RECRUIT HOLDINGS LIMITED
才庫媒體集團有限公司*
(continued in Bermuda with limited liability)
(Stock code: 550)

RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

AUDITED RESULTS

The board of directors (the "Board") of Recruit Holdings Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 December 2008, together with the comparative figures for the year ended 31 December 2007 as follows:

Consolidated Income Statement
For the year ended 31 December 2008

	Notes	**2008**	2007
		HK$'000	HK$'000
Revenue and turnover	3	**592,882**	439,075
Direct operating costs		**(405,668)**	(285,686)
Gross profit		**187,214**	153,389
Other operating income	5	**19,624**	27,291
Selling and distribution costs		**(82,303)**	(65,575)
Administrative expenses		**(37,473)**	(40,382)
Other operating expenses		**(3,078)**	(1,503)
Operating profit		**83,984**	73,220
Finance costs	6	**(1,367)**	(1,260)
Profit before income tax	7	**82,617**	71,960
Income tax expense	8	**(2,274)**	(4,918)
Profit for the year		**80,343**	67,042
Attributable to :			
Equity holders of the Company		**75,648**	57,904
Minority interests		**4,695**	9,138
Profit for the year		**80,343**	67,042
Dividends	9	**24,787**	19,440
Earnings per share for profit attributable to the equity holders of the Company during the year	10		
Basic		**HK25.28 cents**	HK20.96 cents
Diluted		**N/A**	HK20.88 cents

Consolidated Balance Sheet
As at 31 December 2008

	Notes	**2008**	2007
		HK$'000	HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment	11	**137,086**	81,156
Prepaid land lease payments	12	**-**	1,013
Interests in associates		**-**	-
Goodwill		**14,119**	-
		151,205	82,169
Current assets			
Inventories	13	**51,304**	32,100
Trade and other receivables and deposits	14	**164,258**	122,598
Financial assets at fair value through profit or loss	15	**996**	1,808
Advances to associates		**-**	96
Taxes recoverable		**2,984**	1,817
Cash and cash equivalents		**85,769**	89,199
		305,311	247,618
Current liabilities			
Trade and other payables	16	**78,375**	76,552
Bank borrowings	17	**5,172**	-
Finance lease liabilities	18	**4,365**	4,103
Provision for taxation		**1,174**	5,602
		89,086	86,257
Net current assets		**216,225**	161,361
Total assets less current liabilities		**367,430**	243,530
Non-current liabilities			
Bank borrowings	17	**44,328**	-
Finance lease liabilities	18	**5,513**	10,017
Deferred tax liabilities		**2,470**	1,612
		52,311	11,629
Net assets		**315,119**	231,901
EQUITY			
Equity attributable to the equity holders of the Company			
Share capital		**61,969**	55,543
Reserves		**219,361**	139,970
Proposed final dividend		**15,492**	13,886
		296,822	209,399
Minority interests		**18,297**	22,502
Total equity		**315,119**	231,901

Consolidated Statement of Changes in Equity
For the year ended 31 December 2008

	Equity attributable to the equity holders of the Company									Minority interests	Total
	Share capital HK$'000	**Share premium HK$'000**	**Employee compensation reserve HK$'000**	**Exchange reserve HK$'000**	**Merger reserve HK$'000**	**Contributed surplus HK$'000**	**Proposed final dividend HK$'000**	**Retained earnings HK$'000**	**Total HK$'000**	**HK$'000**	**HK$'000**
At 1 January 2007	54,960	54,097	1,283	45	(43,897)	7,925	20,610	80,575	175,598	12,009	187,607
Currency translation	-	-	-	(407)	-	-	-	-	(407)	(25)	(432)
Net results recognised directly in equity	**-**	**-**	**-**	**(407)**	**-**	**-**	**-**	**-**	**(407)**	**(25)**	**(432)**
Profit for the year	-	-	-	-	-	-	-	57,904	57,904	9,138	67,042
Total recognised income and expense for the year	**-**	**-**	**-**	**(407)**	**-**	**-**	**-**	**57,904**	**57,497**	**9,113**	**66,610**
Share issued on exercise of share options	583	2,056	(1,212)	-	-	-	-	-	1,427	-	1,427
Share issue expenses	-	(9)	-	-	-	-	-	-	(9)	-	(9)
Share options forfeited	-	-	(71)	-	-	-	-	71	-	-	-
Final 2006 dividend paid (Note 9)	-	-	-	-	-	-	(20,610)	-	(20,610)	-	(20,610)
Interim 2007 dividend paid (Note 9)	-	-	-	-	-	(5,554)	-	-	(5,554)	-	(5,554)
Proposed final 2007 dividends (Note 9)	-	-	-	-	-	-	13,886	(13,886)	-	-	-
Disposals of partial interests in a subsidiary	-	-	-	-	-	-	-	-	-	2,966	2,966
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	-	(536)	(536)
Transfer of dividend entitlement from minority shareholders	-	-	-	-	-	-	-	1,050	1,050	(1,050)	-
At 31 December 2007	**55,543**	**56,144**	**-**	**(362)**	**(43,897)**	**2,371**	**13,886**	**125,714**	**209,399**	**22,502**	**231,901**

