



SINGAPORE PRESS HOLDINGS LIMITED

Reg. No. 198402868E

(Incorporated in Singapore)

ANNOUNCEMENT

AUDITED RESULTS FOR THE YEAR ENDED AUGUST 31, 2011

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, 2011

| | Group | | Change |
|---|-----------------|-----------------|---------------|
| | 2011 | 2010 | |
| | S\$'000 | S\$'000 | |
| Operating revenue | | | |
| Newspaper and Magazine | 1,013,285 | 974,125 | 4.0 |
| Property | 167,884 | 356,095 | (52.9) |
| Others | 69,803 | 50,851 | 37.3 |
| | <hr/> 1,250,972 | <hr/> 1,381,071 | (9.4) |
| Other operating income | 18,852 | 16,792 | 12.3 |
| | <hr/> 1,269,824 | <hr/> 1,397,863 | (9.2) |
| Materials, consumables and broadcasting costs | (164,449) | (149,449) | 10.0 |
| Property development costs | - | (67,435) | NM |
| Staff costs | (348,461) | (340,464) | 2.3 |
| Depreciation | (76,785) | (69,029) | 11.2 |
| Other operating expenses | (231,280) | (201,278) | 14.9 |
| Finance costs | (39,811) | (31,105) | 28.0 |
| | <hr/> | <hr/> | |
| Profit before fair value gain on loans from non- controlling interests, investment income and share of net loss of associates and jointly- controlled entities # | 409,038 | 539,103 | (24.1) |
| Fair value gain on loans from non-controlling interests | - | 12,890 | NM |
| Net income from investments | 50,351 | 39,255 | 28.3 |
| Share of net loss of associates and jointly- controlled entities | (2,707) | (1,356) | 99.6 |
| | <hr/> 456,682 | <hr/> 589,892 | (22.6) |
| Profit before taxation | (72,931) | (80,404) | (9.3) |
| Taxation | <hr/> 383,751 | <hr/> 509,488 | (24.7) |
| Profit after taxation | | | |
| Attributable to: | | | |
| Shareholders of the Company | 388,575 | 497,874 | (22.0) |
| Non-controlling interests | (4,824) | 11,614 | NM |
| | <hr/> 383,751 | <hr/> 509,488 | (24.7) |

This represents the recurring earnings of the media and property businesses. Results for the comparative period FY2010 included profits from the Group's Sky@eleven development which was completed in May 2010.

NM: Not meaningful

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

| | Group | | |
|--|----------------|----------------|---------------|
| | 2011 | 2010 | Change |
| | S\$'000 | S\$'000 | % |
| Allowance for stock obsolescence | (237) | (9) | NM |
| Share-based compensation expense | (7,724) | (7,435) | 3.9 |
| Allowance for impairment of trade receivables | (1,586) | (2,306) | (31.2) |
| Bad debts recovery | 342 | 244 | 40.2 |
| Amortisation of intangible assets | (5,712) | (2,502) | 128.3 |
| Impairment of goodwill | (1,134) | (1,286) | (11.8) |
| Net reversal of impairment of property, plant and equipment | 96 | 1,043 | (90.8) |
| Net profit on disposal of property, plant and equipment | 199 | 76 | 161.8 |
| Investment property renovations and fittings written-off | - | (2,449) | NM |
| (Allowance)/Write-back of allowance for impairment of an associate | (342) | 4 | NM |
| Net gain on disposal/dilution of associates | 167 | 5 | NM |
| Interest income | 10,575 | 8,930 | 18.4 |
| Net fair value gain on | | | |
| - Internally-managed assets at fair value through profit or loss | 203 | 2,277 | (91.1) |
| - Derivative financial instruments | 324 | 2,610 | (87.6) |
| Impairment of internally-managed investments | (4,714) | (78) | NM |
| Realised gain on derivative financial instruments | 14,056 | 3,663 | 283.7 |
| Net foreign exchange loss | (7,297) | (3,449) | 111.6 |
| Net loss from funds under management | - | (28) | NM |
| Net over provision of prior years' taxation | 4,497 | 1,401 | 221.0 |

