



SINGAPORE PRESS HOLDINGS LIMITED

Reg. No. 198402868E
(Incorporated in Singapore)

**ANNOUNCEMENT
AUDITED RESULTS FOR THE YEAR ENDED AUGUST 31, 2013**

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, 2013

| | Group | | Change % |
|--|-----------------|--|---------------|
| | 2013 S\$'000 | 2012 S\$'000 Restated [@] | |
| Operating revenue | | | |
| Newspaper and Magazine | 991,220 | 1,031,227 | (3.9) |
| Property | 198,139 | 191,421 | 3.5 |
| Others | 50,093 | 50,265 | (0.3) |
| | 1,239,452 | 1,272,913 | (2.6) |
| Other operating income | 18,240 | 19,823 | (8.0) |
| | 1,257,692 | 1,292,736 | (2.7) |
| Materials, production and distribution costs | (208,222) | (221,104) | (5.8) |
| Staff costs | (349,643) | (360,160) | (2.9) |
| Premises costs | (63,285) | (61,792) | 2.4 |
| Depreciation | (58,117) | (59,624) | (2.5) |
| Other operating expenses | (177,212) | (136,782) | 29.6 |
| Finance costs | (31,925) | (24,452) | 30.6 |
| Profit before fair value gain on investment properties, investment income and share of net loss of associates and jointly-controlled entities [#] | 369,288 | 428,822 | (13.9) |
| Fair value gain on investment properties [@] | 111,407 | 198,710 | (43.9) |
| Net income from investments | 13,971 | 32,590 | (57.1) |
| Share of net loss of associates and jointly-controlled entities | (5,567) | (1,172) | 375.0 |
| Profit before taxation | 489,099 | 658,950 | (25.8) |
| Taxation | (54,797) | (72,302) | (24.2) |
| Profit after taxation | 434,302 | 586,648 | (26.0) |
| Attributable to: | | | |
| Shareholders of the Company | 430,954 | 574,704 | (25.0) |
| Non-controlling interests | 3,348 | 11,944 | (72.0) |
| | 434,302 | 586,648 | (26.0) |

[@] With effect from this financial year, the Group changed its accounting policy for investment properties from cost to fair value model. The change was applied retrospectively and accordingly, the comparative financial statements were restated. The effects of the change on the Group's financial statements are set out in paragraph 5.

[#] This represents the recurring earnings of the media and property businesses.

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

| | Group | | |
|---|--------------|-----------------------|---------------|
| | 2013 | 2012 | Change |
| | S\$'000 | S\$'000 | % |
| | | Restated [®] | |
| Allowance for stock obsolescence | (932) | (655) | 42.3 |
| Share-based compensation expense | (6,766) | (6,261) | 8.1 |
| Allowance for impairment of trade receivables | (1,702) | (534) | 218.7 |
| Bad debts recovery | 306 | 320 | (4.4) |
| Impairment of goodwill | (11,816) | - | NM |
| Impairment of intangible assets | (3,786) | (481) | 687.1 |
| Amortisation of intangible assets | (8,089) | (7,678) | 5.4 |
| Net profit/(loss) on disposal of property, plant and equipment | 395 | (273) | NM |
| Write-back of impairment of property, plant and equipment (net) | 1,499 | 765 | 95.9 |
| Allowance for impairment of associates | (4,582) | (45) | NM |
| Interest income | 5,525 | 7,406 | (25.4) |
| Net fair value loss on | | | |
| - Internally-managed assets at fair value through profit or loss | (813) | (839) | (3.1) |
| - Derivative financial instruments | (1,653) | (4,606) | (64.1) |
| Realised gain on derivative financial instruments | 288 | 240 | 20.0 |
| Net foreign exchange loss | (1,801) | (1,541) | 16.9 |
| Impairment of investments | (17,556) | - | NM |
| Net over-provision of prior years' taxation | 1,544 | 2,121 | (27.2) |

NM: Not meaningful

1(a)(iii) Statement of Comprehensive Income

| | Group | | Change % |
|--|------------------------|---|--------------------|
| | 2013 S\$'000 | 2012 S\$'000 Restated [@] | |
| Profit after taxation | 434,302 | 586,648 | (26.0) |
| Other comprehensive income/(loss), net of tax | | | |
| <u>Items that may be re-classified subsequently to profit or loss</u> | | | |
| Cash flow hedges | | | |
| - net fair value changes | 1,008 | (3,002) | NM |
| - transferred to income statement | 4,137 | 2,213 | 86.9 |
| Net fair value changes on available-for-sale financial assets | | | |
| - net fair value changes | 85,906 | 29,598 | 190.2 |
| - transferred to income statement | 11,349 | (5,665) | NM |
| Currency translation difference | | | |
| - arising from consolidation of financial statements of foreign subsidiaries, associates and jointly-controlled entities | 2,642 | 1,304 | 102.6 |
| | 105,042 | 24,448 | 329.7 |
| Total comprehensive income | 539,344 | 611,096 | (11.7) |
| Attributable to: | | | |
| Shareholders of the Company | 536,064 | 599,083 | (10.5) |
| Non-controlling interests | 3,280 | 12,013 | (72.7) |
| | <u>539,344</u> | <u>611,096</u> | <u>(11.7)</u> |

1(a)(iv) Comparatives Information

During the financial year, the Group re-classified certain amounts relating to newspaper and magazine digital content from the Others segment to the Newspaper and Magazine segment, to better reflect the segmentation of the Group's businesses. Comparative amounts in the income statement and segmental information were re-classified for consistency, as set out below.