Consolidated Statement of Changes in Equity (Continued)
For the year ended 31 December 2008

	Equity attributable to the equity holders of the Company									Minority interests	Total
	Share capital HK$'000	Share premium HK$'000	Employee compensation reserve HK$'000	Exchange reserve HK$'000	Merger reserve HK$'000	Contributed surplus HK$'000	Proposed final dividend HK$'000	Retained earnings HK$'000	Total HK$'000	HK$'000	HK$'000
At 1 January 2008	55,543	56,144	-	(362)	(43,897)	2,371	13,886	125,714	209,399	22,502	231,901
Currency translation	-	-	-	(239)	-	-	-	-	(239)	(205)	(444)
Net results recognised directly in equity	**-**	**-**	**-**	**(239)**	**-**	**-**	**-**	**-**	**(239)**	**(205)**	**(444)**
Profit for the year	-	-	-	-	-	-	-	75,648	75,648	4,695	80,343
Total recognised income and expense for the year	**-**	**-**	**-**	**(239)**	**-**	**-**	**-**	**75,648**	**75,409**	**4,490**	**79,899**
Share issued at premium	6,426	28,388	-	-	-	-	-	-	34,814	-	34,814
Share issue expenses	-	(244)	-	-	-	-	-	-	(244)	-	(244)
Equity-settled share-based payment expense	-	-	625	-	-	-	-	-	625	-	625
Final 2007 dividend paid (Note 9)	-	-	-	-	-	-	(13,886)	-	(13,886)	-	(13,886)
Interim 2008 dividend paid (Note 9)	-	-	-	-	-	-	-	(9,295)	(9,295)	-	(9,295)
Proposed final 2008 dividends (Note 9)	-	-	-	-	-	-	15,492	(15,492)	-	-	-
Dividend paid to minority shareholders	-	-	-	-	-	-	-	-	-	(1,170)	(1,170)
Acquisition of minority interests of subsidiaries	-	-	-	-	-	-	-	-	-	(7,525)	(7,525)
At 31 December 2008	**61,969**	**84,288**	**625**	**(601)**	**(43,897)**	**2,371**	**15,492**	**176,575**	**296,822**	**18,297**	**315,119**

1. General information

The Company was incorporated in the Cayman Islands as an exempted company on 13 March 2000 and redomiciled to Bermuda by way of de-registration in the Cayman Islands and continuation as an exempted company under the laws of Bermuda, with limited liability on 29 January 2003. The address of the Company's registered office is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and its principal place of business is 26/F, 625 King's Road, North Point, Hong Kong. The Company's shares are listed on The Stock Exchange of Hong Kong Limited.

The financial statements of the Company and the subsidiaries (the "Group") have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The financial statements also include the applicable disclosure requirements of the Hong Kong Companies Ordinance and the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules").

2. Adoption of new or amended HKFRSs

In the current year, the Group has applied for the first time all new and amended HKFRSs issued by the HKICPA, which are relevant to and effective for the Group's financial statements for the annual period beginning on 1 January 2008. The new HKFRSs had no material impact on how the results and financial position for the current and prior periods have been prepared and presented. Accordingly, no prior period adjustment is required.

2. Adoption of new or amended HKFRSs (Continued)

At the date of authorisation of these financial statements, the following new and amended HKFRSs have been published but are not yet effective, and have not been adopted early by the Group.

