
Creation of An Integrated Media Group

An Update on the Offer to NSTP
Shareholders



12 November 2009

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1. A Recap of Recent Events

Recap of Recent Events

A summary of events since the announcement on 16 October 2009

Recap of Events Since the Announcement of the VGO (16 October 2009)



Announcement of Voluntary General Offer (“VGO”) on 16 October 2009



NSTP announced receipt of MPB’s VGO notice and appointment of OSK Investment Bank Bhd (“OSK”) as its Independent Adviser on 16 October 2009 and 19 October 2009, respectively



Media Prima issued the Offer Document to NSTP Shareholders on 5 November 2009



Suspension of both MPB and NSTP counters on 11 & 12 November 2009






LEADING TO A REVISION OF OUR OFFER

2. *What is the Revised Offer?*

What does the Revised Offer Entails?

Key changes in the revised offer

- Save for the revision in Exchange Ratio, all other terms and conditions of the VGO remains
- Improved offer was made after consultation from various stakeholders and further deliberations which incorporates the views forwarded by the stakeholders
- More importantly, it re-enforces MPB's beliefs of the benefits and synergies that can be crystallised by the enlarged MPB group post completion of the transaction.

	Original		Revised
Exchange Ratio	<ul style="list-style-type: none"> • 1:1 exchange of MPB shares for every NSTP share • Market driven exchange ratio 		<ul style="list-style-type: none"> • 1:1.2 exchange of MPB shares for every NSTP share • Market driven exchange ratio
Dividend from NSTP	<ul style="list-style-type: none"> • NIL 		<ul style="list-style-type: none"> • Board of NSTP has agreed to immediately announce a Special Tax Exempt Dividend of RM86.89M (or RM0.40 per share) to all its shareholders including MPB • The Special Tax Exempt Dividend represents:- <ul style="list-style-type: none"> • The Board of NSTP's endorsement and support of the VGO; • Serves to reward NSTP shareholders in anticipation of the consolidation of NSTP into the enlarged MPB Group
Special Dividend from MPB	<ul style="list-style-type: none"> • NIL 		<ul style="list-style-type: none"> • MPB will return the special dividend received from NSTP of RM37.6M back to MPB's current shareholders as a special dividend • This special dividend serves to reward MPB shareholders in anticipation of the consolidation of NSTP into the enlarged MPB Group. • This is consistent with MPB's commitment of returning excess cash to shareholders in the form of dividends

Summary of The Transaction

Save for the revision in Exchange Ratio, all other terms and conditions of the VGO remains

1

Conditional Offer

- MPB shares will be exchanged for NSTP minority shareholders' shares through a conditional Take-Over Offer ("Offer")
- Up to 25mn warrants shall be allocated free to NSTP shareholders who accepts the Offer on the basis of 1 free warrant for every 5 existing NSTP shares held as part consideration of the Offer
- Up to 25mn warrants shall be allocated free to MPB shareholders on the basis of 1 free warrant for every 35 existing MPB shares held, subject to the Offer becoming unconditional

2

Issuance of Bonds with Warrants

- RM 150 mn nominal value of bonds will be issued to support general funding and expansion needs of Enlarged MPB
- The bonds shall be issued with detachable warrants (Bonds + Detachable Warrants) in order to secure funding at competitive cost
- The proposed Bonds + Detachable Warrants shall be issued on a bought deal basis

