

Star Publication (Malaysia) Berhad (10894-D)

Annual Report 2008

News wherever you are



Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN THAT the Thirty-seventh Annual General Meeting of Star Publications (Malaysia) Berhad will be held at the Cyberhub, Level 2, Menara Star, 15 Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan on Tuesday, 26 May 2009 at 10.00 a.m. for the transaction of the following business:

AGENDA

ORDINARY BUSINESS

1.		receive and adopt the Directors' Report and Audited Financial Statements for the year ended December 2008 together with the Auditors' Report thereon.	Resolution 1
2.		re-elect the following Directors who retire by rotation pursuant to Article 117 of the Company's icles of Association:	
	a)	Datin Linda Ngiam Pick Ngoh	Resolution 2
	b)	Datuk Leong Tang Chong	Resolution 3
	c)	Dato' Dr Mohd Aminuddin bin Mohd Rouse	Resolution 4
3.		re-elect the following Directors who retire pursuant to Article 101 of the Company's Articles of sociation:	
	a)	Dato' Clement Hii Chii Kok	Resolution 5
	b)	Mr Ng Beng Lye	Resolution 6
	c)	Mr Foo San Kan	Resolution 7
4.		re-appoint Datuk Seri Kamal Mohamed Hashim, who is retiring pursuant to Section 129(6) of the mpanies Act, 1965.	Resolution 8
5.	То	approve Directors' fees of up to RM605,000 for the year ended 31 December 2008.	Resolution 9
6.		re-appoint Messrs BDO Binder as Auditors of the Company and to authorise the Directors to fix ir remuneration.	Resolution 10

SPECIAL BUSINESS

As special business, to consider and if thought fit, to pass the following Ordinary Resolutions:

7. ORDINARY RESOLUTION PROPOSED AUTHORITY TO ALLOT SHARES PURSUANT TO SECTION 132D OF THE COMPANIES ACT, 1965

"That pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company at any time and from time to time until the conclusion of the next Annual General Meeting upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be issued does not exceed 10% of the issued share capital of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotment and issue."

Resolution 11

Notice of Annual General Meeting

8. ORDINARY RESOLUTION PROPOSED RENEWAL OF AUTHORITY FOR STAR PUBLICATIONS (MALAYSIA) BERHAD TO PURCHASE ITS OWN SHARES

"THAT subject always to the Companies Act, 1965 ("Act"), rules, regulations and orders made pursuant to the Act, provisions of the Company's Memorandum and Articles of Association, Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities") and any other relevant authority or approval for the time being in force or as may be amended from time to time, the Directors of the Company be and are hereby authorised to make purchases of ordinary shares of RM1.00 each in the Company's issued and paid-up ordinary share capital as may be determined by the Directors of the Company from time to time through Bursa Securities upon such terms and conditions as the Directors may deem fit, necessary and expedient in the interest of the Company, provided that:

- (a) the aggregate number of ordinary shares which may be purchased and/or held by the Company as treasury shares shall not exceed ten per centum (10%) of the total issued and paid-up ordinary share capital of the Company at any point in time of the said purchase(s);
- (b) the maximum funds to be allocated by the Company for the purpose of purchasing its shares shall not exceed the total retained earnings and share premium reserves of the Company at the time of the said purchase(s); and
- (c) the authority conferred by this resolution shall commence immediately upon the passing of this resolution and continue to be in force until:
 - the conclusion of the next Annual General Meeting ("AGM") of the Company following the general meeting at which such resolution was passed at which time it shall lapse unless by ordinary resolution passed at that meeting, the authority is renewed, either unconditionally or subject to conditions;
 - (ii) the expiration of the period within which the next AGM after that date is required by law to be held; or
 - (iii) revoked or varied by ordinary resolution passed by the shareholders of the Company in general meeting,

whichever is earlier.

AND THAT upon completion of the purchase by the Company of its own shares, the Directors of the Company be and are hereby authorised to deal with the shares purchased in their absolute discretion in the following manner:

- (aa) cancel all the shares so purchased; and/or
- (bb) retain the shares so purchased in treasury for distribution as dividend to the shareholders and/or resell on the market of Bursa Securities; and/or
- (cc) retain part thereof as treasury shares and cancel the remainder;

and in any other manner as prescribed by the Act, rules, regulations and orders made pursuant to the Act and the Listing Requirements of Bursa Securities and any other relevant authority for the time being in force;

AND THAT the Directors of the Company be and are hereby authorised to take all such steps as are necessary (including the opening and maintaining of a depository account(s) under the Securities Industry (Central Depositories) Act, 1991) and enter into any agreements, arrangements and guarantees with any party or parties to implement, finalise and give full effect to the aforesaid purchase with full powers to assent to any conditions, modifications, revaluations, variations and/or amendments (if any) as may be imposed by the relevant authorities from time to time or as the Directors may in their discretion deem necessary and to do all such acts and things as the said Directors may deem fit and expedient in the best interests of the Company."

Notice of Annual General Meeting

9. To consider any other business of which due notice has been given.

BY ORDER OF THE BOARD

ONG WEI LYMN (MAICSA 0826394) Company Secretary 30 April 2009

Note

A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company.

In the case of a corporation, the instrument appointing the proxy must be under its Common Seal or under the hand of its Attorney.

The instrument appointing a proxy must be deposited at the Registered Office of the Company at Level 15, Menara Star, 15 Jalan 16/11, 46350 Petaling Jaya, Selangor Darul Ehsan not less than 48 hours before the meeting or any adjournment thereof.

EXPLANATORY NOTE ON SPECIAL BUSINESS

Resolution No. 11

The Company is continuously exploring strategic considerations to broaden its operating base and earnings potential and such plans may involve the issue of new shares. The Directors, under present circumstances would have to call for a general meeting to approve the issue of new shares even though the number involved may be less than 10% of the issued capital. In order to avoid any delay and cost in convening a general meeting to approve such issue of shares, it is thus considered appropriate that the Directors be now authorised to issue new shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for the time being for such purposes as they consider would be in the best interest of the Company. This authority, unless revoked or varied at a general meeting will expire at the next annual general meeting of the Company.

Resolution No. 12

The explanatory notes on Resolution No. 12 are set out in the Statement to Shareholders dated 30 April 2009 accompanying the Company's Annual Report for year 2008.

Financial Calendar

FINANCIAL YEAR 1 January 2008 to 31 December 2008

ANNOUNCEMENT OF 2008 PRELIMINARY RESULTS		
First quarter	announced	23 May 2008
Second quarter	announced	30 July 2008
Third quarter	announced	12 November 2008
Fourth quarter	announced	25 February 2009
DIVIDEND		
First Interim and Special	declared	30 July 2008
	entitlement date	02 September 2008
	paid on	30 September 2008
Second Interim and Special	declared	25 February 2009
	entitlement date	31 March 2009
	paid on	18 April 2009
ISSUE OF 2008 ANNUAL REPORT		30 April 2009
ANNUAL GENERAL MEETING		26 May 2009

Group's Five-Year Summary

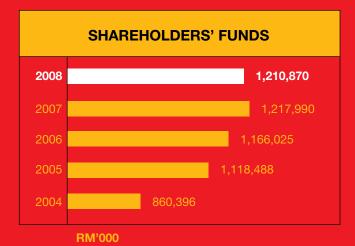
As at 31 December

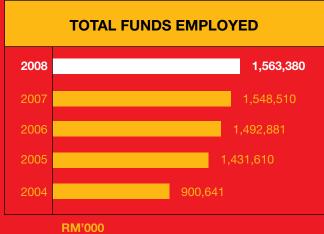
	2004 RM'000	2005 RM'000	2006 RM'000	2007 RM'000	2008 RM'000
CONSOLIDATED BALANCE SHEETS					
Fixed assets Other assets Net current assets	611,971 47,833 240,837	764,187 55,228 612,195	713,152 30,820 748,909	680,206 25,771 842,533	656,681 73,559 833,140
	900,641	1,431,610	1,492,881	1,548,510	1,563,380
Share capital Share premium	327,394 127,812	368,433 301,522	738,564 -	738,564 -	738,564 -
Foreign exchange fluctuation reserve	19,626	14,680	14,211	18,505	(1,226)
Retained earnings	385,564	433,853	413,250	460,921	473,532
Shareholders' funds	860,396	1,118,488	1,166,025	1,217,990	1,210,870
Share application money	155	-	-	-	-
Minority interest	-	-	-	1,066	23,117
Long term and deferred liabilities	40,090	313,122	326,856	329,454	329,393
Total funds employed	900,641	1,431,610	1,492,881	1,548,510	1,563,380

Year ended 31 December

	2004	2005	2006	2007	2008
	RM'000	RM'000	RM'000	RM'000	RM'000
CONSOLIDATED INCOME STATEMENTS					
Revenue	692,963	713,607	723,564	805,865	831,040
Profit before tax	166,208	191,713	195,215	223,366	201,463
Tax expense	(24,956)	(36,245)	(34,128)	(54,485)	(62,762)
Profit after tax	141,252	155,468	161,087	168,881	138,701
Minority interest	-	-	-	284	204
Profit after tax attributable to shareholders	141,252	155,468	161,087	169,165	138,905
Dividends Retained earnings for the year	(69,817)	(107,179)	(116,693)	(121,494)	(126,294)
	71,435	48,289	44,394	47,671	12,611

Group's Five-Year Summary





REVENUE

2008

831,040

2007

805,865

2006

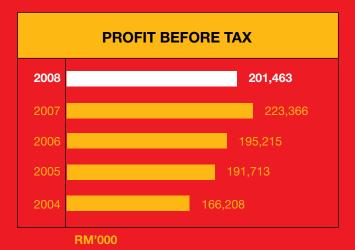
723,564

2005

713,607

2004

692,963





Group's Financial Highlights

as at 31 December

		2004 RM'000	2005 RM'000	2006 RM'000	2007 RM'000	2008 RM'000
Revenue		692,963	713,607	723,564	805,865	831,040
Profit before tax		166,208	191,713	195,215	223,366	201,463
Profit after tax attributable to shareholders Paid-up capital		141,252 327,394	155,468 368,433	161,087 738,564	169,165 738,564	138,905 738,564
Shareholders' funds		860,396	1,118,488	1,166,025	1,217,990	1,210,870
Financial ratios						
Revenue growth	%	14.5	3.0	1.4	11.4	3.1
Net earnings per share	sen	22*	22*	22	23	19
Return on shareholders' funds	%	16.4	13.9	13.8	13.9	11.5
Dividend per share - Gross	sen	35.0	40.0	20.0	20.5	21.0
Net assets per share	RM	1.31*	1.52*	1.58	1.65	1.64

^{*} Adjusted for bonus issue of 1:1 made during the year ended 31 December 2006.

Consolidated Cash Flow Summary

	2004 RM'000	2005 RM'000	2006 RM'000	2007 RM'000	2008 RM'000
Cash Flows from Operating Activities Net Cash from Operating Activities *	135,466	258,505	180,173	230,428	162,375
Cash Flows from Investing Activities Net Cash (used in)/from Investing Activities *	(85,416)	(175,608)	53,781	33,269	(77,324)
Cash Flows from Financing Activities Net Cash (used in)/from Financing Activities *	(38,983)	88,607	(127,031)	(134,094)	(104,189)
Cash and Cash Equivalents as at beginning of financial year	234,068	245,553	416,346	523,699	658,076
Effect of Change in Exchange Rates	418	(711)	430	4,774	(17,382)
Cash and Cash Equivalents as at end of financial year	245,553	416,346	523,699	658,076	621,556
Cash and Cash Equivalents comprise the following:					
Cash and Bank Balances	20,215	24,568	34,060	34,836	55,409
Short Term Deposits	225,658	391,778	489,639	623,240	566,147
Bank Overdraft	(320)	-	-	-	-
	245,553	416,346	523,699	658,076	621,556

^{*} Comparative figures for 2004 - 2006 have been restated to conform with the current year's presentation.

Corporate Information

BOARD OF DIRECTORS

Datuk Leong Tang Chong (Chairman)

Dato' Clement Hii Chii Kok (Executive Deputy Chairman)

Datin Linda Ngiam Pick Ngoh (Group Managing Director & Chief Executive Officer)

Datuk Seri Kamal Mohamed Hashim (Executive Director)

Mr Ng Beng Lye (Executive Director)

Dato' Wira Syed Abdul Jabbar bin Syed Hassan

Dato' Dr Mohd Aminuddin bin Mohd Rouse

Tan Sri Dato' Dr Sak Cheng Lum

Mr Foo San Kan

AUDIT COMMITTEE

Mr Foo San Kan * (Chairman)

Dato' Wira Syed Abdul Jabbar bin Syed Hassan * (Member)

Tan Sri Dato' Dr Sak Cheng Lum * (Member)

* Independent Non-Executive Director

SECRETARY

Ong Wei Lymn (MAICSA 0826394)

AUDITORS

BDO Binder Chartered Accountants 12th Floor, Menara Uni Asia 1008 Jalan Sultan Ismail, 50250 Kuala Lumpur

Tel: 03-2616 2888 Fax: 03-2616 3190

REGISTERED OFFICE

Level 15, Menara Star 15 Jalan 16/11, Section 16 46350 Petaling Jaya Selangor Darul Ehsan

Tel: 03-7967 1388 Fax: 03-7954 6752

PRINCIPAL BANKERS

Public Bank Berhad
Citibank Berhad
Standard Chartered Bank Malaysia Berhad
HSBC Bank Malaysia Berhad
RHB Bank Berhad
Malayan Banking Berhad

REGISTRAR

Tenaga Koperat Sdn Bhd Level 17, The Gardens North Tower Mid Valley City, Lingkaran Syed Putra 59200 Kuala Lumpur

Tel: 03-2264 3883 Fax: 03-2282 1886

STOCK EXCHANGE LISTING

Main Board of the Bursa Malaysia Securities Berhad



Datuk Leong Tang Chong, aged 65, was appointed as a Non-Executive Director of Star on 6 December 1995 and redesignated as Chairman of the Board of Directors on 25 February 2009. He is also a member of the Finance Committee and Chairman of the Remuneration Committee and Nomination Committee of the Company.

DATUK LEONG TANG CHONG *Non-Independent Non-Executive Chairman*

Datuk Leong obtained his Certificate in Teaching from the Malayan Teachers' College. He subsequently obtained a Bachelor of Laws from the Victoria University of Wellington, New Zealand in 1979 and passed the New Zealand Law Professional Examination in 1980. He was admitted as a Barrister and Solicitor of the High Court of New Zealand in 1981 and as a Barrister and Solicitor of the Supreme Court of Australia Capital Territory, Australia in 1988. Subsequently in 1989, he was appointed as a Commissioner for Oaths by the Supreme Court of Malaysia. He was admitted as an Advocate Solicitor of the High Court of Malaya in January 1982 and has been practising law since then.

Datuk Leong is also a Non-Executive Director of a number of private limited companies.

He attended all five Board Meetings held during the financial year ended 31 December 2008.

Datuk Leong does not have any family relationship with any director and/or major shareholder of Star Publications (Malaysia) Berhad, nor any conflict of interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.

Dato' Clement Hii Chii Kok, aged 51, was appointed a Non-Independent Non-Executive Director of Star on 5 January 2009 and redesignated to Executive Deputy Chairman on 13 January 2009.

Dato' Hii graduated with a Bachelor of Laws (Hons) degree from the United Kingdom and he was conferred the Honorary Doctorate in Business Administration (Hon DBA) by the University of Sunderland, UK and Honorary Doctorate in Law (Hon LLD) by the University of Wolverhampton, UK.

He is a former journalist holding positions in several local newspapers, including as Chief Editor of Borneo's leading English daily, "The Borneo Post". He had also served in senior positions in advertising, marketing and management firms. Dato' Hii also currently acts as advisor to several charitable foundations and sits on the board of numerous unlisted companies.

Other directorships of listed companies held by Dato' Hii are SEG International Bhd, where he holds the position of Group Managing Director, and EcoFirst Consolidated Bhd.

He was appointed to the Board on 5 January 2009 and therefore did not attend any Board Meetings held during the financial year ended 31 December 2008.

Dato' Hii does not have any family relationship with any director and/or major shareholder of Star Publications (Malaysia) Berhad, nor any conflict of interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.



DATO' CLEMENT HII CHII KOK Executive Deputy Chairman



DATIN LINDA NGIAM PICK NGOH
Group Managing Director/
Chief Executive Officer

Datin Linda Ngiam Pick Ngoh, aged 53, was appointed to the Board on 1 March 2007 and was appointed as Group Managing Director/Chief Executive Officer on 1 July 2008. She served as Deputy Group General Manager from 2004 until her appointment as Group Chief Operating Officer in Star in 2005. Prior to this, she was General Manager, Advertising & Business Development (1985 - 2003). She is also a member of the Finance Committee.

Datin Ngiam holds a Bachelor of Arts degree majoring in Social Sciences from the University of Malaya and a Diploma in Advertising and Marketing from the Institute of Communication, Advertising and Marketing (CAM), United Kingdom.

She was a Board Member of the Audit Bureau of Circulations (ABC) Malaysia and Chairman of the Audit Bureau of Circulations (ABC) Content & Communications Committee and currently the honorary secretary of Malaysian Newspaper Publishers Association (MNPA) and board member of the Advertising Standard Authority Malaysia (ASA) .

Datin Ngiam is also the Chairman of Cityneon Holdings Ltd, Singapore.

She attended four out of the five Board Meetings held during the financial year ended 31 December 2008.

Datin Ngiam does not have any family relationship with any director and/or major shareholder of Star Publications (Malaysia) Berhad, nor any conflict of interest in any business arrangement involving the Company. She has had no convictions for any offences within the past 10 years.



DATUK SERI KAMAL MOHAMED HASHIM Executive Director

Datuk Seri Kamal Mohamed Hashim, aged 69, was a businessman prior to his appointment as Executive Director of Star. He was appointed to the Board on 26 May 1973. Prior to his position as Executive Director in Star, he was a Director who served as Personnel and Administration Manager, Northern Regional Sales Manager including advertisement sales and was appointed Regional Director in 1984.

Among his community roles, Datuk Seri Kamal is currently Chairman of Crime Prevention Foundation of Penang. He was Chairman of the Penang Association of Justice of Peace from 1993 to 2001. He is one of the trustees of Yayasan Budi Penyayang Malaysia (Penyayang). He is Chairman of Rumah Mesra Kanak-Kanak. He was Chairman of the Penang General Hospital's Board of Visitors for about ten years.

He is the Deputy Chairman of Unimech Group Berhad and Honorary Chairman of Henry Butcher Malaysian Ventures Sdn Bhd. He is Honorary Consul of the Royal Netherlands Embassy in the states of Kedah, Penang, Perak and Perlis.

He attended all five Board Meetings held during the financial year ended 31 December 2008.

Datuk Seri Kamal does not have any family relationship with any director and/or major shareholder of Star Publications (Malaysia) Berhad, nor any conflict of interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.

Mr Ng Beng Lye, aged 47, was appointed as a Non-Independent Non-Executive Director of Star on 5 January 2009 and redesignated as Executive Director on 13 January 2009.

He graduated from Waseda University, Japan with a Bachelor of Arts (Hons) degree in Political Science in 1993 and obtained his Masters Degree in 1995.

He started his career as Assistant Chief Reporter with Kin Kwok Daily News in 1985 and moved on to be the General Manager of The China Press Berhad in 1997. He joined Expomal Network Sdn Bhd as an Executive Director (2001-2003) and was later appointed as the Managing Director of Oriental Daily Marketing Sdn Bhd (2003-2007). Mr Ng was Executive Director of Nature Environment Products Sdn Bhd (2007-2008).

He was appointed to the Board on 5 January 2009 and therefore did not attend any Board Meetings held during the financial year ended 31 December 2008.

Mr Ng does not have any family relationship with any director and/or major shareholder of Star Publications (Malaysia) Berhad, nor any conflict of interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.



MR NG BENG LYE
Executive Director



DATO' WIRA SYED ABDUL JABBAR BIN SYED HASSAN Independent Non-Executive Director

Dato' Wira Syed Abdul Jabbar bin Syed Hassan, aged 69, was appointed as a Non-Executive Director of Star on 28 August 1996. He is also a member of the Audit, Nomination and Remuneration Committees of the Company.

He has a Degree in Economics from the University of Western Australia and Masters in Science Marketing from the University of Newcastle-Upon-Tyne, United Kingdom.

Dato' Wira Syed Abdul Jabbar is currently the Chairman of MMC Corporation Berhad, director of KAF Discounts Berhad, Chairman of Padi Beras Nasional Berhad, Chairman of Tradewinds Plantations Bhd and Chairman of Tradewinds (M) Bhd. He is also the Chairman of the MARDEC Bhd group of companies.

Previously, he was the Chief Executive Officer of the Kuala Lumpur Commodity Exchange (KLCE), Executive Chairman of Malaysia Monetary Exchange (MME) and Executive Chairman of the Commodity & Monetary Exchange (COMMEX).

He attended all five Board Meetings held during the financial year ended 31 December 2008.

Dato' Wira Syed Abdul Jabbar does not have any family relationship with any director and/or major shareholder of Star Publications (Malaysia) Berhad, nor any conflict of interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.

Dato' Dr Mohd Aminuddin bin Mohd Rouse, aged 63, was appointed as a Non-Executive Director of Star on 23 July 1997. He is also a member of the Nomination and Remuneration Committees of the Company.

Dato' Dr Mohd Aminuddin obtained his Bachelor of Science (Honours) in Biochemistry from the University of Malaya in 1969 and his PhD in Agricultural Chemistry from the University of Adelaide in 1974.

He began his career as the Head and lecturer at the Department of Biochemistry and Microbiology at Universiti Pertanian Malaysia from 1969 until 1979, and subsequently became the professor of Biochemistry and Deputy Dean in 1977. He then joined the Guthrie Berhad Group as the Controller of the Research and Development Division for 5 years before becoming the Director of the Manufacturing and Agribusiness in 1989 till 1993.

Dato' Aminuddin joined the Berjaya Group Berhad as the Group Director for a year in 1994. He subsequently became the Group Chief Executive Officer of Konsortium Perkapalan Berhad cum President and Chief Executive Officer of PSNL Berhad. In November 1997, he assumed the position of Executive Chairman, Indah Water Konsortium Sdn Bhd until the end of his tenure in October 2000 and was President & Chief Executive Officer of Malaysian Technology Development Corporation Sdn Bhd until December 2002. He retired as a director from Konsortium Logistics Bhd in 2007.

Presently, he is a director of Ajiya Bhd and Tanco Holdings Bhd.

He attended all five Board Meetings held during the financial year ended 31 December 2008.

Dato' Dr Mohd Aminuddin does not have any family relationship with any director and/or major shareholder of Star Publications (Malaysia) Berhad, nor any conflict of interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.



DATO' DR MOHD AMINUDDIN BIN MOHD ROUSE Independent Non-Executive Director

Tan Sri Dato' Dr Sak Cheng Lum, aged 64, was appointed as a Non-Executive Director of Star on 1 November 2001. He is also a member of the Audit Committee of the Company.

He graduated with a degree in Medicine from the University of Singapore in 1968, and served as a medical officer in the Government service until 1972, when he ventured into private practice. He was elected as the State Assemblyman for Bagan Jermal in Penang in 1978 and was re-elected in 1982,1986,1995 and 1999. He also served as Penang State Executive Councillor for two terms, between 1986 to 1990 and 1995 to 1999. Between 1990 to 1995, he was appointed as a Senator and Parliamentary Secretary, Ministry of Domestic Trade and Consumer Affairs.

Tan Sri Dato' Dr Sak also sits on the board of A&M Realty Berhad and HIL Industries Berhad.

He attended all five Board Meetings held during the financial year ended 31 December 2008.

Tan Sri Dato' Dr Sak does not have any family relationship with any director and/or major shareholder of Star Publications (Malaysia) Berhad, nor any conflict of interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.



TAN SRI DATO'
DR SAK CHENG LUM
Independent Non-Executive Director



MR FOO SAN KAN
Independent Non-Executive Director

Mr Foo San Kan, aged 60, was appointed as an Independent Non-Executive Director of Star on 22 January 2009. He was also appointed as Chairman of the Audit Committee on the same day.

Mr Foo is a Chartered Accountant of the Malaysian Institute of Accountants. He is also a member of the Malaysian Institute of Certified Public Accountants, a fellow of the Institute of Chartered Accountants in England and Wales, as well as the Malaysian Institute of Taxation.

He was the Country Managing Partner of Ernst & Young Malaysia from 1997 to 2002 before he retired as a practising accountant. He has 34 years of experience in the accounting profession of which 30 year were spent in various positions in Ernst & Young in the offices in both Peninsular and East Malaysia. During the course of his career, he was involved in various industrial sectors including financial services, energy, manufacturing, plantations, property, constructions, leisure and entertainment. His professional experience covers almost all aspects of the accounting profession, including but not limited to audit, receivership, liquidation, taxation, secretarial, corporate advisory and management consultancy and all services related to the Labuan Offshore Financial Services Authority (LOFSA).

Other directorships of listed companies held by Mr Foo include Symphony House Berhad, Allianz Malaysia Berhad, OSK Ventures International Berhad, OSK Holdings Berhad, SEG International Berhad and those of unlisted companies are OSK Trustees Berhad, OSK Investment Bank Berhad, Allianz Life Insurance Berhad and Allianz General Insurance Company (Malaysia) Berhad.

He was appointed to the Board on 22 January 2009 and therefore did not attend any Board Meetings held during the financial year ended 31 December 2008.

Mr Foo does not have any family relationship with any director and/or major shareholder of Star Publications (Malaysia) Berhad, nor any conflict of interest in any business arrangement involving the Company. He has had no convictions for any offences within the past 10 years.

Senior Management Team

SENIOR MANAGEMENT

Dato' Clement Hii Chii Kok

Datin Linda Ngiam Pick Ngoh

Datuk Seri Kamal Mohamed Hashim

Ng Beng Lye

Dato' Ng Poh Tip

- Executive Deputy Chairman
- Group Managing Director/Chief Executive Officer
- Executive Director
- Executive Director
- Group Editorial/Education Advisor

EDITORIAL

Datuk Seri Wong Chun Wai - Group Chief Editor
David Yeoh Phee Lip - Managing Editor
P. Gunasegaran - Managing Editor
June Wong Har Leng - Executive Editor
Leanne Goh Lee Yen - Executive Editor

NON-EDITORIAL

NEW MEDIA

Michael Pedro Aeria - Group General Manager, New Media

CORPORATE PLANNING

Richard Ong Kuee Hwa - Group General Manager, Corporate Planning & Legal

OPERATIONS

Henry Ng Weng Onn - Group General Manager, Operations

ADVERTISING

Calvin Kan King Seong - Senior General Manager, Advertising & Business Development

BRANDS COMMUNICATION

Teh Eng Huat - Senior General Manager, Brands Communication

CIRCULATION

Damodaran Gopalan - General Manager, Circulation & Audience Development

IT & PRE MEDIA

Khoo Khay Heong - General Manager, IT & Pre Media

MARKETING SERVICES

Iris Tan Kok Foong - General Manager, Marketing Services

FINANCE

Ragesh Rajendran - Senior Manager, Finance

ENGINEERING & BPS

Choy Kum Wah - Senior Manager, Engineering & Building/Property Services

PRODUCTION

Tn Hj Mohamed Hassan bin Mohamed Ali - Senior Manager, Production

INTERNAL AUDIT

Pang Ah Leck - Senior Manager, Internal Audit

HUMAN RESOURCES & ADMINISTRATION

Henry Asokan - Manager, Human Resources & Administration

SECURITY

Tan Beng Teong - Manager, Security & Transport

PENANG

Chung Chok Yin - Regional Manager, Operations (North)

for the financial year ended 31 December 2008

The Board of Directors fully appreciates the importance of adopting high standards of corporate governance within the Group. The Board views corporate governance as synonymous with three key concepts, namely transparency, accountability as well as corporate performance and acknowledges its role in stewardship of the Group in its direction and operation to protect and enhance shareholder value. The objective of creating shareholder value is achieved by adopting strategies to strengthen the profitable core business and to build possible business adjacencies that leverage on its strength. The Group's core business is in publication of news and information and the strategies are to strongly lead the field.

The Board totally supports the prescriptions and recommendations of the principles and best practices set out in Parts 1 and 2 of the Malaysian Code of Corporate Governance respectively ("Code"). The Board believes that an explicit statement of its strategic purpose, in redefining its central core, is very much a part of corporate governance.

The Board is therefore pleased to provide the following statement, which outlines the main corporate governance practices that were in place throughout the financial period, unless otherwise stated. The Board is of the opinion that it has in all material aspects, complied with the principles and best practices outlined in the Code.

1. The Board

The Group is led and controlled by an experienced and effective Board under a Chairman, who is a non-executive director. The roles of the Chairman, Executive Deputy Chairman and Group Managing Director/Chief Executive Officer are separate and each has a clearly accepted division of responsibilities to ensure a balance of power and authority. The Chairman is primarily responsible for orderly conduct and working of the Board whilst the Executive Deputy Chairman and Group Managing Director/Chief Executive Officer are responsible for the day-to-day running of the business and implementation of Board policies and decisions.

The Board comprises four (4) executive directors and five (5) non-executive directors, four (4) of whom are independent non-executive directors within the meaning of Chapter 1.01 of Bursa Malaysia Securities' Listing Requirements ("Listing Requirements"). The composition of the Board is in compliance with the Listing Requirements which require at least one-third (1/3) of the Board to be independent directors.

The Board's composition of executive directors and non-executive directors including the independent non-executive directors ensures that no individual or small group of individuals dominates the Board decision making.

The Board has within it, professionals drawn from varied backgrounds, bringing in-depth and diversity in experience, expertise and perspectives to the Group's business operations. The profiles of the members of the Board are set out in this Annual Report on pages 11 to 15.

The Board considers the current number of Directors and the mix of experience and expertise of the present members of the Board sufficient.

The directors have full and timely access to information with Board papers distributed in advance of meetings. Every director has access to the advice and services of the Company Secretary.

All directors, whether as a full board or in their individual capacity, could take independent professional advice, where necessary, in furtherance of their duties, at the Company's expense. The procedures for obtaining such advice are in place.

The Board recognises the value and contributions of employees of the Group. In this respect, continuous effort is made to enhance the development of employees, which includes steps to ensure capable leaders are nurtured for the orderly succession of management.

2. Board Meetings

The Board meets at least 4 times a year and has a formal schedule of matters reserved to it. The directors meet, review and approve all corporate announcements, including the announcement of the quarterly financial results prior to releasing them to Bursa Securities. Additional meetings are held as and when required. The Board and its committees are supplied with full and timely information to enable them to discharge their responsibilities. During these meetings, the Board also appraises new investment along with business proposals, reviews the management as well as performance of the business and existing investment and any other strategic issues that affect or may affect the Group's business.

During the financial year, the Board met 5 times whereat it deliberated and considered a variety of matters including the Group's financial results, major investment and strategic decisions, the business plan and direction of the Group. The Board receives comprehensive Board papers that encompass all aspects of the matters being considered enabling them to look at both the quantitative and qualitative factors so that informed decisions are made.

The attendance of the directors at the Board Meetings is as set out in the Directors' Profiles which appear from pages 11 to 15 of this Annual Report.

for the financial year ended 31 December 2008

3. Re-election of Directors

At least one-third of the directors are required to retire by rotation each financial year in accordance with the Company's Articles of Association and can offer themselves for re-election at the Annual General Meeting. Directors who are appointed by the Board to fill a casual vacancy are subject to election by shareholders at the next annual general meeting following their appointment.

A director who is over 70 years old is required to submit himself or herself for re-appointment annually in accordance with Section 129(6) of the Companies Act, 1965.

4. Directors' Training

All Directors have attended and successfully completed the Mandatory Accreditation Programme (MAP) conducted by Bursatra Sdn Bhd. The Board acknowledges the importance of continuous education and during the year, various directors have attended seminars both locally and overseas on their own. In addition, the full Board is updated regularly on regulatory and industry developments during meetings.

All Directors are provided with the opportunity to familiarise themselves with the operations and businesses of the Group.

5. Directors' Remuneration

The Remuneration Committee recommends to the Board the framework for the remuneration of the executive and non-executive directors. Directors' fees are subject to shareholders' approval. Additional allowances are paid to non-executive directors in accordance to the number of meetings attended during the year. Directors are also paid an annual allowance for each Board Committee they are a member of.