HKAS 1 (Revised)	Presentation of Financial Statements [1]
HKAS 23 (Revised)	Borrowing Costs [1]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements [2]
HKAS 28	Investments in Associates - Consequential Amendments Arising From Amendments to HKFRS 3 [2]
HKAS 31	Interests in Joint Ventures - Consequential Amendments Arising from Amendments to HKFRS 3 [2]
HKAS 32, HKAS 39 & HKFRS 7 (Amendment)	Puttable Financial Instruments and Obligations Arising on Liquidation [1]
HKAS 39 (Amendment)	Eligible Hedged Items [2]
HKFRS 1 and HKAS 27 (Amendment)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or an Associate [1]
HKFRS 2 (Amendment)	Share-based Payment - Vesting Conditions and Cancellations [1]
HKFRS 3 (Revised)	Business Combinations [2]
HKFRS 8	Operating Segments [1]
HK(IFRIC) - Int 13	Customer Loyalty Programmes [3]
HK(IFRIC) - Int 15	Agreements for the Construction of Real Estate [1]
HK(IFRIC) - Int 16	Hedges of a Net Investment in a Foreign Operation [4]
HK(IFRIC) - Int 17	Distributions of Non-cash Assets to Owners [2]
Various	Annual Improvements to HKFRS 2008 [5]

[1] Effective for annual periods beginning on or after 1 January 2009
[2] Effective for annual periods beginning on or after 1 July 2009
[3] Effective for annual periods beginning on or after 1 July 2008
[4] Effective for annual periods beginning on or after 1 October 2008
[5] Generally effective for annual periods beginning on or after 1 January 2009 unless otherwise stated in the specific HKFRS

The directors anticipate that all of the pronouncements will be adopted in the Group's accounting policy for the first period beginning after the effective date of the pronouncement.

The directors are currently assessing the impact of other new and amended HKFRSs upon initial application. So far, the directors have preliminarily concluded that the initial application of these HKFRSs is unlikely to have a significant impact on the Group's result and financial position.

3. Revenue and turnover

	2008 HK$'000	2007 HK$'000
Advertising income	**258,751**	232,143
Printing income	**334,131**	206,932
	592,882	439,075

4. Segment information

Primary reporting format - Business segment

The Group is organised on a worldwide basis into three main business segments :

Advertising - providing advertising services on different publications and magazines.

Printing - printing of books and magazines.

Investment - trading of financial assets at fair value through profit or loss.

	Advertising		Printing		Investment		Consolidated	
	2008 HK$'000	2007 HK$'000	**2008 HK$'000**	2007 HK$'000	**2008 HK$'000**	2007 HK$'000	**2008 HK$'000**	2007 HK$'000
Revenue								
- External sales	**258,751**	232,143	**334,131**	206,932	-	-	**592,882**	439,075
Segment results	**68,078**	60,520	**24,757**	21,650	**262**	60	**93,097**	82,230
Unallocated operating income							**2,038**	13,223
Unallocated operating expenses							**(11,151)**	(22,233)
Operating profit							**83,984**	73,220
Finance costs							**(1,367)**	(1,260)
Profit before income tax							**82,617**	71,960
Income tax expense							**(2,274)**	(4,918)
Profit for the year							**80,343**	67,042
Segment assets	**74,267**	74,860	**340,396**	198,407	**10,069**	26,724	**424,732**	299,991
Interests in associates							**-**	96
Unallocated assets							**31,784**	29,700
Total assets							**456,516**	329,787
Segment liabilities	**35,672**	40,788	**42,342**	35,588	**5**	20	**78,019**	76,396
Unallocated liabilities							**63,378**	21,490
Total liabilities							**141,397**	97,886
Other information								
Amortisation of prepaid land lease payments	**16**	21	**-**	-	-	-	**16**	21
Capital expenditure	**1,309**	876	**71,613**	20,184	-	-	**72,922**	21,060
Depreciation	**1,080**	2,722	**13,449**	11,078	-	-	**14,529**	13,800
Impairment of receivables	**2,869**	964	**209**	539	-	-	**3,078**	1,503

4. Segment information (Continued)

Secondary reporting format - Geographical segment

The Group's operations are located in seven main geographical areas. The following table provides an analysis of the Group's sales by geographical market based on the country in which the customer is located.

