



SINGAPORE PRESS HOLDINGS LIMITED

*Reg. No. 198402868E
(Incorporated in Singapore)*

ANNOUNCEMENT

UNAUDITED RESULTS* FOR THE PERIOD ENDED FEBRUARY 29, 2016

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 Second Quarter ended February 29, 2016

| | Group | | |
|---|--------------------|--------------------|-------------|
| | 2Q 2016 S\$'000 | 2Q 2015 S\$'000 | Change % |
| Operating revenue | | | |
| Media | 190,653 | 202,848 | (6.0) |
| Property | 61,149 | 60,602 | 0.9 |
| Others | 7,495 | 6,844 | 9.5 |
| | 259,297 | 270,294 | (4.1) |
| Other operating income | 4,931 | 5,093 | (3.2) |
| | 264,228 | 275,387 | (4.1) |
| Materials, production and distribution costs | (35,704) | (37,810) | (5.6) |
| Staff costs | (91,884) | (94,738) | (3.0) |
| Premises costs | (19,474) | (17,610) | 10.6 |
| Depreciation | (11,109) | (12,816) | (13.3) |
| Other operating expenses | (29,965) | (34,292) | (12.6) |
| Finance costs | (7,969) | (10,128) | (21.3) |
| Operating profit [#] | 68,123 | 67,993 | 0.2 |
| Net income from investments | 7,225 | 19,200 | (62.4) |
| Share of results of associates and joint ventures | (712) | 4,800 | NM |
| Profit before taxation | 74,636 | 91,993 | (18.9) |
| Taxation | (10,860) | (12,657) | (14.2) |
| Profit after taxation | 63,776 | 79,336 | (19.6) |
| Attributable to: | | | |
| Shareholders of the Company | 54,131 | 69,622 | (22.3) |
| Non-controlling interests | 9,645 | 9,714 | (0.7) |
| | 63,776 | 79,336 | (19.6) |

* Please refer to the attached auditors' review report.

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

NM Not Meaningful

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

| | Group | | |
|--|----------------|-----------------------|---------------|
| | 2Q 2016 | 2Q 2015 | Change |
| | S\$'000 | S\$'000 | % |
| (Allowance)/Write-back of allowance for stock obsolescence | (27) | 762 | NM |
| Share-based compensation expense | (939) | (1,191) | (21.2) |
| Write-back/(Allowance) for impairment of trade receivables | 252 | (422) | NM |
| Bad debts recovery | 73 | 49 | 49.0 |
| Amortisation of intangible assets | (2,739) | (2,822) | (2.9) |
| Impairment of intangible assets | (5) | - | NM |
| Net loss on disposal of property, plant and equipment | (38) | (103) | (63.1) |
| Gain on disposal of an associate | - | 12 | NM |
| Interest Income | 1,547 | 2,230 | (30.6) |
| Net profit on sale of investments | 5,054 | 24,786 | (79.6) |
| Net fair value changes on | | | |
| - Internally-managed assets at fair value through profit or loss | (265) | (5) | NM |
| - Derivative financial instruments | 587 | (14,221) [^] | NM |
| Net foreign exchange differences | 888 | 5,893 | (84.9) |
| Net under-provision of prior years' taxation | (11) | (240) | (95.4) |

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

1(a)(iii) Statement of Comprehensive Income

| | Group | | |
|---|---------------------------|---------------------------|--------------------|
| | 2Q 2016 S\$'000 | 2Q 2015 S\$'000 | Change % |
| Profit after taxation | 63,776 | 79,336 | (19.6) |
| Other comprehensive income, net of tax | | | |
| <u>Items that may be re-classified subsequently to profit or loss</u> | | | |
| Capital reserve | | | |
| - share of capital reserve of an associate | - | 180 | NM |
| Cash flow hedges | | | |
| - net fair value changes | (2,620) | 3,329 | NM |
| - transferred to income statement | 164 | 1,484 | (88.9) |
| Net fair value changes on available-for-sale financial assets | | | |
| - net fair value changes | (41,788) | 86,550 | NM |
| - transferred to income statement | (3,896) | (20,130) | (80.6) |
| Currency translation difference | | | |
| - arising from consolidation of financial statements of foreign subsidiaries, associates and joint ventures | (486) | 546 | NM |
| | (48,626) | 71,959 | NM |
| Total comprehensive income | <u>15,150</u> | <u>151,295</u> | (90.0) |
| Attributable to: | | | |
| Shareholders of the Company | 6,229 | 140,256 | (95.6) |
| Non-controlling interests | 8,921 | 11,039 | (19.2) |
| | <u>15,150</u> | <u>151,295</u> | (90.0) |

