

SINGAPORE PRESS HOLDINGS LIMITED

Reg. No. 198402868E
(Incorporated in Singapore)

ANNOUNCEMENT
UNAUDITED RESULTS FOR THE PERIOD ENDED FEBRUARY 28, 2007
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 Second Quarter ended February 28, 2007

	Group		
	2Q 2007	2Q 2006	Change %
	S\$'000	S\$'000	%
Operating revenue			
Newspaper and Magazine	218,071	209,719	4.0
Property	27,254	25,003	9.0
Others	5,317	5,218	1.9
	<hr/> 250,642	<hr/> 239,940	<hr/> 4.5
Other operating income	3,011	1,783	68.9
	<hr/> 253,653	<hr/> 241,723	<hr/> 4.9
Materials, consumables & broadcasting costs	(41,068)	(39,894)	2.9
Staff costs	(73,212)	(65,907)	11.1
Depreciation	(12,617)	(11,920)	5.8
Other operating expenses	(37,611)	(35,707)	5.3
Finance costs	(5,175)	(5,173)	-
	<hr/> 83,970	<hr/> 83,122	<hr/> 1.0
Profit before investment income #	83,970	83,122	1.0
Net income from investments	31,565	19,521	61.7
Share of net profits of associates and jointly controlled entities	1,519	1,076	41.2
	<hr/> 117,054	<hr/> 103,719	<hr/> 12.9
Profit before taxation	117,054	103,719	12.9
Taxation	(9,064)	(19,266)	(53.0)
Profit after taxation	<hr/> 107,990	<hr/> 84,453	<hr/> 27.9
Attributable to:			
Shareholders of the Company	108,018	84,561	27.7
Minority interests	(28)	(108)	(74.1)
	<hr/> 107,990	<hr/> 84,453	<hr/> 27.9

This represents the earnings of the media and property businesses on a recurring basis.

(ii) **Notes:**

Profit before taxation is arrived at after accounting for:

	Group		
	2Q 2007 S\$'000	2Q 2006 S\$'000	Change %
Share-based compensation expenses	(1,590)	(1,623)	(2.0)
Net foreign exchange loss from operations	(98)	(567)	(82.7)
Write-back of/(allowance for) bad & doubtful debts and bad debts written off (net of bad debts recovery)	179	(348)	NM
Write-back of allowance for stocks obsolescence	209	34	514.7
Net profit on sale of property, plant and equipment	418	285	46.7
Impairment of internally-managed investments	(1,666)	(473)	252.2
Net profit on sale of internally-managed investments	23,407	14,733	58.9
Net fair value (loss)/gain of			
- Internally-managed assets at fair value through profit and loss	(4)	-	NM
- Externally-managed assets at fair value through profit and loss	5,758	(53)	NM
- Derivative instruments	(1,115)	3,953	NM