| | Group | |
|-------------------------------|------------------------|--------------------------------|
| | As Restated | As Previously Disclosed |
| | 2012 S\$'000 | 2012 S\$'000 |
| Operating revenue | | |
| Newspaper and Magazine | 1,031,227 | 1,002,762 |
| Others | 50,265 | 78,730 |
| Profit before taxation | | |
| Newspaper and Magazine | 330,332 | 335,123 |
| Others | (19,760) | (24,551) |

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, 2013

| | Note | Group | | | Company | |
|--|------|----------------------------|---|--|----------------------------|----------------------------|
| | | Aug 31, 2013 S\$'000 | Aug 31, 2012 S\$'000 Restated [@] | Sep 1, 2011 S\$'000 Restated [@] | Aug 31, 2013 S\$'000 | Aug 31, 2012 S\$'000 |
| CAPITAL EMPLOYED | | | | | | |
| Share capital | | 522,114 | 502,992 | 499,484 | 522,114 | 502,992 |
| Treasury shares | | (6,269) | (2,190) | (11,024) | (6,269) | (2,190) |
| Reserves | | 428,706 | 342,324 | 318,965 | 72,953 | 67,780 |
| Retained profits | | 2,591,929 | 2,837,034 | 2,653,232 | 384,821 | 617,577 |
| Shareholders' interests | | 3,536,480 | 3,680,160 | 3,460,657 | 973,619 | 1,186,159 |
| Non-controlling interests | (a) | 679,226 | 73,016 | 56,756 | - | - |
| Total equity | | 4,215,706 | 3,753,176 | 3,517,413 | 973,619 | 1,186,159 |
| EMPLOYMENT OF CAPITAL | | | | | | |
| Non-current assets | | | | | | |
| Property, plant and equipment | | 331,778 | 362,548 | 394,086 | 200,744 | 224,238 |
| Investment properties | | 3,672,565 | 3,517,147 | 2,965,083 | - | - |
| Investments in subsidiaries | | - | - | - | 411,805 | 388,868 |
| Investments in associates | | 55,857 | 84,366 | 68,414 | 31,160 | 36,853 |
| Investments in jointly-controlled entities | | 6,391 | 10,318 | 14,325 | - | - |
| Trade and other receivables | | 2,987 | 2,595 | 4,167 | 231,231 | 543,516 |
| Long-term investments | | 482,050 | 381,614 | 360,249 | 54,098 | 46,351 |
| Intangible assets | | 171,357 | 133,900 | 83,814 | 36,230 | - |
| | | 4,722,985 | 4,492,488 | 3,890,138 | 965,268 | 1,239,826 |
| Current assets | | | | | | |
| Inventories | | 23,890 | 27,079 | 37,317 | 22,489 | 25,681 |
| Trade and other receivables | | 147,774 | 184,294 | 151,969 | 949,023 | 1,294,936 |
| Short-term investments | | 981,531 | 408,443 | 622,555 | 579,936 | 89,960 |
| Derivative financial instruments | | 273 | 596 | 5,105 | - | - |
| Asset classified as held for sale | | 31,503 | - | - | - | - |
| Cash and cash equivalents | | 465,398 | 372,459 | 392,514 | 75,362 | 113,858 |
| | | 1,650,369 | 992,871 | 1,209,460 | 1,626,810 | 1,524,435 |
| Total assets | | 6,373,354 | 5,485,359 | 5,099,598 | 2,592,078 | 2,764,261 |
| Non-current liabilities | | | | | | |
| Trade and other payables | | 34,026 | 32,953 | 27,776 | - | - |
| Deferred income tax liabilities | | 41,318 | 47,227 | 49,481 | 29,776 | 33,040 |
| Borrowings | (b) | 1,738,222 | 1,280,322 | 1,011,168 | 828,921 | 828,359 |
| Derivative financial instruments | | 1,352 | 7,752 | 6,421 | 372 | 670 |
| | | 1,814,918 | 1,368,254 | 1,094,846 | 859,069 | 862,069 |
| Current liabilities | | | | | | |
| Trade and other payables | | 268,969 | 278,683 | 296,670 | 717,387 | 664,044 |
| Current income tax liabilities | | 69,613 | 81,856 | 89,488 | 42,003 | 51,982 |
| Borrowings | | 2,721 | 3,293 | 100,800 | - | - |
| Derivative financial instruments | | 1,427 | 97 | 381 | - | 7 |
| | | 342,730 | 363,929 | 487,339 | 759,390 | 716,033 |
| Total liabilities | | 2,157,648 | 1,732,183 | 1,582,185 | 1,618,459 | 1,578,102 |
| Net assets | | 4,215,706 | 3,753,176 | 3,517,413 | 973,619 | 1,186,159 |

Note:

Arising from the change in accounting policy for investment properties, the Group has presented the balance sheet as at Sep 1, 2011, in compliance with the Singapore Financial Reporting Standards.

Notes to the Balance Sheets

- (a) SPH REIT was listed on the SGX-ST on July 24, 2013. The Group retained a 70% stake in SPH REIT, with the balance 30% stake held by non-controlling interests mainly arising from a public offering of units amounting to S\$554.3 million.
- (b) The increase in non-current borrowings was mainly due to an S\$850.0 million term loan undertaken by SPH REIT, partially offset by the repayment of a S\$300.0 million term loan by Orchard 290 Ltd.

The increase in short-term investments arises primarily from the above-mentioned transactions.

