香港經濟日報集團有限公司
HONG KONG ECONOMIC TIMES HOLDINGS LIMITED
(incorporated in the Cayman Islands with limited liability)
(Stock Code: 00423)

ANNOUNCEMENT OF FINAL RESULTS FOR THE YEAR ENDED 31 MARCH 2010

The Directors of Hong Kong Economic Times Holdings Limited (the "Company") are pleased to announce the audited consolidated final results of the Company and its subsidiaries (collectively referred to as the "Group") for the year ended 31 March 2010 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31 March **2010** HK$'000	2009 HK$'000
Turnover	2	**828,045**	841,435
Cost of sales	3	**(455,843)**	(512,002)
Gross profit		**372,202**	329,433
Other revenue		**228**	156
Selling and distribution expenses	3	**(108,487)**	(123,081)
General and administrative expenses	3	**(131,363)**	(137,385)
		132,580	69,123
Goodwill impairment loss		**(25,539)**	–
Operating profit		**107,041**	69,123
Finance income		**2,167**	5,600
Profit before income tax		**109,208**	74,723
Income tax expense	4	**(22,327)**	(11,210)
Profit for the year		**86,881**	63,513
Other comprehensive income:			
Currency translation differences arising from foreign operations		**795**	–
Other comprehensive income for the year, net of tax		**795**	–
Total comprehensive income for the year		**87,676**	63,513

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME *(Continued)*

	Note	**Year ended 31 March 2010 HK$'000**	2009 HK$'000
Profit attributable to:			
Equity holders of the Company		**85,462**	62,038
Minority interests		**1,419**	1,475
		86,881	63,513
Total comprehensive income attributable to:			
Equity holders of the Company		**86,257**	62,038
Minority interests		**1,419**	1,475
		87,676	63,513
Earnings per share for profit attributable to equity holders of the Company (expressed in HK cents)			
Basic and diluted	5	**19.80**	14.37
Dividends	6	**51,792**	37,118

CONSOLIDATED BALANCE SHEET

	Note	As at 31 March 2010 HK$'000	2009 HK$'000
Non-current assets			
Intangible assets		**2,246**	28,783
Property, plant and equipment		**166,246**	190,987
Lease premium for land		**62,366**	70,715
Investment property		**1,400**	4,715
Held-to-maturity investments		**–**	3,966
Deferred income tax assets		**16**	18
		232,274	299,184
Current assets			
Inventories		**17,261**	38,556
Trade receivables	7	**146,302**	95,906
Deposits, prepayments and other receivables		**16,118**	21,045
Tax recoverable		**1,953**	4,547
Held-to-maturity investments		**3,961**	–
Pledged time deposits		**5,004**	5,512
Term deposits with original maturities of over three months		**315,490**	284,042
Cash and cash equivalents		**160,384**	63,207
		666,473	512,815
Current liabilities			
Trade payables	8	**26,089**	25,010
Fees in advance		**71,485**	61,381
Accruals and other payables		**88,110**	70,188
Current income tax liabilities		**12,555**	3,688
		198,239	160,267
Net current assets		**468,234**	352,548
Total assets less current liabilities		**700,508**	651,732
Financed by:			
Share capital		**43,160**	43,160
Reserves			
Proposed final dividends		**38,412**	23,738
Others		**591,642**	557,177
Equity holders' funds		**673,214**	624,075
Minority interests		**4,817**	3,398
Total equity		**678,031**	627,473
Non-current liabilities			
Deferred income tax liabilities		**22,477**	24,259
Total equity and non-current liabilities		**700,508**	651,732

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Year ended 31 March 2010

1. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The consolidated financial statements have been prepared under historical cost convention.

(a) New/revised standards, amendments to existing standards and interpretations effective in year 2010

The following new/revised standards, amendments to existing standards and interpretations have been published and mandatory for the financial year ended 31 March 2010:

HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKFRS 2 (Amendment)	Share-based Payment
HKFRS 7 (Amendment)	Financial Instruments: Disclosures
HKFRS 8	Operating Segments

HKAS 1 (Revised) "Presentation of Financial Statements" prohibits the presentation of items of income and expenses (that is, "non-owner changes in equity") in the statement of changes in equity, requiring "non-owner changes in equity" to be presented separately from owner changes in equity in a statement of comprehensive income. As a result the Group presents in the consolidated statement of changes in equity all owner changes in equity, whereas all non-owner changes in equity are presented in the consolidated statement of comprehensive income. Since the change in accounting policy only impacts presentation aspects, there is no impact on earnings per share.

