

SINGAPORE PRESS HOLDINGS LIMITED

Reg. No. 198402868E

(Incorporated in Singapore)

ANNOUNCEMENT

UNAUDITED RESULTS FOR THE PERIOD ENDED MAY 31, 2008

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

(i) Results for Third Quarter ended May 31, 2008

	Group		
	3Q 2008	3Q 2007 Restated*	Change
	S\$'000	S\$'000	%
Operating revenue			
Newspaper and Magazine	268,853	255,744	5.1
Property	67,286	25,961	159.2
Others	8,226	6,354	29.5
	<u>344,365</u>	<u>288,059</u>	19.5
Other operating income	3,407	2,939	15.9
	<u>347,772</u>	<u>290,998</u>	19.5
Materials, consumables & broadcasting costs	(45,061)	(44,992)	0.2
Property development costs	(10,781)	-	NM
Staff costs	(87,327)	(76,735)	13.8
Depreciation	(15,480)	(14,205)	9.0
Other operating expenses	(49,257)	(42,834)	15.0
Finance costs	(4,763)	(5,176)	(8.0)
	<u>135,103</u>	<u>107,056</u>	26.2
Profit before investment income #			
Net income from investments	25,666	75,312	(65.9)
Share of net (losses)/profits of associates and jointly controlled entities	(1,250)	2,003	NM
	<u>159,519</u>	<u>184,371</u>	(13.5)
Profit before taxation			
Taxation	(26,675)	(26,738)	(0.2)
Profit after taxation	<u>132,844</u>	<u>157,633</u>	(15.7)
Attributable to:			
Shareholders of the Company	133,399	158,020	(15.6)
Minority interests	(555)	(387)	43.4
	<u>132,844</u>	<u>157,633</u>	(15.7)

* The comparative financial statements have been restated to take into account the retrospective adjustments relating to FRS 40 – Investment Property. Please see paragraph 5 for details.

This represents the recurring earnings of the media and property businesses, including profits from the Group's Sky@eleven development.

NM: Not meaningful

(ii) **Notes:**
Profit before taxation is arrived at after accounting for:

	Group		
	3Q 2008 S\$'000	3Q 2007 S\$'000	Change %
Share-based compensation expenses	(1,355)	(1,548)	(12.5)
Net currency translation (loss)/gain from operations	(320)	103	NM
Allowance for impairment of trade receivables	(481)	(1,160)	(58.5)
Bad debts recovery	37	39	(5.1)
(Allowance)/write back of allowance for stock obsolescence	(100)	200	NM
Amortisation of intangible assets	(20)	(124)	(83.9)
Impairment loss on interest in associate	(257)	-	NM
Net profit on disposal of property, plant and equipment	54	172	(68.6)
Net profit on sale of internally-managed investments	10,612	31,114	(65.9)
Net fair value (loss)/gain of			
- Internally-managed assets at fair value through profit and loss	(233)	57	NM
- Derivative instruments	(2,323)	(2,072)	12.1
Income from funds under management	629	3,642	(82.7)

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

Balance Sheets As At

	Group		Company	
	May 31, 2008	Aug 31, 2007	May 31, 2008	Aug 31, 2007
	S\$'000	Restated* S\$'000	S\$'000	S\$'000
CAPITAL EMPLOYED				
Share capital	490,156	467,973	490,156	467,973
Treasury shares	(23,351)	(19,153)	(23,351)	(19,153)
Reserves	275,707	314,426	55,082	54,803
Retained profit	1,272,232	1,359,878	346,318	550,824
Shareholders' interests	2,014,744	2,123,124	868,205	1,054,447
Minority interests	12,989	3,260	-	-
Total equity	2,027,733	2,126,384	868,205	1,054,447
EMPLOYMENT OF CAPITAL				
Non-current assets				
Property, plant and equipment	481,337	488,912	314,038	316,860
Investment properties	1,133,429	1,100,620	-	-
Interests in subsidiaries	-	-	387,340	387,340
Interests in associates	70,224	71,079	29,160	29,160
Interests in jointly controlled entities	12,280	10,497	-	-
Long-term investments	283,710	318,858	36,926	38,734
Intangible assets	43,039	15,006	-	-
Amount owing by subsidiaries	-	-	707,850	804,734
Amount owing by associates	79	579	-	-
Amount owing by a jointly controlled entity	4,256	1,004	-	-
Other non-current assets	5,911	5,808	4,617	4,901
	2,034,265	2,012,363	1,479,931	1,581,729
Current assets				
Inventories	26,835	19,341	25,725	18,867
Trade receivables	171,943	150,990	105,245	95,799
Other receivables and prepayments	14,558	11,122	5,050	4,028
Short-term investments	562,975	815,075	9,000	62,000
Derivative financial instruments	2,846	1,291	16	-
Amount owing by associates	6,265	6,015	6,000	6,015
Amount owing by jointly controlled entities	17	-	-	-
Cash held as fixed deposits	181,903	90,272	43,182	18,580
Cash and bank balances	35,546	31,888	20,222	20,518
	1,002,888	1,125,994	214,440	225,807
Total assets	3,037,153	3,138,357	1,694,371	1,807,536
Current liabilities				
Trade payables	79,869	78,920	44,243	43,457
Other payables and accrued liabilities	140,398	139,205	123,450	119,359
Derivative financial instruments	65	955	2	-
Amount owing to a subsidiary	-	-	13,943	10,081
Amount owing to associates	43	-	-	-
Amount owing to a jointly controlled entity	13,665	20,408	13,589	20,408
Borrowings	800	1,000	-	-
Current income tax liabilities	98,723	99,638	65,298	62,988
	333,563	340,126	260,525	256,293
Non-current liabilities				
Other payables and accrued liabilities	24,568	20,144	-	-
Derivative financial instruments	5,023	3,493	-	-
Amount owing to subsidiaries	-	-	520,075	449,916
Borrowings	573,616	573,745	-	-
Deferred income tax liabilities	72,650	74,465	45,566	46,880
	675,857	671,847	565,641	496,796
Total liabilities	1,009,420	1,011,973	826,166	753,089
Net assets	2,027,733	2,126,384	868,205	1,054,447