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

Group Borrowings

Amount repayable in one year

| As at August 31, 2013 | | As at August 31, 2012 | |
|-----------------------|----------------------|-----------------------|----------------------|
| Secured S\$'000 | Unsecured S\$'000 | Secured S\$'000 | Unsecured S\$'000 |
| - | 2,721 | - | 3,293 |

Amount repayable after one year

| As at August 31, 2013 | | As at August 31, 2012 | |
|-----------------------|----------------------|-----------------------|----------------------|
| Secured S\$'000 | Unsecured S\$'000 | Secured S\$'000 | Unsecured S\$'000 |
| 872,495 | 865,727 | 301,582 | 978,740 |

Details of collateral

The secured bank loan facilities as at August 31, 2013 comprised the term loan facilities of S\$975.0 million (August 31, 2012: Nil) and S\$138.0 million (August 31, 2012: S\$138.0 million) undertaken by the subsidiaries, SPH REIT and The Seletar Mall Pte Ltd ("Seletar Mall") respectively. As at the balance sheet date, the amounts drawn down were S\$850.0 million for SPH REIT and S\$31.7 million for Seletar Mall.

The secured bank loan facilities as at August 31, 2012 also included the term loan facility of S\$300.0 million undertaken and fully drawn down by the subsidiary, Orchard 290 Ltd. The loan was fully repaid during the financial year ended August 31, 2013.

The term loan taken up by SPH REIT is secured by way of a first legal mortgage on SPH REIT's investment property – Paragon, first legal charge over the tenancy account and sales proceeds account for Paragon, and an assignment of insurance taken in relation to Paragon.

The term loan taken up by Seletar Mall is secured by way of a first legal mortgage on Seletar Mall's investment property, an assignment of insurance taken in relation to the investment property and a deed of subordination in respect of the loans from the ultimate holding company and the shareholders of Seletar Mall.

The balance of S\$872.5 million as at August 31, 2013 represented the secured borrowings 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, 2013

| | 2013 | 2012 |
|---|------------------|----------------------------------|
| | S\$'000 | S\$'000 Restated [@] |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 489,099 | 658,950 |
| Adjustments for: | | |
| Amortisation of intangible assets | 8,089 | 7,678 |
| Impairment of intangible assets | 3,786 | 481 |
| Impairment of goodwill | 11,816 | - |
| Depreciation | 58,117 | 59,624 |
| Net (profit)/loss on disposal of property, plant and equipment | (395) | 273 |
| Write-back of impairment of property, plant and equipment | (1,499) | (765) |
| Allowance for impairment of associates | 4,582 | 45 |
| Finance costs | 31,925 | 24,452 |
| Net income from investments | (13,971) | (32,590) |
| Share of net loss of associates and jointly-controlled entities | 5,567 | 1,172 |
| Share-based compensation expense | 6,766 | 6,261 |
| Fair value gain on investment properties | (111,407) | (198,710) |
| Reversal of fair value gain/(Fair value gain) on loans from non-controlling interests | 3,900 | (2,222) |
| Other non-cash items | 2,480 | 1,257 |
| Operating cash flow before working capital changes | 498,855 | 525,906 |
| Changes in operating assets and liabilities, net of effects from acquisition and disposal of subsidiaries and business: | | |
| Inventories | 3,189 | 11,380 |
| Trade and other receivables, current | 37,242 | 15,118 |
| Trade and other payables, current | (20,953) | (19,332) |
| Trade and other receivables, non-current | (392) | 1,572 |
| Trade and other payables, non-current | 1,073 | 5,177 |
| Currency translation difference | 1,003 | 359 |
| | 520,017 | 540,180 |
| Income tax paid | (75,628) | (82,468) |
| Dividends paid | (678,230) | (386,367) |
| Dividends paid (net) by a subsidiary to a non-controlling interest | (12) | (7) |
| Net cash (used in)/from operating activities | (233,853) | 71,338 |

Consolidated Statement of Cash Flows for the Year ended August 31, 2013 (cont'd)

| | 2013 S\$'000 | 2012 S\$'000 Restated [@] |
|---|------------------------|---|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (25,939) | (27,504) |
| Purchase of intangible assets | (4) | (200) |
| Proceeds from disposal of property, plant and equipment | 1,077 | 706 |
| Additions to investment properties | (41,051) | (350,267) |
| Acquisition of a subsidiary (net of cash acquired) | (49,815) | (61,245) |
| Acquisition of business by a subsidiary (net of cash acquired) | (2,369) | - |
| Acquisition of additional interest in a subsidiary | (4,200) | (3,855) |
| Acquisition of interests in associates | (1,810) | (9,550) |
| Dividends received from associates | 1,958 | 6,519 |
| Proceeds from capital reduction exercise of an associate | 6,000 | - |
| Additional consideration paid on interests in jointly-controlled entities | (14,080) | (11,270) |
| Decrease/(Increase) in amounts owing by associates/jointly-controlled entities | 742 | (642) |
| Decrease in amounts owing to jointly-controlled entities | (10,205) | (3,086) |
| Purchase of long-term investments | (10,474) | (19,833) |
| Proceeds from disposal/redemption of long-term investments | 132 | 22,075 |
| Purchase of short-term investments | (914,249) | (243,970) |
| Proceeds from disposal of short-term investments | 335,279 | 427,482 |
| Dividends received | 25,213 | 24,934 |
| Interest received | 5,290 | 7,299 |
| Other investment income | (303) | (2,437) |
| Net cash used in investing activities | <u>(698,808)</u> | <u>(244,844)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from bank loans (net of transaction costs) | 869,547 | 234,265 |
| Repayment of bank loans | (300,498) | (100,000) |
| Repayment of loans from non-controlling interests | (61,710) | (988) |
| Interest paid | (31,129) | (24,905) |
| Proceeds from issuance of shares by the Company | 17,367 | 3,334 |
| Proceeds from issuance of units by a subsidiary to non-controlling interests (net of transaction costs) | 544,337 | 4,845 |
| Loan from a non-controlling interest | - | 36,900 |
| Share buy-back | (12,314) | - |
| Net cash from financing activities | <u>1,025,600</u> | <u>153,451</u> |
| Net increase/(decrease) in cash and cash equivalents | 92,939 | (20,055) |
| Cash and cash equivalents at beginning of financial year | <u>372,459</u> | <u>392,514</u> |
| Cash and cash equivalents at end of financial year | <u>465,398</u> | <u>372,459</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, 2013