HKAS 23 (Revised) "Borrowing Costs" in respect of borrowing costs relating to qualifying assets for which the commencement date for capitalisation is on or after 1 January 2009, the Group is required to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. The accounting policy is not applicable to the Group as it has no borrowing costs relating to qualifying assets.

HKFRS 2 (Amendment) "Share-based Payment" deals with vesting conditions and cancellations. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. These features would need to be included in the grant date fair value for transactions with employees and others providing similar services; they would not impact the number of awards expected to vest or valuation thereof subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment. The amendment is not applicable to the Group as no option has been granted by the Group under the share option scheme since its adoption in 2005.

HKFRS 7 (Amendment) "Financial Instruments: Disclosures" requires enhanced disclosures about fair value measurement and liquidity risk. In particular, the amendment requires disclosure of the fair value measurements by level of a fair value measurement hierarchy. The amendment only results in additional disclosures, there is no impact on earnings per share.

HKFRS 8 "Operating Segments" replaces HKAS 14 "Segment Reporting". The new standard requires a "management approach", under which segment information is presented on the same basis as that used for internal reporting purposes. In addition, the segments are reported in a manner that is more consistent with the internal reporting provided to the chief operating decision-maker. The adoption of HKFRS 8 does not have a material impact on the Group's financial statements.

(b) New/revised standards, amendments to existing standards and interpretations that are not yet effective and have not been early adopted by the Group

The following new/revised standards, amendments to existing standards and interpretations have been published and are mandatory for accounting periods beginning on or after 1 July 2009 or later periods, but the Group has not early adopted:

HKAS 1 (Amendment)	Presentation of Financial Statements
HKAS 7 (Amendment)	Statement of Cash Flows
HKAS 17 (Amendment)	Leases
HKAS 24 (Revised)	Related Party Disclosures
HKAS 27 (Revised)	Consolidated and Separate Financial Statements
HKAS 32 (Amendment)	Financial Instruments: Presentation
HKAS 36 (Amendment)	Impairment of Assets
HKAS 38 (Amendment)	Intangible Assets
HKAS 39 (Amendments)	Financial Instruments: Recognition and Measurement
HKFRS 1 (Revised)	First-time Adoption of HKFRSs
HKFRS 1 (Amendment)	Additional Exemptions for First-time Adopters
HKFRS 2 (Amendment)	Share-based Payment
HKFRS 3 (Revised)	Business Combinations
HKFRS 5 (Amendments)	Non-current Assets Held for Sale and Discontinued Operations
HKFRS 8 (Amendment)	Operating Segments
HKFRS 9	Financial Instruments
HK(IFRIC) – Int 9 (Amendment)	Reassessment of Embedded Derivatives
HK(IFRIC) – Int 14 (Amendment)	HKAS 19–The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
HK(IFRIC) – Int 16 (Amendment)	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners
HK(IFRIC) – Int 18	Transfers of Assets from Customers
HK(IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments
HKFRSs (Amendments)	Improvements to HKFRSs 2009

Management is in the process of making an assessment of their impact and is not yet in a position to state what impact they would have on the Group's results of operations and financial positions.

2. Turnover and segment information

The chief operating decision-maker has been identified as the Chief Executive Officer of the Group. He reviews the Group's internal reporting in order to assess performance and allocate resources. Management has determined the operating segments based on these reports.

The Group has 4 reportable segments:

(a) Printed media segment – principally engaged in the printing and publication of newspapers, magazines and books and generates advertising income and circulation income from these publications.

(b) Financial news agency, information and solutions segment – principally engaged in the provision of electronic financial and property market information and related solutions and generates service income from provision of information subscription services, solutions and other related maintenance services.

(c) Recruitment advertising and training segment – principally engaged in the provision of recruitment advertising and training services. This segment generates (i) advertising income from placement of recruitment advertisements; and (ii) enrolment income on the provision of professional training.

(d) Lifestyle portals segment – principally engaged in the operation of portals in food, travel, health and other lifestyle focus. This segment generates advertising income and service income from operation of internet portals.

