

SINGAPORE PRESS HOLDINGS LIMITED
Reg. No. 198402868E
(Incorporated in Singapore)
ANNOUNCEMENT
AUDITED RESULTS FOR THE YEAR - AUGUST 31, 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 the year ended August 31

	Group		Change
	2007	2006	
	S\$'000	S\$'000	
Operating revenue			
Newspaper and Magazine	959,445	906,986	5.8
Property	177,816	98,704	80.2
Others	22,944	15,670	46.4
	<u>1,160,205</u>	<u>1,021,360</u>	13.6
Other operating income	12,237	9,991	22.5
	<u>1,172,442</u>	<u>1,031,351</u>	13.7
Materials, consumables & broadcasting costs	(173,457)	(168,769)	2.8
Property development costs	(23,464)	-	NM
Staff costs	(301,620)	(268,009)	12.5
Depreciation	(51,038)	(49,065)	4.0
Other operating expenses	(167,944)	(163,809)	2.5
Finance costs	(20,752)	(20,613)	0.7
Profit before investment income and exceptional items #	<u>434,167</u>	<u>361,086</u>	20.2
Net income from investments	146,193	81,675	79.0
Share of net profits/(losses) of associates and jointly controlled entities	2,993	(185)	NM
Profit before exceptional items	<u>583,353</u>	<u>442,576</u>	31.8
Exceptional items	-	66,844	(100.0)
Profit before taxation	<u>583,353</u>	<u>509,420</u>	14.5
Taxation	(77,617)	(81,076)	(4.3)
Profit after taxation	<u>505,736</u>	<u>428,344</u>	18.1
Attributable to:			
Shareholders of the Company	506,161	428,460	18.1
Minority interests	(425)	(116)	266.4
	<u>505,736</u>	<u>428,344</u>	18.1

This represents the recurring earnings of the media and property businesses, including profits from the Group's Sky@eleven development.

NM: Not meaningful

(ii)

Notes:

Profit before taxation is arrived at after accounting for:

	Group		
	2007 S\$'000	2006 S\$'000	Change %
Share-based compensation expenses	(6,659)	(7,371)	(9.7)
Net currency exchange loss from operations	(14)	(1,978)	(99.3)
Allowance for impairment of trade receivables	(2,391)	(1,362)	75.6
Bad debts recovery	114	92	23.9
Write-back of allowance/(allowance) for stock obsolescence	829	(218)	NM
Net profit on disposal of property, plant and equipment	550	429	28.2
Impairment of internally-managed investments	(1,806)	(4,220)	(57.2)
Net profit on sale of internally-managed investments	67,329	20,132	234.4
Net fair value gain/(loss) of			
- Internally-managed assets at fair value through profit and loss	24	(138)	NM
- Derivative instruments	(2,009)	4,588	NM
Income from funds under management	7,579	10,010	(24.3)

NM: 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 August 31

	Group		Company	
	2007 S\$'000	2006 S\$'000	2007 S\$'000	2006 S\$'000
CAPITAL EMPLOYED				
Share capital	467,973	432,807	467,973	432,807
Treasury shares	(19,153)	(12,018)	(19,153)	(12,018)
Reserves	314,426	332,424	54,803	51,012
Retained profit	1,416,365	1,293,182	550,824	653,656
Shareholders' interests	2,179,611	2,046,395	1,054,447	1,125,457
Minority interests	3,260	2,342	-	-
Total equity	2,182,871	2,048,737	1,054,447	1,125,457
EMPLOYMENT OF CAPITAL				
Non-current assets				
Property, plant and equipment	499,412	501,891	316,860	299,578
Investment property	1,143,235	1,130,890	-	-
Interests in subsidiaries	-	-	387,340	386,812
Interests in associates	71,079	69,729	29,160	29,160
Interests in jointly controlled entities	10,497	-	-	-
Long-term investments	318,858	403,466	38,734	39,273
Derivative financial instruments	-	9,855	-	-
Intangible assets	15,006	11,554	-	-
Amount owing by subsidiaries	-	-	804,734	771,291
Amount owing by associates	579	6,051	-	6,020
Amount owing by a jointly controlled entity	1,004	-	-	-
Other non-current assets	4,966	5,177	4,680	5,029
	2,064,636	2,138,613	1,581,508	1,537,163
Current assets				
Inventories	19,341	34,579	18,867	33,935
Trade receivables	150,990	100,342	95,799	85,687
Other receivables and prepayments	11,964	11,093	4,249	4,221
Short-term investments	815,075	671,196	62,000	-
Derivative financial instruments	1,291	2,339	-	-
Amount owing by associates	6,015	-	6,015	-
Cash held as fixed deposits	90,272	55,297	18,580	16,047
Cash and bank balances	31,888	26,090	20,518	15,545
	1,126,836	900,936	226,028	155,435
Total assets	3,191,472	3,039,549	1,807,536	1,692,598
Current liabilities				
Trade payables	109,805	82,756	49,852	42,891
Other payables and accrued liabilities	128,464	119,633	112,964	99,222
Derivative financial instruments	955	-	-	-
Amount owing to a subsidiary	-	-	10,081	-
Amount owing to a jointly controlled entity	20,408	-	20,408	-
Borrowings	1,000	667	-	-
Current income tax liabilities	99,638	104,932	62,988	69,292
	360,270	307,988	256,293	211,405
Non-current liabilities				
Deferred income tax liabilities	71,093	72,046	46,880	52,454
Borrowings	573,745	610,778	-	-
Derivative financial instruments	3,493	-	-	-
Amount owing to subsidiaries	-	-	449,916	303,282
	648,331	682,824	496,796	355,736
Total liabilities	1,008,601	990,812	753,089	567,141
Net assets	2,182,871	2,048,737	1,054,447	1,125,457

