



SINGAPORE PRESS HOLDINGS LIMITED

Reg. No. 198402868E
(Incorporated in Singapore)

ANNOUNCEMENT

UNAUDITED RESULTS* FOR THE FIRST QUARTER ENDED 30 NOVEMBER 2018

1(a)(i) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year

Results for the First Quarter ended 30 November 2018

	Group		
	1Q 2019 S\$'000	1Q 2018 S\$'000	Change %
Operating revenue	254,316	258,758	(1.7)
Other operating income	4,439	8,545	(48.1)
Total revenue	<u>258,755</u>	<u>267,303</u>	(3.2)
Materials, production and distribution costs	(36,644)	(37,933)	(3.4)
Staff costs	(86,489)	(85,794)	0.8
Premises costs	(19,653)	(17,731)	10.8
Depreciation	(6,596)	(6,503)	1.4
Other operating expenses	(23,891)	(40,976)	(41.7)
Finance costs	(10,641)	(8,810)	20.8
Total costs	<u>(183,914)</u>	<u>(197,747)</u>	(7.0)
Operating profit [#]	74,841	69,556	7.6
Net income from investments	3,182	12,387	(74.3)
Share of results of associates and joint ventures	(462)	227	NM
Profit before taxation	77,561	82,170	(5.6)
Taxation	(9,745)	(9,905)	(1.6)
Profit after taxation	<u>67,816</u>	<u>72,265</u>	(6.2)
Attributable to:			
Shareholders of the Company	57,902	61,803	(6.3)
Non-controlling interests	9,914	10,462	(5.2)
	<u>67,816</u>	<u>72,265</u>	(6.2)

* 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		
	1Q 2019	1Q 2018	Change
	S\$'000	S\$'000	%
(Allowance)/Write-back of allowance for stock obsolescence	(189)	107	NM
Share-based compensation expense	(733)	(991)	(26.0)
Retrenchment and outplacement costs	-	(11,612)	NM
Write-back of impairment/(Impairment) of trade receivables	227	(89)	NM
Bad debts recovery	3	6	(50.0)
Profit on disposal of property, plant and equipment	109	32	240.6
Amortisation of intangible assets	(2,127)	(2,675)	(20.5)
Gain on divestment of interests in subsidiaries	396	-	NM
Gain on divestment of interest in an associate	-	5,946	NM
Interest income from treasury and operations	1,729	1,757	(1.6)
Net profit on disposal of investments	-	9,064	NM
Net fair value changes on			
- Investments at fair value through profit or loss ("FVTPL")	742	(644)	NM
- Derivatives (foreign exchange forwards)	(272)	983	NM
Net foreign exchange differences	1,705	(459)	NM
Impairment of investments	-	(197)	NM
Net over-provision of prior years' taxation	200	726	(72.5)

1(a)(iii) Statement of Comprehensive Income

	Group		Change
	1Q 2019	1Q 2018	
	S\$'000	S\$'000	%
Profit after taxation	67,816	72,265	(6.2)
Other comprehensive income, net of tax			
<u>Items that may be re-classified subsequently to profit or loss</u>			
Cash flow hedges (interest rate swaps)			
- net fair value changes	(134)	899	NM
- transferred to income statement	572	1,187	(51.8)
Net fair value changes on available-for-sale financial assets			
- net fair value changes	-	22,201	NM
- transferred to income statement	-	(7,694)	NM
Currency translation difference			
- arising from consolidation of financial statements of foreign subsidiaries, associates and joint ventures	(3,439)	708	NM
	(3,001)	17,301	NM
<u>Item that will not be re-classified subsequently to profit or loss</u>			
Net fair value changes on fair value through other comprehensive income ("FVOCI") financial assets	61,353	-	NM
Total comprehensive income	<u>126,168</u>	<u>89,566</u>	40.9
Attributable to:			
Shareholders of the Company	116,059	78,404	48.0
Non-controlling interests	10,109	11,162	(9.4)
	<u>126,168</u>	<u>89,566</u>	40.9