1(b)(ii) Aggregate amount of Group's borrowings and debt securities

Group Borrowings

Amount repayable in one year

As at May 31, 2008		As at August 31, 2007	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	800	-	1,000

Amount repayable after one year

As at May 31, 2008		As at August 31, 2007	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
570,000	3,616	570,000	3,745

Details of collateral

The secured bank loan facilities as at May 31, 2008 comprised the term loan facilities of S\$610 million (August 31, 2007: S\$610 million) undertaken by a subsidiary, Orchard 290 Ltd ("O290"), which commenced on July 11, 2006, with a tenure of five years and classified accordingly as a non-current liability.

The term loan is secured by way of a legal mortgage on the Group's investment property, a debenture over the assets of O290, an assignment of rental proceeds from the investment property and the insurances on the investment property.

O290 had repaid S\$40 million up to May 31, 2008.

1(c) **A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

Consolidated Cash Flow Statement for the Third Quarter ended May 31, 2008

	3Q 2008	3Q 2007 Restated*
	S\$'000	S\$'000
Cash Flows from Operating Activities		
Profit before taxation	159,519	184,371
Adjustments for :		
Amortisation of intangible assets	20	124
Depreciation	15,480	14,205
Net profit on disposal of property, plant and equipment	(54)	(172)
Interest expense	2,796	4,943
Net income from investments	(25,666)	(75,312)
Share of net losses/(profits) of associates and jointly controlled entities	1,250	(2,003)
Share-based compensation expenses	1,355	1,548
Other non-cash items	257	12
Operating cash flow before working capital changes	<u>154,957</u>	<u>127,716</u>
Changes in operating assets and liabilities, net of effects from purchase of subsidiaries and business:		
Inventories	(4,989)	6,463
Trade and other receivables	21,860	(74,254)
Trade and other payables	18,639	59,493
	<u>190,467</u>	<u>119,418</u>
Income tax paid	(28,075)	(24,595)
Dividends paid	(128,282)	(111,915)
	<u>34,110</u>	<u>(17,092)</u>
Increase in other non-current assets	(359)	(15)
Increase in other non-current payables	2,180	559
Currency translation difference	(236)	16
Net cash from/(used in) operating activities	<u><u>35,695</u></u>	<u><u>(16,532)</u></u>

Consolidated Cash Flow Statement for the Third Quarter ended May 31, 2008 (cont'd)

	3Q 2008	3Q 2007 Restated*
	S\$'000	S\$'000
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(7,979)	(19,307)
Proceeds on disposal of property, plant and equipment	36	178
Additions to investment properties	(10,955)	(7,316)
Acquisition of intangible assets	(3,652)	-
Acquisition of interests in a subsidiary (net of cash acquired)	(2,200)	(318)
Acquisition of interests in jointly controlled entity	(4,255)	(7,500)
Cash inflow from acquisition of business by a subsidiary	508	-
Increase in amounts owing by associates/jointly controlled entities (Decrease)/Increase in amounts owing to associates/ jointly controlled entities	(4,084)	(25)
	(1,329)	17,892
Purchase of long-term investments	-	(58)
Proceeds on disposal/redemption of long-term investments	16,113	32,190
Purchase of short-term investments	(91,090)	(117,089)
Proceeds on disposal of short-term investments	90,988	144,740
Net increase in funds under management	(646)	(3,642)
Dividends received	12,364	12,439
Interest received	1,328	2,571
Other investment income	11,974	60,302
	<u>7,121</u>	<u>115,057</u>
Add/(Less): Items not involving movement of funds		
Changes in fair value of financial instruments	2,556	2,015
Net profit on sale of internally-managed investments	(10,612)	(31,114)
Profit from capital reduction exercise of an investee company	-	(25,976)
Currency translation loss	132	-
Effective interest on bonds	34	5
	<u>(769)</u>	<u>59,987</u>
Net cash (used in)/from investing activities		
Cash Flows from Financing Activities		
Repayment of bank loans	(1,000)	(10,200)
Repayment of loan to a minority shareholder	(129)	-
Interest paid	(2,796)	(4,943)
Proceeds on issue of shares by the Company	7,925	4,605
Proceeds on issue of shares by subsidiaries to minority shareholders	-	3,063
	<u>4,000</u>	<u>(7,475)</u>
Net cash from/(used in) financing activities		
Net increase in cash and cash equivalents	38,926	35,980
Cash and cash equivalents at beginning of period	<u>178,523</u>	<u>209,887</u>
Cash and cash equivalents at end of period	<u>217,449</u>	<u>245,867</u>

