



## Media Release

### SINGAPORE PRESS HOLDINGS LIMITED

Reg. No. 198402868E

(Incorporated in Singapore)

#### SPH EXPANDS AGED CARE BUSINESS WITH S\$66 MILLION ACQUISITION IN JAPAN

- *Acquires portfolio of five high quality senior independent living assets in Hokkaido, Nara and Tokyo*
- *Leveraging on partnership with Bridge C Capital to identify suitable opportunities in Japan's aged care and healthcare sector*
- *Marks first overseas investment for Aged Care business in the Japanese market in partnership with Bridge C Capital*
- *In line with strategy to acquire cash-yielding assets in defensive sectors to grow recurring income*

**SINGAPORE, 24 February 2020** – Singapore Press Holdings Limited (“SPH”) today announced that it has, through two special purpose vehicles, Straits Himawari TMK One TMK and Straits Himawari TMK Two TMK, entered into sale and purchase agreements to acquire five aged care assets in Japan for an aggregate consideration of JPY5.26 billion (approximately S\$65.8 million<sup>1</sup>).

The acquisition is in line with the Group's strategy of investing in aged care and healthcare assets, and expanding its business footprint in markets with fast-ageing populations.

Three of the properties are in Hokkaido, one is in Nara in the Osaka Metropolitan Region and the fifth, in Tokyo. The properties are well-designed and located, with a total capacity of 365 beds. Seniors are offered quality independent living services including community-based activities, transport and laundry, meals and care services. Further details of the properties will be disclosed on completion of the acquisition.

Mr. Ng Yat Chung, Chief Executive Officer of SPH, said: “We continue to seek opportunities to expand our Aged Care business overseas. This acquisition is in line with our strategy of growing our recurring income base through the acquisition of cash yielding assets in

defensive sectors.”

The acquisition is made as part of SPH’s partnership with Japanese real estate asset manager Bridge C Capital in October 2019 to establish a fund focused on investing in aged care and healthcare assets such as senior housing, nursing homes and medical office buildings in Japan. Asset management fees will be generated as part of the fund, eventually adding to the recurring income stream from the assets.

The properties in Japan will continue to be managed by the current operators on long leases averaging 23.4 years.

Mr. Anthony Tan, Deputy Chief Executive Officer of SPH said: “The move builds on the acquisition of Orange Valley, one of the largest private nursing home operators. We believe that the aged care industry is set for continued growth in countries with fast-ageing populations like Singapore and Japan. We will continue to leverage on the track record and network of Bridge C to explore future growth opportunities in Japan.”

The aged care sector in Japan has attractive demographics with the proportion of the elderly population (65 years and above) expected to rise to 30% by 2025<sup>2</sup>. Senior care offerings, including home, facility and the elderly care market are estimated to be worth JPY15 trillion (approximately S\$188 billion) in 2025<sup>3</sup>.

The aggregate consideration will be fully satisfied in cash and funded through internal as well as external resources. The acquisition is expected to complete by March 2020 and is not expected to have a material effect on the net tangible assets per share or earnings per share of the Company for the current financial year.

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<sup>1</sup> Based on an indicative exchange rate of SGD1:JPY80.

<sup>2</sup> “IPSS Research Report No. 85 “Population and Social Security in Japan”, National Institute of Population and Social Security Research, July 2019.

<sup>3</sup> “Demographics Asia: Opportunity in adversity”, IPE Real Assets, March 2018.

Jacuzzi facility



Dining area



Common area





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### About Singapore Press Holdings Ltd

Incorporated in 1984, main board-listed Singapore Press Holdings Ltd (SPH) is Asia's leading media organisation, engaging minds and enriching lives across multiple languages and platforms.

SPH's core business is publishing of newspapers, magazines and books in both print and digital editions. It also owns other digital products, online classifieds, radio stations and outdoor media.

On the property front, SPH owns approximately 65.9% in a real estate investment trust called SPH REIT which comprises Paragon, a premier upscale retail mall and medical suite/office property in Orchard Road, The Clementi Mall, a mid-market suburban mall and The Rail Mall, a stretch of shopping and dining outlets along Upper Bukit Timah Road. SPH REIT also holds an 85% equity stake in Figtree Grove Shopping Centre, a freehold sub-regional shopping centre in Wollongong, New South Wales, Australia and a 50% stake in Westfield Marion Shopping Centre, the largest and only super regional shopping centre in Adelaide, South Australia. SPH owns and operates The Seletar Mall and is developing a new commercial cum residential site, The Woodleigh Residences and The Woodleigh Mall. It also owns a portfolio of Purpose-Built Student Accommodation (PBSA) in the United Kingdom.

It is in the aged care sector and owns Orange Valley, Singapore's largest private nursing home operator.

SPH runs a regional events arm and a chain of Buzz retail outlets. It also invested in the education business.

For more information, please visit [www.sph.com.sg](http://www.sph.com.sg)

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