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

Statements of Financial Position as at 30 November 2018

	Group			Company		
	30 Nov 2018 S\$'000	31 Aug 2018 S\$'000	1 Sep 2017 S\$'000	30 Nov 2018 S\$'000	31 Aug 2018 S\$'000	1 Sep 2017 S\$'000
CAPITAL EMPLOYED						
Share capital	522,809	522,809	522,809	522,809	522,809	522,809
Treasury shares	(10,694)	(7,101)	(7,384)	(10,694)	(7,101)	(7,384)
Reserves	311,112	264,723	329,264	8,409	7,783	32,907
Retained profits	2,727,009	2,656,653	2,609,786	1,532,857	1,489,926	1,243,374
Shareholders' interests	3,550,236	3,437,084	3,454,475	2,053,381	2,013,417	1,791,706
Non-controlling interests	751,566	761,152	734,926	-	-	-
Total equity	4,301,802	4,198,236	4,189,401	2,053,381	2,013,417	1,791,706
EMPLOYMENT OF CAPITAL						
Non-current assets						
Property, plant and equipment	191,044	190,649	194,171	39,998	36,462	37,173
Investment properties	4,459,408	4,155,122	4,034,771	-	-	-
Subsidiaries	-	-	-	439,940	439,940	438,077
Associates	95,272	95,825	68,792	-	-	-
Joint ventures	42,908	45,979	8,696	600	600	-
Investments	516,709	453,951	513,728	-	-	27,173
Intangible assets	168,721	176,028	204,443	43,381	44,071	46,832
Trade and other receivables	247,248	246,562	8,935	283,532	283,809	4,650
Derivatives	200	200	200	-	-	-
	5,721,510	5,364,316	5,033,736	807,451	804,882	553,905
Current assets						
Inventories	27,544	22,636	21,892	25,309	20,281	19,557
Trade and other receivables	297,289	292,862	314,421	2,517,911	2,383,725	2,391,965
Investments	93,795	121,663	363,370	24,974	-	-
Asset held for sale	-	-	18,000	-	-	18,000
Derivatives	383	39	1,473	-	-	-
Cash and cash equivalents	379,941	359,498	312,647	234,500	161,886	150,467
	798,952	796,698	1,031,803	2,802,694	2,565,892	2,579,989
Total assets	6,520,462	6,161,014	6,065,539	3,610,145	3,370,774	3,133,894
Non-current liabilities						
Trade and other payables	42,769	39,362	37,556	907	1,121	2,876
Deferred tax liabilities	30,954	33,093	42,242	7,201	6,438	6,616
Borrowings	1,313,075	1,312,507	528,044	279,230	279,160	-
Derivatives	2,180	2,814	7,365	91	-	-
	1,388,978	1,387,776	615,207	287,429	286,719	9,492
Current liabilities						
Trade and other payables	242,971	230,527	241,352	934,008	973,237	1,020,196
Current tax liabilities	59,022	47,682	46,591	17,738	12,401	16,500
Borrowings	527,494	294,853	971,695	317,589	85,000	296,000
Derivatives	195	1,940	1,293	-	-	-
	829,682	575,002	1,260,931	1,269,335	1,070,638	1,332,696
Total liabilities	2,218,660	1,962,778	1,876,138	1,556,764	1,357,357	1,342,188
Net assets	4,301,802	4,198,236	4,189,401	2,053,381	2,013,417	1,791,706

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

Group Borrowings

Amount repayable in one year

As at 30 November 2018		As at 31 August 2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
209,865	317,629	209,813	85,040

Amount repayable after one year

As at 30 November 2018		As at 31 August 2018	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
983,063	330,012	982,849	329,658

Details of collateral

The secured bank loan facilities as at 30 November 2018 and as at 31 August 2018 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 reporting dates, the amounts drawn down were S\$895 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\$1,192.9 million as at 30 November 2018 (31 August 2018: S\$1,192.7 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 First Quarter ended 30 November 2018

	1Q 2019	1Q 2018
	S\$'000	S\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	77,561	82,170
Adjustments for:		
Depreciation	6,596	6,503
Profit on disposal of property, plant and equipment	(109)	(32)
Share of results of associates and joint ventures	462	(227)
Gain on divestment of interests in subsidiaries	(396)	-
Gain on divestment of interest in an associate	-	(5,946)
Net income from investments	(3,182)	(12,387)
Amortisation of intangible assets	2,127	2,675
Finance costs	10,641	8,810
Share-based compensation expense	733	991
Other non-cash items	12	792
Operating cash flow before working capital changes	94,445	83,349
Changes in operating assets and liabilities, net of effects from acquisition and disposal of subsidiaries and business:		
Inventories	(4,908)	4,714
Trade and other receivables, current	(28,216)	(5,968)
Trade and other payables, current	11,589	(9,834)
Trade and other receivables, non-current	(755)	316
Trade and other payables, non-current	3,407	1,171
Others	(3,246)	689
	72,316	74,437
Income tax paid	(734)	(1,339)
Dividends paid (net) by subsidiaries to non-controlling interests	(20,188)	(10,825)
Net cash from operating activities	51,394	62,273

