



34th AGM

FY 2018 Financial Results

3 December 2018

Singapore Press Holdings Limited

Group FY2018 Financial Highlights

Operating profit holds steady as revenue dips

	FY2018 S\$'000	FY2017 S\$'000	Change %
Operating revenue	982,555	1,032,515	(4.8)
Operating profit [#]	206,346	205,448	0.4
Investment income	115,175	53,865	113.8
Operating profit and Investment income	321,521	259,313	24.0
Fair value change on investment properties	45,702	57,386	(20.4)
Gain on divestment of a joint venture	-	149,690	NM
Impairment of associates and a joint venture	-	(35,459)	NM
Profit before taxation	370,505	431,492	(14.1)
Profit after taxation	323,997	395,216	(18.0)
Net profit attributable to shareholders	281,110	350,085	(19.7)

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

NM Not Meaningful

Group FY2018 Segmental Highlights

Media continues to decline but at a slower pace

Operating Revenue	FY2018 S\$'000	FY2017 S\$'000	Change %
Media	655,782	725,427	(9.6)
Property	242,417	244,159	(0.7)
Treasury and Investment	-	-	-
Others	84,356	62,929	34.0
	982,555	1,032,515	(4.8)

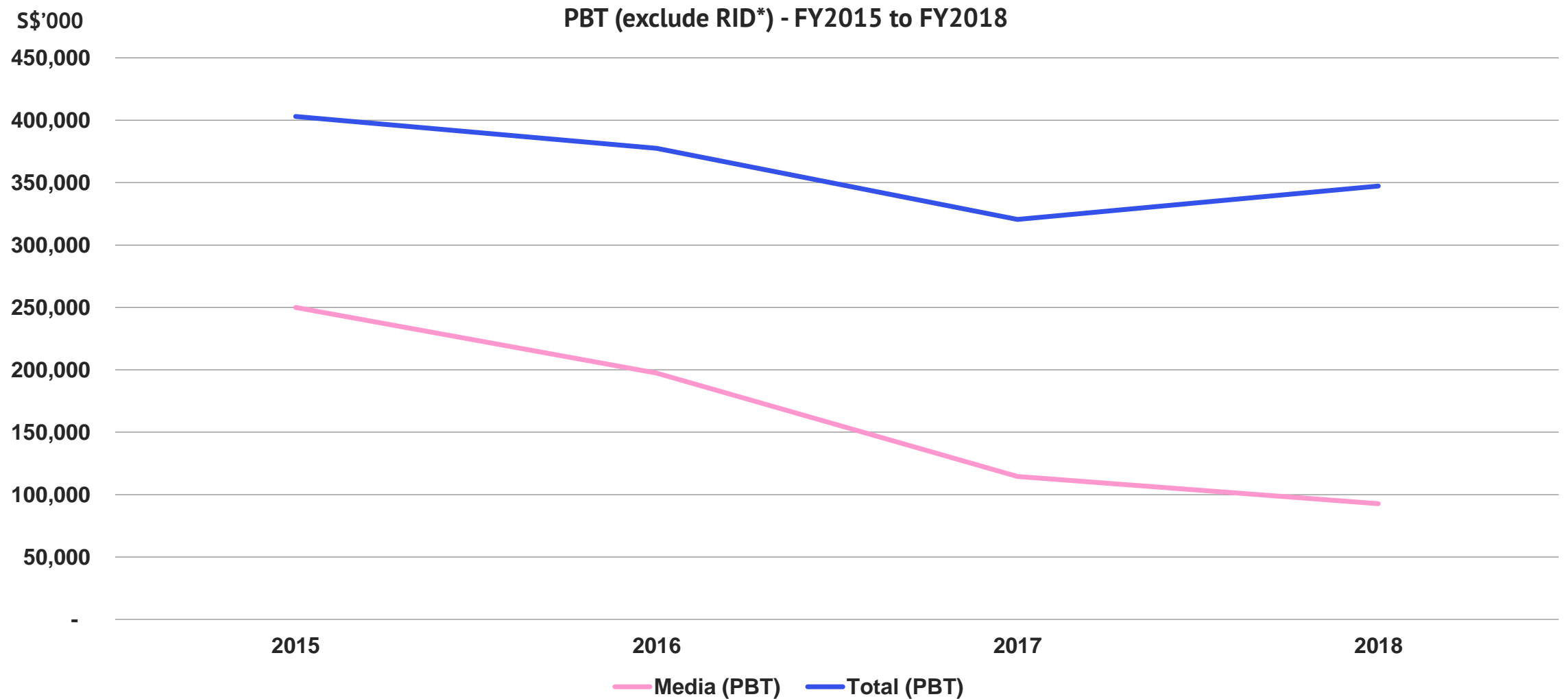
Group FY2018 Segmental Highlights

Media remains a highly profitable business

Profit/(Loss) before taxation	FY2018 S\$'000	FY2017 S\$'000	Change %
Media	92,795	114,472	(18.9)
Property	151,755	162,971	(6.9)
Treasury and Investment	98,980	47,038	110.4
Others	3,629	(4,041)	NM
PBT (exclude RID*)	347,159	320,440	8.3
Fair value change on investment properties	45,702	57,386	(20.4)
Impairment charges	(22,356)	(96,024)	(76.7)
Gain on divestment of a joint venture	-	149,690	NM
	370,505	431,492	(14.1)

*RID - Revaluation of Investment Properties, Impairment charges and Divestment of a joint venture
 NM Not Meaningful

Making headway to arrest media decline



*RID - Revaluation of Investment Properties, Impairment charges and Divestment of a joint venture