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

Group Borrowings

Amount repayable in one year

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

Amount repayable after one year

As at August 31, 2007		As at August 31, 2006	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
570,000	3,745	610,778	-

Details of collateral

The secured bank loan facilities as at August 31, 2007 comprised the 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\$40 million up to August 31, 2007.

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 Year ended August 31

	2007 S\$'000	2006 S\$'000
Cash Flows from Operating Activities		
Profit before taxation	583,353	509,420
Adjustments for :		
Amortisation of intangible assets	441	575
Depreciation	51,038	49,065
Development expenditure written off	-	387
Net profit on disposal of property, plant and equipment	(550)	(429)
Interest expense	20,373	20,583
Net income from investments	(146,193)	(81,675)
Share of net (profits)/losses of associates and jointly controlled entities	(2,993)	185
Share-based compensation expenses	6,659	7,371
Exceptional items	-	(66,844)
Other non-cash items	12	(165)
Operating cash flow before working capital changes	512,140	438,473
Changes in operating assets and liabilities, net of effects from purchase of subsidiaries :		
Inventories	15,238	(3,709)
Trade and other receivables	(38,039)	5,018
Trade and other payables	36,974	(3,204)
	526,313	436,578
Income tax paid	(86,498)	(72,539)
Dividends paid	(383,154)	(363,186)
Dividends paid (net) by a subsidiary to a minority shareholder	-	(30)
	56,661	823
Decrease/(increase) in other assets	211	(486)
Currency translation difference	6	(221)
Net cash from operating activities	56,878	116

Consolidated Cash Flow Statement for the Year ended August 31 (cont'd)

	2007 S\$'000	2006 S\$'000
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(59,875)	(18,273)
Proceeds on disposal of property, plant and equipment	983	698
Additions to investment property	(12,345)	(1,743)
Acquisition of intangible assets – magazine title	-	(1,100)
Acquisition of additional interests in subsidiaries	(70)	-
Acquisition of interests in subsidiaries (net of cash acquired)	(5,168)	97
Acquisition of interests in jointly controlled entities/associates	(10,750)	(42,696)
Acquisition of business by a subsidiary (net of cash acquired)	-	(387)
Amounts owing by associates	(543)	(23)
Amounts owing to/(by) jointly controlled entities	19,404	(93)
Loan to a minority shareholder	-	(1,369)
Purchase of long-term investments	(3,156)	(5,064)
Proceeds on disposal/redemption of long-term investments	117,747	16,055
Purchase of short-term investments	(304,924)	(433,170)
Proceeds on disposal of short-term investments	255,384	354,810
Net (increase)/decrease in funds under management	(29,338)	133,183
Dividends received	25,462	41,463
Interest received	11,814	10,683
Other investment income	108,917	29,529
	<u>113,542</u>	<u>82,600</u>
Add/(Less): Items not involving movement of funds		
Changes in fair value of financial instruments	1,985	(4,450)
Impairment of internally-managed investments	1,806	4,220
Net profit on sale of internally-managed investments	(67,329)	(20,132)
Profits from capital reduction exercises of investee companies	(33,672)	-
Currency translation loss	210	1,090
Effective interest on bonds	(298)	(623)
Net cash from investing activities	<u>16,244</u>	<u>62,705</u>
Cash Flows from Financing Activities		
Proceeds from bank loans	1,200	2,000
Repayment of bank loans	(41,645)	(40,555)
Loan from a minority shareholder	70	-
Interest paid	(20,373)	(20,583)
Proceeds on issue of shares by the Company	32,346	19,530
Capital contribution by minority shareholders	3,188	-
Share buy-back	(7,135)	(12,018)
	<u>(32,349)</u>	<u>(51,626)</u>
Net increase in cash and cash equivalents	40,773	11,195
Cash and cash equivalents at beginning of financial year	81,387	70,192
Cash and cash equivalents at end of financial year	<u>122,160</u>	<u>81,387</u>