Sales by geographical markets are analysed as follows :

	2008	2007
	HK$'000	HK$'000
Mainland China	**189,096**	135,589
Hong Kong	**88,267**	116,026
Australia	**94,598**	77,605
United Kingdom	**81,580**	57,508
United States	**102,482**	32,171
New Zealand	**9,226**	11,722
Germany	**15,897**	5,238
Others	**11,736**	3,216
	592,882	439,075

The following is an analysis of the carrying amount of segment assets and additions to property, plant and equipment, analysed by the geographical area in which the assets are located.

	Segment assets		**Capital expenditure**	
	2008	2007	**2008**	2007
	HK$'000	HK$'000	**HK$'000**	HK$'000
Hong Kong	**233,537**	180,876	**1,689**	314
Mainland China	**189,184**	115,824	**71,185**	19,736
United Kingdom	**1,781**	3,291	**21**	1,010
United States	**230**	-	**27**	-
	424,732	299,991	**72,922**	21,060

5. Other operating income

	2008	2007
	HK$'000	HK$'000
Bad debts recovered	**1,088**	2,143
Gain on partial disposals of investment in subsidiaries	**-**	9,455
Gain on disposals of leasehold land, property, plant and equipment	**832**	-
Interest income on financial assets stated at amortised costs	**1,180**	1,823
Net foreign exchange gain	**-**	5,727
Gain from sales of scrap paper and by-products	**11,466**	3,329
Write back of impairment of advances to associates	**-**	3,492
Sundry income	**5,058**	1,322
	19,624	27,291

6. Finance costs

	2008 HK$'000	2007 HK$'000
Imputed interest on financial liabilities stated at amortised cost	**51**	219
Interest charges on bank loans wholly repayable within five years	**790**	-
Finance lease charges	**526**	1,041
	1,367	1,260

7. Profit before income tax

	2008 HK$'000	2007 HK$'000
Profit before income tax is arrived at after charging/(crediting) :		
Amortisation of prepaid land lease payments	**16**	21
Auditors' remuneration		
- Audit services	**803**	908
- Other services	**-**	470
Cost of inventories recognised as an expense	**161,982**	97,592
Depreciation :		
- Owned assets	**13,013**	11,566
- Leased assets	**1,516**	2,234
Employee benefit expense	**45,048**	48,393
Net foreign exchange loss	**6,490**	-
Impairment of advances to associate	**70**	243
Impairment of goodwill in associate	**-**	1,411
Impairment of receivables	**3,078**	1,503
Loss on disposals and write-off of property, plant and equipment	**-**	10
Minimum lease payments paid under operating leases in respect of :		
- Rented premises and production facilities	**6,731**	6,812
- Internet access line	**290**	276
Loss on disposals of a subsidiary	**-**	811
Loss on financial assets at fair value through profit or loss	**114**	839
Provision for inventories (written back)/made	**(463)**	1,544

Note : Depreciation expenses of HK$12,300,000 (2007: HK$10,874,000) and HK$2,229,000 (2007: HK$2,926,000) have been included in direct operating costs and administrative expenses respectively.

8. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% on the estimated assessable profits for the year (2007 : 17.5%). Taxation on overseas profits has been calculated on the estimated assessable profits for the year at the rates of taxation prevailing in the countries in which the Group operates.

	2008 HK$'000	2007 HK$'000
Hong Kong profits tax		
Current year	**2,869**	4,931
Over provision in prior years	**(1,575)**	(152)
	1,294	4,779
Overseas profits tax		
Current year	**128**	517
Over provision in prior years	**(6)**	-
	122	517
Deferred taxation		
Current year	**950**	(378)
Attributable to reduction in tax rate	**(92)**	-
	858	(378)
	2,274	4,918

9. Dividends

(a) Dividends attributable to the year :

	2008 HK$'000	2007 HK$'000
Interim dividend of HK$0.03 (2007: HK$0.02) per share	**9,295**	5,554
Proposed final dividend of HK$0.05 (2007: HK$0.05) per share	**15,492**	13,886
	24,787	19,440

Final dividend proposed after the balance sheet date has not been recognised as a liability at the balance sheet date, but reflected as an appropriation of retained earnings for the years ended 31 December 2008 and 2007 and a proposed final dividend reserve has been set up.

The proposed final dividend is to be distributed subsequent to the balance sheet date and is subject to the approval of the Company's equity holders in the forthcoming annual general meeting.