1(a)(iii) Statement of Comprehensive Income

| | Group | | |
|--|----------------|----------------|---------------|
| | 2011 | 2010 | Change |
| | S\$'000 | S\$'000 | % |
| Profit after taxation | 383,751 | 509,488 | (24.7) |
| Other comprehensive income/(loss), net of tax | | | |
| Cash flow hedges | | | |
| - net fair value changes | (6,284) | (10,765) | (41.6) |
| - transferred to income statement | 12,551 | 12,790 | (1.9) |
| Net fair value changes on available-for-sale financial assets | | | |
| - net fair value changes | 38,395 | 65,508 | (41.4) |
| - transferred to income statement on disposal | (2,893) | (3,956) | (26.9) |
| Currency translation difference | | | |
| - arising from consolidation of financial statements of foreign subsidiaries, associates and jointly-controlled entities | (3,419) | (1,924) | 77.7 |
| | <u>38,350</u> | <u>61,653</u> | <u>(37.8)</u> |
| Total comprehensive income | <u>422,101</u> | <u>571,141</u> | <u>(26.1)</u> |
| Attributable to: | | | |
| Shareholders of the Company | 427,243 | 559,872 | (23.7) |
| Non-controlling interests | (5,142) | 11,269 | NM |
| | <u>422,101</u> | <u>571,141</u> | <u>(26.1)</u> |

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, 2011

| | Group | | Company | |
|--|-----------------|-----------------|-----------------|-----------------|
| | 2011 S\$'000 | 2010 S\$'000 | 2011 S\$'000 | 2010 S\$'000 |
| CAPITAL EMPLOYED | | | | |
| Share capital | 499,484 | 494,738 | 499,484 | 494,738 |
| Treasury shares | (11,024) | (19,921) | (11,024) | (19,921) |
| Reserves | 318,965 | 281,685 | 59,486 | 54,081 |
| Retained profits | 1,424,580 | 1,469,780 | 714,614 | 722,000 |
| Shareholders' interests | 2,232,005 | 2,226,282 | 1,262,560 | 1,250,898 |
| Non-controlling interests | 74,584 | 79,744 | - | - |
| Total equity | 2,306,589 | 2,306,026 | 1,262,560 | 1,250,898 |
| EMPLOYMENT OF CAPITAL | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 394,086 | 427,783 | 252,315 | 274,831 |
| Investment properties | 1,754,259 | 1,730,069 | - | - |
| Investments in subsidiaries | - | - | 388,868 | 386,840 |
| Investments in associates | 68,414 | 56,103 | 33,109 | 29,326 |
| Investments in jointly-controlled entities | 14,325 | 11,002 | - | - |
| Trade and other receivables | 4,167 | 4,857 | 310,278 | 306,524 |
| Long-term investments | 360,249 | 306,226 | 36,797 | 31,633 |
| Intangible assets | 83,814 | 49,339 | - | - |
| | 2,679,314 | 2,585,379 | 1,021,367 | 1,029,154 |
| Current assets | | | | |
| Inventories | 37,317 | 26,974 | 36,093 | 26,154 |
| Trade and other receivables | 151,969 | 259,267 | 1,274,050 | 1,250,414 |
| Short-term investments | 622,555 | 896,569 | 113,712 | 205,145 |
| Derivative financial instruments | 5,105 | 4,818 | 373 | 35 |
| Cash and cash equivalents | 392,514 | 460,995 | 270,670 | 231,418 |
| | 1,209,460 | 1,648,623 | 1,694,898 | 1,713,166 |
| Total assets | 3,888,774 | 4,234,002 | 2,716,265 | 2,742,320 |
| Non-current liabilities | | | | |
| Trade and other payables | 27,776 | 21,438 | - | - |
| Deferred income tax liabilities | 49,481 | 54,161 | 37,626 | 41,129 |
| Borrowings | 1,011,168 | 860,114 | 598,797 | 748,453 |
| Derivative financial instruments | 6,421 | 2,352 | - | 2,352 |
| | 1,094,846 | 938,065 | 636,423 | 791,934 |
| Current liabilities | | | | |
| Trade and other payables | 296,670 | 286,861 | 657,470 | 641,624 |
| Current income tax liabilities | 89,488 | 120,213 | 59,431 | 57,831 |
| Borrowings | 100,800 | 570,800 | 100,000 | - |
| Derivative financial instruments | 381 | 12,037 | 381 | 33 |
| | 487,339 | 989,911 | 817,282 | 699,488 |
| Total liabilities | 1,582,185 | 1,927,976 | 1,453,705 | 1,491,422 |
| Net assets | 2,306,589 | 2,306,026 | 1,262,560 | 1,250,898 |