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 February 29, 2016

| | Group | | Company | |
|----------------------------------|------------------|------------------|------------------|------------------|
| | Feb 29, 2016 | Aug 31, 2015 | Feb 29, 2016 | Aug 31, 2015 |
| Note | S\$'000 | S\$'000 | S\$'000 | S\$'000 |
| CAPITAL EMPLOYED | | | | |
| Share capital | 522,809 | 522,809 | 522,809 | 522,809 |
| Treasury shares | (8,683) | (13,408) | (8,683) | (13,408) |
| Reserves | 411,260 | 482,704 | 40,243 | 50,167 |
| Retained profits | 2,555,910 | 2,626,708 | 655,098 | 792,423 |
| Shareholders' interests | 3,481,296 | 3,618,813 | 1,209,467 | 1,351,991 |
| Non-controlling interests | 726,182 | 727,837 | - | - |
| Total equity | 4,207,478 | 4,346,650 | 1,209,467 | 1,351,991 |
| EMPLOYMENT OF CAPITAL | | | | |
| Non-current assets | | | | |
| Property, plant and equipment | 232,065 | 249,976 | 126,267 | 139,641 |
| Investment properties | 3,946,646 | 3,940,951 | - | - |
| Investments in subsidiaries | - | - | 419,250 | 419,250 |
| Investments in associates | 79,705 | 75,874 | 31,160 | 31,160 |
| Investments in joint ventures | 13,114 | 16,295 | - | - |
| Long-term investments | 605,507 | 617,312 | 35,398 | 38,001 |
| Intangible assets | 182,924 | 188,595 | 31,207 | 32,211 |
| Trade and other receivables | 4,733 | 4,442 | 3,746 | 3,675 |
| Derivative financial instruments | 144 | 4,631 | - | - |
| | 5,064,838 | 5,098,076 | 647,028 | 663,938 |
| Current assets | | | | |
| Inventories | 12,935 | 12,477 | 11,345 | 10,785 |
| Trade and other receivables | 135,797 | 192,138 | 1,453,925 | 1,455,812 |
| Short-term investments | 394,548 | 474,633 | 2,073 | 32,055 |
| Derivative financial instruments | 1,980 | 472 | - | - |
| Cash and cash equivalents | 288,185 | 292,246 | 109,334 | 152,929 |
| (a) | 833,445 | 971,966 | 1,576,677 | 1,651,581 |
| Total assets | 5,898,283 | 6,070,042 | 2,223,705 | 2,315,519 |
| Non-current liabilities | | | | |
| Trade and other payables | 47,418 | 48,199 | 4,103 | 5,471 |
| Deferred income tax liabilities | 46,361 | 50,658 | 20,824 | 23,208 |
| Borrowings | 947,105 | 947,271 | - | - |
| Derivative financial instruments | 1,380 | - | - | - |
| | 1,042,264 | 1,046,128 | 24,927 | 28,679 |
| Current liabilities | | | | |
| Trade and other payables | 238,271 | 271,171 | 855,759 | 818,445 |
| Current income tax liabilities | 55,394 | 62,331 | 28,552 | 31,404 |
| Borrowings | 354,704 | 336,681 | 105,000 | 85,000 |
| Derivative financial instruments | 172 | 7,081 | - | - |
| | 648,541 | 677,264 | 989,311 | 934,849 |
| Total liabilities | 1,690,805 | 1,723,392 | 1,014,238 | 963,528 |
| Net assets | 4,207,478 | 4,346,650 | 1,209,467 | 1,351,991 |

Notes to the Balance Sheets

- (a) The movements in the Group's Current Assets arose from recurring investing and operating activities. The decrease in Trade and other receivables pertains to receipt of proceeds from redemption of short-term investments on settlement date.

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

Group Borrowings

Amount repayable in one year

| As at February 29, 2016 | | As at August 31, 2015 | |
|-------------------------|----------------------|-----------------------|----------------------|
| Secured S\$'000 | Unsecured S\$'000 | Secured S\$'000 | Unsecured S\$'000 |
| 249,704 | 105,000 | 249,330 | 87,351 |

Amount repayable after one year

| As at February 29, 2016 | | As at August 31, 2015 | |
|-------------------------|----------------------|-----------------------|----------------------|
| Secured S\$'000 | Unsecured S\$'000 | Secured S\$'000 | Unsecured S\$'000 |
| 895,534 | 51,571 | 894,740 | 52,531 |

Details of collateral

The secured bank loan facilities as at February 29, 2016 and as at August 31, 2015 comprised the term loan facilities of S\$975 million and S\$300 million undertaken by the subsidiaries, SPH REIT and The Seletar Mall Pte Ltd ("TSMPL") respectively. As at the balance sheet dates, the amounts drawn down were S\$850 million for SPH REIT and S\$300 million for TSMPL.

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

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

The total balance of S\$1,145.2 million as at February 29, 2016 (August 31, 2015: S\$1,144.1 million) represented the secured borrowings stated at amortised cost.