1(d)(i) **A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

Statements of Changes in Total Equity for the Year ended August 31

(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	Currency Translation Reserve S\$'000	Retained Profit S\$'000	Minority Interests S\$'000	Total Equity S\$'000
Balance as at September 1, 2006	432,807	(12,018)	2,005	14,824	7,540	308,135	(80)	1,293,182	2,342	2,048,737
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	(8,522)	-	-	-	(8,522)
Net fair value changes on cash flow hedges	-	-	-	-	(11,033)	-	-	-	-	(11,033)
Currency translation difference	-	-	-	-	-	-	(2,112)	-	-	(2,112)
Net losses recognised directly in equity	-	-	-	-	(11,033)	(8,522)	(2,112)	-	-	(21,667)
Net profit for the financial year	-	-	-	-	-	-	-	506,161	(425)	505,736
Total recognised (losses)/gains	-	-	-	-	(11,033)	(8,522)	(2,112)	506,161	(425)	484,069
Share-based compensation	-	-	-	6,665	-	-	-	-	-	6,665
Issue of shares	35,166	-	-	(2,820)	-	-	-	-	-	32,346
Dividends	-	-	-	-	-	-	-	(383,154)	-	(383,154)
Lapse of share options	-	-	-	(176)	-	-	-	176	-	-
Share buy-back – held as treasury shares	-	(7,135)	-	-	-	-	-	-	-	(7,135)
Capital contribution by minority interests	-	-	-	-	-	-	-	-	3,188	3,188
Purchase of additional equity interests in subsidiaries	-	-	-	-	-	-	-	-	(117)	(117)
Restructuring of Magazine's operations	-	-	-	-	-	-	-	-	(1,728)	(1,728)
Balance as at August 31, 2007	467,973	(19,153)	2,005	18,493	(3,493)	299,613	(2,192)	1,416,365	3,260	2,182,871

Statements of Changes in Total Equity for the Year ended August 31 (cont'd)

