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# Singapore Press Holdings

**1Q FY15 Financial Results**  
**13 January 2015**



## Group 1Q FY15 financial highlights

	1Q FY15 S\$'000	1Q FY14 S\$'000	Change %
Operating Revenue	307,057	328,475	(6.5)
Operating Profit <sup>#</sup>	102,344	116,873	(12.4)
Investment Income	1,682	5,119	(67.1)
Profit after taxation	78,120	97,696	(20.0)
Net Profit attributable to shareholders	69,350	88,815	(21.9)

<sup>#</sup> This represents the recurring earnings of the media, property and other businesses.

# Group 1Q FY15 financial highlights

Operating Revenue	1Q FY15 S\$'000	1Q FY14 S\$'000	Change %
Newspaper and Magazine	235,651	255,869	(7.9)
Property	51,414	50,787	1.2
Others	19,992	21,819	(8.4)
	<b>307,057</b>	<b>328,475</b>	<b>(6.5)</b>

## Newspaper and Magazine

- Advertisement revenue fell S\$16.0m (8.0%)
- Circulation revenue fell S\$3.2m (6.8%)

## Property

- Higher rental income from Paragon and The Clementi Mall

## Others

- Lower revenue mainly attributable to the exhibitions business due to shift in show dates. This was partially negated by better performance from local online classified and radio business.

# Group 1Q FY15 financial highlights

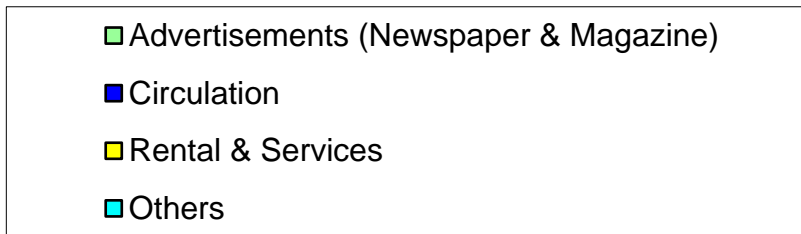
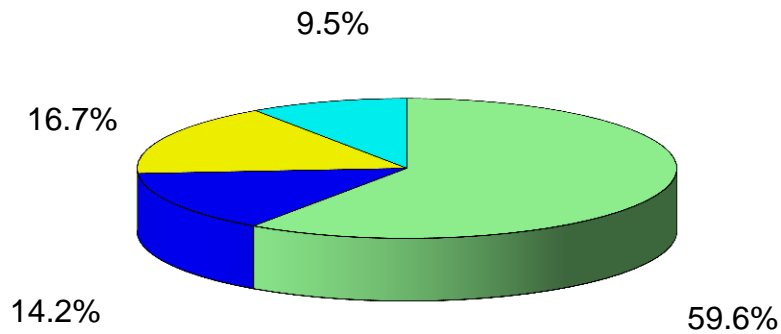
<b>Profit/(Loss) before taxation</b>	<b>1QFY15 S\$'000</b>	<b>1QFY14 S\$'000</b>	<b>Change %</b>	<b>Note</b>
Newspaper and Magazine	77,531	90,008	(13.9)	(a)
Property	32,233	31,685	1.7	(b)
Treasury and Investment	(2,854)	752	NM	(c)
Others	(10,920)	(3,946)	NM	(d)
	<b>95,990</b>	<b>118,499</b>	<b>(19.0)</b>	

NM: Not meaningful

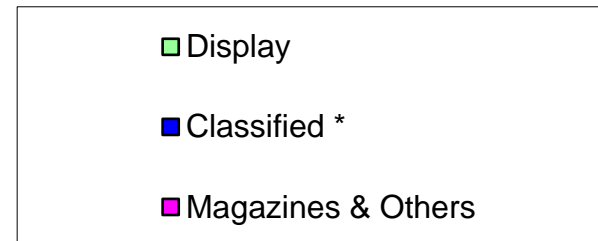
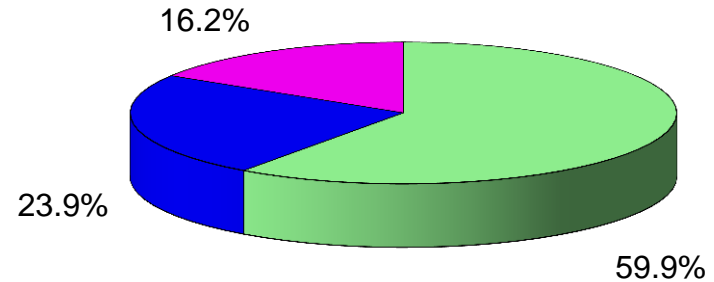
- (a) The Newspaper and Magazine segment recorded reduced profits due to lower advertisement revenue.
- (b) Operating profit before finance costs rose in line with higher revenue from Paragon and The Clementi Mall.
- (c) Investment income before financing costs comprised mainly gain from sale of investments and fair value loss on forward hedges on portfolio investments arising from the strengthening of US\$. The corresponding gain on the underlying investments was recognised directly in reserves.
- (d) The Others segment registered higher losses due to continued investment in the regional online classified business. Exhibitions business was impacted by shift in show dates. These were partially negated by higher contribution from local online classified and radio business.