1(c) **A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

Consolidated Statement of Cash Flows for the Second Quarter ended February 29, 2016

| | 2Q 2016 | 2Q 2015 |
|---|-------------------------|-------------------------|
| | S\$'000 | S\$'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 74,636 | 91,993 |
| Adjustments for: | | |
| Depreciation | 11,109 | 12,816 |
| Net loss on disposal of property, plant and equipment | 38 | 103 |
| Share of results of associates and joint ventures | 712 | (4,800) |
| Gain on disposal of an associate | - | (12) |
| Net income from investments | (7,225) | (19,200) |
| Amortisation of intangible assets | 2,739 | 2,822 |
| Impairment of intangible assets | 5 | - |
| Finance costs | 7,969 | 10,128 |
| Share-based compensation expense | 939 | 1,191 |
| Other non-cash items | 584 | 909 |
| Operating cash flow before working capital changes | <u>91,506</u> | <u>95,950</u> |
| Changes in operating assets and liabilities, net of effects from acquisition and disposal of subsidiaries and business: | | |
| Inventories | (301) | (277) |
| Trade and other receivables, current | 21,315 | 12,456 |
| Trade and other payables, current | (20,498) | (19,621) |
| Trade and other receivables, non-current | (332) | (661) |
| Trade and other payables, non-current | (2,410) | 2,206 |
| Others | (524) | 846 |
| | <u>88,756</u> | <u>90,899</u> |
| Income tax paid | (35,545) | (30,355) |
| Dividends paid | (209,782) | (226,274) |
| Dividends paid (net) by a subsidiary to non-controlling interests | <u>(10,038)</u> | <u>(9,979)</u> |
| Net cash used in operating activities | <u><u>(166,609)</u></u> | <u><u>(175,709)</u></u> |

Consolidated Statement of Cash Flows for the Second Quarter ended February 29, 2016 (cont'd)

| | 2Q 2016 | 2Q 2015 |
|---|----------------|----------------|
| | S\$'000 | S\$'000 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (2,071) | (2,551) |
| Proceeds from disposal of property, plant and equipment | 26 | 9 |
| Additions to investment properties | (4,249) | (10,508) |
| Acquisition of interest in an associate | (1,424) | - |
| Acquisition of interests in joint ventures | (1,138) | (21,434) |
| Proceeds from partial divestment of interest in a subsidiary | - | 4,011 |
| Dividend received from associates | 575 | - |
| (Increase)/Decrease in amounts owing by associates/ joint ventures | (2,114) | 1,557 |
| (Decrease)/Increase in amounts owing to associates/ joint ventures | (8,105) | 17,976 |
| Purchase of long-term investments | (30,596) | (10,483) |
| Purchase of short-term investments | (30,808) | (5,640) |
| Proceeds from capital distribution/disposal of long-term investments | 497 | - |
| Proceeds from redemption/disposal of short-term investments | 106,514 | 195,508 |
| Dividends received | 612 | 321 |
| Interest received | 1,279 | 2,038 |
| Other investment income | (4) | (5,054) |
| Net cash from investing activities | <u>28,994</u> | <u>165,750</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from bank loans (net of transaction costs) | 20,000 | 91,985 |
| Repayment of loans from non-controlling interests | - | (113) |
| Interest paid | (7,015) | (6,116) |
| Share buy-back | (1,760) | (11,407) |
| Net cash from financing activities | <u>11,225</u> | <u>74,349</u> |
| Net (decrease)/increase in cash and cash equivalents | (126,390) | 64,390 |
| Cash and cash equivalents at beginning of period | <u>414,575</u> | <u>802,614</u> |
| Cash and cash equivalents at end of period | <u>288,185</u> | <u>867,004</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 Second Quarter ended February 29, 2016

(a) Group

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

Statements of Changes in Total Equity for the Second Quarter ended February 29, 2016 (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 December 1, 2014 | 522,809 | (3,046) | (11,747) | 20,081 | (7,044) | 537,928 | (1,659) | 2,710,339 | 3,767,661 | 709,505 | 4,477,166 |
| Total comprehensive income for the quarter | - | - | 180 | - | 3,422 | 66,420 | 612 | 69,622 | 140,256 | 11,039 | 151,295 |
| Transactions with owners, recognised directly in equity | | | | | | | | | | | |
| <u>Contributions by and distributions to owners</u> | | | | | | | | | | | |
| Share-based compensation | - | - | - | 1,212 | - | - | - | - | 1,212 | - | 1,212 |
| Treasury shares re-issued | - | 7,617 | - | (5,786) | - | - | - | (1,543) | 288 | - | 288 |
| Share buy-back – held as treasury shares | - | (11,407) | - | - | - | - | - | - | (11,407) | - | (11,407) |
| Lapse of share options | - | - | - | (4,850) | - | - | - | 4,850 | - | - | - |
| Dividends | - | - | - | - | - | - | - | (226,274) | (226,274) | (9,979) | (236,253) |
| <u>Changes in ownership interests in subsidiaries</u> | | | | | | | | | | | |
| Acquisition of additional interests in subsidiaries without a change in control | - | - | - | - | - | - | - | (105) | (105) | 105 | - |
| Dilution of interests in subsidiaries without a change in control | - | - | 27 | - | 12 | - | - | 282 | 321 | 3,690 | 4,011 |
| Acquisition of subsidiaries with non-controlling interests | - | - | - | - | - | - | - | - | - | 2 | 2 |
| Balance as at February 28, 2015 | 522,809 | (6,836) | (11,540) | 10,657 | (3,610) | 604,348 | (1,047) | 2,557,171 | 3,671,952 | 714,362 | 4,386,314 |