1(d)(i) **A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

Statements of Changes in Total Equity for the Third Quarter ended May 31, 2008

(a)

Group

	Share Capital S\$'000	Treasury Shares S\$'000	Capital Reserve S\$'000	Share-based Compensation Reserve S\$'000	Hedging Reserve S\$'000	Fair Value Reserve S\$'000	Currency Translation Reserve S\$'000	Retained Profit S\$'000	Minority Interests S\$'000	Total Equity S\$'000
Balance as at February 29, 2008	481,369	(23,351)	2,005	20,107	(19,364)	282,760	(4,588)	1,267,090	13,544	2,019,572
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	(18,845)	-	-	-	(18,845)
Net fair value changes on cash flow hedges	-	-	-	-	14,341	-	-	-	-	14,341
Exchange translation difference	-	-	-	-	-	-	(1,182)	-	-	(1,182)
Gains/(losses) recognised directly in equity	-	-	-	-	14,341	(18,845)	(1,182)	-	-	(5,686)
Profit for the quarter	-	-	-	-	-	-	-	133,399	(555)	132,844
Total recognised gains/(losses)	-	-	-	-	14,341	(18,845)	(1,182)	133,399	(555)	127,158
Share-based compensation	-	-	-	1,360	-	-	-	-	-	1,360
Issue of shares	8,787	-	-	(862)	-	-	-	-	-	7,925
Dividends	-	-	-	-	-	-	-	(128,282)	-	(128,282)
Lapse of share options	-	-	-	(25)	-	-	-	25	-	-
Balance as at May 31, 2008	490,156	(23,351)	2,005	20,580	(5,023)	263,915	(5,770)	1,272,232	12,989	2,027,733

Statements of Changes in Total Equity for the Third Quarter ended May 31, 2008 (cont'd)

(a)

Group

	Share Capital S\$'000	Treasury Shares S\$'000	Capital Reserve S\$'000	Share-based Compensation Reserve S\$'000	Hedging Reserve S\$'000	Fair Value Reserve S\$'000	Currency Translation Reserve S\$'000	Retained Profit S\$'000	Minority Interests S\$'000	Total Equity S\$'000
Balance as at February 28, 2007	452,735	(12,018)	2,005	16,645	2,600	311,900	47	1,242,258	667	2,016,839
Effect of adopting FRS 40	-	-	-	-	-	-	-	(52,969)	-	(52,969)
As restated	452,735	(12,018)	2,005	16,645	2,600	311,900	47	1,189,289	667	1,963,870
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	2,519	-	-	-	2,519
Net fair value changes on cash flow hedges	-	-	-	-	(7,321)	-	-	-	-	(7,321)
Exchange translation difference	-	-	-	-	-	-	23	-	-	23
(Losses)/gains recognised directly in equity	-	-	-	-	(7,321)	2,519	23	-	-	(4,779)
Profit for the quarter	-	-	-	-	-	-	-	158,020	(387)	157,633
Total recognised (losses)/gains	-	-	-	-	(7,321)	2,519	23	158,020	(387)	152,854
Share-based compensation	-	-	-	1,551	-	-	-	-	-	1,551
Issue of shares	5,071	-	-	(466)	-	-	-	-	-	4,605
Dividends	-	-	-	-	-	-	-	(111,915)	-	(111,915)
Lapse of share options	-	-	-	(89)	-	-	-	89	-	-
Capital contribution by minority interests	-	-	-	-	-	-	-	-	3,063	3,063
Balance as at May 31, 2007 (restated)	457,806	(12,018)	2,005	17,641	(4,721)	314,419	70	1,235,483	3,343	2,014,028

Statements of Changes in Total Equity for the Third Quarter ended May 31, 2008 (cont'd)

(b)

