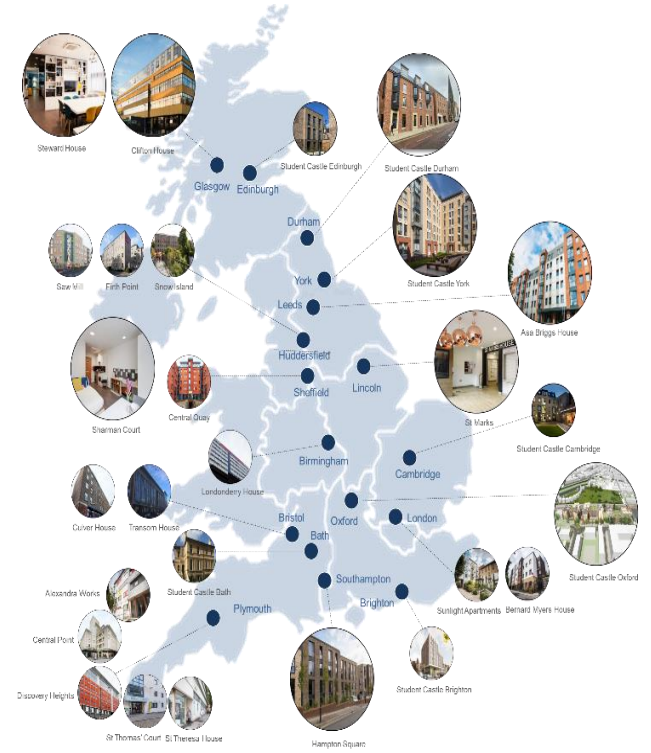


SPH Corporate Presentation

March 2020



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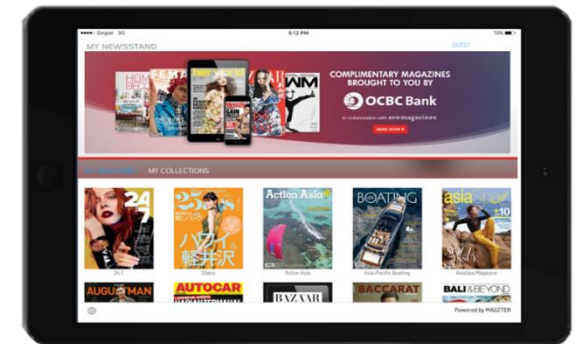
Outline

- **Introduction**
- **1Q FY2020 Key Highlights**
- **1Q FY2020 Financial Highlights**
- **Business Review**
 - **Media, Telecommunications, Technology**
 - **Property, Aged Care**
- **Summary**
- **Annexe**

Seizing opportunities for transformation

- **Asia's leading media organisation**

- Engaging minds and enriching lives across multiple languages and platforms since 1984
- Publishes newspapers, magazines and books in print and digital editions; also has online classifieds, radio stations and outdoor
- Investing in quality, award-winning journalism
- Innovating digitally to transform media business to meet readers and advertisers' changing needs; including platforms such as FastJobs, sgCarMart
- Together with Keppel Corp, acquired M1 Limited in April 2019 to leverage on synergies and explore new areas of growth
- Using technology to transform newsrooms, print efficiently and develop more digital content



Seizing opportunities for transformation

- **Expanding PBSA portfolio and retail assets**

- Investing in defensive, cash yielding assets to grow recurring income
- S\$1.5 billion Purpose Built Student Accommodation (PBSA) portfolio, comprising 7,726 beds in 28 assets across 18 Cities in UK and Germany
- 65.9% stake in SPH REIT
- 70% stake and operator of Seletar Mall
- Developing The Woodleigh Residences and The Woodleigh Mall together with Kajima Development



- **Leading player in Singapore's aged care market with overseas expansion**

- Orange Valley (OV) Nursing Homes, Singapore's largest private elderly nursing operator with five nursing homes, over 900 beds
- Partnership with Bridge C Capital to expand Aged Care business in Japan



1Q FY2020 Key Highlights

- **Media: Digital transformation underway**

- 8.1% rise in circulation volume with digital subscription
- Post 1Q: ST News Tablet campaign gained 5.2k+ subscribers

- **Property: Recurring income grew 10.1%**

- Post 1Q: SPH REIT added second mall in Australia, with 50% stake in Westfield Marion Shopping Centre for A\$670m
- Post 1Q: Scaled student housing to S\$1.5b with £448m UK deal, acquiring 2,383 beds and premium Student Castle brand

- **Capital: Strengthening the balance sheet**

- Boosted by S\$300m perpetuals issuance & SPH REIT placement proceeds of S\$164.5m



1Q FY2020 Group Financial Highlights

	1Q FY20 S\$'000	1Q FY19 S\$'000	Change %
Operating revenue	243,983	254,316	(4.1)
Total Costs	195,073	183,914	6.1
Operating profit [#]	53,944	74,841	(27.9)
FV change on investment prop.	10,527	-	NM
Share of results of associates, JVs	(762)	(2,435)	(68.7)
Investment income	4,549	3,182	43.0
Profit before taxation	68,258	75,588	(9.7)
Net profit attributable to shareholders	46,333	55,929	(17.2)

Operating revenue down due to media decline, mitigated by higher revenue from property

Total Costs up 6.1%

- Higher operating expenses from enlarged PBSA portfolio and SPH REIT
- One-off retrenchment costs at the Media Segment of S\$7.2m

S\$10.5m FV gain on investment property due to Mayflower student housing portfolio price adjustment