The chief operating decision-maker assesses the performance of the operating segments based on their respective segment results.

Sales between segments are carried out at arm's length.

Turnover comprises the advertising income, circulation income, service income and enrolment income.

An analysis of the Group's turnover for the year is as follows:

	2010 **HK$'000**	2009 HK$'000
Turnover		
Advertising income	**449,186**	479,759
Circulation income	**140,066**	150,985
Service income	**224,018**	192,153
Enrolment income	**14,775**	18,538
	828,045	841,435

More than 90% of the Group's activities are carried out in Hong Kong and more than 90% of the Group's assets and liabilities are located in Hong Kong. Accordingly, no analysis of geographical segment for the relevant years is presented.

The segment results for the year ended 31 March 2010 are as follows:

(a) Reportable segment profit or loss

	Printed media		Financial news agency, information and solutions		Recruitment advertising and training		Lifestyle portals		Corporate		Total	
	2010	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
REVENUE												
Turnover, gross	**585,135**	585,778	**197,864**	193,923	**43,832**	67,135	**7,509**	2,963	**–**	–	**834,340**	849,799
Inter-segment transactions	**(4,380)**	(6,949)	**(1,468)**	(1,239)	**(442)**	(164)	**(5)**	(12)	**–**	–	**(6,295)**	(8,364)
Turnover, net	**580,755**	578,829	**196,396**	192,684	**43,390**	66,971	**7,504**	2,951	**–**	–	**828,045**	841,435
RESULT												
Operating profit/(loss) before goodwill impairment loss	**94,453**	18,151	**48,148**	51,104	**3,101**	11,578	**(13,090)**	(10,768)	**(32)**	(942)	**132,580**	69,123
Goodwill impairment loss	**(1,616)**	–	**–**	–	**(23,923)**	–	**–**	–	**–**	–	**(25,539)**	–
Operating profit/(loss)	**92,837**	18,151	**48,148**	51,104	**(20,822)**	11,578	**(13,090)**	(10,768)	**(32)**	(942)	**107,041**	69,123
Finance income	**37**	167	**8**	44	**–**	11	**–**	–	**2,122**	5,378	**2,167**	5,600
Profit/(loss) before income tax	**92,874**	18,318	**48,156**	51,148	**(20,822)**	11,589	**(13,090)**	(10,768)	**2,090**	4,436	**109,208**	74,723
Income tax (expense)/credit	**(15,747)**	(1,621)	**(7,245)**	(8,315)	**(515)**	(1,838)	**1,212**	590	**(32)**	(26)	**(22,327)**	(11,210)
Profit/(loss) for the year	**77,127**	16,697	**40,911**	42,833	**(21,337)**	9,751	**(11,878)**	(10,178)	**2,058**	4,410	**86,881**	63,513
Attributable to:												
Equity holders of the Company											**85,462**	62,038
Minority interests											**1,419**	1,475
											86,881	63,513

(b) Reportable segment assets

	Printed media		Financial news agency, information and solutions		Recruitment advertising and training		Lifestyle portals		Corporate		Total	
	2010	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
SEGMENT ASSETS	**424,103**	668,236	**66,790**	64,177	**13,093**	37,529	**7,103**	3,887	**387,658**	38,170	**898,747**	811,999
SEGMENT LIABILITIES	**136,895**	82,283	**72,079**	62,072	**8,913**	10,427	**1,653**	1,156	**1,176**	28,588	**220,716**	184,526
OTHER INFORMATION												
Capital expenditure	**3,022**	7,047	**4,696**	4,882	**198**	1,172	**555**	1,501	**–**	–	**8,471**	14,602
Depreciation of property, plant and equipment and investment property	**22,521**	24,516	**3,961**	3,725	**1,215**	1,219	**605**	438	**–**	–	**28,302**	29,898
Amortisation of lease premium for land and contractual customer relationships	**164**	162	**1,003**	1,003	**–**	–	**–**	–	**–**	–	**1,167**	1,165
Provision for impairment of receivables and obsolete inventories	**635**	867	**142**	898	**–**	4	**62**	–	**–**	–	**839**	1,769

For the year ended 31 March 2010, revenue of approximately HK$92,261,000 (2009: HK$93,267,000) is derived from a single external customer. The revenue is attributable to the printed media segment.