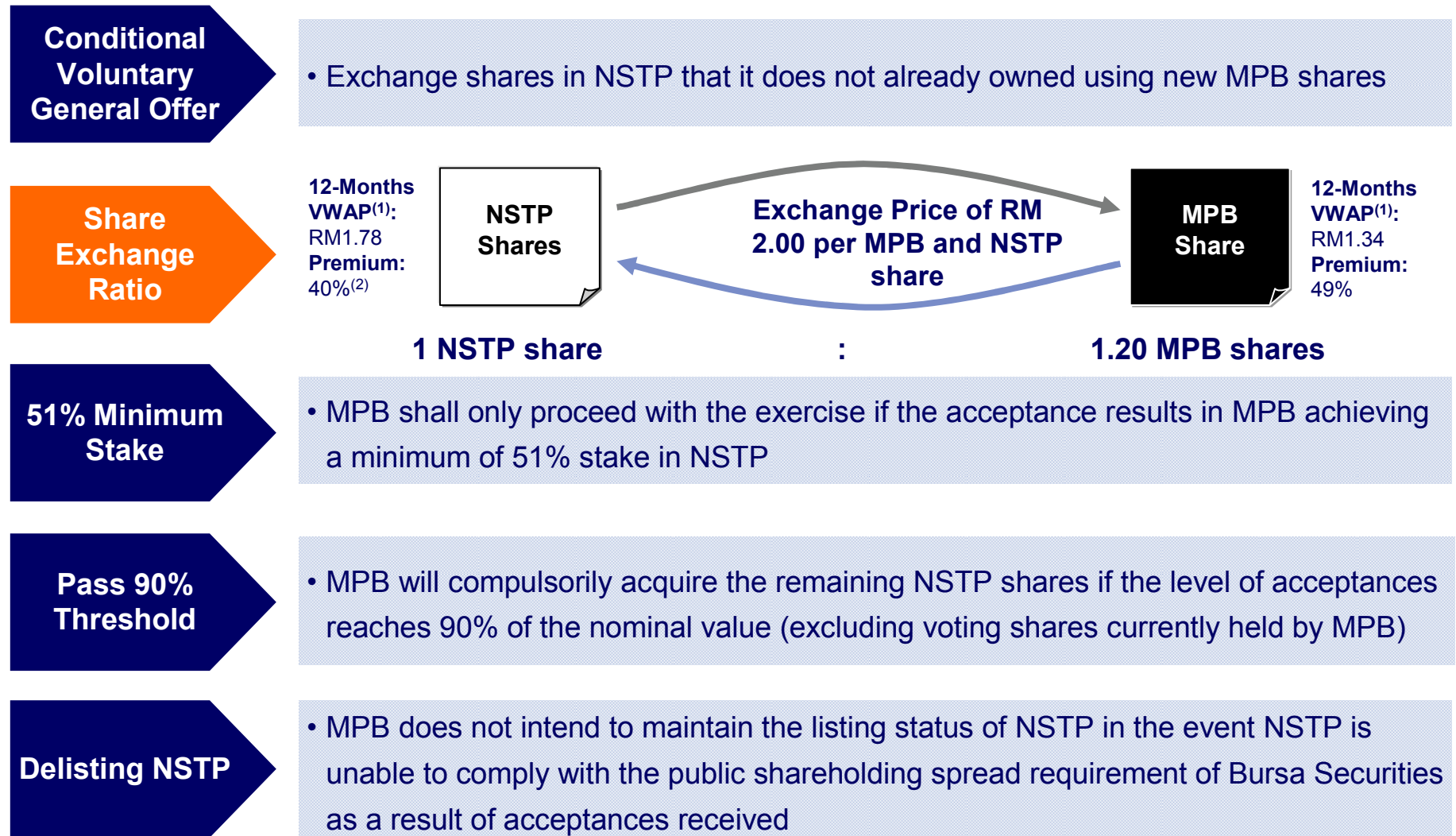
3

ESOS Consideration

- Enlarged MPB may consider implementing a new ESOS scheme to replace the expiring, existing scheme to incentivize Enlarged MPB employees
- Terms of the new ESOS scheme shall be determined and announced at an appropriate date, upon approval by the Enlarged MPB Board

1 Summary of VGO Terms Remain the Same

Aim is to consolidate NSTP through a VGO. Acceptance threshold is 51% to ensure success. Notwithstanding the variation in Exchange Ratio, the threshold of VGO of 51% and eventual goal of delisting remains