NM – denotes not meaningful

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

	Group		Company	
	Feb 28, 2007 S\$'000	Aug 31, 2006 S\$'000	Feb 28, 2007 S\$'000	Aug 31, 2006 S\$'000
CAPITAL EMPLOYED				
Share capital	452,735	432,807	452,735	432,807
Treasury shares	(12,018)	(12,018)	(12,018)	(12,018)
Reserves	333,197	332,424	54,140	51,012
Retained profit	1,242,258	1,293,182	523,437	653,656
	<hr/>	<hr/>	<hr/>	<hr/>
Shareholders' interests	2,016,172	2,046,395	1,018,294	1,125,457
Minority interests	667	2,342	-	-
Total equity	<hr/> 2,016,839	<hr/> 2,048,737	<hr/> 1,018,294	<hr/> 1,125,457
EMPLOYMENT OF CAPITAL				
Non-current assets				
Property, plant and equipment	484,163	501,891	298,234	299,578
Investment property	1,131,730	1,130,890	-	-
Interests in subsidiaries	-	-	386,988	386,812
Interests in associates	71,484	69,729	29,160	29,160
Interest in a jointly-controlled entity	1,904	-	-	-
Long-term investments	343,251	403,466	40,142	39,273
Derivative financial instruments	3,405	9,855	-	-
Intangible assets	14,756	11,554	-	-
Amount owing by subsidiaries	-	-	683,902	771,291
Amount owing by associates	6,068	6,051	6,000	6,020
Other non-current assets	5,287	5,177	4,951	5,029
	<hr/>	<hr/>	<hr/>	<hr/>
	2,062,048	2,138,613	1,449,377	1,537,163
Current assets				
Stocks	31,855	34,579	30,748	33,935
Trade debtors	101,088	100,342	81,866	85,687
Other debtors and prepayments	12,645	11,093	6,291	4,221
Short-term investments	536,627	671,196	6,999	-
Derivative financial instruments	2,800	2,339	121	-
Cash held as fixed deposits	178,457	55,297	53,804	16,047
Cash and bank balances	31,430	26,090	20,327	15,545
	<hr/>	<hr/>	<hr/>	<hr/>
	894,902	900,936	200,156	155,435
Total assets	<hr/> 2,956,950	<hr/> 3,039,549	<hr/> 1,649,533	<hr/> 1,692,598
Current liabilities				
Trade creditors	87,510	82,756	40,693	42,891
Other creditors and accrued liabilities	86,843	119,633	75,971	99,222
Derivative financial instruments	36	-	36	-
Borrowings	1,200	667	-	-
Current taxation	105,799	104,932	69,539	69,292
	<hr/>	<hr/>	<hr/>	<hr/>
	281,388	307,988	186,239	211,405
Non-current liabilities				
Deferred taxation	64,978	72,046	45,534	52,454
Borrowings	593,745	610,778	-	-
Amount owing to subsidiaries	-	-	399,466	303,282
	<hr/>	<hr/>	<hr/>	<hr/>
	658,723	682,824	445,000	355,736
Total liabilities	<hr/> 940,111	<hr/> 990,812	<hr/> 631,239	<hr/> 567,141
Net assets	<hr/> 2,016,839	<hr/> 2,048,737	<hr/> 1,018,294	<hr/> 1,125,457

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

Group Borrowings

Amount repayable in one year

As at February 28, 2007		As at August 31, 2006	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
-	1,200	667	-

Amount repayable after one year

As at February 28, 2007		As at August 31, 2006	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
590,000	3,745	610,778	-

Details of collateral

The secured bank loan facilities as at February 28, 2007 comprised the following:

- (a) Term loan facilities of S\$610 million (August 31, 2006: 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 non-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\$20 million up to February 28, 2007.

- (b) Term loan facilities of S\$2 million undertaken by another subsidiary, SPH MediaBoxOffice Pte Ltd ("SPHMBO"), which commenced on September 20, 2005, with a tenure of three years and a fixed repayment schedule. The term loan, drawn down on October 31, 2005, was secured by way of fixed charge on certain assets ("Secured Assets") of SPHMBO, an assignment of all rights and benefits arising from all advertising/leasing contracts in relation to the Secured Assets and insurances on the Secured Assets.

SPHMBO repaid the balance of the term loan facilities during the current quarter and refinanced the borrowing with an unsecured fixed advance facility of S\$1.2 million on February 28, 2007. The unsecured fixed advance facility, due on May 30, 2007, is classified accordingly as a current liability.

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 Second Quarter ended February 28, 2007

	2Q 2007 S\$'000	2Q 2006 S\$'000
Cash Flows from Operating Activities		
Profit before taxation	117,054	103,719
Adjustments for :		
Amortisation of intangible assets	122	99
Depreciation	12,617	11,920
Net profit on disposal of property, plant and equipment	(418)	(285)
Finance costs	5,175	5,173
Net income from investments	(31,565)	(19,521)
Share of net profits of associates and jointly controlled entities	(1,519)	(1,076)
Share-based compensation expenses	1,590	1,623
Other non-cash items	-	260
Operating cash flow before working capital changes	<u>103,056</u>	<u>101,912</u>
Changes in working capital :		
Stocks	6,827	3,354
Debtors	29,022	41,593
Creditors	<u>(33,306)</u>	<u>(49,615)</u>
	105,599	97,244
Income tax paid	(23,867)	(23,003)
Dividends paid	<u>(271,239)</u>	<u>(251,507)</u>
	(189,507)	(177,266)
Increase in other assets	(69)	(1,813)
Exchange translation difference	106	2
Net cash used in operating activities	<u><u>(189,470)</u></u>	<u><u>(179,077)</u></u>

Consolidated Cash Flow Statement for the Second Quarter ended February 28, 2007 (cont'd)