# Group 1Q FY15 highlights

**Operating Revenue Composition**  
**(\$307.1m)**



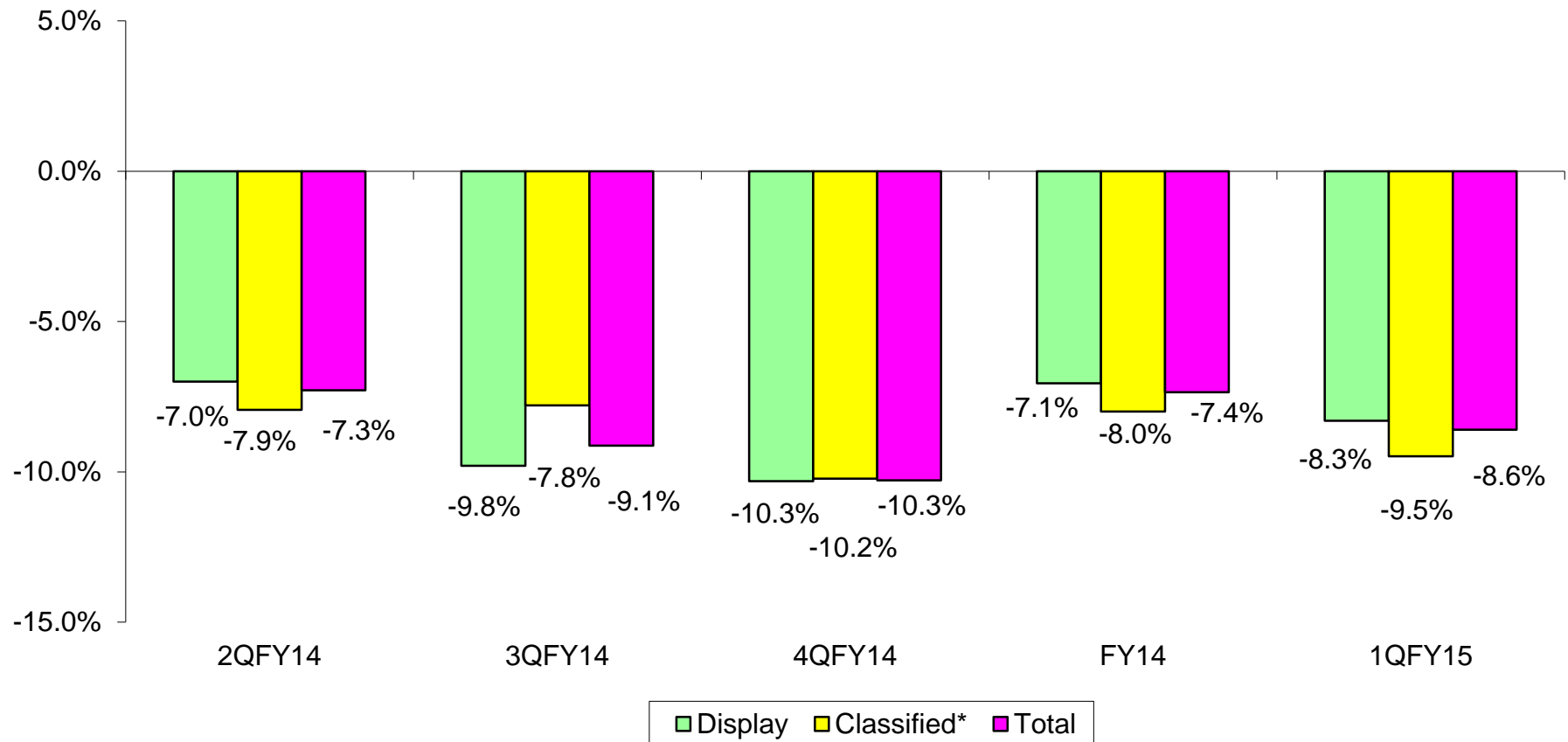
**Newspaper and Magazine**  
**Advertisement Revenue Composition**  
**(\$183.0m)**



