



**SINGAPORE PRESS HOLDINGS LIMITED**

Reg. No. 198402868E

(Incorporated in Singapore)

**ANNOUNCEMENT**

**UNAUDITED RESULTS\* FOR THE 1<sup>st</sup> QUARTER ENDED NOVEMBER 30, 2010**

**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 First Quarter ended November 30, 2010**

	<b>Group</b>		<b>Change</b>
	<b>1Q</b>	<b>1Q</b>	
	<b>2011</b>	<b>2010</b>	<b>%</b>
	S\$'000	S\$'000	
Operating revenue			
Newspaper and Magazine	265,493	243,235	9.2
Property	36,822	99,463	(63.0)
Others	16,402	11,261	45.7
	<hr/>	<hr/>	
	318,717	353,959	(10.0)
Other operating income	2,697	2,954	(8.7)
	<hr/>	<hr/>	
	321,414	356,913	(9.9)
Materials, consumables and broadcasting costs	(41,615)	(36,167)	15.1
Property development costs	-	(19,815)	(100.0)
Staff costs	(87,001)	(75,254)	15.6
Depreciation	(16,859)	(16,983)	(0.7)
Other operating expenses	(49,133)	(43,983)	11.7
Finance costs	(10,501)	(5,358)	96.0
	<hr/>	<hr/>	
Profit before investment income and share of net profit/(loss) of associates and jointly-controlled entities <sup>#</sup>	116,305	159,353	(27.0)
Net income from investments	6,055	10,158	(40.4)
Share of net profit/(loss) of associates and jointly-controlled entities	976	(263)	NM
	<hr/>	<hr/>	
Profit before taxation	123,336	169,248	(27.1)
Taxation	(22,083)	(24,861)	(11.2)
Profit after taxation	<hr/>	<hr/>	
	101,253	144,387	(29.9)
Attributable to:			
<b>Shareholders of the Company</b>	<b>102,287</b>	<b>144,701</b>	<b>(29.3)</b>
Non-controlling interests	(1,034)	(314)	229.3
	<hr/>	<hr/>	
	101,253	144,387	(29.9)

\* Please refer to page 14 for the independent auditors' review report.

# This represents the recurring earnings of the media and property businesses. Results for the comparative period in FY10 included profits from the Group's Sky@eleven development which was completed in May 2010.

NM: Not meaningful

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

	<b>Group</b>		
	<b>1Q 2011 S\$'000</b>	<b>1Q 2010 S\$'000</b>	<b>Change %</b>
(Allowance)/Reversal of allowance for stock obsolescence	(328)	91	NM
Share-based compensation expenses	(1,672)	(1,652)	1.2
Allowance for impairment of trade receivables	(384)	(1,079)	(64.4)
Bad debts recovery	199	72	176.4
Amortisation of intangible assets	(1,003)	(670)	49.7
Net profit/(loss) on disposal of property, plant and equipment	106	(6)	NM
Impairment of property, plant and equipment	(769)	-	NM
Investment property written off	-	(10)	NM
Interest income	2,672	1,676	59.4
Net foreign exchange loss	(1,729)	(2,543)	(32.0)
Realised gain on derivative financial instruments	1,779	2,483	(28.4)
Net profit on sale of internally-managed investments	1,749	2,817	(37.9)
Net fair value (loss)/gain of			
- Internally-managed assets at fair value through profit or loss	(398)	1,465	NM
- Derivative financial instruments	392	1,813	(78.4)
Net loss from funds under management	-	(28)	NM
Net (under)/over provision of prior years' taxation	(280)	13	NM