(a) Group

	Share Capital ^A S\$'000	Share Premium ^A S\$'000	Capital Redemption Reserve ^A 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 Profit S\$'000	Minority Interests S\$'000	Total Equity S\$'000
Balance as at September 1, 2005	318,082	89,206	4,509	-	2,005	-	-	-	222	1,207,179	2,271	1,623,474
Effect of adopting FRS 102	-	-	-	-	-	8,942	-	-	-	(8,942)	-	-
As restated	318,082	89,206	4,509	-	2,005	8,942	-	-	222	1,198,237	2,271	1,623,474
Effect of adopting FRS 39	-	-	-	-	-	-	(4,305)	309,345	-	29,662	-	334,702
	<u>318,082</u>	<u>89,206</u>	<u>4,509</u>	<u>-</u>	<u>2,005</u>	<u>8,942</u>	<u>(4,305)</u>	<u>309,345</u>	<u>222</u>	<u>1,227,899</u>	<u>2,271</u>	<u>1,958,176</u>
Net fair value changes on available-for-sale financial assets	-	-	-	-	-	-	-	(1,210)	-	-	-	(1,210)
Net fair value changes on cash flow hedges	-	-	-	-	-	-	11,845	-	-	-	-	11,845
Currency translation difference	-	-	-	-	-	-	-	(302)	-	-	-	(302)
Net gains/(losses) recognised directly in equity	-	-	-	-	-	-	11,845	(1,210)	(302)	-	-	10,333
Net profit for the financial year	-	-	-	-	-	-	-	-	-	428,460	(116)	428,344
Total recognised gains/(losses)	-	-	-	-	-	-	11,845	(1,210)	(302)	428,460	(116)	438,677
Share-based compensation	-	-	-	-	-	7,371	-	-	-	-	-	7,371
Issue of shares from September 1, 2005 to January 30, 2006	529	9,769	-	-	-	(539)	-	-	-	-	-	9,759
Issue of shares from January 31, 2006 to August 31, 2006	10,712	-	-	-	-	(941)	-	-	-	-	-	9,771
Transfer to/(from)	103,484	(98,975)	(4,509)	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-	(363,186)	(30)	(363,216)
Lapse of share options	-	-	-	-	-	(9)	-	-	-	9	-	-
Share buy-back - held as treasury shares	-	-	-	(12,018)	-	-	-	-	-	-	-	(12,018)
Purchase of additional equity interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	(165)	(165)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	382	382
Balance as at August 31, 2006	<u>432,807</u>	<u>-</u>	<u>-</u>	<u>(12,018)</u>	<u>2,005</u>	<u>14,824</u>	<u>7,540</u>	<u>308,135</u>	<u>(80)</u>	<u>1,293,182</u>	<u>2,342</u>	<u>2,048,737</u>

^A 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 as at January 30, 2006 had become part of the Company's share capital. Accordingly, the share premium account and capital redemption reserve account were combined into the share capital account.

Statements of Changes in Total Equity for the Year ended August 31 (cont'd)

(b)

Company

	Share Capital 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 September 1, 2006	432,807	(12,018)	14,824	36,188	653,656	1,125,457
Net fair value changes on available- for-sale financial assets	-	-	-	122	-	122
Gain recognised directly in equity	-	-	-	122	-	122
Profit for the financial year	-	-	-	-	280,146	280,146
Total recognised gains	-	-	-	122	280,146	280,268
Share-based compensation	-	-	6,665	-	-	6,665
Issue of shares	35,166	-	(2,820)	-	-	32,346
Dividends	-	-	-	-	(383,154)	(383,154)
Lapse of share options	-	-	(176)	-	176	-
Share buy-back - held as treasury shares	-	(7,135)	-	-	-	(7,135)
Balance as at August 31, 2007	467,973	(19,153)	18,493	36,310	550,824	1,054,447

Statements of Changes in Total Equity for the Year ended August 31 (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 September 1, 2005	318,082	89,206	4,509	-	-	-	777,472	1,189,269
Effect of adopting FRS 102	-	-	-	-	8,942	-	(8,942)	-
As restated	318,082	89,206	4,509	-	8,942	-	768,530	1,189,269
Effect of adopting FRS 39	-	-	-	-	-	29,138	99	29,237
	<u>318,082</u>	<u>89,206</u>	<u>4,509</u>	<u>-</u>	<u>8,942</u>	<u>29,138</u>	<u>768,629</u>	<u>1,218,506</u>
Net fair value changes on available- for-sale financial assets	-	-	-	-	-	7,050	-	7,050
Gain recognised directly in equity	-	-	-	-	-	7,050	-	7,050
Profit for the financial year	-	-	-	-	-	-	248,204	248,204
Total recognised gains	-	-	-	-	-	7,050	248,204	255,254
Share-based compensation	-	-	-	-	7,371	-	-	7,371
Issue of shares from September 1, 2005 to January 30, 2006	529	9,769	-	-	(539)	-	-	9,759
Issue of shares from January 31, 2006 to August 31, 2006	10,712	-	-	-	(941)	-	-	9,771
Transfer to/(from)	103,484	(98,975)	(4,509)	-	-	-	-	-
Dividends	-	-	-	-	-	-	(363,186)	(363,186)
Lapse of share options	-	-	-	-	(9)	-	9	-
Share buy-back – held as treasury shares	-	-	-	(12,018)	-	-	-	(12,018)
Balance as at August 31, 2006	<u>432,807</u>	<u>-</u>	<u>-</u>	<u>(12,018)</u>	<u>14,824</u>	<u>36,188</u>	<u>653,656</u>	<u>1,125,457</u>

