

SINGAPORE PRESS HOLDINGS LIMITED

Reg. No. 198402868E
(Incorporated in Singapore)

ANNOUNCEMENT

AUDITED RESULTS FOR THE YEAR ENDED AUGUST 31, 2009

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 the Year ended August 31, 2009

	Group		Change %
	2009 S\$'000	2008 S\$'000	
Operating revenue			
Newspaper and Magazine	892,404	1,014,335	(12.0)
Property	365,600	255,294	43.2
Others	43,363	31,382	38.2
	<u>1,301,367</u>	<u>1,301,011</u>	-
Other operating income	13,598	15,168	(10.4)
	<u>1,314,965</u>	<u>1,316,179</u>	(0.1)
Materials, consumables & broadcasting costs	(184,594)	(176,605)	4.5
Property development costs	(68,567)	(39,241)	74.7
Staff costs	(286,896)	(333,098)	(13.9)
Depreciation	(67,752)	(61,876)	9.5
Other operating expenses	(188,651)	(184,536)	2.2
Finance costs	(21,546)	(19,135)	12.6
	<u>496,959</u>	<u>501,688</u>	(0.9)
Profit before investment income, impairment charge on investments in associates and share of net loss of associates and jointly-controlled entities [#]	496,959	501,688	(0.9)
Net (loss)/income from investments	(6,186)	47,748	NM
Impairment charge on investments in associates	-	(26,712)	NM
Share of net loss of associates and jointly-controlled entities	(8,567)	(716)	NM
	<u>482,206</u>	<u>522,008</u>	(7.6)
Profit before taxation	482,206	522,008	(7.6)
Taxation	(63,841)	(86,083)	(25.8)
Profit after taxation	<u>418,365</u>	<u>435,925</u>	(4.0)
Attributable to:			
Shareholders of the Company	421,881	437,444	(3.6)
Minority interests	(3,516)	(1,519)	131.5
	<u>418,365</u>	<u>435,925</u>	(4.0)

[#] 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		
	2009	2008	Change
	S\$'000	S\$'000	%
Reversal of allowance/(Allowance) for stock obsolescence	163	(300)	NM
Share-based compensation expenses	(6,422)	(6,406)	0.2
Allowance for impairment of trade receivables	(2,084)	(1,542)	35.1
Bad debts recovery	318	214	48.6
Amortisation of intangible assets	(2,368)	(808)	193.1
Intangible assets written off	(1,000)	-	NM
Goodwill written off	(131)	-	NM
Net (loss)/profit on disposal of property, plant and equipment	(321)	493	NM
Impairment of property, plant and equipment	(79)	(226)	(65.0)
Property, plant and equipment written off	(18)	-	NM
Reversal of impairment of property, plant and equipment	1,186	1,151	3.0
Investment property written off	(38)	-	NM
Reversal of impairment of investment property	-	396	NM
Gain on disposal of a subsidiary	3	-	NM
Gain on disposal of an associate	1,984	60	NM
Interest income	7,197	9,231	(22.0)
Net foreign exchange loss	(5,281)	(1,122)	370.7
Realised (loss)/gain on derivative financial instruments	(2,923)	7,273	NM
Net profit on sale of internally-managed investments	3,702	14,580	(74.6)
Impairment of internally-managed investments	(4,568)	-	NM
Net fair value (loss)/gain of			
- Internally-managed assets at fair value through profit and loss	(783)	217	NM
- Derivative financial instruments	2,675	(840)	NM
Net loss from funds under management	(30,531)	(12,408)	146.1
Net overprovision of prior years' taxation	4,461	1,324	236.9