Company

	Share Capital S\$'000	Treasury Shares S\$'000	Share-based Compensation Reserve S\$'000	Fair Value Reserve S\$'000	Retained Profit S\$'000	Total Equity S\$'000
Balance as at February 29, 2008	481,369	(23,351)	20,107	35,793	389,666	903,584
Net fair value changes on available- for-sale financial assets	-	-	-	(1,291)	-	(1,291)
Losses recognised directly in equity	-	-	-	(1,291)	-	-
Profit for the quarter	-	-	-	-	84,909	84,909
Total recognised (losses)/gains	-	-	-	(1,291)	84,909	83,618
Share-based compensation	-	-	1,360	-	-	1,360
Issue of shares	8,787	-	(862)	-	-	7,925
Dividends	-	-	-	-	(128,282)	(128,282)
Lapse of share options	-	-	(25)	-	25	-
Balance as at May 31, 2008	490,156	(23,351)	20,580	34,502	346,318	868,205
Balance as at February 28, 2007	452,735	(12,018)	16,645	37,495	523,437	1,018,294
Net fair value changes on available- for-sale financial assets	-	-	-	986	-	986
Gains recognised directly in equity	-	-	-	986	-	986
Profit for the quarter	-	-	-	-	76,174	76,174
Total recognised gains	-	-	-	986	76,174	77,160
Share-based compensation	-	-	1,551	-	-	1,551
Issue of shares	5,071	-	(466)	-	-	4,605
Dividends	-	-	-	-	(111,915)	(111,915)
Lapse of share options	-	-	(89)	-	89	-
Balance as at May 31, 2007	457,806	(12,018)	17,641	38,481	487,785	989,695

- 1(d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported and as at the end of the corresponding period of the immediately preceding financial year**

Share Options

- (a) Between March 1, 2008 and May 31, 2008, pursuant to the Singapore Press Holdings Group (1999) Share Option Scheme (the "1999 Scheme"), the Company issued 1,879,175 ordinary shares upon the exercise of options.
- (b) As a result of the 1,879,175 ordinary shares issued pursuant to the 1999 Scheme, the Company issued 18,981 management shares in accordance with the Newspaper and Printing Presses Act, Cap. 206 between March 1, 2008 and May 31, 2008.
- (c) Under the 1999 Scheme, options to subscribe for 51,588,700 ordinary shares remain outstanding as at May 31, 2008 compared to 62,817,800 ordinary shares as at May 31, 2007.

Performance Shares

- (a) At the extraordinary general meeting of the Company held on December 5, 2006, the Company's shareholders approved the adoption of the SPH Performance Share Plan and the 1999 Scheme was terminated with regard to the grant of further options. However, options granted and outstanding prior to such termination will continue to be valid and be subject to the terms and conditions of the 1999 Scheme.
- (b) As at May 31, 2008, the number of shares granted and outstanding (being contingent award) under the SPH Performance Share Plan was 3,924,355 (May 31, 2007: 1,803,025).

Share Buy Back

Under the Share Buy Back Mandate (first approved by the Shareholders on July 16, 1999 and last renewed at the Annual General Meeting on December 5, 2007), no shares were bought back by the Company during the current third quarter.

Share Capital and Treasury Shares

As at May 31, 2008, the share capital of the Company comprised 1,587,251,146 ordinary shares, 16,284,023 management shares and 5,701,000 treasury shares (February 29, 2008: 1,585,371,971 ordinary shares, 16,265,042 management shares and 5,701,000 treasury shares).

2. **Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice**

The financial information as set out in paragraphs 1, 4, 5, 6, 7, 10, 11, 12 and 14 of this announcement has been extracted from the interim financial report that has been reviewed in accordance with Singapore Standard on Review Engagements 2410, Review of Interim Financial Information performed by the Independent Auditor of the Entity.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)

The following is the independent auditors' review report dated July 11, 2008.

Report on the review of condensed interim financial information to the Board of Directors of Singapore Press Holdings Limited for the third quarter and year-to-date ended May 31, 2008

Introduction

We have reviewed the accompanying condensed balance sheet of the Company and condensed consolidated balance sheet of the Group as of May 31, 2008, and the related condensed consolidated statement of income, changes in equity and cash flows of the Group for the period from March 1, 2008 to May 31, 2008, and September 1, 2007 to May 31, 2008, and statement of changes in equity of the Company for the period from March 1, 2008 to May 31, 2008. Management is responsible for the preparation and presentation of this condensed consolidated interim financial information in accordance with Financial Reporting Standard 34 Interim Financial Reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with Financial Reporting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers
Public Accountants and Certified Public Accountants

Singapore,
July 11, 2008

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Accounting Policies

The financial statements have been prepared in compliance with the same accounting policies and methods of computation adopted in the audited financial statements of last financial year, except where new/revised accounting standards became effective from this financial year.

Apart from FRS 40 – Investment Property, the adoption of the new/revised accounting standards does not have any significant financial impact on the Group. The financial effects of adopting FRS 40 are summarised in note 5 below.

5. **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and effect of, the change**

FRS 40 – Investment Property

The Group has adopted FRS 40 for the financial year ending August 31, 2008.