3. Expenses by nature

Expenses included cost of sales, selling and distribution expenses and general and administrative expenses and are analysed as follows:

	2010	2009
	HK$'000	HK$'000
Crediting		
Gain on disposal of property, plant and equipment and investment property	**1,897**	25
Charging		
Amortisation of contractual customer relationships	**998**	998
Amortisation of lease premium for land	**169**	167
Auditors' remuneration	**2,100**	2,100
Bad debts written off	**306**	723
Depreciation of property, plant and equipment and investment property	**28,302**	29,898
Inventories written off	**26**	–
Operating lease rentals on land and buildings	**20,388**	17,111
Provision for impairment of receivables	**136**	908
Provision for obsolete inventories	**703**	861
Staff costs	**349,158**	360,739

4. Income tax expense

Hong Kong profits tax has been provided at the rate of 16.5% (2009: 16.5%) on the estimated assessable profits for the year. No provision for People's Republic of China ("PRC") enterprise income tax has been made as there is no PRC estimated assessable income generated by the Group during the year.

	2010	2009
	HK$'000	HK$'000
Current income tax		
Current income tax on profits for the year	**24,102**	13,196
Under/(over)-provisions in prior years	**5**	(205)
Total current income tax	**24,107**	12,991
Deferred income tax		
Origination and reversal of temporary differences	**(1,780)**	(295)
Impact of change in Hong Kong profits tax rate	**–**	(1,486)
Total deferred income tax	**(1,780)**	(1,781)
Income tax expense	**22,327**	11,210

5. Earnings per share

The calculation of basic earnings per share for current year is based on profit attributable to equity holders of the Company of HK$85,462,000 (2009: HK$62,038,000) and number of 431,600,000 shares (2009: 431,600,000 shares) in issue during the year.

Diluted earnings per share are the same as basic earnings per share as there were no dilutive potential ordinary shares during the year ended 31 March 2010 (2009: Same).

6. Dividends

	2010 HK$'000	2009 HK$'000
Dividends attributable to the year		
Interim dividend paid of HK 3.1 cents (2009: HK 3.1 cents) per ordinary share	**13,380**	13,380
Proposed final dividend of HK8.9 cents (2009: HK 5.5 cents) per ordinary share	**38,412**	23,738
	51,792	37,118
Dividends paid during the year	**37,118**	56,972

A final dividend in respect of the year ended 31 March 2010 of HK 8.9 cents per share, amounting to a total dividend of HK$38,412,000 is to be proposed at the annual general meeting on 4 August 2010. This proposed dividend is not reflected as a dividend payable in the consolidated balance sheet, but is reflected as an appropriation of retained earnings.

7. Trade receivables

The credit period granted by the Group to its trade customers ranges from 0 to 90 days. An ageing analysis of trade receivables by overdue day is as follows:

	2010 HK$'000	2009 HK$'000
0 to 30 days	**94,988**	57,982
31 to 60 days	**21,269**	15,997
61 to 90 days	**15,512**	9,157
Over 90 days	**18,259**	16,360
Trade receivables, gross	**150,028**	99,496
Less: provision for impairment of receivables	**(3,726)**	(3,590)
	146,302	95,906

8. Trade payables

An ageing analysis of trade payables is as follows:

	2010 HK$'000	2009 HK$'000
0 to 30 days	**24,591**	21,393
31 to 60 days	**814**	1,664
61 to 90 days	**176**	1,606
Over 90 days	**508**	347
	26,089	25,010

MANAGEMENT DISCUSSION AND ANALYSIS

Summary of Profit and Loss Account

	Year ended 31 March		
	2010	2009	% Change
	HK$'000	HK$'000	
Turnover	**828,045**	**841,435**	**-2%**
Cost of sales	**(455,843)**	(512,002)	-11%
Gross profit	**372,202**	329,433	13%
Gross profit margin	**44.9%**	**39.2%**	
Other revenue	**228**	156	46%
Selling and distribution expenses	**(108,487)**	(123,081)	-12%
General and administrative expenses	**(131,363)**	(137,385)	-4%
Operating profit (before goodwill impairment loss)	**132,580**	69,123	92%
Finance income	**2,167**	5,600	-61%
Profit before income tax (before goodwill impairment loss)	**134,747**	74,723	80%
Income tax expense	**(22,327)**	(11,210)	99%
Profit after tax (before goodwill impairment loss)	**112,420**	**63,513**	**77%**
Net profit margin	**13.6%**	**7.5%**	
Goodwill impairment loss	**(25,539)**	–	100%
Profit for the year	**86,881**	63,513	37%
Minority interests	**(1,419)**	(1,475)	-4%
Profit attributable to equity holders	**85,462**	**62,038**	**38%**
Other comprehensive income – currency translation differences arising from foreign operations	**795**	–	100%
Total comprehensive income attributable to equity holders	**86,257**	**62,038**	**39%**