NM: Not meaningful

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 August 31

	Group		Company	
	2009 S\$'000	2008 S\$'000	2009 S\$'000	2008 S\$'000
CAPITAL EMPLOYED				
Share capital	490,890	490,760	490,890	490,760
Treasury shares	(25,578)	(27,660)	(25,578)	(27,660)
Reserves	219,160	260,439	50,557	54,545
Retained profit	1,370,704	1,365,360	519,514	703,382
Shareholders' interests	2,055,176	2,088,899	1,035,383	1,221,027
Minority interests	9,486	12,378	-	-
Total equity	2,064,662	2,101,277	1,035,383	1,221,027
EMPLOYMENT OF CAPITAL				
Non-current assets				
Property, plant and equipment	462,534	490,297	296,897	316,228
Investment properties	1,174,465	1,140,180	-	-
Investments in subsidiaries	-	-	386,840	386,840
Investments in associates	45,600	45,582	29,326	21,326
Investments in jointly-controlled entities	17,441	15,652	-	-
Long-term investments	244,918	275,297	28,146	34,860
Intangible assets	52,628	39,707	-	-
Other non-current assets	4,949	5,725	3,653	4,496
	2,002,535	2,012,440	744,862	763,750
Current assets				
Inventories	29,370	36,281	28,531	35,076
Trade receivables	434,008	223,991	87,256	102,009
Other receivables and prepayments	18,762	16,465	8,487	5,558
Short-term investments	448,572	642,561	169,940	84,075
Derivative financial instruments	2,300	1,707	131	14
Amount owing by subsidiaries	-	-	693,244	854,837
Amount owing by associates	21	6,100	-	6,000
Amount owing by jointly-controlled entities	537	136	27	17
Cash and cash equivalents	299,253	211,024	128,637	71,471
	1,232,823	1,138,265	1,116,253	1,159,057
Total assets	3,235,358	3,150,705	1,861,115	1,922,807
Current liabilities				
Trade payables	102,828	103,001	43,162	59,237
Other payables and accrued liabilities	133,581	156,622	105,246	131,865
Derivative financial instruments	129	2,211	47	-
Amount owing to subsidiaries	-	-	418,637	387,513
Amount owing to an associate	5	21	-	-
Amount owing to a jointly-controlled entity	18,424	12,616	18,406	12,571
Borrowings	870	800	-	-
Current income tax liabilities	71,584	92,173	44,285	63,763
	327,421	367,444	629,783	654,949
Non-current liabilities				
Other payables and accrued liabilities	22,858	21,924	-	-
Deferred income tax liabilities	80,232	75,461	44,196	46,831
Borrowings	723,393	573,616	150,000	-
Derivative financial instruments	16,792	10,983	1,753	-
	843,275	681,984	195,949	46,831
Total liabilities	1,170,696	1,049,428	825,732	701,780
Net assets	2,064,662	2,101,277	1,035,383	1,221,027

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

Group Borrowings

Amount repayable in one year

As at August 31, 2009		As at August 31, 2008	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	870	-	800

Amount repayable after one year

As at August 31, 2009		As at August 31, 2008	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
570,000	153,393	570,000	3,616

Details of collateral

The secured bank loan facilities as at August 31, 2009 comprised the term loan facilities of S\$610 million (August 31, 2008: 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 August 31, 2009.

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 Year ended August 31, 2009

	2009	2008
	S\$'000	S\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	482,206	522,008
Adjustments for:		
Amortisation of intangible assets	2,368	808
Intangible assets written off	1,000	-
Goodwill written off	131	-
Depreciation	67,752	61,876
Net loss/(profit) on disposal of property, plant and equipment	321	(493)
Net reversal of impairment of property, plant and equipment	(1,107)	(925)
Property, plant and equipment written off	18	-
Reversal of impairment of investment property	-	(396)
Investment property written off	38	-
Gain on disposal of a subsidiary	(3)	-
Gain on disposal of an associate	(1,984)	(60)
Finance costs	21,546	19,135
Net loss/(income) from investments	6,186	(47,748)
Share of net loss of associates and jointly-controlled entities	8,567	716
Share-based compensation expenses	6,422	6,406
Impairment charge on investments in associates	-	26,712
Other non-cash items	103	-
Operating cash flow before working capital changes	<u>593,564</u>	<u>588,039</u>
Changes in operating assets and liabilities, net of effects from acquisition and disposal of subsidiaries and businesses:		
Inventories	6,990	(16,940)
Trade and other receivables	(210,970)	(74,499)
Trade and other payables	(27,269)	42,784
	<u>362,315</u>	<u>539,384</u>
Income tax paid	(77,195)	(84,185)
Dividends paid	(416,722)	(432,721)
Dividends paid (net) by a subsidiary to a minority shareholder	(30)	(31)
	<u>(131,632)</u>	<u>22,447</u>
Decrease in other non-current assets	776	148
Increase in other non-current payables	934	1,780
Currency translation difference	1,800	65
Net cash (used in)/from operating activities	<u><u>(128,122)</u></u>	<u><u>24,440</u></u>