**Consolidated Statement of Cash Flows for the First Quarter ended 30 November 2018
(cont'd)**

	1Q 2019	1Q 2018
	S\$'000	S\$'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(7,358)	(8,658)
Proceeds from disposal of property, plant and equipment	155	210
Additions to investment properties	(304,286)	(91)
Acquisition of business by a subsidiary	-	(2,840)
Acquisition of interests in associates	(1,187)	(9,099)
Acquisition of interests in joint ventures	-	(25,600)
Dividends received from associates	1,577	1,019
Proceeds from divestment of interests in subsidiaries	815	-
Increase in amounts owing by associates/ joint ventures	(9)	(86,518)
Decrease in amounts owing to associates/ joint ventures	(1,024)	(2,006)
Purchase of investments, non-current	(6,925)	(13,527)
Purchase of investments, current	(65,884)	(16,326)
Proceeds from capital distribution/disposal of investments, non-current	6,162	46
Proceeds from disposal of investments, current	120,176	44,560
Dividends received	1,158	1,764
Interest received	1,301	1,377
Other investment income	(2,188)	1,658
Net cash used in investing activities	(257,517)	(114,031)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank loans (net of transaction costs)	324,881	322,880
Repayment of bank loans	(85,000)	(198,091)
Interest paid	(9,722)	(7,780)
Share buy-back	(3,593)	-
Proceeds from divestment of interest in a subsidiary	-	19,754
Net cash from financing activities	226,566	136,763
Net increase in cash and cash equivalents	20,443	85,005
Cash and cash equivalents at beginning of period	359,498	312,647
Cash and cash equivalents at end of period	379,941	397,652

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 First Quarter ended 30 November 2018

(a) Group

	← Attributable to Shareholders of the Company →								Non-controlling Interests	Total Equity	
	Share Capital	Treasury Shares	Capital Reserve	Share-based Compensation Reserve	Hedging Reserve	Fair Value Reserve	Currency Translation Reserve	Retained Profits			Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 31 August 2018 as previously reported	522,809	(7,101)	(10,261)	7,783	(1,958)	267,894	(3,602)	2,691,368	3,466,932	761,152	4,228,084
Adoption of SFRS(I)	-	-	-	-	-	-	4,867	(34,715)	(29,848)	-	(29,848)
Balance as at 31 August 2018	522,809	(7,101)	(10,261)	7,783	(1,958)	267,894	1,265	2,656,653	3,437,084	761,152	4,198,236
Adoption of SFRS(I) 9	-	-	-	-	-	(12,426)	-	12,247	(179)	(12)	(191)
Balance as at 1 September 2018	522,809	(7,101)	(10,261)	7,783	(1,958)	255,468	1,265	2,668,900	3,436,905	761,140	4,198,045
Total comprehensive income for the quarter	-	-	-	-	218	61,353	(3,414)	57,902	116,059	10,109	126,168
Realised profit on disposal of FVOCI financial assets	-	-	-	-	-	(49)	-	49	-	-	-
Transactions with owners, recognised directly in equity											
<u>Contributions by and distributions to owners</u>											
Share-based compensation	-	-	-	733	-	-	-	-	733	-	733
Share buy-back – held as treasury shares	-	(3,593)	-	-	-	-	-	-	(3,593)	-	(3,593)
Dividends	-	-	-	-	-	-	-	-	-	(20,188)	(20,188)
<u>Changes in ownership interest in a subsidiary without a change in control</u>											
Acquisition of additional interest in a subsidiary	-	-	(23)	-	(3)	-	-	158	132	(132)	-
<u>Changes in ownership interest in subsidiaries</u>											
Disposal of interest in a subsidiary	-	-	-	-	-	-	-	-	-	(74)	(74)
Contribution by non-controlling interest	-	-	-	-	-	-	-	-	-	711	711
Balance as at 30 November 2018	522,809	(10,694)	(10,284)	8,516	(1,743)	316,772	(2,149)	2,727,009	3,550,236	751,566	4,301,802