(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, 2012 as previously reported | 502,992 | (2,190) | 2,005 | 24,409 | (6,434) | 324,711 | (2,367) | 1,399,220 | 2,242,346 | 82,716 | 2,325,062 |
| Effect of the change in accounting policy [@] | - | - | - | - | - | - | - | 1,437,814 | 1,437,814 | (9,700) | 1,428,114 |
| As restated | 502,992 | (2,190) | 2,005 | 24,409 | (6,434) | 324,711 | (2,367) | 2,837,034 | 3,680,160 | 73,016 | 3,753,176 |
| Total comprehensive income/(loss) for the year | - | - | - | - | 5,145 | 97,255 | 2,710 | 430,954 | 536,064 | 3,280 | 539,344 |
| Reclassification of capital reserve | - | - | (2,005) | - | - | - | - | 2,005 | - | - | - |
| Transactions with owners, recognised directly in equity | | | | | | | | | | | |
| <u>Contributions by and distributions to owners</u> | | | | | | | | | | | |
| Share-based compensation | - | - | - | 6,795 | - | - | - | - | 6,795 | - | 6,795 |
| Issue of shares | 19,122 | - | - | (1,755) | - | - | - | - | 17,367 | - | 17,367 |
| Capitalisation of listing expenses of a subsidiary | - | - | (13,858) | - | - | - | - | - | (13,858) | (6,262) | (20,120) |
| Treasury shares re-issued | - | 8,235 | - | (7,464) | - | - | - | (373) | 398 | - | 398 |
| Share buy-back – held as treasury shares | - | (12,314) | - | - | - | - | - | - | (12,314) | - | (12,314) |
| Lapse of share options | - | - | - | (441) | - | - | - | 441 | - | - | - |
| Dividends | - | - | - | - | - | - | - | (678,230) | (678,230) | (12) | (678,242) |
| <u>Changes in ownership interests in subsidiaries</u> | | | | | | | | | | | |
| Acquisition of additional interests in subsidiaries | - | - | - | - | - | - | - | 98 | 98 | (4,298) | (4,200) |
| Capital contribution by non-controlling interests | - | - | - | - | - | - | - | - | - | 613,502 | 613,502 |
| Balance as at August 31, 2013 | 522,114 | (6,269) | (13,858) | 21,544 | (1,289) | 421,966 | 343 | 2,591,929 | 3,536,480 | 679,226 | 4,215,706 |

Statements of Changes in Total Equity for the Year ended August 31, 2013 (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, 2011 as previously reported | 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 |
| Effect of the change in accounting policy [@] | - | - | - | - | - | - | - | 1,228,652 | 1,228,652 | (17,828) | 1,210,824 |
| As restated | 499,484 | (11,024) | 2,005 | 25,429 | (5,645) | 300,778 | (3,602) | 2,653,232 | 3,460,657 | 56,756 | 3,517,413 |
| Total comprehensive income/(loss) for the year | - | - | - | - | (789) | 23,933 | 1,235 | 574,704 | 599,083 | 12,013 | 611,096 |
| Transactions with owners, recognised directly in equity | | | | | | | | | | | |
| <u>Contributions by and distributions to owners</u> | | | | | | | | | | | |
| Share-based compensation | - | - | - | 6,290 | - | - | - | - | 6,290 | - | 6,290 |
| Issue of shares | 3,508 | - | - | (174) | - | - | - | - | 3,334 | - | 3,334 |
| Treasury shares re-issued | - | 8,834 | - | (6,322) | - | - | - | (2,085) | 427 | - | 427 |
| Lapse of share options | - | - | - | (814) | - | - | - | 814 | - | - | - |
| Dividends | - | - | - | - | - | - | - | (386,367) | (386,367) | (7) | (386,374) |
| <u>Changes in ownership interests in subsidiaries</u> | | | | | | | | | | | |
| Acquisition of additional interest in a subsidiary | - | - | - | - | - | - | - | (3,264) | (3,264) | (591) | (3,855) |
| Capital contribution by non-controlling interests | - | - | - | - | - | - | - | - | - | 4,845 | 4,845 |
| Balance as at August 31, 2012 | 502,992 | (2,190) | 2,005 | 24,409 | (6,434) | 324,711 | (2,367) | 2,837,034 | 3,680,160 | 73,016 | 3,753,176 |