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

Group Borrowings

Amount repayable in one year

| As at August 31, 2011 | | As at August 31, 2010 | |
|-----------------------|----------------------|-----------------------|----------------------|
| Secured S\$'000 | Unsecured S\$'000 | Secured S\$'000 | Unsecured S\$'000 |
| - | 100,800 | 570,000 | 800 |

Amount repayable after one year

| As at August 31, 2011 | | As at August 31, 2010 | |
|-----------------------|----------------------|-----------------------|----------------------|
| Secured S\$'000 | Unsecured S\$'000 | Secured S\$'000 | Unsecured S\$'000 |
| 298,834 | 712,334 | - | 860,114 |

Details of collateral

The secured bank loan facilities as at August 31, 2011 comprised the term loan facility of S\$300 million (August 31, 2010: S\$610 million) undertaken by a subsidiary, Orchard 290 Ltd ("O290"), which commenced on July 11, 2011, 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 O290's investment property, a debenture over the assets of O290 and an assignment of the insurances on the investment property.

The balance of S\$298.8 million as at August 31, 2011 represented the borrowing stated at amortised cost.

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 Statement of Cash Flows for the Year ended August 31, 2011

| | 2011 S\$'000 | 2010 S\$'000 |
|---|------------------------|------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 456,682 | 589,892 |
| Adjustments for: | | |
| Amortisation of intangible assets | 5,712 | 2,502 |
| Impairment of goodwill | 1,134 | 1,286 |
| Depreciation | 76,785 | 69,029 |
| Net profit on disposal of property, plant and equipment | (199) | (76) |
| Net reversal of impairment of property, plant and equipment | (96) | (1,043) |
| Investment property renovations and fittings written-off | - | 2,449 |
| Allowance/(Write-back of allowance) for impairment of an associate | 342 | (4) |
| Net gain on disposal/dilution of associates | (167) | (5) |
| Finance costs | 39,811 | 31,105 |
| Net income from investments | (50,351) | (39,255) |
| Share of net loss of associates and jointly-controlled entities | 2,707 | 1,356 |
| Share-based compensation expense | 7,724 | 7,435 |
| Fair value gain on loans from non-controlling interests | - | (12,890) |
| Other non-cash items | 323 | 423 |
| Operating cash flow before working capital changes | <u>540,407</u> | <u>652,204</u> |
| Changes in operating assets and liabilities, net of effects from acquisition and disposal of subsidiaries and business: | | |
| Inventories | (10,343) | 2,396 |
| Trade and other receivables | 108,055 | 193,900 |
| Trade and other payables | 9,109 | 32,485 |
| | <u>647,228</u> | <u>880,985</u> |
| Income tax paid | (107,134) | (59,102) |
| Dividends paid | (433,939) | (400,993) |
| Dividends paid (net) by a subsidiary to a non-controlling interest | (15) | (13) |
| | <u>106,140</u> | <u>420,877</u> |
| Decrease in other non-current receivables | 690 | 92 |
| Increase/(Decrease) in other non-current payables | 6,338 | (1,420) |
| Currency translation difference | (1,464) | (658) |
| Net cash from operating activities | <u><u>111,704</u></u> | <u><u>418,891</u></u> |

Consolidated Statement of Cash Flows for the Year ended August 31, 2011 (cont'd)