### 1(a)(iii) Statement of Comprehensive Income

	<b>Group</b>		
	<b>1Q</b>	<b>1Q</b>	
	<b>2011</b>	<b>2010</b>	<b>Change</b>
	S\$'000	S\$'000	%
Profit after taxation	101,253	144,387	(29.9)
Other comprehensive income/(loss), net of tax			
Cash flow hedges			
- net fair value changes	62	(4,613)	NM
- transfer to income statement	3,482	3,109	12.0
Net fair value changes on available-for-sale financial assets	9,543	3,777	152.7
Currency translation difference			
- arising from consolidation of financial statements of foreign subsidiaries, associates and jointly-controlled entities	(837)	(1,740)	(51.9)
	<u>12,250</u>	<u>533</u>	NM
Total comprehensive income	<u>113,503</u>	<u>144,920</u>	(21.7)
Attributable to:			
<b>Shareholders of the Company</b>	<b>114,667</b>	<b>145,501</b>	<b>(21.2)</b>
Non-controlling interests	(1,164)	(581)	100.3
	<u>113,503</u>	<u>144,920</u>	(21.7)

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 November 30, 2010**

	Group		Company	
	Nov 30, 2010 S\$'000	Aug 31, 2010 S\$'000	Nov 30, 2010 S\$'000	Aug 31, 2010 S\$'000
<b>CAPITAL EMPLOYED</b>				
Share capital	497,146	494,738	497,146	494,738
Treasury shares	(19,921)	(19,921)	(19,921)	(19,921)
Reserves	295,433	281,685	58,229	54,081
Retained profits	1,572,231	1,469,780	801,061	722,000
Shareholders' interests	2,344,889	2,226,282	1,336,515	1,250,898
Non-controlling interests	78,580	79,744	-	-
<b>Total equity</b>	2,423,469	2,306,026	1,336,515	1,250,898
<b>EMPLOYMENT OF CAPITAL</b>				
<b>Non-current assets</b>				
Property, plant and equipment	419,014	427,783	270,301	274,831
Investment properties	1,734,124	1,730,069	-	-
Investments in subsidiaries	-	-	386,840	386,840
Investments in associates	60,463	56,103	29,326	29,326
Investments in jointly-controlled entities	9,147	11,002	-	-
Trade and other receivables	-	-	304,452	303,331
Long-term investments	322,316	306,226	33,957	31,633
Intangible assets	91,299	49,339	-	-
Other non-current assets	4,972	4,857	3,096	3,193
	2,641,335	2,585,379	1,027,972	1,029,154
<b>Current assets</b>				
Inventories	32,396	26,974	32,115	26,154
Trade and other receivables	259,743	259,267	1,333,842	1,250,414
Short-term investments	621,996	896,569	104,654	205,145
Derivative financial instruments	5,972	4,818	63	35
Cash and cash equivalents	692,767	460,995	296,538	231,418
	1,612,874	1,648,623	1,767,212	1,713,166
<b>Total assets</b>	4,254,209	4,234,002	2,795,184	2,742,320
<b>Current liabilities</b>				
Trade and other payables	304,595	286,861	652,523	641,624
Current income tax liabilities	122,945	120,213	65,371	57,831
Borrowings	500,800	570,800	-	-
Derivative financial instruments	9,088	12,037	234	33
	937,428	989,911	718,128	699,488
<b>Non-current liabilities</b>				
Trade and other payables	27,051	21,438	-	-
Deferred income tax liabilities	53,666	54,161	40,209	41,129
Borrowings	810,802	860,114	698,539	748,453
Derivative financial instruments	1,793	2,352	1,793	2,352
	893,312	938,065	740,541	791,934
<b>Total liabilities</b>	1,830,740	1,927,976	1,458,669	1,491,422
<b>Net assets</b>	2,423,469	2,306,026	1,336,515	1,250,898

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

**Group Borrowings**

**Amount repayable in one year**

<b>As at November 30, 2010</b>		<b>As at August 31, 2010</b>	
<b>Secured</b> S\$'000	<b>Unsecured</b> S\$'000	<b>Secured</b> S\$'000	<b>Unsecured</b> S\$'000
500,000	800	570,000	800

**Amount repayable after one year**

<b>As at November 30, 2010</b>		<b>As at August 31, 2010</b>	
<b>Secured</b> S\$'000	<b>Unsecured</b> S\$'000	<b>Secured</b> S\$'000	<b>Unsecured</b> S\$'000
-	810,802	-	860,114

**Details of collateral**

The secured bank loan facilities as at November 30, 2010 comprised the term loan facilities of S\$610 million (August 31, 2010: S\$610 million) undertaken by a subsidiary, Orchard 290 Ltd ("O290"), which commenced on July 11, 2006, with a tenure of five years and classified accordingly as a current liability.