Directors' remuneration for the financial year is as follows:

	Executive	Non-executive	TOTAL
Directors' fees	165,000	440,000	605,000
Salaries/Incentives	7,303,983	n/a	7,303,983
Employers' contribution to EPF	1,016,637	n/a	1,016,637
Allowances/Committee allowances	19,279	186,000	205,279
Benefits-in-kind	238,650	49,330	287,980
Total	8,743,549	675,330	9,418,879

The number of Directors in each remuneration band for the financial year are as follows:

Range of Remuneration	Executive Directors	Non-Executive Directors
RM50,001 to RM100,000		6
RM150,001 to RM200,000		1
RM600,001 to RM650,000	1	
RM1,600,001 to RM1,650,000	1	
RM6,450,000 to RM6,500,000	1	
	3	7

The above disclosure format meets the requirements of Item 10 of Appendix 9C Part A of the Listing Requirements.

for the financial year ended 31 December 2008

6. Board Committees

6.1 Audit Committee

The Audit Committee comprises 3 non-executive directors, all of whom, including the Chairman, are independent non-executive directors. The members are:

- 1. Mr Cheng Hooi, Paul Geh (Senior Independent Non-Executive Director) Chairman (Resigned on 13 January 2009)
- 2. Mr Foo San Kan (Independent Non-Executive Director) Chairman (Appointed on 22 January 2009)
- 3. Dato' Wira Syed Abdul Jabbar bin Syed Hassan (Independent Non-Executive Director)
- 4. Tan Sri Datuk Dr Sak Cheng Lum (Independent Non-Executive Director)

The Committee's terms of reference include the review of and deliberation on the Group's financial statements, the audit findings of the external auditors arising from their audit of the Group's financial statements and the audit findings and issues raised by Internal Audit together with the Management's responses thereon. The Executive Deputy Chairman, Group Managing Director/Chief Executive Office, Head of Internal Audit and the Finance Manager attend meetings at the invitation of the Audit Committee. However, where deemed appropriate certain matters on the Agenda are discussed in the absence of the Management. The Committee also invites the external auditors for its meetings as and when necessary. Agendas of the meetings of the Audit Committee will usually include audit findings of the operations of the Group.

The Audit Committee Report for the financial year pursuant to Paragraph 15.16 of the Listing Requirements is contained on pages 24 to 25 of this Annual Report.

6.2 Finance Committee

The Finance Committee, comprising a non-executive director, Executive Deputy Chairman and the Group Managing Director/Chief Executive Officer, reviews all financial matters, examines investment and strategic proposals and makes appropriate recommendations to the Board. The Finance Committee met 4 times during the financial year. The members are:

- 1. Datuk Oh Chong Peng (Non-Independent Non-Executive Director) Chairman (Resigned on 13 January 2009)
- 2. Datuk Leong Tang Chong (Non-Executive Director)
- 3. Dato' Clement Hii Chii Kok (Executive Deputy Chairman) (Appointed on 21 January 2009)
- 4. Datin Linda Ngiam Pick Ngoh (Group Managing Director/Chief Executive Officer)

6.3 Nomination Committee

The Board's Nomination Committee comprises 3 non-executive directors, two of whom are independent. The members are:

- 1. Tan Sri Dato' Lau Yin Pin (Non-Executive Director) Chairman (Resigned on 25 February 2009)
- 2. Mr Cheng Hooi, Paul Geh (Senior Independent Non-Executive Director) (Resigned on 13 January 2009)
- 3. Datuk Leong Tang Chong (Non-Independent Non-Executive Director) Chairman (Appointed on 25 February 2009)
- 4. Dato' Wira Syed Abdul Jabbar bin Syed Hassan (Independent Non-Executive Director)
- 5. Dato' Dr Mohd Aminuddin bin Mohd Rouse (Independent Non-Executive Director)

The Committee's responsibility, among others, is to recommend candidates for directorship to the Board as well as membership to Board Committees. The Committee assesses the Board collectively on an on-going basis, taking into account size and the required mix of skills. In making its recommendations to the Board, the Committee takes into consideration the core competencies the directors individually and collectively possess in relation to the businesses of the Group and the business environment.

The Committee held two meetings during the year under review.

for the financial year ended 31 December 2008

6.4 Remuneration Committee

The Remuneration Committee comprises 3 non-executive directors, 2 of whom are independent. The Committee's primary responsibility is to recommend to the Board, the remuneration of directors (executive and non-executive) in all its forms, drawing from outside advice if necessary. Nevertheless, the determination of remuneration packages of Directors is a matter for the Board as a whole and individuals are required to abstain from discussion of their own remuneration. The members are:

- 1. Datuk Oh Chong Peng (Non-Independent Non-Executive Director) Chairman (Resigned on 13 January 2009)
- 2. Datuk Leong Tang Chong (Non-Executive Director) Chairman (Appointed on 13 January 2009)
- 3. Dato' Wira Syed Abdul Jabbar bin Syed Hassan (Independent Non-Executive Director)
- 4. Dato' Dr Mohd Aminuddin bin Mohd Rouse (Independent Non-Executive Director)

The Remuneration Committee meets at least once a year to recommend to the Board the remuneration of directors, including fees. The Committee met twice during the year and amongst other matters, reviewed the Group's remuneration framework and policy.

7. Accountability and Audit

7.1 Financial Reporting

A balanced and meaningful assessment of the Group's financial performance and prospects are presented primarily through the financial statements and the Chairman's Statement in the Annual Report.

Directors are required, pursuant to Section 169(15) of the Companies Act, 1965, to state whether the Group's financial statements for the financial year are drawn up in accordance with approved accounting standards so as to give a true and fair view of the Group's state of affairs and of the results of the Group's operations for the financial year. This statement is signed by the Chairman, Datuk Leong Tang Chong and the Executive Deputy Chairman, Dato' Clement Hii Chii Kok for and on behalf of the Board and is set out on page 79 of this Annual Report.

The Group's quarterly and annual results announcements within the stipulated time frame reinforce the Board's commitment to provide a true and fair view of the Group's operations. An abbreviated version of these announcements are also published in The Star newspaper.

7.2 Directors' responsibility statement in respect of the preparation of the audited financial statement

The Board is responsible for ensuring that the financial statements of the Group give a true and fair view of the state of affairs of the Group and of the Company as at the end of the accounting period and of their profit and loss and cash flows for the period then ended. In preparing the financial statements, the Directors have ensured that applicable approved accounting standards in Malaysia and the provisions of the Companies Act, 1965 have been applied.

In preparing the financial statements, the Directors have selected and applied consistently suitable accounting policies and made reasonable and prudent judgements and estimates.

The Directors also have a general responsibility for taking such steps as are reasonably available to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

7.3 Internal Audit Function

The Group's internal audit provides independent and objective assurance of the adequacy and integrity of the system of internal control. Details of the internal audit function, together with the state of the Group's internal control, are given in the Statement on Internal Control as set out in pages 22 to 23 of the Annual Report.

7.4 External Audit

The Group's independent external auditors fill an essential role for the shareholders by enhancing the reliability of the Group's financial statements and giving assurance of that reliability to users of these financial statements. Where deemed appropriate, the Board may discuss audit findings in the absence of the Management.

for the financial year ended 31 December 2008

The external auditors will report on any weaknesses in the internal control systems and any non-compliance of accounting standards that come to their attention during the course of their audit work to the Management and Audit Committee.

The amount of non-audit fees paid to the external auditors and their associates during the financial year is RM135,400.

8. Relations with Shareholders and Investors

The Group welcomes dialogues with shareholders and investors to discuss issues and obtain feedbacks. The Group Managing Director/Chief Executive Officer and Senior Management personnel participate in discussions with analysts, fund managers and shareholders, both local and from overseas. Such dialogues have given the shareholders and investors a better appreciation and understanding of the Group's performance and its strategic direction.

The Annual General Meeting (AGM) is the principal forum for dialogue with individual shareholders and investors. It is a crucial mechanism in shareholder communication for the Company. At the Company's AGM which is generally well attended, shareholders have direct access to the Board and are given the opportunity to ask questions during the open question and answer session. Usually, a press conference is held immediately after the AGM whereat the Chairman, the Executive Deputy Chairman and the Group Managing Director/Chief Executive Officer answer questions on the Group operations.

During the year, the Company continued to have regular meetings and dialogues with analysts and investors.

Dialogues and discussions with investors and analysts are conducted within the framework of the relevant Corporate Disclosure Guidelines under the Listing Requirements and comply with the Best Practices in Corporate Disclosure published by the Malaysian Institute of Chartered Secretaries and Administrators.

This Statement is made in accordance with a resolution of the Board of Directors dated 25 February 2009.

Statement on Internal Control

for the financial year ended 31 December 2008

INTRODUCTION

Paragraph 15.27(b) of the Listing Requirements of Bursa Malaysia Securities Berhad ("the Securities Exchange") requires the Board of Directors of a public listed company to include in its annual report a statement on the state of internal controls of the listed issuer as a group. The Securities Exchange's Statement on Internal Control: Guidance for Directors of Public Listed Companies provides guidance for compliance with these requirements.

Internal control is broadly defined as a process, effected by an entity's Board of Directors, Management, and other personnel, designed to provide reasonable assurance regarding the achievement of objectives in the following categories:

- · Effectiveness and efficiency of operations.
- · Safeguarding of assets.
- Reliability and integrity of financial and operational information.
- Compliance with applicable laws, regulations and contracts.

Set out below is the Board's Statement on Internal Control and Risk Management Practices.

BOARD RESPONSIBILITY

The Board of Directors recognises the importance of sound internal controls to good corporate governance. The Board affirms its overall responsibility for the Group's systems of internal controls and for reviewing the adequacy and integrity of those systems. Because of the limitations that are inherent in any system of internal control, it should be noted that such systems are designed to provide reasonable, and not absolute, assurance against material misstatement or loss.

The Group has in place an on-going process for identifying, evaluating, monitoring and managing the operating and financial controls affecting the achievement of its business objectives throughout the period. The Internal Audit Department plays a significant role in this respect. This process is regularly reviewed by the Audit Committee of the Board.

Whilst the Board maintains ultimate responsibility over the Group's systems of internal controls, it has delegated to the executive management efficacious implementation. The role of Internal Audit is to provide that reasonable assurance that designed controls are in place and are operating as intended.

RISK MANAGEMENT FRAMEWORK

The Board undertook to review the risk management processes in place within the Group with the assistance of the Risk Management Committee, the Chief Risk Officer and the Internal Audit Department.

The key elements of the Group's risk management framework are as follows:

- A Risk Management Committee, which is chaired by the Group Managing Director/Chief Executive Officer and include
 key management personnel from the relevant business and support functions and Internal Audit. The Committee is
 entrusted with the responsibility to identify and communicate to the Board of Directors the risks the Group faces, their
 changes, and the management actions and plans to manage the risks.
- A Risk Management Manual, which outlines the corporate policy and framework on risk management for the Group and offers practical guidance on risk management issues.
- A database of identified risks and controls in the form of a Risk Register, which is periodically reviewed and reported
 to the Board.

Statement on Internal Control

for the financial year ended 31 December 2008

To embed the risk management process within the culture of the Group, the following steps are incorporated in the risk management process:

- Embedding internal control further into the operations of the business through the installation of a process of risk and control self-assessment.
- Regular updates on risk management from the heads of the business and supporting functions to the Risk Management Committee.
- Quarterly review by the Audit Committee of the Board on the adequacy and integrity of the system of internal control and risk management process.

INTERNAL AUDIT FUNCTION

The Group has an Internal Audit Department, which provides the Board with much of the assurance it requires regarding the adequacy and integrity of the system of internal control.

Internal audit independently reviews the risk identification procedures and control processes, and reports to the Audit Committee on a quarterly basis. Internal audit also reviews the internal controls in the key activities of the Group's business and a detailed annual internal audit plan is presented to the Audit Committee for approval. Internal audit adopts a risk-based approach and prepares its audit strategy and plan based on the risk profiles of the major business functions of the Group.

The Audit Committee reviews the risk monitoring and compliance procedures to obtain the level of assurance required by the Board. The Audit Committee presents its findings to the Board on a quarterly basis or earlier as appropriate.

OTHER KEY ELEMENTS OF INTERNAL CONTROLS

Apart from the above, the other key elements of the Group's internal control systems include:

- Clearly defined delegation of responsibilities to committees of the Board and to management including organisation structures and appropriate authority levels.
- Regular and comprehensive information provided to management for monitoring of performance against budgets covering all key financial and operational indicators.
- The Group Managing Director/Chief Executive Officer, with the input from the Risk Management Committee, reviews with the Board significant changes in internal and external environment, which affects the Group's risk profile.
- Detailed budgeting process requiring all business units to review budgets periodically, which are discussed and approved by the Top Management headed by the Group Managing Director/Chief Executive Officer.
- The Finance Manager provides the Board with quarterly financial information. This includes, amongst others, the monitoring of results against budget, with major variances being followed up and management action taken, where necessary.

There were no material losses incurred during the current financial year as a result of weaknesses in internal control. Management continues to take measures to strengthen the control environment.

Audit Committee Report

Membership

Composition of the Audit Committee is in accordance with the provisions of the Listing Requirements of Bursa Malaysia Securities Berhad. The Committee comprise:

Mr Cheng Hooi, Paul Geh - Chairman, Senior Independent Non-Executive Director

(Resigned on 13 January 2009)

Mr Foo San Kan - Chairman, Independent Non-Executive Director

(Appointed on 22 January 2009)

Dato' Wira Syed Abdul Jabbar bin Syed Hassan - Independent Non-Executive Director

Tan Sri Datuk Dr Sak Cheng Lum - Independent Non-Executive Director

Subsequent to the financial year under review, Mr Foo San Kan (Independent Non-Executive Director) was appointed as a member and Chairman of the Audit Committee on 22 January 2009 to take the position vacated by Mr Cheng Hooi, Paul Geh when he resigned on 13 January 2009.

Terms of Reference

The terms of reference of the Audit Committee are set out on pages 26 to 27.

Meetings

The Committee held four meetings during the year, which were attended by all members. The meetings were appropriately structured through the use of agendas, which were distributed to members with sufficient notification. The Executive Deputy Chairman and Group Managing Director/Chief Executive Officer and the Finance Manager attended all meetings. Other members of management and external auditors, Messrs BDO Binder attended some of these meetings upon the invitation by the Chairman of the Committee.

Summary of activities during the financial year

During the financial year, the Audit Committee carried out its duties in accordance with its terms of reference.

Other main issues discussed by the Audit Committee are as follows:

- a) Reviewed the external auditors' scope of work and audit plans for the year. Prior to the audit, representatives from the external auditors presented their audit strategy and plan. The Audit Committee also met with the external auditors without management being present twice during the year under review.
- b) Reviewed with the external auditors the results of the audit, the audit report and the management letter, including management's responses.
- c) Considered and recommended to the Board for approval of the audit fees payable to the external auditors.
- d) Reviewed the independence and objectivity of the external auditors and services provided, including non-audit services. Non-audit fees totalling RM135,400 were paid to the external auditors and their associates during the financial year, for the provision of corporate tax advisory and planning and other advisory services.
- e) Reviewed the Internal Audit Department's resources requirements, programmes and plans for the financial year under review and the annual assessment of the Internal Audit Department's performance. The Audit Committee also met with the internal auditor without management being present.
- f) Reviewed the internal audit reports, which highlighted audit issues, recommendations and management's response. Discussed with management actions taken to improve the system of internal control based on suggestions identified in the internal audit reports.

Audit Committee Report

- g) Recommended to the Board, improvements in internal control procedures and risk management. The Risk Management Committee updates the Audit Committee regularly on the risk profiles and risk management.
- h) Reviewed the annual report and the audited financial statements of the Company prior to submission to the Board for their consideration and approval. The review was to ensure that the audited financial statements were drawn up in accordance with the provisions of the Companies Act, 1965 and applicable accounting standards set by the MASB-approved International Financial Reporting Standards (IFRS).
- i) Reviewed the Company's compliance in particular the quarterly and year end financial statements with the Listing Requirements of Bursa Malaysia Securities Berhad, MASB-IFRS and other relevant legal and regulatory requirements.
- j) Reviewed the quarterly unaudited financial results announcements before recommending them for the Board's approval.
- k) Reviewed the related party transactions entered into by the Group.
- Reviewed the extent of the Group's compliance with the provisions set out under the Malaysian Code on Corporate Governance for the purpose of preparing the Corporate Governance Statement, incorporating the Statement on Internal Control, pursuant to the Listing Requirements.

Internal Audit Function

The Group has a well-established Internal Audit Department, which reports to the Audit Committee and assists the Board of Directors in monitoring and managing risks and internal controls. The Internal Audit Department is independent of the activities or operations of other operating units. The principal role of the department is to undertake independent regular and systematic reviews of the systems of internal control so as to provide reasonable assurance that such system continue to operate satisfactorily and effectively. It is the responsibility of the Internal Audit Department to provide the Audit Committee with independent and objective reports on the state of internal control of the various operating units within the Group and the extent of compliance of the units with the Group's established policies and procedures as well as relevant statutory requirements.

Further details of the activities of the Internal Audit Department are set out in the Corporate Governance Statement on pages 17 to 21.

Audit Committee - Terms of Reference

The members of the Audit Committee are as follows:

Mr Cheng Hooi, Paul Geh * - Chairman (Resigned on 13 January 2009)

Mr Foo San Kan * - Chairman (Appointed on 22 January 2009)

Dato' Wira Syed Abdul Jabbar bin Syed Hassan *

Tan Sri Dato' Dr Sak Cheng Lum *

(* Independent Non-Executive Director)

1. MEMBERSHIP

- 1.1 The Audit Committee shall be appointed from amongst its directors and must fulfil the following requirements:
 - a) The Audit Committee must be composed of no fewer than 3 members who are non-executive directors;
 - b) A majority of the Audit Committee must be independent directors
 - c) At least one member of the Audit Committee:
 - (i) must be a member of the Malaysian Institute of Accountants; or
 - (ii) if he is not a member of the Malaysian Institute of Accountants, he must have at least 3 years' working experience and:
 - aa) he must have passed the examinations specified in Part 1 of the 1st Schedule of the Accountants Act 1967; or
 - bb) he must be a member of one of the associations of accountants specified in Part 11 of the 1st Schedule of the Accountants Act 1967; or
 - (iii) fulfils such other requirements as prescribed by the Exchange.
- 1.2 No alternate director shall be appointed as a member of the Audit Committee;
- 1.3 In the event of any vacancy in the Audit Committee resulting in the non-compliance of the Listing Requirements of the Exchange pertaining to the composition of the Audit Committee, the Board of Directors shall within three months of that event fill the vacancy;
- 1.4 The terms of office and performance of the Audit Committee and each of its members must be reviewed by the Board of Directors at least once every 3 years to determine whether the Audit Committee and its members have carried out their duties in accordance with their terms of reference.

2. CHAIRMAN

2.1 The Chairman of the Audit Committee shall be appointed by members of the Committee and must be an independent non-executive director.

3. SECRETARY

3.1 The company secretary shall be the secretary of the Audit Committee.

4. MEETINGS

- 4.1 The Audit Committee shall meet at least four (4) times in a year. Additional meetings may be called at any time at the discretion of the Chairman of the Audit Committee;
- 4.2 A quorum shall be two (2) members, comprising independent non-executive directors;

Audit Committee - Terms of Reference

- 4.3 The Chairman of the Audit Committee shall, upon the request of the external auditor, convene a meeting of the Committee to consider any matter, which the external auditor believes should be brought to the attention of the directors or shareholders;
- 4.4 The external auditor has the right to appear and be heard at any meeting of the Audit Committee and shall appear before the Committee when required to do so by the Committee;
- 4.5 The Audit Committee should meet with the external auditors without the executive Board members present at least twice a year;
- 4.6 The Audit Committee shall regulate its own procedure, in particular:
 - (a) the calling of meetings
 - (b) the notice to be given of such meetings
 - (c) the voting and proceedings of such meetings
 - (d) the keeping of minutes; and
 - (e) the custody, production and inspection of such minutes.

5. FUNCTIONS

- 5.1 The functions of the Audit Committee shall be
 - (a) to review
 - (i) with the external auditors, the audit plan;
 - (ii) with the external auditor, his evaluation of the system of internal accounting controls;
 - (iii) with the external auditor, his audit report;
 - (iv) the assistance given by the Company's officers to the external auditor;
 - (v) the adequacy of the scope, functions and resources of the internal audit functions and that it has the necessary authority to carry out its work;
 - (vi) the internal audit programme, processes, the results of the internal audit programme, processes or investigation undertaken and whether or not appropriate action is taken on the recommendations of the internal audit function;
 - (vii) the quarterly results and year end financial statements prior to the approval by the Board of Directors, focusing particularly on:
 - aa) changes in or implementation of major accounting policy changes;
 - bb) significant and unusual events; and
 - cc) compliance with accounting standards and other legal requirements;
 - (viii) any related party transactions and conflict of interest situation that may arise within the Company or group including any transaction, procedure or course of conduct that raises questions or management integrity; and
 - (ix) with the Chief Risk Officer the risk management practices and procedures;
 - (b) to nominate a person or persons as external auditors; and
 - (c) to perform any other functions/responsibilities/duties as may be imposed upon them by Bursa Securities or any other relevant authorities from time to time.

together with such other functions as may be agreed to by the Audit Committee and the Board of Directors.

Additional Compliance Information

1. STATUS OF UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSAL

The Company did not undertake any corporate proposal to raise proceeds during the financial year ended 31 December 2008.

2. SHARE BUY-BACK

The Company has not purchased any of its own shares during the financial year ended 31 December 2008. On 27 March 2009, Star Publications (Malaysia) Berhad purchased 44,200 of its issued and paid-up ordinary share capital from the open market. The purchase transactions were financed by internally generated funds and the shares repurchased are held as Treasury Shares by the Company.

3. AMERICAN DEPOSITORY RECEIPT ("ADR") OR GLOBAL DEPOSITORY RECEIPT ("GDR") PROGRAMME

During the year, the Company did not sponsor any ADR or GDR programmes.

4. SANCTIONS AND/OR PENALTIES

There were no public sanctions and/or penalties imposed on the Company and its subsidiaries, Directors or Management by the regulatory bodies during the financial year.

5. OPTIONS, WARRANTS OR CONVERTIBLE SECURITIES

There were no options, warrants or convertible securities were exercised by the Company during the financial year.

6. PROFIT GUARANTEE

There was no profit guarantee given by the Company.

7. PROFIT ESTIMATE, FORECAST OR PROJECTION

The Company did not release any profit estimate, forecast or projection. There is no variance between the results for the financial year and the unaudited results previously released by the Company.

8. REVALUATION POLICY ON LANDED PROPERTIES

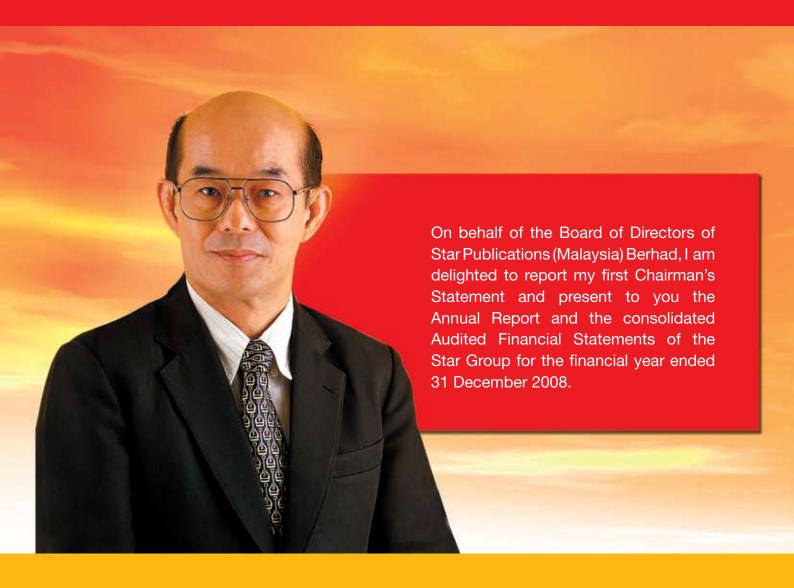
The Company has not adopted a policy of regular revaluation of its landed properties.

9. MATERIAL CONTRACTS

There were no material contracts of the Company and its subsidiaries involving Directors and major shareholders' interest.

10. NON-AUDIT FEES

The amount of non-audit fees payable to external auditors for the financial year was RM135,400.



My first duty would be to place on record on behalf of the Board of Directors, the Group's appreciation to Datuk Steven Tan Kok Hiang who helmed the Group from February 1986 to January 2009, Mr Cheng Hooi, Paul Geh and Datuk Oh Chong Peng who have served as directors from 1987 to January 2009. Our appreciation is also extended to Tan Sri Dato' Lau Yin Pin who was our Chairman from 2006 to February 2009. We are deeply appreciative for their contribution towards the growth and success of the Group.

Presently, I would also like to welcome Dato' Clement Hii Chii Kok our newly appointed Executive Deputy Chairman, Mr Ng Beng Lye, Executive Director and Mr Foo San Kan our Independent Non-Executive Director, who all joined the Board in January 2009.



▲ 36th Annual General Meeting

Financial and Market Share Performance

The Group enjoyed encouraging growth during the first half of 2008 but was not spared the onslaught that came in the second half of the year. Revenues were affected by the global economic downturn and for the year ended 31 December 2008, Group revenue rose by a mere 3.1% to RM831.04 million from RM805.87 million in 2007.

Group pre-tax profit fell 9.8% to RM201.46 million from RM223.37 million as a result of impairment losses on goodwill from acquisition of subsidiaries. A higher tax rate of 31.2% in 2008 compared to 24.4% in 2007, mainly due to the reinvestment allowances being fully utilised in 2007, further contributed to a lower Group profit after tax of RM138.70 million against last year's RM168.88 million.

The net asset backing per share as at 31 December 2008 dropped one sen to 164 sen against 165 sen the year before.

Operations

Circulation for The Star as verified by the Audit Bureau of Circulations averaged 304,904 copies while Sunday Star averaged 313,609 copies for the period July 1, 2007 and June 30, 2008. The Media Index survey by independent research firm Nielsen Media Research showed our readership at 1,082,000 for the daily Star and 1,022,000 for Sunday Star for the period January to December 2008.

The Star Online now sports a new look that is easier to navigate and more fun to use, and has received positive feedback from readers. Traffic for The Star Online website has grown to more than 52 million pageviews in 2008 with 3.642 million unique visitors.





▲ IGP and Senior Officials of the Royal Malaysian Police at Menara Star

 Distribution of The Star at a monorail station



◆ The Star Online's main page





Star Media Hub printing plant







▲ Members of Association of Accredited Advertising Agents and Advertising Standards Authority Malaysia at the launch of the "Malaysian Code of Advertising Practice"

Revamping of the business section in December 2008 saw the first publication of Star BizWeek, which is the merged product of StarBiz and BizWeek that appear on Saturdays. StarBiz emerged with a new masthead in December 2008 and improved content with an increase in the number of opinion pieces from respected professionals in the various industries.





▲ The new StarBiz and Star BizWeek

New Media continues to provide exciting new opportunities for the Star media group. It allows The Star to deliver breaking news, information and relevant content to Malaysians on any platform, anytime and anywhere. Our contents are now available in print, online, mobile, outdoor and on air.

On Jan 3 this year, we launched Studio V in One Utama to showcase the wide range of contents available in the various sections of the newspaper, the numerous portals in The Star Online, our Bahasa Malaysia website mStar Online and our three radio stations (Red FM, 988 and Suria FM). The two-storey outlet in the shopping complex boasts a modern studio for video recording and live radio transmission and an interactive area for video games and sponsored events.



▲ Studio V in One Utama, PJ





▲ Football Every Day podcast





Red FM's "The Big Red Truck" Contest



▲ Live outdoor broadcast by 988 DJs

Television viewers had an insight into what goes on inside a newsroom with the screening of a 13-episode TV drama *Frontpage* on ntv7. This unique venture saw the partnership of The Star, the TV station and production house Juita Viden with its advertising media campaign promoted across all platforms.



◀ Frontpage

Suria FM now poised with nationwide coverage is set to win the hearts of listeners with new programme line ups and DJs living up to its tagline *Muzik Terbaik Tanpa Henti*. Our other station 988 aims to constantly improve itself with the promise of great music, improved shows and interactively approachable DJs whilst Red FM continues to woo listeners with *Today's Best Music*.





■ Suria FM's "Jom Balik Raya Di Suria" Contest

The Group continues to reap the benefits of the strategic partnerships and the successful integration of its acquisitions. The Star with SPH Interactive International of Singapore ventured into the digital media services under 701Panduan Sdn Bhd.

Sensing tremendous potential and growth opportunities in the market for training and talent development, the Group acquired a controlling interest in Leaderonomics Sdn Bhd as part of the corporate strategy of entering into the education and human development business.

Synergistic to the media industry is the area of event management. In November 2008 we were successful in a take-over bid of Cityneon Holdings Limited. By combining our resources, we believe that we will be a formidable force in both media and event management in the Asian and Middle East regions.

Corporate Responsibility

In line with our philosophy and firm belief of giving back to society, the Group continued to contribute positively to various segments of the community via a wide range of charitable, educational and environmental initiatives.

Never one to shirk from answering a distress call, Star's *Myanmar Relief Fund*, incepted in May 2008 raised funds totalling RM2,295,473.63 for the purchase of essential items for victims of Cyclone Nargis.



▲ Myanmar Relief Fund

Who would have thought that a song and dance could help so many? This we surely did when we brought in the West End hit musical *Mamma Mial* from London which played in Istana Budaya for three weeks. A total of RM1.2 million collected from the Charity Night was given away via Star Foundation to 10 charitable bodies namely, Hospis Malaysia, The Befrienders Kuala Lumpur, Persatuan Daybreak, Persatuan Kebajikan Good Shepherd, Malaysian Care, Persatuan Kebajikan HOPE Worldwide Kuala Lumpur, Persatuan Kebajikan Ti-Ratana, IJN Foundation, Persatuan Kanak-Kanak Istimewa Kajang Selangor and SHELTER.



MAMMA MIA! takes to the stage



▲ Interview with the MAMMA MIA! cast at Studio V

Fostering goodwill, learning and building relationships that transcend race, gender and age is what we continue to practise via our community people-oriented projects. These include *The Star Education Fairs* in Kuala Lumpur and Penang, *The Star Learning Skills* and *Star Newspaper-In Education* (NiE) workshops, *The Star Property and Home Fair* in Penang, *Lecture Series* on current relevant issues, the *Starwalks* in Penang and Ipoh, *Cheer 2008* and our *BRATs* programmes.



▲ The Star Education Fair, KL



◀ Star-NiE hi-tea for teachers



◆ Star-NiE

Campaign 4

Rewards



▲ The Star Learning Skills - Qi-Gong For Healing Workshop



▲ The Star/ACMS Public Forum on "Rethinking The Human - A Confucian Perspective"



◆ The Star/ACMS

Public Forum

on "The 2008

US Presidential

Election: Race,

Religion and The

Global Economic

Crisis"

◆ The Star/ACMS

Crisis The Star Acministry

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The Star/ACMS

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The



▲ CHEER 2008



▲ Ipoh Starwalk



StarYouth P2P Greeniz Programme



Goguryo Art
 Orchestra donation to
 Penang Down
 Syndrome
 Association

Not forgetting the corporate sector, we collaborated with Institute of Corporate Responsibility Malaysia (ICR Malaysia) to launch the inaugural StarBiz-ICR Malaysia Corporate Responsibility Awards 2008. Winners were given their due recognition in August 2008. True to form, surplus contributions received at the Awards ceremony saw the donation of medical equipment to the paediatric unit of Hospital Kuala Lumpur and to the paediatric intensive care unit of the Hospital Raja Permaisuri Bainun in Ipoh.



▲ "Getting Corporate Responsibility on the CEO Agenda" forum



■ StarBiz-ICR Malaysia Corporate Responsibility Awards 2008

Needless to say, we continue to work with institutions of higher learning to provide opportunities for the underprivileged to acquire higher education. *The Star Education Fund* has been providing these opportunities since 1994. This year, The Star Education Fund, in partnership with 41 local and foreign education institutions, put together RM11.12 million worth of scholarships for the benefit of 360 deserving students.



▲ The Star Education Fund

A complete write-up of our corporate responsibility initiatives can be found on pages 35 to 45.