Share of results of associates boosted by M1 contribution

Operating profit increasingly supported by recurring income from Property

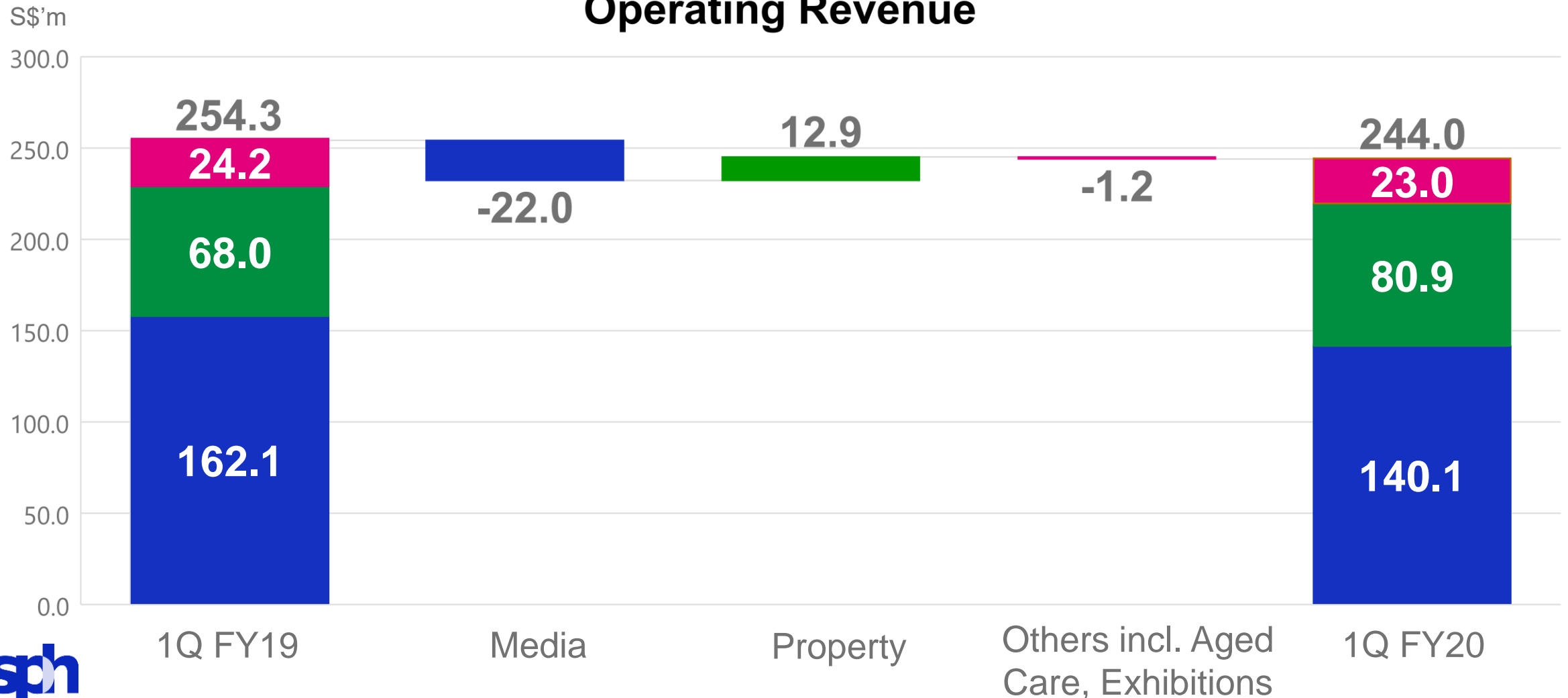


[#] This represents the recurring earnings of the media, property and other businesses.
 NM: Not Meaningful

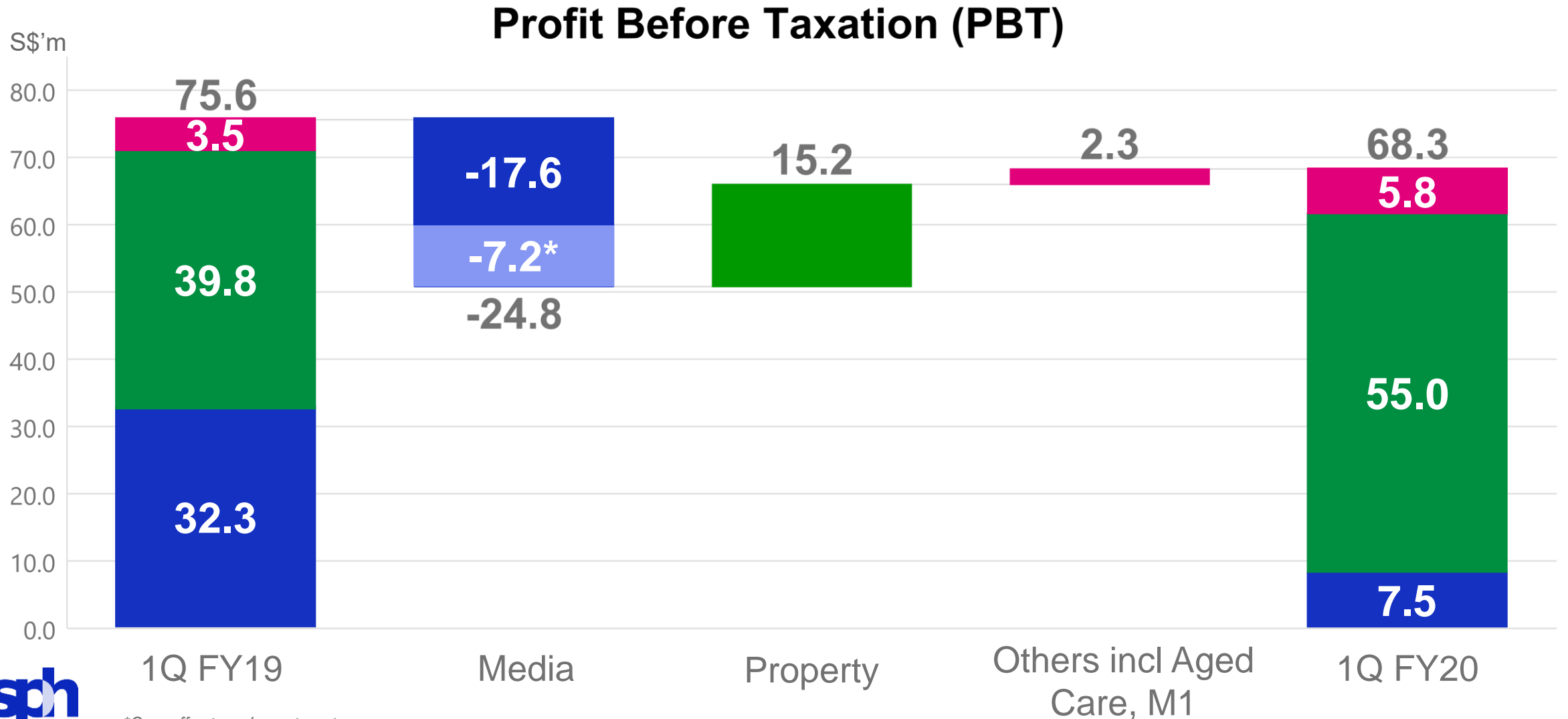
Property revenue up 19%

Property-related revenue set to rise with SPH REIT, Student Castle additions

Operating Revenue



Property PBT mitigating Media decline



Media

Telecommunications
Technology

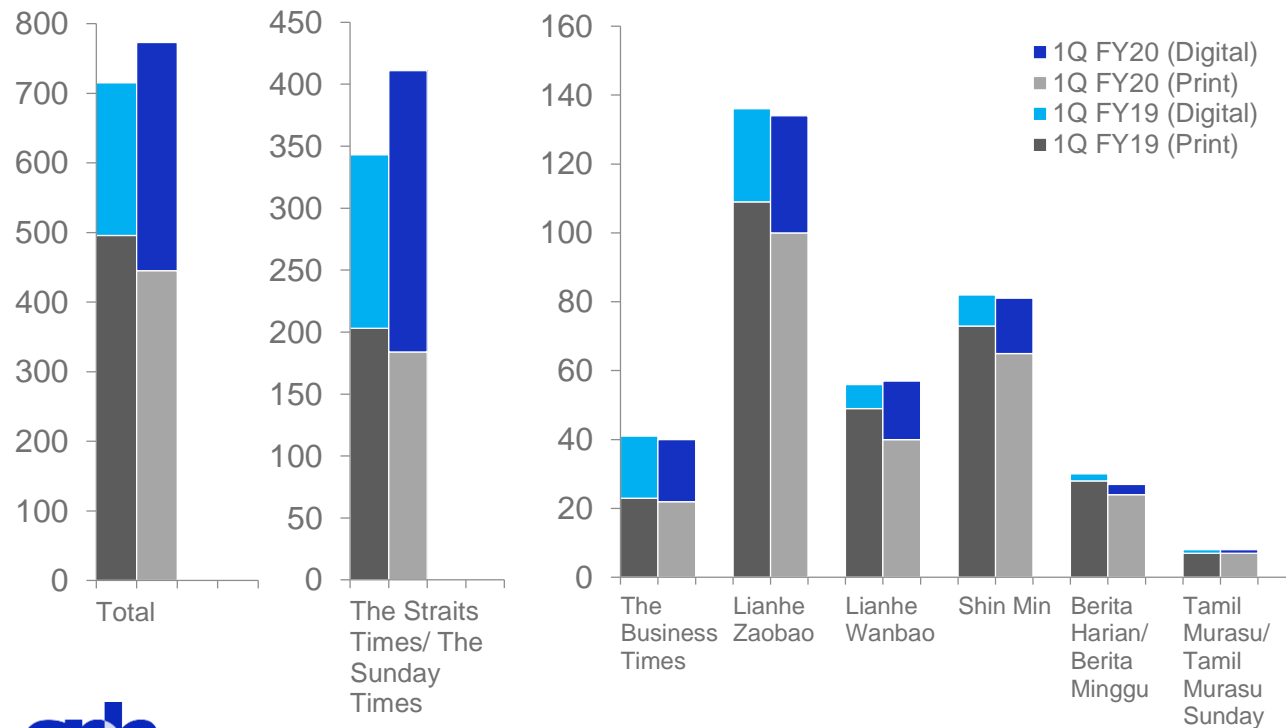
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Newspaper circulation up 8.1% with Digital subs