	2Q 2007 S\$'000	2Q 2006 S\$'000
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(12,916)	(5,559)
Proceeds on disposal of property, plant and equipment	430	292
Additions to investment property	(744)	(784)
Acquisition of business by a subsidiary (net of cash acquired)	-	2,375
Acquisition of interests in subsidiaries (net of cash acquired)	(5,161)	-
Acquisition of interests in associates/jointly controlled entities	(2,000)	(662)
Amounts owing by associates	(9)	(19)
Amounts owing to a jointly controlled entity	-	2
Proceeds on disposal/redemption of long-term investments	30,584	275
Purchase of short-term investments	(98,725)	(24,398)
Proceeds on disposal of short-term investments	151,960	81,841
Net (increase)/decrease in funds under management	(32,482)	53
Investment income	31,565	19,521
	62,502	72,937
Add/(Less): Items not involving movement of funds		
Changes in fair value of financial instruments	1,119	(3,996)
Impairment of internally-managed investments	1,666	473
Net profit on sale of internally-managed investments	(23,407)	(14,733)
Exchange translation loss	45	1,885
Effective interest on bonds	(12)	-
Net cash from investing activities	41,913	56,566
Cash Flows from Financing Activities		
Proceeds from bank loans	1,200	2,000
Repayment of bank loans	(13,278)	(20,222)
Finance costs	(5,175)	(5,173)
Proceeds on issue of shares by the Company	9,475	8,753
Capital contribution by minority shareholders	125	-
Net cash used in financing activities	(7,653)	(14,642)
Net decrease in cash and cash equivalents	(155,210)	(137,153)
Cash and cash equivalents at beginning of period	365,097	258,139
Cash and cash equivalents at end of period	209,887	120,986

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, 2007

(a)

Group

	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	Exchange Translation Reserve S\$'000	Retained Profit S\$'000	Minority Interests S\$'000	Total Equity S\$'000
Balance as at November 30, 2006	442,425	(12,018)	2,005	15,894	2,191	317,151	(65)	1,405,475	2,415	2,175,473
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	(5,251)	-	-	-	(5,251)
Net fair value changes on cash flow hedges	-	-	-	-	409	-	-	-	-	409
Exchange translation difference	-	-	-	-	-	-	112	-	-	112
Gains/(losses) recognised directly in equity	-	-	-	-	409	(5,251)	112	-	-	(4,730)
Profit for the quarter	-	-	-	-	-	-	-	108,018	(28)	107,990
Total recognised gains/(losses)	-	-	-	-	409	(5,251)	112	108,018	(28)	103,260
Share-based compensation	-	-	-	1,590	-	-	-	-	-	1,590
Issue of shares	10,310	-	-	(835)	-	-	-	-	-	9,475
Dividends	-	-	-	-	-	-	-	(271,239)	-	(271,239)
Lapse of share options	-	-	-	(4)	-	-	-	4	-	-
Capital contribution by minority interests	-	-	-	-	-	-	-	-	125	125
Purchase of additional equity interests in subsidiaries	-	-	-	-	-	-	-	-	(117)	(117)
Restructuring of Magazine's operations	-	-	-	-	-	-	-	-	(1,728)	(1,728)
Balance as at February 28, 2007	452,735	(12,018)	2,005	16,645	2,600	311,900	47	1,242,258	667	2,016,839

Statements of Changes in Total Equity for the Second Quarter ended February 28, 2007 (cont'd)

(a) Group

	Share Capital [^] S\$'000	Share Premium [^] S\$'000	Capital Redemption Reserve [^] S\$'000	Capital Reserve S\$'000	Share-based Compensation Reserve S\$'000	Hedging Reserve S\$'000	Fair Value Reserve S\$'000	Exchange Translation Reserve S\$'000	Retained Profit S\$'000	Minority Interests S\$'000	Total Equity S\$'000
Balance as at November 30, 2005	318,214	91,503	4,509	2,005	10,853	7,079	294,849	96	1,326,312	2,376	2,057,796
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	-	23,712	-	-	-	23,712
Net fair value changes on cash flow hedges	-	-	-	-	-	1,342	-	-	-	-	1,342
Exchange translation difference	-	-	-	-	-	-	-	(33)	-	-	(33)
Gains/(losses) recognised directly in equity	-	-	-	-	-	1,342	23,712	(33)	-	-	25,021
Profit for the quarter	-	-	-	-	-	-	-	-	84,561	(108)	84,453
Total recognised gains/(losses)	-	-	-	-	-	1,342	23,712	(33)	84,561	(108)	109,474
Share-based compensation	-	-	-	-	1,623	-	-	-	-	-	1,623
Issue of shares from December 1, 2005 to January 30, 2006	397	7,472	-	-	(539)	-	-	-	-	-	7,330
Transfer to/(from) [^]	103,484	(98,975)	(4,509)	-	-	-	-	-	-	-	-
Issue of shares from January 31, 2006 to February 28, 2006	1,423	-	-	-	-	-	-	-	-	-	1,423
Dividends	-	-	-	-	-	-	-	-	(251,507)	-	(251,507)
Purchase of additional equity interests in subsidiaries	-	-	-	-	-	-	-	-	-	(165)	(165)
Acquisition of a subsidiary	-	-	-	-	-	-	-	-	-	168	168
Balance as at February 28, 2006	423,518	-	-	2,005	11,937	8,421	318,561	63	1,159,366	2,271	1,926,142

