



Singapore Press Holdings

**3Q FY14
Financial Results
15 July 2014**

Group 3Q FY14 financial highlights

	3Q FY14 S\$'000	3Q FY13 S\$'000	Change %
Operating Revenue	309,725	324,951	(4.7)
Operating Profit [#]	98,391	91,535	7.5
Investment Income	24,511	3,186	NM
Fair value gain on investment properties *	-	111,407	NM
Net Profit attributable to shareholders	89,632	187,535	(52.2)

NM: Not meaningful

[#] This represents the recurring earnings of the media and property business.

* Last year's results were boosted by a one-off fair value gain on investment properties of S\$111.4m arising from a change in recognition from cost to fair value basis, in preparation for the listing of SPH REIT. The annual valuation of investment properties will be carried out at financial year-end.

Group YTD 3Q FY14 financial highlights

	YTD 3Q FY14 S\$'000	YTD 3Q FY13 S\$'000	Change %
Operating Revenue	916,964	929,226	(1.3)
Operating Profit	268,758	290,481	(7.5)
Investment Income	24,095	10,449	NM
Fair value gain on investment properties	-	111,407	NM
Gain on partial divestment of 701Search*	52,863	-	NM
Net Profit attributable to shareholders	259,749	358,255	(27.5)

NM: Not meaningful

* 701Search is the holding company for the Group's regional online classified business. On 30 September 2013, the Group entered into a strategic partnership agreement which provided for partial sale of stake in 701Search to Telenor. The deal was completed on 3 December 2013.

Group YTD 3Q FY14 financial highlights

Operating Revenue	YTD 3Q FY14 S\$'000	YTD 3Q FY13 S\$'000	Change %
Newspaper and Magazine	707,030	747,222	(5.4)
Property	153,462	148,522	3.3
Others	56,472	33,482	68.7
	916,964	929,226	(1.3)

Newspaper and Magazine

- Advertisement revenue fell S\$33.2m (5.8%)
- Circulation revenue declined S\$7.0m (4.8%)

Property

- Higher rental income from Paragon and The Clementi Mall

Others

- Higher revenue boosted by contributions from exhibitions, sgCarMart (acquired in April 2013) and radio business.

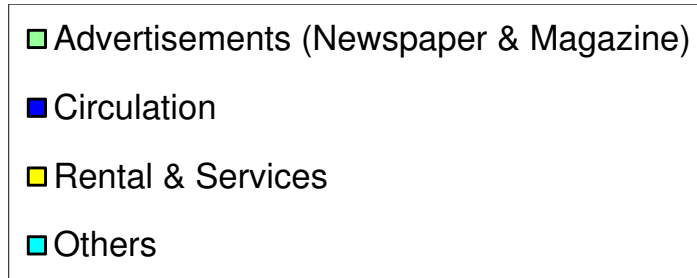
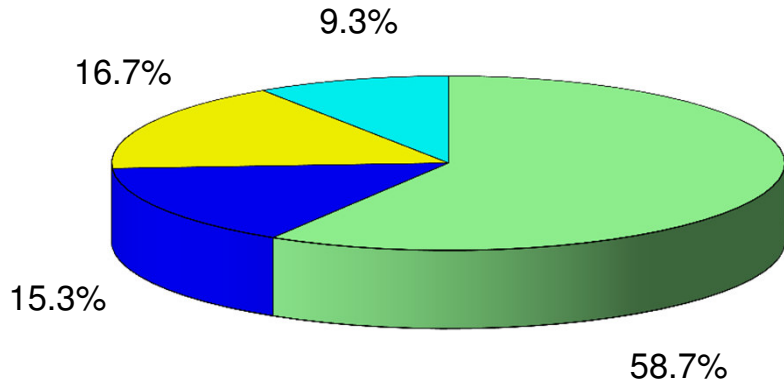
Group YTD 3Q FY14 financial highlights

Profit/(Loss) before taxation	YTD 3Q FY14 S\$'000	YTD 3Q FY13 S\$'000	Change %	Note
Newspaper and Magazine	191,887	221,614	(13.4)	(a)
Property	97,177	202,804	(52.1)	(b)
Treasury and Investment	10,845	9,883	9.7	(c)
Others	32,217	(23,854)	NM	(d)
	332,126	410,447	(19.1)	