- 8.1% circulation growth, the first increase after 4 quarters
- Rise due to schools promotion, News Tablet campaign

Daily Average Newspaper Circulation '000



The Straits Times News Tablet latest to launch on 18 Dec 2019

- 5.2k+ units snapped up as at 7 Jan
- Follows on from success of Zaobao and Berita Harian
 - 12.2k subscribers for ZB news tablets by 7 Jan, 75% are new
 - 1.3k subscribers for BH news tablets by 7 Jan, 86% are new

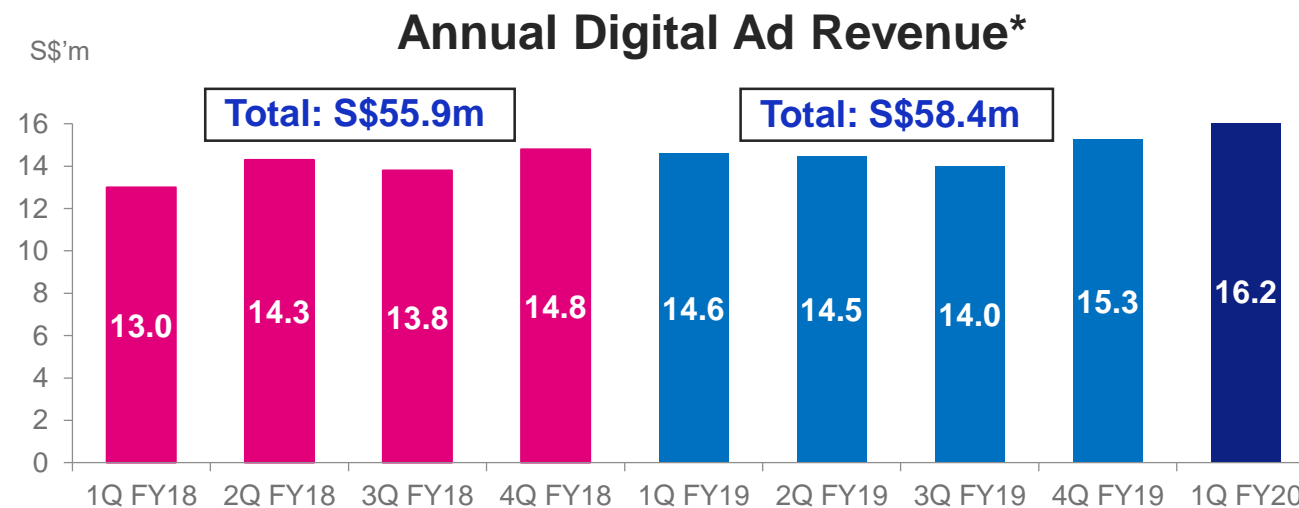
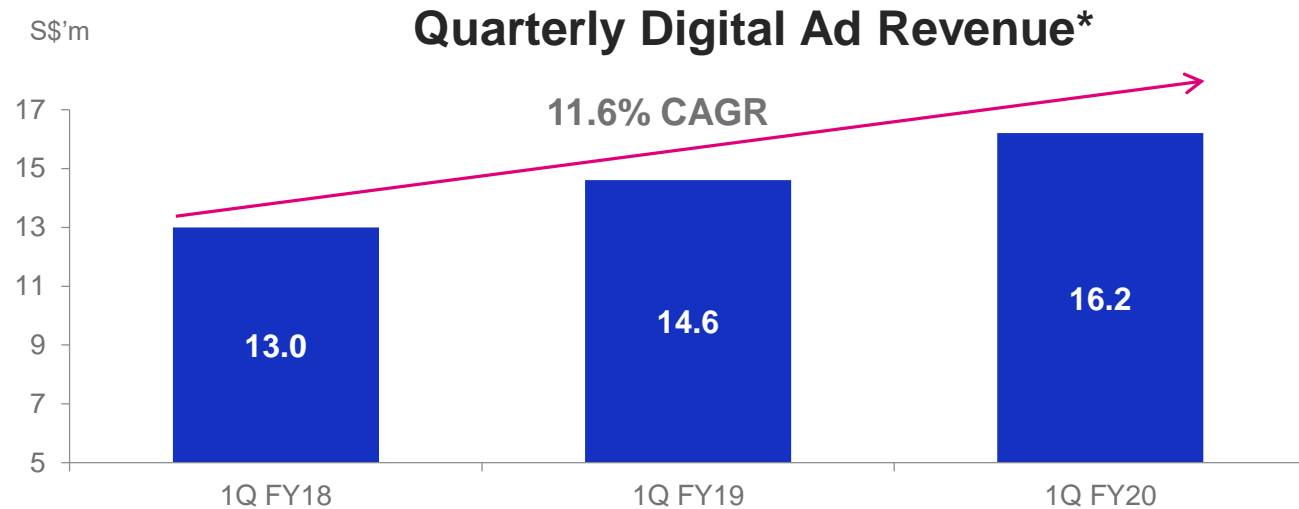


Customised features for The Straits Times News Tablet

- One-time login**
The tablet will require a password only upon activation, after which credentials will be saved.
- Offline reading capability**
The latest e-paper will be automatically downloaded when there is Wi-Fi so subscribers can read it anywhere later.
- Digital news clippings**
Favourite articles can be saved and sorted into digital folders.
- Zoom capability**
Readers can zoom in to make words or images bigger for easier reading.
- Social media sharing**
Individual digital articles or advertisements can be shared on social media with friends and family.
- 14-day news archive**
Readers can read an e-paper up to two weeks after its publication date.