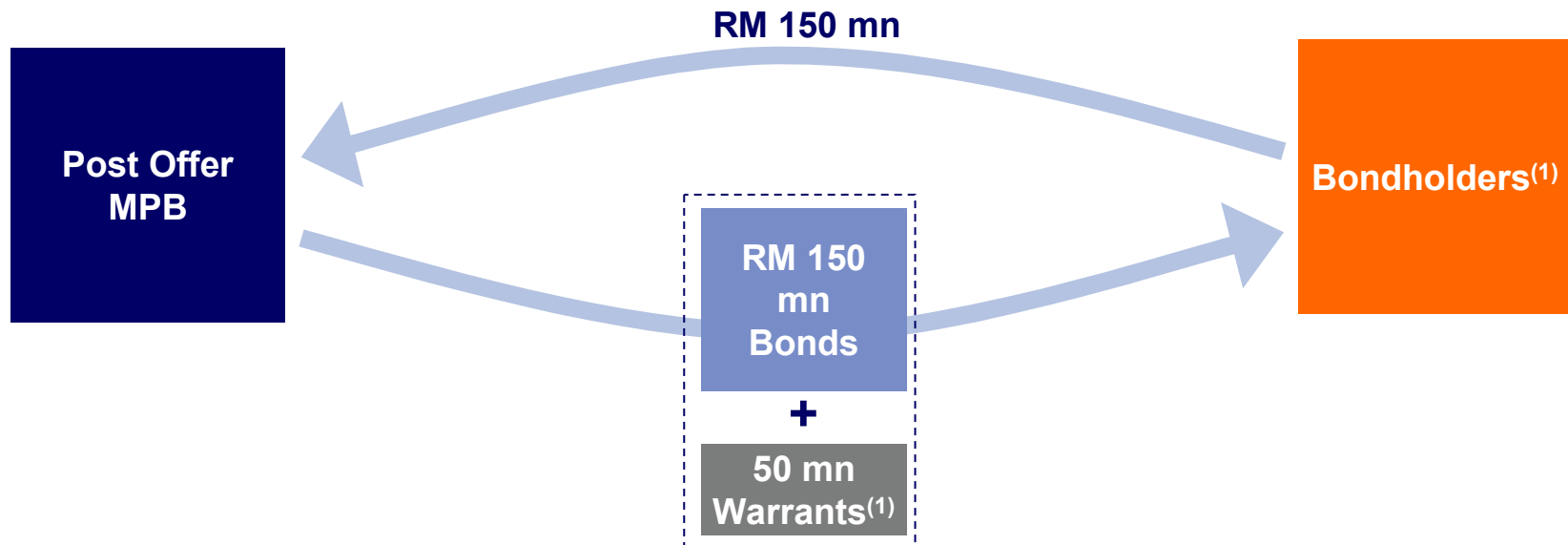


Source: Bloomberg Note (1) From 11 Nov 08 to 11 Nov 2009 Note(2) Being 1.20x RM2.00 + RM0.10 (free warrants value) = RM2.50 / RM1.78 translates to 40% premium

② Issuance of Bonds with Warrants

Bonds and warrants will be issued to bolster the capital of the Enlarged MPB at a lower cost

MPB shall raise RM 150 mn via a bond issuance attached with 50 mn of warrants, conditional of Offer



