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SING TAO NEWS CORPORATION LIMITED

星島新聞集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code : 1105)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2009

The Board of Directors (the “Board”) of Sing Tao News Corporation Limited (the “Company”) is pleased to announce the consolidated results of the Company and its subsidiaries (the “Group”) for the year ended 31 December 2009 (the “Year”) together with the comparative figures for the previous year as follows:

CONSOLIDATED INCOME STATEMENT

Year ended 31 December 2009

	Notes	2009 HK\$'000	2008 HK\$'000
REVENUE	3	2,574,964	2,432,780
Cost of sales		(1,954,712)	(1,904,745)
Gross profit		620,252	528,035
Other income and gains/(losses), net		37,217	(142,313)
Distribution costs		(246,462)	(262,245)
Administrative expenses		(303,571)	(312,674)
Other expenses		(7,041)	(13,610)
Recovery of fair value losses on derivative financial instruments		-	50,952
Finance costs		(1,896)	(8,556)
Gain on disposal of interest in a subsidiary		-	17,605
Share of profits and losses of:			
Jointly-controlled entities		16,960	19,741
Associates		(4,007)	5,922
Gain on disposal of an associate		24	-
Reversal of impairment of amounts due from jointly-controlled entities		-	920
Impairment of amounts due from jointly-controlled entities		(949)	(36,080)
Impairment of an amount due from an associate		(45)	-
Reversal of impairment of an amount due from an associate		-	43

* For identification purpose only

CONSOLIDATED INCOME STATEMENT (continued)

Year ended 31 December 2009

	Notes	2009 HK\$'000	2008 HK\$'000
PROFIT/(LOSS) BEFORE TAX	4	110,482	(152,260)
Income tax credit	5	4,054	10,246
PROFIT/(LOSS) FOR THE YEAR		<u>114,536</u>	<u>(142,014)</u>
Attributable to:			
Owners of the Company		121,139	(141,984)
Minority interests		(6,603)	(30)
		<u>114,536</u>	<u>(142,014)</u>
Earnings/(loss) per share attributable to ordinary equity holders of the Company – (HK cents)			
Basic and diluted	7	<u>14.32</u>	<u>(16.76)</u>

Details of the dividend payable and proposed for the year are disclosed in note 6.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Year ended 31 December 2009

	2009 HK\$'000	2008 HK\$'000
PROFIT/(LOSS) FOR THE YEAR	<u>114,536</u>	<u>(142,014)</u>
OTHER COMPREHENSIVE INCOME		
Gains on property valuation	6,060	1,316
Income tax effect	<u>(2,108)</u>	<u>(487)</u>
	3,952	829
Available-for-sale investments:		
Changes in fair value	(1,261)	(240)
Reclassification adjustment for losses included in the consolidated income statement		
- impairment losses	3,055	-
Income tax effect	<u>-</u>	<u>-</u>
	1,794	(240)
Fair value adjustment on acquisition of an additional interest in a jointly-controlled entity	-	18,912
Share of other comprehensive income of an associate	624	19,336
Exchange differences on translation of foreign operations	<u>23,468</u>	<u>(44,616)</u>
OTHER COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR, NET OF TAX	<u>29,838</u>	<u>(5,779)</u>
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE YEAR	<u><u>144,374</u></u>	<u><u>(147,793)</u></u>
Attributable to:		
Owners of the Company	150,977	(147,763)
Minority interests	<u>(6,603)</u>	<u>(30)</u>
	<u>144,374</u>	<u>(147,793)</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

31 December 2009

	Notes	2009 HK\$'000	2008 HK\$'000
NON-CURRENT ASSETS			
Property, plant and equipment		649,109	698,201
Investment properties		32,552	28,536
Prepaid land lease payments		25,609	26,312
Property under development		95,882	84,191
Goodwill		7,099	857
Other intangible assets		13,963	15,088
Interests in jointly-controlled entities		130,681	119,727
Interests in associates		-	42,685
Available-for-sale investments		55,235	7,272
Deposit for an investment		29,243	-
Deferred tax assets		11,560	7,301
Other deposits paid		12,081	8,138
Total non-current assets		<u>1,063,014</u>	<u>1,038,308</u>
CURRENT ASSETS			
Inventories		65,782	99,650
Trade receivables	8	459,967	376,853
Prepayments, deposits and other receivables		95,432	100,517
Financial assets at fair value through profit or loss		41,296	41,728
Derivative financial instruments		-	667
Tax recoverable		713	8,529
Cash and cash equivalents		409,327	431,400
Total current assets		<u>1,072,517</u>	<u>1,059,344</u>
CURRENT LIABILITIES			
Trade and bills payables	9	119,210	110,330
Other payables and accruals		207,860	257,887
Derivative financial instruments		-	2,803
Tax payable		84,022	80,393
Interest-bearing bank borrowing		30,000	70,000
Finance lease and hire purchase contract payables		1,565	1,223
Total current liabilities		<u>442,657</u>	<u>522,636</u>
NET CURRENT ASSETS		<u>629,860</u>	<u>536,708</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>1,692,874</u>	<u>1,575,016</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