Awards

In January 2008, in an event organised by the Young Entrepreneurs' Association of Malaysia to acknowledge the achievements of local companies and their contribution to the growth of the nation, The Star was one of 10 companies honoured at the inaugural Top 50 Enterprise Awards - Malaysia 2007.

During the year, we were proud to once again be named among the Top 5 most admired companies in Malaysia in terms of corporate reputation by The Wall Street Journal Asia's 200 survey of readers.

The Star was ranked as one of Malaysia's 30 Most Valuable Brands and our Group Managing Director / CEO Datin Linda Ngiam received the prestigious Chairman's Award at the 2008 Kancil Awards.

and Health Excellence Award 2007.

In July 2008, Star won the silver award from the National Safety and Health Council for its immaculate record in managing safety and health issues at the workplace. The Star Group Chief Editor Datuk Seri Wong Chun Wai received the award from Human Resources Minister Datuk Dr S. Subramaniam at the National Occupational Safety

And during the National Police Day 2008 celebrations, The Star's Group Chief Editor Datuk Seri Wong Chun Wai received the "Friends of Police" Award from Prime Minister Datuk Seri Abdullah Ahmad Badawi.



▲ National Occupational Safety and Health Excellence Award 2007



▲ BrandLaureate Awards 2008/2009

The Star was recognised as the best brand in the Englishmedium newspaper category of the BrandLaureate Awards 2008/2009 and received the award at the event organised by the Asia Pacific Brands Foundation in March 2009.

Prospects

Star among

top 5 most

Malaysian

companies

PETALING JAYA: Star Publications (M) Bild has been named among the top 5 most admired Malaysian companies in terms of corporate reputation by The Wall Street Journal Asia's 200 survey of readers. According to The Wall Street Journal CAST executives and professionals participated in the survey, which was conducted between May 11 and July 3, 2007.
Survey participants were asked

11 and July 3, 2007.
Survey participants were asked to rate companies on five attributes including: reputation, such as good corporate governance and work-place and environmental policies. The survey emphasised quality of products and services; management's long-term vision; innovativeness in responding to customer needs; and financial soundness. Participants were also asked to

needs; and financial soundness. Participants were also asked to rank the relative importance of these five attributes in determining leadership. This was to ensure that the more important an attribute was regarded, the more weight it was related.

was given.

The Asia 200 survey has been conducted since 1993 by The Walf Street Journal's sister publication, the For Eastern Economic Review before its and the Street Street Street Street Street Street Street Street St

format was changed.

The Star has the largest circulation among English newspapers in the

The average daily readership in the first three months of this year, based on a Synovate's research, was 1.01 million.

admired

2009 is expected to be a tough year for the Group with the impact of the global financial crisis being more severe than anticipated, triggering concerns of a recession and lack of financial liquidity in the economy. According to the Malaysian Institute of Economic Research ("MIER"), monthly indicators have been losing momentum and industrial output has contracted. It also reported that consumer and business confidence have dropped sharply. Consumer Sentiments Index dropped by 17.5 points compared to 88.9 points in the third quarter of 2008. The dismal sectoral indices compelled MIER to adjust estimated GDP growth for 2008 from 5.5% to 5.1%.

Even against this very challenging backdrop, we are relentless in our efforts in becoming more customer service oriented. We have embarked on internal reorganisation to become more proactive in our marketing efforts and have adopted prudent cost management. I believe that this, would further enable us to maintain and strengthen our position in the industry. We remain committed to delivering value to our shareholders, readers, advertisers and vendors and are hopeful of maintaining another set of satisfactory results in 2009.

Dividends

The Board of Directors had on 25 February 2009 declared a second interim dividend of 7.5 sen per ordinary share, less tax and a special dividend of 3.0 sen per ordinary share, tax exempt, which were paid on 18 April 2009.

This, together with the first interim dividend of 7.5 sen per ordinary share, less tax and a special dividend of 3.0 sen per ordinary share, tax exempt paid out on 30 September 2008 brings the total dividend payout per share for financial year 2008 to 15 sen less tax and 6 sen tax exempt (2007: total 15 sen less tax and 6 sen tax exempt per share).

The directors do not recommend the payment of any final dividend in respect of the financial year ended 31 December 2008.

Appreciation

On behalf of the Board, I would like to thank our shareholders, readers, advertisers and advertising agencies, vendors and agents as well as all our business associates for their continued trust, support and understanding.

My appreciation to fellow directors and the management team for your unwavering support and co-operation, and to all employees for your commitment, dedication and hard work especially during the difficult economic period that we are experiencing.

DATUK LEONG TANG CHONG Chairman 30 April 2009

Corporate Responsibility



▲ StarBiz-ICR Malaysia Corporate Responsibility Awards

Star Publications has always emphasised the importance of responsible corporate citizenship through regular write-ups in the newspaper on best practices. The year 2008 proved to be an engaging one for the company as more projects were adopted and workplace enhancements implemented.

As The Star moves into a more diversified portfolio offering a wider range of multimedia options and explores new ways to engage with the community, the significance of striving for best practices in the workplace, marketplace, environment and community has never been more prominent.

A key event in 2008 was the inaugural StarBiz-ICR Malaysia Corporate Responsibility Awards. It was organised to recognise and honour companies demonstrating outstanding CR practices, and encourage the business community to adopt best practices and CR objectives that go beyond philanthropic activities.

Corporate Responsibility

MARKETPLACE

For The Star, corporate responsibility in the marketplace translates to how the organisation develops, sells and delivers its products to readers and stakeholders. Through guidelines set forth by the company's corporate governance statement, The Star practises self-regulatory measures in ensuring that day-to-day decisions are made with the aim of preserving the company's reputation as well as keeping to the promise to stakeholders that we will always be a responsible corporate citizen.

Risk Management

Internally, the Risk Management Committee, headed by the Group Managing Director/Chief Executive Officer, sets the course through a process of identifying and assessing risks, and drawing up treatment procedures that are compiled into a manual.

Operational risks are controlled and managed through frequent briefings during which all departments are updated on developments and staff members are reminded of their roles in executing the Company's corporate obligations.

Ethical Procurement

To ensure that bribery, corruption and unethical behaviour are kept at arm's length, The Star follows a stringent tendering system for procurement and contracts.

The supplier-buyer relationship is regularly reviewed and improved upon to comply with international standards. Our newsprint suppliers are ISO 14001 certified, while our present front-page sticker supplier has both ISO 9001 and ISO 14001 certification.

The continuous support for Malaysian-made products are further affirmed through our purchase decisions. A large portion of our newsprint comes from Malaysian Newsprint Industries, while printing ink is sourced from local factories that are Sirim and ISO certified.

Transparency

Communication with all stakeholders is a key component in the success of the company. As such, dialogues are held regularly with regulatory bodies, trade unions, investors, suppliers, local communities, customers and other media. These dialogues help us keep abreast with the latest shifts in public perception and expectations, while stakeholders are informed about the latest developments within the organisation.



▲ Top 50 Enterprise Awards - Malaysia 2007





▲ "Friends of Police" Award

Token of appreciation from the PM's Department



▲ 2008 Kancil Awards - Chairman's Award



Memento from Federal Territory and Selangor Indian Newspaper Vendors Association

Recognition

In January 2008, The Star was one of 10 companies honoured at the inaugural Top 50 Enterprise Awards - Malaysia 2007, an event organised by the Young Entrepreneurs' Association of Malaysia in recognition of the achievements of local companies and their contribution to the growth of the nation.

We were also recognised as one of Malaysia's 30 Most Valuable Brands in 2008 by Interbrand, one of the largest international brand consultancies, and once again named among the Top 5 Most Admired Companies in Malaysia in terms of corporate reputation by The Wall Street Journal Asia's 200 survey of readers.

The Star's GMD/CEO Datin Linda Ngiam did the Company proud when she was honoured with the Chairman's Award at the 2008 Kancil Awards presented by the Association of Accredited Advertising Agents.

And during the National Police Day celebrations, The Star's Group Chief Editor Datuk Seri Wong Chun Wai received the "Friends of Police" Award from Prime Minister Datuk Seri Abdullah Ahmad Badawi.

WORKPLACE

The Star is committed to creating a conducive and productive working environment that encourages mutual respect and loyalty among its staff. This has helped us retain our best talents and maintain our competitive edge in the media industry. Our belief in the concept "no man is an island" runs through the organisation with emphasis on working together as a team.

Embracing Diversity

As an equal-opportunities employer, Star Publications is proudly staffed with employees of varying backgrounds. This diversity continues to be a contributory aspect to the success of our business.

Diversity at The Star not only takes the form of race, gender and age but extends to flexibility in working hours.



◆ The Star's
37th
anniversary
celebration

Promoting Work-Life Balance

Employees of The Star continue to receive benefits in terms of retirement plans, health and medical care, and maternity leave. All employees are covered by insurance policies undertaken by the company. Insurance claims received for deceased employees are forwarded to their next of kin to help them manage their expenses.

The Koperasi Pelaburan Pekerja-Pekerja Star Berhad, formed in 1985, continued with its 'thrift and loan' scheme, to encourage members to save part of their earnings for retirement, while also offering hassle-free access to loans in times of need. Members can look forward to receiving tax-free dividends on their shares and subscription savings.

In 2008, The Star Editorial futsal tournament was held to foster interactivity among staff, while a new kiddies event was introduced to further strengthen family ties.



▲ Koperasi Pelaburan Pekerja-Pekerja Star Berhad's 12th AGM



Retirement memento for Photo Department chief

Industrial Relationship

The company continues to support the Code of Conduct for Industrial Harmony that provides for freedom of association with unions (NUJ and NUNW). In May 2008, a three-year Collective Agreement was signed with the NUJ on salary increases and various allowance adjustments.



▲ Signing of Collective Agreement between The Star and NUJ

Health and Safety at Work and Beyond

Under the banner of employee welfare, priority has always been given to workplace health and safety. Periodic safety inspections are conducted as a preventive measure to minimise workplace incidents. Any incident or near miss is logged, with suggested rectification, in order to prevent a recurrence.

Training for Occupational Safety and Health is conducted regularly to equip employees with the knowledge and skills to prevent and manage potential hazards in their work area.

Our efforts paid off when The Star was awarded the Silver Award (media category) by the National Safety and Health Council of Malaysia for our excellent record in managing safety and health at the workplace.

In September 2008, more than 80 employees attended a Road Safety talk organised by The Star Sports Club and conducted by Shah Alam Traffic Police Chief DSP Ruslan Abdullah, with the aim of enhancing road safety awareness in anticipation of the *balik kampung* rush during festive holidays.

A blood donation drive was also carried out at the office to collect blood for the National Blood Centre.



▲ Blood donation drive



▲ Road Safety talk

Developing Talent

In 2008, more than 2,500 hours were dedicated to training sessions and workshops to enhance the knowledge, competitiveness and capability of our employees. Representatives from the various departments in The Star participated in no fewer than 250 workshops, seminars and conferences held locally and overseas. The areas covered include motivation, team-building, communication, management and leadership, IT, and more. A total of RM1.4 million was invested in developing talent at The Star.

In addition, several senior editorial journalists successfully obtained scholarships or fellowships to pursue professional training overseas.

The success of this formula can be seen in the accolades that our employees have continuously won, including top prizes in the Malaysian Press Institute (MPI)-Petronas Malaysian Press Awards in the Best Photo Essay category to Features and Entertainment Journalism Awards (English category).

The Star's R.AGE team of young reporters were recipients of the Red Ribbon Media Awards 2008 (Print Journalism - English) for their contribution in championing the AIDS cause, while news chief reporter Audrey Edwards won the Special Mention (Print Journalism) prize for helping to raise awareness of HIV-related issues through her article "No Longer All Doom And Gloom".

Photographers, too, got their share of the awards pie with two of them walking away with the first and second prizes in the KL Sky category of the Picture KL Photography Contest 2008 organised by DBKL and the Kuala Lumpur Tourism Action Council with the aim of promoting the city.

In recognition of the continuous commitment of staff members, long-service awards were presented to those who have been loyal to The Star for 15 years. Forty-eight (48) staff members received tokens and certificates of appreciation at the company's 37th anniversary celebration last year.

Understanding the constant need for improvement, The Star participated in the Asia Strategic Talent Management Forum 2008. The forum addressed current workforce issues, from talent management to challenges and opportunities in today's corporate environment.



▲ Long-service award recipients at The Star's 37th anniversary celebration



▲ Picture KL Photography Contest (KL Sky category) winning photo (1st prize)



▲ Picture KL Photography Contest winners



▲ Red Ribbon Media Awards



▲ Malaysian Press Institute - Petronas Malaysian Press Awards

ENVIRONMENT

With the changing global landscape in mind, The Star journeys on to minimise its environmental footprint and aim to ultimately become a green corporation. These efforts can be seen internally through improvements in the work process as well as through environmental initiatives carried out via the newspaper and other channels under the Star media group.





▲ Green Every Day Celebration





▲ P2P Greeniz Programme

▲ Art With A Heart Exhibition

Change from Within

The current customised environment management system used by The Star enables us to monitor and manage energy and water consumption, as well as waste production effectively.

Energy consumption continues to move in a downward trend as efforts are stepped up through various optimisation measures, which ultimately result in a significant reduction in energy costs while minimising carbon emissions.

All solid waste is disposed of through Kualiti Alam as required by national regulations. As a responsible corporate entity, the company had invested in a waste treatment system to ensure that discharge from the plant is properly treated.

Newspaper wastage is greatly reduced as active measures are taken to recycle unsold newspaper and incidental newsprint waste. The modern press-line technology at our printing plant has also helped to reduce newsprint waste significantly.

Public Appeal for Environmental Consciousness

As the country's leading English daily, The Star reaches out to hundreds of thousands of people each day. Through the newspaper, we create public awareness, educate and inform the community on how Malaysians can play a vital role in saving Mother Earth.

Regular editorial highlights in StarTwo, StarMetro and StarMag on environmental events, conservation efforts and much more keep the public abreast of current developments.

As an extension of this effort, events were organised in 2008 including the P2P (Peer To Peer) Greeniz 2008 Programme themed "Stop, Look and Go Green" held in Kinabatangan, Sabah, and The Star's "Green Every Day - Act Now!" event held in Kuala Lumpur in conjunction with World Environment Day. The Star-NiE Campaign 4 Rewards contest was also aptly themed "Going Green - Making A Positive Impact".

The Star also supported the Art With A Heart 2008 Exhibition that showcased local artists' paintings and sculptures made from recycled materials. The objective of the event was to instill in the people the spirit of conserving the environment and preserving nature.



Editorial effort to promote green awareness

COMMUNITY

Over the years, The Star has developed a strong relationship with the community we serve and as a responsible corporate citizen, specific measures have been taken to continuously contribute to the betterment of society.

The Star has an all-Malaysian workforce and we encourage internships to give youth the opportunity to gain hands-on experience in a corporate environment. The interns, from higher education institutions locally and internationally, are placed in the various departments, with the hope that they will emerge better prepared for the challenges of working life and understand the commitment, dedication and passion needed to be successful in their careers. In 2008, six interns from Saudi Arabia, Cambodia, Germany and Australia were accepted into our programme.

Projects centred on education, youth, lifestyle, health and more, continue to be held - through partnerships with other corporate organisations and government and nongovernment agencies - to reach out to the people.

Education is Kev

In the realm of education, The Star Education Fair entered its 20th year with RM11 million worth of scholarships being pledged by 42 institutions to The Star Education Fund to help deserving students pursue their tertiary education.

Education projects carried out and supported by The Star include the ESUM-The Star-HSBC Public Speaking Competition, The Star BRATs Young Journalist Workshops, IMPAC Dublin Literary Award for Young Malaysians, and Learning Skills "Image Power Grooming" Workshop that honed the skills of the young in various fields and empowered them with knowledge.



The Star Education Fund

The Star Education Fair





Star-NiE Campaign 4 Rewards A









BRATs Workshops - Taiping/Penang/Ipoh/Kajang







ESUM-The Star-HSBC Public Speaking Competition

The Creative Media Awards encouraged young Malaysians to showcase their talents and scholarship prizes worth RM300,000 enabled them to pursue their education in graphic art and animation.

The Star is proud to be associated with the Youth Speaks For The Nation Public Speaking Contest, which created a platform for youth to speak on current issues and promote the use of the English language, as well as the HSBC Young Entrepreneurs Award 2008/2009, which gave students from higher education institutions the chance to submit commercially-viable business plans in competing for the top prize of a business development fund of HK\$100,000 (about RM50,000) at regional level.





Through the Beautiful Malaysia Art Competition, children aged 6 to 12 were given the opportunity to express their love for the country and learn the value of saving.

The Star also supported the Malaysian English Language (MELTA) International Conference, Meeting of Minds: Developing The Malaysia Master Brand Conference, Malaysia Festival of the Mind III and IV, and Harvard Project for Asian and International Relations Business Conference.

Our commitment to the young does not end there - those who had completed their education can look to The Star for assistance. Our Star-Jobs Online participated in the 5th Penang Career Expo to help match job seekers to employers.



Beautiful Malaysia Art Competition





▲ MELTA International Conference

R.AGE and its Role in Youth Development

What was once a pullout dedicated to providing a platform for sixth formers and tertiary-level students to voice out their opinions has now expanded into an activity-based programme that gives youngsters the opportunity to widen their social network, increase their knowledge, enhance skills and gain experience in diverse fields. R.AGE has helped to mould young individuals by engaging them in programmes that go beyond the realm of classroom education.

Some of the events held in 2008 include a Photography Workshop for students to learn the tricks of the trade, a Self-Defence Workshop that emphasised the importance of personal safety and security, and the March Forward: Road to Graduation Workshop that dealt with personal interaction and communication with the outside world.

In addition, R.AGE together with Star-Jobs was involved in the D'Graduate Online Reality Show where participants were required to canvass prospective clients for sponsorship and market their products.

The R.AGE Trailblazer Competition saw youngsters pitting their wits and skills against others to solve various activity puzzles in the race.

To top it off, ten R.AGE debutantes were given the opportunity to take part in the Viennese Ball 2008, and three of them were selected to make their debut at the world-famous Vienna Opera Ball, Austria.



▲ R.AGE pullouts







▲ D'Graduate Online Reality Show







▲ Self-Defence Workshop



Viennese Ball

Thank You, Teacher!

The Star recognises the significant role played by teachers not only as educators but also as moulders of the future generation of leaders and guardians of the country.

In appreciation of their sacrifice and efforts, Star Education treated teachers to a day of pampering and makeovers in the Teacher Idol Contest, while Star-NiE feted 500 teachers from Johor, Penang and Klang Valley to hi-tea spreads and goodies to celebrate the 11th anniversary of its Newspaper-in-Education programme.





Teacher Idol Contest



▲ Star-NiE 11th anniversary hi-tea for teachers

Keeping Up with Current Affairs

Keeping abreast with the latest happenings goes beyond reporting at The Star.

A classic example of this was when The Star together with the Asian Centre for Media Studies organised a series of Public Forums on the 12th Malaysian General Election to discuss developments, trends and implications of the elections. Renowned speakers and personalities were brought in to share their views with the people.

In the meantime, Malaysians could stay in touch with the latest election updates, from the run-up to polling day, through the various platforms under the Star media group; from the newspaper to The Star Online, Malay portal mStar Online, radio stations Red FM, 988 and Suria FM, and The Star SMS news alerts.

Other forums organised in the year were The Star Online's "Does New Media Influence The Way We Communicate Today?", mStar Online's "Filem Melayu Tidak Laku...Betul Ke?", and The Star/ACMS public lecture on "China And South-East Asia: A Courtship, Not A Marriage".

In our effort to nurture a knowledgeable and informed society, The Star regularly distributes free copies of the newspaper at special events and public places. During Euro 2008, The Star produced a free 16-page street edition daily containing updates and news on the football tournament.



▲ Public Forum on the 2008 Malaysian General Election



▲ Updates on the 2008 General Election through various channels of the Star media group



▲ Euro 2008 Street Edition



Free copies of The Star for Education Fair visitors

Healthy Body, Healthy Mind

Health issues are often addressed by The Star in view of the increasing number of Malaysians becoming more healthconscious.

Annual events such as the Ipoh Starwalk, Penang Starwalk and Seremban Half Marathon continue to highlight the importance of regular exercise, fitness and physical activity to keep the body in check and the mind alert.

We supported the AND1 Streetball Challenge, a fun and fastpaced activity, while our national cheerleading competition, CHEER 2008, not only promoted cheerleading as a healthy sport but also helped to reinforce the importance of physical exercise among the young.

Under The Star Learning Skills "Qi-Gong For Healing" workshops, participants learned the techniques of stimulating, balancing and controlling the flow of energy in the body, and ways to keep stress at bay.



Ipoh Starwalk



▲ AND1 Streetball Challenge



▲ Qi-Gong For Healing Workshop





▲ CHEER 2008

All Work And No Play...

At The Star, we believe that rest and relaxation are as important as work, hence we organise and support a variety of entertainment events each year to give Malaysians a break from the routine.

In 2008, we were involved in the Backstreet Boys "Unbreakable World Tour" Concert, Disney's Beauty and The Beast - The Broadway Musical, Sunburst KL International Music Festival, Gegar U! Concert, and the South Korean Goguryo Art Orchestra. And we brought in West End's bestselling musical MAMMA MIA!



▲ Backstreet Boys Concert



Beauty and The Beast The Broadway Musical



Sunburst KL International Music Festival





- Enchanted Evening with the Goguryo
- Art Orchestra

On the home front, readers received tips on baking at the CloveTwo "Bakin' with Dr Baker" workshop, while others learned how to prepare simple, home-cooked meals through Star Online's "Hungry for Home" series.

As for tourism, The Star Online launched the All Malaysia.info Travel Tool that offers travellers the convenience of booking flights, accommodation, cars and tour packages online. Also available on the site is feedback from bloggers on holiday destinations around the world.

Those who love participating in contests in their spare time had the chance to grab loads of prizes in the 8 Wonders - Rank & Win Contest, Spot-The-Ball Challenge and Road To Barcelona Contest.



▲ Hungry For Home series



▲ AllMalaysia.info Travel Tool



▲ 8 Wonders Contest



▲ Spot-The-Ball Challenge

Supporting Malaysian Talent

In helping to promote local talent, The Star ventured into a range of activities in 2008 including our first foray into TV production. We joined hands with ntv7 to produce the 13-episode suspense series "Frontpage" that featured top Malaysian stars and gave viewers an insight into the world of journalism.

In recognition of local fashion designers, we supported the Stylo KL Fashion Festival by co-presenting the Mercedes-Benz Stylo Awards Night. We also supported Malaysia's young batik-creating talent by sponsoring RM150,000 for the Piala Seri Endon Batik Design Competition and playing a part in the Batik Bazaar 2008.

In conjunction with the 51st National Day celebrations, The Star held the "Changing Malaysia" Photo Exhibition which featured pictures taken by our photographers to reflect the nation's transformation throughout the years, and a selection of photographs from the "Malaysia @ 50: A Day in the Life of Malaysia" Contest held earlier.



▲ Cast of Frontpage



Mercedes-Benz Stylo Awards Night



Batik Bazaar



▲ Batik Fun Walk



"Changing Malaysia" Photo Exhibition

Doing Our Bit For Charity

The Star media group did its bit for the community through various projects in 2008.

One of the highlights of the year was the staging of MAMMA MIA! The Smash Hit Musical, which proved to be a welcoming respite for Malaysians amid the global economic uncertainties. A total of RM1.2 million was raised from the Charity Night and other contributions through Star Foundation, and presented to 10 charitable organisations - Hospis Malaysia, Persatuan Daybreak, Pusat Kebajikan Good Shepherd, Persatuan Kebajikan HOPE Worldwide Kuala Lumpur, Persatuan Kebajikan Ti-Ratana, Yayasan IJN, Persatuan Kanak-Kanak Istimewa Kajang Selangor, The Befrienders Kuala Lumpur, SHELTER and Malaysian Care.

StarMetro's "Writing for Love" Charity Calligraphy Exhibition raised RM188,888 to help single mothers, while the Rainbow of Life Forces Blue Ribbon Campaign channelled RM50,000 to Star Foundation, the charity arm of Star media group, to raise greater awareness of childhood cancer.

Surplus funds from the StarBiz-ICR Malaysia Corporate Responsibility Awards Night were used to purchase medical items and equipment for the paediatric units of Hospital Kuala Lumpur and Hospital Raja Permaisuri Bainun, Ipoh.



▲ Mamma Mia! The Smash Hit Musical



MAMMA MIA! Charity Night cheque presentation



▲ Ti-Ratana Lion Dance Troupe at Menara Star



Donation of medical equipment to Hospital Raja Permaisuri Bainun, Ipoh



"Writing For Love" Charity Calligraphy Exhibition

The Star teamed up with the Korean Tourism Organisation to present the Goguryo Art Orchestra in aid of the Penang Down Syndrome Association and we supported the Batik Fun Walk where proceeds were channelled to Penyayang Pesakit Kanser.

The Star presented a new ambulance to the St John's Ambulance of Malaysia Penang branch from the proceeds of the Starwalk Carnival Charity Concert. In support of our vendors, we contributed to the purchase of a building for the Perak Indian Newspaper Distributors Association.

On the international front, The Star's Myanmar Relief Fund raised close to RM2.3 million for the victims of Cyclone Nargis in Myanmar, while the Sichuan Quake Fund was set up to help victims of the earthquake that struck central China and claimed thousands of lives. The Star donated RM100,000 towards this humanitarian effort.



Donation of ambulance to St John's Ambulance of Malaysia





Myanmar Relief Fund



▲ Contribution for Perak Indian Newspaper Distributors Association

Beyond 2008

As with any progressive corporation, we are continuously evolving with the times. It is our hope that The Star will become a source of inspiration for others by not only contributing to a sustainable future but also creating a community of ethical and wholesome individuals who will contribute to making our world a better place to live.

JANUARY

January 12 - 13

More than 70,000 people visited the 20th **Star Education Fair** in Kuala Lumpur. A total of 180 exhibitors took up more than 470 booths to showcase the best of local and foreign education options under one roof. Education and Career Talks were also held and The Star Education Fund received scholarships worth RM9.5 million from 34 educational institutions.





January 25

The Star and the Institute of Corporate Responsibility Malaysia (ICR Malaysia) joined hands to launch the inaugural **StarBiz-ICR Malaysia Corporate Responsibility Awards** aimed at recognising and honouring companies that demonstrate outstanding CR practices that go beyond community and philanthropic activities. The Association of Chartered Certified Accountants (ACCA), PricewaterhouseCoopers (PWC) and Securities Industry Development Corporation (SIDC) were the working partners, while the event was supported by the Securities Commission (SC) and Bursa Malaysia.





February 16

The English Speaking Union of Malaysia (ESUM) - The Star - HSBC Public Speaking Competition 2008 kicked off with workshops conducted by public speaking experts in Kuala Lumpur, Petaling Jaya, Kuching, Kuala Terengganu and Muar. In its 6th year, the competition saw 11 finalists expounding the theme "New Horizons, New Frontiers" before a panel of seven judges in March. Winners Faustina Niap and Lin Meiyi were rewarded with fully-paid trips to London to represent Malaysia at the International Public Speaking Competition in May.



February 17

A whopping RM188,888 was raised at **Star Metro's "Writing for Love" Charity Calligraphy Exhibition** to help single mothers in need of aid. The noble effort was carried out under *The Beginner*, a weekly column in Star Metro that gave journalists a chance to learn new skills and use those newfound skills for a good cause.



February 22

The IMPAC Dublin Literary Award for Young Malaysians Essay-Writing Competition was organised for the 6th year, this time with the topic "Tomorrow's World", by the Irish Embassy, IMPAC, The Star and the National Library of Malaysia, with the support of the Education Ministry.



February 27

The Star R.AGE and Galaxie magazine treated readers to a night of fun at the **Backstreet Boys "Unbreakable World Tour" Concert** held at Sunway Lagoon, Petaling Jaya. The Star was the official newspaper for the Kuala Lumpur leg of the concert tour.



MARCH

March 1 - 2

The Star Education Fair in Penang, the northern region's biggest one-stop education showcase, featured more than 200 booths and over 100 institutions of higher learning, providing students and school-leavers with a wide range of tertiary education options. Education and Career Talks were also held to provide valuable information on career and study choices. Scholarships worth RM1.5 million were offered by 8 education institutions through The Star Education Fund.





March 3

More than 200 people attended **The Star - ACMS Public Forum on "The 2008 Malaysian General Election"** to find out the trend and implications of the general election. The issues discussed were of the electorate and Malaysia's development and political trends since the last elections.

Two post-election forums were held - on "The 2008 General Election: Review and Reflection" on March 11 covering issues on the ruling coalition, revamp of the political parties and the power-sharing concept, and on "New Politics in Post-Election Malaysia" on March 24 where the audience got to hear views from both sides of the political divide and discuss about the future assessment of politics in Malaysia after the 12th General Election.





March 12

Forty teenagers turned up for the **Star BRATs Young Journalist Workshop** in lpoh/Taiping. The workshop was organised with the cooperation of Maybank, while Nikon was the official camera. This year also marked the 15th anniversary of the Star BRATs.



March 15

The Star was the official media for the inaugural **Sunburst KL International Music Festival** held in Kuala Lumpur. The star-studded music fest drew over 12,000 people who enjoyed a diverse spread of sounds from R&B to modern rock, hip-hop, jazz and funk.



March 15 - 23

The Star was one of the official media partners for the **Stylo KL Fashion Festival** held in Kuala Lumpur to celebrate the 10th anniversary of the F1 Grand Prix race in Malaysia. The Star co-presented the Mercedes-Benz Stylo Awards Night, which was the main highlight and finale of the Stylo KL Fashion Festival.





March 31

Inspector-General of Police Tan Sri Musa Hassan and senior members of the Royal Malaysian Police force visited Menara Star in Petaling Jaya and Star Media Hub in Shah Alam. They were given a briefing on newsroom and printing plant operations.





April 1

About 200 students and teachers attended The Star Newspaper-in-Education (NiE) Campaign 4 Rewards Workshop held at Menara Star, Petaling Jaya. The workshop, sponsored by Pizza Hut, gave insightful tips to teachers and students on what made winning posters, in line with the competition theme this year - "Going Green - Making a Positive Impact".



April 3

Star Foundation, the charity arm of the Star media group, received RM50,000 from the Rainbow of Life Forces (ROLF) Blue Ribbon Campaign. The campaign, which was initiated in October 2007 and ended on 31st January 2008, was aimed at raising greater awareness of childhood cancer.



April 7

The Star teamed up with SPH Interactive International (SPH II) of Singapore to venture into the digital media services business under 701 Panduan Sdn. Bhd. The signing ceremony took place at Menara Star, Petaling Jaya.



Star in digital media joint venture with SPH II

By ELIZABETH LOOK

PETALING JAYA: Star Publications (M) Blid has entered into a 50:50 joint venture with Singapore's SPH Interactive International (SPH II) to expand into the digital media services business under 701 Panduan Sels Bid.

Service a many-overent consistative or Singapore Prise Holdings Ltd (SPF). Sar Publications executive director and group chief operating director and group chief operating director various research initiatives, SPH has developed what we feel is the right methodology or creat a patient that can connect local businesses with local and regional users in the most effective and relevant way. The Sur has useret more than 12

years establishing a leadership position in the Malaysian Internet scene."

"We are happy to enter into this partnership which will take our online and media properties to the next level," she said after the signing ceremony here yesterday.

Ngiam signed on behalf of the Star Publications while SPH II was represented by director and senior executive vice-president of marketing Leslie Fong.

The event was witnessed by Star Publications group managing director and chief executive officer Datuk Steven Tan and SPH chief executive officer Alan Chan.

Fong said Malaysia had one of the highest Internet penetration rates and its stable economy also ensured that SPH's investment would do well

"The Stor, as Malaysia's leading newspaper, is a strong Malaysian brand name.

"Couple the fact with its well established network of contacts and familiarity with the local media advertising environment, and you have a perfect partner for SPH II in Malaysia," he said.

April 9

The Public Relations Consultants' Association of Malaysia, in collaboration with The Star Online, organised a forum on "Does New Media Influence The Way We Communicate Today?" at Menara Star, Petaling Jaya. The forum explored the fundamental changes in audiences, the communication medium used to reach them and the way new media was shaping public opinion on various issues.



April 22

Tourism Minister Datuk Seri Azalina Othman Said and other ministry officials visited Menara Star in Petaling Jaya. They were given a briefing on the running of the newsroom by The Star Group Chief Editor, Datuk Seri Wong Chun Wai.