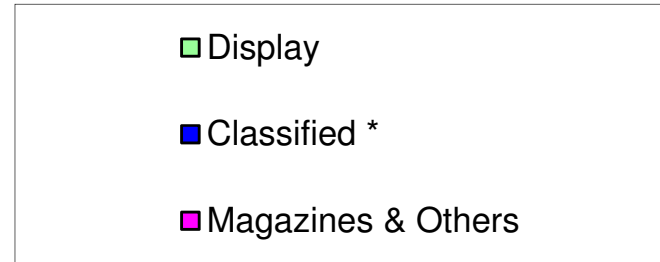
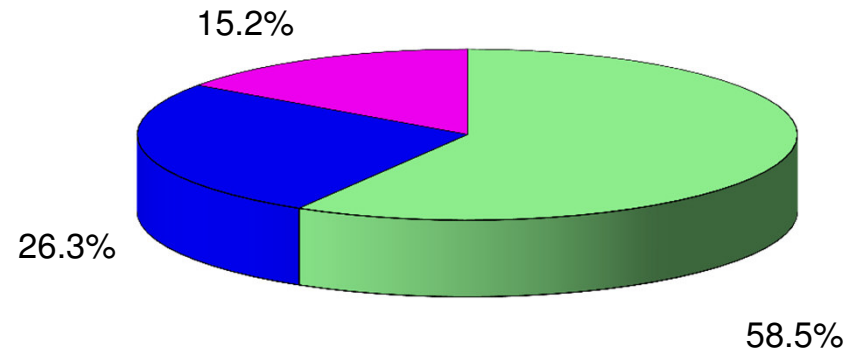
- (a) Decline in profit of the Newspaper and Magazine business was mainly attributable to lower advertisement revenue.
- (b) Last year's results were boosted by a one-off fair value gain on investment properties of S\$111.4m arising from a change in recognition from cost to fair value basis, in preparation for the listing of SPH REIT.
- (c) Treasury performance, before including financing cost of S\$12.6m previously allocated to the Property segment prior to REIT refinancing, was lifted by higher dividend and interest income. Impairment charges on portfolio investments were also lower against last year.
- (d) The Others segment turned into a profit with the gain on partial divestment of 701Search. In addition, the local online classified, radio, exhibitions and outdoor media business registered better performance in the financial year.

Group YTD 3Q FY14 highlights

Operating Revenue Composition
(S\$917.0m)