\* Classified includes Recruitment and Notices

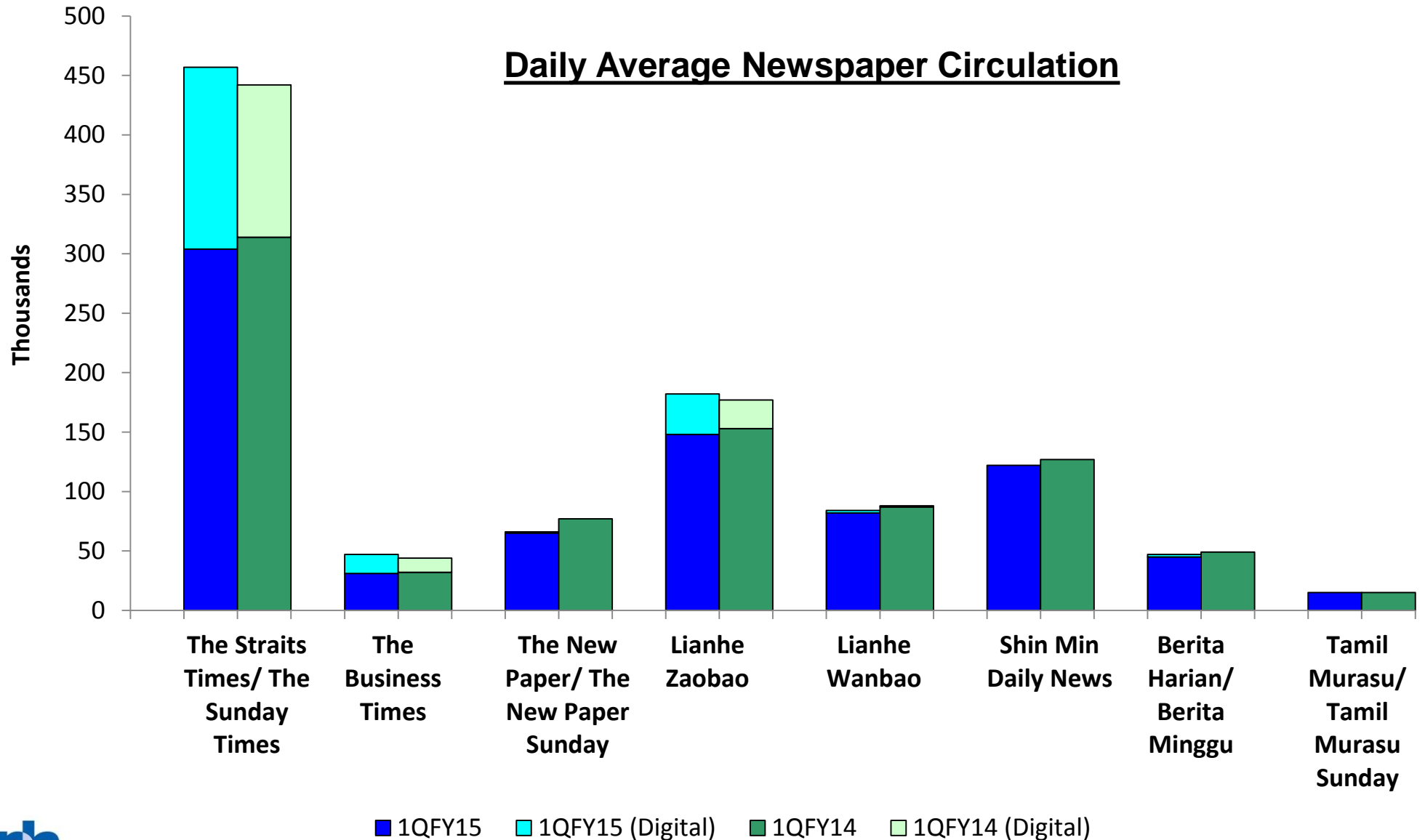
# General softening of advertising market