The Group had previously accounted for its properties leased out as property, plant and equipment in these financial statements. Under FRS 40, the properties that are leased out to non-related parties have been reclassified to investment properties on transition to FRS 40 on September 1, 2007.

In FY 2007, the Group accounted for its investment property under FRS 25 – Accounting for Investments. FRS 40 permits an entity to measure its investment properties either at fair value with fair value changes taken to the income statement (fair value model) or at cost less accumulated depreciation and provision for impairment (cost model). The Group has adopted the cost model for measuring its investment property.

The application of FRS 40 is retrospective and accordingly, the comparative financial statements are restated. The financial impact on the Group is illustrated in the table below:

	Group		
	May 31, 2008 S\$'000	Aug 31, 2007 S\$'000	Sep 1, 2006 S\$'000
(Decreased)/increased by			
<i><u>Balance sheet</u></i>			
Investment properties	(48,138)	(42,615)	(35,318)
Property, plant and equipment	(10,321)	(10,500)	(10,739)
Retained earnings	(62,098)	(56,487)	(49,461)
Deferred income tax liabilities	3,639	3,372	3,404

	Group	
	3Q 2008 S\$'000	3Q 2007 S\$'000
Increased/(decreased) by		
<i><u>Income statement</u></i>		
Depreciation	1,784	1,766
Profit before taxation	(1,784)	(1,766)
Taxation	449	(11)
Profit after taxation	(2,233)	(1,755)

	Group	
	YTD 2008 S\$'000	YTD 2007 S\$'000
Increased/(decreased) by		
<i><u>Income statement</u></i>		
Depreciation	5,344	5,294
Profit before taxation	(5,344)	(5,294)
Taxation	267	(31)
Profit after taxation	(5,611)	(5,263)

	Group	
	3Q 2008 S\$	3Q 2007 S\$
Decreased by		
<i><u>Earnings Per Share</u></i>		
Basic EPS	(0.001)	(0.001)
Diluted EPS	(0.001)	(0.001)

	Group	
	YTD 2008 S\$	YTD 2007 S\$
Decreased by		
<i><u>Earnings Per Share</u></i>		
Basic EPS	(0.003)	(0.003)
Diluted EPS	(0.003)	(0.003)

6. **Earnings per share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

Earnings Per Share for the Third Quarter ended May 31, 2008

		Group	
		3Q 2008	3Q 2007 Restated*
(a)	Based on the weighted average number of shares on issue (S\$)	0.08	0.10
(b)	On fully diluted basis (S\$)	0.08	0.10

7. **Net asset value (for the issuer and group) per share based on issued share capital of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

Net Asset Value Per Share As At

	Group		Company	
	May 31, 2008	Aug 31, 2007 Restated*	May 31, 2008	Aug 31, 2007
Net asset value per share based on issued share capital at the end of period/year (S\$)	1.26	1.33	0.54	0.66

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

Business Segments/ Review of Results

Business Segments

The Group is organised into three major operating segments, namely Newspaper and Magazine, Treasury and Investment and Property. The Newspaper and Magazine segment is involved in the publishing, printing and distributing of newspapers and magazines. The Treasury and Investment segment manages the investment activities of the Group. The Property segment holds, manages and develops properties of the Group. Other operations under the Group, which are currently not significant to be reported separately, are included under "Others". These comprise our businesses and investments in Internet and related activities, outdoor advertising, radio broadcasting and TV broadcasting.

Review of Results for the Third Quarter ended May 31, 2008

- 8.1 Group operating revenue rose 19.5% to S\$344.4 million against the corresponding quarter last year. Despite an increasingly uncertain global economic outlook weighed by lingering concerns over the US economy and high oil prices, the Group continued to gain traction in the traditional print media, with the Newspaper and Magazine segment registering a 5.1% growth in revenue. Print advertisement revenue continued to drive revenue growth with an increase of 6.3% to S\$207.9 million. Circulation revenue (after absorption of S\$3.7 million in GST) was slightly down by 0.2% to S\$53.7 million. Revenue from Sky@eleven (S\$38.1 million) contributed substantially to the improved performance in Property segment, while Paragon posted an increase of S\$3.1 million (12.2%) in income from rental and related services.
- 8.2 Materials, consumables and broadcasting costs posted a marginal increase of 0.2% to S\$45.1 million. Newsprint costs were 8.1% lower than the corresponding quarter last year, having benefitted mainly from the continued weakness in US\$ and lower purchase price, partially offset by increased consumption. However, this was negated by the S\$2.6 million or 19.0% rise in other material and production costs.

Property development costs of S\$10.8 million were recognised for Sky@eleven during this quarter.

Increase in staff costs by S\$10.6 million (or 13.8%) was mainly attributable to increased headcount, annual salary increment and higher variable bonus provision in line with higher operating profits. Total headcount grew to 3,874 as at end May 08 from 3,684 a year ago, as the Group intensified its efforts to expand into new media and magazine businesses.