31 December 2009

	2009	2008
	HK\$'000	HK\$'000
NON-CURRENT LIABILITIES		
Finance lease and hire purchase contract payables	5,723	2,231
Deferred tax liabilities	36,554	45,234
Total non-current liabilities	<u>42,277</u>	<u>47,465</u>
Net assets	<u>1,650,597</u>	<u>1,527,551</u>
EQUITY		
Equity attributable to owners of the Company		
Issued capital	169,168	169,168
Reserves	1,423,846	1,306,700
Proposed final dividend	25,419	8,458
	<u>1,618,433</u>	<u>1,484,326</u>
Minority interests	32,164	43,225
Total equity	<u>1,650,597</u>	<u>1,527,551</u>

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of preparation

The accounting policies and methods of computation used in the preparation of these consolidated financial statements are consistent with those used in the annual financial statements for the year ended 31 December 2008.

The consolidated financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards (“HKFRSs”) (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and complied with the disclosure requirements of the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for investment properties, leasehold land and buildings, derivative financial instruments and certain investments, which have been measured at fair value. These financial statements are presented in Hong Kong dollars (“HK\$”) and all values are rounded to the nearest thousand except where otherwise indicated.

2. Impact of new and revised Hong Kong Financial Reporting Standards

The Group has adopted the following new and revised HKFRSs for the first time for the current year’s financial statements. The adoption of these new and revised HKFRSs has had no significant effect on these financial statements.

HKFRS 1 and HKAS 27 Amendments	Amendments to HKFRS 1 <i>First-time Adoption of HKFRSs</i> and HKAS 27 <i>Consolidated and Separate Financial Statements – Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i>
HKFRS 2 Amendments	Amendments to HKFRS 2 <i>Share-based Payment – Vesting Conditions and Cancellations</i>
HKFRS 7 Amendments	Amendments to HKFRS 7 <i>Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments</i>
HKFRS 8	<i>Operating Segments</i>
HKAS 1 (Revised)	<i>Presentation of Financial Statements</i>
HKAS 18 Amendment*	Amendment to Appendix to HKAS 18 <i>Revenue – Determining whether an entity is acting as a principal or as an agent</i>
HKAS 23 (Revised)	<i>Borrowing Costs</i>
HKAS 32 and HKAS 1 Amendments	Amendments to HKAS 32 <i>Financial Instruments: Presentation</i> and HKAS 1 <i>Presentation of Financial Statements – Puttable Financial Instruments and Obligation Arising on Liquidation</i>
HK(IFRIC)-Int 9 and HKAS 39 Amendments	Amendments to HK(IFRIC)-Int 9 <i>Reassessment of Embedded Derivatives</i> and HKAS 39 <i>Financial Instruments: Recognition and Measurement – Embedded Derivatives</i>
HK(IFRIC)-Int 13	<i>Customer Loyalty Programmes</i>
HK(IFRIC)-Int 15	<i>Agreements for the Construction of Real Estate</i>

2. Impact of new and revised Hong Kong Financial Reporting Standards (continued)

HK(IFRIC)-Int 16	<i>Hedges of a Net Investment in a Foreign Operation</i>
HK(IFRIC)-Int 18	<i>Transfers of Assets from Customers</i> (adopted from 1 July 2009)
Improvements to HKFRSs	Amendments to a number of HKFRSs (October 2008)

* Included in *Improvements to HKFRSs 2009* (as issued in May 2009).