Overview

The Group recorded an encouraging profit after taxation (before goodwill impairment loss and minority interests) of HK$112.4 million for the year ended 31 March 2010, an increase of 77% from the year ended 31 March 2009. Our staff's effort in controlling costs, expanding market share when economy began to recover and providing professional and value-added services to our customers and readers was instrumental in achieving this result.

Printed media segment revenue was severely affected by the global financial crisis especially in the first half of the financial year under review. Backed by our quality products and talented sales team, the printed media segment took advantage of the better economic climate in the second half of the financial year and managed to record a small increase in revenue for the full financial year. The successive introduction of new titles in recent years, including *U Magazine, Take me Home and iMoney*, broadened the Group's customer base and market share. Together with cost reduction measures, printed media segment's operation results before goodwill impairment loss improved substantially with operating profits being five times of the previous financial year.

Financial news agency, information and solutions segment, continued to invest in product development to provide a better value and comprehensive range of products to the professional markets. This segment registered a small growth in turnover despite of the turmoil in the financial market, and a slight drop in operating profit as a result of the increased investment in our products. The launch of revamped financial news and related information portal, www.etnet.com.hk received overwhelming response from the investor public, which reinforced our leading position in the market.

Recruitment advertising and training segment went through a very challenging and difficult year of operation. The depressed job market and competition from lower cost online recruitment web sites caused a substantial drop in the segment turnover and operating profit before goodwill impairment loss by 35% and 73% respectively, as compared to the financial year 2008/09.

The three lifestyle portals on food, travel and health under the lifestyle portals segment recorded an encouraging turnover growth in the financial year 2009/10. The Group would continue to invest in internet businesses leveraging on existing resources and competitive advantages by providing useful information and services to our readers and customers.

The Board of Directors and Management are committed to enhance the leadership positions of the Group's businesses and to build a flexible and cost effective team and business structure to face any challenges ahead.

Turnover

Turnover for the year ended 31 March 2010 recorded a small decrease of 2% against the year ended 31 March 2009.

Advertising income for the year ended 31 March 2010 was HK$449.2 million, a decrease of 6% as compared to the year ended 31 March 2009. This is mainly caused by the reduction in recruitment advertising income. The gradual return of business confidence and the increase in number of new listings in Hong Kong helped to increase advertising income in the second half of the financial year.

Circulation income decreased by 7% from HK$151.0 million for the year ended 31 March 2009 to HK$140.1 million for this financial year. This was due to the turmoil in the financial and investment market.

Service income for the year ended 31 March 2010 was HK$224.0 million, which saw a significant increase of 17% when compared with the previous financial year. The financial news agency, information and solutions segment was able to maintain its leading position and the loyalty of its clients. The increase in income generated from the provision of printing and marketing related services also contributed to the increase of service income for the period.

Enrolment income was HK$14.8 million, a decrease of 20% from the previous financial year. Intense competition and reduced training budget by individuals and corporations in the uncertain economic environment led to the decrease.

Operating Costs

Gross profit margin for the year ended 31 March 2010 improved by 5.7 percentage point from 39.2% in the year ended 31 March 2009 to 44.9%. In the wake of financial tsunami, the Group reorganized its resources and cost structure. With the commitment and cooperation from staff, the measures helped the Group to improve its profit margin.

Staff costs, representing approximately 50% of the Group's total operating costs, decreased slightly by 3% as compared to the year ended 31 March 2009. Staff are the most valuable assets of the Group and are the key to our success in riding over every storm. The Group put in place a performance based discretionary bonus scheme to reward our dedicated staff.

Newsprint costs, constituting around 10% of the Group's total operating costs, decreased by 26% as compared to the year ended 31 March 2009. Newsprint price declined from the peak in 2008, and together with our effective control in newsprint consumption, newsprint costs were reduced significantly.