Other operating expenses were up by S\$6.4 million (15.0%) on the back of increase in business activity and inflationary pressures.

- 8.3 Despite the challenging market conditions, the Group had delivered investment income of S\$25.7 million for the quarter. The S\$49.6 million or 65.9% decline against last year was mainly due to higher profit on sale of investments last year. In addition, last year included income from capital reduction exercise undertaken by an investee company, MobileOne Limited.
- 8.4 The Group's share of net losses of associates and jointly controlled entities comprised mainly our stake in the results of MediaCorp Press, MediaCorp TV, 701Search Pte Ltd and TOM Outdoor Media Group.
- 8.5 Taxation charge of S\$26.7 million was arrived at after accounting for tax on the taxable income at the corporate tax rate of 18% with no material adjustments for under or over provision of taxation in respect of prior years.
- 8.6 Consequently, net profit of S\$133.4 million was 15.6% lower than the corresponding quarter last year.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results

No forecast was made previously.

10. Performance for the Year-to-date ended May 31, 2008

(i) Results for the Year-to-date ended May 31, 2008

	Group		Change
	2008	2007	
	S\$'000	S\$'000	%
Operating revenue			
Newspaper and Magazine	766,582	715,300	7.2
Property	165,150	78,838	109.5
Others	22,785	16,606	37.2
	<u>954,517</u>	<u>810,744</u>	17.7
Other operating income	10,109	8,095	24.9
	<u>964,626</u>	<u>818,839</u>	17.8
Materials, consumables & broadcasting costs	(130,675)	(129,777)	0.7
Property development costs	(22,308)	-	NM
Staff costs	(246,234)	(218,519)	12.7
Depreciation	(45,245)	(42,878)	5.5
Other operating expenses	(132,344)	(117,051)	13.1
Finance costs	(14,433)	(15,769)	(8.5)
	<u>373,387</u>	<u>294,845</u>	26.6
Profit before investment income #	40,654	136,582	(70.2)
Net income from investments			
Share of net profits of associates and jointly controlled entities	458	3,384	(86.5)
	<u>414,499</u>	<u>434,811</u>	(4.7)
Profit before taxation	(70,483)	(60,331)	16.8
Taxation	<u>344,016</u>	<u>374,480</u>	(8.1)
Profit after taxation			
Attributable to:			
Shareholders of the Company	344,924	374,822	(8.0)
Minority interests	(908)	(342)	165.5
	<u>344,016</u>	<u>374,480</u>	(8.1)

* The comparative financial statements have been restated to take into account the retrospective adjustments relating to FRS 40 – Investment Property. Please see paragraph 5 for details.

This represents the recurring earnings of the media and property businesses, including profits from the Group's Sky@eleven development.

(ii) **Notes:**
Profit before taxation is arrived at after accounting for:

	2008	Group	
	S\$'000	2007	Change
		S\$'000	%
Share-based compensation expenses	(4,226)	(5,093)	(17.0)
Net currency translation loss from operations	(716)	(41)	NM
Allowance for impairment of trade receivables	(1,672)	(1,695)	(1.4)
Bad debts recovery	175	98	78.6
(Allowance)/Write back of allowance for stock obsolescence	(100)	529	NM
Amortisation of intangible assets	(204)	(316)	(35.4)
Impairment loss on interest in associate	(257)	-	NM
Net profit on disposal of property, plant and equipment	448	494	(9.3)
Impairment of internally-managed investments	-	(1,666)	(100.0)
Net profit on sale of internally-managed investments	13,093	60,811	(78.5)
Net fair value gain/(loss) of			
- Internally-managed assets at fair value through profit and loss	(69)	106	NM
- Derivative instruments	2,445	(1,647)	NM
(Loss)/income from funds under management	(6,575)	11,447	NM

11. Consolidated Cash Flow Statement for the Year-to-date ended May 31, 2008

	2008	2007
	S\$'000	Restated* S\$'000
Cash Flows from Operating Activities		
Profit before taxation	414,499	434,811
Adjustments for :		
Amortisation of intangible assets	204	316
Depreciation	45,245	42,878
Net profit on disposal of property, plant and equipment	(448)	(494)
Interest expense	10,352	15,338
Net income from investments	(40,654)	(136,582)
Share of net profits of associates and jointly controlled entities	(458)	(3,384)
Share-based compensation expenses	4,226	5,093
Other non-cash items	197	12
Operating cash flow before working capital changes	<u>433,163</u>	<u>357,988</u>
Changes in operating assets and liabilities, net of effects from purchase of subsidiaries and business:		
Inventories	(7,494)	9,187
Trade and other receivables	(20,628)	(73,834)
Trade payables and other payables	2,059	43,874
	<u>407,100</u>	<u>337,215</u>
Income tax paid	(68,547)	(65,552)
Dividends paid	(432,721)	(383,154)
Dividends paid (net) by a subsidiary to a minority shareholder	(31)	-
	<u>(94,199)</u>	<u>(111,491)</u>
Increase in other non-current assets	(103)	(209)
Increase/(Decrease) in other non-current payables	4,424	(66)
Currency translation difference	(210)	73
Net cash used in operating activities	<u><u>(90,088)</u></u>	<u><u>(111,693)</u></u>