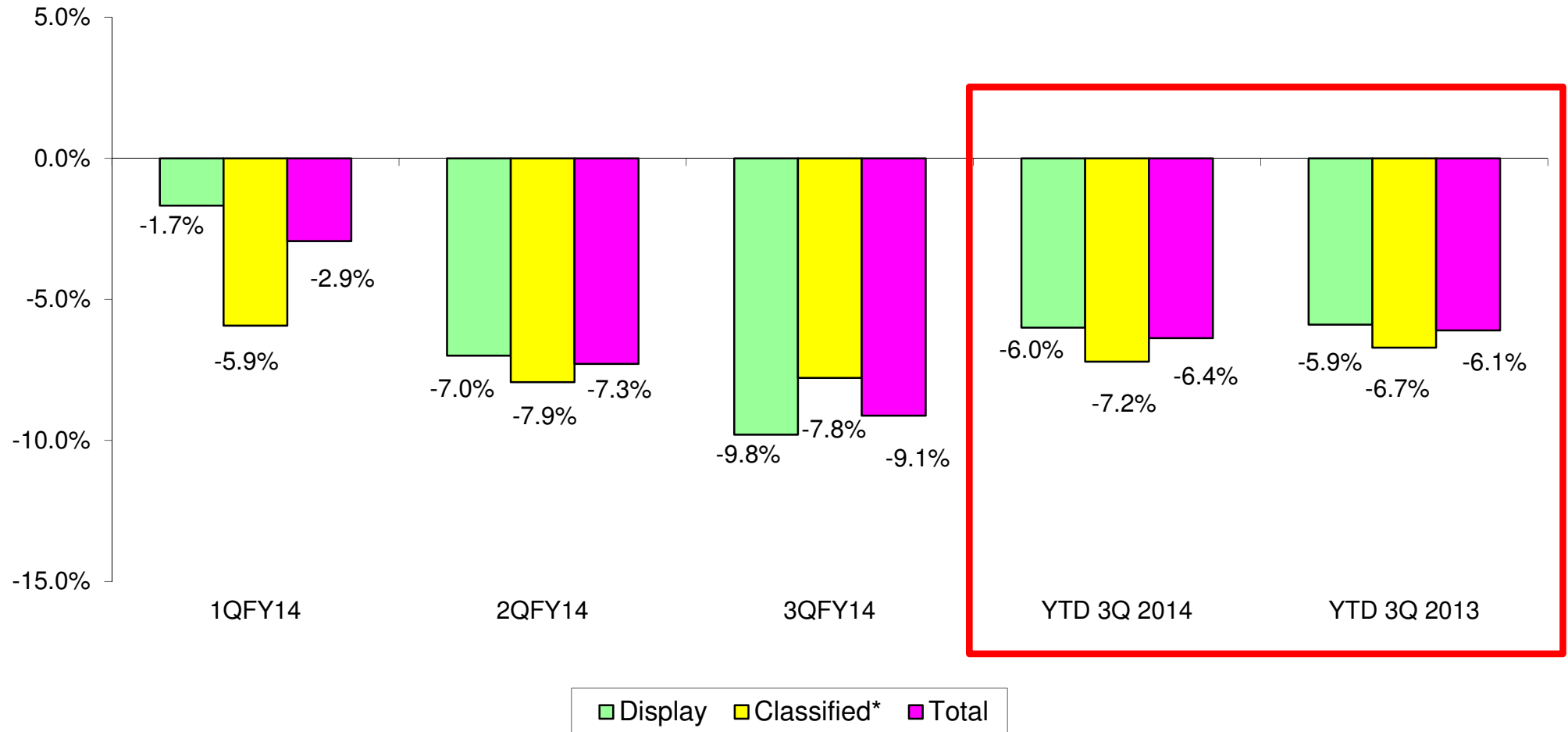
Newspaper and Magazine
Advertisement Revenue Composition
(S\$538.0m)