(b) Dividends approved and paid during the year :

	2008 HK$'000	2007 HK$'000
Interim dividend of HK$0.03 (2007 : HK$0.02) per share	**9,295**	5,554
Final dividend in respect of the previous financial year	**13,886**	20,610
	23,181	26,164

10. Earnings per share

The calculation of the basic and diluted earnings per share is based on the following data :

	2008	2007
	HK$'000	HK$'000
Profit attributable to the equity holders of the Company	**75,648**	57,904

	Number of shares	
	2008	2007
	'000	'000
Weighted average number of ordinary shares for the purpose of basic earnings per share	**299,188**	276,213
Effect of dilutive potential ordinary shares in respect of share options granted	**N/A**	1,059
Weighted average number of ordinary shares for the purpose of diluted earnings per share	**N/A**	277,272

Diluted earnings per share for the year ended 31 December 2008 was not presented because the impact of the exercise of the share options was anti-dilutive.

11. Property, plant and equipment

	Buildings HK$'000	Furniture and fixtures HK$'000	Office equipment HK$'000	Leasehold improvements HK$'000	Computer equipment and systems HK$'000	Motor vehicles HK$'000	Machinery HK$'000	Total HK$'000
At 1 January 2007								
Cost	453	2,374	1,705	13,507	31,758	517	64,543	114,857
Accumulated depreciation	(9)	(1,088)	(1,265)	(4,102)	(27,946)	(188)	(6,002)	(40,600)
Net book amount	**444**	**1,286**	**440**	**9,405**	**3,812**	**329**	**58,541**	**74,257**
Year ended 31 December 2007								
Opening net book amount	444	1,286	440	9,405	3,812	329	58,541	74,257
Exchange differences	-	26	5	13	69	9	-	122
Additions	-	394	543	2,015	2,825	917	14,366	21,060
Disposals	-	(2)	(10)	-	(175)	(188)	-	(375)
Disposal of subsidiary	-	(14)	-	(51)	(43)	-	-	(108)
Depreciation	(9)	(400)	(168)	(3,098)	(2,988)	(331)	(6,806)	(13,800)
Closing net book amount	**435**	**1,290**	**810**	**8,284**	**3,500**	**736**	**66,101**	**81,156**
At 31 December 2007								
Cost	453	2,794	2,163	15,506	31,181	1,256	78,909	132,262
Accumulated depreciation	(18)	(1,504)	(1,353)	(7,222)	(27,681)	(520)	(12,808)	(51,106)
Net book amount	**435**	**1,290**	**810**	**8,284**	**3,500**	**736**	**66,101**	**81,156**
Year ended 31 December 2008								
Opening net book amount	435	1,290	810	8,284	3,500	736	66,101	81,156
Exchange differences	-	(28)	-	-	(9)	(115)	-	(152)
Additions	-	899	888	15,307	1,661	129	54,038	72,922
Disposals	(428)	(262)	(48)	(213)	(298)	-	(1,062)	(2,311)
Depreciation	(7)	(425)	(307)	(4,292)	(1,892)	(325)	(7,281)	(14,529)
Closing net book amount	**-**	**1,474**	**1,343**	**19,086**	**2,962**	**425**	**111,796**	**137,086**
At 31 December 2008								
Cost	-	3,089	2,835	29,415	29,304	1,211	131,517	197,371
Accumulated depreciation	-	(1,615)	(1,492)	(10,329)	(26,342)	(786)	(19,721)	(60,285)
Net book amount	**-**	**1,474**	**1,343**	**19,086**	**2,962**	**425**	**111,796**	**137,086**

The net book amount of property, plant and equipment includes the net carrying amount of HK$17,309,000 (2007 : HK$18,941,000) held under finance leases.

As at 31 December 2007, the Group's buildings were situated in Hong Kong, which was held under a medium-term lease. The leasehold land and buildings were sold for HK$2,990,000 during the year.

12. Prepaid land lease payments

	2008 HK$'000	2007 HK$'000
At 1 January		
Cost	**1,055**	1,055
Accumulated amortisation	**(42)**	(21)
Net book amount	**1,013**	1,034
Opening net book amount	**1,013**	1,034
Disposals	**(997)**	-
Amortisation	**(16)**	(21)
Closing net book amount	**-**	1,013
At 31 December		
Cost	**-**	1,055
Accumulated amortisation	**-**	(42)
Net book amount	**-**	1,013

As at 31 December 2007, the Group's prepaid land lease payments represented up-front payments to acquire an interest in the usage of land situated in Hong Kong, which was held under a medium-term lease. The leasehold land and buildings were sold during the year.