The term loan is secured by way of a legal mortgage on the Group's investment property, a debenture over the assets of O290, an assignment of rental proceeds from the investment property and the insurances on the investment property.

O290 had repaid S\$110 million up to November 30, 2010.

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 Cash Flow Statement for the First Quarter ended November 30, 2010**

	<b>1Q 2011 S\$'000</b>	<b>1Q 2010 S\$'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	123,336	169,248
Adjustments for:		
Amortisation of intangible assets	1,003	670
Depreciation	16,859	16,983
Net (profit)/loss on disposal of property, plant and equipment	(106)	6
Impairment of property, plant and equipment	769	-
Investment property written off	-	10
Finance costs	10,501	5,358
Net income from investments	(6,055)	(10,158)
Share of net (profit)/loss of associates and jointly-controlled entities	(976)	263
Share-based compensation expense	1,672	1,652
Other non-cash items	85	-
Operating cash flow before working capital changes	<u>147,088</u>	<u>184,032</u>
Changes in operating assets and liabilities, net of effects from acquisition and disposal of subsidiaries and business:		
Inventories	(5,422)	3,693
Trade and other receivables	467	(81,765)
Trade and other payables	4,912	12,331
	<u>147,045</u>	<u>118,291</u>
Income tax paid	<u>(20,705)</u>	<u>(11,002)</u>
	126,340	107,289
(Increase)/Decrease in other non-current assets	(115)	54
Increase/(Decrease) in other non-current payables	5,613	(447)
Currency translation difference	(262)	(809)
<b>Net cash from operating activities</b>	<b><u><u>131,576</u></u></b>	<b><u><u>106,087</u></u></b>

**Consolidated Cash Flow Statement for the First Quarter ended November 30, 2010  
(cont'd)**

	<b>1Q 2011 S\$'000</b>	<b>1Q 2010 S\$'000</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(6,507)	(5,710)
Proceeds from disposal of property, plant and equipment	127	3
Additions to investment properties	(6,428)	(644)
Deposits/stamp duties paid for the acquisition of an investment property	-	(44,752)
Acquisition of business by a subsidiary (net of cash acquired) *	(43,065)	-
Acquisition of an associate	(500)	-
Additional consideration paid on interests in an associate	(1,250)	(1,757)
(Increase)/Decrease in amounts owing by associates/jointly-controlled entities	(866)	183
Decrease in amounts owing to associates/jointly-controlled entities	(2,926)	(3,501)
Purchase of long-term investments	(7,629)	-
Proceeds from disposal/redemption of long-term investments	104	1,366
Purchase of short-term investments	(81,528)	(136,426)
Proceeds from disposal of short-term investments	369,408	163,551
Dividends received	1,495	1,497
Interest received	2,547	1,597
Other investment income	2,013	7,064
	<u>224,995</u>	<u>(17,529)</u>
Add/(Less): Items not involving movement of funds		
Changes in fair value of financial instruments	6	(3,278)
Net profit on sale of internally-managed Investments	(1,749)	(2,817)
Currency translation loss	153	241
Effective interest on bonds	8	(122)
<b>Net cash from/(used in) investing activities</b>	<u><u>223,413</u></u>	<u><u>(23,505)</u></u>

**Consolidated Cash Flow Statement for the First Quarter ended November 30, 2010  
(cont'd)**

	<b>1Q 2011 S\$'000</b>	<b>1Q 2010 S\$'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of bank loans	(120,000)	-
Interest paid	(5,481)	(5,358)
Proceeds from issuance of shares by the Company	2,264	-
Proceeds from issuance of shares to non-controlling interests	-	100
Contribution by non-controlling interests for their share of deposits/stamp duties paid for the acquisition of an investment property	-	18,001
<b>Net cash (used in)/from financing activities</b>	<u>(123,217)</u>	<u>12,743</u>
<b>Net increase in cash and cash equivalents</b>	231,772	95,325
Cash and cash equivalents at beginning of period	<u>460,995</u>	<u>299,253</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>692,767</u></u>	<u><u>394,578</u></u>