Statements of Changes in Total Equity for the Year ended August 31, 2013 (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, 2012 | 502,992 | (2,190) | 24,409 | (556) | 43,927 | 617,577 | 1,186,159 |
| Total comprehensive income/(loss) for the year | - | - | - | 247 | 7,791 | 445,406 | 453,444 |
| Transactions with owners, recognised directly in equity | | | | | | | |
| <u>Contributions by and distributions to owners</u> | | | | | | | |
| Share-based compensation | - | - | 6,795 | - | - | - | 6,795 |
| Issue of shares | 19,122 | - | (1,755) | - | - | - | 17,367 |
| Treasury shares re-issued | - | 8,235 | (7,464) | - | - | (373) | 398 |
| Share buy-back – held as Treasury shares | - | (12,314) | - | - | - | - | (12,314) |
| Lapse of share options | - | - | (441) | - | - | 441 | - |
| Dividends | - | - | - | - | - | (678,230) | (678,230) |
| Balance as at August 31, 2013 | 522,114 | (6,269) | 21,544 | (309) | 51,718 | 384,821 | 973,619 |
| Balance as at September 1, 2011 | 499,484 | (11,024) | 25,429 | (316) | 34,373 | 714,614 | 1,262,560 |
| Total comprehensive income/(loss) for the year | - | - | - | (240) | 9,554 | 290,601 | 299,915 |
| Transactions with owners, recognised directly in equity | | | | | | | |
| <u>Contributions by and distributions to owners</u> | | | | | | | |
| Share-based compensation | - | - | 6,290 | - | - | - | 6,290 |
| Issue of shares | 3,508 | - | (174) | - | - | - | 3,334 |
| Treasury shares re-issued | - | 8,834 | (6,322) | - | - | (2,085) | 427 |
| Lapse of share options | - | - | (814) | - | - | 814 | - |
| Dividends | - | - | - | - | - | (386,367) | (386,367) |
| Balance as at August 31, 2012 | 502,992 | (2,190) | 24,409 | (556) | 43,927 | 617,577 | 1,186,159 |

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 4,264,725 ordinary shares under the Singapore Press Holdings Group (1999) Share Option Scheme (the "1999 Scheme").
- (b) As a result of the 4,264,725 ordinary shares issued pursuant to the 1999 Scheme, the Company issued 43,076 management shares in accordance with the Newspaper and Printing Presses Act, Cap. 206 between September 1, 2012 and August 31, 2013.
- (c) Under the 1999 Scheme, options to subscribe for 20,900,650 ordinary shares remain outstanding as at August 31, 2013 compared to options to subscribe for 27,701,375 ordinary shares as at August 31, 2012. Movements in the number of the unissued shares of the Company under the 1999 Scheme during the second quarter are as follows:

| <u>Outstanding as at 01.09.12</u> (‘000) | <u>Exercised</u> (‘000) | <u>Lapsed</u> (‘000) | <u>Outstanding as at 31.08.13</u> (‘000) |
|---|----------------------------|-------------------------|---|
| 27,701 | (4,265) | (2,536) | 20,900 |

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, 2013, the number of shares granted and outstanding (being contingent award) under the SPH Performance Share Plan was 6,283,986 (August 31, 2012: 6,470,374). Movements in the number of performance shares during the financial year are summarised below:

| <u>Outstanding as at 01.09.12</u> (‘000) | <u>Adjusted[#]</u> (‘000) | <u>Granted</u> (‘000) | <u>Vested</u> (‘000) | <u>Lapsed</u> (‘000) | <u>Outstanding and unvested as at 31.08.13</u> (‘000) |
|---|---------------------------------------|--------------------------|-------------------------|-------------------------|--|
| 6,470 | (63) | 2,087 | (2,053) | (157) | 6,284 |

[#] Adjusted at end of the performance period based on the level of achievement of pre-set performance conditions

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 November 30, 2012), the Company bought back 3,100,000 ordinary shares during the financial year. These shares are held as treasury shares, until released from time to time for the fulfilment of the awards under the SPH Performance Share Plan. The amount paid, including brokerage fees, totalled S\$12.3 million and was deducted against shareholders' equity.

Share Capital and Treasury Shares

As at August 31, 2013, the Company had 1,598,900,881 ordinary shares, 16,360,117 management shares and 1,584,740 treasury shares (August 31, 2012: 1,595,682,578 ordinary shares, 16,317,041 management shares and 538,318 treasury shares).

During the financial year, the Company transferred 2,053,578 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\$8.2 million.

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

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

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

Please refer to the attached auditors' report.

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 for new or amended Financial Reporting Standards (“FRS”) and Interpretations to FRS (“INT FRS”) which became effective from this financial year, and the change in accounting policy for investment properties.

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.

The financial effects of the change in the accounting policy for investment properties 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**

Accounting for Investment Properties

With effect from this financial year, 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 injection of certain investment properties into SPH REIT.

The change in accounting policy was applied retrospectively and accordingly, the comparative financial statements were restated. The effects of the change on the Group’s financial statements are as follows:

| <u>Balance Sheet</u> | Investment properties | Retained profits | Non- controlling interests |
|--|----------------------------------|-----------------------------|---|
| | S\$’000 | S\$’000 | S\$’000 |
| Balance as reported at September 1, 2011 | 1,754,259 | 1,424,580 | 74,584 |
| Effect of valuation on September 1, 2011 | 1,210,824 | 1,228,652 | (17,828) |
| Restated balance at September 1, 2011 | <u>2,965,083</u> | <u>2,653,232</u> | <u>56,756</u> |
| Balance as reported at August 31, 2012 | 2,089,033 | 1,399,220 | 82,716 |
| Effect of valuation on September 1, 2011 | 1,210,824 | 1,228,652 | (17,828) |
| Effect of depreciation reversal | 18,580 | 15,359 | 3,221 |
| Effect of valuation on August 31, 2012 | 198,710 | 193,803 | 4,907 |
| Restated balance at August 31, 2012 | <u>3,517,147</u> | <u>2,837,034</u> | <u>73,016</u> |