Digitising our core media; seeking new pillars of growth

SPH

Media – Our
Core Business

Accelerate
digitisation to
capture
opportunities

Property &
Others

Expanding
cash-yielding
assets in
defensive
sectors

Digital
Portfolio

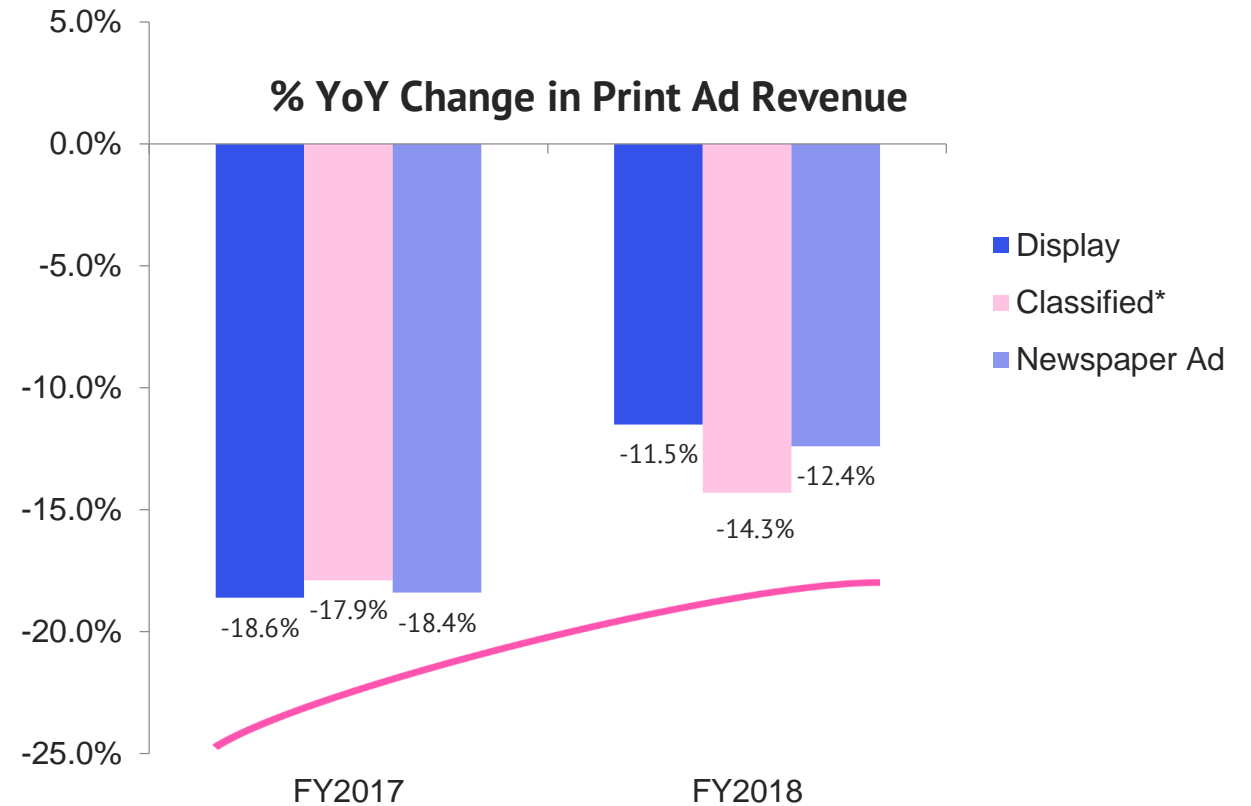
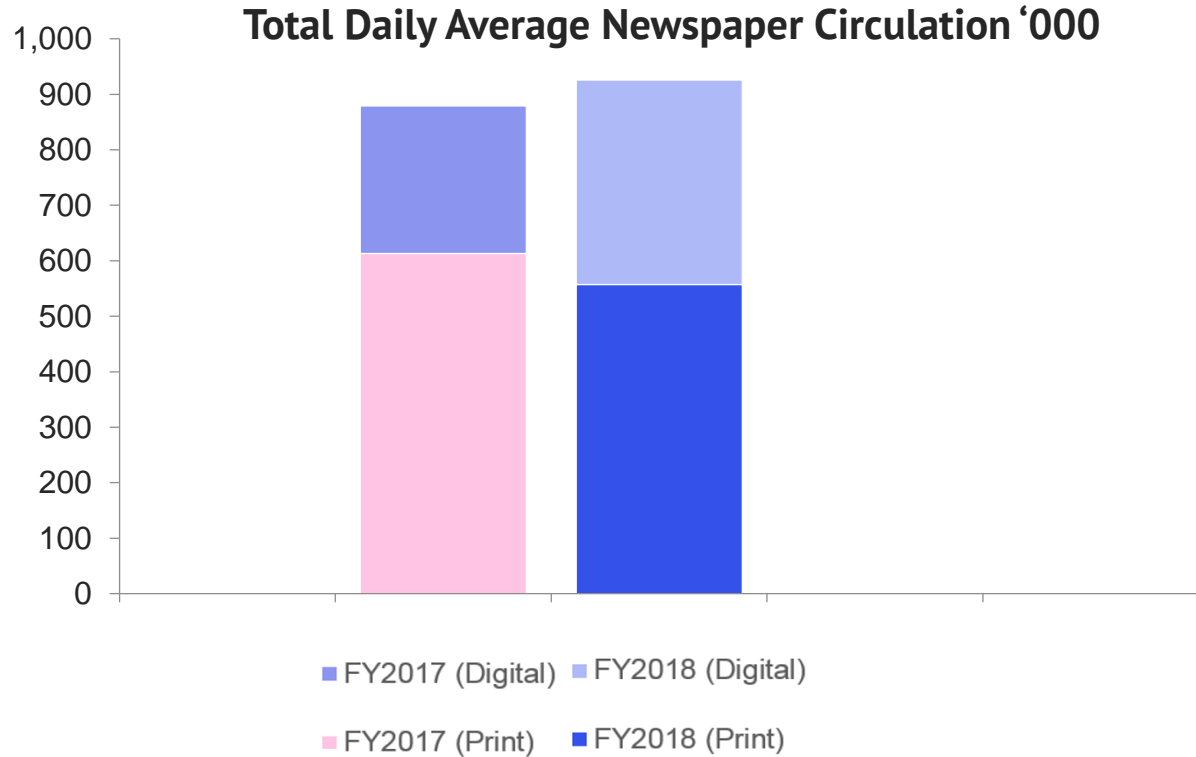
Sensing and
seeking new
opportunities