Income Tax Expense

The Group's effective tax rate before goodwill impairment loss for the year ended 31 March 2010 was approximately 16.6%, which was around 1.6 percentage point higher than 15.0% for the year ended 31 March 2009. The increase in effective tax rate was mainly due to the positive impact of reduction of Hong Kong profits tax rate from 17.5% to 16.5% effective 1 April 2008 on the deferred income tax liability for the year ended 31 March 2009.

Goodwill Impairment Loss

The Group had goodwill arising from acquisition of the remaining 40% interests in Cotino Limited, one of the Group's subsidiaries engaged in recruitment advertising business, from an independent third party in August 2005 and from acquisition of the entire registered share capital in HKET Advertising (Shenzhen) Limited from a related company in February 2006.

Management had performed impairment testing on the carrying amount of the goodwill based on value-in-use calculations annually. Management had applied a consistent basis of cash flow projection based on financial budgets covering a five-year period and the estimated terminal value at the end of five-year period, taking into account the actual and prior years' performance, market share, customer base and expectations on market competition and development and the long-term growth rate for the relevant markets.

Current year impairment assessment resulted in an impairment loss of HK$25.5 million which is charged to the income statement.

Total Comprehensive Income Attributable to Equity Holders

Net profit margin (before goodwill impairment loss and minority interests) for the year climbed up to 13.6% as compared to the 7.5% for the year ended 31 March 2009. Management's effort on various cost control measures enabled the Group to improve its margin in this difficult economic environment.

After providing for the goodwill impairment loss charged to income statement in the current financial year, total comprehensive income attributable to equity holders recorded an increase of 39% to HK$86.3 million. Performance of printed media segment rebounded significantly and became the largest contributor to the Group's net profit.

Financial news agency, information and solutions segment continued to contribute a significant portion of solid and stable profit to the Group.

The recruitment advertising and training segment suffered severely under the depressed employment market. After careful consideration and detailed assessment of the carrying value of the goodwill relating to the segment, it was decided to provide fully the goodwill amount to income statement as impairment loss.

The Group continued to invest and expand actively in lifestyle portals. In the short run, these investments would exert pressure on the Group's net profit. However the Group believes that the investment will bear fruit to the Group in the long run.

Liquidity and Capital Resources

(in HK$ million)	As at 31 March **2010**	2009
Net current assets	**468.2**	352.5
Term deposits and cash and cash equivalents	**475.9**	347.2
Equity holders' fund	**673.2**	624.1
Gearing ratio	**–**	–
Current ratio	**3.36 times**	3.20 times

The Group's net current assets as at 31 March 2010 increased by HK$115.7 million from the position as at 31 March 2009. The increase was owing to the net cash inflow from the Group's encouraging operating performance for the year ended 31 March 2010.

Net cash outflow from investing activities recorded HK$18.9 million which is mainly attributable to an increase of term deposits with original maturities of over three months amounting to HK$31.4 million, purchase of property, plant and equipment amounting to HK$8.5 million and offset by proceeds from disposal of an investment property during the year amounting to HK$18.3 million.

The Group had distributed the final dividend declared for the financial year ended 31 March 2009 and interim dividend for the six months period ended 30 September 2009 amounting to an aggregate total of HK$37.1 million.

The Group had no gearing as at 31 March 2010 and 2009. Current ratio improved slightly from 3.20 times to 3.36 times. As at 31 March 2010, the Group had a cash balance of HK$475.9 million as compared to HK$347.2 million as at 31 March 2009. Majority of cash was placed under short-term deposits with banks in Hong Kong and was held predominately in Hong Kong dollars, hence the Group had no significant exposure to foreign exchange fluctuations.

The Group is able to meet its working capital requirements, support investment needs of any future business plans and fulfill the dividend payment policy at the current fund level.

OUTLOOK

Though Mainland economy is forecasted to grow steadily, U.S. and European economies are still sluggish under the drag of high unemployment and huge fiscal deficits and public debts. The uncertain impact of hot money and the possible withdrawal of fiscal stimulus by governments and central banks may put us on a bumpy recovery path in the year ahead.

Challenges come with opportunities. We are cautiously optimistic for the Group's results in the coming year. We shall consolidate our strength and continue to invest to expand the market share and broaden the customer bases to strengthen the leadership positions of the Group's business and at the same time, invest and expand the lifestyle portals which we believe will create synergistic values and promote sustainable growth of the Group in the long run.