| <u>Income Statement</u> | 2013 | 2012 |
|---|----------------|----------------|
| | S\$'000 | S\$'000 |
| Change in fair value of investment properties | 111,407 | 198,710 |
| Depreciation | - | 18,580 |
| Effect on profit or loss | <u>111,407</u> | <u>217,290</u> |
| <u>Earnings Per Share</u> | 2013 | 2012 |
| Increased by | | |
| Basic EPS (S\$) | <u>0.07</u> | <u>0.13</u> |
| Diluted EPS (S\$) | <u>0.07</u> | <u>0.13</u> |

6. **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, 2013

| | | Group | |
|-----|---|--------------|--------------------------------------|
| | | 2013 | 2012 Restated[@] |
| (a) | Based on the weighted average number of shares on issue (S\$) | 0.27 | 0.36 |
| (b) | On fully diluted basis (S\$) | 0.27 | 0.35 |

Above included the effects of the change in accounting for investment properties.

7. **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

| | Group | | Company | |
|---|-------------------------|--|-------------------------|-------------------------|
| | Aug 31, 2013 | Aug 31, 2012 Restated[@] | Aug 31, 2013 | Aug 31, 2012 |
| Net asset value per share based on total number of issued shares at the end of year (S\$) | 2.19 | 2.28 | 0.60 | 0.74 |

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, Property, and Treasury and Investment. The Newspaper and Magazine segment is involved in the production of content for distribution on print and multimedia platforms including the Internet and mobile devices. The Property segment holds, manages and develops properties of the Group. The Treasury and Investment segment manages the investment activities 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 online classifieds and directories, organising events and exhibitions, online investor relations and financial portal services, book publishing and distribution, radio and television broadcasting.

Review of Results for the Year ended August 31, 2013 ("FY 2013") compared with the Year ended August 31, 2012 ("FY 2012")

- 8.1 Group operating revenue of S\$1,239.5 million for FY 2013 was S\$33.5 million (2.6%) lower compared to FY 2012. Revenue for the Newspaper and Magazine business fell S\$40.0 million (3.9%) to S\$991.2 million. This was attributable to declines in advertisement revenue (S\$31.7 million or 4.0%) and circulation revenue (S\$7.2 million or 3.6%).

Rental income for the Group edged up S\$6.7 million (3.5%) to S\$198.1 million on the back of higher rental rates achieved by Paragon, while income from The Clementi Mall remained stable.

Operating revenue from the Group's other businesses dipped by S\$0.2 million (0.3%) to S\$50.1 million.

- 8.2 Materials, production and distribution costs saw a reduction of S\$12.9 million (5.8%) with newsprint costs being lower by S\$12.2 million (12.2%).

Staff costs decrease of S\$10.5 million (2.9%) was attributable to a lower variable bonus provision partially offset by salary increments.

Other operating expenses rose S\$40.4 million (29.6%). The increase was largely attributable to non-recurring charges relating to impairment of an overseas magazine subsidiary (S\$15.6 million), impairment loss on proposed divestment of an associate (S\$4.3 million), and an increase in fair value loss on loans from non-controlling interests (S\$6.1 million). In addition, there was an increase in cost of S\$8.0 million in tandem with a step-up in business promotion activities particularly for the online businesses.

Finance costs increased by S\$7.5 million (30.6%) due to cost incurred upon refinancing of loans for Paragon, and additional borrowings undertaken by SPH REIT.

- 8.3 Consequently, the Group's recurring earnings of S\$369.3 million for FY 2013 was S\$59.5 million (13.9%) lower compared to FY 2012.
- 8.4 The Group changed its accounting policy for investment properties from cost to fair value model with effect from this financial year. The fair value gain on investment properties of S\$111.4 million for FY 2013 comprised the change in fair value for the current financial year. This was S\$87.3 million (43.9%) lower compared to the fair value gain of S\$198.7 million recognised in FY2012.
- 8.5 Investment income fell S\$18.6 million (57.1%) to S\$14.0 million. This was due to impairment charges of S\$17.6 million on portfolio investments arising from prolonged decline in value.
- 8.6 The Group's share of results of associates and jointly-controlled entities included results from its stakes in MediaCorp Press and MediaCorp TV Holdings, OpenNet, and its other media investments.
- 8.7 Taxation charge of S\$54.8 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\$1.5 million for over-provision of taxation in respect of prior years.
- 8.8 Net profit attributable to shareholders was S\$431.0 million, S\$143.8 million (25.0%) lower compared to FY 2012.

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. **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**

- 10.1 The outlook for the global economy remains fraught with uncertainties. Against this backdrop, the Group's advertising revenue performance will be shaped by the confluence of economic and market factors, as well as consumer sentiment in the key advertising sectors.
- 10.2 Newsprint prices are expected to remain flat in the near term, taking into account demand and supply considerations.
- 10.3 The retail assets of SPH REIT, Paragon and The Clementi Mall, are fully leased and will continue to turn in a steady performance. The development of The Seletar Mall is in progress and is expected to be completed on schedule at the end of 2014.

- 10.4 The Group will maintain a conservative stance on its investment portfolio allocation and returns are expected to be commensurate with a lower risk-return profile to mitigate against higher volatility.
- 10.5 Amidst a challenging environment of evolving media consumption behaviour, the Group is reviewing new growth opportunities whilst exploring ways to reinvigorate its core media business.