- \* During the quarter, the Group has completed the acquisition of the exhibitions business and assets of Eastern Directories Pte Ltd. The total consideration for the acquisition was S\$43.5m of which S\$0.4m was paid in FY 2010. The Group has recognised intangible assets of S\$43.5m relating to the acquisition.



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 First Quarter ended November 30, 2010**

**(a) Group**

	Attributable to Shareholders of the Company									Non-controlling Interests S\$'000	Total Equity S\$'000
	Share Capital S\$'000	Treasury Shares S\$'000	Capital Reserve S\$'000	Share-based Compensation Reserve S\$'000	Hedging Reserve S\$'000	Fair Value Reserve S\$'000	Currency Translation Reserve S\$'000	Retained Profits S\$'000	Total S\$'000		
Balance as at September 1, 2010	494,738	(19,921)	2,005	26,817	(11,912)	265,276	(501)	1,469,780	2,226,282	79,744	2,306,026
Total comprehensive income/(loss) for the quarter	-	-	-	-	3,544	9,543	(707)	102,287	114,667	(1,164)	113,503
Share-based compensation	-	-	-	1,676	-	-	-	-	1,676	-	1,676
Issue of shares	2,408	-	-	(144)	-	-	-	-	2,264	-	2,264
Lapse of share options	-	-	-	(164)	-	-	-	164	-	-	-
<b>Balance as at November 30, 2010</b>	<b>497,146</b>	<b>(19,921)</b>	<b>2,005</b>	<b>28,185</b>	<b>(8,368)</b>	<b>274,819</b>	<b>(1,208)</b>	<b>1,572,231</b>	<b>2,344,889</b>	<b>78,580</b>	<b>2,423,469</b>

Statements of Changes in Total Equity for the First Quarter ended November 30, 2010 (cont'd)

(a) Group (cont'd)

	Attributable to Shareholders of the Company								Non-controlling Interests S\$'000	Total Equity S\$'000	
	Share Capital S\$'000	Treasury Shares S\$'000	Capital Reserve S\$'000	Share-based Compensation Reserve S\$'000	Hedging Reserve S\$'000	Fair Value Reserve S\$'000	Currency Translation Reserve S\$'000	Retained Profits S\$'000			Total S\$'000
Balance as at September 1, 2009	490,890	(25,578)	2,005	26,290	(13,937)	203,724	1,078	1,370,704	2,055,176	9,486	2,064,662
Total comprehensive income/(loss) for the quarter	-	-	-	-	(1,504)	3,777	(1,473)	144,701	145,501	(581)	144,920
Share-based compensation	-	-	-	1,658	-	-	-	-	1,658	-	1,658
Lapse of share options	-	-	-	(64)	-	-	-	64	-	-	-
Capital contribution by a non-controlling interest	-	-	-	-	-	-	-	-	-	170	170
<b>Balance as at November 30, 2009</b>	<b>490,890</b>	<b>(25,578)</b>	<b>2,005</b>	<b>27,884</b>	<b>(15,441)</b>	<b>207,501</b>	<b>(395)</b>	<b>1,515,469</b>	<b>2,202,335</b>	<b>9,075</b>	<b>2,211,410</b>