Statements of Changes in Total Equity for the First Quarter ended 30 November 2018 (cont'd)

(a) Group (cont'd)

	← Attributable to Shareholders of the Company →								Non-controlling Interests	Total Equity	
	Share Capital	Treasury Shares	Capital Reserve	Share-based Compensation Reserve	Hedging Reserve	Fair Value Reserve	Currency Translation Reserve	Retained Profits			Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 September 2017 as previously reported	522,809	(7,384)	(10,409)	7,688	(5,970)	337,955	(4,867)	2,648,576	3,488,398	734,926	4,223,324
Adoption of SFRS(I)	-	-	-	-	-	-	4,867	(38,790)	(33,923)	-	(33,923)
Balance as at 1 September 2017	522,809	(7,384)	(10,409)	7,688	(5,970)	337,955	-	2,609,786	3,454,475	734,926	4,189,401
Total comprehensive income for the quarter	-	-	-	-	1,450	14,507	644	61,803	78,404	11,162	89,566
Transactions with owners, recognised directly in equity											
<u>Contributions by and distributions to owners</u>											
Share-based compensation	-	-	-	991	-	-	-	-	991	-	991
Dividends	-	-	-	-	-	-	-	-	-	(10,825)	(10,825)
<u>Changes in ownership interest in subsidiaries without a change in control</u>											
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	(80)	(80)	80	-
Dilution of interest in a subsidiary	-	-	148	-	55	-	-	592	795	18,959	19,754
<u>Changes in ownership interest in a subsidiary</u>											
Contribution by non-controlling interest	-	-	-	-	-	-	-	-	-	1,613	1,613
Balance as at 30 November 2017	522,809	(7,384)	(10,261)	8,679	(4,465)	352,462	644	2,672,101	3,534,585	755,915	4,290,500

Statements of Changes in Total Equity for the First Quarter ended 30 November 2018 (cont'd)

(b) Company

	Share Capital	Treasury Shares	Share-based Compensation Reserve	Hedging Reserve	Fair Value Reserve	Retained Profits	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 31 August 2018 as previously reported	522,809	(7,101)	7,783	-	-	1,518,369	2,041,860
Adoption of SFRS(I)	-	-	-	-	-	(28,443)	(28,443)
Balance as at 31 August 2018/ 1 September 2018	522,809	(7,101)	7,783	-	-	1,489,926	2,013,417
Total comprehensive income for the quarter	-	-	-	(106)	(1)	42,931	42,824
Transactions with owners, recognised directly in equity							
<u>Contributions by and distributions to owners</u>							
Share-based compensation	-	-	733	-	-	-	733
Share buy-back – held as treasury shares	-	(3,593)	-	-	-	-	(3,593)
Balance as at 30 November 2018	522,809	(10,694)	8,516	(106)	(1)	1,532,857	2,053,381
Balance as at 1 September 2017 as previously reported	522,809	(7,384)	7,688	-	25,219	1,277,297	1,825,629
Adoption of SFRS(I)	-	-	-	-	-	(33,923)	(33,923)
Balance as at 1 September 2017	522,809	(7,384)	7,688	-	25,219	1,243,374	1,791,706
Total comprehensive income for the quarter	-	-	-	-	2,498	21,231	23,729
Transactions with owners, recognised directly in equity							
<u>Contributions by and distributions to owners</u>							
Share-based compensation	-	-	991	-	-	-	991
Balance as at 30 November 2017	522,809	(7,384)	8,679	-	27,717	1,264,605	1,816,426

- 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 the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings 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. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed 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 annual general meeting of the Company held on 1 December 2016, the Company's shareholders approved the adoption of the SPH Performance Share Plan 2016 ("the 2016 Share Plan"). This replaced the SPH Performance Share Plan ("the Share Plan") which was terminated, except that awards granted prior to such termination and are outstanding continue to be valid.
- (b) As at 30 November 2018, the number of shares granted and outstanding (being contingent award) under the Share Plan and the 2016 Share Plan (collectively, "SPH PSP") was 4,400,503 (30 November 2017: 4,043,642). Movements in the number of performance shares during the current quarter are summarised below:

<u>Outstanding as at 01.09.18</u> (‘000)	<u>Lapsed</u> (‘000)	<u>Outstanding as at 30.11.18</u> (‘000)
4,444	(43)	4,401

Share Buy Back

Under the Share Buy Back Mandate (first approved by the Shareholders on 16 July 1999 and last renewed at the Annual General Meeting on 3 December 2018), the Company bought back 1,371,300 ordinary shares during the current quarter. These shares are held as treasury shares, until released from time to time for the fulfilment of the awards under the SPH PSP. The amount paid, including brokerage fees, totalled S\$3.6 million and was deducted against shareholders' equity.