Aged Care

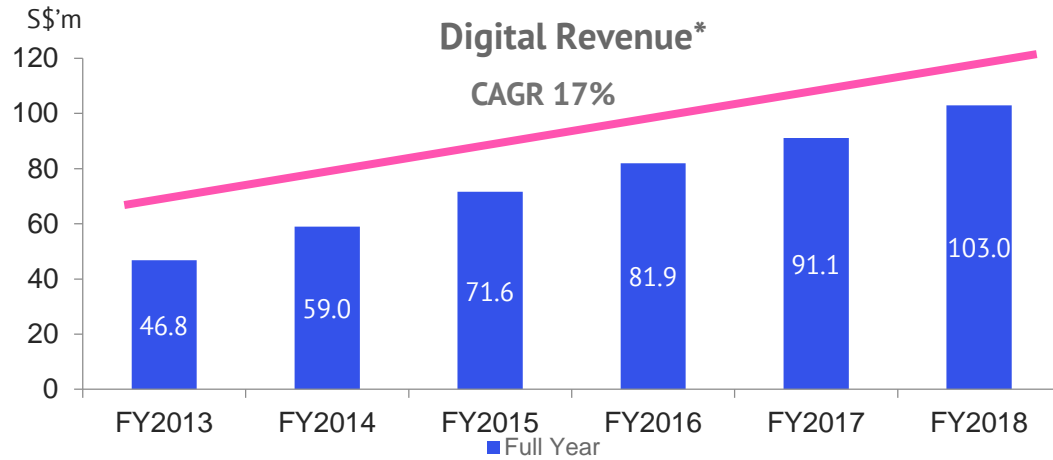
Growing
business
locally and
globally

Print decline slowing; challenges remain

Overall circulation has grown, boosted by more digital subscriptions; tapering decline in print ad revenue



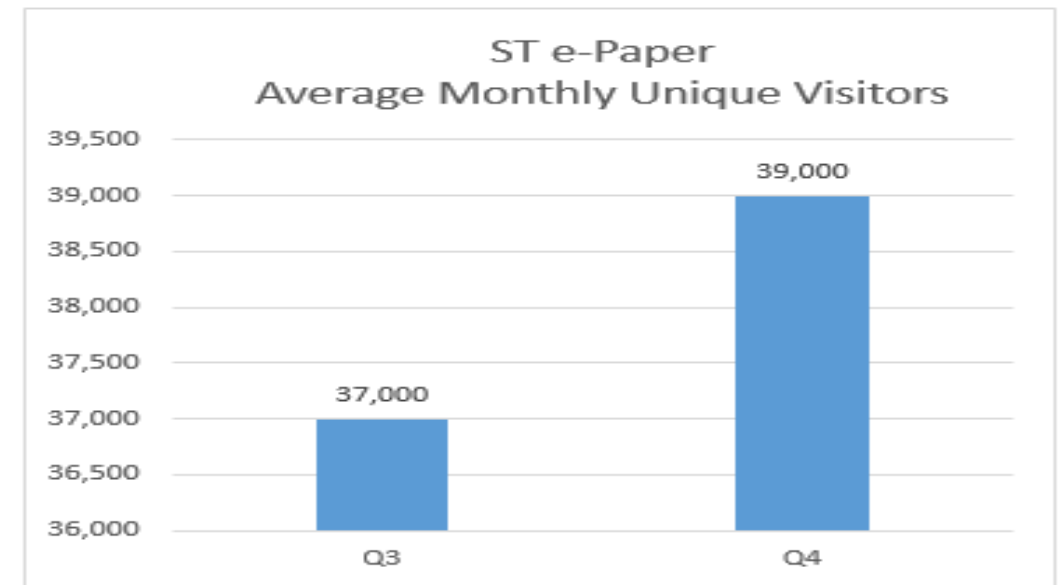
Media: Digital revenue & growing contribution