Statements of Changes in Total Equity for the Second Quarter ended February 29, 2016 (cont'd)

(b) Company

| | Share Capital S\$'000 | Treasury Shares S\$'000 | Share-based Compensation Reserve S\$'000 | Hedging Reserve S\$'000 | Fair Value Reserve S\$'000 | Retained Profits S\$'000 | Total Equity S\$'000 |
|--|-----------------------------|-------------------------------|---|-------------------------------|-------------------------------------|--------------------------------|----------------------------|
| Balance as at December 1, 2015 | 522,809 | (13,408) | 15,546 | - | 35,733 | 837,403 | 1,398,083 |
| Total comprehensive income for the quarter | - | - | - | - | (2,290) | 24,094 | 21,804 |
| Transactions with owners, recognised directly in equity | | | | | | | |
| <u>Contributions by and distributions to owners</u> | | | | | | | |
| Share-based compensation | - | - | 936 | - | - | - | 936 |
| Treasury shares re-issued | - | 6,485 | (5,680) | - | - | (619) | 186 |
| Share buy-back – held as treasury shares | - | (1,760) | - | - | - | - | (1,760) |
| Lapse of share options | - | - | (4,002) | - | - | 4,002 | - |
| Dividends | - | - | - | - | - | (209,782) | (209,782) |
| Balance as at February 29, 2016 | 522,809 | (8,683) | 6,800 | - | 33,443 | 655,098 | 1,209,467 |
| Balance as at December 1, 2014 | 522,809 | (3,046) | 20,081 | (122) | 41,043 | 672,118 | 1,252,883 |
| Total comprehensive income for the quarter | - | - | - | 126 | 1,666 | 24,435 | 26,227 |
| Transactions with owners, recognised directly in equity | | | | | | | |
| <u>Contributions by and distributions to owners</u> | | | | | | | |
| Share-based compensation | - | - | 1,212 | - | - | - | 1,212 |
| Treasury shares re-issued | - | 7,617 | (5,786) | - | - | (1,543) | 288 |
| Share buy-back – held as treasury shares | - | (11,407) | - | - | - | - | (11,407) |
| Lapse of share options | - | - | (4,850) | - | - | 4,850 | - |
| Dividends | - | - | - | - | - | (226,274) | (226,274) |
| Balance as at February 28, 2015 | 522,809 | (6,836) | 10,657 | 4 | 42,709 | 473,586 | 1,042,929 |

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

Performance Shares

- (a) At the 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 Singapore Press Holdings Group (1999) Share Option Scheme (the "1999 Scheme") was terminated with regard to the grant of further options. All options granted and outstanding under the 1999 Scheme expired on December 16, 2015. With that, the 1999 Scheme has fully terminated.
- (b) As at February 29, 2016, the number of shares granted and outstanding (being contingent award) under the SPH Performance Share Plan was 5,116,249 (February 28, 2015: 5,279,104). Movements in the number of performance shares during the current quarter are summarised below:

| <u>Outstanding as at 01.12.15</u> | <u>Adjusted[#]</u> | <u>Granted</u> | <u>Vested</u> | <u>Lapsed</u> | <u>Outstanding and unvested as at 29.02.16</u> |
|---------------------------------------|-----------------------------|----------------|---------------|---------------|--|
| ('000) | ('000) | ('000) | ('000) | ('000) | ('000) |
| 5,234 | (100) | 1,772 | (1,598) | (192) | 5,116 |

[#] Adjusted at end of the performance period based on the level of achievement of pre-set performance conditions.

Share Options

- (a) All options granted and outstanding under the 1999 Scheme (November 30, 2015: 8,349,450 and February 28, 2015: 8,862,075) expired on December 16, 2015. With that, the 1999 Scheme has fully terminated.
- (b) Between December 1, 2015 and December 16, 2015, the Company did not issue any ordinary shares under the 1999 Scheme.

Share Buy Back

Under the Share Buy Back Mandate (first approved by the Shareholders on July 16, 1999 and last renewed at the Annual General Meeting on December 1, 2015), the Company bought back 500,000 ordinary shares during the current quarter. These shares are held as treasury shares, until released from time to time for the fulfillment of the awards under the SPH Performance Share Plan. The amount paid, including brokerage fees, totalled S\$1.8 million and was deducted against shareholders' equity.

Share Capital and Treasury Shares

As at February 29, 2016, the Company had 1,598,440,203 ordinary shares, 16,361,769 management shares and 2,208,918 treasury shares (February 28, 2015: 1,598,978,551 ordinary shares, 16,361,769 management shares and 1,670,570 treasury shares).

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

As at February 29, 2016, the Company had 1,598,440,203 ordinary shares and 16,361,769 management shares (August 31, 2015: 1,597,342,951 ordinary shares and 16,361,769 management shares).

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

Between December 1, 2015 and February 29, 2016, the Company transferred 1,597,252 treasury shares for the fulfillment of share awards vested under the SPH Performance Share Plan. The total value of the treasury shares transferred was S\$6.5 million.