3. Operating segment information

For management purposes, the Group is organised into business units based on their products and services and has three reportable operating segments as follows:

- the media segment publishes and distributes newspapers, magazines and books to readers in Hong Kong, Canada, the United States of America, Europe and Australia, and sells the respective content of such publications in Hong Kong and Mainland China;
- the trading segment trades photographic products; and
- the others segment comprises the Group's Internet and information consultancy services, investment and property holding and development business together with corporate expense items.

	Media HK\$'000	Trading HK\$'000	Others HK\$'000	Total HK\$'000
Year ended 31 December 2009				
Segment revenue:				
Sales to external customers	1,644,981	926,561	3,422	2,574,964
Intersegment sales	1,923	-	142,495	144,418
	1,646,904	926,561	145,917	2,719,382
<u>Reconciliation:</u>				
Elimination of intersegment sales Revenue				(144,418)
				<u>2,574,964</u>
Segment results	76,202	15,867	20,309	112,378
<u>Reconciliation:</u>				
Finance costs				(1,896)
Profit before tax				<u>110,482</u>
Segment assets	1,474,511	145,355	503,392	2,123,258
<u>Reconciliation:</u>				
Corporate and unallocated assets				12,273
Total assets				<u>2,135,531</u>

3. Operating segment information (continued)

	Media HK\$'000	Trading HK\$'000	Others HK\$'000	Total HK\$'000
Year ended 31 December 2009				
Segment liabilities	266,898	25,676	34,496	327,070
<u>Reconciliation:</u>				
Corporate and unallocated liabilities				157,864
Total liabilities				<u>484,934</u>
Other segment information:				
Share of profits and losses of:				
Jointly-controlled entities	13,974	-	2,986	16,960
Associates	-	-	(4,007)	(4,007)
Impairment losses recognised in the income statement				
	8,537	-	-	8,537
Depreciation and amortisation				
	37,423	517	43,036	80,976
Interests in jointly-controlled entities				
	109,861	-	20,820	130,681
Interest income				
	3,679	277	508	4,464
Capital expenditures				
	37,574	3	13,483	51,060
Year ended 31 December 2008				
Segment revenue:				
Sales to external customers	1,700,391	728,682	3,707	2,432,780
Intersegment sales	328	-	138,114	138,442
	<u>1,700,719</u>	<u>728,682</u>	<u>141,821</u>	<u>2,571,222</u>
<u>Reconciliation:</u>				
Elimination of intersegment sales				(138,442)
Revenue				<u>2,432,780</u>
Segment results				
	30,181	16,789	(190,674)	(143,704)
<u>Reconciliation:</u>				
Finance costs				(8,556)
Loss before tax				<u>(152,260)</u>
Segment assets				
	1,527,712	159,275	394,835	2,081,822
<u>Reconciliation:</u>				
Corporate and unallocated assets				15,830
Total assets				<u>2,097,652</u>
Segment liabilities				
	246,413	31,871	92,736	371,020
<u>Reconciliation:</u>				
Corporate and unallocated liabilities				199,081
Total liabilities				<u>570,101</u>

3. Operating segment information (continued)

	Media HK\$'000	Trading HK\$'000	Others HK\$'000	Total HK\$'000
Year ended 31 December 2008				
Other segment information:				
Share of profits and losses of:				
Jointly-controlled entities	17,338	-	2,403	19,741
Associates	-	-	5,922	5,922
Impairment losses recognised				
in the income statement, net	6,247	-	36,080	42,327
Depreciation and amortisation	35,757	572	72,541	108,870
Interests in jointly-controlled				
entities	102,030	-	17,697	119,727
Interests in associates	11	-	42,674	42,685
Interest income	6,013	732	4,022	10,767
Capital expenditures	121,818	418	16,116	138,352

* Capital expenditure consists of additions to property, plant and equipment, property under development, intangible assets and investment properties.

