



SINGAPORE PRESS HOLDINGS LIMITED

Reg. No. 198402868E

(Incorporated in Singapore)

ANNOUNCEMENT

UNAUDITED RESULTS* FOR THE PERIOD ENDED FEBRUARY 28, 2017

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Results for the Second Quarter ended February 28, 2017

	Group		
	2Q 2017	2Q 2016	Change
	S\$'000	S\$'000	%
Operating revenue			
Media	168,030	190,653	(11.9)
Property	61,957	61,149	1.3
Others	7,984	7,495	6.5
	<u>237,971</u>	<u>259,297</u>	(8.2)
Other operating income	<u>3,763</u>	<u>4,931</u>	(23.7)
	<u>241,734</u>	<u>264,228</u>	(8.5)
Materials, production and distribution costs	(36,756)	(35,704)	2.9
Staff costs	(92,214)	(91,884)	0.4
Premises costs	(15,906)	(19,474)	(18.3)
Depreciation	(8,951)	(11,109)	(19.4)
Other operating expenses	(27,431)	(29,965)	(8.5)
Finance costs	<u>(7,484)</u>	<u>(7,969)</u>	(6.1)
Operating profit [#]	52,992	68,123	(22.2)
Net income from investments	16,715	7,225	NM
Share of results of associates and joint ventures	<u>2,436</u>	<u>(712)</u>	NM
Profit before taxation	72,143	74,636	(3.3)
Taxation	<u>(8,266)</u>	<u>(10,860)</u>	(23.9)
Profit after taxation	<u>63,877</u>	<u>63,776</u>	0.2
Attributable to:			
Shareholders of the Company	53,503	54,131	(1.2)
Non-controlling interests	<u>10,374</u>	<u>9,645</u>	7.6
	<u>63,877</u>	<u>63,776</u>	0.2

* Please refer to the attached auditors' review report.

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

NM Not Meaningful

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

	Group		
	2Q 2017	2Q 2016	Change
	S\$'000	S\$'000	%
Allowance for stock obsolescence	(1)	(27)	(96.3)
Share-based compensation expense	(1,249)	(939)	33.0
Write-back of allowance for impairment of trade receivables	361	252	43.3
Bad debts recovery	15	73	(79.5)
Net profit/(loss) on disposal of property, plant and equipment	109	(38)	NM
Amortisation of intangible assets	(2,723)	(2,739)	(0.6)
Impairment of intangible assets	-	(5)	NM
Interest Income	2,124	1,547	37.3
Net profit on disposal of investments	11,746	5,054	NM
Net fair value changes on			
- Internally-managed assets at fair value through profit or loss	93	(265)	NM
- Derivatives	3,127 [^]	587	NM
Net foreign exchange differences	(583)	888	NM
Impairment of investments	(714)	-	NM
Net over/(under)-provision of prior years' taxation	187	(11)	NM

[^] Relates mainly to fair value gain on U.S. Dollar forward hedges for portfolio investments. The corresponding loss on underlying investments was recognised as net fair value changes on available-for-sale financial assets in Other comprehensive income.

1(a)(iii) Statement of Comprehensive Income

	Group		
	2Q 2017 S\$'000	2Q 2016 S\$'000	Change %
Profit after taxation	63,877	63,776	0.2
Other comprehensive income, net of tax			
<u>Items that may be re-classified subsequently to profit or loss</u>			
Cash flow hedges			
- net fair value changes	(1,376)	(2,620)	(47.5)
- transferred to income statement	1,407	164	NM
Net fair value changes on available-for-sale financial assets			
- net fair value changes	17,280	(41,788)	NM
- transferred to income statement	(10,415)	(3,896)	NM
Currency translation difference			
- arising from consolidation of financial statements of foreign subsidiaries, associates and joint ventures	(277)	(486)	(43.0)
	<u>6,619</u>	<u>(48,626)</u>	NM
Total comprehensive income	<u>70,496</u>	<u>15,150</u>	NM
Attributable to:			
Shareholders of the Company	60,136	6,229	NM
Non-controlling interests	10,360	8,921	16.1
	<u>70,496</u>	<u>15,150</u>	NM