13. Inventories

	2008 HK$'000	2007 HK$'000
Raw materials	**40,266**	23,333
Work-in-progress	**11,243**	9,419
Finished goods	**876**	892
	52,385	33,644
Less : Provision	**(1,081)**	(1,544)
	51,304	32,100

14. Trade and other receivables and deposits

The Group allows a credit period from 7 to 150 days (2007 : 7 to 150 days) to its customers.

Ageing analysis of trade receivables, as at 31 December 2008, based on sales invoice date and net of provisions, is as follows :

	2008	2007
	HK$'000	HK$'000
0 - 30 days	**39,526**	35,731
31 - 60 days	**21,724**	21,469
61 - 90 days	**12,650**	15,318
91 - 120 days	**17,676**	22,083
121 - 150 days	**19,115**	8,329
Over 150 days	**8,203**	2,404
Total trade receivables	**118,894**	105,334
Other receivables and deposits	**45,364**	17,264
	164,258	122,598

15. Financial assets at fair value through profit or loss

	2008	2007
	HK$'000	HK$'000
Held for trading		
Equity securities, listed in Hong Kong	**426**	1,808
Forward foreign exchange contracts	**570**	-
Fair value	**996**	1,808

The fair value of the Group's investments in listed equity securities is determined with reference to the market quoted bid prices at the reporting date. The fair value of the forward foreign exchange contracts are determined using quoted forward exchange rates at the balance sheet date.

16. Trade and other payables

As at 31 December 2008, ageing analysis of trade payables based on invoice date is as follows :

	2008 HK$'000	2007 HK$'000
0 – 30 days	**11,956**	25,772
31 – 60 days	**8,157**	5,577
61 – 90 days	**10,222**	4,040
91 – 120 days	**4,733**	2,464
Over 120 days	**10,157**	6,819
Total trade payables	**45,225**	44,672
Other payables	**33,150**	31,880
	78,375	76,552

Credit terms granted by suppliers are 30 days to 90 days save for the net balance payable to a major business partner of the Group that will be settled on a half yearly basis according to the terms of an agreement signed with this business partner.

17. Bank borrowings

	2008 HK$'000	2007 HK$'000
Non-current portion	**44,328**	-
Current portion	**5,172**	-
Total bank borrowings	**49,500**	-

At 31 December 2008, the Group's bank borrowings were repayable as follows :

	2008 HK$'000	2007 HK$'000
Within one year	**5,172**	-
In the second year	**8,846**	-
In the third to fifth year	**35,482**	-
Wholly repayable within 5 years	**49,500**	-

18. Finance lease liabilities

The analysis of the obligations under finance leases is as follows :

	2008 HK$'000	2007 HK$'000
Due within one year	**4,555**	4,806
Due in the second to fifth years	**5,597**	10,684
	10,152	15,490
Future finance charges on finance leases	**(274)**	(1,370)
Present value of finance lease liabilities	**9,878**	14,120

The present value of finance lease liabilities is as follows :

	2008 HK$'000	2007 HK$'000
Due within one year	**4,365**	4,103
Due in the second to fifth years	**5,513**	10,017
	9,878	14,120
Less : Portion due within one year included under current liabilities	**(4,365)**	(4,103)
Non-current portion included under non-current liabilities	**5,513**	10,017

The Group entered into finance leases for various items of machineries and motor vehicles. The leases run for initial periods of three to five years. These leases do not have options to renew or any contingent rental provisions.

CHAIRMAN'S STATEMENT

Dear Shareholders,

2008 was a very satisfying year for your Group when it achieved record profits and sales turnover. The inflight magazine division was the star performer with net profits accounting for over 60% of the Group's total profits.

In January 2009, the Group renewed its exclusive advertising and production agency contract with China Eastern Media Co., Limited for its flagship "Connection" inflight magazine distributed on board all China Eastern Airline flights. The new contract which is valid for eight years, is forecast to generate healthy profits to the inflight magazine division in the years to come.

Not withstanding the difficult trading environment caused by the 30% plus increase in paper price in 2008 and the additional costs brought about by the changes in PRC labour regulations, our Printing Division continued its sales momentum and registered top line growth in excess of 50%. Our gross margin, however, continued to be under pressure, in the face of fierce competition in a buyer's market. Nonetheless, Management is optimistic of the future earnings potential of this Division which has established its reputation as a reliable and quality book printer for international publishers.