Consolidated Cash Flow Statement for the Year ended August 31, 2009 (cont'd)

	2009	2008
	S\$'000	S\$'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(31,930)	(55,921)
Proceeds from disposal of property, plant and equipment	165	937
Additions to investment properties	(42,498)	(45,987)
Acquisition of intangible assets	(759)	-
Acquisition of subsidiaries (net of cash acquired)	(11,121)	-
Acquisition of additional interests in a subsidiary	-	(392)
Acquisition of business by a subsidiary (net of cash acquired)	(467)	(23,344)
Additional consideration paid on interests in a subsidiary	-	(2,200)
Purchase of shares in a subsidiary from a jointly-controlled entity	(2,500)	-
Proceeds from disposal of a subsidiary	47	-
Sale of shares in a subsidiary	1,250	-
Acquisition of an associate	(250)	-
Acquisition of additional interests in an associate	(33)	-
Additional consideration paid on interests in associates	(12,218)	-
Dividends received from associates	2,197	-
Proceeds from disposal of an associate	11,220	284
Acquisition of a jointly-controlled entity	(225)	(7,261)
Additional consideration paid on interests in jointly-controlled entities	(5,844)	-
Decrease in amounts owing by associates/jointly-controlled entities	5,699	1,362
Increase/(Decrease) in amounts owing to associates/jointly-controlled entities	5,792	(7,751)
Purchase of long-term investments	(12)	(1,925)
Proceeds from disposal/redemption of long-term investments	1,172	17,803
Proceeds from capital reduction exercises of investee companies	-	8,677
Purchase of short-term investments	(422,190)	(247,866)
Proceeds from disposal of short-term investments	403,794	314,254
Net decrease in funds under management	194,864	82,833
Dividends received	22,769	29,235
Interest received	6,228	7,404
Other investment (loss)/income	(35,183)	11,109
	<u>89,967</u>	<u>81,251</u>
Add/(Less): Items not involving movement of funds		
Changes in fair value of financial instruments	(1,892)	623
Impairment of internally-managed investments	4,568	-
Net profit on sale of internally-managed investments	(3,702)	(14,580)
Profit from capital reduction exercises of investee companies	-	(2,607)
Currency translation loss	116	241
Effective interest on bonds	(550)	(58)
Net cash from investing activities	<u><u>88,507</u></u>	<u><u>64,870</u></u>

Consolidated Cash Flow Statement for the Year ended August 31, 2009 (cont'd)

	2009 S\$'000	2008 S\$'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank loans (net of transaction costs)	149,420	800
Repayment of bank loans	-	(1,000)
Repayment of loan from a minority shareholder	(153)	(129)
Interest paid	(21,546)	(19,135)
Proceeds on issue of shares by the Company	123	20,738
Proceeds on issue of shares by subsidiaries to minority shareholders	-	6,787
Share buy-back	-	(8,507)
Net cash from/(used in) financing activities	<u>127,844</u>	<u>(446)</u>
Net increase in cash and cash equivalents	88,229	88,864
Cash and cash equivalents at beginning of financial year	<u>211,024</u>	<u>122,160</u>
Cash and cash equivalents at end of financial year	<u>299,253</u>	<u>211,024</u>

