

# 星島 SING TAO 新聞集團

星島新聞集團有限公司  
SING TAO NEWS CORPORATION LIMITED



# 2011 INTERIM REPORT 中期報告

(Stock Code 股份代號：1105)

# Consolidated Income Statement

## 綜合收益表

*For the six months ended 30 June 2011* 截至二零一一年六月三十日止六個月

The board of directors (“Board”) of Sing Tao News Corporation Limited (“Company”) is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (“Group”) for the six months ended 30 June 2011 together with the comparative figures for the corresponding period in 2010 as follows:

星島新聞集團有限公司(「本公司」)董事會(「董事會」)欣然公佈本公司及其附屬公司(「本集團」)截至二零一一年六月三十日止六個月之未經審核簡明綜合業績，連同二零一零年同期之比較數字如下：

		<b>For the six months ended 30 June</b>	
		截至六月三十日止六個月	
		2011	2010
		二零一一年	二零一零年
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
		(未經審核)	(未經審核)
		<b>HK\$'000</b>	<b>HK\$'000</b>
		千港元	千港元
REVENUE	收入	2	<b>1,146,350</b>
Cost of sales	銷售成本		<b>(784,233)</b>
Gross profit	毛利		379,651
Other income and gains/(losses), net	其他收入及收益/ (虧損)淨額	3	<b>9,947</b>
Gain on loss of control in a subsidiary	失去一間附屬公司控制權 的收益	4	11,474
Distribution costs	分銷成本		<b>(131,090)</b>
Administrative expenses	行政開支		<b>(151,108)</b>
Other expenses	其他開支		<b>(5,108)</b>
Finance costs	融資成本	5	<b>(352)</b>
Share of profits and losses of:	應佔下列公司溢利及虧損：		
Jointly-controlled entities	共同控制公司		13,444
An associate	一間聯營公司		<b>(5,000)</b>
Impairment of amounts due from jointly-controlled entities	應收共同控制公司款項減值		<b>(500)</b>
PROFIT BEFORE TAX	除稅前溢利	6	105,124
Income tax expense	所得稅	7	<b>(130)</b>
PROFIT FOR THE PERIOD	期內溢利		<b>91,030</b>
ATTRIBUTABLE TO:	以下人士應佔：		
Owners of the Company	本公司擁有人		104,900
Non-controlling interests	非控股權益		<b>(75)</b>
			<b>91,030</b>
Earnings per share attributable to ordinary equity holders of the Company – (HK cents)	本公司普通股權持有人應佔每股溢利 – (港仙)		
Basic	基本	8	12.37
Diluted	攤薄		<b>10.21</b>

# Consolidated Statement of Comprehensive Income

## 綜合全面收益表

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

		<b>For the six months ended 30 June</b>	
		截至六月三十日止六個月	
		<b>2011</b>	2010
		二零一一年	二零一零年
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Profit for the period	期內溢利	<b>91,030</b>	101,733
Other comprehensive income for the period, net of tax:	期內其他全面收益(除稅後):		
Exchange differences on translation of foreign operations	換算海外業務的匯兌差額	<b>8,403</b>	672
Total comprehensive income for the period	期內總全面收益	<b>99,433</b>	102,405
Attributable to:	以下人士應佔:		
Owners of the Company	本公司擁有人	<b>99,508</b>	105,572
Non-controlling interests	非控股權益	<b>(75)</b>	(3,167)
		<b>99,433</b>	102,405

# Consolidated Statement of Financial Position

## 綜合財務狀況表

30 June 2011 二零一一年六月三十日

			30 June 2011 二零一一年 六月三十日 (Unaudited) (未經審核)	31 December 2010 二零一零年 十二月三十一日
	Notes 附註		HK\$'000 千港元	HK\$'000 千港元
<b>NON-CURRENT ASSETS</b>		<b>非流動資產</b>		
Property, plant and equipment		物業、廠房及設備	649,264	678,692
Investment properties		投資物業	37,890	37,246
Goodwill		商譽	857	857
Other intangible assets		其他無形資產	12,275	12,837
Investments in jointly-controlled entities		於共同控制公司之投資	142,520	127,945
Investment in an associate		於一間聯營公司之投資	56,509	61,507
Available-for-sale investments	10	可供出售投資	52,442	50,088
Deposit for an investment		投資訂金	27,443	27,443
Deferred tax assets		遞延稅項資產	12,535	11,840
Other deposits paid		其他已繳按金	120,727	36,008
<b>Total non-current assets</b>		<b>非流動資產總值</b>	<b>1,112,462</b>	1,044,463
<b>CURRENT ASSETS</b>		<b>流動資產</b>		
Inventories		存貨	148,712	107,256
Trade receivables	11	應收賬款	517,854	518,399
Prepayments, deposits and other receivables		預付款項、按金及其他應收款項	51,581	53,545
Financial assets at fair value through profit or loss	12	按公平值記入損益賬之財務資產	59,534	58,654
Tax recoverable		可收回稅項	5,142	601
Cash and cash equivalents		現金及現金等值項目	463,620	566,006
<b>Total current assets</b>		<b>流動資產總值</b>	<b>1,246,443</b>	1,304,461
<b>CURRENT LIABILITIES</b>		<b>流動負債</b>		
Trade and bills payables	13	應付賬款及票據	126,859	140,009
Other payables and accruals		其他應付款項及應計款項	214,027	238,244
Tax payable		應付稅項	74,127	76,304
Finance lease and hire purchase contract payables		融資租約及租購合約應付款項	1,118	1,670
<b>Total current liabilities</b>		<b>流動負債總值</b>	<b>416,131</b>	456,227
<b>NET CURRENT ASSETS</b>		<b>流動資產淨值</b>	<b>830,312</b>	848,234
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>已減流動負債之資產總值</b>	<b>1,942,774</b>	1,892,697
<b>NON-CURRENT LIABILITIES</b>		<b>非流動負債</b>		
Finance lease and hire purchase contract payables		融資租約及租購合約應付款項	2,360	5,563
Deferred tax liabilities		遞延稅項負債	36,981	37,639
<b>Total non-current liabilities</b>		<b>非流動負債總值</b>	<b>39,341</b>	43,202
<b>Net assets</b>		<b>資產淨值</b>	<b>1,903,433</b>	1,849,495
<b>EQUITY</b>		<b>股權</b>		
Equity attributable to owners of the Company		本公司擁有人應佔股權		
Issued capital	14	已發行股本	173,960	174,023
Reserves		儲備	1,729,197	1,631,610
Proposed final dividend		建議末期股息	-	43,511
<b>Non-controlling interests</b>		<b>非控股權益</b>	<b>1,903,157</b>	1,849,144
			276	351
<b>Total equity</b>		<b>股權總額</b>	<b>1,903,433</b>	1,849,495

# Consolidated Statement of Changes in Equity

## 綜合權益變動表

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

		Unaudited 未經審核										Non- controlling interests 非控股權益	Total equity 股東總額	
		Attributable to owners of the Company 本公司擁有人應佔												
		Available- for-sale										Proposed final dividend 擬派 末期股息	Total	
		Issued ordinary share capital 已發行 普通股 股本	Share premium account 股份 溢價賬	Contributed surplus 繳入盈餘	Share option reserve 購股權 儲備	Asset revaluation reserve 資產 重估儲備	Investment revaluation reserve 投資 重估儲備	Exchange fluctuation reserve 匯兌 波動儲備	Other reserves 其他儲備	Retained profits 保留溢利	Proposed final dividend 擬派 末期股息			
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
At 1 January 2011	於二零一一年一月一日	174,023	25,421	413,825	9,744	67,030	4,610	40,418	19,960	1,050,602	43,511	1,849,144	351	1,849,495
Total comprehensive income for the period	期內全面收益	-	-	-	-	-	-	8,403	-	91,105	-	99,508	(75)	99,433
Issue of ordinary shares	發行普通股	260	1,471	-	(533)	-	-	-	-	-	-	1,198	-	1,198
Repurchase of shares	購回股份	(323)	(3,209)	-	-	-	-	-	-	-	-	(3,532)	-	(3,532)
Equity-settled share option arrangements	股權結算購股權安排	-	-	-	382	-	-	-	-	-	-	382	-	382
Final 2010 dividend declared	已宣派二零一零年末期股息	-	-	-	-	-	-	-	-	(32)	(43,511)	(43,543)	-	(43,543)
At 30 June 2011	於二零一一年六月三十日	173,960	23,683	413,825	9,593	67,030	4,610	48,821	19,960	1,141,675	-	1,903,157	276	1,903,433
At 1 January 2010	於二零一零年一月一日	169,168	-	413,825	18,711	55,495	2,710	29,306	19,960	883,839	25,419	1,618,433	32,164	1,650,597
Total comprehensive income for the period	期內全面收益	-	-	-	-	-	-	672	-	104,900	-	105,572	(3,167)	102,405
Lost of control in a subsidiary	失去一間附屬公司控制權	-	-	-	-	(10,780)	-	-	-	10,780	-	-	(28,610)	(28,610)
Issue of ordinary shares	發行普通股	886	4,094	-	(1,638)	-	-	-	-	-	-	3,342	-	3,342
Equity-settled share option arrangements	股權結算購股權安排	-	-	-	219	-	-	-	-	-	-	219	-	219
Final 2009 dividend declared	已宣派二零零九年末期股息	-	-	-	-	-	-	-	-	(54)	(25,419)	(25,473)	-	(25,473)
At 30 June 2010	於二零一零年六月三十日	170,054	4,094	413,825	17,292	44,715	2,710	29,978	19,960	999,465	-	1,702,093	387	1,702,480