[^] 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 as at January 30, 2006, had become part of the Company’s share capital. Accordingly, the share premium account and capital redemption reserve account were 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 June 1, 2007 and August 31, 2007, pursuant to the Singapore Press Holdings Group (1999) Share Option Scheme (the "1999 Scheme"), the Company issued 2,493,200 ordinary shares upon the exercise of options.
- (b) As a result of the 2,493,200 ordinary shares issued pursuant to the 1999 Scheme, the Company issued 25,184 management shares in accordance with the Newspaper and Printing Presses Act, Cap. 206 between June 1, 2007 and August 31, 2007.
- (c) Under the 1999 Scheme, options to subscribe for 57,981,550 ordinary shares remain outstanding as at August 31, 2007 compared to 71,132,300 ordinary shares as at August 31, 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 regard to the grant of further options. However, options granted and outstanding prior to such termination will continue to be valid and be subject to the terms and conditions of the 1999 Scheme.
- (b) As at August 31, 2007, the number of shares granted and outstanding (being contingent award) under the SPH Performance Share Plan was 1,791,975 (May 31, 2007: 1,803,025).

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), the Company bought back 1,700,000 ordinary shares during the current final quarter. These shares are held as treasury shares. The amount paid, including brokerage fees, totalled S\$7.1 million and was deducted against shareholders' equity.

Share Capital and Treasury Shares

As at August 31, 2007, the Company had 1,583,449,071 ordinary shares, 16,235,520 management shares and 4,701,000 treasury shares (May 31, 2007: 1,582,655,871 ordinary shares, 16,210,336 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

Audit

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

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

Independent Auditor's Report to the Members of Singapore Press Holdings Limited for the financial year ended August 31, 2007

We have audited the accompanying financial statements of Singapore Press Holdings Limited (the "Company") and its subsidiaries (the "Group") which comprise the balance sheets of the Company and of the Group as at August 31, 2007, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement of the Group for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' Responsibility for the Financial Statements

The Company's directors are responsible for the preparation and fair presentation of these financial statements in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group are properly drawn up in accordance with the provisions of the Singapore Companies Act ("the Act") and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group as at August 31, 2007, and the results, changes in equity and cash flows of the Group for the financial year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

PricewaterhouseCoopers
Certified Public Accountants

Singapore,
October 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 Year ended August 31

		Group	
		2007	2006
(a)	Based on the weighted average number of shares on issue (S\$)		
	- before exceptional items	0.32	0.23
	- after exceptional items	0.32	0.27
(b)	On fully diluted basis (S\$)		
	- before exceptional items	0.32	0.23
	- after exceptional items	0.32	0.27

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	
	Aug 31, 2007	Aug 31, 2006	Aug 31, 2007	Aug 31, 2006
Net asset value per share based on issued share capital at the end of year (S\$)	1.36	1.28	0.66	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 of 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 and related activities, outdoor advertising, radio broadcasting and TV broadcasting.

Review of Results

- 7.1 Group operating revenue grew 13.6% against last year to S\$1,160.2 million. Revenue for the Newspaper and Magazine segment rose by 5.8% to S\$959.4 million with print advertisement revenue growth of 7.2% to S\$725.1 million. Circulation revenue (after absorption of S\$10.7 million in GST) was up 0.5% to S\$209.9 million. Property segment surged 80.2% to S\$177.8 million with the maiden recognition of S\$71.3 million revenue from the sale of Sky@eleven condominium units on a percentage-of-completion basis, and an increase of S\$7.8 million from Paragon's rental income growth.
- 7.2 Materials, consumables and broadcasting costs were higher by 2.8% at S\$173.5 million with increase in production costs of S\$3.7 million (10.5%) from the inclusion of new subsidiaries and higher magazine circulation sales. Newsprint costs increased marginally by S\$0.7 million (0.6%).

Property development costs for Sky@eleven of S\$23.5 million were accounted for using percentage-of-completion method and comprised mainly construction costs.

Staff costs rose by S\$33.6 million (12.5%) to S\$301.6 million as a result of variable bonus provision, increased headcount and annual salary increment. Variable bonus provision was in line with the Group's higher operating profits and the Group's new performance-based incentive scheme. Total headcount in August 2007 was 3,735 compared to 3,585 a year ago because of the acquisition of new subsidiaries and staffing for new media businesses.

Other operating expenses were higher by 2.5% at S\$167.9 million mainly as a result of higher distribution costs as well as increased costs from the inclusion of new subsidiaries.