**Statements of Changes in Total Equity for the First Quarter ended November 30, 2010 (cont'd)**

**(b) Company**

	<b>Share Capital S\$'000</b>	<b>Treasury Shares S\$'000</b>	<b>Share-based Compensation Reserve S\$'000</b>	<b>Hedging Reserve S\$'000</b>	<b>Fair Value Reserve S\$'000</b>	<b>Retained Profits S\$'000</b>	<b>Total Equity S\$'000</b>
Balance as at September 1, 2010	494,738	(19,921)	26,817	(1,952)	29,216	722,000	1,250,898
Total comprehensive income for the quarter	-	-	-	464	2,316	78,897	81,677
Share-based compensation	-	-	1,676	-	-	-	1,676
Issue of shares	2,408	-	(144)	-	-	-	2,264
Lapse of share options	-	-	(164)	-	-	164	-
<b>Balance as at November 30, 2010</b>	<b>497,146</b>	<b>(19,921)</b>	<b>28,185</b>	<b>(1,488)</b>	<b>31,532</b>	<b>801,061</b>	<b>1,336,515</b>
Balance as at September 1, 2009	490,890	(25,578)	26,290	(1,455)	25,722	519,514	1,035,383
Total comprehensive (loss)/income for the quarter	-	-	-	(420)	(3,100)	73,242	69,722
Share-based compensation	-	-	1,658	-	-	-	1,658
Lapse of share options	-	-	(64)	-	-	64	-
<b>Balance as at November 30, 2009</b>	<b>490,890</b>	<b>(25,578)</b>	<b>27,884</b>	<b>(1,875)</b>	<b>22,622</b>	<b>592,820</b>	<b>1,106,763</b>

**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) Between September 1, 2010 and November 30, 2010, the Company issued 617,025 ordinary shares under the Singapore Press Holdings Group (1999) Share Option Scheme (the "1999 Scheme").
- (b) As a result of the 617,025 ordinary shares issued pursuant to the 1999 Scheme, the Company issued 6,233 management shares in accordance with the Newspaper and Printing Presses Act, Cap. 206 between September 1, 2010 and November 30, 2010.
- (c) Under the 1999 Scheme, options to subscribe for 32,059,875 ordinary shares remain outstanding as at November 30, 2010 compared to 42,195,775 ordinary shares as at November 30, 2009. Movements in the number of the unissued shares of the Company under the option during the first quarter are as follows:

<u>Outstanding as at 01.09.10</u> (‘000)	<u>Exercised</u> (‘000)	<u>Lapsed</u> (‘000)	<u>Outstanding as at 30.11.10</u> (‘000)
40,017	(617)	(7,340)	32,060

### 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 November 30, 2010, the number of shares granted and outstanding (being contingent award) under the SPH Performance Share Plan was 6,788,290 (November 30, 2009: 5,990,938). Movements in the number of performance shares during the first quarter are summarised below:

<u>Outstanding as at 01.09.10</u> (‘000)	<u>Lapsed</u> (‘000)	<u>Outstanding and unvested as at 30.11.10</u> (‘000)
6,840	(52)	6,788

## **Share Buy Back**

No shares were bought back by the Company during the first quarter under the Share Buy Back Mandate (first approved by the Shareholders on July 16, 1999 and last renewed at the Annual General Meeting on December 1, 2010).

## **Share Capital and Treasury Shares**

As at November 30, 2010, the Company had 1,589,839,066 ordinary shares, 16,301,914 management shares and 4,884,205 treasury shares (August 31, 2010: 1,589,222,041 ordinary shares, 16,295,681 management shares and 4,884,205 treasury shares).

### **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 and 12 of this announcement has been extracted from the condensed interim financial information that has been reviewed in accordance with Singapore Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity ("SSRE 2410").

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

The following is the independent auditors' review report dated January 14, 2011.

Report on the review of condensed interim financial information to the Board of Directors of Singapore Press Holdings Limited for the first quarter ended November 30, 2010

*Introduction*

We have reviewed the accompanying condensed interim financial information of Singapore Press Holdings Limited (the "Company") and its subsidiaries (the "Group") set out on pages # to #, which comprise the balance sheet of the Company and consolidated balance sheet of the Group as of November 30, 2010, and the related consolidated statements of income, comprehensive income, changes in equity and cash flows of the Group for the period from September 1, 2010 to November 30, 2010, and statement of changes in equity of the Company for the period from September 1, 2010 to November 30, 2010. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with Financial Reporting Standard 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 Financial Reporting Standard 34, "Interim Financial Reporting".