4. Profit/(loss) before tax

The Group's profit/(loss) before tax is arrived at after charging/(crediting):

	2009 HK\$'000	2008 HK\$'000
Investment income	(592)	(5,369)
Dividend income from listed equity investments	(5,368)	(1,349)
Dividend income from an unlisted available-for-sale investment	(2,236)	-
Fair value losses/(gains), net on:		
Financial assets at fair value through profit or loss	(17,651)	210,831
Derivative financial instruments – transactions not qualifying as hedges	(5,352)	(12,889)
Impairment losses on available-for-sale investments	3,055	-
Cost of inventories sold	1,285,120	1,135,301
Depreciation	79,851	107,744
Amortisation of intangible assets	1,125	1,126

5. Income tax

Hong Kong profits tax has been provided at the rate of 16.5% (2008: 16.5%) on the estimated assessable profits arising in Hong Kong during the year. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

	2009	2008
	HK\$'000	HK\$'000
Current:		
Charge for the year:		
The People's Republic of China:		
Hong Kong	2,191	2,903
Elsewhere	348	295
Elsewhere	8,428	2,363
Overprovision in prior years	(393)	(12,895)
Deferred	(14,628)	(2,912)
	<hr/>	<hr/>
Total tax credit for the year	(4,054)	(10,246)

6. Dividends

	2009	2008
	HK\$'000	HK\$'000
Interim – HK1.0 cent (2008: HK2.0 cents) per ordinary share	8,458	16,938
Proposed final dividend – 3.0 cents (2008: HK1.0 cent) per ordinary share	25,419	8,458
	<hr/>	<hr/>
	33,877	25,396

The proposed final dividend for the year is subject to the approval of the Company's shareholders at the forthcoming annual general meeting.

7. Earnings/(loss) per share attributable to ordinary equity holders of the Company

The calculation of basic earnings/(loss) per share is based on the profit/(loss) for the year attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the year.

The diluted earnings per share for the year ended 31 December 2009 has not been presented as the conversion of the outstanding share options do not have dilutive effect on the basic earnings per share for the year.

The diluted loss per share for the year ended 31 December 2008 has not been presented as the conversion of the outstanding share options would have an anti-dilutive effect on the basic loss per share for that year.

The calculations of basic and diluted earnings/(loss) per share are based on:

	2009	2008
	HK\$'000	HK\$'000
<u>Earnings/(loss)</u>		
Profit/(loss) attributable to ordinary equity holders of the Company, used in the basic earnings/(loss) per share calculation	121,139	(141,984)
	Number of shares	
	2009	2008
<u>Shares</u>		
Weighted average number of ordinary shares in issue during the year used in the basic earnings/(loss) per share calculation	845,837,537	847,046,111
Effect of dilution – weighted average number of ordinary shares:		
Share options	-	-
	845,837,537	847,046,111

8. Trade receivables

	2009	2008
	HK\$'000	HK\$'000
Trade receivables	475,183	394,137
Impairment	(15,216)	(17,284)
	<u>459,967</u>	<u>376,853</u>

The Group's trading terms with its customers are mainly on credit, except for new customers, where payment in advance is normally required. The credit period is generally for a period of one month, extending up to three months for major customers. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables and has a credit control department to minimise credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to a large number of diversified customers, there is no significant concentration of credit risk. Trade receivables are non-interest-bearing.

An aged analysis of trade receivables as at the end of the reporting period, based on the payment due date, is as follows:

	2009	2008
	HK\$'000	HK\$'000
Current to 30 days	322,788	256,334
31 to 60 days	65,718	53,428
61 to 90 days	38,717	30,444
91 to 120 days	16,059	13,397
Over 120 days	31,901	40,534
	<u>475,183</u>	<u>394,137</u>

The movements in provision for impairment of trade receivables are as follows:

	2009	2008
	HK\$'000	HK\$'000
At 1 January	17,284	15,071
Impairment losses recognised	4,488	6,247
Amounts written off as uncollectible	(6,648)	(3,431)
Exchange realignment	92	(603)
At 31 December	<u>15,216</u>	<u>17,284</u>

8. Trade receivables (continued)

The individually impaired trade receivables with an aggregate carrying amount before provision of HK\$15,216,000 (2008: HK\$17,284,000) relate to customers that were in financial difficulties or were in default of payments and the receivables are not expected to be recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

An aged analysis of the trade receivables that are not considered to be impaired is as follows:

	2009	2008
	HK\$'000	HK\$'000
Current to 30 days	322,542	255,992
31 to 60 days	65,581	53,428
61 to 90 days	38,558	30,405
91 to 120 days	13,704	13,094
Over 120 days	19,582	23,934
	<u>459,967</u>	<u>376,853</u>

Receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, the directors of the Company are of the opinion that no provision for impairment is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral or other credit enhancements over these balances.