- 7.3 Consequently, profit before investment income at S\$434.2 million was S\$73.1 million (20.2%) higher than last year.
- 7.4 Group investment income at S\$146.2 million was S\$64.5 million (79.0%) higher than last year arising from net profit on sale of investments and profits from capital reduction exercises by Starhub Limited and MobileOne Limited offset by last year's special dividends from MobileOne Limited.
- 7.5 The Group's share of results of associates and jointly controlled entities comprised mainly of our stake in the results of MediaCorp Press and MediaCorp TV Holdings.
- 7.6 The exceptional gain of S\$66.8 million last year was mainly in relation to the write-back of impairment losses for Paragon (S\$70.5 million) offset by impairment charges pertaining to the Group's investment in the outdoor advertising and magazine businesses.
- 7.7 Taxation charge of S\$77.6 million was arrived at after accounting for tax on the taxable income at the corporate tax rate of 18% and adjustments for prior years' net overprovision in taxation of S\$8.1 million.
- 7.8 Consequently, net profit was 18.1% higher at S\$506.2 million compared to S\$428.5 million 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. **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 Outlook for the Group's print advertisement revenue is positive on the back of a generally healthy economic environment, as evidenced by the upward revision of Singapore GDP growth forecast for 2007 to 7.0 – 8.0%. However, there remain key downside risks such as a negative spillover from the US credit woes and high oil prices.
- 9.2 Newsprint prices are expected to remain stable in the near term as the imbalances in global demand and supply are corrected. The Group remains committed to cost management measures, which will sustain the margin of the core newspaper business in the long run. Concurrently, the Group will continue to invest in new media platforms as part of its growth strategy.
- 9.3 Paragon is likely to continue generating healthy rental yields amidst the strong sentiments in the property market. The profits for Sky@eleven, the exclusive freehold condominium project of the Group, will be progressively recognised over the life of the project.
- 9.4 Excluding non-recurring gains, the Group's investment income is expected to vary with an asset allocation strategy to preserve capital while achieving a long term return rate commensurate with risks within the local and global financial markets.
- 9.5 Barring unforeseen circumstances, the Directors expect the recurring earnings 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? Yes

Name of Dividend	Final Dividend	Special Dividend
Dividend Type	Cash	Cash
Dividend Rate	9 cents per share	10 cents per share
Tax rate	Tax exempt (One-tier)	Tax exempt (One-tier)

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Final Dividend	Special Dividend
Dividend Type	Cash	Cash
Dividend Rate	8 cents per share	9 cents per share
Tax rate	Tax exempt (One-tier)	Tax exempt (One-tier)

(c) Date payable

The date the dividend is payable: December 27, 2007.

(d) Books closure date

The Share Transfer Books and Register of Members of the Company will be closed on December 14, 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 December 13, 2007 will be registered to determine shareholders' entitlements to the final and special dividends. In respect of shares in securities accounts with The Central Depository (Pte) Limited ("CDP"), the said final and special dividends will be paid by the Company to CDP which will distribute the dividends to holders of the securities accounts.

11. If no dividend has been declared/recommended, a statement to that effect

Not applicable.

12. Segmental revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year

**Group Segmental Information
2007**

	Newspaper and Magazine S\$'000	Treasury and Investment S\$'000	Property S\$'000	Others S\$'000	Eliminations S\$'000	Consolidated S\$'000
Operating revenue						
External sales	959,445	-	177,816	22,944	-	1,160,205
Inter-segmental sales	2,869	-	1,805	1,278	(5,952)	-
Total operating revenue	<u>962,314</u>	<u>-</u>	<u>179,621</u>	<u>24,222</u>	<u>(5,952)</u>	<u>1,160,205</u>
Result						
Segment result	335,572	145,482	128,885	(10,654)	-	599,285
Finance costs	(1)	-	(20,701)	(50)	-	(20,752)
Finance income	662	-	1,076	89	-	1,827
Share of profit less losses of associates/jointly controlled entities	5,275	-	-	(2,282)	-	2,993
Profit/(loss) before taxation	341,508	145,482	109,260	(12,897)	-	583,353
Taxation						(77,617)
Profit after taxation						505,736
Minority interests						425
Profit attributable to shareholders						<u>506,161</u>
Other Information						
Segment assets	678,257	1,159,675	1,248,932	23,032	-	3,109,896
Interests in associates	29,319	-	-	41,760	-	71,079
Interests in jointly controlled entities	-	-	-	10,497	-	10,497
Consolidated total assets						<u>3,191,472</u>
Segment liabilities	190,690	3,393	617,026	26,761	-	837,870
Current taxation						99,638
Deferred taxation						71,093
Consolidated total liabilities						<u>1,008,601</u>
Capital expenditure	52,485	-	12,391	7,344	-	72,220
Depreciation	48,410	-	447	2,181	-	51,038
Amortisation	441	-	-	-	-	441