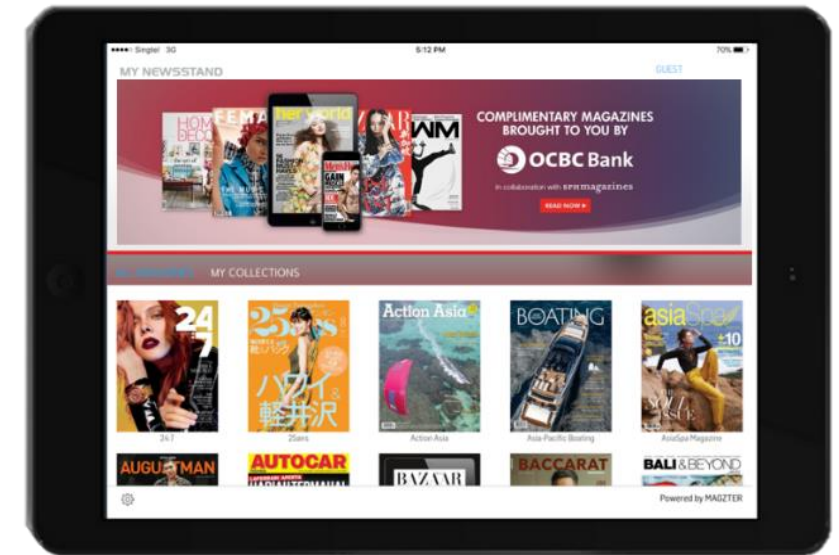
PHOTO: KEVIN LIM STRAITS TIMES GRAPHICS

Digital Ad rev hits 11.6% double-digit growth

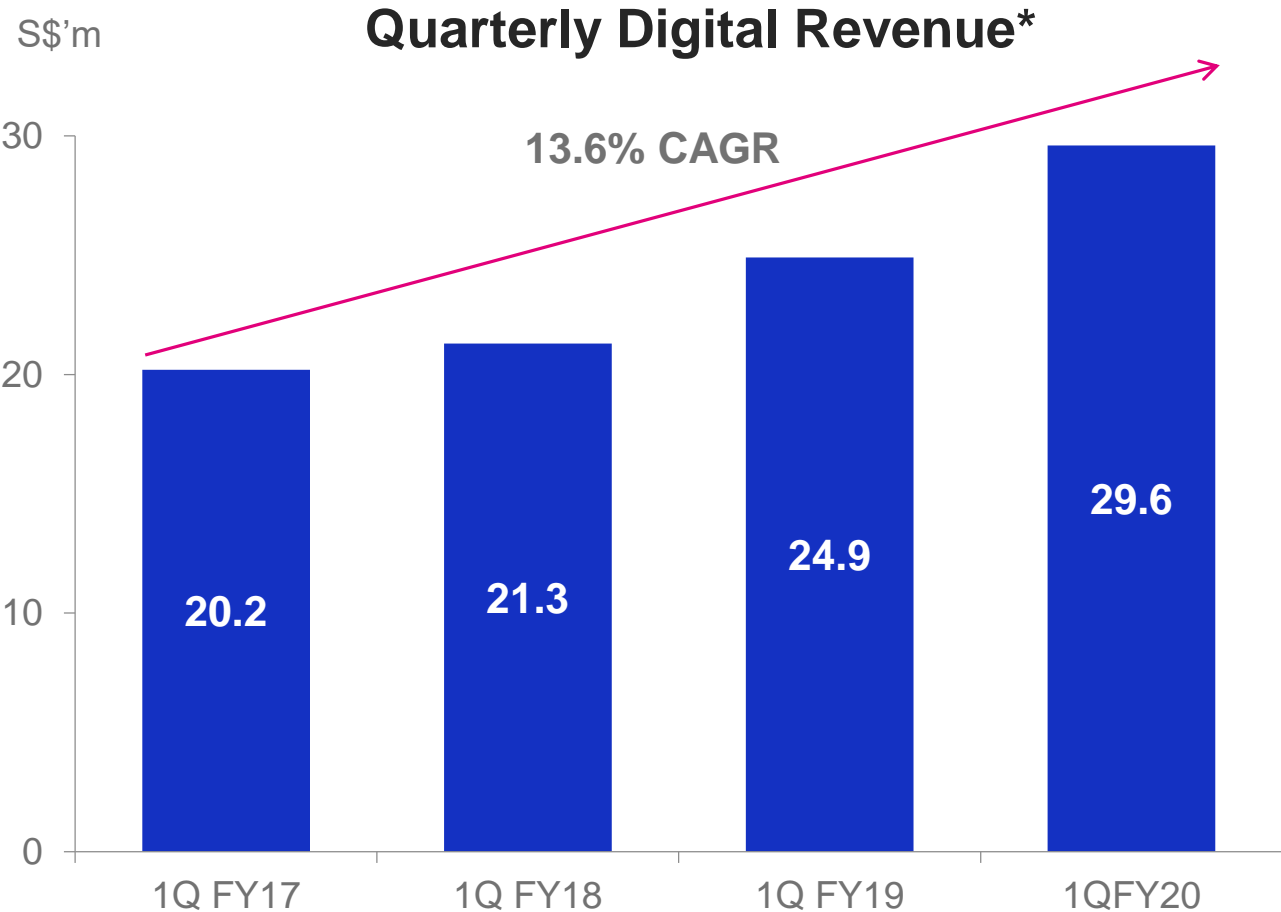


Digital ad revenue shows an 11.6% CAGR since 1Q FY2018

- Newspaper digital ad revenue growing steadily at 8.8% y-o-y
- 1Q FY20 5.9% growth q-o-q



Faster rate of total digital revenue growth



Faster digital revenue growth at 13.6% CAGR

➤ 1Q FY20's digital revenue grew 18.9% vs 1Q FY19



*Total digital revenue from circulation, ads, online classifieds, magazines and other digital portals (excluding Shareinvestor)

Focusing on quality journalism, expansion abroad

Leveraging Zaobao brand to build overseas audience

- Singapore-China forum in Nov 2019, first time held overseas, in Shanghai



Radio listenership up*

- Total listenership up 10%
- Share of audience up 13%



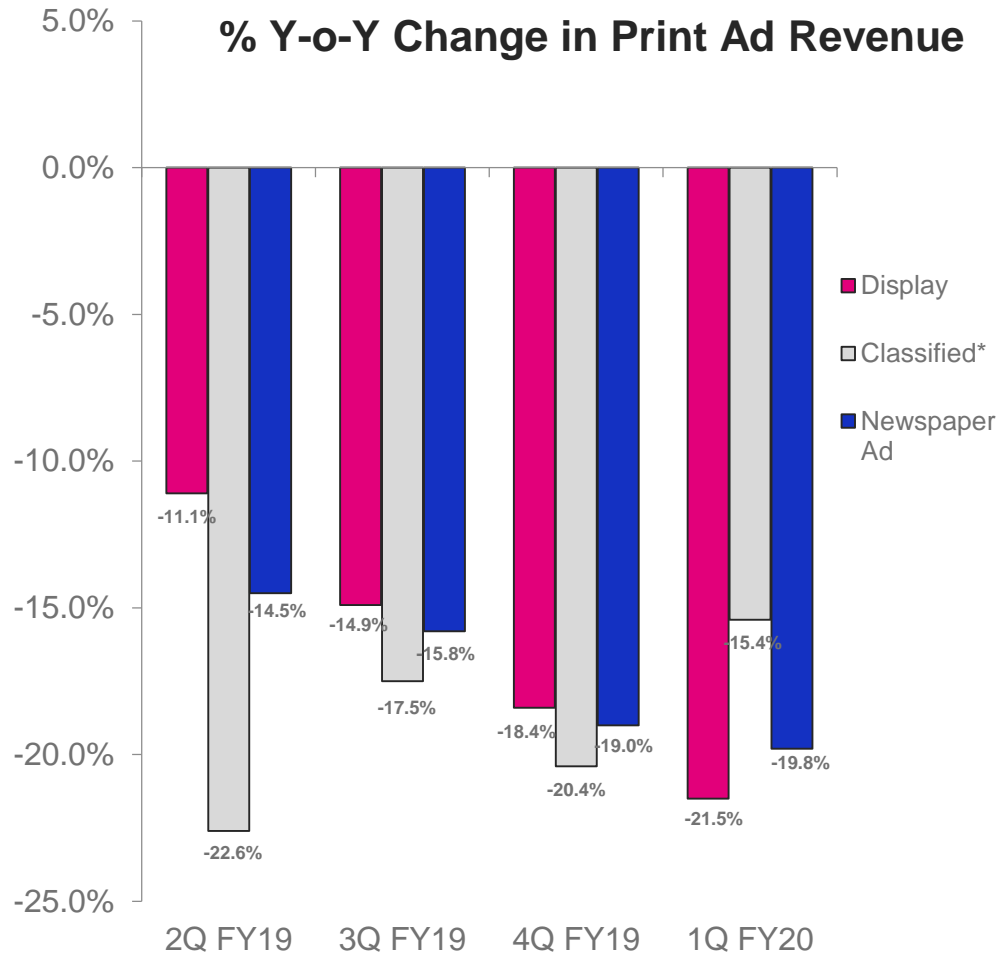
(*Based on half yearly Nielsen Radio Diary Survey)

Quality Journalism

- 7 awards at Asian Digital Media Awards 2019



Innovating across traditional Media platforms



Revamped ZB Classified

- Expanded options for advertisers e.g. editorial
- Overall Classified decline slowed to 15.4% y-o-y



Expanding outdoor business

- Latest screen One Raffles Place offers largest digital ad inventory in Raffles Place
- Innovative campaign for Fiji Tourism Board at Ocean Financial Centre with 'happiness meter' to draw eyeballs