[^] Following the amendments to the Companies Act ("The Companies (Amendment) Act 2005") on January 30, 2006, any amounts standing to the credit of the Company's share premium account and capital redemption reserve account shall become part of the Company's share capital. Accordingly, the share premium account and capital redemption reserve account have been combined into the share capital account.

Statements of Changes in Total Equity for the Second Quarter ended February 28, 2007 (cont'd)

(b)

Company

	Share Capital [^] S\$'000	Share Premium [^] S\$'000	Capital Redemption Reserve [^] S\$'000	Treasury Shares S\$'000	Share-based Compensation Reserve S\$'000	Fair Value Reserve S\$'000	Retained Profit S\$'000	Total Equity S\$'000
Balance as at November 30, 2006	442,425	-	-	(12,018)	15,894	29,750	727,155	1,203,206
Net fair value changes on available- for-sale financial assets	-	-	-	-	-	7,745	-	7,745
Gains recognised directly in equity Profit for the quarter	-	-	-	-	-	7,745	-	7,745
	-	-	-	-	-	-	67,517	67,517
Total recognised gains	-	-	-	-	-	7,745	67,517	75,262
Share-based compensation	-	-	-	-	1,590	-	-	1,590
Issue of shares	10,310	-	-	-	(835)	-	-	9,475
Dividends	-	-	-	-	-	-	(271,239)	(271,239)
Lapse of share options	-	-	-	-	(4)	-	4	-
Balance as at February 28, 2007	452,735	-	-	(12,018)	16,645	37,495	523,437	1,018,294
Balance as at November 30, 2005	318,214	91,503	4,509	-	10,853	28,136	836,838	1,290,053
Net fair value changes on available- for-sale financial assets	-	-	-	-	-	4,437	-	4,437
Gains recognised directly in equity Profit for the quarter	-	-	-	-	-	4,437	-	4,437
	-	-	-	-	-	-	59,185	59,185
Total recognised gains	-	-	-	-	-	4,437	59,185	63,622
Share-based compensation	-	-	-	-	1,623	-	-	1,623
Issue of shares from December 1, 2005 to January 30, 2006	397	7,472	-	-	(539)	-	-	7,330
Transfer to/(from) [^]	103,484	(98,975)	(4,509)	-	-	-	-	-
Issue of shares from January 31, 2006 to February 28, 2006	1,423	-	-	-	-	-	-	1,423
Dividends	-	-	-	-	-	-	(251,507)	(251,507)
Balance as at February 28, 2006	423,518	-	-	-	11,937	32,573	644,516	1,112,544

[^] Following the amendments to the Companies Act ("The Companies (Amendment) Act 2005") on January 30, 2006, any amounts standing to the credit of the Company's share premium account and capital redemption reserve account shall become part of the Company's share capital. Accordingly, the share premium account and capital redemption reserve account have been combined into the share capital account.

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 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 December 1, 2006 and February 28, 2007, pursuant to the Singapore Press Holdings Group (1999) Share Option Scheme (the "1999 Scheme"), the Company issued 2,580,925 ordinary shares upon the exercise of options.
- (b) As a result of the 2,580,925 ordinary shares issued pursuant to the 1999 Scheme, the Company issued 26,070 management shares in accordance with the Newspaper and Printing Presses Act, Cap. 206 between December 1, 2006 and February 28, 2007.
- (c) There was no grant of share options to subscribe for ordinary shares under the 1999 Scheme during the current second quarter.
- (d) Under the 1999 Scheme, options to subscribe for 64,765,100 ordinary shares remain outstanding as at February 28, 2007 compared to 74,739,925 ordinary shares as at February 28, 2006.