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

The financial information as set out in paragraphs 1, 4, 5, 6, 7, 9, 10, 11 and 16 of this announcement has been extracted from the condensed interim financial information that has been reviewed by our auditors, KPMG LLP, in accordance with Singapore Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

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

Please refer to the attached auditors' review report.

4. **Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied. If there are any changes in the accounting policies and method of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

Accounting Policies

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

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

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

Earnings Per Share for the Second Quarter ended February 29, 2016

| | Group | |
|---|----------------|----------------|
| | 2Q 2016 | 2Q 2015 |
| (a) Based on the weighted average number of shares on issue (S\$) | 0.03 | 0.04 |
| (b) On fully diluted basis (S\$) | 0.03 | 0.04 |

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

Net Asset Value Per Share

| | Group | | Company | |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
| | Feb 29, 2016 | Aug 31, 2015 | Feb 29, 2016 | Aug 31, 2015 |
| Net asset value per share based on total number of issued shares at the end of period/year (S\$) | 2.16 | 2.24 | 0.75 | 0.84 |

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

Business Segments/Review of Results

Business Segments

The Group is organised into three major operating segments, namely Media, Property, and Treasury and Investment. The Media segment is involved in the production of content for distribution on print and other media platforms. The Property segment holds, manages and develops properties of the Group. The Treasury and Investment segment manages the investment activities of the Group. Other operations under the Group, which are currently not significant to be reported separately, are included under "Others". These include the Group's businesses and investments in online classifieds, events and exhibitions and the New Media Fund.

Review of Results for the Second Quarter ended February 29, 2016 ("2Q 2016") compared with the Second Quarter ended February 28, 2015 ("2Q 2015")

- 7.1 Group operating revenue of S\$259.3 million was S\$11 million (4.1%) lower compared to 2Q 2015. Revenue for the Media business declined S\$12.2 million (6%) to S\$190.7 million as advertisement and circulation revenue fell S\$9.5 million (6.5%) and S\$2.1 million (4.9%) respectively.

Revenue for the Property segment inched up S\$0.5 million (0.9%) to S\$61.1 million on higher rental and services revenue from the retail assets of the Group.

Revenue for the Group's other businesses increased by S\$0.7 million (9.5%) to S\$7.5 million with higher contribution from the exhibitions business.

- 7.2 Materials, production and distribution costs fell S\$2.1 million (5.6%) in line with lower revenue.

Staff costs decreased by S\$2.9 million (3%) due to lower bonus provision.

Premises costs saw an increase of S\$1.9 million (10.6%) due to additional provision for property tax on the Group's investment property.

Other operating expenses decreased by S\$4.3 million (12.6%) mainly due to lower provision for doubtful debts, legal fees and foreign exchange differences.

Finance costs was lower by S\$2.2 million (21.3%) as 2Q 2015 included interest costs on Medium Term Notes which were redeemed on March 2, 2015.

- 7.3 Operating profit of S\$68.1 million was flat year-on-year as revenue decline was matched by cost reductions.
- 7.4 Investment income for the quarter of S\$7.2 million fell S\$12 million (62.4%) as last year's results were boosted by gains from sale of investments to fund the Medium Term Notes redemption, partially offset by fair value loss on forward hedges for portfolio investments.
- 7.5 The share of results of associates and joint ventures for the quarter was lower by S\$5.5 million as last year included a gain of S\$7.4 million relating to restructuring of the regional online classifieds business.
- 7.6 Taxation charge of S\$10.9 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 over- or under- provision of taxation in respect of prior years.
- 7.7 Net profit attributable to shareholders of S\$54.1 million was S\$15.5 million (22.3%) lower compared to 2Q 2015.

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) Performance for the Half Year ended February 29, 2016

(i) Results for the Half Year ended February 29, 2016

| | Group | | |
|---|----------------|----------------|---------------|
| | 1H 2016 | 1H 2015 | Change |
| | S\$'000 | S\$'000 | % |
| Operating revenue | | | |
| Media | 413,682 | 447,247 | (7.5) |
| Property | 120,810 | 112,016 | 7.9 |
| Others | 21,010 | 18,087 | 16.2 |
| | <u>555,502</u> | <u>577,350</u> | (3.8) |
| Other operating income | 13,452 | 8,593 | 56.5 |
| | <u>568,954</u> | <u>585,943</u> | (2.9) |
| Materials, production and distribution costs | (77,814) | (83,752) | (7.1) |
| Staff costs | (183,996) | (187,587) | (1.9) |
| Premises costs | (35,925) | (33,719) | 6.5 |
| Depreciation | (22,405) | (25,843) | (13.3) |
| Other operating expenses | (65,969) | (65,617) | 0.5 |
| Finance costs | (15,738) | (19,088) | (17.6) |
| Operating profit [#] | 167,107 | 170,337 | (1.9) |
| Net income from investments | 17,558 | 20,882 | (15.9) |
| Share of results of associates and joint ventures | (2,521) | (3,236) | (22.1) |
| Profit before taxation | 182,144 | 187,983 | (3.1) |
| Taxation | (27,335) | (30,527) | (10.5) |
| Profit after taxation | <u>154,809</u> | <u>157,456</u> | (1.7) |
| Attributable to: | | | |
| Shareholders of the Company | 135,455 | 138,972 | (2.5) |
| Non-controlling interests | 19,354 | 18,484 | 4.7 |
| | <u>154,809</u> | <u>157,456</u> | (1.7) |