Consolidated Cash Flow Statement for the Year-to-date ended May 31, 2008 (cont'd)

	2008	2007
	S\$'000	Restated* S\$'000
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(32,842)	(37,865)
Proceeds on disposal of property, plant and equipment	741	766
Additions to investment properties	(38,332)	(8,156)
Acquisition of intangible assets	(3,652)	-
Acquisition of interests in subsidiaries (net of cash acquired)	(2,592)	(5,479)
Acquisition of interests in jointly controlled entity	(4,255)	(9,500)
Acquisition of business by a subsidiary	(22,695)	-
Increase in amounts owing by associates/ jointly controlled entities (Decrease)/Increase in amounts owing to associates/ jointly controlled entities	(3,019) (6,691)	(42) 17,892
Proceeds on disposal of an associate	284	-
Purchase of long-term investments	(1,925)	(108)
Proceeds on disposal/redemption of long-term investments	17,804	112,739
Proceeds from capital reduction exercise of an investee company	5,725	-
Purchase of short-term investments	(154,465)	(481,526)
Proceeds on disposal of short-term investments	315,166	692,073
Net decrease/(increase) in funds under management	77,012	(33,204)
Dividend received	19,206	23,344
Interest received	6,066	9,558
Other investment income	15,382	103,680
	<u>186,918</u>	<u>384,172</u>
Add/(Less): Items not involving movement of funds		
Changes in fair value of financial instruments	(2,376)	1,541
Impairment of internally-managed investments	-	1,666
Net profit on sale of internally-managed investments	(13,093)	(60,811)
Profit from capital reduction exercises of investee companies	-	(30,535)
Currency translation loss	690	183
Effective interest on bonds	(106)	(332)
Net cash from investing activities	<u>172,033</u>	<u>295,884</u>
Cash Flows from Financing Activities		
Proceeds from bank loans	800	1,200
Repayment of bank loans	(1,000)	(31,645)
Loan from minority shareholder	-	70
Repayment of loan to a minority shareholder	(129)	-
Interest paid	(10,352)	(15,338)
Proceeds on issue of shares by the Company	20,186	22,814
Proceeds on issue of shares by subsidiaries to minority shareholders	6,787	3,188
Proceeds on issue of shares by a subsidiary to a jointly controlled entity	1,250	-
Share buy-back	(4,198)	-
Net cash from/(used in) financing activities	<u>13,344</u>	<u>(19,711)</u>
Net increase in cash and cash equivalents	95,289	164,480
Cash and cash equivalents at beginning of period	122,160	81,387
Cash and cash equivalents at end of period	<u>217,449</u>	<u>245,867</u>

12. Earnings Per Share for the Year-to-date ended May 31, 2008

		Group	
		2008	2007 Restated*
(a)	Based on the weighted average number of shares on issue (S\$)	0.22	0.24
(b)	On fully diluted basis (S\$)	0.22	0.23

13. Review of Results for the Year-to-date ended May 31, 2008

13.1 Group operating revenue rose 17.7% to S\$954.5 million against the corresponding period last year. While the period under review is marked by uncertainties in the global economy, the Group continued to put up a creditable performance in the Newspaper and Magazine segment by leveraging on its leading position in the traditional print media. Newspaper and Magazine segment registered a 7.2% growth in revenue on the back of a 9.2% growth in print advertisement revenue to S\$590.6 million. Circulation revenue (after absorption of S\$10.5 million in GST) was down by 1.2% to S\$154.7 million. Revenue from Sky@eleven of S\$78.3 million contributed mainly to the improved performance in Property segment, while Paragon posted an increase of S\$7.6 million (9.9%) in income from rental and related services.

13.2 Materials, consumables and broadcasting costs rose marginally by S\$0.9 million to S\$130.7 million. Material and other production costs were up by S\$5.4 million (13.6%), which was largely cushioned by the S\$4.5 million or 5.1% fall in newsprint costs to S\$85.3 million. The lower newsprint costs were mainly the results of continued weakness in US\$ and lower purchase price, partially offset by higher consumption.

Property development costs of S\$22.3 million were recognised for Sky@eleven during this period.

Increase in staff costs by S\$27.7 million (or 12.7%) was mainly due to increased headcount, annual salary increment and higher variable bonus provision in line with higher operating profits.

Other operating expenses were up by S\$15.3 million (13.1%) mainly attributable to increased business activity and inflationary pressures.