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

Statements of Financial Position as at February 28, 2017

	Note	Group		Company	
		Feb 28, 2017	Aug 31, 2016	Feb 28, 2017	Aug 31, 2016
		S\$'000	S\$'000	S\$'000	S\$'000
CAPITAL EMPLOYED					
Share capital		522,809	522,809	522,809	522,809
Treasury shares		(5,689)	(8,683)	(5,689)	(8,683)
Reserves	(a)	351,937	430,447	33,534	45,351
Retained profits		2,494,659	2,572,753	905,456	1,043,768
Shareholders' interests		3,363,716	3,517,326	1,456,110	1,603,245
Non-controlling interests		730,860	724,078	-	-
Total equity		4,094,576	4,241,404	1,456,110	1,603,245
EMPLOYMENT OF CAPITAL					
Non-current assets					
Property, plant and equipment		200,455	219,523	103,526	117,731
Investment properties		3,967,443	3,963,000	-	-
Subsidiaries		-	-	419,250	419,250
Associates		115,600	78,153	31,160	31,160
Joint ventures		11,096	12,417	-	-
Investments	(a)	534,177	628,860	29,776	38,105
Intangible assets		143,857	149,312	29,365	30,278
Trade and other receivables		8,480	5,731	4,640	4,457
Derivatives		200	200	-	-
		4,981,308	5,057,196	617,717	640,981
Current assets					
Inventories		20,698	21,225	19,042	19,112
Trade and other receivables		126,024	136,953	1,768,227	1,788,257
Investments		389,245	406,700	-	-
Asset held for sale		-	8,831	-	-
Derivatives		1,071	89	-	-
Cash and cash equivalents		269,506	312,894	92,470	162,764
		806,544	886,692	1,879,739	1,970,133
Total assets		5,787,852	5,943,888	2,497,456	2,611,114
Non-current liabilities					
Trade and other payables		39,248	43,444	4,103	4,103
Deferred tax liabilities		46,504	47,372	17,981	20,571
Borrowings		1,198,790	1,197,399	-	-
Derivatives		7,170	10,983	-	-
		1,291,712	1,299,198	22,084	24,674
Current liabilities					
Trade and other payables		222,442	245,665	881,400	871,065
Current tax liabilities		49,568	56,271	21,862	27,130
Borrowings		129,025	99,954	116,000	85,000
Derivatives		529	1,396	-	-
		401,564	403,286	1,019,262	983,195
Total liabilities		1,693,276	1,702,484	1,041,346	1,007,869
Net assets		4,094,576	4,241,404	1,456,110	1,603,245

Note to the Balance Sheets

- (a) The decrease in the Group's Reserves and non-current Investments was mainly due to fair valuation of the available-for-sale investments.

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

Group Borrowings

Amount repayable in one year

As at February 28, 2017		As at August 31, 2016	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	129,025	-	99,954

Amount repayable after one year

As at February 28, 2017		As at August 31, 2016	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
1,146,276	52,514	1,145,362	52,037

Details of collateral

The secured bank loan facilities as at February 28, 2017 and as at August 31, 2016 comprised the term loan facilities of S\$975 million and S\$300 million undertaken by the subsidiaries, SPH REIT and The Seletar Mall Pte Ltd ("TSMPL") respectively. As at the reporting dates, the amounts drawn down were S\$850 million for SPH REIT and S\$300 million for TSMPL.

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 certain insurances taken in relation to Paragon.

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

The total balance of S\$1,146.3 million as at February 28, 2017 (August 31, 2016: S\$1,145.4 million) represented the secured borrowings stated at amortised cost.

1(c) **A statement of cash flows (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 Second Quarter ended February 28, 2017

	2Q 2017	2Q 2016
	S\$'000	S\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	72,143	74,636
Adjustments for:		
Depreciation	8,951	11,109
Net (profit)/loss on disposal of property, plant and equipment	(109)	38
Share of results of associates and joint ventures	(2,436)	712
Net income from investments	(16,715)	(7,225)
Amortisation of intangible assets	2,723	2,739
Impairment of intangible assets	-	5
Finance costs	7,484	7,969
Share-based compensation expense	1,249	939
Other non-cash items	574	584
Operating cash flow before working capital changes	73,864	91,506
Changes in operating assets and liabilities, net of effects from acquisition and disposal of subsidiaries and business:		
Inventories	2,861	(301)
Trade and other receivables, current	14,220	21,315
Trade and other payables, current	(25,870)	(20,498)
Trade and other receivables, non-current	(192)	(332)
Trade and other payables, non-current	(422)	(2,410)
Others	(264)	(524)
	64,197	88,756
Income tax paid	(28,796)	(35,545)
Dividends paid	(177,628)	(209,782)
Dividends paid (net) by a subsidiary to non-controlling interests	(10,108)	(10,038)
Net cash used in operating activities	(152,335)	(166,609)