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**

Statement of Changes in Total Equity for the Year ended August 31, 2009

(a) Group

	← Attributable to shareholders of the Company →								Total S\$'000	Minority Interests S\$'000	Total Equity S\$'000
	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			
Balance as at September 1, 2008	490,760	(27,660)	2,005	22,110	(7,883)	246,828	(2,621)	1,365,360	2,088,899	12,378	2,101,277
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	(43,104)	-	-	(43,104)	-	(43,104)
Net fair value changes on cash flow hedges	-	-	-	-	(15,224)	-	-	-	(15,224)	-	(15,224)
Transfer to income statement	-	-	-	-	9,170	-	-	-	9,170	-	9,170
Currency translation difference*	-	-	-	-	-	-	2,236	-	2,236	654	2,890
Disposal of an associate	-	-	-	-	-	-	1,463	-	1,463	-	1,463
Net (loss)/gain recognised directly in equity	-	-	-	-	(6,054)	(43,104)	3,699	-	(45,459)	654	(44,805)
Net profit for the financial year	-	-	-	-	-	-	-	421,881	421,881	(3,516)	418,365
Total recognised (losses)/gains	-	-	-	-	(6,054)	(43,104)	3,699	421,881	376,422	(2,862)	373,560
Share-based compensation	-	-	-	6,443	-	-	-	-	6,443	-	6,443
Issue of shares	130	-	-	(7)	-	-	-	-	123	-	123
Treasury shares re-issued	-	2,082	-	(2,026)	-	-	-	(45)	11	-	11
Dividends	-	-	-	-	-	-	-	(416,722)	(416,722)	(30)	(416,752)
Lapse of share options	-	-	-	(230)	-	-	-	230	-	-	-
Balance as at August 31, 2009	490,890	(25,578)	2,005	26,290	(13,937)	203,724	1,078	1,370,704	2,055,176	9,486	2,064,662

* Relates to net currency translation differences of financial statements of foreign subsidiaries, associates and jointly-controlled entities.

Statement of Changes in Total Equity for the Year ended August 31, 2009 (cont'd)

(a) Group

	← Attributable to shareholders of the Company →							Total S\$'000	Minority Interests S\$'000	Total Equity S\$'000	
	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
Balance as at September 1, 2007	467,973	(19,153)	2,005	18,493	(3,493)	299,613	(2,192)	1,359,878	2,123,124	3,260	2,126,384
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	(52,785)	-	-	(52,785)	-	(52,785)
Net fair value changes on cash flow hedges	-	-	-	-	(8,540)	-	-	-	(8,540)	-	(8,540)
Transfer to income statement	-	-	-	-	4,150	-	-	-	4,150	-	4,150
Currency translation difference*	-	-	-	-	-	-	(429)	-	(429)	-	(429)
Net loss recognised directly in equity	-	-	-	-	(4,390)	(52,785)	(429)	-	(57,604)	-	(57,604)
Net profit for the financial year	-	-	-	-	-	-	-	437,444	437,444	(1,519)	435,925
Total recognised (losses)/gains	-	-	-	-	(4,390)	(52,785)	(429)	437,444	379,840	(1,519)	378,321
Share-based compensation	-	-	-	6,425	-	-	-	-	6,425	-	6,425
Issue of shares	22,787	-	-	(2,049)	-	-	-	-	20,738	-	20,738
Dividends	-	-	-	-	-	-	-	(432,721)	(432,721)	(31)	(432,752)
Lapse of share options	-	-	-	(759)	-	-	-	759	-	-	-
Share buy-back – held as treasury shares	-	(8,507)	-	-	-	-	-	-	(8,507)	-	(8,507)
Issue of shares by subsidiaries to minority interests	-	-	-	-	-	-	-	-	-	10,537	10,537
Acquisition of additional shares in a subsidiary	-	-	-	-	-	-	-	-	-	131	131
Balance as at August 31, 2008	490,760	(27,660)	2,005	22,110	(7,883)	246,828	(2,621)	1,365,360	2,088,899	12,378	2,101,277

* Relates to net currency translation differences of financial statements of foreign subsidiaries, associates and jointly-controlled entities.

Statement of Changes in Total Equity for the Year ended August 31, 2009 (cont'd)

(b)