# Condensed Consolidated Statement of Cash Flows

## 簡明綜合現金流量表

For the six months ended 30 June 2011 截至二零一一年六月三十日止六個月

		For the six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 (Unaudited) (未經審核)	2010 二零一零年 (Unaudited) (未經審核)
		HK\$'000 千港元	HK\$'000 千港元
NET CASH FLOWS FROM OPERATING ACTIVITIES	經營業務產生之現金流量淨額	<b>33,380</b>	103,111
NET CASH FLOWS USED IN INVESTING ACTIVITIES	投資業務使用之現金流量淨額	<b>(91,924)</b>	(45,471)
NET CASH FLOWS USED IN FINANCING ACTIVITIES	融資活動使用之現金流量淨額	<b>(51,656)</b>	(37,465)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	現金及現金等值項目增加／(減少)淨額	<b>(110,200)</b>	20,175
Cash and cash equivalents at beginning of period	期初之現金及現金等值項目	<b>555,782</b>	403,702
Effects of foreign exchange rate changes, net	匯率變動之影響淨額	<b>7,187</b>	(18)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	期終之現金及現金等值項目	<b>452,769</b>	423,859
ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS	現金及現金等值項目結餘分析		
Cash and bank balances	現金及銀行結餘	<b>350,066</b>	310,201
Non-pledged time deposits	無抵押定期存款	<b>113,554</b>	120,918
Cash and cash equivalents as stated in the statement of financial position	財務狀況表內所述的現金及現金等值項目	<b>463,620</b>	431,119
Non-pledged time deposits with original maturity of more than three months when acquired	於取得時到期日超過三個月之無抵押定期存款	<b>(10,851)</b>	(7,260)
Cash and cash equivalents as stated in the statement of cash flows	現金流量表內所述的現金及現金等值項目	<b>452,769</b>	423,859

# Notes to the Condensed Consolidated Interim Financial Statements

## 簡明綜合中期財務報表附註

### 1. ACCOUNTING POLICIES

The condensed consolidated interim financial statements are prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities (“Listing Rules”) on The Stock Exchange of Hong Kong Limited (“Stock Exchange”) and the Hong Kong Accounting Standard (“HKAS”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”).

The accounting policies and basis of preparation adopted in the preparation of the interim financial statements are consistent with those adopted in the preparation of the annual financial statements for the year ended 31 December 2010.

In the current period, the Group has applied, for the first time, a number of new standards, amendments and interpretations issued by the HKICPA, which are effective for accounting periods beginning on or after 1 January 2011.

HKFRS 1 Amendment	Amendment to HKFRS 1 <i>First-time Adoption of Hong Kong Financial Reporting Standards – Limited Exemption from Comparative HKFRS 7 Disclosures for First-time Adopters</i>
HKAS 24 (Revised)	<i>Related Party Disclosures</i>
HKAS 32 Amendment	Amendment to HKAS 32 <i>Financial Instruments: Presentation – Classification of Rights Issues</i>
HK(IFRIC)-Int 14 Amendment	Amendments to HK(IFRIC)-Int 14 <i>Prepayments of a Minimum Funding Requirement</i>
HK(IFRIC)-Int 19	<i>Extinguishing Financial Liabilities with Equity Instruments</i>
Improvements to HKFRSs 2010	Amendments to a number of HKFRSs

### 1. 會計政策

本簡明綜合中期財務報表乃根據香港聯合交易所有限公司（「聯交所」）證券上市規則（「上市規則」）附錄16所載之適用披露規定以及香港會計師公會（「香港會計師公會」）頒佈之香港會計準則（「香港會計準則」）第34號「中期財務報告」編製。

編製本中期財務報表時所採納之會計政策及編製基準與編製截至二零一零年十二月三十一日止年度全年財務報表所採用者相同。

於本期間，本集團首次應用香港會計師公會所頒佈之多項於二零一一年一月一日或之後開始會計期間生效之新訂及經修訂香港財務報告準則及其詮釋。

香港財務報告準則第1號（修訂本）	修訂香港財務報告準則第1號「首次採納香港財務報告準則—首次採納者無需按照香港財務報告準則第7號披露比較資料之有限豁免」
香港會計準則第24號（經修訂）	關連人士披露
香港會計準則第32號（修訂本）	修訂香港會計準則第32號「金融工具：呈列—供股之分類」
香港（國際財務報告詮釋委員會）—詮釋第14號（修訂本）	修訂香港（國際財務報告詮釋委員會）—詮釋第14號「最低資金預付款項之要求」
香港（國際財務報告詮釋委員會）—詮釋第19號	以股本工具抵銷金融負債
二零一零年香港財務報告準則的改進	修訂若干香港財務報告準則

# Notes to the Condensed Consolidated Interim Financial Statements

## 簡明綜合中期財務報表附註

### 1. ACCOUNTING POLICIES (continued)

The application of these new and revised HKFRSs had no material effect on the consolidated financial statements of the Group for the current or prior accounting periods.

The Group has not applied the new or revised HKFRSs that have been issued but are not yet effective for the current accounting period. The directors of the Company anticipate that the application of the new and revised HKFRSs will have no material impact on the results and the financial position of the Group.

### 2. OPERATING SEGMENT INFORMATION

For management purposes, the Group is organised into business units based on their products and services. Operating segments are reported in a manner consistent with the internal reporting provided to the chief operation decision-maker.

#### For the six months ended 30 June 2011 (unaudited)

截至二零一一年六月三十日止六個月(未經審核)

		Media 媒體	Trading 貿易	Others 其他	Total 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
<b>Segment revenue:</b>	分部收入：				
<b>Sales to external customers</b>	向外界客戶銷售	985,859	156,636	3,855	1,146,350
<b>Intersegment sales</b>	分部業務間之銷售	804	-	84,409	85,213
		986,663	156,636	88,264	1,231,563
<b>Reconciliation:</b>	對賬：				
<b>Elimination of intersegment sales</b>	分部業務間之銷售的對銷				(85,213)
<b>Revenue</b>	收入				1,146,350
<b>Segment results</b>	分部業績	97,447	1,408	(7,343)	91,512
<b>Reconciliation:</b>	對賬：				
<b>Finance costs</b>	融資成本				(352)
<b>Profit before tax</b>	除稅前溢利				91,160

### 1. 會計政策(續)

採用以上新訂及經修訂香港財務報告準則對本集團於本會計期度或過往會計期度之綜合財務報表並無重大影響。

本集團並無應用已頒佈但於本會計期度仍未生效之新訂及經修訂香港財務報告準則。本公司董事預計採用新訂及經修訂香港財務報告準則對本集團之業績及財務狀況並不造成重大影響。

### 2. 經營分部資料

就管理而言，本集團根據產品及服務組織成業務單位。經營分部按照與向主要經營決策者提供的內部報告貫徹一致的方式報告。



# Notes to the Condensed Consolidated Interim Financial Statements

## 簡明綜合中期財務報表附註

### 2. OPERATING SEGMENT INFORMATION (continued)

### 2. 經營分部資料(續)

For the six months ended 30 June 2010 (unaudited) 截至二零一零年六月三十日止六個月(未經審核)		Media 媒體	Trading 貿易	Others 其他	Total 合計
		HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元	HK\$'000 千港元
Segment revenue:	分部收入：				
Sales to external customers	向外界客戶銷售	934,128	670,673	2,266	1,607,067
Intersegment sales	分部業務間之銷售	1,042	-	76,460	77,502
		935,170	670,673	78,726	1,684,569
Reconciliation:	對賬：				
Elimination of intersegment sales	分部業務間之銷售的對銷				(77,502)
Revenue	收入				1,607,067
Segment results	分部業績	106,208	8,205	(7,884)	106,529
Reconciliation:	對賬：				
Finance costs	融資成本				(1,405)
Profit before tax	除稅前溢利				105,124