| | 2011 | 2010 |
|--|------------------|--------------------|
| | S\$'000 | S\$'000 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (27,448) | (24,142) |
| Proceeds from disposal of property, plant and equipment | 524 | 179 |
| Additions to investment properties | (40,083) | (567,372) |
| Acquisition of business by a subsidiary (net of cash acquired) | (43,065) | (1,500) |
| Net cash outflow from disposal of a subsidiary | (633) | - |
| Acquisition of an associate | (500) | - |
| Additional consideration paid on interest in an associate | (6,250) | (5,484) |
| Dividends received from associates | 2,804 | 171 |
| Proceeds from disposal of associates | 240 | - |
| Additional consideration paid on interests in jointly-controlled entities | (14,500) | - |
| (Increase)/Decrease in amounts owing by associates/jointly-controlled entities | (812) | 425 |
| Increase/(Decrease) in amounts owing to associates/jointly-controlled entities | 7,936 | (9,148) |
| Purchase of long-term investments | (7,842) | (2,389) |
| Proceeds from disposal/redemption of long-term investments | 233 | 1,428 |
| Purchase of short-term investments | (512,572) | (1,059,600) |
| Proceeds from disposal of short-term investments | 771,164 | 619,816 |
| Dividends received | 28,466 | 21,442 |
| Interest received | 10,413 | 7,868 |
| Other investment income | 8,058 | 453 |
| Net cash from/(used in) investing activities | <u>176,133</u> | <u>(1,017,853)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from bank loans (net of transaction costs) | 299,634 | - |
| Repayment of bank loans | (620,800) | - |
| Proceeds from issuance of fixed rate notes (net of transaction costs) | - | 598,283 |
| Repayment of loan from a non-controlling interest | (412) | (430) |
| Interest paid | (39,183) | (21,232) |
| Proceeds from issuance of shares by the Company | 4,443 | 3,533 |
| Proceeds from issuance of shares to non-controlling interests | - | 60,100 |
| Loans from non-controlling interests | - | 120,450 |
| Net cash (used in)/from financing activities | <u>(356,318)</u> | <u>760,704</u> |
| Net (decrease)/increase in cash and cash equivalents | (68,481) | 161,742 |
| Cash and cash equivalents at beginning of financial year | 460,995 | 299,253 |
| Cash and cash equivalents at end of financial year | <u>392,514</u> | <u>460,995</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 Year ended August 31, 2011

(a) Group

| | Attributable to Shareholders of the Company | | | | | | | | Non-controlling 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 Profits S\$'000 | | | Total S\$'000 |
| Balance as at September 1, 2010 | 494,738 | (19,921) | 2,005 | 26,817 | (11,912) | 265,276 | (501) | 1,469,780 | 2,226,282 | 79,744 | 2,306,026 |
| Total comprehensive income/(loss) for the year | - | - | - | - | 6,267 | 35,502 | (3,101) | 388,575 | 427,243 | (5,142) | 422,101 |
| Share-based compensation | - | - | - | 7,748 | - | - | - | - | 7,748 | - | 7,748 |
| Issue of shares | 4,746 | - | - | (303) | - | - | - | - | 4,443 | - | 4,443 |
| Treasury shares re-issued | - | 8,897 | - | (8,272) | - | - | - | (400) | 225 | - | 225 |
| Lapse of share options | - | - | - | (561) | - | - | - | 561 | - | - | - |
| Dividends | - | - | - | - | - | - | - | (433,939) | (433,939) | (15) | (433,954) |
| Disposal of interests in a subsidiary | - | - | - | - | - | - | - | 3 | 3 | (3) | - |
| Balance as at August 31, 2011 | 499,484 | (11,024) | 2,005 | 25,429 | (5,645) | 300,778 | (3,602) | 1,424,580 | 2,232,005 | 74,584 | 2,306,589 |

Statements of Changes in Total Equity for the Year ended August 31, 2011 (cont'd)

(a) Group (cont'd)

| | Attributable to Shareholders of the Company | | | | | | | | Non-controlling 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 Profits S\$'000 | | | Total S\$'000 |
| Balance as at September 1, 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 |
| Total comprehensive income/(loss) for the year | - | - | - | - | 2,025 | 61,552 | (1,579) | 497,874 | 559,872 | 11,269 | 571,141 |
| Share-based compensation | - | - | - | 7,458 | - | - | - | - | 7,458 | - | 7,458 |
| Issue of shares | 3,848 | - | - | (315) | - | - | - | - | 3,533 | - | 3,533 |
| Treasury shares re-issued | - | 5,657 | - | (6,203) | - | - | - | 614 | 68 | - | 68 |
| Lapse of share options | - | - | - | (413) | - | - | - | 413 | - | - | - |
| Dividends | - | - | - | - | - | - | - | (400,993) | (400,993) | (13) | (401,006) |
| Acquisition of additional interest in a subsidiary | - | - | - | - | - | - | - | 1,168 | 1,168 | (1,168) | - |
| Capital contribution by non-controlling interests | - | - | - | - | - | - | - | - | - | 60,170 | 60,170 |
| Balance as at August 31, 2010 | 494,738 | (19,921) | 2,005 | 26,817 | (11,912) | 265,276 | (501) | 1,469,780 | 2,226,282 | 79,744 | 2,306,026 |