	Company						
	Share Capital S\$'000	Treasury Shares S\$'000	Share-based Compensation Reserve S\$'000	Hedging Reserve S\$'000	Fair Value Reserve S\$'000	Retained Profit S\$'000	Total Equity S\$'000
Balance as at September 1, 2008	490,760	(27,660)	22,110	-	32,435	703,382	1,221,027
Net fair value changes on available-for-sale financial assets	-	-	-	-	(6,713)	-	(6,713)
Net fair value changes on cash flow hedges	-	-	-	(2,411)	-	-	(2,411)
Transfer to income statement	-	-	-	956	-	-	956
Net loss recognised directly in equity	-	-	-	(1,455)	(6,713)	-	(8,168)
Net profit for the financial year	-	-	-	-	-	232,669	232,669
Total recognised (losses)/gains	-	-	-	(1,455)	(6,713)	232,669	224,501
Share-based compensation	-	-	6,443	-	-	-	6,443
Issue of shares	130	-	(7)	-	-	-	123
Treasury shares re-issued	-	2,082	(2,026)	-	-	(45)	11
Dividends	-	-	-	-	-	(416,722)	(416,722)
Lapse of share options	-	-	(230)	-	-	230	-
Balance as at August 31, 2009	<u>490,890</u>	<u>(25,578)</u>	<u>26,290</u>	<u>(1,455)</u>	<u>25,722</u>	<u>519,514</u>	<u>1,035,383</u>
Balance as at September 1, 2007	467,973	(19,153)	18,493	-	36,310	550,824	1,054,447
Net fair value changes on available-for-sale financial assets	-	-	-	-	(3,875)	-	(3,875)
Net loss recognised directly in equity	-	-	-	-	(3,875)	-	(3,875)
Net profit for the financial year	-	-	-	-	-	584,520	584,520
Total recognised (losses)/gains	-	-	-	-	(3,875)	584,520	580,645
Share-based compensation	-	-	6,425	-	-	-	6,425
Issue of shares	22,787	-	(2,049)	-	-	-	20,738
Dividends	-	-	-	-	-	(432,721)	(432,721)
Lapse of share options	-	-	(759)	-	-	759	-
Share buy-back – held as treasury shares	-	(8,507)	-	-	-	-	(8,507)
Balance as at August 31, 2008	<u>490,760</u>	<u>(27,660)</u>	<u>22,110</u>	<u>-</u>	<u>32,435</u>	<u>703,382</u>	<u>1,221,027</u>

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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares, 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) During the financial year, pursuant to the Singapore Press Holdings Group (1999) Share Option Scheme (the "1999 Scheme"), the Company issued 36,900 ordinary shares upon the exercise of options.
- (b) As a result of the 36,900 ordinary shares issued pursuant to the 1999 Scheme, the Company issued 373 management shares in accordance with the Newspaper and Printing Presses Act, Cap. 206.
- (c) Under the 1999 Scheme, options to subscribe for 49,141,550 ordinary shares remain outstanding as at August 31, 2009 compared to 49,951,575 ordinary shares as at August 31, 2008. Movements in the number of the unissued shares of the Company under option during the financial year are as follows:

Outstanding as at <u>1.9.08</u> (‘000)	Options <u>Exercised</u> (‘000)	Options <u>Lapsed</u> (‘000)	Outstanding as at <u>31.8.09</u> (‘000)
49,952	(37)	(773)	49,142

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 August 31, 2009, the number of shares granted and outstanding (being contingent award) under the SPH Performance Share Plan was 6,017,563 (August 31, 2008: 3,871,955). Movements in the number of performance shares during the financial year are summarised below:

Outstanding as at <u>1.9.08</u> (‘000)	<u>Adjusted</u> * (‘000)	<u>Granted</u> (‘000)	<u>Vested</u> (‘000)	<u>Lapsed</u> (‘000)	Outstanding and invested as at <u>31.8.09</u> (‘000)
3,872	388	2,320	(510)	(52)	6,018

* Adjusted at end of the performance period based on the level of achievement of pre-set performance conditions.

Share Buy Back

No shares were bought back by the Company during the financial year 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 4, 2008).

Share Capital and Treasury Shares

As at August 31, 2009, the Company had 1,586,865,912 ordinary shares, 16,285,886 management shares and 6,270,609 treasury shares (Aug 31, 2008: 1,586,318,621 ordinary shares, 16,285,513 management shares and 6,781,000 treasury shares).

During the financial year, the Company transferred 510,391 treasury shares for the fulfillment of share awards vested under the SPH Performance Share Plan. The total value of the treasury shares transferred was S\$2.1 million.

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

Audit

The figures for the year have been audited. The auditors' report on the financial statements of the Group was not subject to any qualification.