Consolidated Statement of Cash Flows for the Second Quarter ended February 28, 2017 (cont'd)

	2Q 2017	2Q 2016
	S\$'000	S\$'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(1,001)	(2,071)
Proceeds from disposal of property, plant and equipment	109	26
Additions to investment properties	(2,573)	(4,249)
Acquisition of interests in associates	(30,981)	-
Acquisition of interests in a joint venture	(78)	(1,138)
Proceeds from partial divestment of interest in a subsidiary	5,993	-
Dividends received from associates	3,500	575
Decrease/(Increase) in amounts owing by associate/ joint ventures	207	(2,114)
Decrease in amounts owing to joint ventures	(1,019)	(8,105)
Purchase of investments, non-current	(4,904)	(32,020)
Purchase of investments, current	(35,304)	(30,808)
Proceeds from capital distribution/disposal of investments, non-current	2,755	497
Proceeds from capital distribution/disposal of investments, current	62,061	106,514
Dividends received	810	612
Interest received	1,873	1,279
Other investment income	(5,587)	(4)
Net cash (used in)/from investing activities	(4,139)	28,994
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank loans (net of transaction costs)	31,000	20,000
Repayment of a bank loan	(272)	-
Interest paid	(7,392)	(7,015)
Share buy-back	(2,791)	(1,760)
Loan from a non-controlling interest	11	-
Net cash from financing activities	20,556	11,225
Net decrease in cash and cash equivalents	(135,918)	(126,390)
Cash and cash equivalents at beginning of period	405,424	414,575
Cash and cash equivalents at end of period	269,506	288,185

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 Second Quarter ended February 28, 2017

(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 December 1, 2016	522,809	(8,683)	(11,645)	10,499	(4,956)	359,652	(3,523)	2,618,455	3,482,608	724,525	4,207,133
Total comprehensive income for the quarter	-	-	-	-	22	6,865	(254)	53,503	60,136	10,360	70,496
Transactions with owners, recognised directly in equity											
<u>Contributions by and distributions to owners</u>											
Share-based compensation	-	-	-	1,249	-	-	-	-	1,249	-	1,249
Treasury shares re-issued	-	5,785	-	(6,035)	-	-	-	363	113	-	113
Share buy-back – held as treasury shares	-	(2,791)	-	-	-	-	-	-	(2,791)	-	(2,791)
Dividends	-	-	-	-	-	-	-	(177,628)	(177,628)	(10,108)	(187,736)
<u>Changes in ownership interests in subsidiaries without a change in control</u>											
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	(2)	(2)	2	-
Dilution of interest in a subsidiary	-	-	48	-	15	-	-	(32)	31	6,081	6,112
Balance as at February 28, 2017	522,809	(5,689)	(11,597)	5,713	(4,919)	366,517	(3,777)	2,494,659	3,363,716	730,860	4,094,576

Statements of Changes in Total Equity for the Second Quarter ended February 28, 2017 (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	Hedging	Fair	Currency	Retained Profits S\$'000	Total S\$'000		
				Compensation Reserve S\$'000	Reserve S\$'000	Value Reserve S\$'000	Translation Reserve S\$'000				
Balance as at December 1, 2015	522,809	(13,408)	(11,530)	15,546	1,000	464,292	(1,400)	2,708,145	3,685,454	727,332	4,412,786
Total comprehensive income for the quarter	-	-	-	-	(1,724)	(45,684)	(494)	54,131	6,229	8,921	15,150
Transactions with owners, recognised directly in equity											
<u>Contributions by and distributions to owners</u>											
Share-based compensation	-	-	-	936	-	-	-	-	936	-	936
Treasury shares re-issued	-	6,485	-	(5,680)	-	-	-	(619)	186	-	186
Share buy-back – held as treasury shares	-	(1,760)	-	-	-	-	-	-	(1,760)	-	(1,760)
Lapse of share options	-	-	-	(4,002)	-	-	-	4,002	-	-	-
Dividends	-	-	-	-	-	-	-	(209,782)	(209,782)	(10,038)	(219,820)
<u>Changes in ownership interests in subsidiaries without a change in control</u>											
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	33	33	(33)	-
Balance as at February 29, 2016	522,809	(8,683)	(11,530)	6,800	(724)	418,608	(1,894)	2,555,910	3,481,296	726,182	4,207,478