*Total revenue from circulation, ads, online classifieds, magazines, ShareInvestor and other digital portals



- Digital revenue increased to 15% of media revenue**
- E-paper grew to 39,000, from 37,000 in Q32018



**Includes revenue from media and online classifieds

Media: Launch of new media initiatives



Launch of new
radio stations
(2Q2018)



Launch of
Singapore Media
Exchange (3Q2018)



Personalising customer
experience with Cxsense
(Post-FY2018)

Property: Enhancing SPH recurring income

Growing SPH's largest profit segment

SPH REIT



Paragon
S\$2.72b



Clementi Mall
S\$586m



The Rail Mall
S\$63.3m



The Seletar Mall
(70%)
S\$342m



Chinatown Point
(30.68%)
S\$136m



The Woodleigh Mall
(50%)
S\$400m



UK Student Housing
(100%)
S\$321m
(Post-FY2018)

Property: Expanding into UK student housing

- Recycling of capital from Treasury & Investment portfolio to acquire attractive cash-yielding assets
- Buying into a defensive sector that withstood financial crisis and recession; achieve geographical diversification
- Projected demand to outstrip supply in the long term, strong demographics fundamentals
- Hired experienced team with extensive sector understanding; partnered industry specialist, Host, to manage first UK student housing portfolio



London Bernard Myers



Huddersfield Sawmill

New initiatives by SPH Digital to lead in local online markets



Nov 2017: Singapore's No. 1 job portal expanded regionally



Apr 2018: Partners Chongqing's tech firm to develop cross-border business information portal



Nov 2017: JV with Mediacorp to create Singapore's widest reach digital advertisement exchange



Nov 2018: New venture into providing inventory financing and vehicle hire purchase



& delivering the wins ...

Divestment

Sale of Qoo10's Japanese subsidiary



- Total gain on divestment of Qoo10's Japanese subsidiary was S\$9.4m, and Kaidee, S\$2.2m.

Divestment

Sale of 702 online classifieds in Thailand



- Revaluation gain of SPH Ventures portfolios, which goes to fair value reserve amounted to S\$22.2m.

SPH Ventures

June 2017: Moneysmart.sg raised S\$14m in Series B funding

Oct 2017: Invested in consumer analytics start-up Snapcart, which launched in Singapore



Aged care: Building the brand for overseas growth

- Largest private sector player in Singapore
 - Seeking expansion in Singapore market
 - Expanded bed capacity; Maintained healthy bed occupancy rate
- Seek overseas growth opportunities in the retirement village and aged care sector
- Milestones
 - Officially launched Balestier Care Centre in May 2018
 - Signed Memorandum of Understanding with strategic partners to explore opportunities in Asia-Pacific