Statements of Changes in Total Equity for the Year ended August 31, 2011 (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 Profits S\$'000 | Total Equity S\$'000 |
|---|-----------------------------|-------------------------------|---|-------------------------------|-------------------------------------|--------------------------------|----------------------------|
| Balance as at September 1, 2010 | 494,738 | (19,921) | 26,817 | (1,952) | 29,216 | 722,000 | 1,250,898 |
| Total comprehensive income for the year | - | - | - | 1,636 | 5,157 | 426,392 | 433,185 |
| Share-based compensation | - | - | 7,748 | - | - | - | 7,748 |
| Issue of shares | 4,746 | - | (303) | - | - | - | 4,443 |
| Treasury shares re-issued | - | 8,897 | (8,272) | - | - | (400) | 225 |
| Lapse of share options | - | - | (561) | - | - | 561 | - |
| Dividends | - | - | - | - | - | (433,939) | (433,939) |
| Balance as at August 31, 2011 | 499,484 | (11,024) | 25,429 | (316) | 34,373 | 714,614 | 1,262,560 |
| Balance as at September 1, 2009 | 490,890 | (25,578) | 26,290 | (1,455) | 25,722 | 519,514 | 1,035,383 |
| Total comprehensive income for the year | - | - | - | (497) | 3,494 | 602,452 | 605,449 |
| Share-based compensation | - | - | 7,458 | - | - | - | 7,458 |
| Issue of shares | 3,848 | - | (315) | - | - | - | 3,533 |
| Treasury shares re-issued | - | 5,657 | (6,203) | - | - | 614 | 68 |
| Lapse of share options | - | - | (413) | - | - | 413 | - |
| Dividends | - | - | - | - | - | (400,993) | (400,993) |
| Balance as at August 31, 2010 | 494,738 | (19,921) | 26,817 | (1,952) | 29,216 | 722,000 | 1,250,898 |

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, 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, the Company issued 1,230,425 ordinary shares under the Singapore Press Holdings Group (1999) Share Option Scheme (the "1999 Scheme").
- (b) As a result of the 1,230,425 ordinary shares issued pursuant to the 1999 Scheme, the Company issued 12,429 management shares in accordance with the Newspaper and Printing Presses Act, Cap. 206 between September 1, 2010 and August 31, 2011.
- (c) Under the 1999 Scheme, options to subscribe for 30,567,150 ordinary shares remain outstanding as at August 31, 2011 compared to 40,017,025 ordinary shares as at August 31, 2010. Movements in the number of the unissued shares of the Company under the 1999 Scheme during the financial are as follows:

| <u>Outstanding as at 01.09.10</u> (‘000) | <u>Exercised</u> (‘000) | <u>Lapsed</u> (‘000) | <u>Outstanding as at 31.08.11</u> (‘000) |
|---|----------------------------|-------------------------|---|
| 40,017 | (1,230) | (8,220) | 30,567 |

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, 2011, the number of shares granted and outstanding (being contingent award) under the SPH Performance Share Plan was 6,989,869 (August 31, 2010: 6,840,189). Movements in the number of performance shares during the financial year are summarised below:

| <u>Outstanding as at 01.09.10</u> (‘000) | <u>Adjusted[#]</u> (‘000) | <u>Granted</u> (‘000) | <u>Vested</u> (‘000) | <u>Lapsed</u> (‘000) | <u>Outstanding and unvested as at 31.08.11</u> (‘000) |
|---|---------------------------------------|--------------------------|-------------------------|-------------------------|--|
| 6,840 | 145 | 2,259 | (2,181) | (73) | 6,990 |

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 1, 2010).

Share Capital and Treasury Shares

As at August 31, 2011, the Company had 1,592,633,075 ordinary shares, 16,308,110 management shares and 2,703,596 treasury shares (August 31, 2010: 1,589,222,041 ordinary shares, 16,295,681 management shares and 4,884,205 treasury shares).

During the financial year, the Company transferred 2,180,609 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\$8.9 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, 2011

Report on the Financial Statements

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 consolidated balance sheet of the Group and the balance sheet of the Company as at August 31, 2011, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in total equity and the consolidated statement of cash flows 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 of financial statements that give a true and fair view in accordance with the provisions of the Singapore Companies Act (the "Act") and Singapore Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition, that 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.

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 about 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 controls relevant to the entity's preparation of financial statements that give a true and fair view 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 controls. 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, the consolidated financial statements of the Group and the balance sheet of the Company 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 Group and of the Company as at August 31, 2011, and the results, changes in equity and cash flows of the Group for the financial year ended on that date.

