



SINGAPORE PRESS HOLDINGS LIMITED

*Reg. No. 198402868E
(Incorporated in Singapore)*

SPH reports Third Quarter Net Profit of \$187.5 million

SINGAPORE, 15 July 2013 – Singapore Press Holdings Limited (SPH) today reported its results for the third quarter ended 31 May 2013 (3Q FY13). Net profit attributable to shareholders was \$187.5 million, \$83.8 million (80.7%) higher compared to the corresponding quarter last year (3Q FY12). The current quarter's results included one-off items, namely the fair value gain arising from change in recognition of investment properties from cost to fair value basis (\$111.4 million), and impairment loss on certain investments (\$26.2 million). Excluding the effect of one-off items, net profit of \$100.5 million was lower by \$3.3 million (3.1%) compared to 3Q FY12.

Group operating revenue of \$324.9 million for 3Q FY13 was \$6.9 million (2.1%) lower compared to 3Q FY12. Revenue for the Newspaper and Magazine business declined \$9.0 million (3.3%) to \$259.3 million. This was mainly attributable to a fall in advertisement revenue of \$8.8 million (4.3%) to \$197.8 million, especially in the property and transport sectors. Circulation revenue decreased \$1.2 million (2.3%) to \$50.7 million.

Rental income for the Group improved by \$1.5 million (3.0%) to \$50.2 million on the back of higher rental rates achieved by Paragon, while income from The Clementi Mall remained stable.

Materials, production and distribution costs fell \$3.1 million (5.4%), with the benefit of a reduction of \$3.1 million (12.0%) in newsprint costs. Staff costs decrease of \$1.9 million (2.1%) was attributable to a lower variable bonus provision partially offset by salary increments.

Other operating expenses rose \$24.4 million (79.2%). The increase was mainly due to an impairment charge of \$15.6 million relating to an overseas subsidiary in the magazine segment as a result of unfavourable market outlook. In addition, there was a step-up in business promotion and other expenses in line with increased business activities.

With effect from this quarter, the Group changed its accounting policy with respect to the subsequent measurement of investment properties from cost to fair value model, with the changes in fair values recognised in the income statement. This change aligns the Group's accounting policy with industry practice in view of the proposed injection of certain investment properties into a REIT. The fair value gain on investment properties of \$111.4 million which was recognised in the current quarter comprises the change in fair value since the end of the last financial year.

Investment income of \$3.2 million was \$6.3 million (66.5%) lower compared to 3Q FY12. During the quarter, the Group recognised \$10.6 million impairment of an investment due to prolonged decline in value.

For the year-to-date ended 31 May 2013, the Group's recurring earnings of \$290.5 million decreased by \$47.1 million (14.0%) compared to the same period last year (YTD 3Q FY12). Group operating revenue declined \$33.5 million (3.5%) while total operating costs rose by \$14.2 million (2.2%). Investment income fell \$4.0 million (27.7%) to \$10.4 million. Including the fair value gain on investment properties of \$111.4 million recognised in the current quarter, net profit attributable to shareholders was \$358.3 million, \$65.5 million (22.4%) higher compared to YTD 3Q FY12.

On the outlook for the year, Mr Alan Chan, Chief Executive Officer of SPH commented: "The Group's advertising revenue performance will be driven by market conditions and consumer sentiment in the key advertising sectors. The Group will continue its strategy to invest in online media and pursue growth opportunities, while striving to sustain its core newspaper business."

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About Singapore Press Holdings Ltd

Incorporated in 1984, main board-listed Singapore Press Holdings Ltd (SPH) is Southeast Asia's leading media organisation, engaging minds and enriching lives across multiple languages and platforms.

Newspapers, Magazines and Book Publishing

In Singapore, SPH publishes 18 newspaper titles in four languages. On an average day, 3.05 million individuals or 76 per cent of people above 15 years old, read one of SPH's news publications. SPH also publishes and produces more than 100 magazine titles in Singapore and the region, covering a broad range of interests from lifestyle to information technology. SPH's subsidiaries, Straits Times Press and Focus Publishing, produce quality books and periodicals in English and Chinese.

Internet and Mobile

Beyond print, the Internet editions of SPH newspapers enjoy over 270 million page views with 18 million unique visitors every month. Apart from AsiaOne, SPH's online and new media initiatives include ST701, the leading online marketplace for jobs (STJobs), property (STProperty), cars (STCars) and general classifieds (STClassifieds); Stomp, omy.sg and The Straits Times RazorTV. SPH also launched The Straits Times' iPad and enhanced iPhone applications, an Android smartphone application and The Business Times' iPhone application. SPH's Chinese flagship newspaper Lianhe Zaobao has also launched its digital editions which include a web application, as well as online and PDF versions.

Broadcasting

In the radio business, SPH has a 92.9% per cent stake in SPH UnionWorks Pte Ltd, which operates entertainment stations UFM 100.3 in Mandarin, as well as Kiss92 and HOT FM91.3 in English. SPH has a 20 per cent stake in MediaCorp TV Holdings Pte Ltd, which operates free-to-air channels 5, 8 and U, and a 40 per cent stake in MediaCorp Press Limited, which publishes the free newspaper, Today.

Events and Out-of-Home Advertising

SPH's events arm Sphere Exhibits organises innovative consumer and trade events and exhibitions as well as large scale conferences in Singapore and the region. In addition, SPH has ventured into out-of-home (OOH) advertising through its digital out-of-home platform SPH MediaBoxOffice.

Properties

SPH owns and manages Paragon, the prime retail and office complex in the heart of Orchard Road, Singapore's main shopping belt. Its second retail development, The Clementi Mall, started business operations in 2011. SPH's wholly-owned subsidiary, Times Development Pte Ltd, has also developed a 43-storey upmarket residential condominium, Sky@eleven, at Thomson Road. SPH's latest retail development project, The Seletar Mall, is slated for completion by end 2014.

For more information, please visit www.sph.com.sg.