EMPLOYEES

As at 31 March 2010, the Group had 1,252 employees (31 March 2009: 1,221 employees). The Directors believe that employees are the most valuable assets of the Group and competitive remuneration packages are offered to retain quality staff. Employee benefits include medical insurance, discretionary bonus, provident fund schemes and other staff benefits.

DIVIDEND

The Directors recommend a payment from the distributable reserves of the Company a final dividend of HK 8.9 cents per share in respect of the year ended 31 March 2010 to the shareholders whose names appear on the register of members of the Company at the close of business on 29 July 2010, amounting to HK$38,412,000. The final dividend, payable on 6 August 2010, is subject to the approval of the shareholders of the Company at the forthcoming annual general meeting to be held on 4 August 2010.

CLOSURE OF REGISTER OF MEMBERS

The Register of Members of the Company will be closed from 30 July 2010 to 4 August 2010, both days inclusive, during which period no transfer of shares will be registered. In order to qualify for the final dividends, and be eligible to attend and vote at the forthcoming annual general meeting of the Company, all transfer of shares accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on 29 July 2010.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S SHARES

The Company has not redeemed any of its shares during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's shares during the year.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

In the opinion of the Directors, the Company has complied with the code provisions set out in the Code on Corporate Governance Practices (the "Code Provisions") contained in Appendix 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") for the year ended 31 March 2010 except as stated and explained below.

Under Code A.2.1 of the Code Provisions, the roles of Chairman and Chief Executive Officer ("CEO") should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and CEO should be clearly established and set out in writing. However, the Company has appointed Mr. Fung Siu Por, Lawrence as both its Chairman and the CEO. The Board believes that vesting the roles of the Chairman and the CEO in the same person would allow the Company to be more effective and efficient in developing long-term business strategies and execution of business plans. The Board believes that the balance of power and authority is adequately ensured by the operation of the Board, which comprises experienced and high calibre individuals with a substantial number thereof being Non-executive Directors.

CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

All Directors of the Company have confirmed their compliance with the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers as set out in Appendix 10 of the Listing Rules throughout the year ended 31 March 2010.

AUDIT COMMITTEE

The Company established an Audit Committee on 29 April 2005 with written terms of reference. The Audit Committee comprises three Independent Non-executive Directors, Mr. Chan Mo Po, Paul as Committee Chairman, Mr. Chow On Kiu and Mr. Lo Foo Cheung. The Audit Committee has reviewed the Group's audited final results for the year ended 31 March 2010.

REMUNERATION COMMITTEE

The Company established a Remuneration Committee on 29 April 2005 with written terms of reference. The Remuneration Committee comprises Non-executive Director, Mr. Chu Yu Lun and two Independent Non-executive Directors, Mr. Lo Foo Cheung as Committee Chairman and Mr. Chow On Kiu.

NOMINATION COMMITTEE

The Company established a Nomination Committee on 29 April 2005 with written terms of reference. The Nomination Committee comprises Non-executive Director, Mr. Chu Yu Lun and two Independent Non-executive Directors, Mr. Chow On Kiu as Committee Chairman and Mr. Chan Mo Po, Paul.

On Behalf of the Board
Hong Kong Economic Times Holdings Limited
Fung Siu Por, Lawrence
Chairman

Hong Kong, 21 June 2010

This announcement is published on the website of Hong Kong Exchanges and Clearing Limited at www.hkexnews.hk and the Company's websites at www.hketgroup.com and at www.etnet.com.hk/etg. The Group's Annual Report 2009/2010 containing all the information required by the Listing Rules will be dispatched to shareholders and published on the above websites in due course.

As at the date of this announcement, the Board comprises: (a) the Executive Directors: Mr. Fung Siu Por, Lawrence, Mr. Mak Ping Leung (alias: Mr. Mak Wah Cheung), Mr. Chan Cho Biu, Mr. Shek Kang Chuen, Ms. See Sau Mei Salome and Mr. Chan Wa Pong; (b) the Non-executive Director: Mr. Chu Yu Lun; and (c) the Independent Non-executive Directors: Mr. Chan Mo Po, Paul, Mr. Chow On Kiu and Mr. Lo Foo Cheung.