11. 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 | 8 cents per share | 7 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 | 8 cents per share |
| Tax rate | Tax exempt (One-tier) | Tax exempt (One-tier) |

(c) Date payable

The date the dividend is payable: December 20, 2013

(d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed on December 11, 2013 for preparation of dividend warrants. Duly stamped and completed transfers received by our Share Transfer Office, Tricor Barbinder Share Registration Services, 80 Robinson Road #02-00 Singapore 068898, up to 5 p.m. on December 10, 2013 will be registered to determine shareholders' entitlements to the interim dividend. In respect of shares in securities accounts with the Central Depository (Pte) Limited ("CDP"), the said dividend will be paid by the Company to CDP which will distribute the dividends to holders of the securities accounts.

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

Not applicable.

13. 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
2013**

| | Newspaper and Magazine | Property | Treasury and Investment | Others | Eliminations | Consolidated |
|--|---------------------------------------|------------------|--|-----------------|---------------------|---------------------|
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| Operating revenue | | | | | | |
| External sales | 991,220 | 198,139 | - | 50,093 | - | 1,239,452 |
| Inter-segmental sales | 5,260 | 1,957 | - | 2,075 | (9,292) | - |
| Total operating revenue | <u>996,480</u> | <u>200,096</u> | <u>-</u> | <u>52,168</u> | <u>(9,292)</u> | <u>1,239,452</u> |
| Result | | | | | | |
| Segment result | 288,678 | 141,150 | 12,817 | (27,774) | - | 414,871 |
| Finance costs | (137) | (30,344) | (1,432) | (12) | - | (31,925) |
| Interest income | 74 | 204 | - | 35 | - | 313 |
| Fair value gain on investment properties | - | 111,407 | - | - | - | 111,407 |
| Share of net profit/(loss) of associates and jointly-controlled entities | 4,725 | - | - | (10,292) | - | (5,567) |
| Profit/(loss) before taxation | <u>293,340</u> | <u>222,417</u> | <u>11,385</u> | <u>(38,043)</u> | <u>-</u> | <u>489,099</u> |
| Taxation | | | | | | (54,797) |
| Profit after taxation | | | | | | 434,302 |
| Non-controlling interests | | | | | | (3,348) |
| Profit attributable to Shareholders | | | | | | <u>430,954</u> |
| Other information | | | | | | |
| Segment assets | <u>597,550</u> | <u>3,865,917</u> | <u>1,717,451</u> | <u>192,436</u> | <u>-</u> | <u>6,373,354</u> |
| Segment assets includes: | | | | | | |
| Investments in associates/ jointly-controlled entities | 33,330 | - | - | 28,918 | - | 62,248 |
| Additions to: | | | | | | |
| - property, plant and equipment | 22,359 | 1,625 | - | 1,955 | - | 25,939 |
| - investment properties | - | 44,011 | - | - | - | 44,011 |
| - intangible assets | - | - | - | 61,061 | - | 61,061 |
| Segment liabilities | <u>189,476</u> | <u>1,233,455</u> | <u>602,453</u> | <u>21,333</u> | <u>-</u> | <u>2,046,717</u> |
| Current income tax liabilities | | | | | | 69,613 |
| Deferred income tax liabilities | | | | | | 41,318 |
| Consolidated total liabilities | | | | | | <u>2,157,648</u> |
| Depreciation | 55,223 | 535 | - | 2,359 | - | 58,117 |
| Amortisation of intangible assets | 2,499 | - | - | 5,590 | - | 8,089 |
| Write-back of impairment of property, plant and equipment | (1,499) | - | - | - | - | (1,499) |
| Impairment of goodwill | 11,816 | - | - | - | - | 11,816 |
| Impairment of intangibles assets | 3,786 | - | - | - | - | 3,786 |
| Allowance for impairment of associates | - | - | - | 4,582 | - | 4,582 |