### 3. OTHER INCOME AND GAINS/(LOSSES), NET

### 3. 其他收入及收益／(虧損)淨額

		For the six months ended 30 June 截至六月三十日止六個月	
		2011 二零一一年 (Unaudited) (未經審核)	2010 二零一零年 (Unaudited) (未經審核)
		HK\$'000 千港元	HK\$'000 千港元
Bank interest income	銀行利息收入	2,110	1,100
Investment income	投資收入	540	-
Dividend income from listed equity investments	來自上市股本投資之 股息收入	646	583
Gain on disposal of items of property, plant and equipment	出售物業、廠房及設備項目 之收益	326	456
Fair value gains/(losses), net on:	公平值收益／(虧損)之淨額：		
Financial assets at fair value through profit or loss	按公平值記入損益賬之 財務資產	1,514	(3,989)
Derivative financial instruments – transactions not qualifying as hedges	衍生金融工具–不符合對沖 資格之交易	59	(7,280)
Exchange gains/(losses), net	匯兌收益／(虧損)淨額	(1,911)	3,109
Others	其他	6,663	3,924
		9,947	(2,097)

# Notes to the Condensed Consolidated Interim Financial Statements

## 簡明綜合中期財務報表附註

#### 4. GAIN ON LOSS OF CONTROL IN A SUBSIDIARY

In a prior year, the Group had board control in a 28.95% owned investment and accounted for it as a subsidiary. In June 2010, in order to focus more on the Group's core businesses, the Group reduced its directorship in that investment to one out of a total of three. As such, the Group ceased to be able to exercise control but retains its significant influence over this investment. Accordingly, this investment has been de-consolidated from the Group's consolidated financial statements and accounted for as an associate since the date of loss of control. The fair value of the net assets of the associate at the date of de-consolidation became the new carrying value of the Group's investment, resulting in a gain on loss of control in a subsidiary of HK\$11,474,000 for the period ended 30 June 2010.

#### 5. FINANCE COSTS

#### 4. 失去一間附屬公司控制權的收益

於以往年度，本集團對所持28.95%投資之董事會擁有控制權，並將其入賬作為一間附屬公司。於二零一零年六月，為更多專注於本集團之核心業務，本集團將其於該投資之董事職位減低至一名（全數共三名）。因此，本集團不再能行使控制權，但仍對此投資擁有重大影響力。因此，此投資已自本集團綜合財務報表內解除綜合入賬，並自失去控制權當日起入賬作為一間聯營公司。聯營公司於解除綜合入賬日期之公平值成為本集團投資之新賬面值，並於截至二零一零年六月三十日止期間產生失去於一間附屬公司之控制權收益11,474,000港元。

#### 5. 融資成本

		<b>For the six months ended 30 June</b>	
		截至六月三十日止六個月	
		<b>2011</b>	2010
		二零一一年	二零一零年
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Interest on bank loans and overdrafts wholly repayable within five years	須於五年內悉數償還之銀行貸款及透支利息	<b>272</b>	1,276
Interest on finance leases	融資租賃利息	<b>80</b>	129
		<b>352</b>	1,405

# Notes to the Condensed Consolidated Interim Financial Statements

## 簡明綜合中期財務報表附註

### 6. PROFIT BEFORE TAX

The Group's profit before tax is arrived at after charging:

		<b>For the six months ended 30 June</b>	
		截至六月三十日止六個月	
		2011	2010
		二零一一年	二零一零年
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
		(未經審核)	(未經審核)
		<b>HK\$'000</b>	<b>HK\$'000</b>
		千港元	千港元
Amortisation of intangible assets	無形資產攤銷	<b>563</b>	563
Depreciation	折舊	<b>38,334</b>	36,859

### 6. 除稅前溢利

除稅前溢利已扣除下列各項：

### 7. INCOME TAX

Hong Kong profits tax has been provided at the rate of 16.5% (2010: 16.5%) on the estimated assessable profits arising in Hong Kong during the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries in which the Group operates.

### 7. 所得稅

香港利得稅乃按期內於香港產生之估計應課稅溢利以16.5% (二零一零年：16.5%) 稅率撥備。於其他地區之應課稅溢利之稅項乃按本集團有業務經營之國家之現行稅率計算。

		<b>For the six months ended 30 June</b>	
		截至六月三十日止六個月	
		2011	2010
		二零一一年	二零一零年
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
		(未經審核)	(未經審核)
		<b>HK\$'000</b>	<b>HK\$'000</b>
		千港元	千港元
Current:	即期：		
Charge for the period:	期內支出：		
The People's Republic of China:	中華人民共和國：		
Hong Kong	香港	<b>1,481</b>	1,633
Elsewhere	其他地區	<b>3</b>	389
Elsewhere	其他地區	<b>2,706</b>	1,261
Under/(over) provision in prior periods	過往期間撥備不足／(超額撥備)	<b>(2,958)</b>	56
Deferred	遞延	<b>(1,102)</b>	52
Total tax expense for the period	期內稅務開支總額	<b>130</b>	3,391

# Notes to the Condensed Consolidated Interim Financial Statements

## 簡明綜合中期財務報表附註

### 8. EARNINGS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY

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

The calculation of diluted earnings per share is based on the profit for the period attributable to ordinary equity holders of the Company, as used in the basic earnings per share calculation. The weighted average number of ordinary shares used in the calculation is the number of ordinary shares in issue during the period, as used in the basic earnings per share calculation, and the weighted average number of ordinary shares assumed to have been issued at no consideration on the deemed exercise or conversion of all the dilutive potential ordinary shares into ordinary shares.

The calculations of basic and diluted earnings per share are based on:

### 8. 本公司普通股權益持有人應佔每股溢利

每股基本溢利乃按期內本公司普通股權益持有人應佔溢利及期內已發行普通股之加權平均數計算。

期內之每股攤薄溢利乃按用於計算每股基本溢利之期內本公司普通股權益持有人應佔溢利計算。計算時所用之普通股加權平均數為計算每股基本溢利所用之期內已發行之普通股數目，以及假設普通股加權平均數於所有具攤薄潛力之普通股被視作獲行使或兌換成普通股時已以無償形式發行。

每股基本及攤薄溢利乃按下列基準計算：

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2011	2010
		二零一一年	二零一零年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		HK\$'000	HK\$'000
		千港元	千港元
<b>Earnings</b>	<b>溢利</b>		
Profit attributable to ordinary equity holders of the Company	本公司普通股權益持有人應佔溢利	<b>91,105</b>	104,900
<hr/>			
		Number of shares	
		股份數目	
<b>Shares</b>	<b>股份</b>		
Weighted average number of ordinary shares in issue during the period used in the basic earnings per share calculation	期內已發行普通股加權平均數用作計算每股基本溢利	<b>870,392,134</b>	847,740,885
Effect of dilution – weighted average number of ordinary shares: Share options	攤薄影響 – 普通股加權平均數：購股權	<b>22,322,606</b>	7,773,788
<hr/>			
		<b>892,714,740</b>	855,514,673

# Notes to the Condensed Consolidated Interim Financial Statements

## 簡明綜合中期財務報表附註

### 9. DIVIDEND

At a meeting of the Board held on 30 August 2011, an interim dividend of HK4.5 cents per share was declared for the year ending 31 December 2011. This proposed dividend is not reflected as a dividend payable in these condensed financial statements, but will be reflected as an appropriation of retained earnings for the year ending 31 December 2011.

### 10. AVAILABLE-FOR-SALE INVESTMENTS

Investment securities:

Overseas listed equity securities,  
at fair value  
Unlisted equity securities, at cost  
Unlisted debt securities, at fair value

投資證券：

於海外之上市股本證券，  
按公平值  
非上市股本證券，按成本值  
非上市債務證券，按公平值

The above investments consist of investments in equity securities which are designated as available-for-sale financial assets and have no fixed maturity date or coupon rate.