## Newspaper Ad Revenue Y-O-Y Growth (%)



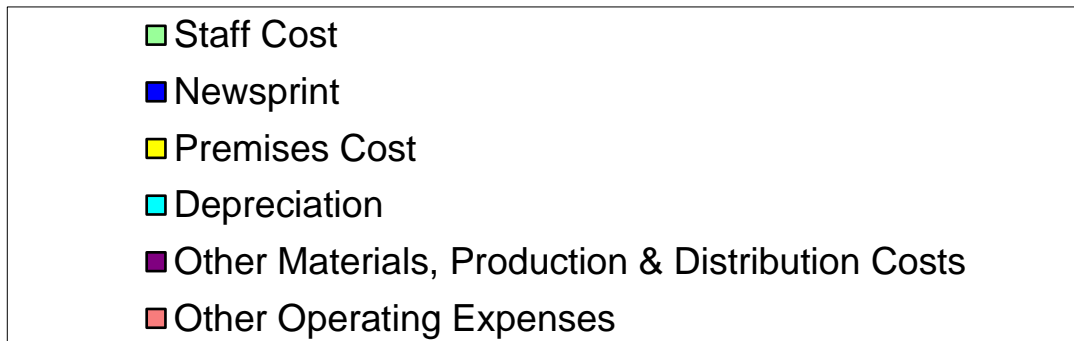
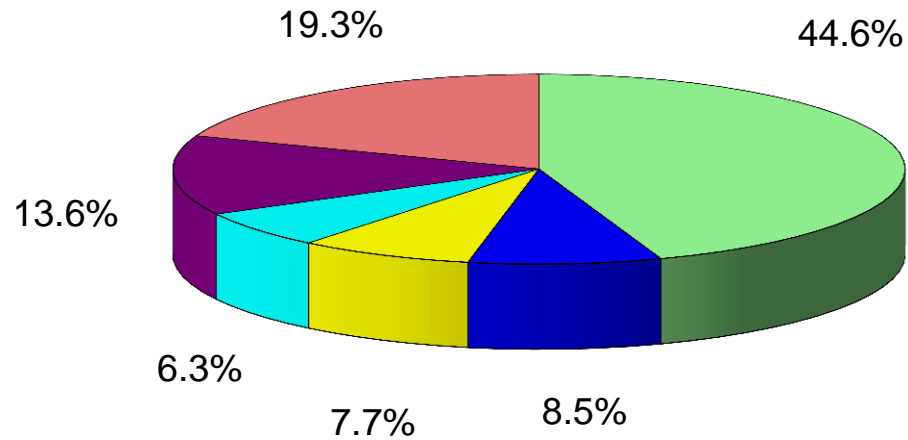
\* Classified includes Recruitment and Notices