Statements of Changes in Total Equity for the Second Quarter ended February 28, 2017 (cont'd)

(b) Company

	Share Capital S\$'000	Treasury Shares S\$'000	Share-based Compensation Reserve S\$'000	Fair Value Reserve S\$'000	Retained Profits S\$'000	Total Equity S\$'000
Balance as at December 1, 2016	522,809	(8,683)	10,499	28,029	1,069,244	1,621,898
Total comprehensive income for the quarter	-	-	-	(208)	13,477	13,269
Transactions with owners, recognised directly in equity						
<u>Contributions by and distributions to owners</u>						
Share-based compensation	-	-	1,249	-	-	1,249
Treasury shares re-issued	-	5,785	(6,035)	-	363	113
Share buy-back – held as treasury shares	-	(2,791)	-	-	-	(2,791)
Dividends	-	-	-	-	(177,628)	(177,628)
Balance as at February 28, 2017	522,809	(5,689)	5,713	27,821	905,456	1,456,110
Balance as at December 1, 2015	522,809	(13,408)	15,546	35,733	837,403	1,398,083
Total comprehensive income for the quarter	-	-	-	(2,290)	24,094	21,804
Transactions with owners, recognised directly in equity						
<u>Contributions by and distributions to owners</u>						
Share-based compensation	-	-	936	-	-	936
Treasury shares re-issued	-	6,485	(5,680)	-	(619)	186
Share buy-back – held as treasury shares	-	(1,760)	-	-	-	(1,760)
Lapse of share options	-	-	(4,002)	-	4,002	-
Dividends	-	-	-	-	(209,782)	(209,782)
Balance as at February 29, 2016	522,809	(8,683)	6,800	33,443	655,098	1,209,467

- 1(d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year**

Performance Shares

- (a) At the annual general meeting of the Company held on December 1, 2016, the Company's shareholders approved the adoption of the SPH Performance Share Plan 2016 ("the 2016 Share Plan"). This replaced the SPH Performance Share Plan ("the Share Plan") which was terminated, except that awards granted prior to such termination and are outstanding continued to be valid .
- (b) As at February 28, 2017, the number of shares granted and outstanding (being contingent award) under the Share Plan and the 2016 Share Plan ("SPH PSP") was 4,429,482 (February 29, 2016: 5,116,249). Movements in the number of performance shares during the current quarter are summarised below:

<u>Outstanding as at 01.12.16</u>	<u>Adjusted[#]</u>	<u>Granted</u>	<u>Vested</u>	<u>Lapsed</u>	<u>Outstanding and unvested as at 28.02.17</u>
('000)	('000)	('000)	('000)	('000)	('000)
5,069	(952)	1,788	(1,472)	(4)	4,429

[#] 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 December 1, 2016), the Company bought back 800,000 ordinary shares during the current quarter. These shares are held as treasury shares, until released from time to time for the fulfilment of the awards under the SPH PSP. The amount paid, including brokerage fees, totalled S\$2.8 million and was deducted against shareholders' equity.

Share Capital and Treasury Shares

As at February 28, 2017, the Company had 1,599,112,211 ordinary shares, 16,361,769 management shares and 1,536,910 treasury shares (February 29, 2016: 1,598,440,203 ordinary shares, 16,361,769 management shares and 2,208,918 treasury shares).

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at February 28, 2017, the Company had 1,599,112,211 ordinary shares and 16,361,769 management shares (August 31, 2016: 1,598,440,203 ordinary shares and 16,361,769 management shares).

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

Between December 1, 2016 and February 28, 2017, the Company transferred 1,472,008 treasury shares for the fulfilment of share awards vested under the SPH PSP. The total value of the treasury shares transferred was S\$5.8 million.

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

The financial information as set out in paragraphs 1, 4, 5, 6, 7, 9, 10, 11 and 17 of this announcement has been extracted from the condensed interim financial information that has been reviewed by our auditors, KPMG LLP, in accordance with Singapore Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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

Please refer to the attached auditors' review 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. 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 the effect of, the change.

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.