The fair values of listed equity investments are based on quoted market prices, and the fair values of unlisted debt securities are based on recent transaction prices.

Pursuant to the disclosure requirement of Section 129(1) of the Hong Kong Companies Ordinance, the Group holds 90.1% interest in the Class A issued share capital of Wang Strategic Capital Partners (I) Limited ("Wang"), exceeding 20% of the nominal value of Wang's issued shares of that class at 30 June 2011. Wang is incorporated in the Cayman Islands.

### 9. 股息

本公司於二零一一年八月三十日舉行之董事會會議上宣佈截至二零一一年十二月三十一日止年度派發中期股息每股4.5港仙。此擬派發之股息並未於本簡明財務報表中以應付股息反映，惟將於截至二零一一年十二月三十一日止年度之保留溢利撥款中反映。

### 10. 可供出售投資

<b>30 June</b>	31 December
<b>2011</b>	2010
二零一一年	二零一零年
六月三十日	十二月三十一日
<b>(Unaudited)</b>	
(未經審核)	

<b>HK\$'000</b>	HK\$'000
千港元	千港元

<b>52,442</b>	50,088
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上述投資包括界定為可供出售財務資產且無固定到期日或票息率之股本證券投資。

上市股本投資之公平值按所報市價釐定，而非上市債務證券之公平值則按近日交易價釐定。

根據香港公司條例第129(1)條，本集團於二零一一年六月三十日持有Wang Strategic Capital Partners (I) Limited ("Wang")90.1%類別A已發行股本，超過Wang該類已發行股份面值之20%。Wang於開曼群島註冊成立。

# Notes to the Condensed Consolidated Interim Financial Statements

## 簡明綜合中期財務報表附註

### 10. AVAILABLE-FOR-SALE INVESTMENTS (continued)

The Group's unlisted equity securities with an aggregate carrying amount of HK\$46,077,000 as at 30 June 2011 (31 December 2010: HK\$43,723,000) are stated at cost less impairment because the range of reasonable fair value estimates is so significant that the directors are of the opinion that their fair values cannot be measured reliably. The Group does not intend to dispose of them in the near future.

### 11. TRADE RECEIVABLES

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.

### 10. 可供出售投資(續)

本集團於二零一一年六月三十日賬面值合共為46,077,000港元(二零一零年十二月三十一日: 43,723,000港元)之非上市股本證券以成本減去減值列值, 原因為該等投資合理公平價值估計範圍太大, 所以董事認為公平值不能可靠地計量。本集團無意於不久將來將其出售。

### 11. 應收賬款

		<b>30 June 2011</b>	31 December 2010
		二零一一年 六月三十日	二零一零年 十二月三十一日
		<b>(Unaudited)</b>	
		(未經審核)	
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Trade receivables	應收賬款	<b>533,601</b>	534,486
Impairment	減值	<b>(15,747)</b>	(16,087)
		<b>517,854</b>	518,399

除了新客户一般須提前付款外, 本集團與其客戶之貿易主要採取記賬形式進行, 信貸期一般為一個月, 主要客戶可延長至三個月。各客戶均設有最高信貸額。本集團對其尚未清償應收賬款維持嚴格控制, 並設有信貸監控部門以儘量減低信貸風險。高級管理層經常檢討逾期未付之結餘。考慮到上述各項及本集團之應收賬款乃與大量多元化客戶有關, 故並無信貸風險集中之情況。應收賬款為免息。

# Notes to the Condensed Consolidated Interim Financial Statements

## 簡明綜合中期財務報表附註

### 11. TRADE RECEIVABLES (continued)

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

		<b>30 June</b>	31 December
		<b>2011</b>	2010
		二零一一年	二零一零年
		六月三十日	十二月三十一日
		<b>(Unaudited)</b>	
		(未經審核)	
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Current to 30 days	即期至30天	<b>379,412</b>	368,009
31 – 60 days	31至60天	<b>45,335</b>	55,237
61 – 90 days	61至90天	<b>37,909</b>	34,529
91 – 120 days	91至120天	<b>17,330</b>	19,855
Over 120 days	超過120天	<b>53,615</b>	56,856
		<b>533,601</b>	534,486

### 11. 應收賬款(續)

於報告期末，應收賬款根據款項到期日之賬齡分析載列如下：

### 12. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

		<b>30 June</b>	31 December
		<b>2011</b>	2010
		二零一一年	二零一零年
		六月三十日	十二月三十一日
		<b>(Unaudited)</b>	
		(未經審核)	
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Listed equity securities, at market value:	上市股本證券，按市值：		
Hong Kong	香港	<b>58,086</b>	34,409
Elsewhere	其他地方	<b>1,448</b>	1,316
Unlisted debt securities, at fair value	非上市債務證券，按公平值	-	22,929
		<b>59,534</b>	58,654

### 12. 按公平值記入損益賬之財務資產

The above investments at 30 June 2011 and 31 December 2010 were classified as held for trading.

於二零一一年六月三十日及二零一零年十二月三十一日，上述投資分類為持作買賣用途。

# Notes to the Condensed Consolidated Interim Financial Statements

## 簡明綜合中期財務報表附註

### 13. 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:

		<b>30 June</b>	31 December
		<b>2011</b>	2010
		二零一一年	二零一零年
		六月三十日	十二月三十一日
		<b>(Unaudited)</b>	
		(未經審核)	
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Current to 30 days	即期至30天	<b>92,679</b>	114,416
31 – 60 days	31至60天	<b>24,883</b>	17,399
61 – 90 days	61至90天	<b>1,140</b>	710
91 – 120 days	91至120天	<b>624</b>	446
Over 120 days	超過120天	<b>7,533</b>	7,038
		<b>126,859</b>	140,009

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

### 13. 應付賬款及票據

於報告期末，應付賬款及票據根據款項到期日之賬齡分析載列如下：

應付款項並不計息且一般須於60日償還。

### 14. SHARE CAPITAL

		<b>30 June</b>	31 December
		<b>2011</b>	2010
		二零一一年	二零一零年
		六月三十日	十二月三十一日
		<b>(Unaudited)</b>	
		(未經審核)	
		<b>HK\$'000</b>	HK\$'000
		千港元	千港元
Authorised:	法定股本：		
2,354,256,546 ordinary shares of HK\$0.2 each	2,354,256,546股普通股 每股面值0.2港元	<b>470,851</b>	470,851
1,291,486,908 5% redeemable cumulative convertible preference shares of HK\$0.1 each	1,291,486,908股每股面值 0.1港元之5%累積可贖回 可轉換優先股	<b>129,149</b>	129,149
		<b>600,000</b>	600,000
Issued and fully paid:	已發行及繳足股本：		
869,802,517 (31 December 2010: 870,112,537) ordinary shares of HK\$0.2 each	869,802,517股(二零一零年 十二月三十一日： 870,112,537股)普通股 每股面值0.2港元	<b>173,960</b>	174,023



# Notes to the Condensed Consolidated Interim Financial Statements

## 簡明綜合中期財務報表附註

### 14. SHARE CAPITAL (continued)

During the period ended 30 June 2011, the Company repurchased a total of 1,612,000 of its own shares through the Stock Exchange for an aggregate consideration of approximately HK\$3,532,000. The highest and lowest prices per share paid by the Company for the purchase of shares during the period were HK\$2.25 and HK\$2.15, respectively.

All the repurchased shares were cancelled by the Company upon such repurchase and, accordingly, the issued share capital of the Company was reduced by the nominal value of these shares. The premium payable on the repurchase was charged against the share premium account.

The directors considered that, as the Company's shares are trading at a discount to the expected net asset value per share, the repurchase of shares would be beneficial to the Company.

During the period ended 30 June 2011, the subscription rights attaching to 1,301,980 share options were exercised at the subscription prices ranged from HK\$0.73 to HK\$1.16 per share, resulting in the issue of 1,301,980 new ordinary shares of HK\$0.2 each for a total cash consideration, before expenses of HK\$1,198,000. The related share option reserve of HK\$533,000 was transferred to the share premium account upon the exercise of these share options.

### 15. SHARE OPTION SCHEME

Share options are granted to certain directors and employees. The exercise price of the granted options shall be at least the higher of: (i) the closing price of the shares on the date of grant; and (ii) the average closing price of the shares for the five business days immediate preceding the date of grant. The contractual life of the options is ten years and the Group has no legal or constructive obligation to repurchase or settle the options in cash.