Share Capital and Treasury Shares

As at 30 November 2018, the Company had 1,596,982,433 ordinary shares, 16,361,769 management shares and 3,666,688 treasury shares (30 November 2017: 1,598,612,211 ordinary shares, 16,361,769 management shares and 2,036,910 treasury shares).

The treasury shares held represent 0.2% (30 November 2017: 0.1%) of the total number of issued shares (excluding treasury shares).

The Company has no subsidiary holdings as at 30 November 2018 and 30 November 2017.

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 30 November 2018, the Company had 1,596,982,433 ordinary shares and 16,361,769 management shares (31 August 2018: 1,598,353,733 ordinary shares and 16,361,769 management shares).

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

There was no sale, transfer, cancellation and/or use of treasury shares during the current quarter.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

The Company has no subsidiary holdings as at 30 November 2018.

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, 8 and 9 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 methods 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

In December 2017, the Accounting Standards Council (ASC) issued the Singapore Financial Reporting Standards (International) (SFRS(I)). SFRS(I) comprises standards and interpretations that are equivalent to International Financial Reporting Standards. The Group's financial statements for the financial year ending 31 August 2019 will be prepared in accordance with SFRS(I).

The Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period as that of the audited financial statements for the year ended 31 August 2018, except for the adoption of the SFRS(I) framework as described above and the new/revised SFRS(I) applicable for the financial period beginning 1 September 2018 as follows:

- SFRS(I) 1 *First-time Adoption of Singapore Financial Reporting Standards (International)*
- SFRS(I) 15 *Revenue from Contracts with Customers*
- SFRS(I) 9 *Financial Instruments*

SFRS(I) 1

In adopting the new framework, the Group is required to apply the specific transition requirements in SFRS(I). The Group has applied SFRS(I) with 1 September 2017 as the date of transition for the Group and the Company, on a retrospective basis, as if such accounting policies had always been applied. SFRS(I) 1 provides mandatory exceptions and optional exemptions from retrospective application. Except as set out below, the Group does not expect the application of the mandatory exceptions and the optional exemptions in SFRS(I) 1 to have any significant impact on the financial statements:

- Reset of cumulative currency translation reserve to nil at the date of transition; and
- Use of fair value of certain printing presses as their deemed cost.

SFRS(I) 15

SFRS(I) 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It also introduces new cost guidance which requires certain costs of obtaining and fulfilling contracts to be recognised as separate assets when specified criteria are met.

The Group adopted SFRS(I) 15 using the retrospective approach with practical expedients.

SFRS(I) 9

SFRS(I) 9 contains new requirements for classification and measurement of financial instruments, a new expected credit loss model for calculating impairment of financial assets, and new general hedge accounting requirements.

The Group has elected to apply the exemption in SFRS(I) 1 allowing it not to restate comparative information in the 2019 SFRS(I) financial statements. Differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of SFRS(I) 9 are recognised in retained profits and reserves as at 1 September 2018.

The adoption of SFRS(I) 9 has resulted in the reclassification of non-current available-for-sale (AFS) equities securities, debt securities and investment funds as financial assets measured at fair value through other comprehensive income (FVOCI) while the non-current debt securities measured at fair value through profit or loss (FVTPL) will continue to be measured at FVTPL.

In addition, current AFS financial assets are reclassified as FVTPL financial assets, resulting in an increase in retained profits as at 1 September 2018.

SFRS(I) 9 requires the Group to record expected credit losses (ECL) on all of its loans and trade receivables, either on a 12-month or lifetime basis. The Group adopts the simplified approach and records lifetime ECL on all trade receivables. As a result, receivables and retained profits as at 1 September 2018 were adjusted.