Up to 50mn Warrants Sweetener

- Up to 25mn warrants will be allocated free to NSTP shareholders who accepts the Offer on the basis of 1 free warrant for every 5 existing NSTP shares held as part consideration of the Offer
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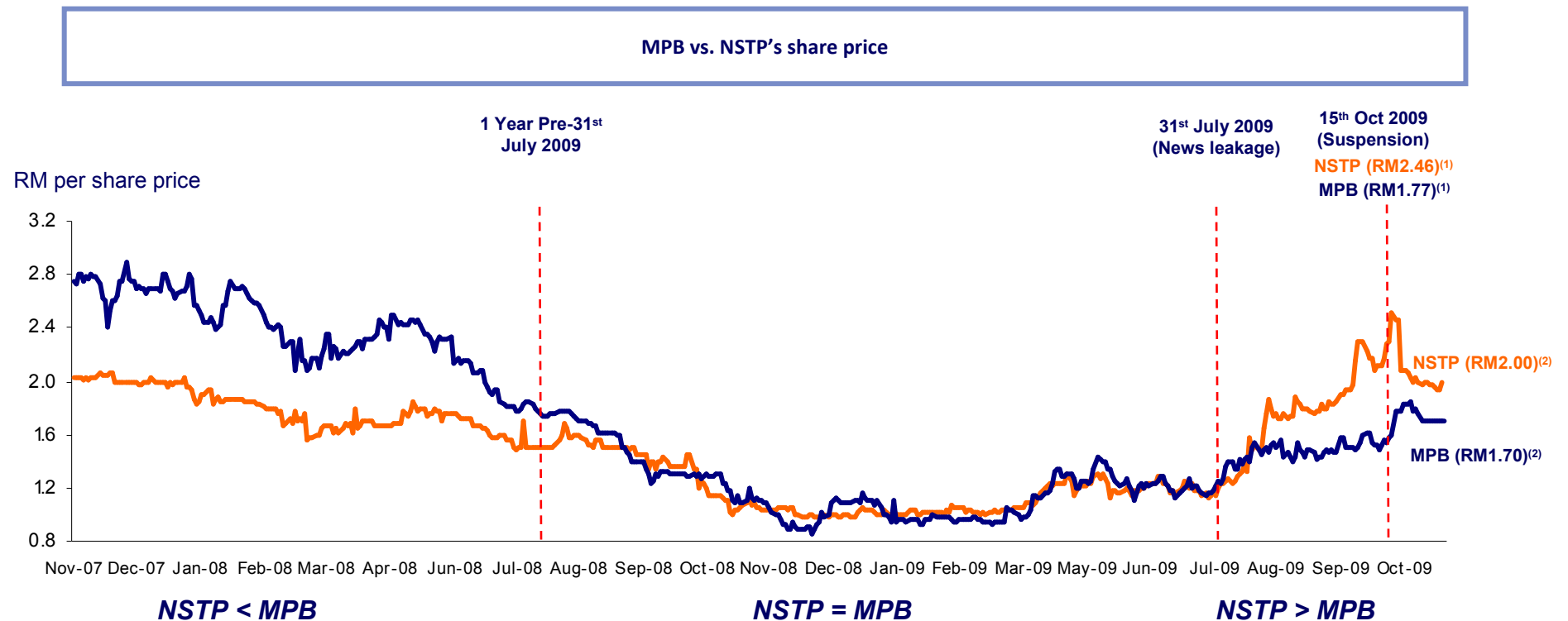
Note:

(1) The Offer Price and Exercise Price shall be determined later after all relevant approvals have been received and as agreed between MPB and the Placement Agent. The exercise price shall be subject to adjustments under the terms and conditions to be set out in the Deed Poll

3. Why the Revised Offer?

① A disparity in market prices prevail...

Although the disparity in share prices of MPB and NSTP has significantly narrowed post announcement of Offer, there is still a slight disparity in market prices of both counters



- The last trading market price prior to suspension on 15 October was **RM2.46** and **RM1.77** per share of NSTP and MPB respectively.
- The highest market price in the last 24 months of NSTP and MPB shares is RM2.51 and RM2.89 respectively
- The market price has corrected to present level at RM1.70 and RM2.00 for MPB and NSTP respectively as at 10 November 2009.
- Based on the share price movement in the last few weeks prior to the announcement, there is a possibility that MPB will receive full support of NSTP's minority individual shareholders based on the existing 1:1 Share Exchange Ratio
- Hence the need to improve the Exchange Ratio from 1X to 1.2X.

Source: Bloomberg as from 10 Nov 2007 to 10 Nov 2009 Note (1) : Share price as at 15 October 2009 Note (2) As at 11 Nov 2009 current share price

② Improved Value Proposition for NSTP Shareholders

	Value Computation		Implied Value
Shares	RM2.00 x 1.2 (Improved Exchange Ratio)	▶	RM2.40
Dividends	RM0.40 per NSTP Share	▶	RM0.40
Warrants ⁽¹⁾	RM0.10 per NSTP Share	▶	RM0.10
Revised Consideration for NSTP Shareholders (per Share)			RM2.90 (Shares + Warrants + Div)
Original Offer (per Share)			RM2.10 (Shares + Warrants)

Note (1) : Estimated Implied value per warrant per NSTP share

③ Insignificant Dilution in Earnings and Shareholding of MPB

1. EPS Accretion Analysis⁽¹⁾

- EPS is not expected to be dilutive by increasing the Exchange Ratio from 1x to 1.2x