### 16. COMMITMENTS

The Group had the following capital commitments at the end of the reporting period:

### 14. 股本(續)

截至二零一一年六月三十日止期間，本公司在聯交所購回其本身股份合共1,612,000股，總代價約為3,532,000港元。本公司在此期間支付購回的股份每股最高及最低價格分別為2.25港元及2.15港元。

本公司購回股份後註銷所有被購回的股份，本公司之已發行股本因此按該等股份之面值而削減。購回股份應付之溢價在股份溢價賬中扣除。

董事認為，由於本公司之股份以每股預期資產淨值之折讓價買賣，故購回股份對本公司有利。

截至二零一一年六月三十日止期間，賦予認購權之購股權1,301,980股已被行使，行使價介乎每股0.73港元至1.16港元，致使發行1,301,980股新普通股，每股面值0.2港元，總現金代價(扣除開支前)為1,198,000港元。在該等購股權行使後，533,000港元由相關的購股權儲備轉撥至股份溢價賬。

### 15. 購股權計劃

購股權可授予若干董事及僱員。授出之購股權行使價須至少為下列兩者中的較高者：(i)有關股份在購股權授出日期的收市價；及(ii)該等股份在購股權授出日期前5個營業日的平均收市價。購股權之合約年期為十年，而本集團並無以現金購回或清償購股權之法律或推定責任。

### 16. 承擔

本集團於報告期末有以下資本承擔：

	<b>30 June 2011 二零一一年 六月三十日 (Unaudited) (未經審核)</b>	31 December 2010 二零一零年 十二月三十一日
	<b>HK\$'000 千港元</b>	HK\$'000 千港元
Contracted, but not provided for	18,764	79,927
已訂約但未撥備		

# Notes to the Condensed Consolidated Interim Financial Statements

## 簡明綜合中期財務報表附註

### 17. RELATED PARTY TRANSACTIONS

### 17. 關連人士交易

#### (a) Material transactions with related parties

#### (a) 與關連人士之重大交易

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2011	2010
		二零一一年	二零一零年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		<b>HK\$'000</b>	<b>HK\$'000</b>
		千港元	千港元
News service fee income received from jointly-controlled entities	來自共同控制公司之已收 新聞服務費用收入	<b>9,195</b>	9,037

#### (b) Compensation of key management personnel of the Group

#### (b) 本集團主要管理人員之薪酬

		For the six months ended 30 June	
		截至六月三十日止六個月	
		2011	2010
		二零一一年	二零一零年
		(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)
		<b>HK\$'000</b>	<b>HK\$'000</b>
		千港元	千港元
Short term employee benefits	短期僱員福利	<b>16,067</b>	15,616
Post-employment benefits	退休後福利	<b>36</b>	36
Share-based payments	以股份為基礎之付款	-	-
Total compensation paid to key management personnel	向主要管理人員支付之 酬金總額	<b>16,103</b>	15,652

### 18. APPROVAL OF THE INTERIM FINANCIAL REPORT

### 18. 批核本中期財務報告

These condensed consolidated interim financial statements were approved and authorised for issue by the Board on 30 August 2011.

董事會於二零一一年八月三十日批核並授權刊發本簡明綜合中期財務報表。

# Management Discussion and Analysis

## 管理層討論及分析

### REVIEW OF OPERATIONS

The principal activities of the Group comprise Media and Media-related operations including Newspapers, Magazines and other media-related businesses. In addition, the Group is also engaged in Trading.

For the six months ended 30 June 2011 (“Period”), the Group recorded consolidated revenue of HK\$1,146.4 million, as compared with approximately HK\$1,607.1 million for the six months ended 30 June 2010 (“Previous Period”). This decline in revenue is wholly attributable to the camera Trading unit, which was undergoing rationalisation as a non-core business of the Group. If the Trading unit’s results were excluded, the Group’s revenue for the Period would have shown an increase of 6%, reflecting sustained growth of its core Media business.

During the Period, the industry’s operating costs came under considerable pressure, especially due to escalating newsprint prices and inflation in salary expenses. Coupled with the reduction in the Trading unit’s profit, the Group’s consolidated profit attributable to owners of the Company for the Period registered a decrease to approximately HK\$91.1 million, as compared with approximately HK\$104.9 million for the Previous Period.

### Media and Media-related Operations

The Group’s Media operations continued on a healthy growth path, achieving an increase in revenue of 6% from approximately HK\$934.1 million in the Previous Period to approximately HK\$985.9 million in the Period. However, operating costs surged during the Period; in particular, the average cost of newsprint to the Group for the Period jumped by 25% year-on-year, and average staff costs also went up by 4% in line with general inflation. As a result, segment profit of the Media operations was reduced from approximately HK\$106.2 million in the Previous Period to approximately HK\$97.4 million in the Period.

### 營運回顧

本集團之主要業務為媒體與媒體相關業務，包括報章、雜誌及其他媒體相關業務。此外，本集團亦從事貿易業務。

截至二零一一年六月三十日止六個月（「本期內」），本集團的綜合收入為約1,146,400,000港元，而截至二零一零年六月三十日止六個月（「去年同期」）則為約1,607,100,000港元。本集團正處於減縮非核心的攝影器材貿易業務之調整期，綜合收入因而減少。倘撇除貿易業務的業績，於本期內本集團的收入則有6%的上升，反映核心媒體業務持續穩健增長。

於本期內，業界的經營成本面對頗大壓力，尤其是白報紙價格及薪金開支皆明顯上漲，再加上本集團貿易業務的調整令溢利有所下滑，於本期內的本公司擁有人應佔綜合溢利減至約91,100,000港元，而去年同期則約為104,900,000港元。

### 媒體與媒體相關業務

本集團的媒體業務繼續穩步向上，收入由去年同期約934,100,000港元上升6%至本期內約985,900,000港元。然而，經營成本大幅上漲，當中本集團的白報紙平均成本於本期內按年飆升25%，平均員工成本亦跟隨整體通脹而增加4%，導致媒體業務的經營溢利由去年同期約106,200,000港元減至本期內約97,400,000港元。

### **Newspapers**

The Group's newspapers, comprising *Headline Daily*, *Sing Tao Daily*, *The Standard* and the overseas business of *Sing Tao Daily*, account for the largest percentage of the Media operations' revenue and profit. Although the advertising market for newspapers in Hong Kong continued to expand generally in the first half of 2011, the rate of growth was evidently lesser than that achieved in the previous year. The earthquake and nuclear incident in Japan in March directly or indirectly interrupted the supply of various categories of products and services in Hong Kong, and therefore dampened related advertising spending for part of the Period. In addition, the Hong Kong government's measures to cool real estate prices had a restraining impact on property advertisements during the first quarter of 2011.

*Headline Daily*, the Group's key profit contributor, extended its lead in the market. Its average circulation of over 800,000 copies in the first half of 2011 was well ahead those of its free newspaper rivals, and its average readership of 1,694,000 (according to the latest survey by Synovate Media Atlas) made it not only the most widely-read of all newspapers in Hong Kong but also one of the most preferred mass media. At the same time, the strong profile of *Headline Daily*'s readers rendered it highly attractive to advertisers across a broad spectrum, thus generating continual growth in advertising revenue. In view of its large base of readers who are investors, *Headline Daily* has worked on building up its business and finance offering, branded as "Headline Finance". In April a dedicated website [www.headlinefinance.hk](http://www.headlinefinance.hk) was launched and in July *Headline Daily* pioneered a "paper-in-paper" – *Headline Finance*, each of which provides distinct but interactive content to create an innovative and comprehensive finance media product. With excellent response from the market, starting from August an enhanced *Headline Finance* paper has also been made separately available by free distribution, and a *Headline Finance* iPhone application has been introduced. Also, on top of *Headline Daily*'s existing iPhone and iPad applications, an Android version was launched in March, extending the paper's reach to all mobile platforms.