Impact on the comparatives for the First Quarter ended 30 November 2018

Income Statement

	1Q 2018 S\$'000
Decrease in depreciation	(1,651)
Increase in taxation	281
	<hr/>

Statements of Financial Position

	1 Sep 2018 S\$'000	31 Aug 2018 S\$'000	1 Sep 2017 S\$'000
Decrease in currency translation reserve	-	4,867	4,867
Decrease in fair value reserve	(12,426)	-	-
Increase/(Decrease) in retained profits	12,247	(34,715)	(38,790)
Decrease in non-controlling interests	(12)	-	-
Decrease in property, plant and equipment	-	(34,269)	(40,871)
Decrease in joint ventures	-	(1,405)	-
Decrease in trade and other receivables, current	(191)	-	-
Decrease in deferred tax liabilities	(2,546)	(5,826)	(6,948)
Increase in current tax liabilities	2,546	-	-
	<hr/>	<hr/>	<hr/>

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 First Quarter ended 30 November 2018

	Group	
	1Q 2019	1Q 2018
(a) Based on the weighted average number of shares on issue (S\$)	0.04	0.04
(b) On fully diluted basis (S\$)	0.04	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	
	30 Nov 2018	31 Aug 2018	30 Nov 2018	31 Aug 2018
Net asset value per share based on total number of issued shares at the end of period/year (S\$)	2.20	2.13	1.27	1.25

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**

Review of Results for the First Quarter ended 30 November 2018 ("1Q 2019") compared with the First Quarter ended 30 November 2017 ("1Q 2018")

7.1 Income Statement

- 7.1.1 Group operating revenue comprised mainly advertisement and circulation revenue (print and digital), rental income from retail malls and student accommodation, and income from other businesses (including aged care, events and exhibitions and education). The decrease in group operating revenue of S\$4.4 million (1.7%), from S\$258.8 million in 1Q 2018 to S\$254.3 million in 1Q 2019, was due to lower print advertisement revenue of S\$9.8 million (9.2%) which was cushioned by contribution from the newly acquired UK student accommodation portfolio of S\$6.3 million.

Other operating income included sales of production waste and other scrap materials, distribution service fees for third party periodicals, and income from branding events. Other operating income fell S\$4.1 million (48.1%), from S\$8.5 million in 1Q 2018 to S\$4.4 million in 1Q 2019, mainly due to the absence of a S\$5.9 million gain arising from the dilution of interest on the IPO listing of MindChamps Preschool in 1Q 2018.

Total revenue of S\$258.8 million in 1Q 2019 was lower by S\$8.5 million (3.2%) compared to S\$267.3 million in 1Q 2018.

- 7.1.2 Materials, production and distribution costs included newsprint and other material costs, factory overheads and distribution costs for the media business, and production costs and supplies for the events and exhibitions and aged care businesses. The reduction in materials, production and distribution costs by S\$1.3 million (3.4%), from S\$37.9 million in 1Q 2018 to S\$36.6 million in 1Q 2019, was in line with lower revenue of the media and events and exhibitions businesses.

Staff costs comprised salaries, bonuses, allowances, employers' contribution to defined contribution plans and share-based compensation expense. Staff costs of S\$86.5 million for 1Q 2019 was stable year-on-year.

Premises costs relate mainly to rental expenses, property tax, building maintenance costs and utility charges, and are primarily incurred for the retail malls, student accommodation, media and aged care businesses. The increase in premises costs of S\$1.9 million (10.8%), from S\$17.7 million in 1Q 2018 to S\$19.7 million in 1Q 2019, was attributed mainly to addition of the UK student accommodation portfolio.

Other operating expenses included business promotion expenses, articles and news agencies' fees, computer system maintenance and software licence fees, amortisation of intangibles assets, foreign exchange differences and other expenses in line with business activities. Other operating expenses decreased S\$17.1 million (41.7%), from S\$41 million in 1Q 2018 to S\$23.9 million in 1Q 2019. This was due to the absence of retrenchment costs of S\$11.6 million that was incurred in 1Q 2018, reduced business promotion expense, lower amortisation charge on reduced value of intangible assets, and unrealised foreign exchange gains.

Finance costs increased by S\$1.8 million (20.8%), from S\$8.8 million in 1Q 2018 to S\$10.6 million in 1Q 2019, due to interest costs on the loan facilities taken up to fund the acquisition of the UK student accommodation portfolio, and equity funding for the development of The Woodleigh Residences and The Woodleigh Mall.