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 regards 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 February 28, 2007, the number of shares granted and outstanding (being contingent award) under the SPH Performance Share Plan was 1,849,875 (November 30, 2006: Nil).

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 5, 2006), no shares were bought back by the Company during the current second quarter.

Share Capital

As at February 28, 2007, the share capital of the Company comprised 1,581,431,921 ordinary shares, 16,197,973 management shares and 3,001,000 treasury shares (November 30, 2006: 1,578,850,996 ordinary shares, 16,171,903 management shares and 3,001,000 treasury shares).

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

Review

The figures for the second quarter have not been audited but have been reviewed in accordance with Singapore Statement of Auditing Practice ("SAP") 11, Review of Interim Financial Information.

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

Auditors' Report

We have been engaged by the Group to review the interim financial information for the second quarter and half year ended February 28, 2007.

Appendix 7.2 of the Singapore Exchange Securities Trading Limited Listing Manual ("Listing Manual") requires the preparation of interim financial information to be in compliance with the relevant provisions thereof. The accompanying financial information comprise the balance sheet and statement of changes in shareholders' equity of the Company and income statement, balance sheet, statement of changes in shareholders' equity and cash flow statement of the Group for the period from December 1, 2006 to February 28, 2007 and September 1, 2006 to February 28, 2007 and certain financial data (collectively known as "financial information") set out in this announcement. The financial information reviewed by us are those set out in paragraphs 1, 5, 6, 7, 9, 10, 11, 12 and 13 of this announcement. The interim financial information is the responsibility of, and has been approved by, the directors. Our responsibility is to issue a report solely for the use of the directors on the interim financial information based on our review.

We conducted our review in accordance with the Singapore Statement of Auditing Practice 11, Review of Interim Financial Information. A review of interim financial information consists principally of applying analytical review procedures to financial data and making inquiries of, and having discussions with, persons responsible for financial and accounting matters. It is substantially less in scope than an audit in accordance with Singapore Standards on Auditing and does not provide assurance that we would become aware of any or all significant matters that might be identified in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that there is any material modification that needs to be made to the accompanying interim financial information for it to be in accordance with Appendix 7.2 of the Listing Manual.

PricewaterhouseCoopers
Certified Public Accountants

Singapore,
April 12, 2007

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 statements have been prepared in compliance with the same accounting policies and methods of computation adopted in the audited financial statements of last financial year, except where new/revised accounting standards became effective from this financial year. The adoption of the new/revised accounting standards did not result in any substantial changes to the Group's accounting policies.

5. **Earnings per share of the group for the current 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, 2007

		Group	
		2Q 2007	2Q 2006
(a)	Based on the weighted average number of shares on issue (S\$)	0.07	0.05
(b)	On fully diluted basis (S\$)	0.07	0.05

6. **Net asset value (for the issuer and group) per share based on issued share capital 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	
	Feb 28, 2007	Aug 31, 2006	Feb 28, 2007	Aug 31, 2006
Net asset value per share based on issued share capital at the end of period/year (S\$)	1.26	1.28	0.64	0.71

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 owned by the Group. Other operations under the Group, which are currently not significant to be reported separately, are included under "Others". These comprise our businesses and investments in Internet, outdoor advertising, radio broadcasting and TV broadcasting.

Review of Results for the Second Quarter ended February 28, 2007

- 7.1 Group operating revenue grew 4.5% against last year to S\$250.6 million. Revenue for the Newspaper and Magazine segment rose by 4.0%, mainly driven by the 4.6% increase in print advertisement revenue to S\$161.6 million and the 2.1% growth in circulation revenue (after absorption of S\$2.5 million in GST) to S\$51.2 million. Property segment posted a 9.0% increase in revenue over last year to S\$27.3 million underpinned by positive sentiments in the property market while the Group's operating revenue from other segments registered a slight 1.9% improvement over last year to S\$5.3 million.
- 7.2 Materials, consumables and broadcasting costs were higher by S\$1.2 million (2.9%) mainly as a result of increased newsprint costs (1.9%) arising from higher consumption and increased production costs (4.7%) in line with higher magazine circulation sales.