* Classified includes Recruitment and Notices

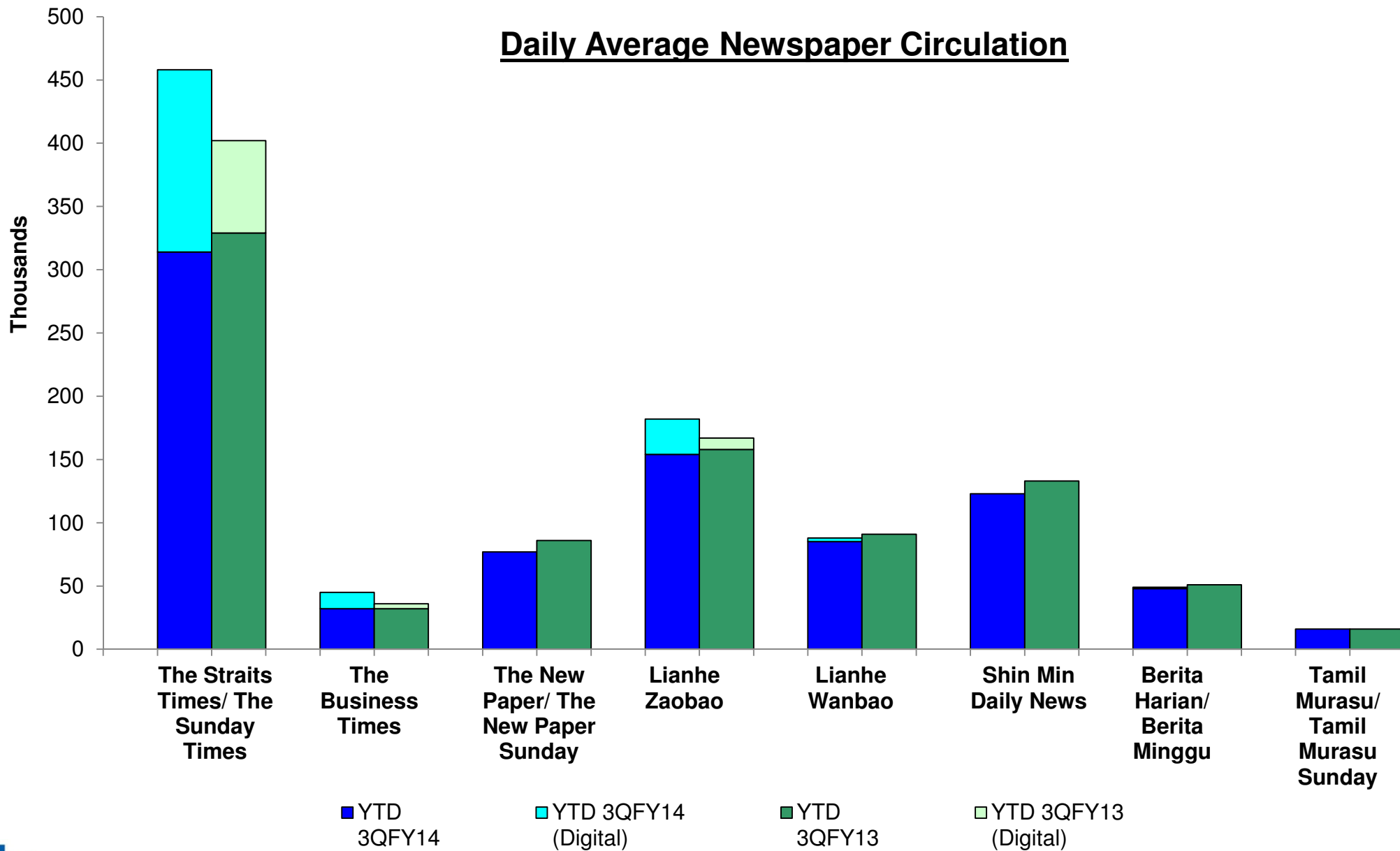
YTD ad revenue decline is similar to last year's

Newspaper Ad Revenue Y-O-Y Growth (%)



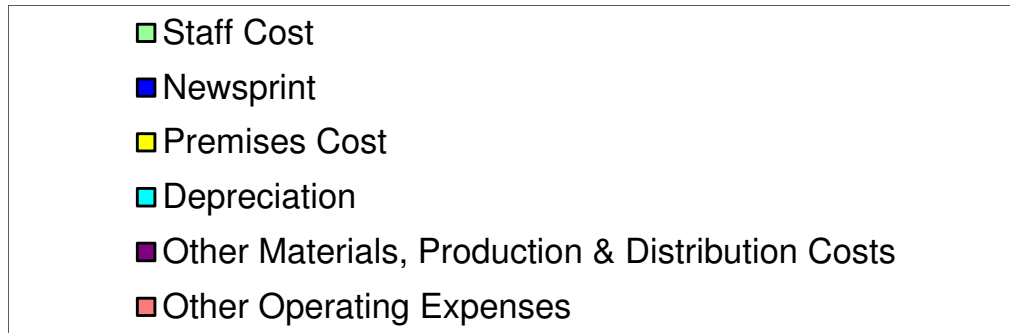
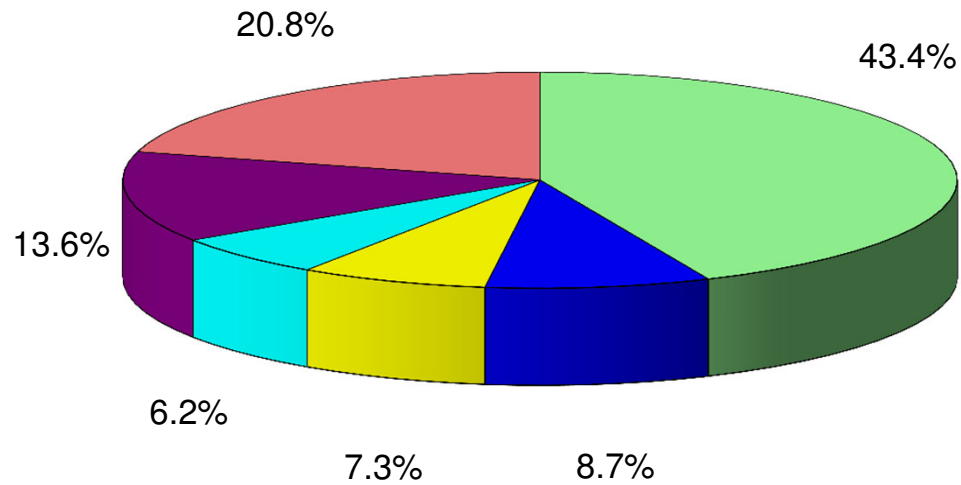
* Classified includes Recruitment and Notices