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 ordinary 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 Second Quarter ended February 28, 2017

	Group	
	2Q 2017	2Q 2016
(a) Based on the weighted average number of shares on issue (S\$)	0.03	0.03
(b) On fully diluted basis (S\$)	0.03	0.03

6. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current financial period reported on; and (b) immediately preceding financial year**

Net Asset Value Per Share

	Group		Company	
	Feb 28, 2017	Aug 31, 2016	Feb 28, 2017	Aug 31, 2016
Net asset value per share based on total number of issued shares at the end of period/year (S\$)	2.08	2.18	0.90	0.99

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 Media, Property, and Treasury and Investment. The Media segment is involved in the production of content for distribution on print and other media platforms. 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 include the Group's businesses and investments in online classifieds, events and exhibitions and the New Media Fund.

Review of Results for the Second Quarter ended February 28, 2017 (“2Q 2017”) compared with the Second Quarter ended February 29, 2016 (“2Q 2016”)

- 7.1 Group operating revenue of S\$238 million was S\$21.3 million (8.2%) lower compared to 2Q 2016. Revenue for the Media business declined S\$22.6 million (11.9%) to S\$168 million as advertisement revenue fell S\$23.2 million (16.8%). Circulation revenue was S\$0.3 million (0.8%) lower year-on-year.

Revenue for the Property segment grew by S\$0.8 million (1.3%) to S\$62 million on the back of higher rental income from the retail assets of the Group.

Revenue from the Group’s other businesses of S\$8 million was S\$0.5 million (6.5%) higher than 2Q 2016, led by contributions from the online classifieds business.

- 7.2 Other operating income decreased by S\$1.2 million (23.7%) due to lower income from corporate events.

- 7.3 Materials, production and distribution costs increased by S\$1.1 million (2.9%) mainly due to higher events production costs partially offset by lower newsprint costs.

Staff costs, including bonus provision, was stable year-on-year.

Premises costs decreased by S\$3.6 million (18.3%) as 2Q 2016 included additional property tax on the Group’s investment property.

Depreciation charges was reduced by S\$2.2 million (19.4%) as certain assets were fully depreciated or impaired.

Other operating expenses fell S\$2.5 million (8.5%) partly due to lower business promotion costs.

- 7.4 Operating profit of S\$53 million was S\$15.1 million (22.2%) lower compared to 2Q 2016.

- 7.5 Investment income of S\$16.7 million improved by S\$9.5 million mainly due to higher gains on disposal of investments.

- 7.6 The share of results of associates and joint ventures improved by S\$3.1 million due to lower losses recorded by the regional online classifieds business, and gain arising from the acquisition of interest in an associate.

- 7.7 Taxation charge of S\$8.3 million was based on the statutory tax rate, taking into account non-deductible expenses and non-taxable income. There were no material adjustments for over- or under- provision of taxation in respect of prior years.

- 7.8 Net profit attributable to shareholders of S\$53.5 million was S\$0.6 million (1.2%) lower compared to 2Q 2016.

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)(i) Performance for the Half-Year ended February 28, 2017

Results for the Half Year ended February 28, 2017

	Group		
	1H 2017 S\$'000	1H 2016 S\$'000	Change %
Operating revenue			
Media	369,937	413,682	(10.6)
Property	122,417	120,810	1.3
Others	23,921	21,010	13.9
	<u>516,275</u>	<u>555,502</u>	(7.1)
Other operating income	7,343	13,452	(45.4)
	<u>523,618</u>	<u>568,954</u>	(8.0)
Materials, production and distribution costs	(77,960)	(77,814)	0.2
Staff costs	(182,402)	(183,996)	(0.9)
Premises costs	(31,829)	(35,925)	(11.4)
Depreciation	(19,669)	(22,405)	(12.2)
Other operating expenses	(72,930)	(65,969)	10.6
Finance costs	(15,037)	(15,738)	(4.5)
Operating profit [#]	123,791	167,107	(25.9)
Net income from investments	14,915	17,558	(15.1)
Share of results of associates and joint ventures	1,368	(2,521)	NM
Profit before taxation	140,074	182,144	(23.1)
Taxation	(20,383)	(27,335)	(25.4)
Profit after taxation	<u>119,691</u>	<u>154,809</u>	(22.7)
Attributable to:			
Shareholders of the Company	99,237	135,455	(26.7)
Non-controlling interests	20,454	19,354	5.7
	<u>119,691</u>	<u>154,809</u>	(22.7)