9. Trade and bills payables

An aged analysis of trade and bills payables as at the end of the reporting period, based on the payment due date, is as follows:

	2009	2008
	HK\$'000	HK\$'000
Current to 30 days	96,962	91,411
31 to 60 days	14,228	5,547
61 to 90 days	283	2,217
91 to 120 days	566	599
Over 120 days	7,171	10,556
	<u>119,210</u>	<u>110,330</u>

The trade payables are non-interest-bearing and are normally settled on 60-day terms.

MANAGEMENT DISCUSSION AND ANALYSIS

Business Review

Media and Media-related Operations

For the Group's Media Operations, 2009 was a dichotomous year. The first half was shrouded by an economic slump resulting from the global financial tsunami, which gave rise to very difficult business conditions for the Group. However, with the global recession easing and the Hong Kong economy steadily recovering in the second half, the Group managed to catch up on the earlier deficits and delivered satisfactory results for the year as a whole. Although revenue of the Media Operations dropped slightly by 3% from approximately HK\$1,700.4 million in 2008 to approximately HK\$1,645.0 million in 2009, segment profit registered a substantial increase from approximately HK\$30.2 million to approximately HK\$76.2 million, a growth of 152%. This significant improvement is attributable not only to the revival of the advertising markets and the retreat in newsprint prices from their record highs, but also to Group's proactive endeavors in reducing costs and enhancing operating efficiencies as well as the outstanding performance of some of our core products.

Newspapers

Despite 2009 being a challenging year, especially in the first half, for Sing Tao Daily we have worked hard to keep the fundamentals of the newspaper intact. The strategy of Sing Tao Daily has remained clear: to provide a top-quality newspaper for middle-class readers. And with the efforts in recent years on refining its operations, Sing Tao Daily has arrived at a healthy and reasonable cost structure, helping it to achieve a better financial performance in 2009 than in the past few years. Sing Tao Daily has upheld its commitment on enhancing content quality. In April 2009, it launched the Sunday "Brand Story" section, an art-paper centre-spread featuring some of the most renowned and finest brands in the world. In October, it added the Sing Tao Property Website to its digital platform, providing the most comprehensive property information and user-friendly interactive functions for property buyers and sellers online. The focus on quality brought in more readers of a high profile, as evidenced by readership gains in the high-income brackets, and circulation revenue was also maintained. In terms of advertising, although the first half suffered a steep downturn, the second half benefited from the resurgence in the markets and particularly in the property segment. At the same time, the ongoing efforts on diversifying the customer mix have shown results, with revenue from the luxury, retail and education sectors recording good growth.

The performance of our free newspaper Headline Daily stood out in 2009. Its growth momentum was unimpeded by the economic decline, and its readership and advertising volume continued to rise throughout the year. According to the latest survey by Synovate Media Atlas, Headline Daily's average readership grew by 13% to reach 1,564,000 for 2009, making it not only the most widely-read free newspaper in Hong Kong but also the free newspaper with the largest year-on-year growth in readership. This was achieved with an average daily circulation of around 740,000 copies in 2009, an increase of 2% from 2008. And by the final quarter of 2009, average circulation had surpassed 760,000 copies. At the same time, Headline Daily's advertising performance went from strength to strength. While 2009's advertising spending for all media and for free newspapers rose by 7% and 12%, respectively (according to admanGo), Headline Daily outperformed the market's average and saw a growth rate of 17% in its advertising revenue. The sectors that registered the biggest increments included toiletries, retail and other fast moving consumer goods. The solid improvement in revenue, coupled with lower newsprint prices and sound control on operating costs, led to a remarkable increase in operating profit for Headline Daily. Indeed, Headline Daily became the largest contributor to the Group's profit in 2009. As the number one free newspaper in Hong Kong, Headline Daily places important emphasis on its editorial quality and continually provides high-quality content to bolster the reading habits of its higher-end readers in particular. In addition, in order to better serve readers' needs, Headline Daily also launched smart phone applications in co-operation with a number of mobile network operators to keep smart phone users up-to-date with its news and information.