**Group Segmental Information
2012 (Restated^(a))**

| | Newspaper and Magazine S\$'000 | Property S\$'000 | Treasury and Investment S\$'000 | Others S\$'000 | Eliminations S\$'000 | Consolidated S\$'000 |
|---|---|---------------------|--|-------------------|-------------------------|-------------------------|
| Operating revenue | | | | | | |
| External sales | 1,031,227 | 191,421 | - | 50,265 | - | 1,272,913 |
| Inter-segmental sales | 5,126 | 1,984 | - | 1,983 | (9,093) | - |
| Total operating revenue | <u>1,036,353</u> | <u>193,405</u> | <u>-</u> | <u>52,248</u> | <u>(9,093)</u> | <u>1,272,913</u> |
| Result | | | | | | |
| Segment result | 325,761 | 142,284 | 31,587 | (14,154) | - | 485,478 |
| Finance costs | (42) | (23,931) | (469) | (10) | - | (24,452) |
| Interest income | 107 | 197 | - | 82 | - | 386 |
| Fair value gain on investment properties | - | 198,710 | - | - | - | 198,710 |
| Share of net profit/(loss) of associates and jointly-controlled entities | 4,506 | - | - | (5,678) | - | (1,172) |
| Profit/(loss) before taxation | <u>330,332</u> | <u>317,260</u> | <u>31,118</u> | <u>(19,760)</u> | <u>-</u> | <u>658,950</u> |
| Taxation | | | | | | <u>(72,302)</u> |
| Profit after taxation | | | | | | 586,648 |
| Non-controlling interests | | | | | | <u>(11,944)</u> |
| Profit attributable to shareholders | | | | | | <u>574,704</u> |
| Other information | | | | | | |
| Segment assets | <u>659,658</u> | <u>3,696,002</u> | <u>1,001,544</u> | <u>128,155</u> | <u>-</u> | <u>5,485,359</u> |
| Segment assets includes: Investments in associates/ jointly-controlled entities | 36,611 | - | - | 58,073 | - | 94,684 |
| Additions to: | | | | | | |
| - property, plant and equipment | 23,851 | 406 | - | 3,247 | - | 27,504 |
| - investment properties | - | 353,436 | - | - | - | 353,436 |
| - intangible assets | 56,950 | - | - | 200 | - | 57,150 |
| Segment liabilities | <u>202,091</u> | <u>1,369,207</u> | <u>284</u> | <u>31,518</u> | <u>-</u> | 1,603,100 |
| Current income tax liabilities | | | | | | 81,856 |
| Deferred income tax liabilities | | | | | | <u>47,227</u> |
| Consolidated total liabilities | | | | | | <u>1,732,183</u> |
| Depreciation | 56,857 | 519 | - | 2,248 | - | 59,624 |
| Amortisation of intangible assets | 2,482 | - | - | 5,196 | - | 7,678 |
| Impairment of property, plant and equipment | 5 | - | - | 79 | - | 84 |
| Write-back of impairment of property, plant and equipment | (849) | - | - | - | - | (849) |
| Impairment of intangibles assets | - | - | - | 481 | - | 481 |
| Allowance for impairment of associates | 45 | - | - | - | - | 45 |

(b) 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> | |
|-----------------|--------------------------|------------------|---------------------------|-----------------------|---------------------|-----------------------|
| | 2013 | 2012 | 2013 | 2012 | 2013 | 2012 |
| | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| | | | | Restated [®] | | Restated [®] |
| Singapore | 1,196,951 | 1,232,503 | 4,689,655 | 4,443,146 | 6,320,298 | 5,414,435 |
| Other countries | 42,501 | 40,410 | 33,330 | 49,342 | 53,056 | 70,924 |
| | <u>1,239,452</u> | <u>1,272,913</u> | <u>4,722,985</u> | <u>4,492,488</u> | <u>6,373,354</u> | <u>5,485,359</u> |

14. 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 8.

15. Breakdown of Sales

| | | <u>Group</u> | | |
|-----|---|--------------|-----------------------|--------|
| | | 2013 | 2012 | Change |
| | | S\$'000 | S\$'000 | % |
| | | | Restated [®] | |
| (a) | Operating revenue reported for first half year | 604,275 | 630,857 | (4.2) |
| (b) | Profit after tax before deducting non-controlling interests reported for the first half year [®] | 172,728 | 190,147 | (9.2) |
| (c) | Operating revenue reported for second half year | 635,177 | 642,056 | (1.1) |
| (d) | Profit after tax before deducting non-controlling interests reported for the second half year | 261,574 | 396,501 | (34.0) |

16. 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

| | 2013 | 2012 |
|------------|----------------|----------------|
| | S\$'000 | S\$'000 |
| Ordinary | 646,429 | 386,905 |
| Preference | - | - |
| Total | <u>646,429</u> | <u>386,905</u> |

The dividend for FY2013 included a special dividend of S\$291,015,000 paid pursuant to the establishment of SPH REIT. The amount of S\$646,429,000 (Last year: S\$386,905,000) included S\$6,544,000 (Last year: S\$3,917,000) relating to management shares.

* This may be increased depending on the number of issued shares existing as at the books closure date on December 11, 2013.

17. **If the group has obtained a general mandate from shareholders for Interested Person Transactions, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Company has not obtained a general mandate from shareholders for Interested Person Transactions. There were no interested person transactions for the year under review.

18. **Disclosure of person occupying a managerial position in the issuer or any of its principal subsidiaries who is a relative of a director or chief executive office or substantial shareholder of the issuer pursuant to Rule 704(13). If there are no such persons, the issuer must make an appropriate negative statement.**

The Company confirms that there is no person occupying a managerial position in the Company who is related to a director, chief executive officer or substantial shareholder of the Company.

BY ORDER OF THE BOARD

Ginney Lim May Ling
Khor Siew Kim

Company Secretaries

Singapore,
October 11, 2013



KPMG LLP
16 Raffles Quay #22-00
Hong Leong Building
Singapore 048581

Telephone +65 6213 3388
Fax +65 6225 0984
Internet www.kpmg.com.sg

Independent Auditors' Report

Members of the Company
Singapore Press Holdings Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Singapore Press Holdings Limited (the Company) and its subsidiaries (the Group), which comprise the balance sheets of the Group and the Company as at August 31, 2013, the income statement and statement of comprehensive income, statement of changes in total equity and statement of cash flows of the Group for the year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages # to #.

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, Chapter 50 (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; 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.

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 control 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 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, 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 to give a true and fair view of the state of affairs of the Group and of the Company as at August 31, 2013 and the results, changes in equity and cash flows of the Group for the year ended on that date.

Other matters

The financial statements of the Group for the year ended August 31, 2012 were audited by another auditor who expressed an unmodified opinion on those statements on October 12, 2012.

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.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
October 11, 2013

The page numbers are as stated in the Independent Auditors' Report dated October 11, 2013 included in Singapore Press Holdings Limited's Annual Report for the financial year ended August 31, 2013.