### **報章**

本集團的報章業務包括《頭條日報》、《星島日報》、《英文虎報》及《星島日報》海外業務，乃媒體業務收入及溢利之主要來源。香港報章的廣告市場於二零一一年上半年度整體上持續增長，惟增幅明顯不及去年同期。日本於三月發生的地震及核事故，直接或間接窒礙了多種產品及服務在本港的供應，相關的廣告開支因而於本期內一度受抑。此外，香港政府推出樓市降溫措施亦使地產廣告於二零一一年第一季有所減少。

《頭條日報》作為本集團主要溢利來源，繼續在市場中領導同儕。《頭條日報》的平均發行量於二零一一年上半年超越800,000份，遠遠拋離其他免費報章，而根據Synovate Media Atlas最新的調查顯示，其平均讀者人數達1,694,000人，不單蟬聯為全港最多人閱讀的報章，更成為首選的大眾化媒體。而《頭條日報》的高質讀者組合使各界別的廣告客戶趨之若鶩，廣告收入繼而持續提升。《頭條日報》坐擁龐大投資讀者群，因而致力發展其財經產品，建立「頭條財經」品牌。「頭條財經網」於四月推出，而全港首份報中報《頭條財經報》亦於七月面世，各自提供獨特又互動的內容，結合報、網互動優勢建立一個創新而全面的財經媒體產品。有見市場反應熱烈，《頭條日報》自八月起更將《頭條財經報》加強版分拆獨立派發，又推出《頭條財經報》iPhone應用程式。此外，《頭條日報》除原有的iPhone及iPad應用程式以外，於三月已推出了Android版，將該報的接觸層面伸延至所有流動平台。

# Management Discussion and Analysis

## 管理層討論及分析

Sing Tao Daily continued to perform well as a quality middle-class newspaper. Its circulation and readership maintained a stable trend, benefiting from the strong loyalty of its readers particularly those in higher income groups and in professional and managerial positions. With a high-calibre reader profile, Sing Tao Daily saw continuous growth in its advertising revenue, especially from such middle-class categories as banking and investment, education and luxury products. Smart Parents, the parenting magazine published by Sing Tao Daily, proved popular and has grown consistently in both readership and advertising since its launch last year. As the best-read parenting publication in Hong Kong, Smart Parents has also helped to further develop the “Sing Tao” brand name in education and among middle-class readers. In addition, Sing Tao District Post, published weekly in five editions serving different local communities, has prevailed over its competition to remain as the foremost community publication in Hong Kong.

The Standard pressed forward with improvement in its performance during the Period. Average readership saw steady growth, outdoing its nearest rival which recorded a reduction in number of readers. At the same time, The Standard possesses the most impressive reader profile among English newspapers in Hong Kong, especially in terms of educational qualification, consumption power and income level. With considerable headway having been made in further expanding the scale and scope of advertisements, The Standard continued to grow both its advertising volume and average page rates while significantly reducing its deficit.

The global economic environment was not conducive to the performance of the overseas business of Sing Tao Daily during the Period. Recovery in the US economy was fragile, and Europe was weighed down by the string of sovereign debt crises. Despite the economic uncertainty, the overseas business recorded revenue growth in its key markets, notably the US east coast and Australia. Yet, the global inflation and escalating commodities prices put pressure on operating costs and inflicted an adverse impact on profit margins. The overseas business maintained an emphasis on keeping costs under control to minimise such impact.

《星島日報》延續其在優質中產報章市場的良好表現。《星島日報》獲得讀者的長期支持，當中最受高收入人士與專業及管理人員組別的讀者歡迎，其發行量及讀者人數得以保持平穩升勢。擁有這群優質的讀者使其廣告收入持續增長，當中以中產類別如銀行及投資、教育和品牌產品的升幅尤為顯著。由《星島日報》出版的親子育才周刊《親子王》，自去年創刊以來已深入民心，讀者人數及廣告量持續上升。作為香港最受歡迎的親子育才周刊，《親子王》亦有助《星島日報》進一步鞏固其於教育及中產讀者市場中的品牌知名度。此外，每周因應全港五大區域出版五個版本的《星島地區報》，已攻克市場，擊倒對手，在全港地區刊物中獨佔鰲頭。

《英文虎報》於本期內繼續提升表現，平均讀者人數穩定上升，相較其最接近的競爭對手的讀者人數錄得下跌，優勢顯而易見。與此同時，《英文虎報》於香港英文報章中擁有最優質的讀者群，尤其就讀者的教育程度、消費能力及收入水平而言。無論從擴大廣告規模及拓闊廣告範疇方面，《英文虎報》皆取得重大進展，其廣告量及平均廣告頁收費均持續增長，虧損從而顯著收窄。

於本期內的全球經濟環境對《星島日報》海外業務的表現未算有利。美國經濟復甦乏力，而歐洲方面受到連串主權債務危機而令經濟狀況百上加斤。儘管經濟前景不明朗，《星島日報》海外業務在主要市場的收入仍然錄得增長，當中以美國東岸及澳州的表現為最佳。然而，全球通脹及商品價格攀升加重經營成本的壓力，對利潤造成不利影響，海外業務著力控制成本，以求將影響減至最低。

### **Magazines**

The Magazine unit enjoyed robust growth during the Period and contributed a stable profit to the Group's Media operations. East Week, the unit's flagship title, continued to benefit from its increasing market recognition as a quality magazine, which helped to lift its advertising revenue particularly from the high-end consumption sector including beauty products and watches. East Touch also recorded sound performance, proving its effectiveness as an advertising platform for trendy and fashion products, thanks to its always ingenious content and advertising formats. The monthly titles, JET and Spiral, positioned at the top end of the market, scored growing success at attracting advertising for prestigious branded products. PC Market maintained its performance despite the relatively sluggish advertising environment underlying the IT magazine sector.

During the Period, the Magazine unit continued to develop its multi-media platform. Apart from continuously refining and improving each magazine's website, the unit has introduced [www.my-magazine.me](http://www.my-magazine.me), an integrated platform providing a one-stop access to the unit's various magazine websites and their most topical highlights. Following the iPhone applications launched earlier by East Touch, PC Market and East Week, JET has also made available its iPad application under a paid subscription model. In building its online and digital platforms, the Magazine unit aspires not only to complement its print business but also to provide the springboard for its new media business.

### **雜誌**

雜誌業務於本期內錄得可觀增長，為本集團的媒體業務貢獻穩定的溢利。旗艦雜誌《東周刊》繼續受惠於其日益鞏固的高質雜誌市場地位，使廣告收入得以提升，特別是來自高檔消費類別的廣告，包括美容產品及鐘錶。《東TOUCH》有賴不斷創新的內容及廣告形式而錄得理想表現，盡顯其作為潮流時尚產品廣告平台的效益。月刊《JET》和《游絲腕錶雜誌》針對最高端市場，在吸引知名品牌產品廣告方面愈見成功。《電腦廣場》在相對緩滯的資訊科技雜誌廣告市場中，仍保持穩定表現。

本期內，雜誌業務繼續發展其多媒體平台。除了不斷優化及提升各雜誌的網頁外，該業務更推出網上平台「my-magazine」，一站式連結旗下各雜誌的網頁，並選輯雜誌的精華內容供讀者瀏覽。繼《東TOUCH》、《電腦廣場》及《東周刊》於較早前推出iPhone應用程式後，《JET》亦以收費訂閱的形式提供iPad應用程式。雜誌業務透過建立網上及電子平台，在補足其印刷業務之餘，亦為其新媒體業務注入動力。

# Management Discussion and Analysis

## 管理層討論及分析

### Non-Media Operations

#### Trading

The Group's Trading unit recorded revenue of approximately HK\$156.6 million for the Period, as compared with approximately HK\$670.7 million for the Previous Period. The supplier of the camera Trading business entered into direct distribution in the PRC during the Period, and the Group considered it opportune to rationalise the unit which is a non-core business of the Group. Consequently, revenue of the unit substantially decreased and segment profit also slipped to approximately HK\$1.4 million, from approximately HK\$8.2 million in the Previous Period.

### PROSPECTS

Against the backdrop of an uncertain global economy and generally escalating inflation, the Group continued to deliver good progress in its Media business, led by Headline Daily. Although the second half of 2011 is threatened with market volatility and economic slowdown in the aftermath of the US sovereign downgrade and the European debt crises, management considers that the Group's Media operations hold a solid base and strong market position from which to grow and prosper. In addition, the upward cycle in commodities prices appears to be coming to an end, which will have a positive impact on operating costs. The Group is confident about its business performance in the second half.

The Group will remain its focus on its free newspaper business, in particular Headline Daily. Having established its leading presence in the readers' market, Headline Daily is well placed to further expand its business and to capture additional advertising dollars from the paid newspaper market which is undergoing a considerable contraction in circulation sales. In the face of new players coming to the market, management believes that new opportunities will arise as the trend will be for free newspapers to become mainstream. Free newspapers now take up only less than one-third of the total newspaper advertising pie, and increased competition will accelerate the growth of their market share. As the leading free newspaper, Headline Daily will take advantage of the opportunity to further expand its business, with a vision to become the biggest winner in a larger advertising market for free newspapers.