# Digital sales lifted total circulation copies



# Group 1Q FY15 highlights

## Cost Composition (\$208.2m)





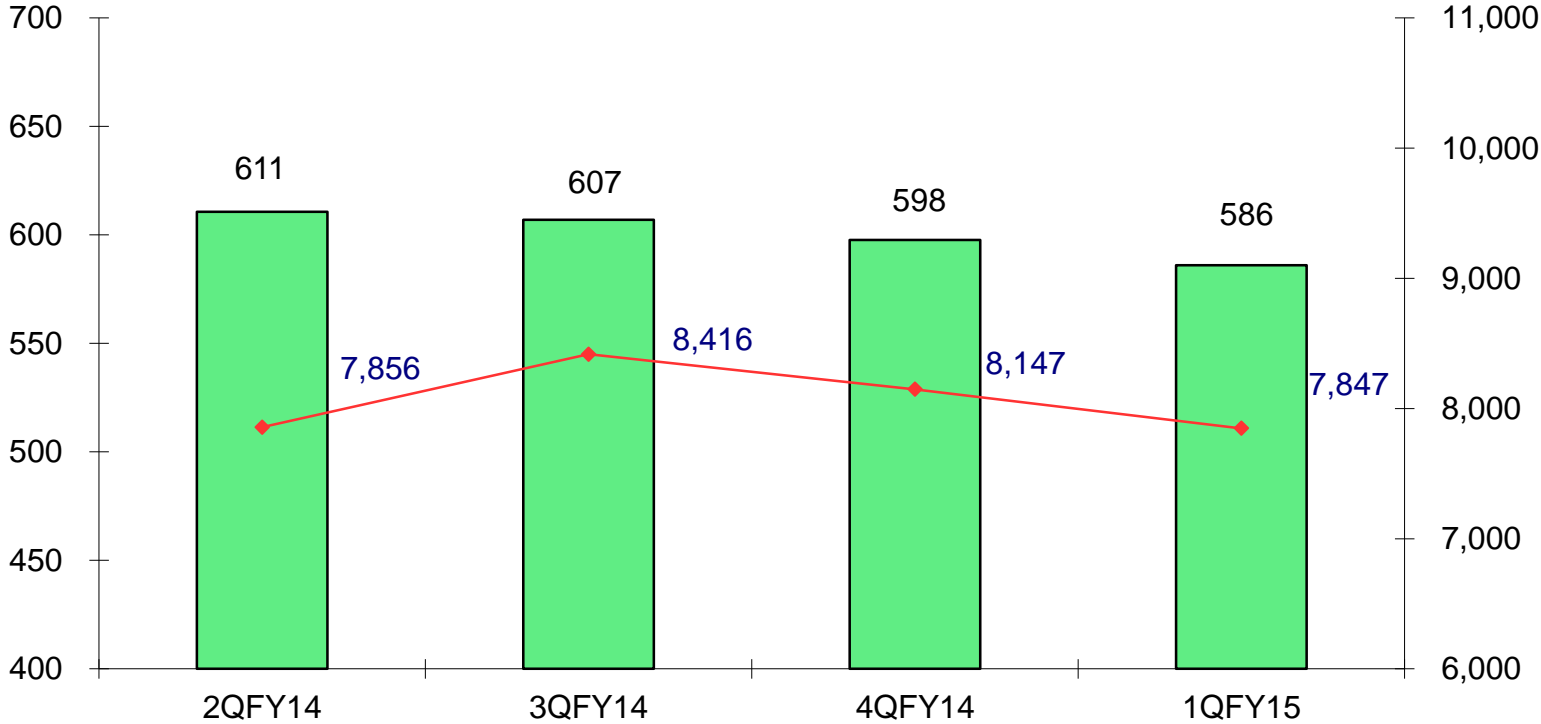
## Modest growth in staff costs

	1QFY15	1QFY14	Change %
Staff Costs (S\$'000)	92,849	91,300	1.7
Average Headcount	4,310	4,322	(0.3)

Staff costs grew by S\$1.5 million (1.7%) due to acquisition of new businesses and incentives to drive growth and retain staff in a tight labour market.

