7 cents
Total equity	3,399,597	3,486,832
Current ratio	260.6%	295.8%
Quick ratio	223.0%	254.3%
Gearing ratio	5.8%	4.9%

(15 June 2006 – Hong Kong) Next Media Limited (“Next Media” or the “Group”; stock code: 282) today announced its annual results for the year ended 31 March 2006. The Group’s turnover increased by 13.3% to HK\$3,322.0 million from HK\$2,932.2 million in the previous year, with significant growth stemming from impressive increase in revenue from its Taiwan operation, which has also reported a profit for the first time.

Profit attributable to shareholders amounted to HK\$440.8 million for the year, representing a 322.8% increase from the previous year. EBITDA and before impairment of intangible assets has increased by 32.6% from the previous year to HK\$720.3 million. The Board of Directors recommended the payment of a final dividend of HK18 cents per ordinary share for the year ended 31 March 2006.

The Group’s Newspapers Publication and Printing Division has reported a 18.7% growth in turnover to HK\$2,275.0 million that is mainly attributable to robust growth in revenue from *Taiwan Apply Daily*, which has surpassed its peers and

become the island's bestselling newspaper in 2005.

Apple Daily has continued to dominate the Hong Kong newspaper market as one of the bestselling newspapers, with an average daily readership of 1,323,000 in 2005 compared to 1,288,000 in 2004. Both circulation income and advertising revenue for the year have slightly declined to HK\$422.7 million and HK\$738.4 million respectively.

During the year under review, *Taiwan Apple Daily* has continued to expand its readership with the distinctively lively presentation and editorial style. Advertising income from *Taiwan Apple Daily* has increased substantially by 52.7% to HK\$700.3 million, with an average of 527,609 copies sold a day between July and December 2005, 24,211 copies more than the corresponding period in 2004 according to the Audit Bureau of Circulations, Republic of China.

Apply Daily Printing, the Group's newspapers printing business also reported steady growth during the year with revenue from printing activities amounting to HK\$414.8 million, increased by 14.0% from HK\$363.8 million year-on-year, with external clients taking up a larger share of the business turnover at HK\$99.1 million for the year.

Turnover of the Group's Books and Magazines Publication business, on the other hand, has also grown by 1.9% during the year to HK\$902.1 million. *Next Magazine* is still going strong in a fiercely competitive market while advertising revenue increased slightly to HK\$191.2 million. Total revenue for the *Sudden Weekly Bundle* stood at HK\$226.7 million. The *Easy Finder Bundle*, catering to the fashionable and pop culture-conscious set, has recorded the combined sales and advertising revenue of HK\$143.9 million.

Advertising revenue from *Taiwan Next Magazine* has grown by 12.0% from HK\$138.8 million to HK\$155.4 million, while circulation remained stable at an average of 140,126 copies sold per week in 2005. Readers evidently remain captivated by the magazine's forthcoming editorial and attractive layout.

Commenting on results for the year, Mr. Stephen Ting, Executive Director of the Group, stated, "While the Group is expected to remain as the dominant player in Hong Kong, we are also looking forward to reap even greater rewards from our Taiwan operation. The impressive growth of *Taiwan Apple Daily* and *Taiwan Next Magazine* are especially encouraging to the Group as it strategize to capitalize on our existing operations in Taiwan as a springboard for more new titles on the island

and to expand our market share. This, we believe, will be the turnkey to Group's growth in the coming years."

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Company Profile

Next Media Limited is the largest listed Chinese print media group in Hong Kong with business spanning across Hong Kong and Taiwan. The Group publishes one newspaper and four magazines in Hong Kong, namely *Apple Daily*, *Next Magazine*, *Easy Finder*, *Sudden Weekly* and *Eat & Travel Weekly*. The Group has also published *Taiwan Next Magazine* in Taiwan since May 2001 and launched *Taiwan Apple Daily* on 2 May 2003. Besides publishing, the Group is also engaged in printing and Internet business. The printing business mainly serves the Group's magazines and newspapers. The Internet business mainly provides fee-based content that is adapted from the Group's magazines and newspapers.

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