Staff costs were up by S\$7.3 million (11.1%) to S\$73.2 million mainly due to annual salary increment as well as increases in staff variable bonus provision and headcount. The increase in staff costs was in line with the Group's ongoing efforts to ensure that staff salaries remain competitive as well as to incentivise and motivate staff to excel in their performance. Total headcount at end February 2007 was 3,628 compared to 3,472 a year ago mainly due to the inclusion of headcount relating to new subsidiaries as well as new print and online initiatives.

Depreciation charges rose by S\$0.7 million (5.8%) mainly due to replacement of existing assets and commissioning of new editorial and other systems. Other operating expenses increased by S\$1.9 million (5.3%) mainly due to higher distribution costs as well as increased costs from the inclusion of new subsidiaries and the Group's ventures into new media businesses.

- 7.3 Consequently, profit before investment income at S\$84.0 million was S\$0.8 million (1.0%) higher than last year.

- 7.4 Group investment income at S\$31.6 million was S\$12.0 million (61.7%) higher than last year mainly as a result of higher profit on sale of internally-managed investments and higher gain from externally-managed investments.
- 7.5 The Group's share of profits of associates and jointly controlled entities comprised mainly of our stake in the results of MediaCorp Press and MediaCorp TV Holdings.
- 7.6 Taxation charge of S\$9.1 million was arrived at after accounting for tax on the taxable income at the corporate tax rate of 18% and adjusting for prior years' overprovision in deferred taxation of \$6.3 million due to the change in corporate taxation rate from 20% to 18%.
- 7.7 Consequently, net profit rose 27.7% to S\$108.0 million compared to S\$84.6 million in the corresponding quarter last year.

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. Performance for the Half Year ended February 28, 2007

(i) Results for the Half Year ended February 28, 2007

	Group		Change %
	1H 2007 S\$'000	1H 2006 S\$'000	
Operating revenue			
Newspaper and Magazine	459,556	445,036	3.3
Property	52,877	48,958	8.0
Others	10,252	7,136	43.7
	<u>522,685</u>	<u>501,130</u>	4.3
Other operating income	5,156	4,169	23.7
	<u>527,841</u>	<u>505,299</u>	4.5
Materials, consumables & broadcasting costs	(84,785)	(81,510)	4.0
Staff costs	(141,784)	(132,677)	6.9
Depreciation	(25,145)	(23,292)	8.0
Other operating expenses	(74,217)	(71,235)	4.2
Finance costs	(10,593)	(10,414)	1.7
	<u>191,317</u>	<u>186,171</u>	2.8
Profit before investment income #	61,270	39,011	57.1
Net income from investments			
Share of net profits of associates and jointly controlled entities	1,381	409	237.7
	<u>253,968</u>	<u>225,591</u>	12.6
Profit before taxation	(33,613)	(42,590)	(21.1)
Taxation	<u>220,355</u>	<u>183,001</u>	20.4
Profit after taxation			
Attributable to:			
Shareholders of the Company	220,310	182,974	20.4
Minority interests	45	27	66.7
	<u>220,355</u>	<u>183,001</u>	20.4

This represents the earnings of the media and property businesses on a recurring basis.

(ii)

Notes:

Profit before taxation is arrived at after accounting for:

	Group		
	1H 2007 S\$'000	1H 2006 S\$'000	Change %
Share-based compensation expenses	(3,545)	(3,534)	0.3
Net foreign exchange loss from operations	(144)	(670)	(78.5)
Allowance for bad & doubtful debts and bad debts written off (net of bad debts recovery)	(476)	(701)	(32.1)
Write-back of allowance for stocks obsolescence	329	34	867.6
Net profit on sale of property, plant and equipment	322	279	15.4
Impairment of internally-managed investments	(1,666)	(623)	167.4
Net profit on sale of internally-managed investments	29,697	18,174	63.4
Net fair value gain of			
- Internally-managed assets at fair value through profit and loss	49	-	NM
- Externally-managed assets at fair value through profit and loss	7,805	6,522	19.7
- Derivative instruments	425	4,255	(90.0)