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

NM Not Meaningful

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

| | Group | | |
|---|----------------|----------------|---------------|
| | 1H 2016 | 1H 2015 | Change |
| | S\$'000 | S\$'000 | % |
| Write-back of allowance for stock obsolescence | 8 | 567 | (98.6) |
| Share-based compensation expense | (2,468) | (2,377) | 3.8 |
| Allowance for impairment of trade receivables | (2,124) | (1,704) | 24.6 |
| Bad debts recovery | 129 | 98 | 31.6 |
| Amortisation of intangible assets | (5,607) | (5,395) | 3.9 |
| Impairment of intangible assets | (5) | - | NM |
| Net loss on disposal of property, plant and equipment | (110) | (109) | 0.9 |
| Write-back of allowance for impairment of an associate | (259) | - | NM |
| Gain on disposal of an associate | - | 12 | NM |
| Interest income | 3,144 | 4,082 | (23.0) |
| Net profit on sale of investments | 10,398 | 34,580 | (69.9) |
| Net fair value changes on | | | |
| - Internally-managed assets at fair value through profit or loss | (532) | 309 | NM |
| - Derivative financial instruments | 1,860 | (28,894)^ | NM |
| Net foreign exchange differences | 388 | 7,706 | (95.0) |
| Net under-provision of prior years' taxation | (64) | (213) | (70.0) |

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

9(a)(iii) Statement of Comprehensive Income

| | Group | | Change |
|---|----------------|----------------|---------------|
| | 1H 2016 | 1H 2015 | |
| | S\$'000 | S\$'000 | |
| Profit after taxation | 154,809 | 157,456 | (1.7) |
| Other comprehensive income, net of tax | | | |
| <u>Items that may be re-classified subsequently to profit or loss</u> | | | |
| Capital reserve | | | |
| - share of capital reserve of an associate | - | 180 | NM |
| Cash flow hedges | | | |
| - net fair value changes | (6,430) | 696 | NM |
| - transferred to income statement | 519 | 3,130 | (83.4) |
| Net fair value changes on available-for-sale financial assets | | | |
| - net fair value changes | (51,335) | 107,386 | NM |
| - transferred to income statement | (7,946) | (28,862) | (72.5) |
| Currency translation difference | | | |
| - arising from consolidation of financial statements of foreign subsidiaries, associates and joint ventures | (710) | 348 | NM |
| | (65,902) | 82,878 | NM |
| Total comprehensive income | <u>88,907</u> | <u>240,334</u> | (63.0) |
| Attributable to: | | | |
| Shareholders of the Company | 71,335 | 220,891 | (67.7) |
| Non-controlling interests | 17,572 | 19,443 | (9.6) |
| | <u>88,907</u> | <u>240,334</u> | (63.0) |

9(b) **A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year**

Consolidated Statement of Cash Flows for the Half Year ended February 29, 2016

| | 1H 2016 S\$'000 | 1H 2015 S\$'000 |
|--|--------------------|--------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 182,144 | 187,983 |
| Adjustments for: | | |
| Depreciation | 22,405 | 25,843 |
| Net loss on disposal of property, plant and equipment | 110 | 109 |
| Share of results of associates and joint ventures | 2,521 | 3,236 |
| Gain on disposal of an associate | - | (12) |
| Write-back of allowance for impairment of an associate | (259) | - |
| Net income from investments | (17,558) | (20,882) |
| Amortisation of intangible assets | 5,607 | 5,395 |
| Impairment of intangible assets | 5 | - |
| Finance costs | 15,738 | 19,088 |
| Share-based compensation expense | 2,468 | 2,377 |
| Other non-cash items | 1,168 | 1,569 |
| Operating cash flow before working capital changes | 214,349 | 224,706 |
| Changes in operating assets and liabilities, net of effects from acquisition and disposal of subsidiaries and business: | | |
| Inventories | (458) | 2,044 |
| Trade and other receivables, current | 11,809 | 9,735 |
| Trade and other payables, current | (17,422) | (10,157) |
| Trade and other receivables, non-current | (291) | (657) |
| Trade and other payables, non-current | (781) | (732) |
| Others | (631) | 1,099 |
| | 206,575 | 226,038 |
| Income tax paid | (36,387) | (30,987) |
| Dividends paid | (209,782) | (226,274) |
| Dividends paid (net) by subsidiaries to non-controlling interests | (20,520) | (20,408) |
| Net cash used in operating activities | (60,114) | (51,631) |

