



NEXT MEDIA LIMITED
INTERIM RESULTS FOR THE SIX MONTHS
ENDED 30 SEPTEMBER 2009

Financial Highlights:

For the six months ended 30 September	2009	2008
	HK\$M	HK\$M
Revenue	1,498.3	1,795.2
EBITDA after minority interests	221.4	312.9
Profit for the period	122.2	208.3
Basic EPS	HK5.0 cents	HK8.6 cents

Next Media's total revenue amounted to HK\$1,498.3 million during the six months ended 30 September 2009, which was 16.5% less than the figure of HK\$1,795.2 million for the same period in 2008. Its profit decreased by 41.3% to HK\$122.2 million during the same period. This decline was mainly attributable to a fall in the Group's advertising income from newspapers and magazines, as a result of sluggish economic conditions in both Hong Kong and Taiwan.

The Newspapers Publication and Printing Division accounted for 69.3% of the Group's total external revenue during the six months ended 30 September 2009. *Apple Daily* and *Taiwan Apple Daily* made the largest contributions to the Division's external revenue, which totalled HK\$1,038.8 million, a decrease of 14.9% on the figure of HK\$1,220.8 million for the corresponding period last year. The Division's segment profit declined by 18.1% to HK\$147.4 million, compared with HK\$180.0 million in the same period of 2008.

Apple Daily maintained its position as the second most widely read Hong Kong daily newspaper. Its revenue totalled HK\$534.1 million during the period under review, a decrease of 11.9% on the figure of HK\$606.0 million recorded in the same period of 2008.

Taiwan Apple Daily continued to be the island's most widely read daily. Its revenue decreased by 17.8% to HK\$506.0 million, compared with HK\$615.9 million in the same period of 2008.

The Books and Magazines Publication and Printing Division recorded a revenue of HK\$448.6 million, a decrease of 21.2% on the figure of HK\$569.4 million achieved in the corresponding period of 2008. The Division's segment profit stood at HK\$64.3 million, a 40.3% lower than the figure of HK\$107.7 million recorded in the corresponding period of 2008.

The Internet Businesses Division continued to be stable, and its revenue totalled HK\$24.0 million during the period under review, which was an increase of 2.1% on the figure of HK\$23.5 million recorded in the same months of 2008. However, its operating expenses incurred in the webcasting services meant that the Division recorded a segment loss of HK\$29.3 million, compared with a loss of HK\$28.8 million in the corresponding period last year.

The Group has always regarded Taiwan as an ideal location for building and further extending the scope of its business operations. It continued to make steady progress towards this goal by establishing a new television division and investing HK\$15.4 million in its set-up costs during the period under review.

Future Prospects and Outlook

Although there have been some "green shoots of recovery", especially the improvements seen in many stock markets during recent months, the shadow of last year's major financial downturn still hangs heavily over the global business community.

Hong Kong's economy has fared better than those of many other countries and regions during recent months, thanks to the strength it has derived from China's resilience during the recession. On the other hand, Taiwan, which is more exposed to fluctuations in global markets, is moving at a slower pace, and its recovery from the downturn will probably be a longer process.

Taking all these indicators into account, the Group has decided to maintain an attitude of cautious optimism. While it hopes the positive feelings many people have about a worldwide economic recovery will be justified, and that it

will happen relatively soon and on a sustainable basis, it still intends to remain very careful in the way it manages its businesses in Hong Kong and Taiwan.

One important initiative it is now taking is to continue investing in its television operation in Taiwan. It is currently building studios, hiring professional staff and applying for the necessary licences. If things progress according to plan, it will have its new channels on air in the first half of 2010.

Company Profile

Next Media is the largest listed Chinese print media group in Hong Kong with business spanning across Hong Kong and Taiwan. The Group is mainly engaged in publishing and printing newspapers, magazines and books in Hong Kong and Taiwan. It also operates websites containing contents from its publications as well as contents specifically created for the websites. It sells advertising space in newspapers and magazines and on websites in Hong Kong and Taiwan, and also internet subscription. In addition, it provides printing and reprographic services.

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