Circulation copies lifted by strong digital sales



YTD 3Q FY14 highlights

Cost Composition (S\$657.8m)



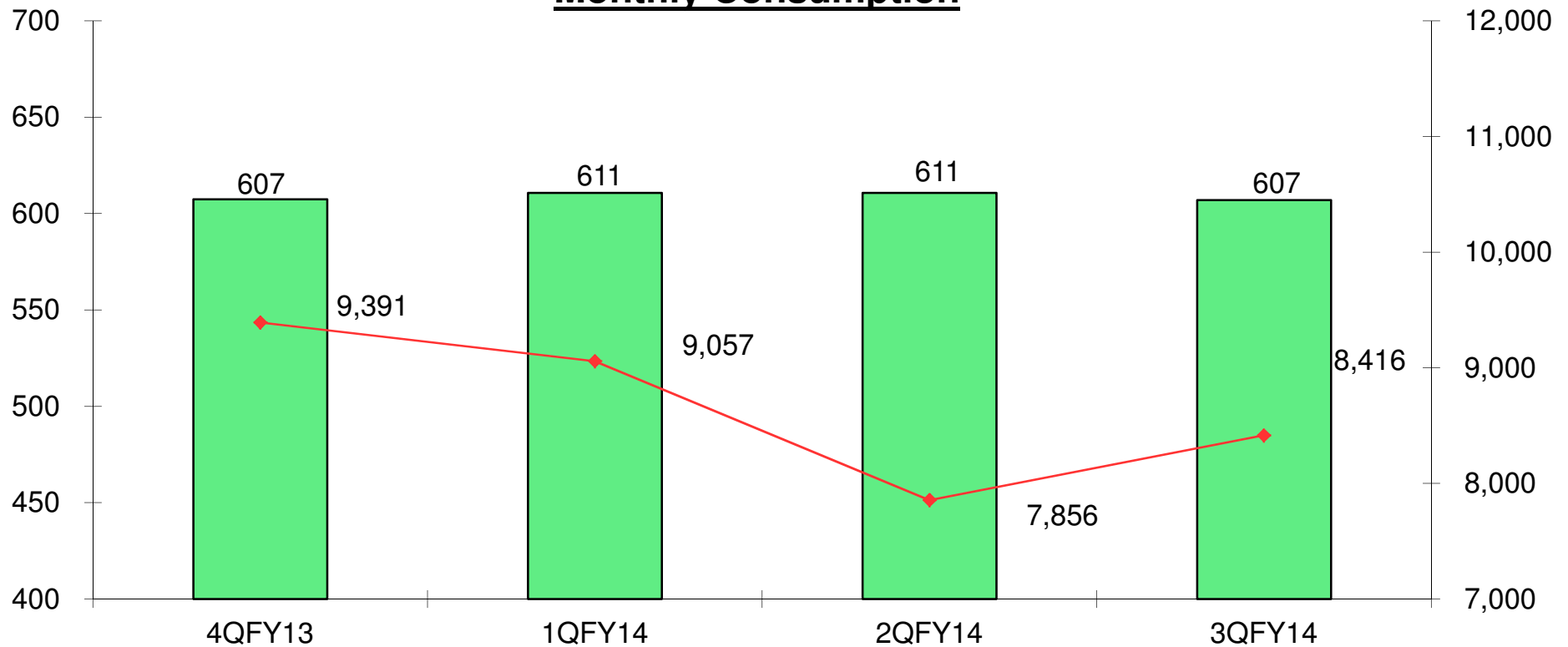
Lower headcount as the Group restructures and transforms