April 26

R.AGE organised a **Photography Workshop** for tertiary students and sixth formers to help them improve their photography skills and also teach them the tricks of the trade, such as compositions, angles and lighting.







May 10

The **Teacher Idol Contest**, organised by Star Education, received close to 100 nominations for 53 teachers from all over the country. The winning teachers were treated to a day of styling fun, complete with beauty and fashion makeovers.



May 10

Sixty (60) tertiary education students and sixth formers attended the R.AGE Self-Defence Workshop held in Subang USJ. The workshop, supported by Maybank, was part of StarYouth's commitment to create safety awareness among youth.



May 20

Star Publications (M) Bhd Group Chief Operating Officer Datin Linda Ngiam presented RM1,847,171.06 to Mercy Malaysia from funds raised through **The Star's Myanmar Relief Fund**. A total of RM2,295,473.63 was collected to help victims of Cyclone Nargis in Myanmar.





May 22 - 25

Star Foundation, in association with International Resource Alliance (Asia), co-organised the 8th International Workshop on Resource Mobilisation (IWRM) in Petaling Jaya. More than 300 NGOs from all over the world attended the conference. Presenters from Brazil, Argentina, Czech Republic, South Korea, the Philippines and Europe shared their experiences on fund-raising and the skills required to manage money and mobilise resources.



May 23

Datuk Steven Tan Kok Hiang was appointed Executive Deputy Chairman/Senior Adviser of Star Publications (M) Bhd, which was to take effect from August 2008. He was succeeded by Datin Linda Ngiam taking on the position of Group Managing Director/Chief Executive Officer.



May 24 - 27

A total of 37 participants took part in the **Star BRATs Young Journalist Workshop** in Penang, organised in cooperation with Maybank. Nikon was the official camera sponsor.



May 24 - June 1

The Star was the media partner of the **Popular Book Fest @ Malaysia 2008** held in Kuala Lumpur. The Star and Popular bookstore introduced the Readers Choice Awards 2008 and also the ReadCycle for Charity campaign, which encouraged the public to donate English-language children's books for underprivileged children.





May 25

The Star, in association with the China Embassy in Malaysia, set up the **Sichuan Quake Fund** to help victims and survivors of the earthquake that had struck central China and claimed thousands of lives. The Star presented RM100,000 to the People's Republic of China ambassador to Malaysia, HE Cheng Yonghua to help in the relief efforts.



May 25 - 29

A total of 31 participants took part in the **StarYouth P2P Greeniz 2008 programme** themed "Stop, Look and Go Green" held in Kinabatangan, Sabah. It was supported by Maybank and hosted by the Sukau Rainforest Lodge. The exhibits and items from the programme were later displayed at the P2P Greeniz booth at The Star's Green Every Day - "Act Now"! celebration in Kuala Lumpur on June 8.





June 2

The Star and the Asian Centre for Media Studies (ACMS) organised a **Public Lecture on "China And South-East Asia: A Courtship, Not A Marriage"**. It was co-sponsored by the US Embassy and featured Professor Bronson Percival, who once taught at the US Naval War College.



June 8

The Star's Green Every Day - "Act Now!" Celebration took place at Taman Lembah Kiara in Taman Tun Dr Ismail, Kuala Lumpur. It was organised by The Star and sponsored by BonusLink in conjunction with World Environment Day 2008. The event was filled with activities and programmes geared towards bringing environmental awareness to the public.



June 8 - 30

The Star Euro 2008 Street Edition, a 16-page free pullout, was distributed daily during the football tournament, while The Star's Football Every Day - Euro 2008 podcast special began its runs. Carlsberg and Power Root sponsored both the street edition and the podcast special, whilst Sharp and Adidas supported the podcast.





June 15

Ipoh Starwalk, held in conjunction with the city's 20th anniversary, attracted a record 8,542 participants. It was jointly organised by The Star and the Ipoh City Council, with the cooperation of the Perak Government and the Perak Amateur Athletics Association.



June 24 - July 3

The Star was the official newspaper for **Disney's "Beauty And The Beast - The Broadway Musical"** in Kuala Lumpur.



June 28

The Star was the local media partner for the Meeting of Minds: Developing The Malaysia Master Brand event organised by the Malay Research & Strategy Foundation, communications firm Axelera Group and Newsweek International in Kuala Lumpur. The conference, aimed at laying the foundation for the creation of a Malaysia master brand, was opened by Deputy Prime Minister Dato' Seri Najib Tun Razak and featured branding expert, Simon Anholt as the keynote speaker.





July 5

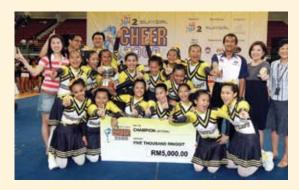
Kuntum organised the **Beautiful Malaysia Art Competition** for children aged 6 to 12. The event, sponsored by Bank Rakyat, gave children a chance to express their love for the country through art and also helped them to learn the value of saving from young. The competition kicked off in Johor Bahru, followed by Kuala Terengganu (July 19), Penang (Aug 23) and Kuala Lumpur (Aug 30).





July 12 - 13

A total of 43 teams from secondary schools throughout the country participated in the national competition of **Cheer 2008** at Stadium Putra, Bukit Jalil. It was the ninth year of the competition organised by The Star Youth2 to promote cheerleading as a healthy sport and activity among school children. Earlier, regional qualifying rounds were held in Penang (July 5) and Johor Bahru (July 6). Silkygirl returned as the main sponsor, whilst SEGi College was the co-sponsor.



July 19

More than 150 teams joined the **R.AGE Trailblazer Competition**, organised by The Star and presented by Maybank in Ipoh. The five winning teams took home cash prizes, computers, mobile phones, book and meal vouchers, health supplements and other goodies.



July 25

The StarBiz-ICR Malaysia "Getting Corporate Responsibility on the CEO Agenda" forum was held in Petaling Jaya with panellists Khazanah Nasional Bhd managing director Tan Sri Azman Mokhtar, IJM Corporation managing director Datuk Krishnan Tan, Astro CEO Rohana Rozhan and HSBC CEO Irene Dorner giving their thoughts on corporate responsibility programmes amidst the market turmoil. The forum was organised in conjunction with the StarBiz-ICR Malaysia Corporate Responsibility Awards.



July 25 - 27

The Star was the official media for the Malaysia International Travel Mart (MITM) Travel Fair 2008 held in Johor Bahru. The fair, also held in Kuala Lumpur from August 15 to 17, provided a platform for travel agents and airline companies to showcase and market their tourism products.



AUGUST

August 1 - 3

The Star supported the **Malaysia Festival of the Mind III** organised by the Malaysia Mental Literacy Movement, Universiti Tunku Abdul Rahman (UTAR) and Tunku Abdul Rahman College (KTAR). Exhibitions, public talks, mind games, memory demonstrations and training programmes were held during the festival, which aimed to create greater awareness among Malaysians of the human mind and its unlimited potential. Prior to the festival, three competitions were organised on Memory, Mind-Mapping and 3D Mind Drawing. The **Malaysia Festival of the Mind IV** was held in Penang on October 25 & 26.



August 7

Home Minister Datuk Seri Syed Hamid Albar, the ministry's deputy secretarygeneral (security) Datuk Ahmad Fuad Abdul Aziz and other ministry officials visited Star Media Hub in Shah Alam. They were given a briefing on the workings of the printing plant.



August 8

Around 120 people attended the **Public Forum** entitled "Filem Melayu Tidak Laku...Betul Ke?" organised by Malay portal mStar Online at Menara Star, Petaling Jaya. Various issues revolving around the complexities within the Malaysian film fraternity were discussed by panel speakers that comprised local entertainment celebrities Harith Iskandar, Ida Nerina, Hans Isaac, Vanida Imran and producer David Teo.



August 9 - October 2

The Star organised the **8 Wonders - Rank & Win Contest** for eight consecutive weeks in conjunction with the 080808 celebration. The contest, open to MyStar members, featured weekly questions based on the Star Online portals - AllMalaysia. info, Kuali, StarJobs, Home & Property, TechCentral, CloveTwo, Motoring and e-Central. Partners of the contest were LG Electronics, BonusLink and Giant. The 8 winners each week took home prizes ranging from cash to LCD TVs, shopping vouchers, home theatre systems and BonusLink points.





August 9

The Star feted 500 teachers in Johor (August 9), Penang (August 28) and Klang Valley (August 29) to lavish hi-tea spreads and goodies in celebration of the 11th anniversary of its **Newspaperin-Education (NiE) programme**. The hi-tea was jointly hosted by Star-NiE and its partner, Pizza Hut.



August 10

The Star Learning Skills "Image Power Grooming" Workshop was organised, in association with MCA's Lifelong Learning Campaign and with the cooperation of Carcosa Seri Negara, Estee Lauder, Robinsons, Wella and Summer's Eve. The workshop was aimed at giving participants greater insights on proper behaviour, social etiquette and grooming to enable them to gain a better advantage when meeting and mixing with people.



August 12

The Star In.Tech and The One Academy of Communication Design jointly organised the **Creative Media Award** based on Disney Pixar's animated feature film, Wall.E. Prizes included trips to Hong Kong Disneyland and higher education scholarships.



August 14 - 17

The Star was the official media for the Harvard Project for Asian and International Relations (HPAIR) Business Conference 2008 themed "Beyond Borders: Asia On The World Stage" in Kuala Lumpur. The conference focused on the current economic trends and developments in Asia, and ways to capture opportunities and generate sustainable growth in the new Asian business landscape. The conference was attended by international undergraduates, MBA students and young professionals worldwide.



August 15

Three lucky Liverpool FC fans, who participated in the **Spot-The-Ball Challenge**, won all-expense paid trips to Anfield, Liverpool to watch a live match between Liverpool and Manchester United. The Star was the co-organiser of the contest.





August 16 - 19

As many as 43 youths participated in the **Star BRATs Young Journalist Workshop** held in Kajang, Selangor. Maybank Graduate Banking sponsored the workshop.





August 17

The final leg of the AND1 Streetball Challenge in Kuala Lumpur saw the participation of 420 teams. The first four legs of the competition were held in Subang USJ (April 27); Penang (June 15); Klang (June 29) and Johor Bahru (Aug 3). Star Metro was the official media for the event which offered a fun and healthy activity for participants. The competition was organised by Ossia World of Golf and sanctioned by the Malaysian Amateur Basketball Association (MABA).



August 22

The winners of the **StarBiz-ICR Malaysia Corporate Responsibility Awards 2008** were announced at the Awards Night in Kuala Lumpur. The event, graced by HRH Raja Dr Nazrin Shah, the Crown Prince of Perak, was attended by corporate leaders and heads of non-governmental organisations. The 8 public-listed companies that won were from 2 categories - companies with market capitalisation below RM1 billion and companies with market capitalisation of RM1 billion and above, and were assessed according to 4 dimensions based on the Bursa Malaysia CSR Framework - Marketplace, Workplace, Environment and Community.

From the surplus of contributions received at the Awards Night, medical equipment worth RM13,000 was purchased for the paediatric unit of Hospital Kuala Lumpur (HKL) and a surgical bed worth RM25,000 for the paediatric intensive care unit of Hospital Raja Permaisuri Bainun, Ipoh.





August 23

The Star was the official media sponsor for the **Gegar U! Concert** held at UiTM in Shah Alam. Malaysian pop artistes Datuk Siti Nurhaliza, Jaclyn Victor and Adam thrilled the 2,000 strong crowd at the concert which was jointly organised by Yayasan Budi Penyayang and the Higher Education Ministry.



August 23

The finals of the **D'Graduate Online Reality Show** was held in Bukit Jambul, Penang. The event, organised by Universiti Utara Malaysia, with StarJobs and R.AGE as the official media partners, required participants to canvas prospective clients for sponsorships and market their products.



August 23 - September 7

The Star / Petronas "Changing Malaysia" Photo Exhibition was held at 1 Utama Shopping Centre, Petaling Jaya in conjunction with the 51st National Day celebrations. exhibition featured pictures by The Star photographers reflecting the nation's transformation through the years, capturing the way Malaysians live, work and play and also how change has touched both the young and old. A selection of photos from the "Malaysia @ 50: A Day in the Life of Malaysia" Contest held in 2007 was also exhibited.



August 24

More than 8,500 participants turned up for the **21st Seremban Half Marathon**, organised by the Antah Group and Seremban Amateur Athletics Association. The Star was the media sponsor.



SEPTEMBER

September 5 - 7

The Star Property & Home Fair took place in Penang, showcasing property and real estate, homes, home appliances and home financing packages, complete with talks, forums and auctions - all under one roof.



September 5 - 7

The Star was one of the official newspapers for the Matta Fair 2008 held in Kuala Lumpur, which saw the participation of more than 200 exhibitors occupying 880 booths to promote domestic and international travel and tourism.





September 7

The 13-episode suspense series Frontpage began its run on ntv7, giving television viewers a rare, up close look into the world of journalism. The series, which featured top Malaysian stars Tony Eusoff, Bernie Chan, Jehan Miskin, Cheryl Samad and Nell Ng, was a partnership between The Star, production house Juita Viden and ntv7, with confectioner Munchy's as the main sponsor. It was The Star's first foray into television production.



September 11

The Star-Tiger FC "Road to Barcelona" Contest was launched, running from September 12 to October 31 on The Star Online. Two lucky fans of La Liga (the Spanish league) won all-expense paid trips to Barcelona to catch the El Classico clash between footballing giants, Barcelona and Real Madrid.



September 13

The ground-breaking ceremony for **Studio V**, The Star's new state-of-theart multimedia hub incorporating print, online, mobile, radio and video, was held at Lot G362, 1 Utama Shopping Centre, Petaling Jaya. The studio offers readers, listeners, viewers, advertisers and business partners a place to interact.



September 17

The "Hungry for Home" series began its run on The Star Online. The 13-episode web-based series, organised by Flavours, offered new recipes each week and was aimed at helping young people living away from home prepare simple home-cooked meals.



September 27

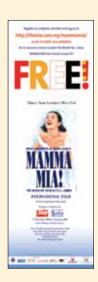
The Star Online's AllMalaysia.info Travel Tool was launched at Menara Star. The interactive info tool was developed together with Mayflower Travel Group, allowing travellers to book flights, accommodation, cars and tour packages at the company's website. The site also publishes holiday destination reviews by bloggers. Launched simultaneously was the AllMalaysian Bloggers Project Traveller Ambassadors Programme where bloggers are invited to go on holiday trips fully sponsored by Mayflower Travel Group and blog about their experience.





October 6

More than 180,000 entries were received for the one-day MAMMA MIA! The Smash Hit Musical Ticket Giveaway Promotion on The Star Online. A total of 100 lucky MyStar members won a pair of tickets each to watch the West End musical which was held from December 17, 2008 to January 4, 2009 at Istana Budaya, Kuala Lumpur.



October 8 - 14

The Art With A Heart 2008 Exhibition, held in Kuala Lumpur, showcased the paintings and sculptures of established local artists using recycled material. It was aimed at promoting environmental conservation through art as a form of expression. The event was jointly organised by The Star, the National Art Gallery and Pavilion Kuala Lumpur, and supported by the Global Malaysians Network, an initiative by the Asian Centre for Media Studies. Part of the proceeds from the sale of the ecofriendly art pieces was channelled to the Malaysian Nature Society and Orang Asli Association in Kembang Sejambak.



October 16

The World's No. 1 Show MAMMA MIA! was launched at the Renaissance Kuala Lumpur Hotel with the arrival of four cast members from the UK. The smash hit musical was brought to Malaysia by The Star and SP Setia, with the support of the Ministry of Unity, Culture, Arts and Heritage. HSBC was the official credit card, Renaissance Kuala Lumpur Hotel the official hotel, TNT Express Worldwide the official logistics partner, and ntv7, Utusan Malaysia, Sin Chew Daily, Red FM, 988 and Suria FM the media partners. Malaysians got the chance to see sneak peaks of the show and also win free tickets at the promotional tour and roadshow held from October 17 to 19 at Sunway Pyramid, 1 Utama, Pavilion, Ikano Power Centre and Bangsar Village.





October 19 & 25

The Star Learning Skills "Qi-Gong For Healing" Beginners and Intermediate Workshops were held at KDU College, Petaling Jaya. Course instructor, Grand Master Shao Xing Xuan from China taught participants the techniques of stimulating, balancing and controlling the flow of vital energy (qi) in the body. The workshops were held in association with MCA's Lifelong Learning Campaign.



October 25

Ten R.AGE debutantes were among the 100 debutantes that attended the **Viennese Ball 2008** organised by the Austrian Embassy in Kuala Lumpur. They performed the Quadrille, Polonaise and Viennese Waltz and of the ten debutantes shortlisted to make their debut at the world-famous Vienna Opera Ball, three were R.AGE debutantes.





October 25

The Star was the official sponsor for the Youth Speaks For The Nation 2008 Public Speaking Contest themed "One Nation One Vision". Held in Penang and organised by Junior Chamber International Penang in collaboration with the Penang Education Department, the contest aimed to give upper secondary school students the chance to speak on current issues and also promote the use of the English language.



NOVEMBER

November 1

The Star was the media partner for the HSBC Young Entrepreneur Awards 2008/09. The competition, open to full-time students from public and private institutions of higher learning, was judged based on the best and most commercially viable business plans submitted. The top team had the opportunity to compete in the regional competition in Hong Kong where they stood the chance of winning a business development fund of HK\$100,000 (about RM50,000).



November 13

The Asia Strategic Talent Management Forum 2008 held in Kuala Lumpur was attended by 252 participants. Key talent management issues and challenges, as well as ways in which companies could fulfil the potential of their employees, were discussed in the forum that was organised by Leaderonomics and sponsored by StarBiz, Sime Darby and Westports Malaysia.



November 16

The Star was the media partner for the **Batik Fun Walk 2008** held in Bandar Utama, Petaling Jaya. The charity walk drew more than 1,200 participants who came dressed from top to toe in batik. Proceeds from the walk were channelled to Penyayang Pesakit Kanser.



November 22 - 30

The Star was one of the official sponsors for the **Batik Bazaar 2008** - a major event of Malaysia Batik's "Crafted for the World" project spearheaded by Yayasan Budi Penyayang. The bazaar featured the works of 54 Malaysia Batik Association members.



November 23

The Star was one of the media partners for the prestigious Piala Seri Endon 2008 Batik Design Competition organised by Yayasan Budi Penyayang Malaysia. The competition, currently in its sixth year, was divided into 3 categories - fashion, soft furnishing and handicraft, to provide recognition and exposure to Malaysia's batikmaking talent and encourage higher standards in Malaysian batik design.



November 23

Sixty (60) tertiary students attended the **R.AGE March Forward: Road to Graduation Workshop** held at Menara Star, Petaling Jaya. The workshop, supported by Maybank Graduate Banking, gave the participants pointers on personal grooming, preparing resumes, connecting and communicating with people, and making great first impressions.



November 30

About 60 teenagers participated in the **Star BRATs Alternative Camp** held at The Farm in Lenggeng, Negeri Sembilan. The camp was organised by The Star, with the cooperation of Maybank.





December 1

StarBiz underwent a facelift, with its masthead sporting a new look and its pages offering more opinion pieces, while the new Star BizWeek on Saturdays saw the merging of both the StarBiz and BizWeek sections.





December 4

Star Publications (M) Bhd and the Korea Tourism Organisation presented An Enchanted Evening with the Goguryo Art Orchestra at Dewan Sri Penang in conjunction with the Penang Cultural Fest. The charity show from South Korea was supported by the Penang Government and Penang Municipal Council. Malaysians were treated to scintillating traditional and modern Korean cultural performances. Proceeds from the show amounting to RM72,236.65 were donated to the Penang Down Syndrome Association to help them cope with their education, training and activity expenses.



December 13

The Star media group comprising The Star newspaper, radio stations Red FM and 988, and Shang Hai magazine, was the official media partner for the **SME Recognition Award 2008** themed "Strategic Positioning Towards Global Competitiveness". Organised by the SMI Association of Malaysia, the Award was aimed at encouraging all SMEs to renounce old practices, adopt a new paradigm shift and be innovative in creating a unique position for themselves in the global market.



December 14

The **Penang Starwalk** attracted a record entry of 14,000 participants. The 10km walk was flagged off at the Penang International Sports Arena. It was jointly organised by The Star and the Penang Amateur Athletic Association, with Red FM as the official radio station.



December 17 - January 4

The best-selling London West End Musical MAMMA MIA! was staged at Istana Budaya, Kuala Lumpur. The Charity Night was held on December 17, with the presence of Deputy Prime Minister of Malaysia YAB Dato' Seri Najib Tun Razak and his wife YBhg Datin Seri Rosmah Mansor, Unity, Culture, Arts and Heritage Minister YB Dato' Seri Mohd Shafie Apdal and Federal Territories Minister YB Datuk Seri Zulhasnan Rafique.



Star Foundation, the charity arm of the Star media group, raised RM1.2 million through ticket sales from the Charity Night, contributions from the foundation and Capitaland's corporate night. The money was presented to 10 charitable organisations - RM300,000 to Hospis Malaysia and RM100,000 each to Persatuan Daybreak, Pusat Kebajikan Good Shepherd, Persatuan Kebajikan HOPE Worldwide Kuala Lumpur, Persatuan Kebajikan Ti-Ratana, Yayasan IJN, Persatuan Kanakkanak Istimewa Kajang Selangor, The Befrienders Kuala Lumpur, SHELTER and Malaysian Care.



December 24

The College Life in One Day Project was initiated by The Star Online in collaboration with Taylor's University College and Nokia as a partner. Students were invited to submit fun, funny and educational videos that would give viewers a glimpse of what it would be like to be a college student in this day and age. Up for grabs were mobile phones and scholarships to pursue architecture, business, communication, computing, hospitality and tourism programmes at the university.



December 31

Studio V together with 988 radio station and 1 Utama Shopping Centre ushered in 2009 at the studio's **Year-End Countdown Special Outdoor Broadcast**. It was the first New Year's Eve celebration to be hosted by a Malaysian radio station simultaneously in three cities - Petaling Jaya, Penang and Johor Bahru.



Financial Statements

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Directors' Report

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2008.

PRINCIPAL ACTIVITIES

The principal activities of the Company are the publication, printing and distribution of newspapers and magazines. The principal activities of the subsidiaries are set out in Note 11 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

RESULTS

	Group RM'000	Company RM'000
Net profit for the financial year	138,701	127,870
Attributable to:		
Equity holders of the Company	138,905	127,870
Minority interest	(204)	_
	138,701	127,870

DIVIDENDS

Dividends paid since the end of the previous financial year end were as follows:

- (a) A second interim dividend of 7.5 sen per ordinary share, less tax, and a special interim dividend of 3.0 sen per ordinary share, tax exempt, which amounted to RM40,990,280 and RM22,156,908 respectively in respect of the financial year ended 31 December 2007 were paid on 18 April 2008.
- (b) A first interim dividend of 7.5 sen per ordinary share, less tax, and a special interim dividend of 3.0 sen per ordinary share, tax exempt, which amounted to RM40,990,280 and RM22,156,908 respectively in respect of the financial year ended 31 December 2008 were paid on 30 September 2008.

On 25 February 2009, the Directors declared a second interim dividend of RM63,701,109 in respect of the financial year ended 31 December 2008 and payable to the shareholders on 18 April 2009 whose names appear in the Record of Depositors at the close of business on 31 March 2009, which are as follows:

- (i) Second interim dividend of 7.5 sen per ordinary share, less tax, which amounted to RM41,544,201; and
- (ii) Special interim dividend of 3.0 sen per ordinary share, tax exempt, which amounted to RM22,156,908.

The Directors do not recommend the payment of any final dividend in respect of the current financial year.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than those disclosed in the financial statements.

ISSUE OF SHARES AND DEBENTURES

There were no changes in the authorised and paid-up share capital of the Company during the financial year.

There were no issues of debentures during the financial year.

OPTIONS GRANTED OVER UNISSUED SHARES

No options were granted to any person to take up unissued shares of the Company during the financial year.

DIRECTORS

The Directors who have held office since the date of the last report are:

Datin Linda Ngiam Pick Ngoh Datuk Seri Kamal Mohamed Hashim Datuk Leong Tang Chong Dato' Wira Syed Abdul Jabbar bin Syed Hassan Dato' Dr Mohd Aminuddin bin Mohd Rouse Tan Sri Dato' Dr Sak Cheng Lum

Dato' Clement Hii Chii Kok (appointed on 5 January 2009)
Mr Ng Beng Lye (appointed on 5 January 2009)
Mr Foo San Kan (appointed on 22 January 2009)
Datuk Steven Tan Kok Hiang (resigned on 13 January 2009)
Datuk Oh Chong Peng (resigned on 13 January 2009)
Mr Cheng Hooi, Paul Geh (resigned on 13 January 2009)
Tan Sri Dato' Lau Yin Pin (resigned on 25 February 2009)

DIRECTORS' INTERESTS

The Directors holding office at the end of financial year and their beneficial interests in ordinary shares in the Company and of its related corporations during the financial year ended 31 December 2008 as recorded in the Register of Directors' Shareholding kept by the Company under Section 134 of the Companies Act, 1965 were as follows:

	Number of ordinary shares of RM1.00 each							
Direct interests in the Company	Balance as at 1.1.2008	Bought	Sold	Balance as at 31.12.2008				
Datuk Steven Tan Kok Hiang	1,000,000	-	-	1,000,000				
Datin Linda Ngiam Pick Ngoh	1,162,200	-	(54,000)	1,108,200				
Datuk Seri Kamal Mohamed Hashim	1,100,000	-	(100,000)	1,000,000				
Datuk Oh Chong Peng	180,000	-	(60,000)	120,000				
Mr Cheng Hooi, Paul Geh	80,000	-	-	80,000				

None of the other Directors holding office at the end of the financial year held any interest in the ordinary shares of the Company or its related corporations during the financial year.

DIRECTORS' BENEFITS

Since the end of the previous financial year, none of the Directors have received or become entitled to receive a benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in the financial statements or the fixed salary of a full time employee of the Company) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year, to which the Company is a party, which had the object of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY

(I) AS AT THE END OF THE FINANCIAL YEAR

- (a) Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and have satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets other than debts, which were unlikely to realise their book values in the ordinary course of business had been written down to their estimated realisable values.
- (b) In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature except for:
 - (i) the effects arising from impairment losses of goodwill arising from the acquisition of subsidiaries resulting in a decrease in the Group's profit for the financial year by RM24,300,000 as disclosed in Note 10 (a) to the financial statements;
 - (ii) the effects arising from impairment losses of investments in subsidiaries resulting in a decrease in the Company's profit for the financial year by RM11,405,000 as disclosed in Note 29 to the financial statements; and
 - (iii) the effects arising from allowance for doubtful debts on amount owing by subsidiaries resulting in a decrease in the Company's profit for the financial year by RM30,367,000 as disclosed in Note 14 to the financial statements.

(II) FROM THE END OF THE FINANCIAL YEAR TO THE DATE OF THIS REPORT

- (c) The Directors are not aware of any circumstances:
 - (i) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts in the financial statements of the Group and of the Company inadequate to any material extent; and
 - (ii) which would render the values attributed to current assets in the financial statements of the Group and of the Company misleading; and
 - (iii) which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) In the opinion of the Directors:
 - (i) there has not arisen in any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made; and
 - (ii) no contingent or other liability has become enforceable, or is likely to become enforceable, within the period of twelve (12) months after the end of the financial year which will or may affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

OTHER STATUTORY INFORMATION REGARDING THE GROUP AND THE COMPANY (cont'd)

(III) AS AT THE DATE OF THIS REPORT

- (e) There are no charges on the assets of the Group and of the Company which have arisen since the end of the financial year to secure the liabilities of any other person.
- (f) There are no contingent liabilities of the Group and of the Company which have arisen since the end of the financial year.
- (g) The Directors are not aware of any circumstances not otherwise dealt with in the report or financial statements which would render any amount stated in the financial statements of the Group and of the Company misleading.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 7 April 2008, the Company and SPH Interactive International Pte. Ltd. ("SPH II") signed a joint venture agreement to incorporate 701Panduan Sdn. Bhd. ("701Panduan"). Both the Company and SPH II will have equal equity participation of RM30,000,000 each of which RM20,000,000 was paid by each of the venturers during the financial year. On 18 August 2008, an addendum was made to the joint venture agreement where the remaining subscription consideration of RM10,000,000 each will be payable not later than 16 May 2010.
- (b) On 18 June 2008, the Company acquired the entire issued and paid-up ordinary share capital of Impian Ikon (M) Sdn. Bhd. ("Impian Ikon"), a company incorporated in Malaysia, which comprised 2 ordinary shares of RM1.00 each for a cash consideration of RM1,895.
- (c) On 19 June 2008, Impian Ikon, a wholly-owned subsidiary of the Company, acquired 51% of the issued and paid-up ordinary share capital of Leaderonomics Sdn. Bhd. ("Leaderonomics"), a company incorporated in Malaysia, which comprised 24,990 ordinary shares of RM1.00 each for a cash consideration of RM2,040,098. Leaderonomics is principally engaged in provision of human capital development including training and consultancy.
 - On 31 October 2008, Leaderonomics increased its authorised ordinary share capital from RM100,000 to RM5,000,000 by way of creation of an additional 4,900,000 new ordinary shares of RM1.00 each.
 - Also on the same date, Leaderonomics increased its issued and paid-up ordinary share capital from RM49,000 to RM4,100,000 by the issuance of 4,051,000 ordinary shares of RM1.00 each.
 - Impian Ikon subscribed 2,066,010 ordinary shares of these newly issued ordinary shares of RM1.00 each. Consequently, Impian Ikon's equity interest in Leaderonomics remain unchanged at 51%.
- (d) On 2 October 2008, the Company acquired the entire issued and paid-up ordinary share capital of Laviani Pte. Ltd. ("Laviani"), a company incorporated in Singapore, which comprised 1 ordinary share of SGD1.00 for a cash consideration of RM2,370. Laviani is an investment holding company.
- (e) On 3 October 2008, the Company and AmInvestment Bank Berhad ("AmInvestment") announced that ANZ Singapore Limited ("ANZ") and AmFraser Securities Pte. Ltd. ("AmFraser") for and on behalf of Laviani, a wholly-owned subsidiary of the Company, had proposed for a voluntary conditional cash offer for the entire issued and paid-up ordinary share capital of Cityneon Holdings Limited ("Cityneon") other than those already owned, controlled or agreed to be acquired by Laviani and parties acting in concert with it for an offer price of SGD0.58 payable in cash for each ordinary share. Cityneon is principally engaged in exhibition and event management business and was incorporated in Singapore. Cityneon is listed on the Main Board of Singapore Exchange Securities Trading Limited.

On 15 October 2008, on behalf of the Company, AmInvestment announced that ANZ and AmFraser, which are acting for and on behalf of Laviani, had revised the offer price for the proposed voluntary conditional cash offer of all the issued and paid-up ordinary share capital to SGD0.61 payable in cash for each ordinary share.

On 20 November 2008, on behalf of the Company, ANZ and AmFraser announced that the voluntary conditional cash offer was officially closed. On 20 November 2008, Laviani had acquired 56,418,755 ordinary shares, representing 63.73% of the entire issued and paid-up ordinary share capital of Cityneon for a total purchase consideration of RM83,705,731.

SIGNIFICANT EVENT SUBSEQUENT TO THE BALANCE SHEET DATE

On 27 March 2009, the Company purchased 44,200 of its issued and paid-up ordinary share capital from the open market at the market price ranging from RM3.20 to RM3.28 per ordinary share for a total cost of RM142,470. The purchase transactions were financed by internally generated funds and the shares repurchased are held as Treasury Shares by the Company.

AUDITORS

The auditors, BDO Binder, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors.

Datuk Leong Tang ChongDirector

Dato' Clement Hii Chii Kok Director

Petaling Jaya 31 March 2009

Statement By Directors

In the opinion of the Directors, the financial statements set out on pages 82 to 144 have been drawn up in accordance with applicable approved Financial Reporting Standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2008 and of the results of the operations of the Group and of the Company and of the Company for the financial year then ended.

On behalf of the Board,

Datuk Leong Tang ChongDirector

Dato' Clement Hii Chii Kok Director

Petaling Jaya 31 March 2009

Statutory Declaration

I, Ragesh Rajendran, being the officer primarily responsible for the financial management of Star Publications (Malaysia) Berhad, do solemnly and sincerely declare that the financial statements set out on pages 82 to 144 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1960.