The Group's English-language free newspaper, The Standard, performed better than expected. The newspaper's average daily circulation climbed steadily during 2009, reaching 201,092 copies in the fourth quarter as audited by the Hong Kong Audit Bureau of Circulations. At the same time, the editorial team enhanced its coverage of local content and produced a series of exclusive breaking news stories, generating increased popularity and loyalty among readers. A weekend section "Spree" was introduced in July 2009 to include more lifestyle features every Friday. Although advertising volume was adversely affected by the market downturn, average page rates recorded a double-digit increase and the newspaper managed to attract higher-quality advertisers notably in the property and banking sectors. In the student market, a new publication Junior Standard was launched in September which completed the Group's comprehensive range of English-language school newspapers serving primary and secondary school students. The PEAK Hong Kong withstood the adverse business conditions and, with revamped content and design, reinforced its market position as a Hong Kong based regional magazine targeting the upscale segment.

The results of Sing Tao Daily's overseas operations were hit by the financial crisis which hurt the North American and European economies more than Asia. During the year, a number of competitors withdrew from the market due to the severe deterioration in the industry. We continued to build on our firm business foundation through strengthening management, improving the content and further developing the network with local communities and businesses, in order to take advantage of the opportunities that would come along with a full recovery in the market. Although advertising revenue was held back by the market contraction, circulation revenue in some of the overseas editions benefited from a cover price raise which did not have any negative impact on circulation volume. To overcome the adverse business conditions, the overseas division kept expenses in check, by carefully monitoring the pagination and print run and using lighter weight paper in order to optimize newsprint consumption, and restructuring the workflow in order to reduce costs and increase efficiencies. With the world economy in recuperation, the overseas division began to see a rebound in business and improvement in profitability towards the latter half of 2009.

Magazines

Hong Kong's magazine advertising market shrank by 12% in 2009, though the final quarter showed signs of a comeback. Given the industry environment, the Group's Magazine unit performed within expectations during the year. The first half was weighed down by the market's setback, but the second half was stronger with an upturn evidently in sight.

The performance of the unit's flagship magazine, East Week, was satisfactory and better than industry average. Although advertising revenue was lower, East Week maintained its share of advertising spending, confirming that advertisers had continued to recognize the magazine as an effective and valuable medium. To mitigate the reduction in revenue, the magazine exercised effective control on its printing and salary costs, which brought about an improvement in bottom line as compared with previous years. East Week's healthy development also allowed it to contribute positively to the Group's profit in 2009. At the same time, readership registered a 10% growth for the year. In addition to offering more and better content on high-class lifestyle, business and international affairs, East Week also worked on developing its online platform to provide a range of diversified content and applications. In April 2009, the East Week website was launched and a number of smart phone editions are currently being developed.

East Touch and PC Market performed in line with the market. East Touch saw its revenue augmented via joint projects with advertisers, where special creative advertising formats were used to promote their products. This proved to be popular with the trendy brands and once again attested to the leading position of East Touch in this segment. PC Market focused on its strength as a professional magazine for digital products and services, and its authoritative test results were well recognized by both readers and suppliers. Both Spiral and JET extended their circulation to Mainland China, and the titles have been available at high-end stores and hotels in major cities since 2009. JET also co-operated with a local magazine operator to launch a PRC edition, JET Master, in October 2009.

Recruitment Media

The local recruitment advertising market was in a depressed state for the most part of 2009, with the total number of jobs advertised in the print media market having dropped by 50% from the previous year. The shift by both employers and employees to online media also continued. Although the financial performance of the Group's Recruitment Media unit declined in 2009, it managed to grow its online revenue by over 50% during the year. The Group's jobs websites headlinejobs.hk and jobmarket.com were merged to create an enlarged membership base and jobs database and thereby a more powerful platform for recruiters and jobseekers alike.

Non-Media Operations

Trading

Turnover of the Group's Trading unit remained robust in 2009, increasing by approximately 27% as compared with the previous year. This is attributable to the resilient Mainland economy and the relatively active market for digital camera and related products there. However, segment profit slipped by approximately 5% in 2009 as compared with the previous year. Given the competitive market environment, the Group's Trading unit had to endure continuous pressure on its profit margins, in order to maintain the competitiveness of its products and support their sales volume so as to protect its profit level.

Prospects

With the worst of the economic crises being over and the world economy steadily improving, we are cautiously optimistic about the outlook for the future. While 2010 has opened with an encouraging start, caution is still called for given that the path of recovery is still uncertain. Yet we believe that we have prepared ourselves well to participate in a sustained upturn in the market, by consolidating our strengths, by building a versatile and diversified business portfolio and by operating on a healthy cost structure and sound financial base.