In 2009, Mr. Peter Yang, founder of the region's leading book printer, joined 1010 Printing as Chairman. Peter's leadership will take 1010 Printing to the next level as a premier book printer.

The "Recruit" Division had a disappointing year when earnings declined substantially. This is caused by the increase in production and newsprint costs in the first half of 2008. The economic recession ushered in by the financial tsunami in the fourth quarter of 2008 has caused a 60% drop in the number of vacancies posted by employers in Hong Kong in the fourth quarter of 2008. Trading conditions for "Recruit" division will continue to deteriorate in the first half of 2009. Management has taken steps to introduce a series of new service products to increase our viewership share.

Looking forward, 2009 will be a difficult year for the economy of Hong Kong as a whole and our Group. Thanks to past prudent fiscal measures, Recruit has a healthy reserve of cash which will enable the Group to meet the challenges ahead.

Again, my appreciation to our staff and business partners for their support in the past year.

Lau Chuk Kin
Chairman
Hong Kong, 27 February 2009

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

For the year ended 31 December 2008, the Group's total profit attributable to shareholders was approximately HK$75.6 million, representing a 30.6% increase as compared with HK$57.9 million reported in 2007. Turnover for the year was increased by 35% to approximately HK$592.9 million from HK$439.1 million of last year. The growth in turnover was mainly due to the 61% increase in printing business and 36% increase in inflight magazines advertising business.

The Company entered into subscription and share swap transactions during the year. The Company issued a total of 32.1 million new shares as consideration for purchasing interests held by minority shareholders in the recruitment advertising business in Hong Kong and China. Goodwill of HK$14.1 million arose during the acquisition. The transactions resulted in the Company having completed ownership over the Group's recruitment advertising business.

BUSINESS REVIEW

Advertising Business

a. Inflight magazine advertising

This Division turned in record sales turnover and net profits in the year of the Beijing Olympic Games. This is mainly achieved by the increase in advertising rates. 2009 will be a year of challenge. The post Olympic null and worldwide economic recession will negatively impact on the advertising industry in China. Management of the Divison is actively on the look out for prospects which can diversify our business and reduce our reliance on the inflight magazines.

b. Recruitment advertising

This Division enjoyed a good first half in 2008 even though newsprint costs increased by over 30%. However, the recruitment market took a nose dive commencing October when job vacancies decreased by over 60% against the corresponding period in 2007. For the first time since 2002, the division operated at a small loss in the fourth quarter but remained profitable for the whole year.

We continued to operate our recruitment website 1010job.com in China but the profit contribution was insignificant.

Printing Business

The second phase of the extension of the printing factories in our Yuanzhou complex was completed on schedule. 1010 Printing now operates a 500,000 sq. ft. production and warehousing plant under one roof which increases our production efficiency. In 2008, we continued to consolidate our ties with major international book publishers and become either No. 1 or No. 2 on the list of our major customers. This will serve us well in 2009 when customers will reduce their list of suppliers in the face of decline in their print spending.

Despite the worldwide economic recession and the increasing labour costs in the Pearl River Delta, we are optimistic of our prospects as a premier book printer. We have a balanced portfolio of credit worthy book publishers which give us work throughout the year.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2008, the Group had net current assets of approximately HK$216.2 million (2007: HK$161.4 million) of which the cash and bank deposits were approximately HK$85.8 million (2007 : HK$89.2 million).

The Group's gearing ratio as at 31 December 2008 was 18.8% (2007: 6.1%), which is calculated on the basis of the Group's total interest-bearing debts over the total equity interest. Total bank borrowings and finance lease liabilities were approximately HK$59.4 million (2007: HK$14.1 million). The proceeds were mainly used to finance the acquisition of machineries in printing business. The bank borrowings and finance lease are denominated in Hong Kong dollars, at floating rates and repayable within five years. The net book amount of property, plant and equipment includes net carrying amount of HK$17.3 million (2007: HK$18.9 million) in respect of assets held under finance leases.

The Group adopts centralized financing and treasury policies in order to ensure the group funding is utilized efficiently. Conservative approach is adopted on monitoring foreign exchange exposure and interest rate risk. Forward contracts were used to hedge the foreign currency exposure in trading and capital expenditures when it was considered appropriate.