### 非媒體業務

#### 貿易

本集團的貿易業務於本期內錄得收入約156,600,000港元，而去年同期則為約670,700,000港元。貿易並非本集團的核心業務，於本期內正值該業務的攝影器材生產商於中國市場實行直接分銷，本集團即順勢作出調整，減縮貿易業務。收入因而錄得下降，經營溢利亦由去年同期約8,200,000港元減少至約1,400,000港元。

#### 展望

在環球經濟不明朗及整體通脹持續上升的情況下，本集團的媒體業務在《頭條日報》的帶動下繼續錄得良好進展。二零一一年下半年市場將受到美國主權評級被調低及歐洲債務危機的後續問題影響而不穩，經濟亦有可能停滯不前，但儘管如此，管理層認為本集團的媒體業務所建立的堅實基礎及強勢的市場地位，足以讓本集團持續增長及發展。同時，商品價格的上漲周期估計行將終結，會對經營成本有利。本集團對下半年的業務表現抱有信心。

本集團將繼續著眼於發展其免費報章業務，當中又以《頭條日報》為主力。《頭條日報》已確立於讀者市場的領導地位，正準備就緒擴充業務，從銷量急跌的收費報章中搶佔更多的廣告收入。面對市場上出現新的競爭對手，管理層相信此嶄新局面勢將免費報章推向主流，並為《頭條日報》帶來新機會。現時免費報章只佔整體報章廣告少於三分一的份額，而愈多的競爭將愈快促成免費報章市場的成長。《頭條日報》現穩據全港免費報章之冠，能借助這市場機遇大力拓展業務，繼續在將來更大的免費報章市場中，佔據最大的廣告市場份額，成為最主流的報章。

# Management Discussion and Analysis

## 管理層討論及分析

### LIQUIDITY, FINANCIAL RESOURCES AND GEARING RATIO

The Group maintained a strong financial position with a net cash position throughout the Period under review. As at 30 June 2011, the Group had a net cash balance (calculated with reference to the Group's cash balances and total borrowings) of approximately HK\$460 million (31 December 2010: approximately HK\$559 million).

The gearing ratio, defined as long-term borrowings to equity, was zero as at 30 June 2011 (31 December 2010: zero).

### CAPITAL STRUCTURE, EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group adopts a prudent approach in managing its treasury function and uses different hedging methods to minimize the impact of foreign exchange fluctuations on its financial performance.

### EMPLOYEES

As at 30 June 2011, the Group had approximately 2,400 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.

### INTERIM DIVIDEND

The Board has resolved to declare an interim dividend of HK4.5 cents (Previous Period: HK3.5 cents) per share for the Period payable on Thursday, 22 September 2011 to shareholders whose names appear on the register of members of the Company on Friday, 16 September 2011.

### 流動資金、財務資源及資本負債比率

本集團於本期內維持穩健之財政狀況並保持淨現金狀況。於二零一一年六月三十日，本集團現金結餘淨額（根據本集團現金結餘及借貸總額計算）約為460,000,000港元（二零一零年十二月三十一日：約為559,000,000港元）。

於二零一一年六月三十日，本集團之資本負債比率（即長期借貸與資本之比率）為零（二零一零年十二月三十一日：零）。

### 資本結構、匯率波動風險

本集團採取審慎方式管理其司庫運作及使用各種對沖方法以減低因外匯波動而對其財務表現造成之影響。

### 僱員

於二零一一年六月三十日，本集團共有約2,400名員工。

本集團根據其僱員之個人表現及其業務之業績，給予僱員具吸引力之薪酬及福利，以吸引及挽留優質員工。其他僱員福利包括醫療保險、酌情花紅、認股權及公積金計劃。

### 中期股息

董事會議決宣佈就本期內派發中期股息每股4.5港仙（去年同期：3.5港仙），並於二零一一年九月二十二日（星期四）派予於二零一一年九月十六日（星期五）名列於本公司股東名冊內之股東。



# Other Information

## 其他資料

### DIRECTORS' INTERESTS

As at 30 June 2011, the interests of the directors of the Company ("Directors") in the shares and underlying shares of the Company as recorded in the register required to be kept by the Company pursuant to Section 352 of the Securities and Futures Ordinance ("SFO") were as follows:

Name of director	Notes	Number of ordinary shares held, capacity and nature of interest 所持普通股數目、身份及權益性質			Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
		Personal interests	Corporate interests	Total	
董事姓名	附註	個人權益	公司權益	總數	
Mr. Ho Tsu Kwok, Charles	何柱國先生 (1)	-	426,197,500	426,197,500	48.99%
Ms. Judy Inn	邢珠迪女士	1,300,000	-	1,300,000	0.14%
Mr. Jia Hongping	賈紅平先生	2,000,000	-	2,000,000	0.22%
Mr. Lai Ting Yiu	黎廷瑤先生	2,000,000	-	2,000,000	0.22%
Mr. Lau Chung Man, Louis	劉仲文先生	2,000,000	-	2,000,000	0.22%
Mrs. Sy Wong Chor Fong	施黃楚芳女士 (2)	1,202,000	81,959,500	83,161,500	9.56%
Mr. Yang Yiu Chong, Ronald Jeffrey	楊耀宗先生	1,350,000	-	1,350,000	0.15%

Notes:

- (1) Of these shares, 424,948,000 and 1,249,500 shares were held by Luckman Trading Limited ("Luckman") and Yosham Limited, respectively, which were beneficially owned by Mr. Ho Tsu Kwok, Charles.
- (2) The corporate interests of 81,959,500 shares were held by Stagelight Group Limited ("Stagelight"), which was beneficially owned by Mrs. Sy Wong Chor Fong.

Save as disclosed herein, none of the Directors had any interest and short positions in the shares and underlying shares of the Company and its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept pursuant to Section 352 of the SFO or otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers ("Model Code") contained in Appendix 10 of the Listing Rules.

The interests of the Directors in the share options of the Company are separately disclosed in the section "Share Options" below.

### 董事權益

於二零一一年六月三十日，本公司董事（「董事」）於本公司之股份及相關股份中，擁有根據證券及期貨條例（「證券及期貨條例」）第352條存置之登記冊所記錄之權益如下：

Name of director	Notes	Number of ordinary shares held, capacity and nature of interest 所持普通股數目、身份及權益性質			Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
		Personal interests	Corporate interests	Total	
董事姓名	附註	個人權益	公司權益	總數	
Mr. Ho Tsu Kwok, Charles	何柱國先生 (1)	-	426,197,500	426,197,500	48.99%
Ms. Judy Inn	邢珠迪女士	1,300,000	-	1,300,000	0.14%
Mr. Jia Hongping	賈紅平先生	2,000,000	-	2,000,000	0.22%
Mr. Lai Ting Yiu	黎廷瑤先生	2,000,000	-	2,000,000	0.22%
Mr. Lau Chung Man, Louis	劉仲文先生	2,000,000	-	2,000,000	0.22%
Mrs. Sy Wong Chor Fong	施黃楚芳女士 (2)	1,202,000	81,959,500	83,161,500	9.56%
Mr. Yang Yiu Chong, Ronald Jeffrey	楊耀宗先生	1,350,000	-	1,350,000	0.15%

附註：

- (1) 該等股份當中，424,948,000股及1,249,500股分別由Luckman Trading Limited（「Luckman」）及Yosham Limited持有。該兩間公司均由何柱國先生實益擁有。
- (2) 公司權益之股份81,959,500股由Stagelight Group Limited（「Stagelight」）持有，該公司由施黃楚芳女士實益擁有。

除本文所披露者外，概無董事於本公司及其相聯法團（定義見證券及期貨條例第XV部）之股份及相關股份中，擁有根據證券及期貨條例第352條存置之登記冊所記錄或根據上市規則附錄10所載之上市公司董事進行證券交易的標準守則（「標準守則」）須知會本公司及聯交所之任何權益及淡倉。

董事持有本公司購股權之權益另獨立披露於下文「購股權」一節內。

### SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS

As at 30 June 2011, those persons, other than the Directors or chief executive of the Company, who had the interests of 5% or more of the issued share capital of the Company as recorded in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:

### 主要股東與其他人士之權益

於二零一一年六月三十日，按本公司根據證券及期貨條例第336條存置之登記冊所記錄，下列人士(本公司之董事或行政總裁除外)擁有本公司已發行股本5%或以上之權益：

Name	Notes	Capacity and nature of interest	Number of ordinary shares held	Percentage of the Company's issued share capital 佔本公司已發行股本之百分比
名稱	附註	身份及權益性質	所持普通股數目	
Luckman	(1)	Beneficial owner 實益擁有人	424,948,000	48.85%
Hong Kong Tobacco Company Limited ("HK Tobacco")	(2)	Deemed interest 視為擁有之權益	424,948,000	48.85%
Stagelight	(3)	Beneficial owner 實益擁有人	81,959,500	9.42%
FIL Limited		Investment Manager 投資經理	71,938,000	8.27%

*Notes:*

- (1) The interests of Mr. Ho Tsu Kwok, Charles, held through a controlled corporation, duplicates to those disclosed in the section "Directors' Interests" above.
- (2) Pursuant to an option agreement dated 20 June 2001 and six supplemental agreements entered into between Luckman and HK Tobacco on 19 July 2002, 19 July 2003, 19 July 2006, 19 July 2007, 19 July 2008 and 19 July 2010, respectively, HK Tobacco was granted an option to purchase from Luckman 33,000,000 ordinary shares of the Company. Under Sections 317 and 318 of the SFO, HK Tobacco is deemed to be interested in all the 424,948,000 ordinary shares of the Company held by Luckman.
- (3) The interests of Mrs. Sy Wong Chor Fong, held through a controlled corporation, duplicates to those disclosed in the section "Directors' Interests" above.

*附註：*

- (1) 何柱國先生透過一家控制法團持有之權益與上文「董事權益」一節內所披露之權益相同。
- (2) 根據Luckman與香港煙草於二零零一年六月二十日訂立之購股權協議及分別於二零零二年七月十九日、二零零三年七月十九日、二零零六年七月十九日、二零零七年七月十九日、二零零八年七月十九日及二零一零年七月十九日訂立之六份補充協議，香港煙草獲授購股權，可向Luckman收購本公司普通股33,000,000股。根據證券及期貨條例第317及318條，香港煙草被視為擁有Luckman所持有之全部424,948,000股本公司普通股之權益。
- (3) 施黃楚芳女士透過一家控制法團持有之權益與上文「董事權益」一節內所披露之權益相同。

Save as disclosed herein, the Company had not been notified of any other interests or short positions being held by any person in the shares and underlying shares of the Company.

除本文所披露者外，本公司並不獲悉任何人士持有本公司之股份及相關股份的任何其他權益或淡倉。

# Other Information

## 其他資料

### SHARE OPTIONS

### 購股權

As at 30 June 2011, details of share options granted to the directors and eligible employees under the share option schemes of the Company are as follows:

截至二零一一年六月三十日，各董事及合資格僱員根據本公司購股權計劃獲授予之購股權詳情如下：

Name or category of participant	Date of grant of share options	Number of share options			Exercise period of share options	Exercise price of share options
		At 1 January 2011	Exercised during the period	At 30 June 2011		
參與者姓名或類別	購股權授出日期	於二零一一年一月一日	期內行使	於二零一一年六月三十日	購股權行使期	購股權行使價 (附註1)
HK\$ 港元						
<b>Directors</b>						
<b>董事</b>						
Under the share option scheme (adopted on 28 May 2002) ("New Scheme") 根據購股權計劃(於二零零二年五月二十八日採納)(「新計劃」)						
Ms. Judy Inn 邢珠迪女士	10-07-06	1,500,000	(500,000)	1,000,000	27-06-07 to 26-06-16	0.9200
Mr. Lau Chung Man, Louis 劉仲文先生	23-05-05	1,000,000	-	1,000,000	23-05-06 to 22-05-15	0.7760
Mr. Lo Wing Hung 盧永雄先生	04-05-05	18,000,000	-	18,000,000	04-05-06 to 03-05-15	0.7700
Mr. Yang Yiu Chong, Ronald Jeffrey 楊耀宗先生	28-10-05	1,180,000	-	1,180,000	28-10-06 to 27-10-15	0.7300
Total 合計		21,680,000	(500,000) (Note 2) (附註2)	21,180,000		
<b>Other employees (In aggregate)</b>						
<b>其他僱員(合共)</b>						
Under the share option scheme (adopted on 14 June 1996) 根據購股權計劃 (於一九九六年六月十四日採納)						
	03-12-01	352,000	-	352,000	19-02-02 to 23-12-11	0.8400
	01-03-02	200,000	-	200,000	01-06-02 to 21-03-12	0.5640
		552,000	-	552,000		
Under the New Scheme						
根據新計劃						
	03-05-05	4,372,500	-	4,372,500	03-05-06 to 02-05-15	0.7700
	22-07-05	500,000	(100,000)	400,000	22-07-06 to 21-07-15	0.7740
	28-10-05	2,060,000	(120,000)	1,940,000	28-10-06 to 27-10-15	0.7300
	19-01-06	1,050,000	(300,000)	750,000	18-01-07 to 18-01-16	0.8200
	12-04-10	3,600,000	(281,980)	3,318,020	12-04-11 to 11-04-20	1.1600
		11,582,500	(801,980) (Note 3) (附註3)	10,780,520		
Total 合計		12,134,500	(801,980)	11,332,520		
Grand Total 總數		33,814,500	(1,301,980)	32,512,520		

## SHARE OPTIONS (continued)

Notes:

1. The exercise price of the share options is subject to adjustment in the case of rights or bonus issues, or other similar changes in the Company's share capital.
2. The weighted average closing price of the shares of the Company immediately before the date on which the options were exercised was HK\$2.20.
3. The weighted average closing price of the shares of the Company immediately before the dates on which the options were exercised was HK\$2.53.

Save as disclosed above, there was no arrangement to which the Company or any of its subsidiaries was a party to enable the Directors and their spouses to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

## PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

During the Period, the Company repurchased certain of its shares on the Stock Exchange and these shares were subsequently cancelled by the Company. Further details of these transactions are set out in note 14 to the condensed consolidated interim financial statements.

Except as disclosed herein, 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 Period.

## CORPORATE GOVERNANCE

The Company has adopted the code provisions set out in the Code on Corporate Governance Practices ("CG Code") contained in Appendix 14 of the Listing Rules and complied with the CG Code throughout the Period with deviation from the code provision E.1.2. The Chairman of the Board did not attend the annual general meeting of the Company held in 2011 due to an unexpected business engagement.

## 購股權(續)

附註：

1. 購股權之行使價須就有關供股、發行紅股或本公司股本出現之其他類似變動而作出調整。
2. 本公司股份在緊接購股權獲行使日期之前的加權平均收市價為2.20港元。
3. 本公司股份在緊接購股權獲行使的有關日期之前的加權平均收市價為2.53港元。

除上文所披露者外，本公司或其任何附屬公司概無參與任何安排，使各董事及彼等之配偶可藉購入本公司或任何其他法人團體之股份或債券而獲益。

## 購買、贖回或出售本公司之上市證券

於本期內，本公司在聯交所購回若干股份，而該等股份其後由本公司註銷。該等交易之詳細資料載於簡明綜合中期財務報表附註14。

除本文所披露者外，本公司於本期內並無贖回，以及本公司或其任何附屬公司於本期內概無購買或出售本公司之任何上市證券。

## 企業管治

本公司於本期內已採納並遵守上市規則附錄14所載之企業管治常規守則之守則條文，當中有偏離守則條文E.1.2。董事會主席因有未能預計之商業事務處理而未能出席本公司於二零一一年舉行之股東週年大會。

## Other Information

### 其他資料

#### **COMPLIANCE OF THE MODEL CODE FOR DIRECTORS' SECURITIES TRANSACTIONS**

The Company has made specific enquiries to all Directors who have confirmed that they have complied with the required standard set out in the Model Code throughout the Period.

#### **REVIEW OF INTERIM FINANCIAL STATEMENTS**

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

By Order of the Board  
**HO Tsu Kwok, Charles**  
*Chairman*

Hong Kong, 30 August 2011

#### 遵守董事進行證券交易之標準守則

本公司在進行具體查詢後，全體董事均已確認，彼等於本期內已遵守標準守則所列明之規定標準。

#### 審閱中期財務報表

本公司審核委員會已審閱本集團於本期內之未經審核簡明綜合財務報表，包括本公司採納之會計原則及準則，並已討論有關內部監控及財務報告之事宜。

承董事會命  
主席  
何柱國

香港，二零一一年八月三十日



SING TAO NEWS CORPORATION LIMITED  
星島新聞集團有限公司