**Group Segmental Information
2006**

	Newspaper and Magazine S\$'000	Treasury and Investment S\$'000	Property S\$'000	Others S\$'000	Eliminations S\$'000	Consolidated S\$'000
Operating revenue						
External sales	906,986	-	98,704	15,670	-	1,021,360
Inter-segmental sales	1,296	-	2,021	394	(3,711)	-
Total operating revenue	<u>908,282</u>	<u>-</u>	<u>100,725</u>	<u>16,064</u>	<u>(3,711)</u>	<u>1,021,360</u>
Result						
Segment result	316,003	80,892	71,102	(5,689)	-	462,308
Finance costs	(1)	-	(20,535)	(77)	-	(20,613)
Finance income	411	-	651	4	-	1,066
Share of profit less losses of associates/jointly controlled entity	1,584	-	-	(1,769)	-	(185)
Exceptional items	(2,276)	-	70,534	(1,414)	-	66,844
Profit/(loss) before taxation	315,721	80,892	121,752	(8,945)	-	509,420
Taxation						(81,076)
Profit after taxation						428,344
Minority interests						116
Profit attributable to shareholders						<u>428,460</u>
Other Information						
Segment assets	661,474	1,105,479	1,186,222	16,645	-	2,969,820
Interests in associates	23,860	-	-	45,869	-	69,729
Consolidated total assets						<u>3,039,549</u>
Segment liabilities	162,138	6,764	640,588	4,344	-	813,834
Current taxation						104,932
Deferred taxation						72,046
Consolidated total liabilities						<u>990,812</u>
Capital expenditure	16,939	-	2,127	950	-	20,016
Depreciation	47,368	-	458	1,239	-	49,065
Amortisation	575	-	-	-	-	575
Impairment losses						
- Goodwill on acquisition of interests in subsidiaries	-	-	-	355	-	355
- Interests in associates	1,200	-	-	-	-	1,200
- Interests in jointly-controlled entity	1,128	-	-	-	-	1,128

Notes:

- (a) **Geographical segments:** The principal geographical area in which the Group operates is Singapore. The Group's overseas operations comprise mainly publishing and distributing magazines, holding overseas investments and the provision of marketing, editorial, art and graphical services overseas.

	<u>Operating Revenue</u>		<u>Total Assets</u>		<u>Capital Expenditure</u>	
	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>	<u>2007</u>	<u>2006</u>
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Singapore	1,142,932	1,006,486	3,120,377	2,980,892	71,566	19,775
Other Countries	17,273	14,874	71,095	58,657	654	241
	<u>1,160,205</u>	<u>1,021,360</u>	<u>3,191,472</u>	<u>3,039,549</u>	<u>72,220</u>	<u>20,016</u>

13. **In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

Refer to paragraph 7.

14. **Breakdown of Sales**

		Group		
		2007 S\$'000	2006 S\$'000	Change %
(a)	Operating revenue reported for first half year	522,685	501,130	4.3
(b)	Profit after tax before deducting minority interests reported for the first half year	220,355	183,001	20.4
(c)	Operating revenue reported for second half year	637,520	520,230	22.5
(d)	Profit after tax before deducting minority interests reported for the second half year	285,381	245,343	16.3

15. **A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year as follows:-**

Total Net Annual Dividend

	2007 S\$'000	2006 S\$'000
Ordinary	415,855	382,918
Preference	-	-
Total	415,855 *	382,918

The amount of S\$415,855,000 (Last year: S\$382,918,000) included S\$4,219,000 (Last year: S\$3,880,000) for management shares.

* This may be increased depending on the number of issued shares existing as at the books closure date on December 14, 2007.

BY ORDER OF THE BOARD

Ginney Lim May Ling
Khor Siew Kim
Company Secretaries

Singapore,
October 12, 2007