Report on Other Legal and Regulatory Requirements

In our opinion, 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, 2011

The page numbers are as stated in the Independent Auditors' Report dated October 12, 2011 in the Singapore Press Holdings Annual Report 2011.

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 has been prepared in accordance with the same accounting policies and methods of computation adopted in the audited financial statements of the previous financial year, except where new or amended Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") became effective from this financial year.

The adoption of the new/revised FRS and INT FRS has not resulted in any substantial changes to the Group's accounting policies nor any significant impact on these financial statements.

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, 2011

| | | Group | |
|-----|---|-------|------|
| | | 2011 | 2010 |
| (a) | Based on the weighted average number of shares on issue (S\$) | 0.24 | 0.31 |
| (b) | On fully diluted basis (S\$) | 0.24 | 0.31 |

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, 2011 | Aug 31, 2010 | Aug 31, 2011 | Aug 31, 2010 |
| Net asset value per share based on total number of issued shares at the end of year (S\$) | 1.39 | 1.39 | 0.78 | 0.78 |

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 the Group's businesses and investments in Internet and related activities, outdoor advertising, radio broadcasting, television broadcasting, organising events/exhibitions/conventions/conferences, book publishing and distribution, online investor relations services, developing applications and operating a financial portal.

Review of Results for the Year ended August 31, 2011 ("FY2011") compared with the Year ended August 31, 2010 ("FY2010")

- 7.1 FY2011 Group operating revenue of S\$1,251.0 million surpassed the previous financial year's by S\$91.5 million (7.9%), excluding revenue from Sky@eleven which was completed in May 2010. All business segments turned in a good performance.

Revenue for the Newspaper and Magazine segment grew year-on-year by S\$39.2 million (4.0%) to S\$1,013.3 million. Print advertisement revenue rose by S\$41.6 million (5.7%), boosted by strong Display advertisement sales. Circulation revenue fell slightly by S\$1.9 million (0.9%).

Rental income for the Group continued to register robust growth in FY2011 with an increase of S\$33.4 million (24.9%) compared to FY2010. Paragon contributed S\$15.0 million (11.4%) to the increase on the back of higher rental rates. Clementi Mall achieved 100% occupancy and reported its maiden rental income of S\$18.4 million this financial year.

Operating revenue from the Group's other businesses improved by 37.3% to S\$69.8 million. The increase was driven by income from the exhibitions business for newly acquired and other shows, and higher revenue from online and other media businesses.

- 7.2 Materials, consumables and broadcasting costs were up by S\$15.0 million (10.0%). Newsprint costs increased by S\$11.8 million (13.1%) fuelled by higher newsprint prices but partially cushioned by a favourable exchange rate. Production costs associated with the exhibitions business also increased in line with higher revenue.

The increase in staff costs of S\$8.0 million (2.3%) was attributable to salary increments and increased headcount, partially offset by a reduced variable bonus provision. Staff costs for FY2010 also included government jobs credit.

The increase in depreciation expenses of S\$7.8 million (11.2%) arose from newly opened Clementi Mall and enhancements to existing assets.

Other operating expenses rose by S\$30.0 million (14.9%) with the commencement of Clementi Mall operations, costs incurred for newspaper subscription drives and step-up in overheads in tandem with increased business activities and inflationary pressures.

- 7.3 The Group turned in a creditable performance with recurring earnings of S\$409.0 million, an improvement of S\$24.1 million (6.3%) against FY2010, excluding profits from Sky@eleven of S\$154.2 million in FY2010.
- 7.4 Investment income rose by S\$11.1 million (28.3%) to S\$50.4 million in FY2011. The increase was attributable to higher dividend and interest income and gains on derivative financial instruments.
- 7.5 The Group's share of results of associates and jointly-controlled entities included profits from MediaCorp Press and MediaCorp TV Holdings, and net losses from its other media investments.
- 7.6 Taxation charge of S\$72.9 million was arrived at after accounting for tax on the taxable income at the corporate tax rate of 17%. This included an amount of S\$4.5 million for prior years' tax benefits not recognised.
- 7.7 Overall, net profit attributable to shareholders was S\$388.6 million, lower by S\$109.3 million (22.0%) compared to FY2010.

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 Against the backdrop of uncertainties surrounding the global economy, Singapore is expected to register moderate growth in the near term. The Group's print advertisement revenue will continue to move in tandem with the performance of the Singapore domestic economy.