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

Independent Auditors' Report to the Members of Singapore Press Holdings Limited for the financial year ended August 31, 2009

We have audited the accompanying financial statements of Singapore Press Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages # to #, which comprise the balance sheets of the Company and of the Group as at August 31, 2009, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act (Cap. 50) (the "Act") and Singapore Financial Reporting Standards. This responsibility includes:

- (a) devising and maintaining a system of internal accounting control sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair profit and loss accounts and balance sheets and to maintain accountability of assets;
- (b) selecting and applying appropriate accounting policies; and
- (c) making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group are properly drawn up in accordance with the provisions of the Act and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group as at August 31, 2009, and the results, changes in equity and cash flows of the Group for the financial year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

.....
PricewaterhouseCoopers LLP
Public Accountants and Certified Public Accountants

Singapore,

October 12, 2009

The page numbers are as stated in the Independent Auditors' Report dated October 12, 2009 in the Singapore Press Holdings Annual Report 2009.

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 information have been prepared in accordance with the same accounting policies and methods of computation adopted in the audited financial statements of last financial year, except for Interpretations to FRS ("INT FRS") which became effective from this financial year. The adoption of the INT FRS did not result in any substantial changes to the Group's accounting policies.

5. **Earnings per share of the group for the current financial 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 Year ended August 31, 2009

		Group	
		2009	2008
(a)	Based on the weighted average number of shares on issue (S\$)	0.26	0.27
(b)	On fully diluted basis (S\$)	0.26	0.27

6. **Net asset value (for the issuer and group) per share based on the total number of issued shares excluding treasury shares 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	
	Aug 31, 2009	Aug 31, 2008	Aug 31, 2009	Aug 31, 2008
Net asset value per share based on total number of issued shares at the end of year (S\$)	1.28	1.30	0.65	0.76

7. **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

- 7.1 For the year ended August 31, 2009, Group operating revenue at S\$1,301.4 million remained comparable to that achieved in the previous year. The Newspaper and Magazine segment, whose performance is closely linked to the economy, saw its revenue decline by 12.0% to S\$892.4 million. Impacted by the recession, print advertisement revenue fell 16.9% to S\$648.3 million. Circulation revenue rose 4.1% to S\$214.2 million.

The Group's Property segment turned in a robust performance, with revenue from Sky@eleven and Paragon increasing by S\$104.3 million and S\$5.3 million respectively. Operating revenue from the Group's other businesses rose by S\$12.0 million, with the increase coming from the growth in the Group's internet business as well as new subsidiaries providing events management and investor relations services.

- 7.2 Materials, consumables and broadcasting costs rose by S\$8.0 million or 4.5% to S\$184.6 million due mainly to higher newsprint costs (+S\$10.8 million or 9.3%).

Property development costs of S\$68.6 million were recognised for Sky@eleven, up S\$29.3 million (or 74.7%) from the previous financial year, in line with the higher percentage-of-completion of construction.

Staff costs fell S\$46.2 million or 13.9% due to lower bonus provision, Jobs Credit grant and wage cuts implemented by the Group in April 2009. Total headcount as at August 2009 was 3,941 (August 2008: 3,918).

Depreciation and other operating expenses increased by S\$5.9 million (9.5%) and S\$4.1 million (2.2%) respectively, in tandem with the upgrade of printing presses and the expansion in business activities.

- 7.3 The Group recorded a net loss of S\$6.2 million on its investment portfolio compared to a net gain of S\$47.7 million last year. This was mainly the result of the S\$30.5 million loss in the value of the Group's externally-managed funds as well as impairment, foreign exchange and derivative losses. In addition, profit on sale of investments was lower than last year.
- 7.4 The Group's share of results of associates and jointly-controlled entities were mainly from its new media investments, MediaCorp Press and TOM Outdoor Media Group. The Group had disposed of its investment in TOM Outdoor Media Group during the financial year.
- 7.5 Taxation charge of S\$63.8 million was arrived at after accounting for tax on the taxable income at the corporate tax rate of 17%. In addition, adjustments of S\$4.5 million were taken up, mainly as a result of the change in corporate tax rate from 18% to 17%.
- 7.6 Consequently, net profit of S\$421.9 million was 3.6% lower than the previous financial year.