Total costs fell by S\$13.8 million (7%) from S\$197.7 million in 1Q 2018 to S\$183.9 million in 1Q 2019.

7.1.3 As a result of the foregoing, operating profit of S\$74.8 million in 1Q 2019 was S\$5.3 million (7.6%) higher compared to S\$69.6 million in 1Q 2018.

7.1.4 Investment income comprised fair value changes on investments and derivatives, foreign exchange differences, and dividend and interest income from the investment portfolio. Investment income for the quarter fell by S\$9.2 million (74.3%), from S\$12.4 million in 1Q 2018 to S\$3.2 million in 1Q 2019. This was attributed to gain on disposal of investments of S\$9.1 million in 1Q 2018 which was absent this quarter.

7.1.5 The share of results of associates and joint ventures was S\$0.7 million lower, from a profit of S\$0.2 million in 1Q 2018 to a loss of S\$0.5 million in 1Q 2019. This was due to showflat and marketing expenses for The Woodleigh Residences, partially negated by lower losses recorded by the online classifieds business in Indonesia and Thailand.

7.1.6 Taxation charge of S\$9.7 million in 1Q 2019 was based on the statutory tax rate, taking into account non-deductible expenses and non-taxable income. This included an amount of S\$0.2 million for over-provision of taxation in respect of prior years.

7.1.7 Consequently, net profit attributable to shareholders of S\$57.9 million in 1Q 2019 was S\$3.9 million (6.3%) lower compared to S\$61.8 million in 1Q 2018.

7.2 Statements of Financial Position

Non-current assets

- 7.2.1 Non-current assets comprised property, plant and equipment, investment properties, interests in associates and joint ventures, investments, intangible assets, trade and other receivables, and derivatives. The increase in non-current assets by S\$357.2 million (6.7%) from S\$5,364.3 million as at 31 August 2018 to S\$5,721.5 million as at 30 November 2018 was mainly due to additions to investment properties and investments, offset by reduction in intangible assets.
- 7.2.2 Investment properties comprised mainly retail malls and student accommodation assets. The increase in investment properties of S\$304.3 million (7.3%), from S\$4,155.1 million as at 31 August 2018 to S\$4,459.4 million as at 30 November 2018, arose from acquisition of the UK student accommodation portfolio comprising 10 freehold assets and 4 leasehold assets situated in established university towns and cities, including London, Birmingham, Bristol, Huddersfield, Plymouth and Sheffield.
- 7.2.3 Non-current investments refer to equities securities, debt securities and investment funds. Non-current investments increased by S\$62.8 million (13.8%), from S\$454 million as at 31 August 2018 to S\$516.7 million as at 30 November 2018, due to re-measurement gain of the Group's investment in M1 which was recognised in fair value reserve. The gain arose from increase in M1 share price from S\$1.59 as at 31 August 2018 to S\$2.10 as at 30 November 2018.
- 7.2.4 Intangible assets included goodwill, technology, trademarks, licences and mastheads that are acquired mainly through business acquisitions. Intangible assets decreased by S\$7.3 million (4.2%), from S\$176 million as at 31 August 2018 to S\$168.7 million as at 30 November 2018, due to divestment of Shareinvestor.com Holdings and amortisation expenses mainly from events and exhibitions, online classifieds and aged care businesses.

Current assets

- 7.2.5 Current assets comprised inventories, trade and other receivables, investments, derivatives, and cash and cash equivalents. As at 30 November 2018, current assets amounted to S\$799 million as compared to S\$796.7 million as at 31 August 2018.
- 7.2.6 Inventories comprised newsprint and other materials for the media business, supplies for the aged care business and inventories for the book publishing business. As at 30 November 2018, inventories amounted to S\$27.5 million compared to S\$22.6 million as at 31 August 2018. The increase of S\$4.9 million (21.7%) was attributed to higher newsprint inventory holdings.
- 7.2.7 Current investments refer to equities securities, debt securities and investment funds. Current investments decreased by S\$27.9 million (22.9%), from S\$121.7 million as at 31 August 2018 to S\$93.8 million as at 30 November 2018, due to disposal of investments.
- 7.2.8 Derivatives (foreign exchange forwards) of S\$0.4 million as at 30 November 2018 represents the fair value gain on contracts that the Group entered into to minimise its foreign currency exposure.