- 9.2 Newsprint prices will be subject to the variability of economic conditions. Prices are expected to increase moderately as a result of cost pressures and a tighter regional market. The Group recognises the importance of attracting and developing talent and will continue to invest in resources to ensure sustainable long-term growth for the Group.
- 9.3 Paragon has continued to build on its position as a premier luxury shopping mall in Singapore. With less than a year of operations, Clementi Mall has achieved strong visitorship and is fully leased. Both properties are expected to provide a steady recurrent income stream for the Group.
- 9.4 Performance of the Group's investment portfolio will be affected by the volatility in the global financial markets. The Group will remain conservative in its investment allocation strategy and returns are expected to commensurate with a lower risk-return profile.
- 9.5 The outlook remains uncertain amidst global economic woes. The Group will continue to leverage on its key strengths and synergies to deliver shareholder value.

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 | 8 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 | 11 cents per share |
| Tax rate | Tax exempt (One-tier) | Tax exempt (One-tier) |

(c) **Date payable**

The date the dividend is payable: December 23, 2011

(d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed on December 13, 2011 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 12, 2011 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
2011**

| | 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 | 1,013,285 | - | 167,884 | 69,803 | - | 1,250,972 |
| Inter-segmental sales | 4,336 | - | 1,875 | 1,507 | (7,718) | - |
| Total operating revenue | <u>1,017,621</u> | <u>-</u> | <u>169,759</u> | <u>71,310</u> | <u>(7,718)</u> | <u>1,250,972</u> |
| Result | | | | | | |
| Segment result | 361,603 | 49,477 | 107,264 | (19,595) | - | 498,749 |
| Finance costs | - | (7,863) | (31,938) | (10) | - | (39,811) |
| Interest income | 106 | - | 240 | 105 | - | 451 |
| Share of profits/(losses) of associates and jointly- controlled entities | <u>3,894</u> | <u>-</u> | <u>-</u> | <u>(6,601)</u> | <u>-</u> | <u>(2,707)</u> |
| Profit/(loss) before taxation | 365,603 | 41,614 | 75,566 | (26,101) | - | 456,682 |
| Taxation | | | | | | <u>(72,931)</u> |
| Profit after taxation | | | | | | 383,751 |
| Non-controlling interests | | | | | | <u>4,824</u> |
| Profit attributable to shareholders | | | | | | <u>388,575</u> |

Group Segmental Information (cont'd)
2011

| | Newspaper and Magazine S\$'000 | Treasury and Investment S\$'000 | Property S\$'000 | Others S\$'000 | Eliminations S\$'000 | Consolidated S\$'000 |
|---|---|--|-----------------------------|---------------------------|---------------------------------|---------------------------------|
| Other information | | | | | | |
| Segment assets | 642,415 | 1,275,198 | 1,841,897 | 129,264 | - | 3,888,774 |
| Segment assets includes: | | | | | | |
| Investments in associates/ jointly-controlled entities | 38,714 | - | - | 44,025 | - | 82,739 |
| Additions to: | | | | | | |
| - property, plant and equipment | 25,811 | - | 496 | 1,141 | - | 27,448 |
| - investment properties | - | - | 40,083 | - | - | 40,083 |
| Segment liabilities | 208,786 | 100,060 | 1,098,329 | 36,041 | - | 1,443,216 |
| Current income tax liabilities | | | | | | 89,488 |
| Deferred income tax liabilities | | | | | | 49,481 |
| Consolidated total liabilities | | | | | | 1,582,185 |
| Depreciation | 54,260 | - | 16,323 | 6,202 | - | 76,785 |
| Amortisation of intangible assets | 1,019 | - | - | 4,693 | - | 5,712 |
| Impairment of property, plant and equipment | - | - | - | 1,513 | - | 1,513 |
| Reversal of impairment of property, plant and equipment | (1,609) | - | - | - | - | (1,609) |
| Impairment of goodwill | 1,134 | - | - | - | - | 1,134 |
| Impairment of investments | - | 4,714 | - | - | - | 4,714 |