Subscribed and solemnly) declared by the abovenamed at) Petaling Jaya this 31 March 2009)

RAGESH RAJENDRAN

Before me:

SOONG FOONG CHEE (No. B158)

Commissioner For Oaths

Independent Auditors' Report

to the members of Star Publications (Malaysia) Berhad

Report on the Financial Statements

We have audited the financial statements of Star Publications (Malaysia) Berhad, which comprise the balance sheets as at 31 December 2008 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 82 to 144.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with applicable approved Financial Reporting Standards in Malaysia and the provisions of the Companies Act, 1965. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved Standards on Auditing in Malaysia. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with applicable approved Financial Reporting Standards in Malaysia and the provisions of the Companies Act, 1965 so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2008 and of the results of the operations of the Group and of the Company and of the Company for the financial year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the relevant auditors' reports of the subsidiaries of which we have not acted as auditors, which are indicated in Note 11 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purpose of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Independent Auditors' Report

to the members of Star Publications (Malaysia) Berhad (cont'd)

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

BDO Binder

AF: 0206

Chartered Accountants

Dato' Gan Ah Tee DNS, JP 1890/03/10 (J/PH) Partner

Kuala Lumpur 31 March 2009

Balance Sheets

as at 31 December 2008

			Group	Company		
	Note	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000	
ASSETS						
Non-current assets						
Property, plant and equipment	7	604,378	626,910	589,526	621,596	
Investment properties	8	8,888	9,268	8,888	9,268	
Prepaid lease payments for land	9	43,415	44,028	43,415	44,028	
Intangible assets	10	51,966	25,771	-	-	
Investments in subsidiaries	11	-	-	98,154	109,555	
Investments in jointly controlled entities	12	20,300	-	20,356	-	
Other investments	13	807	-	-	-	
Deferred tax assets	25	486	-	-	-	
Other receivables	14	_	-	56,958	-	
Total non-current assets		730,240	705,977	817,297	784,447	
Current assets						
Inventories	15	214,910	161,117	214,377	161,117	
Trade and other receivables	16	161,584	121,485	101,514	141,320	
Current tax assets		889	390	-	-	
Cash and cash equivalents	17	621,556	658,076	474,981	525,728	
Total current assets		998,939	941,068	790,872	828,165	
TOTAL ASSETS		1,729,179	1,647,045	1,608,169	1,612,612	

Balance Sheets

as at 31 December 2008 (cont'd)

			Group	С	Company		
	Note	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000		
EQUITY AND LIABILITIES							
Equity attributable to equity holders of the Company							
Share capital	19	738,564	738,564	738,564	738,564		
Reserves	20	472,306	479,426	450,482	448,906		
	<u> </u>	1,210,870	1,217,990	1,189,046	1,187,470		
Minority interest		23,117	1,066	-	-		
TOTAL EQUITY		1,233,987	1,219,056	1,189,046	1,187,470		
Non-current liabilities							
Medium Term Notes	21	250,000	250,000	250,000	250,000		
Retirement benefits	22	500	7,694	500	7,694		
Borrowings	23	1,265	-	-	-		
Deferred tax liabilities	25	77,628	71,760	69,164	71,597		
Total non-current liabilities		329,393	329,454	319,664	329,291		
Current liabilities							
Trade and other payables	26	120,893	79,601	91,248	78,679		
Borrowings	23	34,418	-	-	-		
Current tax payable		10,488	18,934	8,211	17,172		
Total current liabilities		165,799	98,535	99,459	95,851		
TOTAL LIABILITIES		495,192	427,989	419,123	425,142		
TOTAL EQUITY AND LIABILITIES		1,729,179	1,647,045	1,608,169	1,612,612		

Income Statements

for the financial year ended 31 December 2008

			Group	Company		
	Note	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000	
Revenue	27	831,040	805,865	781,037	773,990	
Cost of sales and services		(295,131)	(282,678)	(283,543)	(281,539)	
Gross profit		535,909	523,187	497,494	492,451	
Other income		35,839	31,058	26,314	26,084	
Distribution costs		(154,334)	(154,640)	(146,783)	(144,576)	
Administrative and other expenses		(201,693)	(162,289)	(184,118)	(140,128)	
Finance costs	28	(14,202)	(13,950)	(13,950)	(13,950)	
		201,519	223,366	178,957	219,881	
Share of losses of jointly controlled entities	12	(56)	-	-	-	
Profit before tax	29	201,463	223,366	178,957	219,881	
Tax expense	30	(62,762)	(54,485)	(51,087)	(51,364)	
Net profit for the financial year		138,701	168,881	127,870	168,517	
Attributable to:						
Equity holders of the Company		138,905	169,165	127,870	168,517	
Minority interest		(204)	(284)	-	-	
		138,701	168,881	127,870	168,517	
Earnings per ordinary share (sen)						
- Basic	31	18.81	22.90			

Statements of Changes in Equity

for the financial year ended 31 December 2008

← Attributable to equity holders of the Company →

Group	Share capital RM'000	Foreign exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
Balance as at 31 December 2006	738,564	14,211	413,250	1,166,025	-	1,166,025
Foreign currency translations	-	4,294	-	4,294	-	4,294
Income recognised directly in equity	-	4,294	-	4,294	-	4,294
Net profit for the financial year	-	_	169,165	169,165	(284)	168,881
Total recognised income and expense for the financial year	-	4,294	169,165	173,459	(284)	173,175
Ordinary shares contributed by minority shareholders of a subsidiary	-	-	-	-	1,350	1,350
Dividends (Note 32)	-	-	(121,494)	(121,494)	_	(121,494)
Balance as at 31 December 2007	738,564	18,505	460,921	1,217,990	1,066	1,219,056

Statements of Changes in Equity

for the financial year ended 31 December 2008 (cont'd)

← Attributable to equity holders of the Company →

Group	Share capital RM'000	Foreign exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
Balance as at 31 December 2007	738,564	18,505	460,921	1,217,990	1,066	1,219,056
Foreign currency translations	-	(19,731)	_	(19,731)	232	(19,499)
Loss recognised directly in equity	-	(19,731)	-	(19,731)	232	(19,499)
Net profit for the financial year	-		138,905	138,905	(204)	138,701
Total recognised income and expense for the financial year Acquisitions of subsidiaries	- -	(19,731)	138,905	119,174	28 19,945	119,202 19,945
Ordinary shares contributed by minority shareholders of subsidiaries	-	-	-	-	2,078	2,078
Dividends (Note 32)	_		(126,294)	(126,294)	-	(126,294)
Balance as at 31 December 2008	738,564	(1,226)	473,532	1,210,870	23,117	1,233,987

Statements of Changes in Equity

for the financial year ended 31 December 2008 (cont'd)

	Non Dis	tributable	Distributable	
Company	Share capital RM'000	Capital reserve RM'000	Retained earnings RM'000	Total RM'000
Balance as at 31 December 2006	738,564	1,722	400,161	1,140,447
Net profit for the financial year	-	-	168,517	168,517
Dividends (Note 32)	-	-	(121,494)	(121,494)
Balance as at 31 December 2007	738,564	1,722	447,184	1,187,470
Net profit for the financial year	-	-	127,870	127,870
Dividends (Note 32)	-	-	(126,294)	(126,294)
Balance as at 31 December 2008	738,564	1,722	448,760	1,189,046

Cash Flow Statements

for the financial year ended 31 December 2008

			Group	C	ompany
	Note	2008	2007	2008	2007
CASH FLOWS FROM		RM'000	RM'000	RM'000	RM'000
OPERATING ACTIVITIES					
Profit before tax		201,463	223,366	178,957	219,881
Adjustments for:					
Allowance for doubtful debts		2,968	1,445	31,883	1,133
Allowance for doubtful debts no longer required		(59)	-	(59)	-
Amortisation of radio licence	10(b)	1,707	1,707	-	-
Amortisation of prepaid lease payments for land	9	613	614	613	614
Bad debts written off		6	1	4	1
Depreciation of investment properties	8	380	364	380	364
Depreciation of property, plant and equipment	7	42,863	42,081	41,177	40,297
Dividend income		-	-	_	(3,300)
Exchange differences		-	43	-	-
Gain on disposal of investments in quoted shares		_	(4)	_	(4)
Impairment losses of goodwill	10(a)	24,300	3,343	_	-
Impairment losses of investments in subsidiaries/subsidiary	11	_	_	11,405	3,500
Interest expenses		14,202	13,950	13,950	13,950
Interest income		(22,656)	(22,875)	(14,649)	(15,081)
(Gain)/Loss on disposal of property, plant and equipment		(1,088)	123	(150)	128
Property, plant and equipment written off		38	395	38	142
Provision for retirement benefits	22	1,455	2,210	1,455	2,210
Provision for unutilised staff leave	26(d)	189	38	_	-
Share of losses of jointly controlled entities		56	-	-	_
Operating profit before working capital changes		266,437	266,801	265,004	263,835
Capital Changes		200,437	200,001	203,004	200,000
Changes in working capital:					
Inventories		(53,742)	38,700	(53,260)	38,700
Trade and other receivables		9,522	(13,092)	8,692	(10,618)
Trade and other payables		15,086	(9,716)	12,569	(8,384)
Cash generated from operations		237,303	282,693	233,005	283,533
Tax paid		(66,279)	(52,265)	(62,481)	(38,235)
Retirement benefits paid		(8,649)	_	(8,649)	
Not and form and the second		400.077	000.400	404.075	0.45.000
Net cash from operating activities		162,375	230,428	161,875	245,298

Cash Flow Statements

for the financial year ended 31 December 2008 (cont'd)

			Group	C	Company		
	Note	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000		
CASH FLOWS FROM INVESTING ACTIVITIES							
Proceeds from disposal of property, plant and equipment		1,458	518	380	509		
Proceeds from disposal of investments in quoted shares		-	13	_	13		
Purchases of property, plant and equipment	7	(11,429)	(11,137)	(9,375)	(10,169)		
Acquisition of subsidiaries, net of cash acquired	33	(69,653)	-	-	-		
Increase in costs of investments in subsidiaries		-	-	(4)	(9,450)		
Acquisition of investments in jointly controlled entities		(20,356)	_	(20,356)	_		
Redemption of bond		-	21,000	-	21,000		
(Advances to)/Repayments from subsidiaries		-	-	(57,672)	147		
Dividends received		-	-	-	2,409		
Interest received		22,656	22,875	14,649	15,081		
Net cash (used in)/generated from investing activities		(77,324)	33,269	(72,378)	19,540		
CASH FLOWS FROM FINANCING ACTIVITIES							
Repayment for hire-purchase		(22)	_	_	_		
Drawdown of term loan		34,251	-	-	-		
Proceeds from the issuance of shares to minority shareholders		2,078	1,350	-	-		
Interest paid		(14,202)	(13,950)	(13,950)	(13,950)		
Dividends paid		(126,294)	(121,494)	(126,294)	(121,494)		
Net cash used in financing activities		(104,189)	(134,094)	(140,244)	(135,444)		
Net (decrease)/increase in cash and cash equivalents		(19,138)	129,603	(50,747)	129,394		
Effect of exchange rates fluctuations on cash held		(17,382)	4,774	-	_		
Cash and cash equivalents as at beginning of financial year		658,076	523,699	525,728	396,334		
Cash and cash equivalents as at end of financial year	17	621,556	658,076	474,981	525,728		

31 December 2008

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and is listed on the Main Board of Bursa Malaysia Securities Berhad.

The registered office and principal place of business of the Company is located at Level 15, Menara Star, 15, Jalan 16/11, 46350 Petaling Jaya.

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Company's functional currency.

The financial statements were authorised for issue in accordance with a resolution by the Board of Directors on 31 March 2009.

2. PRINCIPAL ACTIVITIES

The principal activities of the Company are the publication, printing and distribution of newspapers and magazines. The principal activities of the subsidiaries are set out in Note 11 to the financial statements. There have been no significant changes in the nature of these activities during the financial year.

3. BASIS OF PREPARATION

The financial statements of the Group and of the Company have been prepared in accordance with applicable approved Financial Reporting Standards ("FRSs") in Malaysia and the provisions of the Companies Act, 1965.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Basis of accounting

The financial statements of the Group and of the Company have been prepared under the historical cost convention (as modified by the revaluation of certain leasehold buildings) except as otherwise stated in the financial statements.

The preparation of financial statements requires the Directors to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent assets and contingent liabilities. In addition, the Directors are also required to exercise their judgements in the process of applying the Group's accounting policies. The areas involving such judgements, estimates and assumptions are disclosed in Note 6 to the financial statements. Although these estimates and assumptions are based on the Directors' best knowledge of events and actions, actual results could differ from those estimates.

4.2 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries made up to the end of the financial year using the purchase method of accounting.

Under the purchase method of accounting, the cost of business combination is measured at the aggregate of fair values at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued plus any costs directly attributable to the business combination.

At the acquisition date, the cost of business combination is allocated to identifiable assets acquired, liabilities assumed and contingent liabilities in the business combination which are measured initially at their fair values at the acquisition date. The excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised as goodwill (see Note 4.6.1 to the financial statements). If the cost of business combination is less than the interest in the net fair value of the identifiable assets, liabilities and contingent liabilities, the Group will:

31 December 2008 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.2 Basis of consolidation (cont'd)

- (a) reassess the identification and measurement of the acquiree's identifiable assets, liabilities and contingent liabilities and the measurement of the cost of the combination; and
- (b) recognise immediately in the income statements any excess remaining after that reassessment.

Where a business combination includes more than one exchange transaction, any adjustment to the fair values of the subsidiary's identifiable assets, liabilities and contingent liabilities relating to previously held interests of the Group's accounted for as a revaluation.

Subsidiaries are consolidated from the acquisition date, which is the date on which the Group effectively obtains control, until the date on which the Group ceases to control the subsidiaries. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, the existence and effect of potential voting rights that are currently or convertible exercisable are taken into consideration.

Intragroup balances, transactions and unrealised gains and losses on intragroup transactions are eliminated in full. Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. If a subsidiary uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to its financial statements in preparing the consolidated financial statements.

The gain or loss on disposal of a subsidiary, which is the difference between the net disposal proceeds and the Group's share of its net assets as of the date of disposal including the carrying amount of goodwill and cumulative amount of any exchange differences that relate to the subsidiary, is recognised in the consolidated income statements.

Minority interest is that portion of the income statements and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the Group. It is measured at the minority's share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minority's share of changes in the subsidiaries' equity since that date.

Where losses applicable to the minority in a subsidiary exceed the minority's interest in the equity of that subsidiary, the excess and any further losses applicable to the minority are allocated against the Group's interest except to the extent that the minority has a binding obligation and is able to make an additional investment to cover the losses. If the subsidiary subsequently reports profits, such profits are allocated to the Group's interest until the minority's share of losses previously absorbed by the Group has been recovered.

Minority interest is presented in the consolidated balance sheet within equity and is presented in the consolidated statements of changes in equity separately from equity attributable to equity holders of the Company.

Minority interest in the results of the Group is presented in the consolidated income statements as an allocation of the total profit or loss for the year between minority interest and equity holders of the Company.

Transactions with minority interests are treated as transactions with parties external to the Group. Disposal to minority interests results in gains and losses for the Group that are recorded in the income statements. Purchases from minority interests results in goodwill, being the difference between any consideration paid and the relevant share acquired of the carrying amount of net assets of the subsidiary.

31 December 2008 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.3 Property, plant and equipment and depreciation

All items of property, plant and equipment are initially measured at cost. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as separate assets, as appropriate, only when the cost is incurred and it is probable that the future economic benefits associated with the asset will flow to the Group and the cost of the asset can be measured reliably. The carrying amount of parts that are replaced is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statements as incurred. Cost also comprises the initial estimate of dismantling and removing the asset and restoring the site on which it is located for which the Group is obligated to incur when asset is acquired, if applicable.

Each part of an item of property, plant and equipment with a cost that is significant to the total cost of the asset and which has different useful life, is depreciated separately.

After initial recognition, property, plant and equipment except for leasehold buildings are stated at cost less any accumulated depreciation and any accumulated impairment losses. The leasehold buildings are stated at valuation, which is the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Depreciation on other property, plant and equipment is calculated to write off the cost or valuation of the assets to their residual values on a straight line basis over their estimated useful lives. The principal depreciation periods and rates are as follows:

Buildings
Plant and machinery
S.56% - 25%
Furniture, fittings and equipment, renovation and motor vehicles
Exhibition services assets
30 years to 50 years
5.56% - 25%
10% - 50%

Freehold land is not depreciated. Construction-in-progress represents plant and buildings under construction and renovation-in-progress and is stated at cost. Construction-in-progress is not depreciated until such time when the asset is available for use.

At each balance sheet date, the carrying amounts of an item of property, plant and equipment is assessed for impairment when events or changes in circumstances indicate that its carrying amount may not be recoverable. A write down is made if the carrying amount exceeds the recoverable amount (See Note 4.10 to the financial statements).

The residual values, useful lives and depreciation method are reviewed at each financial year end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. If expectations differ from previous estimates, the changes are accounted for as a change in an accounting estimate.

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the carrying amount is included in the income statements and the revaluation reserve related to those assets, if any, is transferred directly to retained earnings.

31 December 2008 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.4 Investment properties

Investment properties are properties which are held to earn rental yields or for capital appreciation or for both and are not occupied by the Group. Investment properties are initially measured at cost, which includes transaction cost. After initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

Depreciation is charged to the income statements on a straight line basis over the estimated useful lives of the investment properties. The estimated useful life of the buildings is within 30 years to 50 years.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefits is expected from its disposal. The gains or losses arising from the retirement or disposal of investment property is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset and is recognised in income statements in the period of the retirement or disposal.

4.5 Leases and hire-purchase

4.5.1 Finance leases and hire-purchase

Assets acquired under finance leases and hire-purchase which transfer substantially all the risks and rewards of ownership to the Group are recognised initially at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the leases, if this is practicable to determine; if not, the Group's incremental borrowing rate is used. Any initial direct costs incurred by the Group are added to the amount recognised as an asset. The assets are capitalised as property, plant and equipment and the corresponding obligations are treated as liabilities. The property, plant and equipment capitalised are depreciated on the same basis as owned assets.

The minimum lease payments are apportioned between the finance charges and the reduction of the outstanding liability. The finance charges are recognised in income statements over the period of the lease term so as to produce a constant periodic rate of interest on the remaining lease and hire-purchase liabilities.

4.5.2 Operating leases

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership.

Lease payments under operating leases are recognised as an expense on a straight-line basis over the lease term.

4.5.3 Leases of land and buildings

For leases of land and buildings, the land and buildings elements are considered separately for the purpose of lease classification and these leases are classified as operating or finance leases in the same way as leases of other assets.

The minimum lease payments including any lump-sum upfront payments made to acquire the interest in the land and buildings, are allocated between the land and the building elements of the lease in proportion to the relative fair values of the leasehold interest in the land element and the buildings element of the lease at the inception of the lease.

Leasehold land that normally has an indefinite economic life and where the lease does not transfer substantially all the risk and rewards incidental to ownership is treated as an operating lease. The lump-sum upfront payment made on entering into or acquiring leasehold land are accounted for as prepaid lease payments and are amortised over the lease term on a straight line basis.

31 December 2008 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.5 Leases and hire-purchase (cont'd)

4.5.3 Leases of land and building (cont'd)

The buildings element is classified as a finance or operating lease in accordance with Note 4.5.1 and Note 4.5.2 to the financial statements. If the lease payment cannot be allocated reliably between these two elements, the entire lease is classified as a finance lease, unless it is clear that both elements are operating leases, in which case the entire lease is classified as an operating lease.

For a lease of land and buildings in which the amount that would initially be recognised for the land element is immaterial, the land and buildings are treated as a single unit for the purpose of lease classification and is accordingly classified as a finance or operating lease. In such a case, the economic life of the buildings is regarded as the economic life of the entire leased asset.

4.6 Intangible assets

4.6.1 Goodwill

Goodwill acquired in business combination recognised as an asset at the acquisition date and is initially measured at cost being the excess of the cost of business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities. After initial recognition, goodwill is measure at cost less any accumulated impairment losses, if any. Goodwill is not amortised but instead tested for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

4.6.2 Radio licence

Radio licence acquired has finite useful life and is shown at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is calculated on a straight line basis to write off the cost of the radio licence over its estimated useful life which will be expiring on 31 March 2010.

4.7 Investments

(a) Subsidiaries

A subsidiary is an entity in which the Group and the Company have power to control the financial and operating policies so as to obtain benefits from its activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group has such power over another entity.

An investment in subsidiary, which is eliminated on consolidation, are stated in the Company's separate financial statements at cost less impairment losses, if any. On disposal of such an investment, the difference between the net disposal proceeds and their carrying amounts is included in the income statements.

(b) Jointly controlled entities

A jointly controlled entity is a joint venture that involves the establishment of a corporation, partnership or other entities over which there is contractually agreed sharing of joint control over the economic activity of the entity. Joint control exists when strategic financial and operational decisions relating to the activity require the unanimous consent of all the parties sharing control.

In the Company's separate financial statements, an investment in jointly controlled entities is stated at cost less impairment losses, if any.

The investment in jointly controlled entity is accounted for in the consolidated financial statements using the equity method of accounting. The Group's share of the profit or loss of the jointly controlled entity during the financial year is included in the consolidated financial statements, after adjustments to align the accounting policies with those of the Group, from the date that joint control commences until the date that joint control ceases.

31 December 2008 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.7 Investments (cont'd)

(b) Jointly controlled entities (cont'd)

The Group recognises the portion of gains or losses on the sale of assets by the Group to the joint venture that is attributable to the other venturers. The Group does not recognise its share of profits or losses from the joint venture that result from the purchase of assets by the Group from the joint venture until it resells the assets to an independent party. However, a loss on the transaction is recognised immediately if the loss provides evidence of a reduction in the net realisable value of current assets or an impairment loss. Where necessary, in applying the equity method, adjustments are made to the financial statements of the jointly controlled entity to ensure consistency of accounting policies with those of the Group.

Unrealised gains on transactions between the Group and its jointly controlled entity are eliminated to the extent of the Group's interest in the jointly controlled entity; unrealised losses are also eliminated unless the transaction provides evidence on impairment of the asset transferred. Where necessary, in applying the equity method, adjustments are made to the financial statements of the jointly controlled entity to ensure consistency of accounting policies with those of the Group.

Upon disposal of such investment, the difference between the net disposal proceeds and its carrying amount is included in the income statements.

(c) Other investments

Non-current investments other than investments in subsidiaries, jointly controlled entities and investment properties are stated at cost and an allowance for diminution in value is made where, in the opinion of the Directors, there is a decline other than temporary in value of such investments. Where there has been a decline other than temporary in the value of investment, such a decline is recognised as an expense in the period in which the decline is identified.

All current investments are carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investments.

Upon disposal of such investment, the difference between the net disposal proceeds and its carrying amount is recognised in income statements.

4.8 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined on a weighted average or first-in first-out basis. Cost comprises all costs of purchase plus the cost of bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The fair value of inventories acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

4.9 Amounts due from/to customers for contract work

Contract costs comprise costs related directly to the specific contract and those that are attributable to the contract activity in general and can be allocated to the contract and such other costs that are specifically chargeable to the customer under the terms of the contract.

When the total costs incurred on contracts plus recognised profits (less recognised losses), exceeds progress billings, the balance is classified as amount due from customers for contract work. When progress billings exceed costs incurred plus recognised profits (less recognised losses), the balance is classified as amount due to customers for contract work.

31 December 2008 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.10 Impairment of non-financial assets

The carrying amounts of assets, except for financial assets (the financial assets in this context do not include investments in subsidiaries and jointly controlled entities), inventories, deferred tax assets and assets arising from contract work are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Goodwill and intangible assets that have indefinite useful life are tested annually for impairment or more frequently if events or changes in circumstances indicate that goodwill or intangible assets might be impaired.

The recoverable amount of an asset is estimated for an individual asset. Where it is not possible to estimate the recoverable amount of the individual asset, the impairment test is carried out on the cash-generating unit ("CGU") to which the asset belongs. Goodwill acquired in a business combination is from the acquisition date, allocated to each of the Group's CGU or groups of CGU that are expected to benefit from the synergies of the combination giving rise to the goodwill irrespective of whether other assets or liabilities of the acquiree are assigned to those units or groups of units.

The recoverable amount of an asset or CGU is the higher of its fair value less cost to sell and its value in use.

In estimating the value in use, the estimated future cash inflows and outflows to be derived from continuing use of the asset and from its ultimate disposal are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the future cash flow estimates have not been adjusted. An impairment loss is recognised in the income statements when the carrying amount of the asset or the CGU, including the goodwill or intangible asset, exceeds the recoverable amount of the asset or the CGU. The total impairment loss is allocated, first, to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the CGU on a pro-rate basis of the carrying amount of each asset in the CGU.

An impairment loss is recognised in the income statements immediately except for the impairment on a revalued asset when the impairment loss is recognised directly against the revaluation reserve to the extent of the surplus credited from the previous revaluation for the same assets with the excess of the impairment loss charged to the income statements.

An impairment loss on goodwill is not reversed in subsequent periods. An impairment loss for other assets is reversed, if and only if, there has been a change in the estimates used to determine the assets' recoverable amount since the last impairment loss was recognised.

An impairment loss is reversed to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Such reversal are recognised as income immediately in the income statements except for the reversal of an impairment loss on revalued assets where the reversal of the impairment loss is treated as a revaluation increase and credited to the revaluation reserve account of the same asset. However, to the extent that an impairment loss in the same revalued asset was previously recognised in income statements, a reversal of that impairment loss is also recognised in income statements.

4.11 Provisions

Provisions are recognised when there is a present obligation, legal or constructive, as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material, the amount of a provision will be discounted to its present value at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

31 December 2008 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.11 Provisions (cont'd)

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision will be reversed.

Provisions are not recognised for future operating losses. If the Group has a contract that is onerous, the present obligation under the contract shall be recognised and measured as a provision.

4.12 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, an equity instrument of another enterprise, a contractual right to receive cash or another financial asset from another enterprise, or a contractual right to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially favourable to the Group.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or a contractual obligation to exchange financial assets or financial liabilities with another enterprise under conditions that are potentially unfavourable to the Group.

4.12.1 Financial instruments recognised on the balance sheets

Financial instruments are recognised on the balance sheet when the Group has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interest, dividends and losses and gains relating to a financial instrument or a component that is a financial liability shall be recognised as income or expense in income statements. Distributions to holders of an equity instrument are debited directly to equity, net of any related tax effect. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

(a) Receivables

Trade receivables and other receivables, including amounts owing by related parties, are classified as loans and receivables under FRS 132 *Financial Instruments: Disclosure and Presentation.*

Receivables are carried at anticipated realisable value. Known bad debts are written off and specific allowance is made for debts considered to be doubtful of collection.

Receivables are not held for trading purposes.

(b) Cash and cash equivalents

Cash and cash equivalents include cash and bank balances, deposits with licenced financial institutions and other short term highly liquid investments that are readily convertible to cash and are subject to insignificant risk of changes in values.

(c) Payables

Liabilities for trade and other amounts payable, including amounts owing to related parties are initially recognised at fair value of the consideration to be paid in the future for goods and services received, and subsequently measured at cost. Payables are recognised when there is a contractual obligation to deliver cash or another financial assets to another entity.

31 December 2008 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.12 Financial instruments (cont'd)

4.12.1 Financial instruments recognised on the balance sheets (cont'd)

(d) Interest bearing loans and borrowings

All loans and borrowings are initially recognised at the fair value of the consideration received less directly attributable costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

(e) Medium Term Notes

The Medium Term Notes are recognised in the financial statements based on the proceeds received. The difference between the proceeds and the settlement and the total amount of payments of these borrowings are allocated to periods over the term of the borrowings at a constant rate on the carrying amount and are charged to the income statements.

(f) Equity instruments

Ordinary shares are recorded at the nominal value and proceeds in excess of the nominal value of shares issued, if any, are accounted for as share premium. Both ordinary shares and share premium are classified as equity. Transaction costs of an equity transaction are accounted for as a deduction from equity, net of any related income tax benefit. Otherwise, they are charged to income statements.

Dividends to shareholders are recognised in equity in the period in which they are declared.

If the Company reacquires its own equity instruments, the consideration paid, including any attributable transaction costs is deducted from equity as treasury shares until they are cancelled. No gain or loss is recognised in income statements on the purchase, sale, issue or cancellation of the Company's own equity instruments. Where such shares are issued by resale, the difference between the sales consideration and the carrying amount is shown as a movement in equity.

4.12.2 Financial instruments not recognised on the balance sheets

(a) Foreign currency forward contracts

Foreign currency forward contracts are used to hedge foreign exposures as a result of receipts and payments in foreign currency. Any gain or losses arising from contracts entered into as hedges of anticipated future transactions are deferred until the date of such transactions at which time they are included in the measurement of such transactions.

(b) Fair value estimation for disclosure purposes

The fair value of publicly traded derivatives and securities is based on market prices at the balance sheet date.

The fair value of foreign currency forward contracts is determined using foreign exchange market rates at the balance sheet date.

In assessing the fair value of non-traded derivatives and financial instruments, the Group uses a variety of methods and makes assumptions that are based on market conditions existing at each balance sheet date. Quoted market prices or dealer quotes for the specific or similar instruments are used for long-term debt. Other techniques, such as option pricing models and estimated discounted value of future cash flows, are used to determine fair value for the remaining financial instruments. In particular, the fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group for similar financial instruments.

The fair values for financial assets and liabilities with a maturity of less than one year are assumed to approximate their face values.

31 December 2008 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.13 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualified asset is capitalised as part of the cost of the asset until when substantially all the activities necessary to prepare the asset for its intended use or sale are complete, after which such expense is charged to income statements. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale. Capitalisation of borrowing cost is suspended during extended periods in which active development is interrupted.

The amount of borrowing costs eligible for capitalisation is the actual borrowing costs incurred on the borrowing during the period less any investment income on the temporary investment of the borrowing.

All other borrowing costs are recognised in income statements in the period in which they are incurred.

4.14 Contingent liabilities and contingent assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Group does not recognise a contingent liability but discloses its existence in the financial statements.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain.

In the acquisition of subsidiaries by the Group under business combinations, contingent liabilities assumed are measured initially at their fair value at the acquisition date, irrespective of the extent of any minority interest.

4.15 Employee benefits

4.15.1 Short term employee benefits

Wages, salaries, social security contributions, paid annual leave, paid sick leave, bonuses and non-monetary benefits are recognised as an expense in the financial year when employees have rendered their services to the Group and the Company.

Short term accumulating compensated absences such as paid annual leave are recognised as an expense when employees render services that increase their entitlement to future compensated absences. Short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

Bonuses are recognised as an expense when there is a present, legal or constructive obligation to make such payments, as a result of past events and when a reliable estimate can be made of the amount of the obligation.

4.15.2 Defined contribution plans

The Company and its subsidiaries incorporated in Malaysia make contributions to a statutory provident fund and foreign subsidiaries make contributions to their respective countries' statutory pension schemes. The contribution are recognised as a liability after deducting any contribution already paid and as an expense in the period in which the employees render their services.

4.15.3 Share-based payments

A subsidiary within the Group, Cityneon, a company incorporated in Singapore and listed on the Main Board of Singapore Exchange Securities Trading Limited, has an Employee Share Option Scheme ("ESOS"). The ESOS is administered by its Remuneration and Share Option Committee and offered to the employees of Cityneon and its subsidiaries.

31 December 2008 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.15 Employee benefits (cont'd)

4.15.3 Share-based payments (cont'd)

The equity-settled share-based compensation plan allows the employees of Cityneon and its subsidiaries to acquire ordinary shares of Cityneon at predetermined prices. The total fair value of share options granted to employees is recognised as an expense with a corresponding increase in the share option reserve within equity over the vesting period and taking into account the probability that the options will vest.

The fair value of share options is measured at grant date, taking into account, if any, the market vesting conditions upon which the options were granted but excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable on the vesting date.

At each balance sheet date, Cityneon revises its estimates of the number of options that are expected to become exercisable on vesting date. It recognises the impact of the revision of original estimates, if any, in income statements, and a corresponding adjustment to equity over the remaining vesting period. The equity amount is recognised in the share options reserve until the options are exercised, upon which it will be transferred to share premium, or until the options expires, upon which it will be transferred directly to retained earnings.

The proceeds received net of any directly attributable transaction costs are credited to equity when the options are exercised.