	Current	1.00	1.10	1.20	1.30	1.40	1.50
(RM per share)	0.138	0.142	0.141	0.139	0.138	0.136	0.135
Acc / (Dilution)		3.35%	2.18%	1.03%	-0.08%	-1.18%	-2.25%

2. Shareholding Analysis

- Dilution to shareholding is not expected to be significant
- Proforma shareholding of the Enlarged MPB Group⁽²⁾

Exchange Ratio	EPF	GKSB	Harris	Altima	MPB MI	NSTP MI
1x	23.0%	11.7%	8.3%	8.3%	37.7%	11.1%
1.2x	22.9%	11.4%	8.1%	8.2%	36.8%	12.6%

3. Dividends “Flow-Back” to MPB Shareholders

- The special dividends received from NSTP shall be returned to MPB shareholders pre-completion of the Offer
- This shall amount to approximately RM0.05⁽³⁾ per MPB share
- This special dividend serves to reward MPB shareholders in anticipation of the consolidation of NSTP into the enlarged MPB Group
- This is consistent with MPB’s commitment of returning excess cash to shareholders in the form of dividends

Note (1) : Assumes full warrants scenario but before exercise of MPB’s existing ESOS and on the back of proforma FY2008 enlarged MPB’s adjusted PATAMI numbers (Assuming a 100% acceptance scenario)

Note (2) Assuming 100% acceptance and assume full warrants and conversion of MPB’s existing ESOS

Note (3) Final dividend amount depend on final dividend to be declared by NSTP and implications of tax, if any

4. *Effects on Financials and Shareholding*

Effects on Pro-forma Financials

Variation in the Exchange Ratio has insignificant impact on pro-forma financials post takeover

	MPB	NSTP	Enlarged MPB			Accretion
			Post Offer ⁽³⁾	Exchange Ratio (1x) Post Offer + Warrants ⁽⁵⁾	Exchange Ratio (1.2x) Post Offer + Warrants ⁽⁵⁾	
	(RMmn)	(RMmn)	(RMmn)	(RMmn)	(RMmn)	
PROFITABILITY						
Revenue	781	576	1,357	1,357	1,357	Potentially higher numbers if we include synergies
EBITDA	205	92	297	297	297	
Overheads	354	159	513	513	513	
NPAT	118 ⁽¹⁾	47	158 ⁽²⁾	153 ⁽²⁾	153 ⁽²⁾	
EPS (RM)	0.14	0.22	0.16	0.14	0.14	
LEVERAGE						
Net Debt / EBITDA	1.61x	0.25x	1.19x	0.57x	0.57x	Leverage levels improve significantly
Net Debt	331	23	354 ⁽⁴⁾	169 ⁽⁴⁾	169 ⁽⁴⁾	

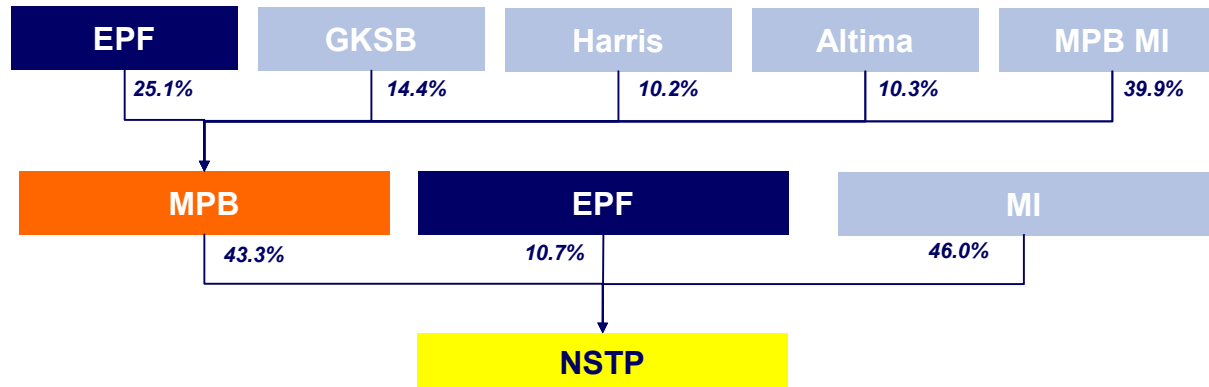
Note:

(1) MPB's FY2008 NPAT adjusted of RM118mn is based on NPAT after MI of RM72.4 + exceptional losses of RM45.3mn (2) NPAT excludes negative goodwill of RM281mn. (3) Post Offer : Assume no conversion of warrants and MPB's existing ESOS not exercised (4) based on Offer Doc dated 5 Nov 2009 (5) Post Offer + Warrants : Assume full conversion of warrants and non exercise of MPB's existing ESOS

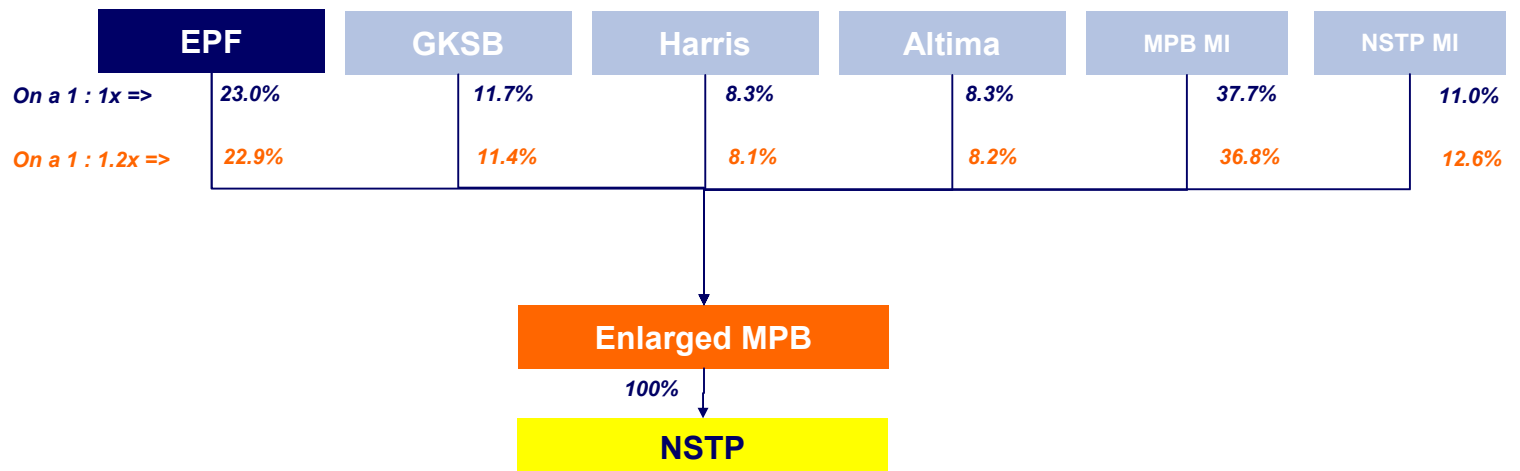
Effects on Shareholding

Variation in Exchange Ratio, has no significant impact on shareholding pre and post Offer

Pre Offer⁽¹⁾



Post Offer & Full Exercise of Warrants⁽²⁾



Note: (1) As per offer doc dated 5 Nov 2009

(2) Assuming the full exercise of MPB Warrants and exercise of MPB's existing ESOS. Bondholders and Employees shareholding are grouped under MPB MI

5. *Conclusion*

Compelling Commercial Merits

The commercial merits to pursue the proposed VGO remains the same

Compelling Commercial Merits

- Creation of a Truly Integrated Media Group**
- Creation of Malaysia's Largest Integrated Media Group by Market Reach**
- Allows MPB and NSTP to Leapfrog in Size (Revenue and Shareholders' Funds)**
- Value Creation – Potential Re-rating**
- Potential Synergies – Both Cost and Revenue Synergies**
- Strengthening the Enlarged MPB's Position vis-à-vis Competitors**

Q & A