Latest wins for the Digital portfolio

Qoo10 merged with India's ShopClues in Nov 2019

- Access to fast-growing Indian market via ShopClues platform
- ShopClues is major online player, selling electronics and lifestyle items across India



Target Media seals key HDB tender

- Won tender to supply 6k digital display screens to HDB estates by June 2020
- 75% increase in number of screens to 14k



Property

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Driving growth and overseas recurring income

SPH REIT



Paragon
S\$2.75b



Clementi Mall
S\$597m



The Rail Mall
S\$63.8m



Figtree Grove
(85%)
A\$175m



Westfield Marion
(50%)
A\$670m



The Seletar Mall
(70%)
S\$347m



Woodleigh Mall and Residences
(50%)
S\$400m



German Student Accommodation
(100%)
S\$23.4m



UK Student Accommodation
(100%)
>S\$1.5b

SPH REIT

- Sustained expansion
- Explore opportunities in Asia-Pacific

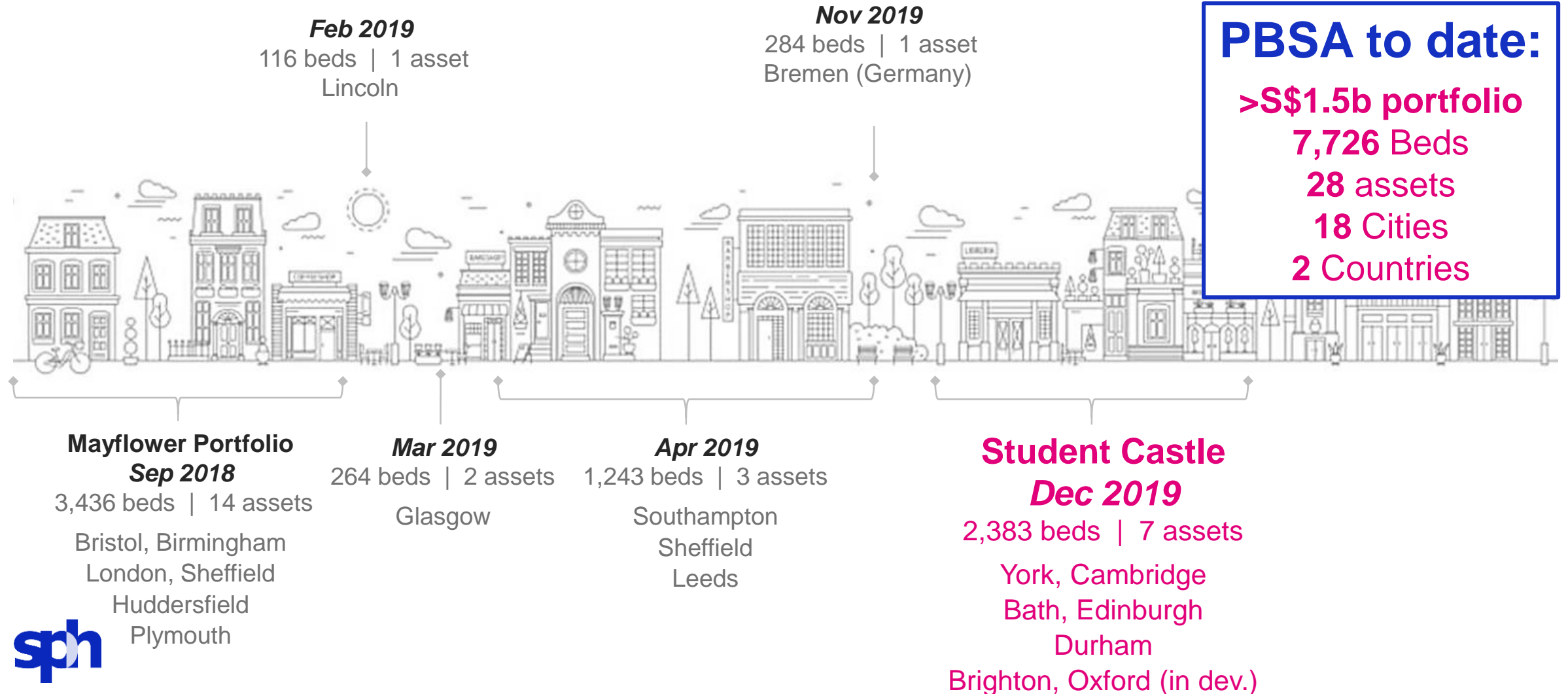
PBSA

- Growth of portfolio
- Gained premium brand
- Developing operating capabilities

Continue seeking out cash-yielding investments in defensive sectors to grow recurring income base

Recurring income to get major boost with PBSA deal

£448m Student Castle deal to add S\$22.6m PBT (proforma)



Expanding portfolio in top university cities



Oxford:
515 beds
SBR: 1.4
Rank: 1

- Oxford and Cambridge ranked globally No. 1 and No. 2 *
- Oxford, Cambridge, Durham, Edinburgh, York in UK's top-ranked Russell Group of universities
- All freehold assets, with 100% occupancy rate[@]
- Healthy student-bed ratio



Cambridge:
212 beds
SBR: 1.3
Rank: 2



Edinburgh:
146 beds
SBR: 2.6
Rank: 12¹



Bath:
183 beds
SBR: 2.6
National Rank: 33²



Durham:
473 beds
SBR: 2.1
Rank: 5¹



York:
648 beds
SBR: 2.0
Rank: 21¹



Brighton:
206 beds
SBR: 3.8
National Rank: 61²



* The Times Higher Education World University Rankings
¹ The Complete University Guide, University League Tables, Russell Group
² CWUR World University Rankings
[@] Oxford and Brighton are under development

Gaining premium brand and operating capabilities



Top of the range student brand a competitive advantage

- Premium features including ultra-fast wifi, 24/7 security, fully-equipped gym, bike storage
- Offering more options, to attract international and domestic students

Full-suite operational capabilities for better efficiency and economies of scale

Extending PBSA network significantly across UK



Extends UK network significantly

- 84% of Student Castle beds are in top university cities, including Oxford and Cambridge
- Total portfolio has 62% of beds in towns with Russell Group universities
- 7,442 Beds, 27 assets across 17 UK cities

① Figure within the circle represents the number of assets in each city

* Represents cities where Russell Group universities are located; Russell Group is a ranking of the top 24 UK universities

● Student Castle Portfolio

● Capitol Students Portfolio

PBSA: Diversifying beyond UK into Germany



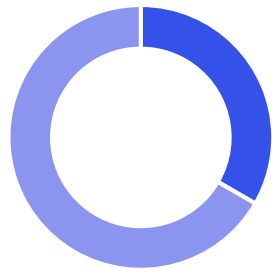
Diversifying into Bremen, Germany with S\$23.4m freehold asset in Nov 2019

- Added 284 rooms
- Galileo Residenz at near-full occupancy over past 9 years
- Geographical diversification; Germany has one of largest student populations in Europe with >30% increase over the past decade

PBSA demand fundamentals resilient

1. Demand growth to outstrip supply¹

- Student numbers outweigh PBSA bed supply 3:1¹
- Shortfall in supply despite more than 30,000 PBSA beds delivered every year from 2015 to 2018