There are no share options granted to the employees of Cityneon and its subsidiaries subsequent to the completion of acquisition by Laviani, a company incorporated in Singapore and a wholly-owned subsidiary of Star Publications (Malaysia) Berhad (see Note 39 (e)), and the related share-based compensation is not significant to the Group.

4.15.4 Retirement benefits

Retirement benefits relate to benefits given to senior management, which represent cost accrued based on the number of years of service and last drawn salaries.

4.16 Income taxes

Income taxes include all domestic and foreign taxes on taxable profit. Taxes in the income statements comprise current tax and deferred tax.

4.16.1 Current tax

Current tax is the amount of income taxes payable or receivable in respect of the taxable profit or loss for a period.

Current tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that have been enacted or substantively enacted by the balance sheet date.

4.16.2 Deferred tax

Deferred tax is recognised in full using the liability method on temporary differences arising between the carrying amount of an asset or liability in the balance sheet and its tax base.

Deferred tax is recognised for all temporary differences, unless the deferred tax arises from goodwill or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of transaction, affects neither accounting profit nor taxable profit.

31 December 2008 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.16 Income taxes (cont'd)

4.16.2 Deferred tax (cont'd)

A deferred tax asset is recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. The carrying amount of a deferred tax asset is reviewed at each balance sheet date. If it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilised, the carrying amount of the deferred tax asset will be reduced accordingly. When it becomes probable that sufficient taxable profit will be available, such reductions will be reversed to the extent of the taxable profits.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred income relate to the same taxation authority.

Deferred tax will be recognised as income or expense and included in the income statements for the period unless the tax relates to items that are credited or changes, in the same or different period, directly to equity, in which case the deferred tax will be changed or credited directly to equity.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

4.17 Foreign currencies

4.17.1 Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

4.17.2 Foreign currency translations and balances

Transactions in foreign currencies are converted into Ringgit Malaysia at rates of exchange ruling at the transaction dates. Monetary assets and liabilities in foreign currencies at the balance sheet date are translated into Ringgit Malaysia at rates of exchange ruling at that date unless hedged by forward foreign exchange contracts, in which case the rates specified in such a forward contracts are used. All exchange differences arising from the settlement of foreign currency transactions and from the translation of foreign currency monetary assets and liabilities are included in income statements in the period in which they arise. Non-monetary items initially denominated in foreign currencies, which are carried at historical cost are translated using the historical rate as of the date of acquisition and non-monetary items which are carried at fair value are translated using the exchange rate that existed when the values were determined for presentation currency purposes.

4.17.3 Foreign operations

Financial statements of foreign operations are translated at financial year end exchange rates with respect to the assets and liabilities, and at exchange rates at the dates of the transactions with respect to the income statements. All resulting translation differences are recognised as a separate component of equity.

In the consolidated financial statements, exchange differences arising from the translation of net investment in foreign operations are taken to equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in income statements as part of the gain or loss on disposal.

Goodwill and fair value adjustments to the assets and liabilities arising from the acquisition of a foreign operation are treated as assets and liabilities of the acquired entity and translated at the exchange rate ruling at the balance sheet date.

31 December 2008 (cont'd)

4. SIGNIFICANT ACCOUNTING POLICIES (cont'd)

4.18 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable net of discounts and rebates.

Revenue is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Group, and the amount of revenue and the cost incurred or to be incurred in respect of the transaction can be reliably measured and specific recognition criteria have been met for each of the Group's activities as follows:

(a) Sale of goods

Revenue from sale of goods represents the invoiced value arising from the publication, printing and distribution of newspapers and magazines (net of returns and service tax) after eliminating sales within the Group.

Revenue from sale of goods is recognised when significant risk and rewards of ownership of the goods has been transferred to the customer and where the Group retains neither continuing managerial involvement over the goods, which coincides with the delivery of goods and services and acceptance by customers.

(b) Services

Revenue from services represent the invoiced value arising from the broadcasting of commercials on radio (net of service tax), provision of services (net of service tax) and provision of education service after eliminating sales within the Group.

(c) Projects

Revenue and expenses from contract works of exhibition services and event management are recognised on a percentage of completion method. Percentage of completion is determined on the proportion of contract costs incurred for work performed to date against total estimated costs where the outcome of the project can be estimated reliably. Changes in job performance, job conditions and estimated profitability, including those arising from final contract settlements may result in revisions to costs and revenues and are recognised in the period on which the revisions are determined.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When the outcome of a contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable and contract costs are recognised as an expense in the period in which they are incurred.

(d) Interest income

Interest income earned by the Group and the Company are recognised as it accrues unless collectibility is in doubt.

(e) Dividend income

Dividend income is recognised when the shareholder's right to receive payment is established.

(f) Rental income

Rental income is accounted for on a straight line basis over the lease term of on operating lease. The aggregate cost of incentives provided to the lessee is recognised as reduction of rental income over the lease term on a straight line basis.

31 December 2008 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRS

5.1 Amendment to FRS and new FRSs adopted

(a) Amendment to FRS 121 The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation is mandatory for annual periods beginning on or after 1 July 2007.

This amendment results in exchange differences arising from a monetary item that forms part of the Group's net investment in a foreign operation to be recognised in equity irrespective of the currency in which the monetary item is denominated and if whether the monetary item results from a transaction with the Company or any of its subsidiaries. Previously, exchange differences arising from such transactions between the Company and its subsidiaries would be accounted for in income statements or in equity depending on the currency of the monetary item.

The adoption of this amendment does not have any significant impact on the consolidated financial statements.

(b) The following FRSs are mandatory for annual periods beginning on or after 1 July 2007:

FRS 107 Cash Flow Statements

FRS 111 Construction Contracts

FRS 112 Income Taxes

FRS 118 Revenue

FRS 120 Accounting for Government Grants and Disclosure of Government Assistance

FRS 134 Interim Financial Reporting

FRS 137 Provisions, Contingent Liabilities and Contingent Assets

These FRSs align the Malaysian Accounting Standards Board ("MASB") FRSs with the equivalent International Accounting Standards ("IAS"), both in terms of form and content. The adoption of these Standards will only impact the form and content of disclosures presented in the financial statements.

(c) IC Interpretation 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities is mandatory for annual periods beginning on or after 1 July 2007.

This Interpretation addresses the effects of events that changes the measurement of an existing decommissioning, restoration or similar liability, namely a change in the estimated outflow of resources embodying economic benefits required to settle the obligation, a change in the current market-based discount rate as defined in paragraph 47 of FRS 137 and an increase that reflects the passage of time.

(d) The following IC Interpretations are mandatory for annual periods beginning on or after 1 July 2007:

IC Interpretation 2 Members' Shares in Co-operative Entities and Similar Instruments

IC Interpretation 5 Rights to Interests arising from Decommissioning, Restoration and

Environmental Rehabilitation Funds

IC Interpretation 6 Liabilities arising from Participating in a Specific Market - Waste Electrical and

Electronic Equipment

IC Interpretation 7 Applying the Restatement Approach under FRS 129 Financial Reporting in

Hyperinflationary Economies

These Interpretations are not relevant to the Group's operations.

(e) IC Interpretation 8 Scope of FRS 2 is mandatory for annual periods beginning on or after 1 July 2007.

This Interpretation applies to transactions in which goods or services are received, including transactions in which the entity cannot identify specifically some or all of the goods or services received. Where the fair value of the share-based payment is in excess of the identifiable goods or services received, the entire fair value of the share-based payment will be charged to income statements.

The adoption of this Interpretation has no significant impact on the share-based payment recognition and measurement in the financial statements.

31 December 2008 (cont'd)

5. ADOPTION OF NEW FRSs AND AMENDMENT TO FRS (cont'd)

5.1 Amendment to FRS and new FRSs adopted (cont'd)

(f) Framework for the Preparation of Financial Statements ("Framework") is effective for annual periods beginning on or after 1 July 2007.

The Framework sets out the concepts that underlie the preparation and presentation of Financial Statements for external users. It is not a MASB approved FRS as defined in paragraph 11 of FRS 101 *Presentation of Financial Statements* and hence, does not define Standards for any particular measurement or disclosure issue.

5.2 New FRSs not adopted

(a) FRS 8 *Operating Segments* and the consequential amendments resulting from FRS 8 are mandatory for annual financial periods beginning on or after 1 July 2009.

FRS 8 set out the requirements for disclosure of information on an entity's operating segments, products and services, the geographical areas in which it operate and its customers.

The requirements of this Standard are based on the information about the components of the entity that management uses to make decisions about operating matters. The Standard requires identification of operating segments on the basis of internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and assess its performance.

The Standard also requires the amount reported for each operating segment item to be the measure reported to the chief operating decision maker for the purposes of allocating resources to the segment and assessing its performance. Segment information for prior years that is reported as comparative information for the initial year of application would be restated to conform to the requirements of this Standard.

(b) FRS 4 *Insurance Contracts* and the consequential amendments resulting from FRS 4 are mandatory for annual financial periods beginning on or after 1 January 2010. FRS 4 replaces the existing FRS 202₂₀₀₄ *General Insurance Business* and FRS203₂₀₀₄ *Life Insurance Business*.

The Standard applies to all insurance contracts, including reinsurance contracts that an entity issues and to reinsurance contracts that it holds. The Standard prohibits provisions for potential claims under contracts that are not in existence at the reporting date, and requires a test for the adequacy of recognised insurance liabilities and an impairment test for reinsurance assets. The Standard also requires an insurer to keep insurance liabilities in its balance sheet until they are discharged or cancelled, or expire, and to present insurance liabilities without offsetting them against related reinsurance assets.

FRS 4 is not relevant to the Group's operations.

(c) FRS 7 Financial Instruments: Disclosures and the consequential amendment resulting from FRS 7 are mandatory for annual financial periods beginning on or after 1 January 2010. FRS 7 replaces the disclosure requirements of the existing FRS 132 Financial Instruments: Disclosure and Presentation.

The Standard applies to all risks arising from a wide array of financial instruments and requires the disclosure of the significance of financial instruments for an entity's financial position and performance.

The Standard requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk. The qualitative disclosures describe the management's objectives, policies and processes for managing those risks. The quantitative disclosures provide information on the extent to which the entity is exposed to risk, based on information provided internally to the entity's key management personnel.

31 December 2008 (cont'd)

5. ADOPTION OF NEW FRS AND AMENDMENT TO FRS (cont'd)

5.2 New FRSs not adopted (cont'd)

(d) FRS 139 Financial Instruments: Recognition and Measurement and the consequential amendments resulting from FRS 139 are mandatory for annual financial periods beginning on or after 1 January 2010.

The Standard establishes the principles for the recognition and measurement of financial assets and financial liabilities including circumstances under which hedge accounting is permitted. By virtue of the exemption provided under paragraph 103AB of FRS 139, the impact of applying FRS 139 on the consolidated financial statements upon first adoption of the FRS as required by paragraph 30(b) of FRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors* is not disclosed.

(e) IC Interpretation 9 Reassessment of Embedded Derivatives is mandatory for annual financial periods beginning on or after 1 January 2010.

This Interpretation prohibits the subsequent reassessment of embedded derivatives unless there is a change in the terms of the host contract that significantly modifies the cash flows that would otherwise be required by the host contract.

The Group does not expect any impact on the consolidated financial statements arising from the adoption of this Interpretation.

(f) IC Interpretation 10 *Interim Financial Reporting and Impairment* is mandatory for annual financial periods beginning on or after 1 January 2010.

This Interpretation prohibits the reversal of an impairment loss recognised in a previous interim period in respect of goodwill or an investment in either an equity instrument or a financial asset carried at cost.

The Group does not expect any impact on the consolidated financial statements arising from the adoption of this Interpretation in the future.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

6.1 Key sources of estimation uncertainty

The following are key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(a) Impairment of goodwill on consolidation

The Group tests goodwill on consolidation for impairment annually in accordance with its accounting policy. More regular reviews are performed if events indicate that this is necessary.

Determining whether goodwill is impaired requires an estimation of the value-in-use of the cash generating units to which goodwill has been allocated. The value-in-use calculation requires the entity to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Further details are disclosed in Note 10 to the financial statements.

(b) Useful lives of property, plant and equipment

The Group estimates the useful lives of property, plant and equipment at the time the assets are acquired based on historical experience, the expected usage, wear and tear of the assets, and technical obsolescence arising from changes in the market demands or service output of the assets. The estimated useful lives of property, plant and equipment are reviewed periodically and are updated if expectations differ from previous estimates due to changes in factors mentioned above. Changes in these factors could impact the useful lives and the residual values of the assets, therefore future depreciation charges could be revised.

31 December 2008 (cont'd)

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS (cont'd)

6.1 Key sources of estimation uncertainty (cont'd)

(c) Income taxes

The Group is subject to income taxes in a few jurisdictions. Significant judgement is required in determining the capital allowances and deductibility of certain expenses during the estimation of the provision for income taxes. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred income tax provisions in the period in which such determination is made.

(d) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profits will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(e) Allowance for doubtful debts

The Group makes allowance for doubtful debts based on an assessment of the recoverability of receivables. Allowances are applied to receivables where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The management specifically analyses historical bad debt, customer concentration, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of allowance for doubtful debts. Where expectations differ from the original estimates, the differences will impact the carrying amount of receivables.

(f) Write down for obsolete or slow moving inventories

The Group writes down its obsolete or slow moving inventories based on assessment of their estimated net selling price. This involves significant amount of judgement and estimation where inventories are written down when events or changes in circumstances indicate that the carrying amounts may not be recoverable. Where expectations differ from the original estimates, the differences will impact the carrying amount of inventories.

(g) Revenue and expenses recognition of projects/contracts arising from exhibition services and event management

The Group recognises exhibition services and event management revenue and expenses in the income statements by using the percentage completion method. The stage of completion is determined by the proportion of contracts costs incurred for work performed to date against total estimated costs.

Significant judgements are required in determining the stage of completion, the extent of the contracts costs incurred, the estimated total exhibition services and event management revenue and costs, as well as the recoverability of these exhibition and event management projects. In making the judgement, the Group evaluates based on past experience.

(h) Fair value of acquisitions of subsidiaries

The fair values of net assets of newly acquired subsidiaries were estimated based on management's best estimates and judgement. In evaluating the fair values, management will specifically analyse the historical information, net worth of the subsidiaries acquired together with comparable multiples. Where expectations differ from the original estimates, the differences will impact the carrying amount of assets and liabilities of these subsidiaries.

(i) Fair values of borrowings and Medium Term Notes

The fair values of borrowings and Medium Term Notes are estimated by discounting future contractual cash flows at the current market interest rates available to the Group for similar financial instruments.

31 December 2008 (cont'd)

7. PROPERTY, PLANT AND EQUIPMENT

Group 2008	Freehold land RM'000	Freehold buildings RM'000	Leasehold buildings RM'000	Plant and machinery RM'000	Furniture, fittings and equipment, renovations and motor vehicles RM'000	Plant and buildings under construction RM'000	Exhibition services assets RM'000	Total RM'000
Cost/Valuation								
At 1 January								
- at cost	46,447	126,900	19,462	602,824	124,819	483	-	920,935
- at valuation	-	-	800	-	-	-	-	800
Acquisition of subsidiary companies (Note 33)	_	_	_	737	9,491	_	13,119	23,347
Additions	-	7	67	662	9,867	825	1	11,429
Exchange adjustments	-	-	-	23	(1,065)	-	227	(815)
Disposals	-	-	-	(27,618)	(1,508)	-	(211)	(29,337)
Written off	-	-	_	(747)	(1,003)	-	-	(1,750)
At 31 December	46,447	126,907	20,329	575,881	140,601	1,308	13,136	924,609
Accumulated depreciation								
At 1 January	-	14,595	2,933	181,635	94,599	-	-	293,762
Acquisition of subsidiary companies (Note 33)	_		_	448	5,011	_	8,737	14,196
Exchange adjustments	_		_	14	(1,131)		143	(974)
Charge for the financial year	_	2,535	511	29,192	10,518	_	107	42,863
Disposals	_	_	_	(27,583)	(1,249)	_	(135)	(28,967)
Written off	-	-	-	(747)	(965)	-	-	(1,712)
At 31 December	-	17,130	3,444	182,959	106,783	-	8,852	319,168
Accumulated impairment								
At 1 January/ 31 December		-		1,063	_	_	_	1,063
Carrying amount								
At 31 December								
- at cost	46,447	109,777	16,830	391,859	33,818	1,308	4,284	604,323
- at valuation	-	-	55	-	-	-	-	55
	46,447	109,777	16,885	391,859	33,818	1,308	4,284	604,378

31 December 2008 (cont'd)

7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Group 2007	Freehold land RM'000	Freehold buildings RM'000	Leasehold buildings RM'000	Plant and machinery RM'000	Furniture, fittings and equipment, renovations and motor vehicles RM'000	Plant and buildings under construction RM'000	Total RM'000
At 1 January							
- at cost	46,447	129,512	16,386	605,694	122,118	1,774	921,931
- at valuation	-	-	800	-	-	-	800
Additions	-	259	2,012	1,526	6,901	439	11,137
Reclassifications (Note 8)	-	(2,871)	1,064	35	32	(1,730)	(3,470)
Exchange adjustments	-	-	-	-	45	-	45
Disposals	-	-	-	(2,188)	(1,614)	-	(3,802)
Written off	-	-	-	(2,243)	(2,663)	-	(4,906)
At 31 December	46,447	126,900	20,262	602,824	124,819	483	921,735
Accumulated depreciation							
At 1 January	-	12,178	2,510	155,902	88,605	-	259,195
Charge for the financial year	_	2,538	423	29,589	9,531	-	42,081
Reclassifications (Note 8)	-	(121)	-	-	-	-	(121)
Exchange adjustments	-	-	-	-	32	-	32
Disposals	-	-	-	(1,941)	(973)	-	(2,914)
Written off	-	-	-	(1,915)	(2,596)	-	(4,511)
At 31 December	-	14,595	2,933	181,635	94,599	-	293,762
Accumulated impairment							
At 1 January	-	-	-	1,310	-	-	1,310
Disposals	-	-	-	(247)	-	-	(247)
At 31 December		-	-	1,063	-	-	1,063
Carrying amount							
At 31 December							
- at cost	46,447	112,305	17,245	420,126	30,220	483	626,826
- at valuation	-	-	84	-	-	-	84

31 December 2008 (cont'd)

7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

					Furniture, fittings		
					and		
					equipment, renovations	Plant and buildings	
	Freehold	Freehold	Leasehold	Plant and	and motor	under	
Company	land	buildings	buildings	machinery	vehicles	construction	Total
2008	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cost/Valuation							
At 1 January							
- at cost	46,447	126,900	19,462	557,682	109,682	483	860,656
- at valuation	-	-	800	-	-	-	800
Additions	-	7	67	447	8,029	825	9,375
Disposals	-	-	-	(514)	(1,246)	-	(1,760)
Written off	-	-	-	(747)	(1,003)	-	(1,750)
At 31 December	46,447	126,907	20,329	556,868	115,462	1,308	867,321
Accumulated depreciation							
At 1 January	-	14,595	2,933	141,157	81,175	-	239,860
Charge for the							
financial year	-	2,535	511	28,465	9,666	-	41,177
Disposals	-	-	-	(479)	(1,051)	-	(1,530)
Written off	-	-	-	(747)	(965)	-	(1,712)
At 31 December	-	17,130	3,444	168,396	88,825	-	277,795
Carrying amount							
At 31 December							
- at cost	46,447	109,777	16,830	388,472	26,637	1,308	589,471
- at valuation	-	-	55	-	-	-	55
	46,447	109,777	16,885	388,472	26,637	1,308	589,526

31 December 2008 (cont'd)

7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Company 2007	Freehold land RM'000	Freehold buildings RM'000	Leasehold buildings RM'000	Plant and machinery RM'000	Furniture, fittings and equipment, renovations and motor vehicles RM'000	Plant and buildings under construction RM'000	Total RM'000
Cost/Valuation							
At 1 January							
- at cost	46,447	129,512	16,386	557,168	107,456	1,774	858,743
- at valuation	-	-	800	-	-	-	800
Additions	-	259	2,012	1,136	6,323	439	10,169
Reclassifications (Note 8)	-	(2,871)	1,064	35	32	(1,730)	(3,470)
Disposals	-	-	-	(472)	(1,567)	-	(2,039)
Written off	-	-	-	(185)	(2,562)	-	(2,747)
At 31 December	46,447	126,900	20,262	557,682	109,682	483	861,456
Accumulated depreciation							
At 1 January	-	12,178	2,510	113,341	75,662	-	203,691
Charge for the financial year	_	2,538	423	28,381	8,955	_	40,297
Reclassifications (Note 8)	_	(121)	_	-	_	_	(121)
Disposals	-	_	_	(471)	(931)	-	(1,402)
Written off	-	-	_	(94)	(2,511)	-	(2,605)
At 31 December	-	14,595	2,933	141,157	81,175	-	239,860
Carrying amount							
At 31 December							
- at cost	46,447	112,305	17,245	416,525	28,507	483	621,512
- at valuation	-	-	84	-	-	-	84
	46,447	112,305	17,329	416,525	28,507	483	621,596

31 December 2008 (cont'd)

7. PROPERTY, PLANT AND EQUIPMENT (cont'd)

Certain leasehold buildings of the Group and of the Company were revalued by the Directors of the Company in 1983 based on valuations carried out in 1981 by independent professional valuers on the existing use basis. The Group and the Company are adopting the transitional provisions of International Accounting Standard 16 (Revised) Property, Plant and Equipment, issued by the Malaysian Accounting Standards Board, which allows the Group and the Company to retain the carrying amount on the basis of the previous revaluation. The carrying amount of the revalued leasehold building had the asset been carried at cost is as follows:

	Group and Compa	
	2008 RM'000	2007 RM'000
Cost	446	446
Accumulated depreciation	(429)	(413)
Carrying amount	17	33

The title of freehold buildings of the Group and the Company with carrying amount of RM48,584,000 (2007: RM49,713,000) has yet to be issued by the relevant authorities.

As at 31 December 2008, the net carrying amount of the Group's property, plant and equipment under hire-purchase are as follows:

	Group	
	2008	2007
	RM'000	RM'000
Motor vehicles	1,305	-

Details of the terms and conditions of the hire-purchase arrangements are disclosed in Note 23 and 24 to the financial statements respectively.

8. INVESTMENT PROPERTIES

	Group and Company	
Buildings	2008	2007
	RM'000	RM'000
Cost		
Balance as at 1 January	12,768	9,298
Reclassification during the financial year (Note 7)	-	3,470
Balance as at 31 December	12,768	12,768

31 December 2008 (cont'd)

8. INVESTMENT PROPERTIES (cont'd)

	Group and Company		
Buildings	2008 RM'000	2007 RM'000	
Accumulated depreciation			
Balance as at 1 January	3,500	3,015	
Reclassification during the financial year (Note 7)	-	121	
Depreciation charge for the financial year	380	364	
Balance as at 31 December	3,880	3,500	
Carrying amount	8,888	9,268	
Fair value	12,740	12,764	

The title of a building of the Group and the Company with a carrying amount of RM3,227,000 (2007: RM3,297,000) has yet to be issued by the relevant authority.

The fair value is determined by the Directors based on the information obtained from property agencies and valuation report performed by a registered independent professional valuer.

The following are recognised in the income statements in respect of investment properties:

	Group and Compan	
	2008 RM'000	2007 RM'000
Rental income (Note 29) Direct operating expenses:	2,203	1,986
- income generating investment properties	106	89

9. PREPAID LEASE PAYMENTS FOR LAND

	Group and Company		
Leasehold land	2008	2007	
	RM'000	RM'000	
Cost			
Balance as at 1 January/31 December	50,321	50,321	
Accumulated amortisation			
Balance as at 1 January	6,293	5,679	
Amortisation charge for the financial year	613	614	
Balance as at 31 December	6,906	6,293	
Carrying amount	43,415	44,028	

The above leasehold land represents prepaid operating lease payments for land.

31 December 2008 (cont'd)

9. PREPAID LEASE PAYMENTS FOR LAND (cont'd)

Included in the carrying amount is an unamortised amount of leasehold land amounting to RM1,080,000, which is retained as surrogate carrying amount in accordance with the transitional provisions of FRS 117. The leasehold land was revalued by the Directors of the Company in 1983 based on valuation carried out in 1981 by an independent professional valuer on the existing use basis. No update of valuation has been performed.

10. INTANGIBLE ASSETS

	Group		
	Note	2008 RM'000	2007 RM'000
Goodwill on consolidation	а	49,834	21,932
Radio licence	b	2,132	3,839
		51,966	25,771

(a) Goodwill on consolidation

The carrying amounts of goodwill allocated to the Group's cash-generating unit ("CGU") are as follows:

		Group
	2008 RM'000	2007 RM'000
Cost		
Balance as at 1 January		
- Radio broadcasting - CGU 1	21,932	21,932
- Education operation - CGU 2	5,187	5,187
	27,119	27,119
Acquisition of subsidiaries:		
- Human capital resources - CGU 3 (Note 33 (b))	2,022	_
- Exhibition services - CGU 4 (Note 33 (d))	50,180	_
	52,202	-
Balance as at 31 December	79,321	27,119
Accumulated impairment losses		
Balance as at 1 January		
- Education operation - CGU 2	5,187	1,844
Impairment losses recognised during the year		
- Education operation - CGU 2	-	3,343
- Human capital resources - CGU 3	1,300	-
- Exhibition services - CGU 4	23,000	-
	24,300	3,343
Balance as at 31 December	29,487	5,187
Carrying amount	49,834	21,932

31 December 2008 (cont'd)

10. INTANGIBLE ASSETS (cont'd)

(a) Goodwill on consolidation (cont'd)

Impairment test on CGU 1

The recoverable amount of CGU 1 was determined from value-in-use calculations. Based on the calculation, there was no impairment loss allocated to CGU 1 as the recoverable amount of CGU 1 was determined to be higher than its carrying amount as at balance sheet date.

Value-in-use of CGU 1 was determined by discounting the future cash flows generated from the continuing use of CGU 1 and was based on the following assumptions:

- (i) Pre-tax cash flow projections based on the most recent financial budgets approved by the Directors covering a five-year period. Revenue is projected to grow at rates ranging from 10% to 25% over the next five years with gradual improvement in the pre-tax margin.
- (ii) The radio licence will be renewed upon expiry at no significant costs.
- (iii) Pre-tax discount rate of 7.39% was applied in determining the recoverable amount of CGU 1. The discount rate was estimated based on the Group's weighted average cost of capital.

Impairment test on CGU 2

The Group had ceased the education operation since year 2007. The full impairment on CGU 2 amounting to RM5,187,000 was recognised and included in administrative and other expenses in the consolidated income statements of the previous financial year.

Impairment test on CGU 3

The recoverable amount of CGU 3 was determined from value-in-use calculations. Based on the calculation, the carrying amount of CGU 3 was determined to be higher than its recoverable amount as at balance sheet date and an impairment loss of RM1,300,000 was recognised for the financial year.

Value-in-use of CGU 3 was determined by discounting the future cash flows generated from the continuing use of CGU 3 and was based on the following assumptions:

- (i) Pre-tax cash flow projections based on the most recent financial budgets approved by the Directors covering a five-year period. Revenue is projected to grow at rates ranging from 20% to 96% over the next five years with gradual improvement in the pre-tax margin.
- (ii) Pre-tax discount rate of 7.39% was applied in determining the recoverable amount of CGU 3. The discount rate was estimated based on the Group's weighted average cost of capital.

Impairment test on CGU 4

The recoverable amount of CGU 4 was determined from value-in-use calculations. Based on the calculation, the carrying amount of CGU 4 was determined to be higher than its recoverable amount as at balance sheet date and an impairment loss of RM23,000,000 was recognised for the financial year.

Value-in-use of CGU 4 was determined by discounting the future cash flows generated from the continuing use of CGU 4 and was based on the following assumptions:

- (i) Pre-tax cash flow projections based on the most recent financial budgets approved by the Directors covering a five-year period. Revenue is projected to grow at the rate of 10% over the next five years with gradual improvement in the pre-tax margin.
- (ii) Pre-tax discount rate of 7.39% was applied in determining the recoverable amount of CGU 4. The discount rate was estimated based on the Group's weighted average cost of capital.

31 December 2008 (cont'd)

10. INTANGIBLE ASSETS (cont'd)

(a) Goodwill on consolidation (cont'd)

Impairment test on CGU 4 (cont'd)

With regard to the assessment of value-in-use of CGU 1, 3 and 4, management believes that no reasonably possible change in any of the above key assumptions would cause the carrying values of the units to materially exceed their recoverable amounts.

(b) Radio licence

		Group
	2008	2007
	RM'000	RM'000
Cost		
Balance as at 31 December	7,483	7,483
Accumulated amortisation		
Balance as at 1 January	3,644	1,937
Charge for the financial year	1,707	1,707
Balance as at 31 December	5,351	3,644
Carrying amount	2,132	3,839

Impairment test on radio licence

The recoverable amount of radio licence was determined from value-in-use calculations. Based on the calculation, there was no impairment loss to be recognised as the recoverable amount of the CGU containing the radio licence based on perpetuity cash flows was determined to be higher than its carrying amount as at balance sheet date.

Value-in-use of the radio licence was determined by discounting the future cash flows generated from the continuing use of the radio licence and was based on the following assumptions:

- (i) Pre-tax cash flow projections based on the most recent financial budgets approved by the Directors covering a five-year period. Revenue is projected at about RM5,000,000, RM7,000,000 and RM8,400,000 for 2009, 2010 and 2011 respectively, and continues to grow at 20% thereafter.
- (ii) The radio licence will be renewed upon expiry at no significant costs.
- (iii) Pre-tax discount rate of 7.39% was applied in determining the recoverable amount of radio licence. The discount rate was estimated based on the Group's weighted average cost of capital.