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

NM Not Meaningful

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

	Group		
	1H 2017	1H 2016	Change
	S\$'000	S\$'000	%
(Allowance)/Write-back of allowance for stock obsolescence	(59)	8	NM
Share-based compensation expense	(2,547)	(2,468)	3.2
Retrenchment and outplacement costs	(7,238)	-	NM
Write-back of allowance/(Allowance) for impairment of trade receivables	753	(2,124)	NM
Bad debts recovery	138	129	7.0
Impairment of property, plant and equipment	(2,614)	-	NM
Net loss on disposal of property, plant and equipment	(105)	(110)	(4.5)
Amortisation of intangible assets	(5,447)	(5,607)	(2.9)
Impairment of intangible assets	-	(5)	NM
Gain on dilution of interest in a joint venture	298	-	NM
(Allowance)/Write-back of allowance for impairment of associates	(4,786)	259	NM
Allowance for impairment of a joint venture	(159)	-	NM
Interest income	3,979	3,144	26.6
Net profit on disposal of investments	15,801	10,398	52.0
Net fair value changes on			
- Internally-managed assets at fair value through profit or loss	(30)	(532)	(94.4)
- Derivatives	(5,655) [^]	1,860	NM
Net foreign exchange differences	(1,008)	388	NM
Impairment of investments	(721)	-	NM
Net over/(under)-provision of prior years' taxation	349	(64)	NM

[^] Relates mainly to fair value loss on U.S. Dollar forward hedges for portfolio investments. The corresponding gain on underlying investments was recognised as net fair value changes on available-for-sale financial assets in Other comprehensive income.

9(a)(iii) Statement of Comprehensive Income

	Group		
	1H 2017 S\$'000	1H 2016 S\$'000	Change %
Profit after taxation	119,691	154,809	(22.7)
Other comprehensive income, net of tax			
<u>Items that may be re-classified subsequently to profit or loss</u>			
Cash flow hedges			
- net fair value changes	888	(6,430)	NM
- transferred to income statement	2,879	519	NM
Net fair value changes on available-for-sale financial assets			
- net fair value changes	(64,369)	(51,335)	25.4
- transferred to income statement	(13,062)	(7,946)	64.4
Currency translation difference			
- arising from consolidation of financial statements of foreign subsidiaries, associates and joint ventures	(465)	(710)	(34.5)
	(74,129)	(65,902)	12.5
Total comprehensive income	<u>45,562</u>	<u>88,907</u>	(48.8)
Attributable to:			
Shareholders of the Company	24,152	71,335	(66.1)
Non-controlling interests	21,410	17,572	21.8
	<u>45,562</u>	<u>88,907</u>	(48.8)

9(b) **A statement of cash flows (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 Half Year ended February 28, 2017

	1H 2017	1H 2016
	S\$'000	S\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	140,074	182,144
Adjustments for:		
Depreciation	19,669	22,405
Impairment of property, plant and equipment	2,614	-
Net loss on disposal of property, plant and equipment	105	110
Share of results of associates and joint ventures	(1,368)	2,521
Gain on dilution of interest in a joint venture	(298)	-
Allowance/(Write-back of allowance) for impairment of associates	4,786	(259)
Allowance for impairment of a joint venture	159	-
Net income from investments	(14,915)	(17,558)
Amortisation of intangible assets	5,447	5,607
Impairment of intangible assets	-	5
Finance costs	15,037	15,738
Share-based compensation expense	2,547	2,468
Other non-cash items	1,033	1,168
Operating cash flow before working capital changes	174,890	214,349
Changes in operating assets and liabilities, net of effects from acquisition and disposal of subsidiaries and business:		
Inventories	527	(458)
Trade and other receivables, current	7,006	11,809
Trade and other payables, current	(20,685)	(17,422)
Trade and other receivables, non-current	(2,749)	(291)
Trade and other payables, non-current	(4,196)	(781)
Others	(397)	(631)
	154,396	206,575
Income tax paid	(29,490)	(36,387)
Dividends paid	(177,628)	(209,782)
Dividends paid (net) by subsidiaries to non-controlling interests	(20,743)	(20,520)
Net cash used in operating activities	(73,465)	(60,114)