.....  
PricewaterhouseCoopers LLP  
Public Accountants and Certified Public Accountants

Singapore,

January 14, 2011

# The page numbers are as stated in the report of the review of condensed interim financial information dated January 14, 2011 included in the Singapore Press Holdings Group Condensed Interim Financial Information for the first quarter ended November 30, 2010.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

**Accounting Policies**

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

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

5. **Earnings per share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

**Earnings Per Share for the First Quarter ended November 30, 2010**

		Group	
		1Q 2011	1Q 2010
(a)	Based on the weighted average number of shares on issue (S\$)	0.06	0.09
(b)	On fully diluted basis (S\$)	0.06	0.09

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

**Net Asset Value Per Share As At**

	Group		Company	
	Nov 30, 2010	Aug 31, 2010	Nov 30, 2010	Aug 31, 2010
Net asset value per share based on total number of issued shares at the end of year (S\$)	1.46	1.39	0.83	0.78

7. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on**

## **Business Segments/Review of Results**

### **Business Segments**

The Group is organised into three major operating segments, namely Newspaper and Magazine, Treasury and Investment and Property. The Newspaper and Magazine segment is involved in the publishing, printing and distributing of newspapers and magazines. The Treasury and Investment segment manages the investment activities of the Group. The Property segment holds, manages and develops properties of the Group. Other operations under the Group, which are currently not significant to be reported separately, are included under "Others". These comprise the Group's businesses and investments in Internet and related activities, outdoor advertising, radio broadcasting, television broadcasting, organising conventions/conferences/events, book publishing and distribution, online investor relations services, developing applications and operating a financial portal.

### **Review of Results for the First Quarter ended November 30, 2010 ("1Q 2011") compared with the First Quarter ended November 30, 2009 ("1Q 2010")**

- 7.1 The Newspaper and Magazine segment turned in a creditable performance with revenue for 1Q 2011 at S\$265.5 million, an increase of S\$22.3 million (9.2%) against 1Q 2010. Print advertisement revenue grew by S\$23.9 million (13.1%) to S\$206.3 million driven by Display and Recruitment advertisements. Circulation revenue decreased by S\$1.1 million (2.1%) due to lower copies sold.

Rental income from Paragon increased by S\$7.5 million (26.1%) partly from rental revisions and increased floor area as a result of the façade enhancement.

Operating revenue from the Group's other businesses rose by S\$5.1 million (45.7%) to S\$16.4 million with the increase coming from the internet, outdoor and events management businesses.

Overall, Group operating revenue at S\$318.7 million was S\$35.2 million (10.0%) lower than that of 1Q 2010, as a result of the recognition of Sky@eleven revenue of S\$70.1 million in the comparative period last year.

- 7.2 Materials, consumables and broadcasting costs increased by S\$5.4 million (15.1%), as a result of higher newsprint and other production costs.

Staff costs increased by S\$11.7 million (15.6%) largely attributable to higher variable bonus provision and partial wage restorations. Costs for 1Q 2010 was also lower as a result of the government jobs credit.



Other operating expenses rose by S\$5.2 million (11.7%) year-on-year as a result of higher premises costs and other overheads.

Finance costs of S\$10.5 million comprised mainly the interest on fixed rate notes and loans for property financing.

- 7.3 Consequently, recurring earnings for 1Q 2011 at S\$116.3 million was S\$43.0 million (27.0%) lower than that of 1Q 2010. Excluding profits from Sky@eleven for 1Q 2010, recurring earnings improved by S\$7.2 million (6.6%).
- 7.4 Investment income of S\$6.1 million for 1Q 2011 comprised dividend and interest income and profit on sale of investments. The decrease of S\$4.1 million as compared to 1Q 2010 was mainly due to lower re-measurement, foreign exchange and derivative gain on other investments.
- 7.5 The Group's share of results of associates and jointly-controlled entities included profits from MediaCorp Press and MediaCorp TV Holdings, and net losses from its other media investments.
- 7.6 Taxation charge of S\$22.1 million was arrived at after accounting for tax on the taxable income at the corporate tax rate of 17%. There were no material adjustments for under or over provision of taxation in respect of prior years.
- 7.7 Consequently, net profit attributable to shareholders was S\$102.3 million, 29.3% lower compared to S\$144.7 million for 1Q 2010.