	YTD 3Q FY14	YTD 3Q FY13	Change %
Staff Costs (S\$'000)	285,618	266,668	7.1
Headcount as at end-May	4,242	4,274	(0.7)

Staff costs were up S\$19.0m mainly due to higher bonus costs including a one-off special bonus for prior year (S\$10.4m) arising from REIT profit and incentive to drive growth.

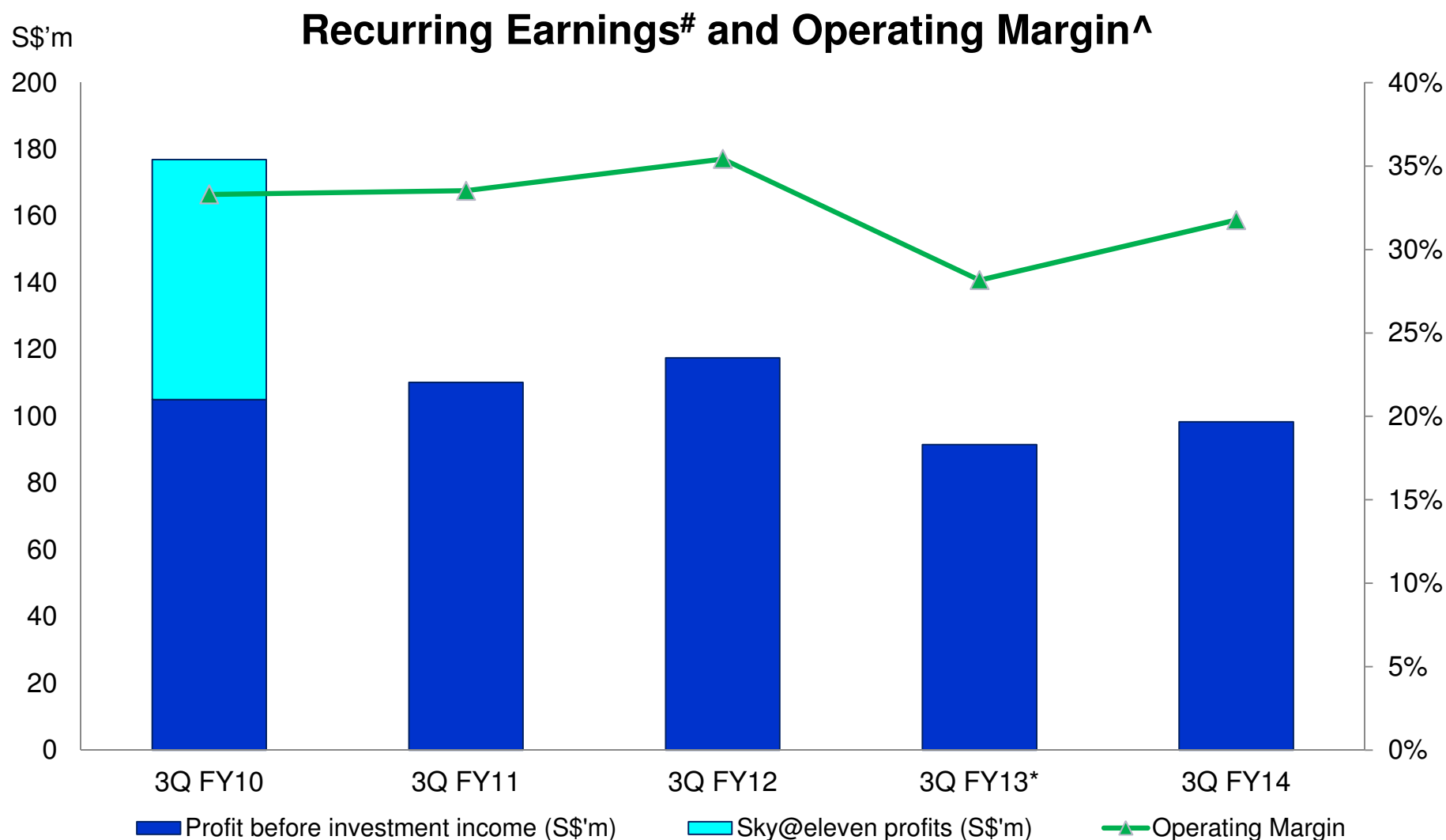
Newsprint prices expected to remain stable in the near term