**Consolidated Statement of Cash Flows for the Half Year ended February 28, 2017
(cont'd)**

	1H 2017	1H 2016
	S\$'000	S\$'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(3,675)	(4,635)
Proceeds from disposal of property, plant and equipment	124	31
Additions to investment properties	(4,443)	(10,219)
Acquisition of interests in associates	(30,981)	-
Acquisition of interests in a joint venture	(78)	(2,379)
Proceeds from partial divestment of interest in a subsidiary	5,993	-
Dividends received from associates	3,533	1,805
Proceeds from disposal of an associate	-	259
Decrease/(Increase) in amounts owing by associates/ joint ventures	261	(2,183)
Decrease in amounts owing to joint ventures	(2,141)	(11,452)
Purchase of investments, non-current	(7,612)	(41,117)
Purchase of investments, current	(53,382)	(34,974)
Proceeds from capital distribution/disposal of investments, non-current	11,646	1,358
Proceeds from capital distribution/disposal of investments, current	101,460	159,227
Dividends received	2,427	3,446
Interest received	3,465	2,602
Other investment income	(7,216)	(6,833)
Net cash from investing activities	19,381	54,936
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank loans (net of transaction costs)	31,000	20,000
Repayment of bank loans	(2,556)	(2,327)
Interest paid	(14,968)	(14,796)
Share buy-back	(2,791)	(1,760)
Loan from a non-controlling interest	11	-
Net cash from financing activities	10,696	1,117
Net decrease in cash and cash equivalents	(43,388)	(4,061)
Cash and cash equivalents at beginning of period	312,894	292,246
Cash and cash equivalents at end of period	269,506	288,185

10. Earnings Per Share for the Half Year ended February 28, 2017

	Group	
	1H 2017	1H 2016
(a) Based on the weighted average number of shares on issue (S\$)	0.06	0.08
(b) On fully diluted basis (S\$)	0.06	0.08

11. Review of Results for the Half Year ended February 28, 2017 (“1H 2017”) compared with the Half Year ended February 29, 2016 (“1H 2016”)

11.1 Group operating revenue of S\$516.3 million was S\$39.2 million (7.1%) lower compared to the same period last year. Revenue for the Media business declined S\$43.7 million (10.6%) to S\$369.9 million as advertisement revenue fell S\$45.9 million (15%). Circulation revenue was S\$0.4 million (0.5%) higher year-on-year.

Revenue for the Property segment grew S\$1.6 million (1.3%) to S\$122.4 million, on the back of higher rental income from the retail assets of the Group.

Revenue from the Group’s other businesses rose S\$2.9 million (13.9%) to S\$23.9 million. The increase came from the exhibitions and online classifieds businesses.

11.2 Other operating income was lower by S\$6.1 million (45.4%) mainly due to write-back of contingent consideration for an acquired business recognised in 1H 2016.

11.3 Materials, production and distribution costs was stable year-on-year.

Staff costs, including bonus provision, decreased by S\$1.6 million (0.9%).

Premises costs decreased by S\$4.1 million (11.4%) as 1H 2016 included additional property tax on the Group’s investment property.

Depreciation charges was reduced by S\$2.7 million (12.2%) as certain assets were fully depreciated or impaired.

Other operating expenses increased by S\$7 million (10.6%) due primarily to the charges of S\$15.9 million arising from the media business review and impairment of an associate. This was partially offset by reduced business promotion costs and lower provision for doubtful debts.

11.4 Operating profit of S\$123.8 million was S\$43.3 million (25.9%) lower than the same period last year. Excluding the charges of S\$15.9 million, operating profit would have declined by S\$27.4 million (16.4%).

11.5 Investment income of S\$14.9 million decreased by S\$2.6 million (15.1%) due to fair value losses on hedges for portfolio investments, partially offset by higher gains on disposal of investments.

11.6 The share of results of associates and joint ventures improved by S\$3.9 million mainly due to lower losses recorded by the regional online classifieds business.

- 11.7 Taxation charge of S\$20.4 million was based on the statutory tax rate, taking into account non-deductible expenses and non-taxable income. There were no material adjustments for over- or under- provision of taxation in respect of prior years.
- 11.8 Net profit attributable to shareholders of S\$99.2 million was S\$36.2 million (26.7%) lower compared to 1H 2016.

12. 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

- 12.1 Business conditions remain challenging in view of the uncertain economic outlook and the continuing disruption of the media industry.
- 12.2 Newsprint prices are expected to strengthen but remain dependent on the degree of market balance between supply and demand.
- 12.3 The retail assets of the Group, comprising Paragon, The Clementi Mall and The Seletar Mall will continue to provide a recurrent income stream for the Group.
- 12.4 The Group will maintain a conservative stance on its investment portfolio allocation with focus on capital preservation. Returns are expected to be commensurate with a low risk-return profile to mitigate against volatility.
- 12.5 The Group will continue to focus on sustaining and transforming the core media business through investment in growth areas and cost discipline, while also pursuing other opportunities to diversify revenue streams.