Group Segmental Information (cont'd)
2010

| | 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 | 974,125 | - | 356,095 | 50,851 | - | 1,381,071 |
| Inter-segmental sales | 3,667 | - | 1,876 | 2,638 | (8,181) | - |
| Total operating revenue | <u>977,792</u> | <u>-</u> | <u>357,971</u> | <u>53,489</u> | <u>(8,181)</u> | <u>1,381,071</u> |
| Result | | | | | | |
| Segment result | 359,179 | 38,549 | 244,420 | (33,070) | - | 609,078 |
| Finance costs | - | (8,730) | (22,359) | (16) | - | (31,105) |
| Interest income | 83 | - | 158 | 144 | - | 385 |
| Fair value gain on loans from non-controlling interests | - | - | 12,890 | - | - | 12,890 |
| Share of profits/(losses) of associates and jointly- controlled entities | 5,416 | - | - | (6,772) | - | (1,356) |
| Profit/(loss) before taxation | 364,678 | 29,819 | 235,109 | (39,714) | - | 589,892 |
| Taxation | | | | | | (80,404) |
| Profit after taxation | | | | | | 509,488 |
| Non-controlling interests | | | | | | (11,614) |
| Profit attributable to shareholders | | | | | | <u>497,874</u> |
| Other information | | | | | | |
| Segment assets | <u>649,435</u> | <u>1,510,891</u> | <u>1,998,228</u> | <u>75,448</u> | <u>-</u> | <u>4,234,002</u> |
| Segment assets includes: | | | | | | |
| Investments in associates/ jointly-controlled entities | 36,989 | - | - | 30,116 | - | 67,105 |
| Additions to: | | | | | | |
| - property, plant and equipment | 18,646 | - | 796 | 4,700 | - | 24,142 |
| - investment properties | - | - | 567,372 | - | - | 567,372 |
| Segment liabilities | 212,827 | 538,463 | 980,423 | 21,889 | - | 1,753,602 |
| Current income tax liabilities | | | | | | 120,213 |
| Deferred income tax liabilities | | | | | | 54,161 |
| Consolidated total liabilities | | | | | | <u>1,927,976</u> |
| Depreciation | 51,421 | - | 9,613 | 7,995 | - | 69,029 |
| Amortisation of intangible assets | 1,068 | - | - | 1,434 | - | 2,502 |
| Impairment of property, plant and equipment | - | - | - | 2,442 | - | 2,442 |
| Reversal of impairment of property, plant and equipment | (3,485) | - | - | - | - | (3,485) |
| Impairment of goodwill | - | - | - | 1,286 | - | 1,286 |
| Investment property renovations and fittings written-off | - | - | 2,449 | - | - | 2,449 |

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>Non-current assets</u> | | <u>Total assets</u> | |
|-----------------|--------------------------|------------------------|---------------------------|------------------------|------------------------|------------------------|
| | <u>2011</u> S\$'000 | <u>2010</u> S\$'000 | <u>2011</u> S\$'000 | <u>2010</u> S\$'000 | <u>2011</u> S\$'000 | <u>2010</u> S\$'000 |
| Singapore | 1,213,780 | 1,352,802 | 2,644,444 | 2,551,745 | 3,836,152 | 4,183,660 |
| Other countries | 37,192 | 28,269 | 34,870 | 33,634 | 52,622 | 50,342 |
| | <u>1,250,972</u> | <u>1,381,071</u> | <u>2,679,314</u> | <u>2,585,379</u> | <u>3,888,774</u> | <u>4,234,002</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 | | |
|---|------------------------|------------------------|--------------------|
| | 2011 S\$'000 | 2010 S\$'000 | Change % |
| (a) Operating revenue reported for first half year | 606,537 | 672,670 | (9.8) |
| (b) Profit after tax before deducting non-controlling interests reported for the first half year | 173,562 | 257,072 | (32.5) |
| (c) Operating revenue reported for second half year | 644,435 | 708,401 | (9.0) |
| (d) Profit after tax before deducting non-controlling interests reported for the second half year | 210,189 | 252,416 | (16.7) |

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

| | 2011 S\$'000 | 2010 S\$'000 |
|------------|------------------------|------------------------|
| Ordinary | 386,144 | 433,704 |
| Preference | - | - |
| Total | 386,144 * | 433,704 |

The amount of S\$386,144,000 (Last year: S\$433,704,000) included S\$3,914,000 (Last year: S\$4,402,000) for management shares.

- * This may be increased depending on the number of issued shares existing as at the books closure date on December 13, 2011.

BY ORDER OF THE BOARD

Ginney Lim May Ling
Khor Siew Kim

Company Secretaries

Singapore,
October 12, 2011