Others: Year in Review

Creating value and pursuing new growth from legacy investments

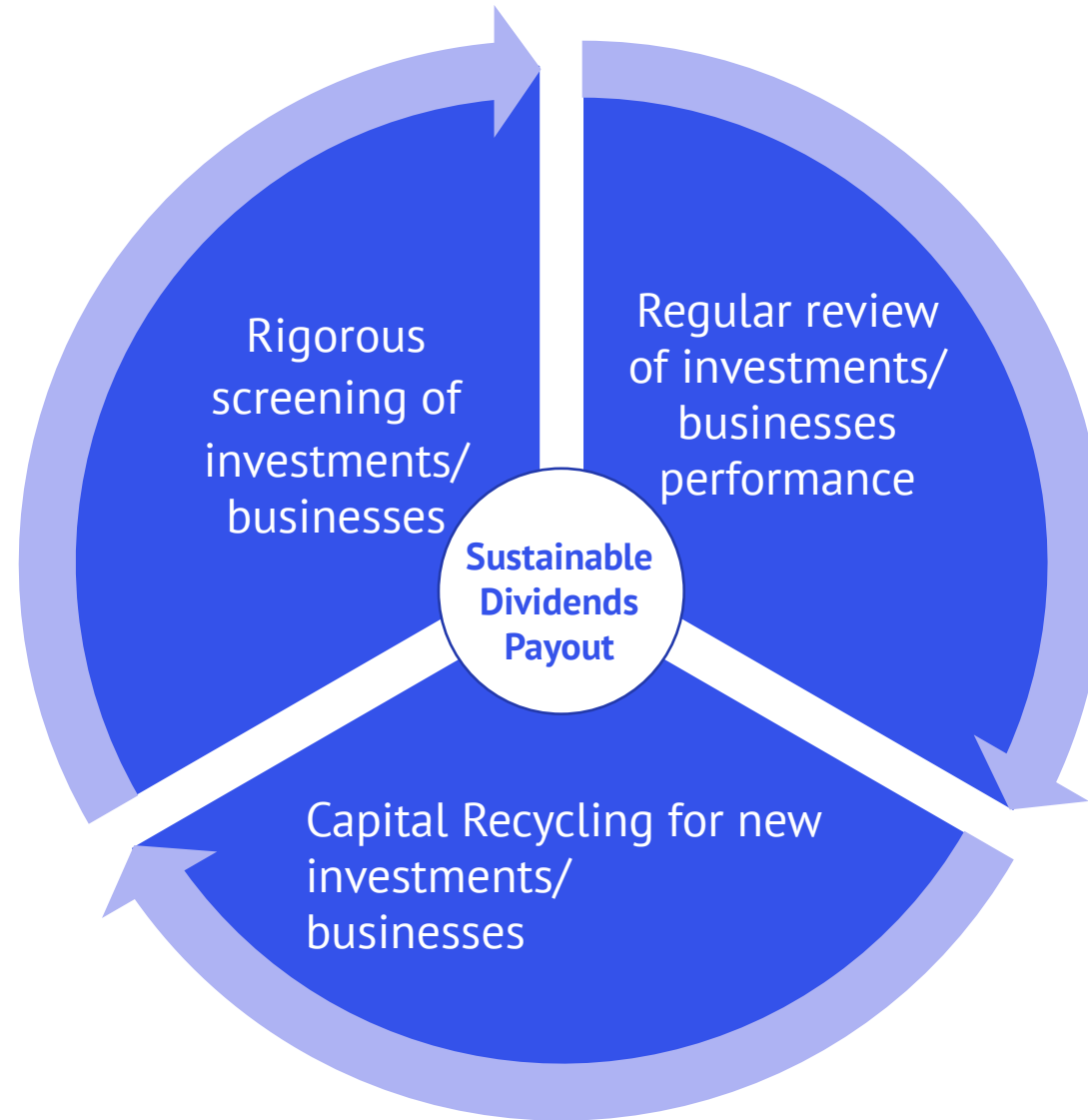
Transforming M1 with Keppel
(total stake of 33%):
(Post FY2018)



- Joint-Offer with Keppel, roll-over of existing shares
- Precon VGO to gain majority control of M1
- Collaboration with Keppel to support management in undertaking business transformation of M1
- Allow SPH to leverage M1's mobile platform to offer on demand and ready digital content
- Earnings accretive transaction*