NM – denotes not meaningful

10. Consolidated Cash Flow Statement for the Half Year ended February 28, 2007

	1H 2007 S\$'000	1H 2006 S\$'000
Cash Flows from Operating Activities		
Profit before taxation	253,968	225,591
Adjustments for :		
Amortisation of intangible assets	192	242
Depreciation	25,145	23,292
Net profit on disposal of property, plant and equipment	(322)	(279)
Finance costs	10,593	10,414
Net income from investments	(61,270)	(39,011)
Share of net profits of associates and jointly controlled entities	(1,381)	(409)
Share-based compensation expenses	3,545	3,534
Other non-cash items	-	597
Operating cash flow before working capital changes	<u>230,470</u>	<u>223,971</u>
Changes in working capital :		
Stocks	2,724	2,665
Debtors	336	(149)
Creditors	<u>(16,244)</u>	<u>(39,685)</u>
	217,286	186,802
Income tax paid	(40,957)	(37,657)
Dividends paid	(271,239)	(251,507)
Dividends paid (net) by a subsidiary to a minority shareholder	-	(30)
	<u>(94,910)</u>	<u>(102,392)</u>
Increase in other assets	(110)	(1,863)
Exchange translation difference	57	(124)
Net cash used in operating activities	<u><u>(94,963)</u></u>	<u><u>(104,379)</u></u>

Consolidated Cash Flow Statement for the Half Year ended February 28, 2007 (cont'd)

	1H 2007 S\$'000	1H 2006 S\$'000
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(18,558)	(10,737)
Proceeds on disposal of property, plant and equipment	588	352
Additions to investment property	(840)	(1,088)
Acquisition of intangible assets – magazine title	-	(1,100)
Acquisition of business by a subsidiary (net of cash acquired)	-	(387)
Acquisition of interests in subsidiaries (net of cash acquired)	(5,161)	-
Acquisition of interests in associates/jointly controlled entities	(2,000)	(999)
Amounts owing by associates	(17)	(27)
Amounts owing by a jointly controlled entity	-	(42)
Purchase of long-term investments	(50)	(1,680)
Proceeds on disposal/redemption of long-term investments	75,990	10,666
Purchase of short-term investments	(364,437)	(125,627)
Proceeds on disposal of short-term investments	547,333	291,094
Net increase in funds under management	(29,562)	(6,522)
Investment income	61,270	39,011
	<u>264,556</u>	<u>192,914</u>
Add/(Less): Items not involving movement of funds		
Changes in fair value of financial instruments	(474)	(4,883)
Impairment of internally-managed investments	1,666	623
Net profit on sale of internally-managed investments	(29,697)	(18,174)
Exchange translation loss	183	2,147
Effective interest on bonds	(337)	-
Net cash from investing activities	<u>235,897</u>	<u>172,627</u>
Cash Flows from Financing Activities		
Proceeds from bank loans	1,200	2,000
Repayment of bank loans	(21,445)	(20,222)
Loans from minority shareholders	70	-
Finance costs	(10,593)	(10,414)
Proceeds on issue of shares by the Company	18,209	11,182
Capital contribution by minority shareholders	125	-
Net cash used in financing activities	<u>(12,434)</u>	<u>(17,454)</u>
Net increase in cash and cash equivalents	128,500	50,794
Cash and cash equivalents at beginning of period	81,387	70,192
Cash and cash equivalents at end of period	<u>209,887</u>	<u>120,986</u>

11. Earnings Per Share for the Half Year ended February 28, 2007

		Group	
		1H 2007	1H 2006
(a)	Based on the weighted average number of shares on issue (S\$)	0.14	0.11
(b)	On fully diluted basis (S\$)	0.14	0.11

12. Review of Results for the Half Year ended February 28, 2007

12.1 Group operating revenue grew 4.3% against last year to S\$522.7 million. Revenue for the Newspaper and Magazine segment rose by 3.3%, mainly driven by the 3.6% increase in print advertisement revenue to S\$345.2 million and 1.8% growth in circulation revenue (after absorption of S\$5.0 million in GST) to S\$102.9 million. Property segment posted 8.0% increase in revenue over last year to S\$52.9 million underpinned by positive sentiments in the property market. The Group's operating revenue from other segments registered a 43.7% improvement over last year to S\$10.3 million, due to contributions from Internet, radio broadcasting and outdoor advertising businesses.

12.2 Materials, consumables and broadcasting costs were higher by S\$3.3 million (4.0%) mainly as a result of increased newsprint costs (2.3%) arising from higher consumption and increased production costs (9.7%) in line with higher magazine circulation sales.