31 December 2008 (cont'd)

11. INVESTMENTS IN SUBSIDIARIES

	Company	
	2008 RM'000	2007 RM'000
Unquoted shares - at cost	113,059	113,055
Less: Impairment losses	(14,905)	(3,500)
	98,154	109,555

The subsidiaries are as follows:

	Interest in equity held by					
	Country of	Comp	_		idiary	
Name of Company	incorporation	2008	2007	2008	2007	Principal activities
Star Papyrus Printing Sdn. Bhd.	Malaysia	100%	100%	-	-	Inactive
Star Publication (Singapore) Pte. Ltd. ⁽¹⁾	Singapore	100%	100%	-	-	Advertising and commission agent
I.Star Sdn. Bhd.	Malaysia	100%	100%	-	-	Inactive
Star Commercial Publications Sdn. Bhd.	Malaysia	100%	100%	-	-	Investment holding
Excel Corporation (Australia) Pty. Ltd. ⁽¹⁾	Australia	100%	100%	-	-	Investment of assets held
Asian Center For Media Studies Sdn. Bhd.	Malaysia	100%	100%	-	-	Provision of educational research
Star Rediffusion Sdn. Bhd.	Malaysia	100%	100%	-	-	Inactive
Rimakmur Sdn. Bhd.	Malaysia	70%	70%	-	-	Operating a wireless radio broadcasting station
Star-IT Sdn. Bhd.	Malaysia	70%	70%	-	-	Investment in information, communications and technology-related business
Impian Ikon (M) Sdn. Bhd.	Malaysia	100%	-	-	-	Investment holding
Laviani Pte. Ltd. ⁽¹⁾	Singapore	100%	-	-	-	Investment holding
Subsidiaries of I. Star Sdn. Bhd.						
Star Online Sdn. Bhd.	Malaysia	-	-	100%	100%	Inactive
I.Star Ideas Factory Sdn. Bhd.	Malaysia	-	-	100%	100%	Inactive
Subsidiary of Star Commercial Publications Sdn. Bhd.						
Star Rfm Sdn. Bhd.	Malaysia	-	-	100%	100%	Operating a wireless radio broadcasting station

31 December 2008 (cont'd)

11. INVESTMENTS IN SUBSIDIARIES (cont'd)

INVESTIMENTS IN SUBSIDIANIES	(cont d)	Inte	rest in e	quity he	ld bv	
	Country of		pany		idiary	
Name of Company	incorporation	2008	2007	2008	2007	Principal activities
Subsidiary of Excel Corporation (Australia) Pty. Ltd.						
AIUS Pty. Ltd.(1)	Australia	-	-	100%	100%	Inactive
Subsidiary of Impian Ikon (M) Sdn. Bhd.						
Leaderonomics Sdn. Bhd.	Malaysia	-	-	51%	-	Provision of human capital development including training and consultancy
Subsidiary of Laviani Pte. Ltd.						
Cityneon Holdings Limited ⁽²⁾	Singapore	-	-	63.73%	-	Investment holding
Subsidiaries of Cityneon Holdings Limited						
Cityneon-World Projects Pte. Ltd. ⁽²⁾	Singapore	-	-	51%	-	Provision of design and build services for museums and visitor galleries, interior architecture and shop fit-outs
Cityneon Concepts Pte. Ltd.(2)	Singapore	-	-	100%	-	Provision of event organising management and event marketing services
Comprise Electrical (S) Pte. Ltd. ⁽²⁾	Singapore	-	-	100%	-	Provision of electrical services for exhibitions and event management industries
Cityneon Contracts Sdn. Bhd. (2)	Malaysia	-	-	100%	-	Provision of exhibitions and event management services, including rental of reusable modules and furnishings, road shows and custom-built pavilions
Cityneon Global Projects Pte. Ltd.(2)	Singapore	-	-	100%	-	Provision of management, projects, logistics and ownership service for events and festivals
Themewerks Pte. Ltd. (2)	Singapore	-	-	100%	-	Design, build, construct, manufacture, trade in project and components of water features, landscapes, thematic parks, thematic events, thematic leisure and entertainment outlets
Cityneon (Middle East) W.L.L. ⁽²⁾	Bahrain	-	-	100%	-	Provision of exhibition services including rental of reusable modules and furnishings, custom-built pavilions and road shows

31 December 2008 (cont'd)

11. INVESTMENTS IN SUBSIDIARIES (cont'd)

		Inte	rest in e	quity hel	d by	
	Country of	Com	pany	Subs	idiary	
Name of Company	incorporation	2008	2007	2008	2007	Principal activities
Subsidiaries of Cityneon Holdings Limited (cont'd)						
Cityneon Creations Pte. Ltd. (2)	Singapore	-	-	100%	-	Provision of design and build services for custom built exhibition pavilions and road shows
Subsidiary of Comprise Electrical (S) Pte. Ltd.						
Cityneon Exhibition Services Pte. Ltd. (2)	Singapore	-	-	70%	-	Provision of exhibition services including rental of reusable modules, furnishings and furnitures
Subsidiaries of Cityneon Exhibition Services Pte. Ltd.						
E-Graphics Displays Pte. Ltd. (2)	Singapore	-	-	60%	-	Design and produce environmental graphic materials including banners, posters, billboards and general signages for event and exhibition venues
Shanghai Cityneon Exhibition Services Co., Ltd. (2)	China	-	-	100%	-	Design and provide services for trade fairs, exhibitions and displays
Subsidiary of Cityneon (Middle East) W.L.L.						
C.N. Overseas Services W.L.L. ⁽²⁾	Bahrain	-	-	100%	-	Provision of design and build services for custom-built exhibition pavilions and road shows
Subsidiary of Themewerks Pte. Ltd.						
Artscapes Themewerks Pte. Ltd. ⁽³⁾	Singapore	-	-	65%	-	Design, build, construct, manufacture trade in projects and components of water features, landscapes, thematic leisure and entertainment outlets

Audited by member firms of BDO International.

During the financial year, impairment losses amounting to RM9,705,000 and RM1,700,000 were accounted for in the Company's financial statements for investments in subsidiaries on Rimakmur Sdn. Bhd. and Star Papyrus Printing Sdn. Bhd. respectively as a result of intense competition among competitors and cessation of operations.

Not audited by BDO Binder or member firms of BDO International.

Newly incorporated on 11 December 2008 and was consolidated using management financial statements.

31 December 2008 (cont'd)

12. INVESTMENTS IN JOINTLY CONTROLLED ENTITIES

		Group		Company		
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000		
Unquoted equity shares, at cost	20,356	-	20,356	-		
Share of post acquisition reserves, net of dividends received	(56)	-	-	<u>-</u>		
	20,300	-	20,356	_		

The details of the jointly controlled entities are as follows:

	Country of	Interest held by 0	in equity Company	
Name of Company	incorporation	2008	2007	Principal activities
701Panduan Sdn. Bhd. ⁽¹⁾	Malaysia	50%	-	Provide directory services through internet, mobile and other platforms
LLL-Lifelong Learning Network Sdn. Bhd. (2)	Malaysia	35%	-	Promote lifelong courses, programmes and activities developments

Not audited by BDO Binder or member firms of BDO International.

On 29 October 2007, Star Publications (Malaysia) Berhad, Huaren Holdings Sdn. Bhd. ("Huaren") and Generasi Syabas Sdn. Bhd. signed an agreement to incorporate LLL-Lifelong Learning Network Sdn. Bhd.. The equity participation that was agreed upon were Huaren at 30%, Star Publications (Malaysia) Berhad and Generasi Syabas Sdn. Bhd. at 35% each, all amounting to RM1,000,000 in total. The acquisition was completed on 28 February 2008.

The Group's aggregate share of the assets, liabilities and income and expenses of the jointly controlled entities are as follows:

	2008
	RM'000
Assets and liabilities	
Current assets	19,972
Non-current assets	489
Total assets	20,461
Current liabilities	170
Results	
Revenue	388
Expenses, including finance costs and tax expense	(435)

31 December 2008 (cont'd)

13. OTHER INVESTMENTS

		Group
	2008 RM'000	2007 RM'000
At cost		
Club memberships	807	-

14. OTHER RECEIVABLES

		Company
Non-current	2008 RM'000	2007 RM'000
Associate accione les surhaidiquies		
Amount owing by subsidiaries		
- Non-trade	87,325	-
Less: Allowance for doubtful debts	(30,367)	-
	56,958	-

The amount owing by subsidiaries is unsecured and interest free. During the financial year and upon re-estimation by the Company, the above subsidiaries are not expected to settle the outstanding balance due within the next twelve (12) months. Consequently, the above balances of amount owing by subsidiaries as at the end of the financial year are classified as long term receivables.

15. INVENTORIES

		Group	•	Company		
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000		
At cost						
Newsprint	200,344	158,726	200,344	158,726		
Goods-in-transit	13,962	2,327	13,962	2,327		
Other raw materials and consumables	604	64	71	64		
	214,910	161,117	214,377	161,117		

31 December 2008 (cont'd)

16. TRADE AND OTHER RECEIVABLES

		Group	(Company		
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000		
Current						
Trade						
Third parties	139,072	117,245	95,087	106,932		
Subsidiaries	-	-	1,071	375		
Amount due from customers for contract work (Note 18)	7,176	-	-	-		
	146,248	117,245	96,158	107,307		
Less: Allowance for doubtful debts - Third parties	(11,415)	(9,799)	(7,998)	(7,831)		
	134,833	107,446	88,160	99,476		
Non-trade						
Third parties	9,513	2,159	1,636	1,595		
Amounts owing by subsidiaries	-	-	9	29,662		
Lacar Allacora and foundation deliber	9,513	2,159	1,645	31,257		
Less: Allowance for doubtful debts	(148)	(145)				
	9,365	2,014	1,645	31,257		
Sundry deposits and other receivables	5,362	4,658	2,994	3,482		
Prepayments	12,024	7,367	8,715	7,105		
	26,751	14,039	13,354	41,844		
	161,584	121,485	101,514	141,320		

- (a) The allowance for doubtful debts of the Group and the Company is net of bad debts written off amounting to RM1,290,000 (2007: RM742,000).
- (b) The credit terms of trade receivables range from payment in advance to credit period of 90 days.
- (c) Amount owing by subsidiaries are unsecured, interest-free and payable upon demand.
- (d) Included in prepayments of the Group and the Company are downpayments amounted to RM3,529,000 (2007: RM2,316,000) paid to suppliers for the acquisition of plant and machinery and softwares.
- (e) Information on financial risks of trade and other receivables are disclosed in Note 41 to the financial statements.

31 December 2008 (cont'd)

16. TRADE AND OTHER RECEIVABLES (cont'd)

(f) The currency exposure profile of trade and other receivables are as follows:

		Group		Company		
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000		
Ringgit Malaysia	108,469	118,464	99,031	139,459		
Singapore Dollar	22,022	256	64	23		
Australian Dollar	717	1,059	2	2		
United States Dollar	2,261	1,234	2,389	1,361		
Euro Dollar	7	445	7	445		
Pound Sterling	14	20	17	23		
Qatari Rial	27,711	-	-	-		
RMB	383	7	4	7		
	161,584	121,485	101,514	141,320		

17. CASH AND CASH EQUIVALENTS

		Group		Company		
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000		
Deposits placed with licenced banks	566,147	623,240	445,204	493,521		
Cash and bank balances	55,409	34,836	29,777	32,207		
	621,556	658,076	474,981	525,728		

- (a) Deposits of the Group and of the Company have a range of maturity of 7 days to 365 days.
- (b) Information on financial risks of cash and cash equivalents are disclosed in Note 41 to the financial statements.
- (c) The currency exposure profile of cash and cash equivalents are as follows:

		Group		Company		
	2008 2007 RM'000 RM'000		2008 RM'000	2007 RM'000		
Ringgit Malaysia	492,518	550,939	457,875	525,457		
Singapore Dollar	12,702	182	176	169		
Australian Dollar	109,739	106,853	16,834	-		
United States Dollar	67	83	67	83		
Pound Sterling	19	19	19	19		
Qatari Rial	6,348	-	-	-		
RMB	163 -		10	-		
	621,556	658,076	474,981	525,728		

31 December 2008 (cont'd)

18. AMOUNTS DUE FROM/(TO) CUSTOMERS FOR CONTRACT WORKS

		Group
	2008 RM'000	2007 RM'000
Aggregate costs incurred to date	6,428	-
Add: Attributable profits	1,445	-
	7,873	-
Less: Progress billings	(1,860)	-
	6,013	-
Represented by:		
Amount due from customers for contract works (Note 16)	7,176	-
Amount due to customers for contract works (Note 26)	(1,163)	-
	6,013	-

Included in the aggregate costs are staff costs capitalised during the financial year amounting to RM163,000 (2007: Nil).

19. SHARE CAPITAL

	Group and Company					
		2008		2007		
	Number of shares		Number of shares			
	'000	RM'000	'000	RM'000		
Ordinary shares of RM1.00 each:						
Authorised	1,000,000	1,000,000	1,000,000	1,000,000		
Issued and fully paid	738,564	738,564	738,564	738,564		

20. RESERVES

	Group		Company	
	2008 2007 RM'000 RM'000 F		2008 RM'000	2007 RM'000
Non-distributable				
Capital reserve	-	-	1,722	1,722
Foreign exchange translation reserve	(1,226)	18,505	-	-
	(1,226)	18,505	1,722	1,722
Distributable				
Retained earnings	473,532	460,921	448,760	447,184
	472,306	479,426	450,482	448,906

31 December 2008 (cont'd)

20. RESERVES (cont'd)

(a) Capital reserve

The Company's capital reserve represents the surplus on revaluation of certain leasehold land and building in 1983.

(b) Foreign exchange translation reserve

The foreign exchange translation reserve is used to record foreign currency exchange differences arising from the translation of the financial statements of foreign operations whose functional currencies are different from that of the Group's presentation currency. It is also used to record the exchange differences arising from monetary items which form part of the Group's net investment in foreign operations, where the monetary item is denominated in either the functional currency of the reporting entity or the foreign operation.

(c) Retained earnings

Effective 1 January 2008, the Company is given the option to make an irrevocable election to move to a single tier system. As a result, the Company will have no restriction to frank the payment of dividends out of its entire retained earnings at the balance sheet date.

The Company is also allowed to continue using its tax credit under Section 108 of the Income Tax Act 1967 for the purpose of dividend distribution until the tax credit is fully utilised or latest by 31 December 2013. Subject to the agreement of the Malaysia Inland Revenue Board, the Company has sufficient tax credit under Section 108 of the Income Tax Act 1967, and tax exempt income account balance to frank its entire retained earnings in full by way of dividend without incurring additional tax liabilities.

21. MEDIUM TERM NOTES

The Company issued RM150 million and RM100 million nominal value of Medium Term Notes with fixed interest rate of 5.5% and 5.7% respectively. The notes have a tenure of 5 years from the date of first issuance. The maturity dates for the notes of RM150 million and RM100 million are on 26 February 2010 and 27 August 2010 respectively.

Information on financial risks of Medium Term Notes is disclosed in Note 41 to the financial statements.

22. RETIREMENT BENEFITS

	Group and Company		
	2008 RM'000	2007 RM'000	
Balance as at 1 January	7,694	5,484	
Provisions during the financial year	1,455	2,210	
Payments made during the financial year	(8,649)	-	
Balance as at 31 December	500	7,694	

Provision for retirement benefits is related to benefit provision to senior management based on the number of years of service.

31 December 2008 (cont'd)

23. BORROWINGS

	Group		
	2008 RM'000	2007 RM'000	
Current liabilities			
Short term bank loan (unsecured)	34,251	-	
Hire-purchase creditors	167	-	
	34,418	-	
Non-current liabilities			
Hire-purchase creditors	1,265	-	
	1,265	-	
Total borrowings			
Short term bank loan (unsecured)	34,251	-	
Hire-purchase creditors (Note 24)	1,432	-	
	35,683	_	

- (a) The short term bank loan is repayable within 3 months from the respective dates of draw down.
- (b) Information of financial risks of borrowings are disclosed in Note 41 to the financial statements.

24. HIRE-PURCHASE CREDITORS

		Group
	2008 RM'000	2007 RM'000
Minimum hire-purchase payments:		
- not later than one (1) year	231	-
- later than one (1) year but not later than five (5) years	818	-
- later than five (5) years	680	
Total minimum hire-purchase payments	1,729	-
Less: Future interest charges	(297)	
Present value of hire-purchase payments	1,432	_
Repayable as follows:		
Current liabilities		
not later than one (1) year	167	_
Non-current liabilities		
- later than one (1) year and not later than five (5) years	645	-
- later than five (5) years	620	-
	1,265	_
	1,432	-

31 December 2008 (cont'd)

24. HIRE-PURCHASE CREDITORS (cont'd)

Lease terms range from three (3) to ten (10) years with options to purchase at the end of the lease term. Lease terms do not contain restrictions concerning dividends or additional debt. However, certain lease terms entered into by subsidiaries include restriction on further leasing.

Information on financial risks of hire-purchase creditors are disclosed in Note 41 to the financial statements.

25. DEFERRED TAX

(a) The deferred tax assets and liabilities are made up of the following:

		Group		Company		
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000		
Balance as at 1 January	71,760	71,372	71,597	71,004		
Recognised in the income statements	71,700	71,072	71,597	71,004		
(Note 30)	5,257	387	(2,433)	593		
Exchange differences	125	1	-	<u>-</u>		
Balance as at 31 December	77,142	71,760	69,164	71,597		
Presented after appropriate offsetting:						
Deferred tax assets, net	(486)	-	-	-		
Deferred tax liabilities, net	77,628	71,760	69,164	71,597		
	77,142	71,760	69,164	71,597		

(b) The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows:

Deferred tax liabilities of the Group

	Property, plant and equipment RM'000	Set-off of tax RM'000	Total RM'000
At 1 January 2008	82,285	(10,525)	71,760
Recognised in income statements	3,928	1,820	5,748
Exchange differences	120	-	120
At 31 December 2008	86,333	(8,705)	77,628
At 1 January 2007	82,595	(11,223)	71,372
Recognised in income statements	(313)	700	387
Exchange differences	3	(2)	1
At 31 December 2007	82,285	(10,525)	71,760

31 December 2008 (cont'd)

25. DEFERRED TAX (cont'd)

(b) The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows: (cont'd)

Deferred tax assets of the Group

	Provision for retirement benefits RM'000	Unused tax losses and unabsorbed capital allowances RM'000	Accrual for staff costs RM'000	Other temporary differences RM'000	Set-off of tax RM'000	Total RM'000
At 1 January 2008	(1,924)	-	(8,442)	(159)	10,525	-
Recognised in income statements	1,799	(363)	676	(783)	(1,820)	(491)
Exchange differences	-	-	-	5	-	5
At 31 December 2008	(125)	(363)	(7,766)	(937)	8,705	(486)
At 1 January 2007	(1,458)	-	(9,580)	(185)	11,223	_
Recognised in income statements	(466)	-	1,139	27	(700)	-
Exchange differences			(1)	(1)	2	
At 31 December 2007	(1,924)		(8,442)	(159)	10,525	-

Deferred tax liabilities of the Company

	Property, plant and equipment RM'000	Set-off of tax RM'000	Total RM'000
At 1 January 2008	81,948	(10,351)	71,597
Recognised in income statements	3,471	(5,904)	(2,433)
At 31 December 2008	85,419	(16,255)	69,164
At 1 January 2007	82,028	(11,024)	71,004
Recognised in income statements	(80)	673	593
At 31 December 2007	81,948	(10,351)	71,597

31 December 2008 (cont'd)

25. DEFERRED TAX (cont'd)

(b) The components and movements of deferred tax liabilities and assets during the financial year prior to offsetting are as follows: (cont'd)

Deferred tax assets of the Company

	Provision for retirement benefits RM'000	Accrual for staff costs RM'000	Allowance for doubtful debts RM'000	Other temporary differences RM'000	Set-off of tax RM'000	Total RM'000
At 1 January 2008	(1,924)	(8,427)	-	-	10,351	-
Recognised in income statements	1,799	596	(7,592)	(707)	5,904	
At 31 December 2008	(125)	(7,831)	(7,592)	(707)	16,255	
At 1 January 2007	(1,458)	(9,566)	-	_	11,024	-
Recognised in income statements	(466)	1,139	-	-	(673)	
At 31 December 2007	(1,924)	(8,427)	-	-	10,351	_

(c) The amount of temporary differences for which no deferred tax assets has been recognised in the balance sheets are as follows:

		Group
	2008 RM'000	2007 RM'000
Unabsorbed capital allowances	3,706	2,414
Unused tax losses	15,895	8,137
Other temporary differences	(1,592)	<u>-</u>
	18,009	10,551

Deferred tax assets of certain subsidiaries have not been recognised in respect of these items as it is not probable that taxable profits of the subsidiaries will be available against which the temporary differences can be utilised.

The other temporary differences do not expire under the current tax legislation.

31 December 2008 (cont'd)

26. TRADE AND OTHER PAYABLES

	Group		(Company
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Trade payables				
Third parties	26,787	4,832	16,605	4,779
Subsidiaries	-	-	3,658	3,679
Amount due to customers for contract work (Note 18)	1,163	-	-	-
	27,950	4,832	20,263	8,458
Other payables				
Amount owing to subsidiaries	-	-	3,693	2,836
Other payables	15,811	8,385	7,668	6,461
Deposits by agents and subscribers	2,073	1,859	2,073	1,859
Accruals	71,656	61,260	54,898	55,876
Provision	3,403	3,265	2,653	3,189
	92,943	74,769	70,985	70,221
	120,893	79,601	91,248	78,679

- (a) Trade payables are non-interest bearing and the normal trade credit terms granted to the Group and the Company range from one month to four months.
- (b) Amount owing to subsidiaries is unsecured, interest-free and payable upon demand.
- (c) Information on financial risks of trade and other payables are disclosed in Note 41 to the financial statements.
- (d) The provision is in respect of unutilised staff leave carried forward.

	Group			Company
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Balance as at 1 January	3,265	3,493	3,189	3,451
Acquisition of subsidiaries during the financial year	538	-	_	-
Provision during the financial year	189	38	-	-
Utilised during the financial year	(597)	(269)	(536)	(262)
Exchange differences	8	3	-	<u>-</u>
Balance as at 31 December	3,403	3,265	2,653	3,189

31 December 2008 (cont'd)

26. TRADE AND OTHER PAYABLES (cont'd)

(e) The currency exposure profile of trade and other payables are as follows:

	Group			Company
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Ringgit Malaysia	87,285	77,004	84,264	74,567
Singapore Dollar	19,111	347	2,314	2,331
Australian Dollar	520	510	1	7
United States Dollar	3,567	1,740	3,567	1,742
Pound Sterling	1,102	-	1,102	32
Qatari Rial	8,884	-	-	-
RMB	424	-	-	_
	120,893	79,601	91,248	78,679

27. REVENUE

	Group			Company
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Publication, printing and distribution of newspapers and magazines	780,610	773,671	781,037	773,990
Broadcasting	30,358	32,033	-	-
Exhibition services and event management	19,967	-	-	-
Others	105	161	-	
	831,040	805,865	781,037	773,990

28. FINANCE COSTS

	Group			Company
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Interest expenses:				
- Medium Term Notes	13,950	13,950	13,950	13,950
- Hire-purchase	6	-	-	-
- Short term bank loan	246	-	-	
	14,202	13,950	13,950	13,950

31 December 2008 (cont'd)

29. PROFIT BEFORE TAX

Profit before tax is arrived at:

		Group			Company
	Note	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
After charging:		1	11111 000	1	1111 000
Auditors' remuneration:					
- Statutory		490	196	138	129
- under provision in prior year		2	20	2	5
- Non-statutory		29	11	7	11
Amortisation of radio licence included in administrative and other expenses	10(b)	1,707	1,707	-	-
Amortisation of prepaid lease payments for land	9	613	614	613	614
Allowance of doubtful debts:					
- third parties		2,968	1,445	1,516	1,133
- subsidiaries		-	-	30,367	-
Bad debts written off		6	1	4	1
Depreciation of property, plant and equipment	7	42,863	42,081	41,177	40,297
Depreciation of investment properties	8	380	364	380	364
Directors' remuneration:					
- fees		740	741	605	596
- other emoluments		9,109	10,978	8,526	10,572
Impairment losses included in administrative and other expenses on:					
- goodwill	10(a)	24,300	3,343	-	-
- investments in subsidiaries/subsidiary	11	-	-	11,405	3,500
Lease rental		323	377	323	373
Loss on disposal of property, plant and equipment		_	130	-	128
Property, plant and equipment written off		38	395	38	142
Provision for unutilised staff leave	26(d)	189	38	-	-
Rental of premises		1,306	1,222	565	535
Provision for retirement benefits	22	1,455	2,210	1,455	2,210
Foreign exchange losses		4,055	-	2,828	-

31 December 2008 (cont'd)

29. PROFIT BEFORE TAX (cont'd)

Profit before tax is arrived at: (cont'd)

			Group		Company	
	Note	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000	
And crediting:						
Allowance for doubtful debts no longer required		59	_	59	-	
Dividend income		-	-	-	3,300	
Gain on disposal of property, plant and equipment		1,088	7	150	-	
Gain on disposal of investments in quoted shares		-	4	-	4	
Interest income		22,656	22,875	14,649	15,081	
Foreign exchange gain		258	105	258	105	
Rental income:						
- investment properties	8	2,203	1,986	2,203	1,986	
- others		25	-	-	-	
Investment income		3,330	-	3,330	_	

The estimated money value of benefits-in-kind not included in the above received by Directors of the Company was RM288,000 (2007: RM335,000) for the Group and the Company.

30. TAX EXPENSE

	Group			Company
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Current year tax expense based on profit for the financial year				
Malaysia income tax	56,565	52,270	54,720	50,771
Foreign income tax	1,642	1,709	-	-
	58,207	53,979	54,720	50,771
(Over)/Under provision in prior years:				
Malaysia income tax	(630)	119	(1,200)	-
Foreign income tax	(72)	-	-	
	(702)	119	(1,200)	
	57,505	54,098	53,520	50,771
Deferred tax (Note 25)				
Relating to origination and reversal of temporary differences	4,570	5,521	(3,547)	5,724
Relating to changes in tax rates	(2,767)	(6,084)	(2,767)	(6,078)
Under provision in prior years	3,454	950	3,881	947
	5,257	387	(2,433)	593
Tax expenses	62,762	54,485	51,087	51,364

31 December 2008 (cont'd)

30. TAX EXPENSE (cont'd)

The numerical reconciliation between the average effective tax and tax based on applicable tax rate are as follows:

	Group			Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000	
Profit before tax	201,463	223,366	178,957	219,881	
Taxation at Malaysian statutory rate of 26% (2007: 27%)	52,380	60,309	46,529	59,368	
Depreciation of non-qualifying property, plant and equipment	1,426	1,444	1,392	1,414	
Expenses not deductible for tax purposes	5,971	2,471	4,192	2,335	
Utilisation of unabsorbed reinvestment allowance brought forward		(6,171)	_	(6,171)	
Income not subject to tax	(866)	(257)	(866)	(232)	
Deferred tax assets not recognised	1,865	1,794	-	-	
Tax incentives	(97)	(220)	(74)	(219)	
Difference in tax rates in foreign jurisdiction	2,098	130	-	-	
Effect in changes of tax rate on deferred tax balance	(2,767)	(6,084)	(2,767)	(6,078)	
	60,010	53,416	48,406	50,417	
(Over)/Under provision in prior years					
- corporate tax	(702)	119	(1,200)	-	
- deferred tax	3,454	950	3,881	947	
Tax expenses	62,762	54,485	51,087	51,364	

The Malaysian income tax is calculated at the statutory tax rate of 26% (2007: 27%) of the estimated taxable profits for the fiscal year. The Malaysian statutory tax rate has been reduced to 26% from the previous financial year's rate of 27% for the fiscal year of assessment 2007 and to 25% for the fiscal year of assessment 2009 onwards. The computation of deferred tax as at 31 December 2008 has reflected these changes.

Tax expense for other taxation authorities are calculated at the rates prevailing in those respective jurisdictions.

31 December 2008 (cont'd)

31. EARNINGS PER ORDINARY SHARE

Basic earnings per ordinary share

The basic earnings per ordinary share for the financial year is calculated by dividing the profit for the financial year attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the financial year.

	2008	2007
Profit attributable to equity holders of the Company (RM'000)	138,905	169,165
Weighted average number of ordinary shares outstanding/ Adjusted number of shares outstanding ('000)	738,564	738,564
Basic earnings per ordinary share (sen)	18.81	22.90

Diluted earnings per ordinary share

Diluted earnings per ordinary share is not presented as there is no dilutive potential ordinary shares.

32. DIVIDENDS

Dividends recognised in the current financial year by the Company are:

Gross		
dividend	Amount of	Net dividend
per ordinary	dividend, net	per ordinary
share	of tax	share
sen	RM'000	sen
7.5	40,990	5.6
3.0	22,157	3.0
7.5	40,990	5.6
3.0	22,157	3.0
21.0	126,294	17.2
7.5	40,436	5.5
2.5	18,464	2.5
7.5	40,437	5.5
3.0	22,157	3.0
20.5	121,494	16.5
	dividend per ordinary share sen 7.5 3.0 7.5 3.0 21.0 7.5 2.5 7.5 3.0	dividend per ordinary share sen RM'000 7.5 40,990 3.0 22,157 7.5 40,990 3.0 22,157 21.0 126,294 7.5 40,436 2.5 18,464 7.5 40,437 3.0 22,157

The second interim dividend and special dividend in respect of the financial year ended 31 December 2008 of 7.5 sen per ordinary share, less tax and 3.0 sen per ordinary share, tax exempt, which amounted to RM41,544,201 and RM22,156,908 respectively, have been declared by the Directors after the balance sheet date. The financial statements for the current financial year do not reflect these dividends. These dividends will be accounted for as an appropriation of retained earnings in the financial year ending 31 December 2009.

2008

Notes to the Financial Statements

31 December 2008 (cont'd)

33. ACQUISITIONS OF SUBSIDIARIES

(a) On 18 June 2008, the Company acquired the entire issued and paid-up ordinary share capital of Impian Ikon, a company incorporated in Malaysia, which comprised 2 ordinary shares of RM1.00 each for a cash consideration of RM1,895.

The acquisition of Impian Ikon has contributed the following results to the Group during the financial year:

		RM'000
Revenue		_
Net loss for the financial year		(1)
The summary of effects on acquisition of the subsidiary during the f	financial year is as follows:	
	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
Receivables	2	2
Cash	*	*
Total cost of acquisition	2	2
The cash outflow on acquisition is as follows:		
		2008 RM'000
Purchase consideration settled in cash		2
Cash and cash equivalents of subsidiary acquired		(*)
Net cash outflow of the Group on acquisition		2

^{*} represents RM2.00

(b) On 19 June 2008, Impian Ikon, a wholly-owned subsidiary of the Company, acquired 51% of the issued and paid-up ordinary share capital of Leaderonomics, a company incorporated in Malaysia, which comprised 24,990 ordinary shares of RM1.00 each for a cash consideration of RM2,040,098. Leaderonomics is principally engaged in providing human capital development including training and consultancy.

On 31 October 2008, Leaderonomics increased its authorised ordinary share capital from RM100,000 to RM5,000,000 by way of creation of an additional 4,900,000 new ordinary shares of RM1.00 each.

Also on the same date, Leaderonomics increased its issued and paid up ordinary share capital from RM49,000 to RM4,100,000 by the issuances of 4,051,000 ordinary shares of RM1.00 each.

Impian Ikon subscribed 2,066,010 ordinary shares of these newly issued ordinary shares of RM1.00 each. Consequently, Impian Ikon's equity interest in Leaderonomics remain unchanged at 51%.

31 December 2008 (cont'd)

33. ACQUISITIONS OF SUBSIDIARIES (cont'd)

(b) (cont'd)

The acquisition of Leaderonomics has contributed the following results to the Group during the financial year:

		2008 RM'000
Revenue		105
Net loss for the financial year		(299)
The summary of effects on acquisition of the subsidiary during the financial year	r is as follows:	
	Fair value recognised on acquisition	Acquiree's carrying amount

	i dii valao	Adquiree
	recognised	carrying
	on acquisition	amount
	RM'000	RM'000
Property, plant and equipment	5	5
Receivables	13	13
Cash and bank balances	24	24
Payables	(7)	(7)
Net assets	35 _	35
Less: Minority interest	(17)	
Group's share of net assets	18	
Goodwill on acquisition (Note 10(a))	2,022	
Total cost of acquisition	2,040	

The cash outflow on acquisition is as follows:

	2008 RM'000
Purchase consideration settled in cash	2,040
Cash and cash equivalents of subsidiary acquired	(24)
Net cash outflow of the Group on acquisition	2,016

(c) On 2 October 2008, the Company acquired the entire issued and paid-up ordinary share capital of Laviani, a company incorporated in Singapore which comprised 1 ordinary share of SGD1.00 for a cash consideration of RM2,370. Laviani is an investment holding company.

The acquisition of Laviani has contributed the following results to the Group during the financial year:

	2008 RM'000
Revenue	-
Net loss for the financial year	(133)

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Notes to the Financial Statements

31 December 2008 (cont'd)

33. ACQUISITIONS OF SUBSIDIARIES (cont'd)

(c) (cont'd)

The summary of effects on acquisition of the subsidiary during the financial year is as follows:

	Fair value recognised	Acquiree's carrying
	on acquisition	amount
	RM'000	RM'000
Receivables	2	2
Cash in hand	*	*
Total cost of acquisition	2	2
The cash outflow on acquisition is as follows:		
		2008
		RM'000
Purchase consideration settled in cash		2
Cash and cash equivalents of subsidiary acquired		(*)

^{*} represents RM2.00

Net cash outflow of the Group on acquisition

(d) On 20 November 2008, the Company successfully completed its voluntary takeover offer of Cityneon through Laviani. The Company acquired 63.73% of the issued and paid-up ordinary share capital of Cityneon, a company incorporated in Singapore and listed on the Main Board of Singapore Exchange Securities Trading Limited, for a cash consideration of RM83,705,731.

The acquisition of Cityneon has contributed the following results to the Group during the financial year:

	2008 RM'000
Revenue	19,967
Net loss for the financial year	(172)

31 December 2008 (cont'd)

33. ACQUISITIONS OF SUBSIDIARIES (cont'd)

(d) (cont'd)

The summary of effects on acquisition of the subsidiaries during the financial year is as follows:

	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
Property, plant and equipment	9,146	9,146
Other investments	783	783
Receivables	53,412	53,412
Cash and bank balances	16,073	16,073
Payables	(25,422)	(25,422)
Provision	(538)	(538)
Minority interest	(449)	(449)
Net assets	53,005	53,005
Less: Minority interest	(19,479)	
Group's share of net assets	33,526	
Goodwill on acquisition (Note 10 (a))	50,180	
Total cost of acquisition	83,706	

The cash outflow on acquisition is as follows:

	2008 RM'000
Purchase consideration settled in cash	83,706
Cash and cash equivalents of subsidiary acquired	(16,073)
Net cash outflow of the Group on acquisition	67,633

34. RELATED PARTIES TRANSACTIONS

(a) Identities of related parties

Parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The Company has controlling related party relationship with its direct and indirect subsidiaries.