8. 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.

9. 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

- 9.1 Business outlook remains uncertain although there are signs of a gradual recovery at the macroeconomic level. The Group's advertisement revenue, which saw some improvements in recent months, is expected to move in tandem with the economy.
- 9.2 Newsprint charge-out rates will moderate as market prices remain soft in the near term. However, newsprint prices may rise during the current financial year in line with the expected economic recovery.

The Group had taken steps to ameliorate the challenging situation it faced with the decline in print ad revenue and rising staff and other operating costs. It will continue to monitor its cost levels closely while devoting resources to build up capabilities in adjacent businesses and grow beyond print and Singapore.

- 9.3 The easing of macroeconomic risks has reduced volatility in the financial markets. With regard to its treasury and investment activities, the Group has adopted a more conservative stance in its asset allocation.

- 9.4 Profits from the Group's Property segment are expected to contribute significantly to recurring earnings in FY2010. Paragon is expected to continue to provide a steady recurrent income stream. Sky@eleven is on track to obtain TOP in 2010.
- 9.5 The Group is in a position to emerge stronger from the recession and will continue to invest for future growth. Barring unforeseen circumstances, the Directors expect performance for the current financial year to be satisfactory.

10. Dividends

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?
Yes.

Name of Dividend	Final Dividend	Special Dividend
Dividend Type	Cash	Cash
Dividend Rate	9 cents per share	9 cents per share
Tax rate	Tax exempt (One-tier)	Tax exempt (One-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes.

Name of Dividend	Final Dividend	Special Dividend
Dividend Type	Cash	Cash
Dividend Rate	9 cents per share	10 cents per share
Tax rate	Tax exempt (One-tier)	Tax exempt (One-tier)

(c) Date payable

The date the dividend is payable: December 23, 2009.

(d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed on December 14, 2009 for preparation of dividend warrants. Duly stamped and completed transfers received by our Share Transfer Office, Tricor Barbinder Share Registration Services, 8 Cross Street, #11-00, PWC Building, Singapore 048424, up to 5 p.m. on December 11, 2009 will be registered to determine shareholders' entitlements to the final and special dividends. In respect of shares in securities accounts with the Central Depository (Pte) Limited ("CDP"), the said final and special dividends will be paid by the Company to CDP which will distribute the dividends to holders of the securities accounts.

11. If no dividend has been declared (recommended), a statement to that effect

Not applicable.

12. **Segmental revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

**Group Segmental Information
2009**

	Newspaper and Magazine S\$'000	Treasury and Investment S\$'000	Property S\$'000	Others S\$'000	Eliminations S\$'000	Consolidated S\$'000
Operating revenue						
External sales	892,404	-	365,600	43,363	-	1,301,367
Inter-segmental sales	3,596	-	1,855	1,462	(6,913)	-
Total operating revenue	<u>896,000</u>	<u>-</u>	<u>367,455</u>	<u>44,825</u>	<u>(6,913)</u>	<u>1,301,367</u>
Result						
Segment result	287,938	(6,933)	259,960	(29,614)	-	511,351
Finance costs	(3,090)	-	(18,437)	(19)	-	(21,546)
Interest income	100	-	465	403	-	968
Share of profits less losses of associates/jointly- controlled entities	1,068	-	-	(9,635)	-	(8,567)
Profit/(loss) before taxation	286,016	(6,933)	241,988	(38,865)	-	482,206
Taxation						(63,841)
Profit after taxation						418,365
Minority interests						3,516
Profit attributable to shareholders						<u>421,881</u>
Other Information						
Segment assets	643,881	898,866	1,580,806	48,764	-	3,172,317
Investments in associates/ jointly-controlled entities	31,570	-	-	31,471	-	63,041
Consolidated total assets						<u>3,235,358</u>
Segment liabilities	325,653	7,689	655,020	30,518	-	1,018,880
Current income tax liabilities						71,584
Deferred income tax liabilities						80,232
Consolidated total liabilities						<u>1,170,696</u>
Capital expenditure	25,629	-	42,748	6,051	-	74,428
Depreciation	51,973	-	8,416	7,363	-	67,752
Amortisation	1,172	-	-	1,196	-	2,368
Impairment of property, plant and equipment	-	-	-	79	-	79
Reversal of impairment charge on property, plant and equipment	(1,186)	-	-	-	-	(1,186)
Intangible assets written off	1,000	-	-	-	-	1,000
Goodwill written off	-	-	-	131	-	131