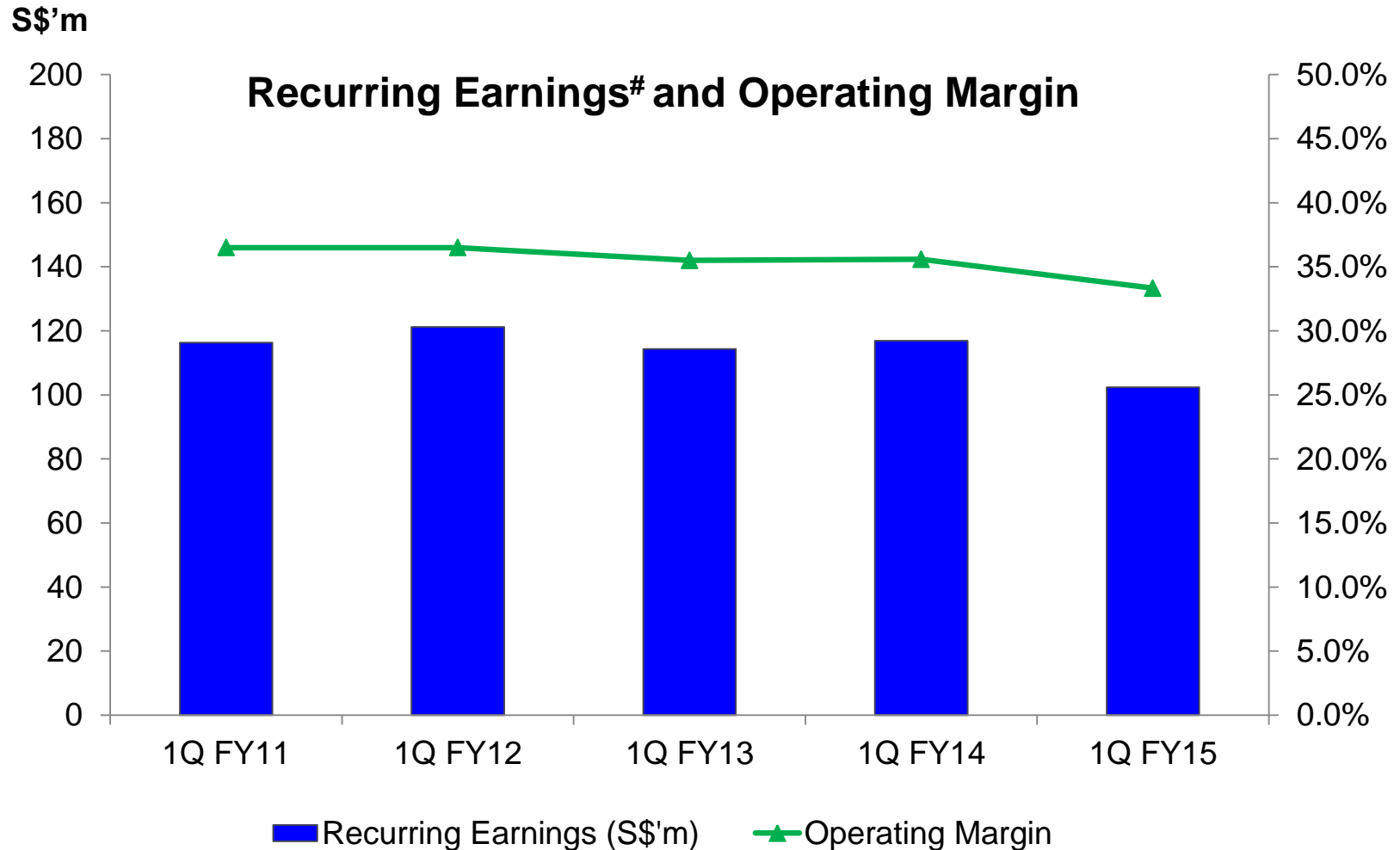
# Newsprint prices expected to soften

**Average Newsprint Charge-Out Price & Monthly Consumption**



■ LHS - Prices (US\$)    ◆ RHS - Ave Mthly Consumption (MT)

# 1Q operating margin sustained above 30%



# This represents the recurring earnings of the media, property and other businesses.

# Property segment maintained a steady performance



**Paragon**



**The Clementi Mall**

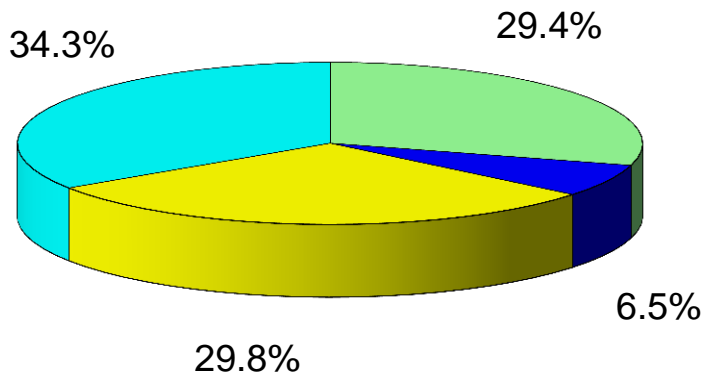


**The Seletar Mall**

- Net Property Income (NPI) grew 1.8% to S\$37.0 million
- Seletar Mall officially opened on November 28, 2014. The retail mall is fully leased and will contribute to the Group's property business from 2Q FY15 onwards

# Group investible fund

## Group Investible Fund (S\$1.9b)



(As at November 30, 2014)

- Conservative stance maintained on investment allocation, focused on capital preservation
- Returns are expected to be commensurate with low risk-return profile to mitigate against volatility
- About S\$ 300m managed for final dividend payment and New Media fund



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# Updates on Regional Digital Strategy

- The Group will continue to focus its efforts on Mudah.my and Chotot.vn, the leading classified websites in Malaysia and Vietnam respectively<sup>1</sup>
- 701Search inked an agreement with Naspers to establish joint ventures for the development of online classified platforms in Thailand and Indonesia



Top online classified website in Malaysia, with monthly page views close to 700 million<sup>1</sup>



Largest classified website in Vietnam, with monthly page views exceeding 500 million<sup>1</sup>



Data source:

<sup>1</sup> Xiti, November 14

# Thank you

Please visit [www.sph.com.sg](http://www.sph.com.sg) for more information.