PROSPECTS

Overall, year 2009 will be a year of survival of the fittest. Management is of the opinion that trading conditions of the three business segments in which the Group operates will further deteriorate before they improve in the fourth quarter of the year.

The structural changes in the employment market in Hong Kong will finally take its toll on the number of job vacancies. The first two months of the New Year has seen a further contraction of the employment market. Uptake in jobs for the financial and services markets, traditionally the main drivers of the economy of Hong Kong, are unlikely to improve in the near future. This will have an impact on the performance of the Recruitment Advertising Division.

China among the few countries in the word is expected to have growth in GDP in 2009. Despite the fall off in advertising in the mainland due to the post Olympic Game "null" and the worldwide economic downturn, management is optimistic of the prospects of our Inflight Magazine Advertising Division.

2009 will be a year of consolidation for the printing industry in China when a number of medium to small printers will go out of business due to lack of orders and insufficient cash flow. Buyers are concerned about the financial health of their suppliers and their ability to deliver goods in the peak summer months. We are witnessing a significant inflow of business from buyers for this reason. Our financial strength will make 1010 Printing a beneficiary of this change.

EMPLOYEES AND EMOLUMENT POLICY

As at 31 December 2008, the Group had around 128 employees (2007: 116). The pay scale of the Group's employees is maintained at a competitive level and employees are rewarded on a performance-related basis within the general framework of the Group's salary and bonus system. Other employees benefits include provident fund, insurance and medical cover.

FINAL DIVIDEND AND CLOSURE OF REGISTER OF MEMBERS

The Board has resolved to recommend the payment of a final dividend of HK$0.05 (2007: HK$0.05) per share (the "Final Dividend") for the year ended 31 December 2008 to holders of ordinary shares whose names appear on the register of holders of ordinary shares of the Company as at the close of business on 20 April 2009. The register of shareholders will be closed from 16 April 2009 to 20 April 2009, both days inclusive, during which period no transfer of shares will be registered. To qualify for the Final Dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited, whose share registration public offices are located at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:30 p.m. on 15 April 2009. The relevant dividend warrants will be dispatched to shareholders on or around 30 April 2009.

PURCHASE, SALE OR REDEMPTION OF SHARES

During the year ended 31 December 2008, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Board, the Company has complied with the code on corporate governance practices (the "Code") as set out in Appendix 14 of the Listing Rules for the year subject to the deviations disclosed hereof.

Under the code provision A.2.1, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Lau Chuk Kin assumes the role of both the chairman and the chief executive officer of the Company. The Board is of the view that this has not compromised accountability and independent decision making for the following reasons:

- the non-executive directors form the majority of the Board of which three out of six are independent;
- the Audit Committee composes exclusively of independent non-executive directors; and
- the independent directors have free and direct access to the Company's external auditors and independent professional advice when considered necessary.

Mr. Lau, the executive chairman, is a substantial shareholder of the Group and has considerable industry experience. He is motivated to contribute to the growth and profitability of the Group. The Board is of the view that it is in the best interests of the Group to have an executive chairman so that the Board can have the benefit of a chairman who is knowledgeable about the business of the Group and is most capable to guide discussions and brief the Board in a timely manner on pertinent issues and developments to facilitate open dialogue between the Board and the management.

AUDIT COMMITTEE

The audit committee has three members comprising the three independent non-executive directors, namely, Mrs. Ling Lee Ching Man, Eleanor, Mr. Cheng Ping Kuen, Franco and Mr. Tyen Kan Hee, Anthony with terms of reference in compliance with the Listing Rules. The audit committee has reviewed the audited financial results of the Group for the year ended 31 December 2008.

On behalf of the Board
Lau Chuk Kin
Chairman

Hong Kong, 27 February 2009

As at the date of this announcement, the Board comprises Lau Chuk Kin, Lam Mei Lan, Chow So Chu and Ho Suk Yi as executive directors, Wan Siu Kau, Lee Ching Ming, Adrian and Peter Stavros Patapios Christofis as non-executive directors and Ling Lee Ching Man, Eleanor, Cheng Ping Kuen, Franco and Tyen Kan Hee, Anthony as independent non-executive directors.

This final results announcement is published on the website of Hong Kong Stock Exchange at www.hkex.com.hk and on the Company's website at www.recruitonline.com. The annual report 2008 of the Company will also be published on the aforesaid websites in due course.

** For identification purpose only*