13.3 Despite the turbulence in global financial markets and unfavourable investment climate, the Group had delivered investment income of S\$40.7 million. The S\$95.9 million or 70.2% decline against last year was mainly due to lower profit on sale of investments and downward fair valuation of investments this year. In addition, last year's income included profit from capital reduction exercises by MobileOne Limited and Starhub Limited.

- 13.4 The Group's share of net profits of associates and jointly controlled entities comprised mainly our stake in the results of MediaCorp Press, MediaCorp TV, 701Search Pte Ltd and TOM Outdoor Media Group.
- 13.5 Taxation charge of S\$70.5 million was arrived at after accounting for tax on the taxable income at the corporate tax rate of 18% with no material adjustments for under or over provision of taxation in respect of prior years. Last year's taxation charge included S\$7.6 million adjustment for prior years' net overprovision in taxation.
- 13.6 Consequently, net profit of S\$344.9 million was 8.0% lower than the corresponding period last year.

14. Segmental information (Group) for the Year-to-date ended May 31, 2008

	Operating Revenue			Profit/(Loss) Before Taxation		
	2008	2007	Change	2008	2007	Change
	S\$'000	S\$'000	%	S\$'000	Restated* S\$'000	%
Newspaper & Magazine	766,582	715,300	7.2	292,320	264,240	10.6
Treasury & Investment	-	-	NM	39,829	136,014	(70.7)
Property	165,150	78,838	109.5	102,515	40,210	154.9
Others	22,785	16,606	37.2	(20,165)	(5,653)	256.7
	<u>954,517</u>	<u>810,744</u>	17.7	<u>414,499</u>	<u>434,811</u>	(4.7)

15. A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months

- 15.1 The Singapore economy is forecasted to grow at a more moderate pace in 2008. This is against the backdrop of persistent worries over a possible recession in the United States and inflationary pressures fuelled by record commodity prices. Advertising revenue, which has registered commendable growth and remained resilient so far, is expected to perform in tandem with the economy.
- 15.2 Newsprint prices, which have seen sharp increases, are poised to rise further. Amidst the planned curtailment of production capacity by some newsprint mills, the current supply crunch, exacerbated by escalating raw material and energy costs, remains unabated and is expected to persist at least for the near term.
- 15.3 Performance of the property segment continues to be underpinned by profit contribution from Sky@eleven, which is on track to obtain its Temporary Occupation Permit by FY2010, and strong rental income growth from Paragon, which is currently

in the course of a S\$82 million yield-enhancing makeover to increase its commercial and retail space.

- 15.4 The returns of the investment portfolio are expected to be shaped by continued volatility in global financial markets, lingering credit crisis and economic uncertainties. Accordingly, we remain cautious in our portfolio allocation strategy.
- 15.5 Guided by the long-term vision of an international multimedia Group, the Group will continue to invest resources to develop its digital and interactive media, so as to position itself for future growth.
- 15.6 Barring unforeseen circumstances, the Directors expect the recurring earnings for the current financial year to be better than the previous financial year.

16. Dividends

(a) Current Financial Period Reported On

Any dividend declared (recommended) for the current financial period reported on?
No.

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? No.

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

17. If no dividend has been declared/recommended, a statement to that effect

No interim dividend has been declared or recommended for the current reporting period.

18. Reclassification

Certain comparative figures have been reclassified to conform with current year's presentation. The reclassifications are as follows:

	Group 2007 S\$'000	Company 2007 S\$'000
Trade payables		
As reported	109,805	49,852
Reclassified to other payables and accrued liabilities - current	(10,741)	(6,395)
Reclassified to other payables and accrued liabilities - non-current	(20,144)	-
Adjusted balance	<u>78,920</u>	<u>43,457</u>
Other payables and accrued liabilities - current		
As reported	128,464	112,964
Reclassified from trade payables	10,741	6,395
Adjusted balance	<u>139,205</u>	<u>119,359</u>
Other payables and accrued liabilities - non-current		
As reported	-	-
Reclassified from trade payables	20,144	-
Adjusted balance	<u>20,144</u>	<u>-</u>
Other receivables and prepayments		
As reported	11,964	4,249
Reclassified to other non-current assets	(842)	(221)
Adjusted balance	<u>11,122</u>	<u>4,028</u>
Other non-current assets		
As reported	4,966	4,680
Reclassified from other receivables and prepayments	842	221
Adjusted balance	<u>5,808</u>	<u>4,901</u>

BY ORDER OF THE BOARD

Ginney Lim May Ling
Khor Siew Kim
Company Secretaries

Singapore,
July 11, 2008

CONFIRMATION BY THE BOARD
Pursuant to Rule 705(4) of the Listing Manual

We, Tony Tan Keng Yam and Chan Heng Loon Alan, being two directors of Singapore Press Holdings Limited ("the Company"), do hereby confirm on behalf of the directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial results of the third quarter ended May 31, 2008 to be false or misleading.

On behalf of the Directors



TONY TAN KENG YAM
Chairman



CHAN HENG LOON ALAN
Director

Singapore,
July 11, 2008