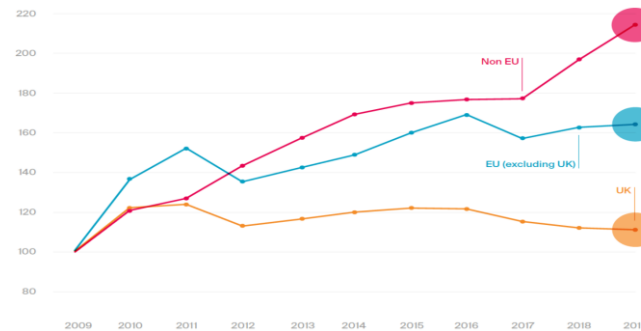
627,000
PBSA bed supply
for AY18/19

1.8m

Full time students

2. Strong demographic fundamentals

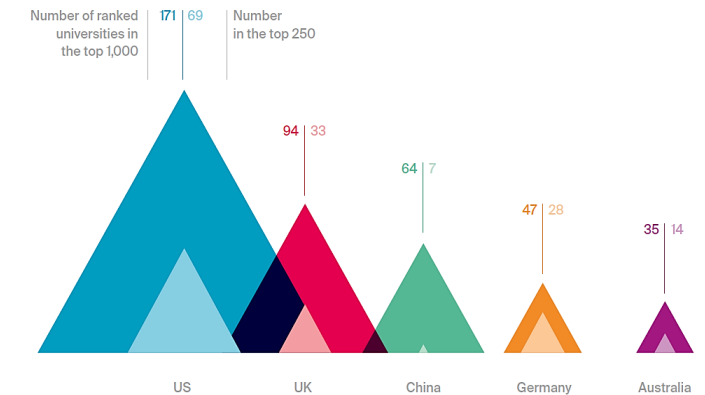
- Positive secular trends in the domestic population
 - UK 18-year-old population predicted to grow by 25% between 2020 and 2030²



- Rise in international students' applications from China and India to a record high for AY20/21 >30%³

3. Quality of UK education

- UK has the 2nd highest number of top ranked universities globally with 33 in the Top 250⁴



4. Supportive government policies

- Attractive work visas – eligible international graduates will be able to work or seek work for 2 years from 2020/2021

¹ Knight Frank analysis, based on UK's 18-year-old population projections (sourced from UK Office of National Statistics) and UCAS entry rates

² Being 18 in 2018, UK Office of National Statistics, 2018

³ 2020 cycle applicant figures – 15 January deadline, UCAS, 2020

⁴ Knight Frank Global Student Report 2019 and European Student Accommodation Guide, Cushman & Wakefield, 2019

Sustained expansion for SPH REIT



Acquired 50% interest in Westfield Marion Shopping Centre in Adelaide for A\$670m

- Largest shopping centre in Adelaide and South Australia
- 99.3% occupancy, WALE of 6.7 years, attracts 13.5 million visitors annually
- Deal completed in Dec 2019

Continue to seek opportunities in Asia-Pacific retail properties



Aged Care

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Improving efficiency; continued quality focus



Ramping up re-opened Changi Care Village



Outdoor area for rehabilitation

Improving operational efficiency

- Higher revenue and income from higher average bill size and ancillary services; lower manpower costs
- Steady bed occupancy rate of around 80%*

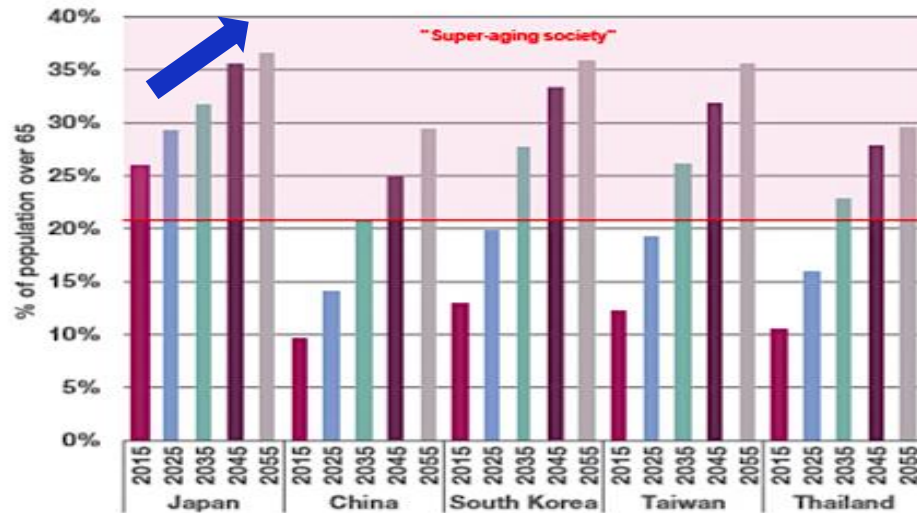
Quality-focused with no notable care incidents reported

Expanding at home and overseas

- Participating in Build-Own-Lease tenders in Singapore
- Evaluating overseas expansion opportunities

Building a portfolio of Aged Care assets outside Singapore

Elderly population in Japan forecasted to rise



Source: United Nations Department of Economic and Social Affairs, Savills Research & Consultancy

BRIDGE C CAPITAL



Akinari Tokuyama
Chairman

- CIO/CFO of Developer Group Pte Ltd
- Ex-Vice President of Carlyle Group (Buyout Team) at Carlyle Japan LLC



Daizo Yokota
(CEO)

- Background in real estate investment and financing from Accenture, ORIX Corporation, LaSalle Investment Management Co. Limited and Shinsei Bank Limited

Senior living assets are cash-yielding, defensive in nature:

Japan

- Partnered Japanese asset manager Bridge C Capital in Oct 2019 as on-ground partner
- Fund structure offers potential for fee income

Other developed markets

- Low interest rates
- Relatively lower regulatory risk
- Attractive market fundamentals

First overseas investment in Japan for Aged Care business



Part of strategy to grow recurring income base

- Acquisition of five high quality assets in Hokkaido, Nara (Osaka Metropolitan region) and Tokyo for JPY5.26 billion (S\$65.8 million), announced Feb 2020
- 365 beds; providing quality independent living services
- Operators on long leases averaging 23.4 years

Result of partnership with Bridge C Capital

- Asset management fees to add to recurring income stream

Attractive demographics in Japan

- Elderly (≥ 65 years) to rise to 30% of total population by 2025¹
- Senior care offerings, including home, facility and the elderly care market are estimated to be worth JPY15 trillion (approximately S\$188 billion) in 2025²

Further overseas expansion in Canada for Aged Care



Part of strategy to acquire cash-yielding assets in defensive sectors

- Acquisition of six freehold assets; five in Ontario, one in Saskatchewan for Can\$232.9 million (S\$244.5 million), announced Feb 2020, subject to satisfactory due diligence
- Total 717 suites, average age of around 7 years
- Occupancy rates in excess of 90% over the past three years
- Experienced Canadian operator Hawthorn Senior Living

Enters attractive North American market

- Canada has one of the highest average life expectancies globally at 82.3 years¹, number of people 75 years and above growing by 52.6% over the next decade²
- Demand for independent living and assisted living services projected to rise with additional 199,000 beds required by 2035, up from 263,000 beds currently

Summary

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Transforming Media, building new operating segments



Media, Telco & Tech

- Boosting digital circulation with targeted campaigns
- Disciplined cost management
- Focused on quality journalism and innovation



Property

- Doubled PBSA portfolio to >S\$1.5b
- Expanded SPH REIT to grow recurring income base