13. Dividends

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

Yes.

Name of Dividend	Interim Dividend
Dividend Type	Cash
Dividend Rate	6 cents per share
Tax rate	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	Interim Dividend
Dividend Type	Cash
Dividend Rate	7 cents per share
Tax rate	Tax exempt (One-tier)

(c) **Date payable**

The date the dividend is payable: May 24, 2017.

(d) **Record Date**

The Share Transfer Books and Register of Members of the Company will be closed on May 4, 2017, 5.00 p.m. 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 5.00 p.m. on May 4, 2017 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.

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

Not applicable.

15. **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.

16. **Please disclose a confirmation that the Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers pursuant to Rule 720(1) of the SGX Listing Manual.

17. Segmental information (of the group) for the Half Year ended February 28, 2017

1H 2017

	Media S\$'000	Property S\$'000	Treasury and Investment S\$'000	Others S\$'000	Eliminations S\$'000	Consolidated S\$'000
Operating revenue						
External sales	369,937	122,417	-	23,921	-	516,275
Inter-segmental sales	2,135	1,096	-	2,078	(5,309)	-
Total operating revenue	372,072	123,513	-	25,999	(5,309)	516,275
Result						
Segment result	50,137	93,916	10,391	(701)	-	153,743
Finance costs	-	(14,336)	(694)	(7)	-	(15,037)
Share of results of associates and joint ventures	474	2,171	-	(1,277)	-	1,368
Profit/(Loss) before taxation*	50,611	81,751	9,697	(1,985)	-	140,074

* Included charges of S\$15.9 million relating to the review of the media business and impairment of an associate.

1H 2016

	Media S\$'000	Property S\$'000	Treasury and Investment S\$'000	Others S\$'000	Eliminations S\$'000	Consolidated S\$'000
Operating revenue						
External sales	413,682	120,810	-	21,010	-	555,502
Inter-segmental sales	2,130	996	-	223	(3,349)	-
Total operating revenue	415,812	121,806	-	21,233	(3,349)	555,502
Result						
Segment result	99,511	88,687	16,426	(4,221)	-	200,403
Finance costs	(30)	(15,031)	(661)	(16)	-	(15,738)
Share of results of associates and joint ventures	2,561	-	-	(5,082)	-	(2,521)
Profit/(Loss) before taxation	102,042	73,656	15,765	(9,319)	-	182,144

BY ORDER OF THE BOARD

Ginney Lim May Ling
Khor Siew Kim

Company Secretaries

Singapore,
April 12, 2017



CONFIRMATION BY THE BOARD
Pursuant to Rule 705(5) of the Listing Manual

We, Lee Boon Yang and Chan Heng Loon Alan, being two directors of Singapore Press Holdings Limited ("the Company"), do hereby confirm on behalf of the directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial results for the second quarter ended February 28, 2017 to be false or misleading in any material respect.

On behalf of the Directors


LEE BOON YANG
Chairman


CHAN HENG LOON ALAN
Director

Singapore,
April 12, 2017



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Report on review of Condensed Interim Financial Information

The Board of Directors
Singapore Press Holdings Limited

Introduction

We have reviewed the accompanying statement of financial position and changes in total equity of Singapore Press Holdings Limited (the “Company”) and consolidated statement of financial position of Singapore Press Holdings Limited and its Subsidiaries (the “Group”) as at February 28, 2017, and the related consolidated statements of income, comprehensive income, changes in total equity and cash flows for the Group for the three-month and six-month periods then ended, and certain explanatory notes (the “Condensed Interim Financial Information”). Management is responsible for the preparation and presentation of this Condensed Interim Financial Information in accordance with Singapore Financial Reporting Standard (“FRS”) 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this Condensed Interim Financial Information based on our review.

Scope of review

We conducted our review in accordance with Singapore Standard on Review Engagements 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Singapore Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Condensed Interim Financial Information is not prepared, in all material respects, in accordance with FRS 34 *Interim Financial Reporting*.



Restriction on use

Our report is provided in accordance with the terms of our engagement. Our work was undertaken so that we might report to you on the Condensed Interim Financial Information for the purpose of assisting the Company to meet the requirements of the Singapore Exchange Limited Listing Manual and for no other purpose. Our report is included in the Company's announcement of its interim financial information for the information of its members. We do not assume responsibility to anyone other than the Company for our work, for our report, or for the conclusions we have reached in our report.

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
April 12, 2017