Average Newsprint Charge-Out Price & Monthly Consumption



■ LHS - Prices (US\$) ◆ RHS - Ave Mthly Consumption (MT)

Margins maintained at about 30%



[#] This represents the recurring earnings of the media and property business.

[^] Computed based on recurring earnings excluding Sky@eleven.

* Excluding one-off impairment charge of S\$15.6m relating to an overseas subsidiary, operating margin for 3Q FY13 was above 30%.

Property segment maintained a steady performance



Paragon



The Clementi Mall



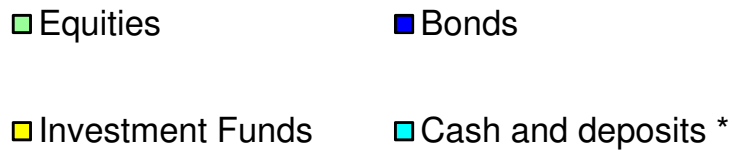
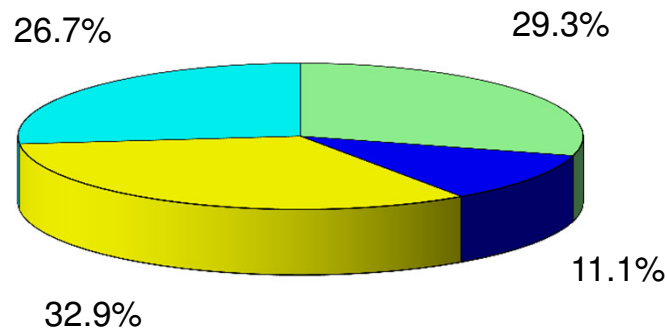
The Seletar Mall

- Higher rental income from Paragon and The Clementi Mall
- Operating Profit, before finance costs and fair value gain on investment properties [^], was flat at S\$110.7m
- Will be the largest suburban lifestyle hub in the North-East
- Completed by December 2014

[^]The annual valuation of investment properties will be carried out at financial year-end

Group investible fund

Group Investible Fund (\$1.8b)



(As at May 31, 2014)

* Cash and deposits balances include amounts pending deployment for portfolio rebalancing, New Media Fund investments and operational requirements.

Maintain conservative stance on investment allocation, focused on capital preservation

Returns are expected to be commensurate with low risk-return profile to mitigate against volatility

Online Classified business continued to enjoy strong growth in traffic



- ◆ Top online classified website in Malaysia, with monthly page views exceeding 780 million¹



- ◆ Largest classified website in Vietnam, with monthly page views close to 300 million¹



- ◆ No. 2 classified website in Indonesia, with monthly page views above 600 million¹



- ◆ No. 2 classified website in the Philippines, with monthly page views of 300 million¹

Data source:
¹ Xiti, May 14

Continued recognition for SPH products



Kiss92 is Singapore's No. 1 English music radio station based on percentage share of listenership ^

13th Asian Media Awards #

THE STRAITS TIMES



BERITA HARIAN

"Best in Print" Silver Award

The Communicator Awards **



Award of Excellence

6 editorial accolades at SOPA 2014 *

THE STRAITS TIMES



* The Society of Publishers in Asia 2014 (SOPA) Awards for Editorial Excellence

^ Nielsen radio survey

WAN-IFRA Publish Asia 2014

** Judged by International Academy of Visual Arts

Thank you

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