After over four years of development, Headline Daily has successfully established a strategic market position and has attained significant economies of scale, which put it not only in a definite leading status within the free newspaper market, but also places it among the ranks of a mainstream media. Headline Daily adopts a flexible and agile operation strategy, which allows it to manage costs and expand revenue effectively adapting to the ups and downs of the economic cycle. The strong momentum that it has built should continue to drive its business forward as well as provide the keystone for the Group's profitability.

The Group's other Media operations have remained dynamic and have a strong base from which to capitalize on a more rosy industry climate. By remaining focused on upgrading their brand images and product standards, our newspapers and magazines have won over the confidence and loyalty of the increasingly discerning readers and advertisers, who value quality and professionalism. Operationally, this has been achieved with ongoing improvements in efficiency. Our market standing and recognition has emerged stronger after this year of challenges and opportunities, and we believe our long term prospects are bright.

Employees

As at 31 December 2009, the Group had approximately 2,310 employees.

The Group remunerates its employees based on individual and business performance. Competitive salaries and benefits are paid to attract and retain quality staff. Other employee benefits include medical insurance, discretionary bonus, share options and provident fund schemes.

DIVIDEND

The Board recommends a final dividend of HK3 cents per ordinary share for the Year payable on Monday, 17 May 2010 to shareholders whose names appear on the register of members of the Company on Friday, 30 April 2010. Together with the interim dividend of HK1 cent per ordinary share paid to shareholders on 7 October 2009, the total annual dividend will amount to HK4 cents per ordinary share for the financial year (2008: HK3 cents).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 27 April 2010 to Friday, 30 April 2010, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the final dividend and be eligible to attend and vote at the forthcoming annual general meeting of the Company, all share transfers accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited of 26/F, Tesbury Centre, 28 Queen's Road East, Hong Kong not later than 4:30 p.m. on Monday, 26 April 2010.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Company had not redeemed, and neither had the Company nor any of its subsidiaries purchased or sold, any of the Company's listed securities during the Year.

CORPORATE GOVERNANCE

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices (the "CG Code") contained in Appendix 14 of the Rules Governing the Listing of Securities (the "Listing Rules") on The Stock Exchange of Hong Kong Limited (the "Stock Exchange") and complied with the CG Code throughout the review period with deviations from certain code provisions of the CG Code specified and explained below.

The Board held three regular meetings instead of four as required by the code provision A.1.1 for efficiency consideration during the Year. The regular meetings were held to consider and approve, among other things, the annual results, interim results and annual budget of the Group.

According to the code provision E.1.2, the Chairman of the Board shall attend the annual general meeting of the Company. The Chairman of the Board did not attend the annual general meeting held in 2009 due to an unexpected business engagement.

COMPLIANCE OF THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS

The Company has made specific enquiries to all directors of the Company who have confirmed that they have complied with the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers contained in Appendix 10 of the Listing Rules throughout the Year.

REVIEW OF FINANCIAL STATEMENTS

The audit committee of the Company has reviewed the consolidated financial statements of the Group for the Year, including the accounting principles and accounting standards adopted by the Company, and discussed matters relating to auditing, internal controls and financial reporting.

PUBLICATION OF FINAL RESULTS AND ANNUAL REPORT

This announcement is published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.singtaonewscorp.com. The 2009 annual report will also be published on the Stock Exchange's website at www.hkexnews.hk and the Company's website at www.singtaonewscorp.com and will be despatched to the shareholders of the Company.

By Order of the Board
Sing Tao News Corporation Limited
HO Tsu Kwok, Charles
Chairman

Hong Kong, 9 April 2010

As at the date of this announcement, the Board comprises: (1) executive directors: Mr. HO Tsu Kwok, Charles (Chairman), Mr. LO Wing Hung (Chief Executive Officer), Ms. Judy INN, Mr. JIA Hongping, Mr. LAI Ting Yiu, Mr. LAU Chung Man, Louis, Mrs. SY WONG Chor Fong and Mr. YANG Yiu Chong, Ronald Jeffrey; (2) non-executive director: Mr. LEUNG Chun Ying; and (3) independent non-executive directors: Mr. Timothy David DATTELS, Ms. HO Chiu King, Pansy Catilina, Mr. KING Richard Yun Zing, Mr. LEE Cho Jat and Mr. TUNG Chee Chen.