**Consolidated Statement of Cash Flows for the Half Year ended February 29, 2016
(cont'd)**

| | 1H 2016 | 1H 2015 |
|---|-----------------------|-----------------------|
| | S\$'000 | S\$'000 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant and equipment | (4,635) | (6,322) |
| Proceeds from disposal of property, plant and equipment | 31 | 50 |
| Additions to investment properties | (10,219) | (30,986) |
| Acquisition of subsidiaries (net of cash acquired) | - | (29,181) |
| Acquisition of interests in associates | (2,924) | - |
| Acquisition of interests in joint ventures | (2,379) | (21,434) |
| Proceeds from partial divestment of interests in a subsidiary | - | 4,011 |
| Dividends received from associates | 1,805 | 6,591 |
| Proceeds from disposal of an associate | 259 | - |
| (Increase)/Decrease in amounts owing by associates/ joint ventures | (2,183) | 21 |
| Decrease in amounts owing to associates/joint ventures | (11,452) | (6,950) |
| Purchase of long-term investments | (38,193) | (23,569) |
| Purchase of short-term investments | (34,974) | (52,903) |
| Proceeds from capital distribution/disposal of long-term investments | 1,358 | 905 |
| Proceeds from redemption/disposal of short-term investments | 159,227 | 550,815 |
| Dividends received | 3,446 | 3,262 |
| Interest received | 2,602 | 3,772 |
| Other investment income | <u>(6,833)</u> | <u>(5,712)</u> |
| Net cash from investing activities | <u>54,936</u> | <u>392,370</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from bank loans (net of transaction costs) | 20,000 | 114,858 |
| Repayment of bank loan | (2,327) | - |
| Repayment of loans from non-controlling interests | - | (225) |
| Interest paid | (14,796) | (19,898) |
| Share buy-back | <u>(1,760)</u> | <u>(11,407)</u> |
| Net cash from financing activities | <u>1,117</u> | <u>83,328</u> |
| Net (decrease)/increase in cash and cash equivalents | (4,061) | 424,067 |
| Cash and cash equivalents at beginning of period | <u>292,246</u> | <u>442,937</u> |
| Cash and cash equivalents at end of period | <u>288,185</u> | <u>867,004</u> |

10. Earnings Per Share for the Half Year ended February 29, 2016

| | Group | |
|---|---------|---------|
| | 1H 2016 | 1H 2015 |
| (a) Based on the weighted average number of shares on issue (S\$) | 0.08 | 0.09 |
| (b) On fully diluted basis (S\$) | 0.08 | 0.09 |

11. Review of Results for the Half Year ended February 29, 2016 (“1H 2016”) compared with the Half Year ended February 28, 2015 (“1H 2015”)

11.1 Group operating revenue of S\$555.5 million was S\$21.8 million (3.8%) lower compared to the same period last year. Revenue for the Media business declined S\$33.6 million (7.5%) to S\$413.7 million, as advertisement and circulation revenue fell S\$29.5 million (8.8%) and S\$4.2 million (4.9%) respectively.

Revenue for the Property segment grew by S\$8.8 million (7.9%) to S\$120.8 million, with contribution from The Seletar Mall which commenced business on November 28, 2014.

Revenue from the Group’s other businesses rose S\$2.9 million (16.2%) to S\$21 million. The increase came from the exhibitions and online classifieds businesses.

11.2 The increase in other operating income of S\$4.9 million (56.5%) included a write-back of contingent consideration for an acquired business.

11.3 Materials, production and distribution costs saw a reduction of S\$5.9 million (7.1%) mainly from lower newsprint costs.

Staff costs decreased by S\$3.6 million (1.9%) due to lower bonus provision.

Premises costs saw an increase of S\$2.2 million (6.5%) due to additional provision for property tax on the Group’s investment property.

Finance costs was lower by S\$3.4 million (17.6%) as 1H 2015 included interest costs on Medium Term Notes which were redeemed on March 2, 2015.

11.4 Operating profit of S\$167.1 million was S\$3.2 million (1.9%) lower than 1H 2015.

11.5 Investment income of S\$17.6 million fell S\$3.3 million (15.9%) as last year’s results were boosted by gains from sale of investments to fund the Medium Term Notes redemption, partially offset by fair value loss on forward hedges for portfolio investments.

11.6 The share of results of associates and joint ventures improved by S\$0.7 million (22.1%) due to reduced operating losses, partially offset by a gain of S\$7.4 million recognised last year relating to restructuring of the regional classifieds business.

- 11.7 Taxation charge of S\$27.3 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 over- or under- provision of taxation in respect of prior years.
- 11.8 Net profit attributable to shareholders of S\$135.5 million was S\$3.5 million (2.5%) lower compared to 1H 2015.
12. **A commentary at the date of announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months**
- 12.1 The operating environment is expected to remain challenging given the uncertain economic outlook and fast evolving media landscape.
- 12.2 Newsprint prices remain dependent upon the degree of market balance between supply and demand.
- 12.3 The retail assets of the Group, comprising Paragon, The Clementi Mall and The Seletar Mall will continue to provide a recurrent income stream for the Group.
- 12.4 The Group will maintain a conservative stance on its investment portfolio allocation with focus on capital preservation. Returns are expected to be commensurate with a low risk-return profile to mitigate against volatility.
- 12.5 The Group will continue its effort to transform the Media business and pursue growth opportunities.