Staff costs were up by S\$9.1 million (6.9%) to S\$141.8 million mainly due to annual salary increment as well as increases in staff variable bonus provision and headcount. The increase in staff costs was in line with the Group's ongoing efforts to ensure that staff salaries remain competitive as well as to incentivise and motivate staff to excel in their performance. Total headcount at end February 2007 was 3,628 compared to 3,472 a year ago mainly due to the inclusion of headcount relating to new subsidiaries as well as new print and online initiatives.

Depreciation charges rose by S\$1.9 million (8.0%) mainly due to replacement of existing assets and commissioning of new editorial and other systems. Other operating expenses increased by S\$3.0 million (4.2%) mainly due to higher distribution costs as well as increased costs from the inclusion of new subsidiaries and the Group's ventures into new media businesses.

12.3 Consequently, profit before investment income at S\$191.3 million was 2.8% higher than last year.

12.4 Group investment income at S\$61.3 million was S\$22.3 million (57.1%) higher than last year mainly as a result of higher profit on sale of internally-managed investments and a capital reduction exercise undertaken by an investee company.

- 12.5 The Group's share of profits of associates and jointly controlled entities comprised mainly of our stake in the results of MediaCorp Press and MediaCorp TV Holdings.
- 12.6 Taxation charge of S\$33.6 million was arrived at after accounting for tax on the taxable income at the corporate tax rate of 18% and adjusting for prior years' overprovision in deferred taxation of \$6.3 million due to the change in corporate taxation rate from 20% to 18%.
- 12.7 Consequently, net profit rose 20.4% to S\$220.3 million compared to S\$183.0 million in the corresponding period last year.

13. Segmental information (Group) for the Half Year ended February 28, 2007

	Operating Revenue			Profit/(Loss) Before Taxation		
	1H 2007 S\$'000	1H 2006 S\$'000	Change %	1H 2007 S\$'000	1H 2006 S\$'000	Change %
Newspaper & Magazine	459,556	445,036	3.3	163,912	160,092	2.4
Treasury & Investment	-	-	-	60,898	38,743	57.2
Property	52,877	48,958	8.0	30,844	26,786	15.1
Others	10,252	7,136	43.7	(1,686) ^a	(30)	NM
	<u>522,685</u>	<u>501,130</u>	4.3	<u>253,968</u>	<u>225,591</u>	12.6

^a The increase in loss was mainly due to increase in costs associated with ventures into new media businesses.

14. 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

- 14.1 Encouraging economic indicators point to continued healthy prospects for the Singapore economy. Positive business and consumer sentiments are expected to continue providing good support to sustaining the Group's print advertisement revenue. With ongoing efforts to boost readership of the Group's publications, circulation sales are expected to remain at sustainable levels.
- 14.2 Newsprint prices are expected to remain soft in the near term. The Group has and will continue to put in place cost management measures with a view to sustaining its core newspaper business. Start-up losses are expected to be incurred as the Group continues to invest in new media businesses.

- 14.3 Paragon is expected to ride on strong sentiments surrounding the property market and continue to generate healthy rental yields. The profits for Sky@eleven, the exclusive freehold condominium project of the Group, will be recognised using percentage-of-completion method over the life of the project and disclosed accordingly.
- 14.4 Excluding non-recurring gains, the Group's investment income is expected to vary with the performance of the local and global financial markets.
- 14.5 Barring unforeseen circumstances, the Directors expect the recurring earnings for the current financial year to be satisfactory.

15. Dividends

(a) Current Financial Period Reported On

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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 15, 2007

(d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed on May 3, 2007 for preparation of dividend warrants. Duly stamped and completed transfers received by our Share Transfer Office, Barbinder & Co Pte Ltd, 8 Cross Street, #11-00, PWC Building, Singapore 048424, up to 5 p.m. on May 2, 2007 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 interim dividend will be paid by the Company to CDP which will distribute the dividend to holders of the securities accounts.

BY ORDER OF THE BOARD

Ginney Lim May Ling
Khor Siew Kim
Company Secretaries

Singapore,
April 12, 2007

CONFIRMATION BY THE BOARD
Pursuant to Rule 705(4) 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 of the second quarter ended February 28, 2007 to be false or misleading.

On behalf of the Directors



TONY TAN KENG YAM
Chairman



CHAN HENG LOON ALAN
Director

Singapore,
April 12, 2007