31 December 2008 (cont'd)

34. RELATED PARTIES TRANSACTIONS (cont'd)

(b) In addition to the transactions detailed elsewhere in the financial statements, the Company had the following transactions with related parties during the financial year:

	Company	
	2008 RM'000	2007 RM'000
Subsidiaries		
Sales of advertisements space	437	319
Purchase of airtime	73	218
Advertisement commission paid/payable	1,911	3,168
Training fees paid/payable	53	_
Jointly controlled entities		
Sales of advertisements space	102	-

The related parties transactions described above were carried out on negotiated commercial terms.

Balances of the above related parties are as disclosed in Note 14, 16 and 26 to the financial statements.

(c) Compensation of key management personnel

The remuneration of Directors and other key management personnel during the financial year was as follows:

	Group and Company	
	2008 RM'000	2007 RM'000
Short term employee benefits	10,724	9,401
Contributions to defined contributions plans	1,319	1,264
Other long term benefits	7,447	1,008
	19,490	11,673

35. CONTINGENT LIABILITIES

Company

There are several libel suits, which involve claims against the Company and adequate provisions have been made for cases which are determinable. The Directors do not expect the amounts of liabilities, if any, for cases which outcome is currently indeterminable, to be material to the financial statements.

31 December 2008 (cont'd)

36. COMMITMENTS

(a) Operating lease commitments

Assets subject to the operating lease in 2008 and 2007 were computer equipment and office buildings and were under various operating leases.

		Group	
	2008 RM'000	2007 RM'000	
Not later than one (1) year	2,311	145	
Later than one year (1) and not later than five (5) years	11,781	94	
	14,092	239	

(b) Capital commitments

	Group and Company		
	2008 RM'000	2007 RM'000	
Authorised capital expenditure not provided for in the financial statements			
- contracted	13,062	8,404	
- not contracted	3,701	8,537	
	16,763	16,941	
Analysed as follows:			
- Building	-	5,739	
- Plant and equipment	6,763	10,852	
- Investment (Note 39 (a))	10,000	350	
	16,763	16,941	

37. SEGMENTAL REPORTING

No segmental reporting has been prepared as the Group's activities are predominantly in the publication, printing and distribution of newspapers and magazines within Malaysia.

38. EMPLOYEE BENEFITS

		Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000	
Salaries and wages	137,441	118,758	123,328	109,859	
Defined contribution retirement plan	18,487	16,431	16,975	15,353	
Others	16,218	18,529	13,633	16,371	
	172,146	153,718	153,936	141,583	

Included in the employee benefits of the Group and of the Company are Executive Directors' remuneration amounting RM9,109,000 (2007: RM10,978,000) and RM8,526,000 (2007: RM10,572,000) respectively.

31 December 2008 (cont'd)

39. SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- (a) On 7 April 2008, the Company and SPH II signed a joint venture agreement to incorporate 701Panduan. Both the Company and SPH II will have equal equity participation of RM30,000,000 each of which RM20,000,000 was paid during the financial year. On 18 August 2008, an addendum was made to the joint venture agreement where the remaining subscription consideration of RM10,000,000 will be payable not later than 16 May 2010.
- (b) On 18 June 2008, the Company acquired the entire issued and paid-up ordinary share capital of Impian Ikon, a company incorporated in Malaysia, which comprised 2 ordinary shares of RM1.00 each for a cash consideration of RM1,895.
- (c) On 19 June 2008, Impian Ikon, a wholly-owned subsidiary of the Company, acquired 51% of the issued and paid-up ordinary share capital of Leaderonomics, a company incorporated in Malaysia, which comprised 24,990 ordinary shares of RM1.00 each for a cash consideration of RM2,040,098. Leaderonomics is principally engaged in provision of human capital development including training and consultancy.
 - On 31 October 2008, Leaderonomics increased its authorised ordinary share capital from RM100,000 to RM5,000,000 by way of creation of an additional 4,900,000 new ordinary shares of RM1.00 each.
 - Also on the same date, Leaderonomics increased its issued and paid-up ordinary share capital from RM49,000 to RM4,100,000 by the issuances of 4,051,000 ordinary shares of RM1.00 each.
 - Impian Ikon subscribed 2,066,010 ordinary shares of these newly issued ordinary shares of RM1.00 each. Consequently, Impian Ikon's equity interest in Leaderonomics remain unchanged at 51%.
- (d) On 2 October 2008, the Company acquired the entire issued and paid-up ordinary share capital of Laviani, a company incorporated in Singapore, which comprised 1 ordinary share of SGD1.00 for a cash consideration of RM2,370. Laviani is an investment holding company.
- (e) On 3 October 2008, the Company and AmInvestment announced that ANZ and AmFraser for and on behalf of Laviani, a wholly-owned subsidiary of the Company, had proposed for a voluntary conditional cash offer for the entire issued and paid-up ordinary share capital of Cityneon other than those already owned, controlled or agreed to be acquired by Laviani and parties acting in concert with it for an offer price of SGD0.58 payable in cash for each ordinary share. Cityneon is principally engaged in exhibition and event management business and was incorporated in Singapore. Cityneon is listed on the Main Board of Singapore Exchange Securities Trading Limited.
 - On 15 October 2008, on behalf of the Company, Amlnvestment announced that ANZ and AmFraser, which are acting for and on behalf of Laviani, had revised the offer price for the proposed voluntary conditional cash offer of all the issued and paid-up ordinary share capital to SGD0.61 payable in cash for each ordinary share.

On 20 November 2008, on behalf of the Company, ANZ and AmFraser announced that the voluntary conditional cash offer was officially closed. On 20 November 2008, Laviani had acquired 56,418,755 ordinary shares, representing 63.73% of the entire issued and paid-up ordinary share capital of Cityneon for a total purchase consideration of RM83,705,731.

40. SIGNIFICANT EVENT SUBSEQUENT TO THE BALANCE SHEET DATE

On 27 March 2009, the Company purchased 44,200 of its issued and paid-up ordinary share capital from the open market at the market price ranging from RM3.20 to RM3.28 per ordinary share for a total cost of RM142,470. The purchase transactions were financed by internally generated funds and the shares repurchased are held as Treasury Shares by the Company.

31 December 2008 (cont'd)

41. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The Group's activities expose it to a variety of financial risks, including foreign currency exchange risk, credit risk, liquidity and cash flow risk and interest rate risk.

The Group's overall financial risk management objective is to ensure that the Group creates value for its shareholders. The Group focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. Financial risk management is carried out through risk reviews, internal control systems, a global insurance programme and adherence to Group financial risk management policies. The Board regularly reviews these risks and approves the treasury policies, which covers the management of these risks.

The Group uses derivative financial instrument such as forward foreign exchange contracts to hedge certain exposures. It does not trade in financial instruments.

(i) Foreign currency exchange risk

The Group and the Company are exposed to foreign currency risk on transactions that are denominated in currencies other than functional currencies of the operating entities. The Group uses derivative financial instrument such as forward foreign exchange contracts to hedge certain exposure, where necessary.

The Group is also exposed to foreign currency exchange risk in respect of its overseas investments. The Group and the Company do not hedge this exposure with foreign currency borrowings except for short term bank loan of RM34,251,000, which was used to part finance the acquisition of Cityneon and its subsidiaries.

(ii) Credit risk

Credit risk arises when derivative instruments are used or sales made on deferred credit terms. The Group seeks to invest cash assets safely and profitably. It also seeks to control credit risk by setting counterparty limits and ensuring that sales of products and services are made to customers with an appropriate credit history. The Group considers the risk of material loss in the event of non-performance by a financial counterparty to be unlikely.

At balance sheet date, the Company has significant exposure in respect of amount owing by subsidiaries but there were no significant concentration credit risk for the Group. The maximum exposure of credit risk is represented by the carrying amount of each financial asset.

(iii) Liquidity and cash flow risk

The Group is actively managing its operating cash flow to ensure all commitments and funding needs are met. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Due to the dynamic nature of the underlying businesses, the Group aims at maintaining flexibility in funding by keeping committed credit lines available.

(iv) Interest rate risk

The Group's and the Company's fixed rate deposits with licenced banks and borrowings are exposed to a risk of changes in their fair value due to changes in market interest rates. The Group's floating or variable-rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates. There is no formal hedging policy with respect to interest rate exposure.

31 December 2008 (cont'd)

41. FINANCIAL INSTRUMENTS (cont'd)

- (a) Financial risk management objectives and policies (cont'd)
 - (iv) Interest rate risk (cont'd)

The table below summarises the carrying amount and the weighted average effective interest rate as at balance sheet date of the Group's and the Company's financial assets and liabilities, categorised by their maturity dates, which represent the Group's and the Company's exposure to interest rate risk.

As at 31 December	Note	Weighted average effective interest rate per annum %	Within 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 - 4 years RM'000	4 - 5 years RM'000	More than 5 years RM'000	Total RM'000
Group 2008									
Fixed rates									
Deposits placed with licenced									
banks Hire-purchase	17	4.33	566,147	-	-	-	-	-	566,147
creditors	24	5.80	(167)	(169)	(177)	(161)	(138)	(620)	(1,432)
Medium Term Notes	21	5.59	_	(250,000)	_	_	_	_	(250,000)
Floating rate Short term									
bank loan	23	4.00	(34,251)				-		(34,251)
2007									
Fixed rates Deposits placed with licenced									
banks	17	3.62	623,240	-	-	-	-	-	623,240
Medium Term Notes	21	5.59	-	-	(250,000)	-	-	-	(250,000)
Company 2008									
Fixed rates Deposits placed with licenced									
banks	17	3.55	445,204	-	-	-	-	-	445,204
Medium Term Notes	21	5.59	_	(250,000)	_	_	_	_	(250,000)
2007 Fixed rates Deposits placed				, , 3/					(
with licenced banks	17	3.52	493,521	-	-	-	-	-	493,521
Medium Term Notes	21	5.59	_	_	(250,000)	-	_	_	(250,000)

31 December 2008 (cont'd)

41. FINANCIAL INSTRUMENTS (cont'd)

(b) Fair values

The carrying amounts of cash and cash equivalents, current trade and other receivables, current trade and other payables, and short term borrowings, approximate fair values due to the relatively short term nature of these financial instruments.

The fair value of long term amounts owing by subsidiaries have not been determined as the timing of the expected cash flows of these balances cannot be reasonably determined without incurring excessive cost due to principally lack of fixed repayment terms between the parties involved.

The carrying amounts of other financial assets and liabilities of the Group and of the Company as at balance sheet date are as follows:

	Gr	oup	Company		
As at 31 December	Carrying amount RM'000	Fair value RM'000	Carrying amount RM'000	Fair value RM'000	
2008					
Recognised					
Medium Term Notes	(250,000)	(235,435)	(250,000)	(235,435)	
Hire-purchase creditors	(1,432)	(1,222)	-	_	
2007					
Recognised					
Medium Term Notes	(250,000)	(225,554)	(250,000)	(225,554)	

The method and assumptions used by management to determine the fair values of the financial instruments are as follows:

(i) Medium Term Notes and hire-purchase creditors

The fair values of these borrowings have been determined using discounted cash flow technique. The discount rates used are based on the latest available rates offered by financial institutions.

List of Properties

Location	Tenure	Size	Description	Approximate age of buildings (years)	Carrying amount RM'000	Year of Acquisition/ Last Revaluation#
15-19, Jalan Masjid Kapitan Keling 10200 Pulau Pinang	Leasehold Expiry: 2055	22,640 sq. ft.	Office block	Pre-war	1,089	1983#
13, Jalan 13/6 46200 Petaling Jaya Selangor Darul Ehsan	Leasehold Expiry: 2071	132,721 sq. ft.	Building on industrial land	36	12,900	1991
11, Jalan 13/6 46200 Petaling Jaya Selangor Darul Ehsan	Leasehold Expiry: 2072	131,730 sq. ft.	Building on industrial land	36	11,175	1994
26A, Randolph Avenue London W9 1BL United Kingdom	Leasehold Expiry: 2086	1,440 sq. ft.	2-storey semi-detached / house / residentia cum office	48 II	986	1995
Kawasan Perindustrian Bukit Minyak, Mukim 13 Daerah Seberang Perai 14100 Bukit Mertajam Pulau Pinang	Leasehold Expiry: 2056	172,644 sq. ft.	Newsprint warehouse	11	10,040	1995
Menara Star 15, Jalan 16/11 46350 Petaling Jaya Selangor Darul Ehsan	Freehold	165,000 sq. ft.	17-storey tower block	8	46,810	2001
No. 2, Jalan U8/88 Section U8	Freehold	405,979 sq. ft	Industrial land	N/A	22,495	1997
Bukit Jelutong Industrial Park Shah Alam Selangor Darul Ehsan		205,117 sq. ft	Printing plant	8	38,286	2001
Lot 12431 Jalan Sultan Azlan Shah	Freehold	12,086 sq. metres	Industrial land	N/A	11,954	1997
Mukim 12, Daerah Barat Daya Pulau Pinang		19,472 sq. metres	Regional office and printing plant	7	22,907	2002
Lot 9, First Floor Block B, Lintas Square Kota Kinabalu, Sabah	Leasehold Expiry: 2996	1,210 sq. ft	Office block	10	216	1999

List of Properties

Location	Tenure	Size	Description	Approximate age of buildings (years)	Carrying amount RM'000	Year of Acquisition/ Last Revaluation#
Lot No. 6037 Mukim Bentong Daerah Bentong Pahang Darul Makmur	Freehold	9.387 acres	Vacant residential land	N/A	2,096	1999
GM 611 Lot Nos. 3162 Mukim Bentong Pahang Darul Makmur	Freehold	3.434 acres	Vacant agriculture land	N/A	1.070	1000
GM 612, Lot Nos. 6036 Mukim Bentong Pahang Darul Makmur	Freehold	0.918 acres	Vacant residential land	N/A	1,079	1999
Lot No. 60, Mukim of Tanah Rata Bintang Cottage, A38 Jalan Pekeliling Padang Golf, Tanah Rata Cameron Highlands Pahang Darul Makmur	Leasehold Expiry: 2036	60,387 sq. ft	Single storey detached house	Pre-war	1,791	2002
Unit A 4103 SOHO Xian Dai Cheng No. 88, Jian Guo Road Chao Yang District Beijing 100022 Peoples' Republic of China	Leasehold Expiry: 2070	386.41 sq. metres	Top floor of a 42-storey building	5	2,222	2004
No. 7, Jalan Tiang U8/93 Section U8 Bukit Jelutong Industrial Park Shah Alam Selangor Darul Ehsan	Freehold	108,900 sq. ft	Industrial land	5	4,380	2004
No. 9, Jalan Tiang U8/93 Section U8 Bukit Jelutong Industrial Park Shah Alam Selangor Darul Ehsan	Freehold	111,078 sq. ft	Industrial land	5	4,443	2004

List of Properties

Location	Tenure	Size	Description	Approximate age of buildings (years)	Carrying amount RM'000	Year of Acquisition/ Last Revaluation#
10 Anson Road #19-14 International Plaza Singapore 079903	Leasehold Expiry: 2070	219 sq. metres	19th floor on a 50-storey building	33	3,163	2005
Neighbourhood Commercial Centre GF to 3F, U6, Phase 19 62250 Putrajaya	Freehold	1,690.72 sq. metres	4-storey shop office	4	4,169	2005
8, Lorong Chung Thye Phin, 30250 Ipoh Perak Darul Ridzuan	Leasehold Expiry: 2893	787.87 sq. metres	Bungalow on commercial land	52	622	2005
10, Lorong Chung Thye Phin, 30250 Ipoh Perak Darul Ridzuan	Leasehold Expiry: 2893	834.66 sq. metres	Bungalow on commercial land	52	659	2005
No. 1 Jalan Tunku Bukit Tunku, Kuala Lumpur	Leasehold Expiry: 2085	6,475 sq. metres	3 detached house	- L 26 61	21,097	2005
	Leasehold Expiry: 2089	2,523 sq. metres	on residential land		21,007	2005
Klang Town Commercial Centre No. 35 Lebuh Tapah Bandar Klang 41400 Klang Selangor Darul Ehsan	Freehold	445.93 sq. metres	3-storey shop office	2	833	2007

as at 31 March 2009

SHARE CAPITAL

Authorised Share Capital : RM1,000,000,000 Issued & Paid-up Capital : RM738,563,602

Class of Shares : Ordinary Shares of RM1.00 each Voting Rights : 1 vote per ordinary share

ANALYSIS BY SIZE OF HOLDINGS

SIZE OF HOLDINGS	NO OF SHAREHOLDERS/ DEPOSITORS	% OF SHAREHOLDERS/ DEPOSITORS	NO OF SHARES/ SECURITIES HELD	% OF ISSUED CAPITAL
1 - 99	76	1.5635	1,833	0.0002
100 - 1,000	1,101	22.6497	960,194	0.1300
1,001 - 10,000	2,844	58.5065	11,571,471	1.5668
10,001 - 100,000	666	13.7009	20,850,984	2.8232
100,001 - 36,928,179	171	3.5178	262,421,960	35.5314
36,928,180 and above	3	0.0617	442,712,960	59.9424
Sub Total	4,861	100.0000	738,519,402 44,200	99.9940 0.0060
Treasury Shares Total			738,563,602	100.0000

THIRTY LARGEST SHAREHOLDERS/DEPOSITORS AS AT 31 MARCH 2009

NO	NAME	NORMAL HOLDINGS	HOLDINGS PERCENTAGE
1	HUAREN HOLDINGS SDN BHD	298,615,760	40.4320
2	EMPLOYEES PROVIDENT FUND BOARD	91,497,000	12.3885
3	AMANAH RAYA NOMINEES (TEMPATAN) SDN BHD SKIM AMANAH SAHAM BUMIPUTERA	52,600,200	7.1220
4	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	34,538,700	4.6765
5	VALUECAP SDN BHD	22,570,900	3.0561
6	AMANAH RAYA NOMINEES (TEMPATAN) SDN BHD AMANAH SAHAM MALAYSIA	22,029,100	2.9827
7	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 1)	18,840,900	2.5510

as at 31 March 2009

NO	NAME	NORMAL HOLDINGS	HOLDINGS PERCENTAGE
8	LEMBAGA TABUNG HAJI	18,312,800	2.4795
9	AMANAH RAYA NOMINEES (TEMPATAN) SDN BHD AMANAH SAHAM DIDIK	15,138,100	2.0497
10	PERMODALAN NASIONAL BERHAD	10,841,800	1.4680
11	HSBC NOMINEES (ASING) SDN BHD BNP PARIBAS SECS SVS LUX FOR ABERDEEN GLOBAL	9,718,000	1.3158
12	LEMBAGA TABUNG ANGKATAN TENTERA	7,712,600	1.0443
13	CARTABAN NOMINEES (ASING) SDN BHD GOVERNMENT OF SINGAPORE INVESTMENT CORPORATION PTE LTD FOR GOVERNMENT OF SINGAPORE (C)	6,428,500	0.8704
14	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AMERICAN INTERNATIONAL ASSURANCE BERHAD	3,824,900	0.5179
15	HSBC NOMINEES (ASING) SDN BHD EXEMPT AN FOR JPMORGAN CHASE BANK, NATIONAL ASSOCIATION (NORGES BANK)	3,810,000	0.5159
16	MALAYSIA NOMINEES (TEMPATAN) SENDIRIAN BERHAD GREAT EASTERN LIFE ASSURANCE (MALAYSIA) BERHAD (PAR 2)	2,914,800	0.3947
17	HSBC NOMINEES (ASING) SDN BHD HSBC-FS FOR ABERDEEN MALAYSIA EQUITY FUND	2,683,000	0.3633
18	CARTABAN NOMINEES (ASING) SDN BHD GOVERNMENT OF SINGAPORE INVESTMENT CORPORATION PTE LTD FOR MONETARY AUTHORITY OF SINGAPORE (H)	2,548,600	0.3451
19	KOPERASI JAYADIRI MALAYSIA BERHAD	2,296,000	0.3109
20	MAYBAN NOMINEES (TEMPATAN) SDN BHD ABERDEEN ASSET MANAGEMENT SDN BHD FOR THE EMPLOYEES' PROVIDENT FUND BOARD (250416)	2,232,000	0.3022

as at 31 March 2009

NO	NAME	NORMAL HOLDINGS	HOLDINGS PERCENTAGE
21	CIMB GROUP NOMINEES (TEMPATAN) SDN BHD AMTRUSTEE BERHAD FOR CIMB ISLAMIC DALI EQUITY THEME FUND	2,000,000	0.2708
22	MAYBAN NOMINEES (TEMPATAN) SDN BHD ABERDEEN ASSET MANAGEMENT SDN BHD FOR KUMPULAN WANG PERSARAAN (DIPERBADANKAN) (FD 1 - 280305)	1,880,000	0.2545
23	AMSEC NOMINEES (TEMPATAN) SDN BHD ABERDEEN ASSET MANAGEMENT SDN BHD FOR TENAGA NASIONAL BERHAD RETIREMENT BENEFIT TRUST FUND (FM-ABERDEEN)	1,857,000	0.2514
24	DB (MALAYSIA) NOMINEE (TEMPATAN) SENDIRIAN BERHAD EXEMPT AN FOR DEUTSCHE TRUSTEES MALAYSIA BERHAD (MYETF-DJIM25)	1,780,100	0.2410
25	AMANAH RAYA NOMINEES (TEMPATAN) SDN BHD PUBLIC DIVIDEND SELECT FUND	1,702,000	0.2304
26	KUMPULAN WANG SIMPANAN PEKERJA	1,500,000	0.2031
27	CARTABAN NOMINEES (ASING) SDN BHD STATE STREET AUSTRALIA FUND UAJB FOR UNIFUND (HTSG AS TRUSTEE)	1,497,500	0.2028
28	TENGKU NERANG PUTRA	1,466,144	0.1985
29	AMANAH RAYA NOMINEES (TEMPATAN) SDN BHD PUBLIC ISLAMIC ASIA DIVIDEND FUND	1,440,000	0.1950
30	AMSEC NOMINEES (TEMPATAN) SDN BHD AMTRUSTEE BERHAD FOR CIMB ISLAMIC DALI EQUITY GROWTH FUND (UT-CIMB-DALI)	1,417,800	0.1920
	Total	645,694,204	87.4260

as at 31 March 2009

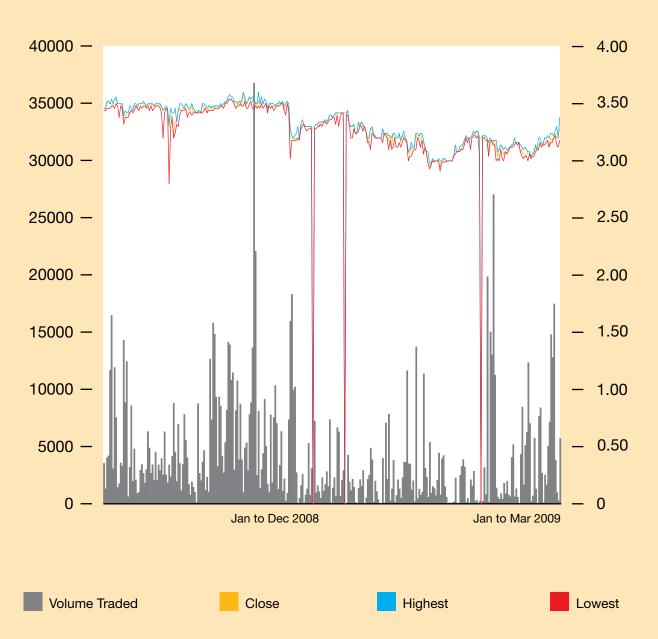
DIRECTORS' DIRECT AND INDIRECT SHAREHOLDINGS

(As per Register of Directors' Shareholdings)

Name of Directors	No. of Shares Held Direct Interest	% of Issued Capital	No. of Shares Held Indirect Interest	% of Issued Capital
Datuk Leong Tang Chong	-	_	-	-
Dato' Clement Hii Chii Kok	-	_	-	-
Datin Linda Ngiam Pick Ngoh	1,088,200	0.15		
Datuk Seri Kamal Mohamed Hashim	1,000,000	0.14	-	-
Mr Ng Beng Lye	-	-	-	-
Dato' Wira Syed Abdul Jabbar bin Syed Hassan	-	-	-	-
Dato' Dr Mohd Aminuddin bin Mohd Rouse	-	-	-	-
Tan Sri Dato' Dr Sak Cheng Lum	-	-	-	-
Mr Foo San Kan	-	-	-	-
SUBSTANTIAL SHAREHOLDERS (As per Register of Substantial Shareholders)				
Huaren Holdings Sdn Bhd	298,799,960	40.46	200,000	0.03
Employee Provident Fund	100,778,300	13.65		
Amanah Raya Nominees (Tempatan) Sdn Bhd - Skim Amanah Saham Bumiputera	52,600,200	7.12		
Kumpulan Wang Persaraan (Diperbadankan)	38,360,000	5.19		

Share Performance Chart

Share prices and volume traded for the period 1 January 2008 to 31 March 2009



Corporate Directory

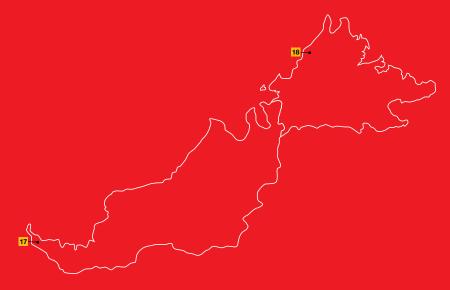


PENINSULAR MALAYSIA

- 1. Alor Setar
- 2. Star Northern Hub, Pulau Pinang
- 3. Prai
- 4. Ipoh
- 5. Kuala Lumpur
- 6. Menara Star, Petaling Jaya (HQ)
- 7. Star Media Hub, Shah Alam
- 8. Klang
- 9. Putrajaya
- 10. Seremban
- 11. Melaka
- **12**. Muar
- 13. Johor Bahru
- 14. Kuantan
- 15. Kuala Terengganu
- 16. Kota Bharu

SABAH & SARAWAK

- 17. Kuching
- 18. Kota Kinabalu



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35, Lebuh Tapah Bandar Klang

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20300 Kuala Terengganu
Terengganu Darul Iman
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Fax: 09-623 0025

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Tel: 02-6292 6350/6292 7585

Fax: 02-6297 2474



STAR PUBLICATIONS (MALAYSIA) BERHAD (10894-D) (Incorporated in Malaysia)

PROXY FORM

control No./Company No. (new) (citi) f (mame of proxy as per NRIC, in capital letters) control (new) (citi) r falling him/her (name of proxy per NRIC, in capital letters) control (name of proxy per NRIC, in capital letters) control (name of proxy per NRIC, in capital letters) control (name of proxy per NRIC, in capital letters) control (name of proxy per NRIC, in capital letters) control (name of proxy per NRIC, in capital letters) control (name of proxy per NRIC, in capital letters) control (name of proxy as per NRIC, in capital letters) control		(name of shareholder as per NRIC, in capital letters)			
eing a member(s) of STAR PUBLICATIONS (MALAYSIA) BERHAD, hereby appoint (name of proxy as per NRIC, in capital letters) C No. (new) (old) r failing him/her	C No./I	D No./Company No			
eing a member(s) of STAR PUBLICATIONS (MALAYSIA) BERHAD, hereby appoint (name of proxy as per NRIC, in capital letters) C No. (new) (old) r failing him/her (new) (old) S No. (new) (old) In Capital letters) C No. (new) (old) Alling him/her the Chairman of the Meeting as my/our proxy to vote for me/us on my/our behalf at the 37th Annual General Meeting to be held on 26 May 2009 at 10.00 am and at any adjournment thereof. Rease indicate with an "X" in the spaces provided how you wish your vote to be cast. If you do not do so, the proxy will vote or abstain froting at his discretion. NO RESOLUTION FOR AGAINST 1 To receive and adopt the Directors' Report and Audited Financial Statements Resolution 1 2 To re-elect the following Directors pursuant to Article 117 of the Company's Articles of Association: a) Datin Linda Ngiam Pick Ngoh b) Datuk Leong Tang Chong c) Dato' Dr Mohd Aminuddin bin Mohd Rouse Resolution 4 3 To re-elect the following Directors pursuant to Article 101 of the Company's Articles of Association: a) Dato' Clement Hii Chii Kok b) Mr Ng Beng Lye c) Mr Foo San Kan 4 To re-appoint Datuk Seri Kamal Mohamed Hashim who is retiring pursuant to Section 129(6) of the Companies Act, 1965 To approve payment of Directors' fees 6 To re-appoint Messrs BOO Binder as Auditors of the Company and to authorise the Directors to fix their remuneration 7 To issue shares pursuant to Section 1320 of the Companies Act, 1965 Resolution 10		(new)		(old)	
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r failing him/her	eing a	member(s) of STAR PUBLICATIONS (MALAYSIA) BERHAD, hereby appoint	(name of proxy a	as per NRIC in capi	tal letters)
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To receive and adopt the Directors' Report and Audited Financial Statements To re-elect the following Directors pursuant to Article 117 of the Company's Articles of Association: a) Datin Linda Ngiam Pick Ngoh b) Datuk Leong Tang Chong c) Dato' Dr Mohd Aminuddin bin Mohd Rouse To re-elect the following Directors pursuant to Article 101 of the Company's Articles of Association: a) Dato' Clement Hii Chii Kok b) Mr Ng Beng Lye c) Mr Foo San Kan To re-appoint Datuk Seri Kamal Mohamed Hashim who is retiring pursuant to Section 129(6) of the Companies Act, 1965 To approve payment of Directors' fees To re-appoint Messrs BDO Binder as Auditors of the Company and to authorise the Directors to fix their remuneration To issue shares pursuant to Section 132D of the Companies Act, 1965 Resolution 11	July a	t ilis discretion.			
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Articles of Association: a) Datin Linda Ngiam Pick Ngoh b) Datuk Leong Tang Chong c) Dato' Dr Mohd Aminuddin bin Mohd Rouse To re-elect the following Directors pursuant to Article 101 of the Company's Articles of Association: a) Dato' Clement Hii Chii Kok b) Mr Ng Beng Lye c) Mr Foo San Kan Resolution 7 To re-appoint Datuk Seri Kamal Mohamed Hashim who is retiring pursuant to Section 129(6) of the Companies Act, 1965 To approve payment of Directors' fees To re-appoint Messrs BDO Binder as Auditors of the Company and to authorise the Directors to fix their remuneration To issue shares pursuant to Section 132D of the Companies Act, 1965 Resolution 11	1	To receive and adopt the Directors' Report and Audited Financial Statements	Resolution 1		
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b) Datuk Leong Tang Chong c) Dato' Dr Mohd Aminuddin bin Mohd Rouse Resolution 3 Resolution 4 To re-elect the following Directors pursuant to Article 101 of the Company's Articles of Association: a) Dato' Clement Hii Chii Kok b) Mr Ng Beng Lye c) Mr Foo San Kan Resolution 6 Resolution 7 To re-appoint Datuk Seri Kamal Mohamed Hashim who is retiring pursuant to Section 129(6) of the Companies Act, 1965 To approve payment of Directors' fees Resolution 9 To re-appoint Messrs BDO Binder as Auditors of the Company and to authorise the Directors to fix their remuneration Resolution 10 Resolution 10			Resolution 2		
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	6		Resolution 10		
8 Renewal of Authority for Proposed Share Buy-back Resolution 12	7	To issue shares pursuant to Section 132D of the Companies Act, 1965	Resolution 11		
	8	Renewal of Authority for Proposed Share Buy-back	Resolution 12		
		1	1		1
	anot:		s held:		
Number of shares held:gnature/Common Seal	griatu	Date:			

Notes:

- 1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- 2. In the case of a corporation, the instrument appointing the proxy must be under its Common Seal or under the hand of its Attorney.
- 3. This Proxy Form, to be valid, must be lodged at the Registered Office of the Company at Level 15, Menara Star, 15 Jalan 16/11, Section 16, 46350 Petaling Jaya, Selangor Darul Ehsan, not less than 48 hours before the time set for the meeting.

FOLD HERE

STAMP

Company Secretary **STAR PUBLICATIONS (MALAYSIA) BERHAD** (10894-D)

Level 15, Menara Star

15, Jalan 16/11, Section 16,

46350 Petaling Jaya, Selangor Darul Ehsan