**8. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

No forecast was made previously.

**9. A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**

- 9.1 The Singapore economy is expected to grow at a modest pace, supported by sturdy regional demand and domestic activities. However, it remains vulnerable to downside risks that prevail in several advanced economies. The Group's advertisement revenue will continue to track the Singapore domestic economy.
- 9.2 Newsprint prices are expected to increase moderately this year due to cost pressures and rising demand. The Group is committed to manage staff and other operating costs for a sustained performance in the core newspaper business.
- 9.3 Paragon continues to refresh its retail experience and attract top international brand names. It remains a steady source of income for the Group.

Stores in the lower levels of Clementi Mall have commenced trading and full tenancy commitment is expected when the mall officially opens in April 2011.

- 9.4 The Group continues to embrace new technologies to strengthen and synergise its media offerings. Through recent acquisitions, Sphere Exhibits has forged ahead into new arenas of trade and consumer shows, positioning itself as a key player in the competitive MICE industry.
- 9.5 The Group will maintain a conservative stance on its treasury and investment activities and returns are expected to commensurate with a lower risk-return profile.
- 9.6 Barring unforeseen circumstances, the Directors expect the recurring earnings of the media and property businesses for the current financial year to be satisfactory.

**10. Dividends**

**(a) Current Financial Period Reported On**

Any dividend recommended for the current financial period reported on?  
No

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No

**(c) Date payable**

Not applicable

**(d) Books closure date**

Not applicable

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

No interim dividend has been declared or recommended in the current reporting period.

## 12. Segmental information (Group) for the period ended November 30, 2010

### 1Q 2011

	Newspaper and Magazine S\$'000	Treasury and Investment S\$'000	Property S\$'000	Others S\$'000	Eliminations S\$'000	Consolidated S\$'000
<b>Operating revenue</b>						
External sales	265,493	-	36,822	16,402	-	318,717
Inter-segmental sales	978	-	473	396	(1,847)	-
Total operating revenue	<b>266,471</b>	<b>-</b>	<b>37,295</b>	<b>16,798</b>	<b>(1,847)</b>	<b>318,717</b>
<b>Profit/(Loss) before taxation</b>	<b>109,196</b>	<b>3,615</b>	<b>16,418</b>	<b>(5,893)</b>	<b>-</b>	<b>123,336</b>

### 1Q 2010

	Newspaper and Magazine S\$'000	Treasury and Investment S\$'000	Property * S\$'000	Others S\$'000	Eliminations S\$'000	Consolidated S\$'000
<b>Operating revenue</b>						
External sales	243,235	-	99,463	11,261	-	353,959
Inter-segmental sales	732	-	469	450	(1,651)	-
Total operating revenue	<b>243,967</b>	<b>-</b>	<b>99,932</b>	<b>11,711</b>	<b>(1,651)</b>	<b>353,959</b>
<b>Profit/(Loss) before taxation</b>	<b>99,246</b>	<b>10,073</b>	<b>66,568</b>	<b>(6,639)</b>	<b>-</b>	<b>169,248</b>

\* Included results of the Group's Sky@eleven development which was completed in May 2010.

## BY ORDER OF THE BOARD

Ginney Lim May Ling  
Khor Siew Kim

Company Secretaries

Singapore,  
January 14, 2011



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

We, Tony Tan Keng Yam 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 first quarter ended November 30, 2010 to be false or misleading in any material respect.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read 'Tony Tan', written over a horizontal line.

**TONY TAN KENG YAM**  
*Chairman*

A handwritten signature in blue ink, appearing to read 'Chan Heng Loon', written over a horizontal line.

**CHAN HENG LOON ALAN**  
*Director*

Singapore,  
January 14, 2011