Aged Care

- Improving operational efficiency
- Seeking opportunities overseas



Leveraging on Balance Sheet Strength; Improving Recurring Income

Thank You

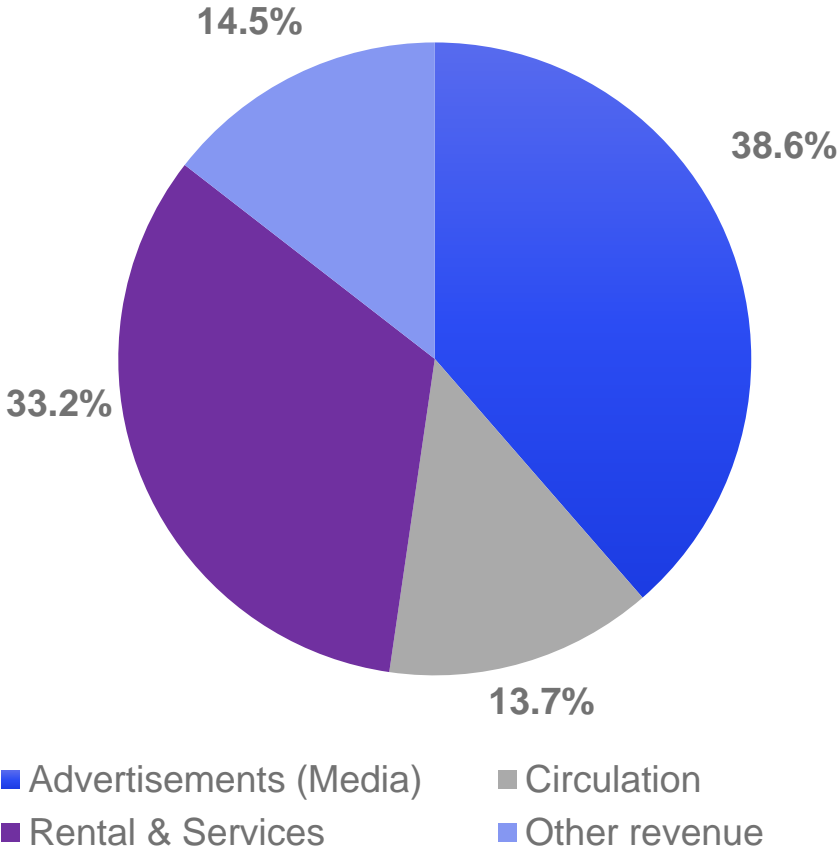
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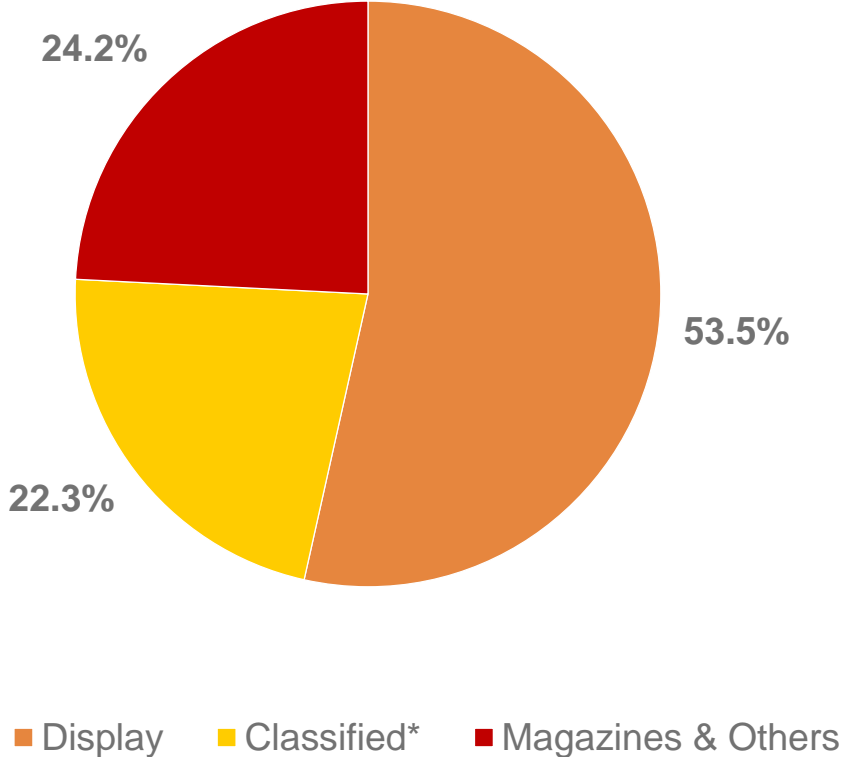
Annexe

Revenue Composition 1Q FY2020

Operating Revenue Composition (S\$244.0m)



Media Advertisement Revenue Composition (S\$94.4m)

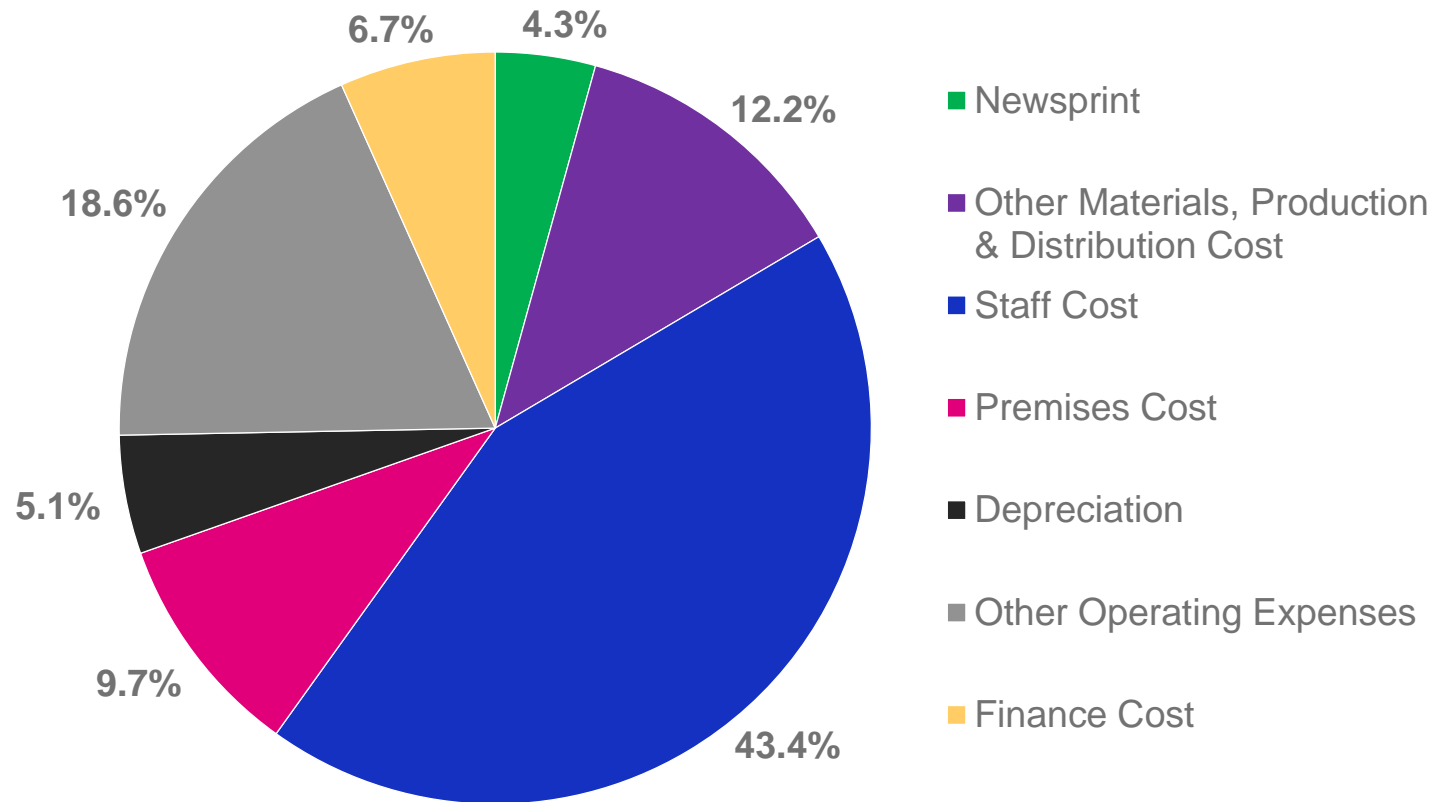


* Classified includes Recruitment and Notices



Operating Cost

1Q FY20 Operating Expenditure* Cost Composition (S\$194.5m)