13. Dividends

(a) Current Financial Period Reported On

Any dividend recommended for the current financial period reported on?

Yes.

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

(b) Corresponding Period of the Immediately Preceding Financial Year

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

Yes.

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

(c) Date payable

The date the dividend is payable: May 24, 2016.

(d) Record Date

The Share Transfer Books and Register of Members of the Company will be closed on May 6, 2016, 5.00 p.m. for preparation of dividend warrants. Duly stamped and completed transfers received by our Share Transfer Office, Tricor Barbinder Share Registration Services, 80 Robinson Road #02-00 Singapore 068898, up to 5.00 p.m. on May 6, 2016 will be registered to determine shareholders' entitlements to the interim dividend. In respect of shares in securities accounts with the Central Depository (Pte) Limited ("CDP"), the said dividend will be paid by the Company to CDP which will distribute the dividends to holders of the securities accounts.

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

Not applicable.

15. If the group has obtained a general mandate from shareholders for Interested Person Transactions, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company has not obtained a general mandate from shareholders for Interested Person Transactions.

16. Segmental information of the Group for the Half Year ended February 29, 2016

1H 2016

| | Media S\$'000 | Property S\$'000 | Treasury and Investment S\$'000 | Others S\$'000 | Eliminations S\$'000 | Consolidated S\$'000 |
|---|------------------|---------------------|--|-------------------|-------------------------|-------------------------|
| Operating revenue | | | | | | |
| External sales | 413,682 | 120,810 | - | 21,010 | - | 555,502 |
| Inter-segmental sales | 2,130 | 996 | - | 223 | (3,349) | - |
| Total operating revenue | 415,812 | 121,806 | - | 21,233 | (3,349) | 555,502 |
| Result | | | | | | |
| Segment result | 99,425 | 88,157 | 16,426 | (4,221) | - | 199,787 |
| Finance costs | (30) | (15,031) | (661) | (16) | - | (15,738) |
| Interest income | 86 | 530 | - | - | - | 616 |
| Share of results of associates and joint ventures | 2,561 | - | - | (5,082) | - | (2,521) |
| Profit/(Loss) before taxation | 102,042 | 73,656 | 15,765 | (9,319) | - | 182,144 |

1H 2015

| | Media S\$'000 | Property S\$'000 | Treasury and Investment S\$'000 | Others S\$'000 | Eliminations S\$'000 | Consolidated S\$'000 |
|---|------------------|---------------------|--|-------------------|-------------------------|-------------------------|
| Operating revenue | | | | | | |
| External sales | 447,247 | 112,016 | - | 18,087 | - | 577,350 |
| Inter-segmental sales | 1,967 | 1,001 | - | 395 | (3,363) | - |
| Total operating revenue | 449,214 | 113,017 | - | 18,482 | (3,363) | 577,350 |
| Result | | | | | | |
| Segment result | 119,722 | 81,688 | 20,220 | (11,700) | - | 209,930 |
| Finance costs | (71) | (10,612) | (8,405) | - | - | (19,088) |
| Interest income | 78 | 299 | - | - | - | 377 |
| Share of results of associates and joint ventures | 1,088 | - | - | (4,324) | - | (3,236) |
| Profit/(Loss) before taxation | 120,817 | 71,375 | 11,815 | (16,024) | - | 187,983 |

BY ORDER OF THE BOARD

Ginney Lim May Ling
Khor Siew Kim

Company Secretaries

Singapore,
April 12, 2016



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

We, Lee Boon Yang and Chan Heng Loon Alan, being two directors of Singapore Press Holdings Limited ("the Company"), do hereby confirm on behalf of the directors of the Company, that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial results for the second quarter ended 29 February, 2016 to be false or misleading in any material respect.

On behalf of the Directors


LEE BOON YANG
Chairman


CHAN HENG LOON ALAN
Director

Singapore,
April 12, 2016



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Report on review of Condensed Interim Financial Information

The Board of Directors
Singapore Press Holdings Limited

Introduction

We have reviewed the accompanying balance sheet of Singapore Press Holdings Limited (the “Company”) and consolidated balance sheet of Singapore Press Holdings Limited and its Subsidiaries (the “Group”) as at February 29, 2016, and the related consolidated statements of income, comprehensive income, changes in total equity and cash flows for the three-month and six-month periods then ended, and certain explanatory notes (the “Condensed Interim Financial Information”). Management is responsible for the preparation and presentation of this Condensed Interim Financial Information in accordance with Singapore Financial Reporting Standard (“FRS”) 34 *Interim Financial Reporting*. Our responsibility is to express a conclusion on this Condensed Interim Financial Information based on our review.

Scope of review

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

Conclusion

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



Restriction on use

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

KPMG LLP

KPMG LLP
Public Accountants and
Chartered Accountants

Singapore
April 12, 2016