**Group Segmental Information
2008**

	Newspaper and Magazine S\$'000	Treasury and Investment S\$'000	Property S\$'000	Others S\$'000	Eliminations S\$'000	Consolidated S\$'000
Operating revenue						
External sales	1,014,335	-	255,294	31,382	-	1,301,011
Inter-segmental sales	2,728	-	1,780	551	(5,059)	-
Total operating revenue	<u>1,017,063</u>	<u>-</u>	<u>257,074</u>	<u>31,933</u>	<u>(5,059)</u>	<u>1,301,011</u>
Result						
Segment result	367,760	46,714	181,043	(28,773)	-	566,744
Finance costs	-	-	(19,098)	(37)	-	(19,135)
Interest income	372	-	880	575	-	1,827
Impairment charge on investments in associates	(257)	-	-	(26,455)	-	(26,712)
Share of profits less losses of associates/jointly- controlled entities	2,741	-	-	(3,457)	-	(716)
Profit/(loss) before taxation	370,616	46,714	162,825	(58,147)	-	522,008
Taxation						(86,083)
Profit after taxation						435,925
Minority interests						1,519
Profit attributable to shareholders						<u>437,444</u>
Other Information						
Segment assets	705,111	981,126	1,360,886	42,348	-	3,089,471
Investments in associates/ jointly-controlled entities	31,582	-	-	29,652	-	61,234
Consolidated total assets						<u>3,150,705</u>
Segment liabilities	221,920	2,296	635,514	22,064	-	881,794
Current income tax liabilities						92,173
Deferred income tax liabilities						75,461
Consolidated total liabilities						<u>1,049,428</u>
Capital expenditure	39,841	-	46,246	15,821	-	101,908
Depreciation	50,546	-	7,048	4,282	-	61,876
Amortisation	808	-	-	-	-	808
Impairment of property, plant and equipment	-	-	-	226	-	226
Reversal of impairment charge on						
- property, plant and equipment	(1,151)	-	-	-	-	(1,151)
- investment properties	-	-	(396)	-	-	(396)

Notes:

- (a) **Geographical segments:** The principal geographical area in which the Group operates is Singapore. The Group's overseas operations comprise mainly publishing and distributing magazines, holding overseas investments, providing marketing and editorial services and providing online search, directories and classified services.

	<u>Operating Revenue</u>		<u>Total Assets</u>		<u>Capital Expenditure</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	1,274,964	1,274,192	3,175,505	3,079,514	72,323	101,537
Other Countries	26,403	26,819	59,853	71,191	2,105	371
	<u>1,301,367</u>	<u>1,301,011</u>	<u>3,235,358</u>	<u>3,150,705</u>	<u>74,428</u>	<u>101,908</u>

13. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Refer to paragraph 7.

14. **Breakdown of Sales**

		Group		
		2009	2008	Change
		S\$'000	S\$'000	%
(a)	Operating revenue reported for first half year	627,411	610,152	2.8
(b)	Profit after tax before deducting minority interests reported for the first half year	157,398	211,172	(25.5)
(c)	Operating revenue reported for second half year	673,956	690,859	(2.4)
(d)	Profit after tax before deducting minority interests reported for the second half year	260,967	224,753	16.1

15. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

Total Net Annual Dividend

	2009 S\$'000	2008 S\$'000
Ordinary	400,788	432,783
Preference	-	-
Total	400,788 *	432,783

The amount of S\$400,788,000 (Last year: S\$432,783,000) included S\$4,071,000 (Last year: S\$4,397,000) for management shares.

* This may be increased depending on the number of issued shares existing as at the books closure date on December 14, 2009.

BY ORDER OF THE BOARD

Ginney Lim May Ling
Khor Siew Kim
Company Secretaries

Singapore,
October 12, 2009