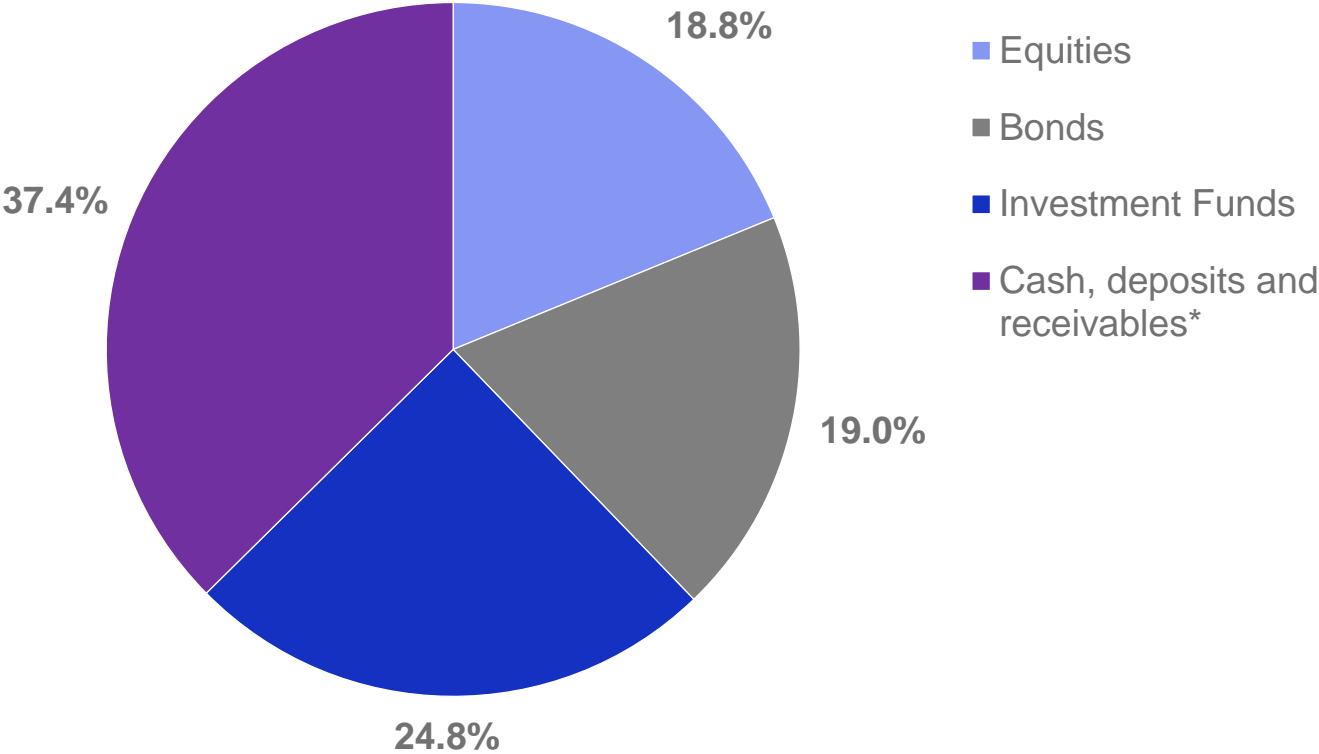
* Excluding impairment charges



	S\$' m
Newsprint	↓ 2.8
Other Production costs	↓ 1.8
Staff Costs	↓ 2.1
Premises Costs	↓ 0.7
Depreciation	↑ 3.4
Other Operating Expenses	↑ 12.1
Finance costs	↑ 2.4

Balance Sheet

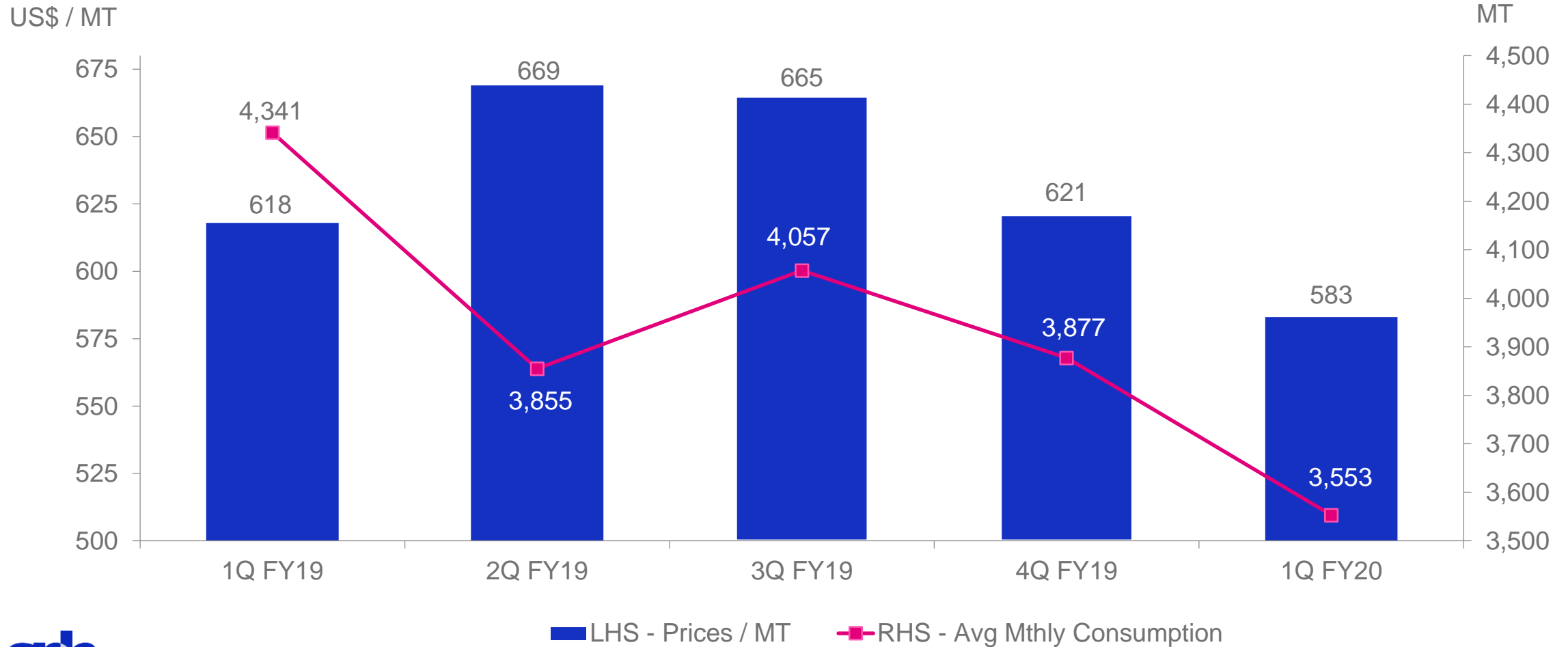
Group Investible Fund (S\$879m) as at 30 Nov 2019



- Cash, deposits and receivables include part of the proceeds from S\$300m 4% Perpetual Securities issued in Nov 2019
- Bonds increased partly due to the purchase of short-term treasury bills using the proceeds from the Perpetual Securities

Slowing consumption with switch to Digital

Average Newsprint Charge-Out Price & Monthly Consumption



Disciplined management of staff costs

	1Q FY20	1Q FY19	1Q FY18	% Change (1Q FY20 vs 1Q FY19)	% Change (1Q FY20 vs 1Q FY18)
Headcount as at end Nov	3,990	4,084	4,302	(2.3)	(7.3)
Staff Costs (S\$'000)	84,405	86,489	85,794	(2.4)	(1.6)

Operating margin in line with lower revenue