**Based on proforma historical financial health (See Chapter 10 Announcement)*

Delivering sustainable returns



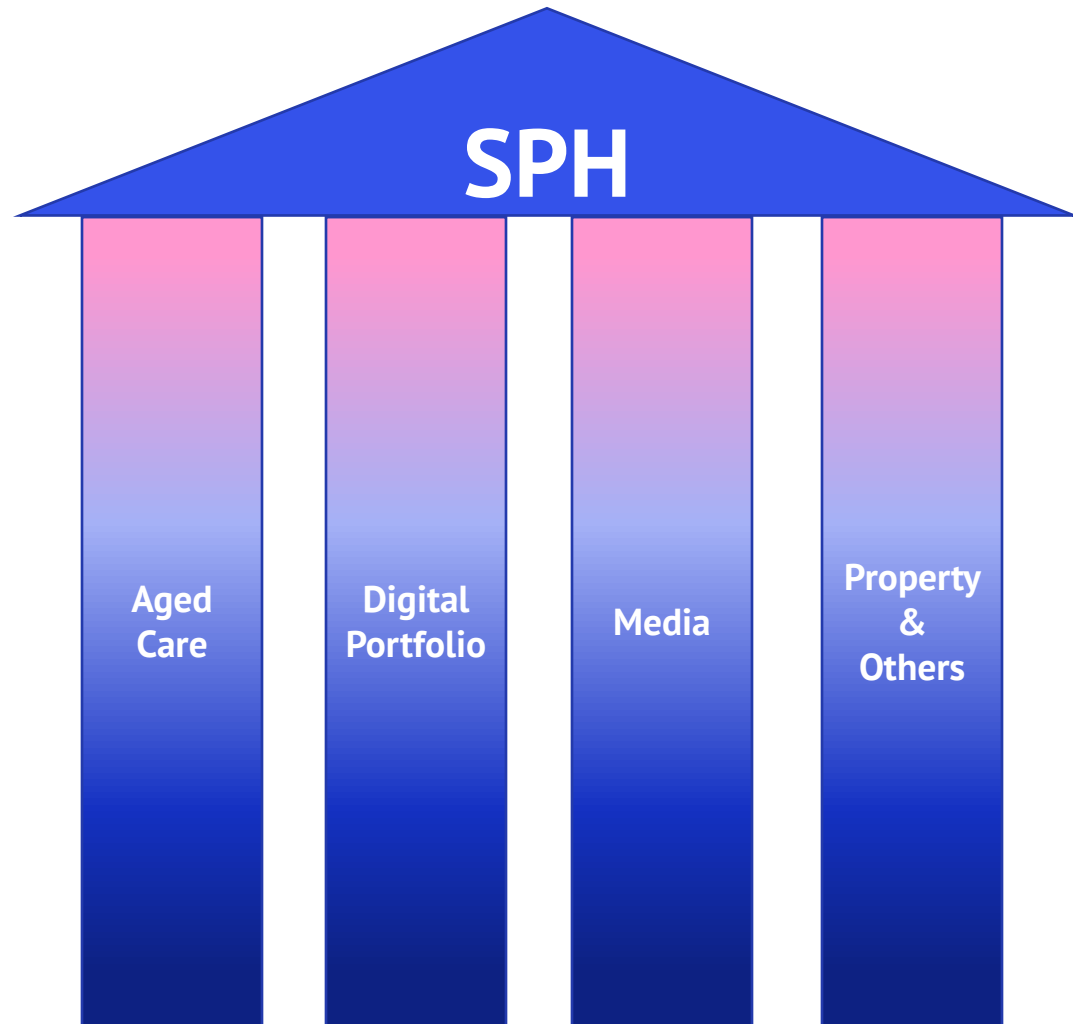
Dividend

The Board has proposed a final dividend of 7 cents per share comprising
3 cents of ordinary dividend; and
4 cents of special dividend

Dividend yield = 4.6%*

*Including interim dividend of 6 cents per share and based on the closing price on 31 Aug 2018 of S\$2.80/share

Conclusion:



- Media as Core Business
- Complemented by growth in Digital and Aged Care
- Strong recurring income provided by Property
- Recycle capital to make yield-accretive investments
- Seeking new growth areas

Thank You

Visit www.sph.com.sg for more information