- 7.2.9 Cash and cash equivalents increased by S\$20.4 million (5.7%) from S\$359.5 million as at 31 August 2018 to S\$379.9 million as at 30 November 2018. Details of the movements are set out in the Consolidated Statement of Cash Flows in paragraph 1(c).

Non-current liabilities

- 7.2.10 Non-current liabilities comprised mainly Group borrowings that are due for repayment at least twelve months after the reporting date. As at 30 November 2018, non-current liabilities amounted to S\$1,389 million compared to S\$1,387.8 million as at 31 August 2018.
- 7.2.11 Derivatives (interest rate swaps) of S\$2.2 million as at 30 November 2018 and S\$2.8 million as at 31 August 2018 resulted from fair value changes on contracts that the Group entered into to hedge against its interest rate risk exposure.

Current liabilities

- 7.2.12 Current liabilities comprised trade and other payables, current tax liabilities, borrowings and derivatives. The increase in current liabilities by S\$254.7 million (44.3%) from S\$575 million as at 31 August 2018 to S\$829.7 million as at 30 November 2018, was due to increase in trade and other payables, current tax liabilities and borrowings.
- 7.2.13 Current trade and other payables increased by S\$12.4 million (5.4%), from S\$230.5 million as at 31 August 2018 to S\$243 million as at 30 November 2018, due to quarterly provision for staff bonuses payable in the next financial year, accruals for operating expenses and rental collections in advance pertaining to the UK student accommodation portfolio.
- 7.2.14 Current tax liabilities increased by S\$11.3 million (23.8%), from S\$47.7 million as at 31 August 2018 to S\$59 million as at 30 November 2018, due to provision for current year tax expense payable in the next financial year.
- 7.2.15 Current borrowings increased by S\$232.6 million (78.9%), from S\$294.9 million as at 31 August 2018 to S\$527.5 million as at 30 November 2018, due to draw-down of S\$324.9 million of short-term credit facilities primarily to fund the acquisition of UK student accommodation portfolio. During the quarter, a repayment of S\$85 million of short-term banking facilities was also made.
- 7.2.16 Derivatives (foreign exchange forwards) of S\$0.2 million as at 30 November 2018 and S\$1.9 million as at 31 August 2018 represent the fair value loss on contracts that the Group entered into to minimise its foreign currency exposure.
- 7.2.17 As at 30 November 2018, the Group is in a net current liabilities position of S\$30.7 million due to draw-down of S\$324.9 million of short-term credit facilities pending long-term financing arrangements.

7.3 Statement of Cash Flows

- 7.3.1 Net cash from operating activities of S\$51.4 million was due to cash inflow from operating activities of S\$72.3 million, partially offset by dividends paid by subsidiaries to non-controlling interests of S\$20.2 million.
- 7.3.2 Net cash used in investing activities of S\$257.5 million was due to additions to investment properties of S\$304.3 million (mainly the acquisition of UK student accommodation portfolio), partially offset by net proceeds from the disposal/purchase of investments of S\$53.5 million.
- 7.3.3 Net cash from financing activities of S\$226.6 million was attributed to the draw-down of S\$324.9 million of short-term credit facilities primarily to fund the acquisition of UK student accommodation portfolio. This was partially offset by repayment of S\$85 million of short-term banking facilities.

8. Segmental information (of the group) for the Year-To-Date ended 30 November 2018

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 in the retail, student accommodation and residential sectors. 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, aged care, events and exhibitions, education and the New Media Fund.

Group Segmental Information

1Q 2019

	Media S\$'000	Property S\$'000	Treasury and Investment S\$'000	Others S\$'000	Eliminations S\$'000	Consolidated S\$'000
Operating revenue						
External sales	162,094	67,979	-	24,243	-	254,316
Inter-segmental sales	1,037	501	-	181	(1,719)	-
Total operating revenue	163,131	68,480	-	24,424	(1,719)	254,316
Result						
Segment result	32,188	52,726	2,898	852	-	88,664
Finance costs	-	(10,540)	(101)	-	-	(10,641)
Share of results of associates and joint ventures	105	(463)	-	(104)	-	(462)
Profit before taxation	32,293	41,723	2,797	748	-	77,561

1Q 2018

	Media S\$'000	Property S\$'000	Treasury and Investment S\$'000	Others S\$'000	Eliminations S\$'000	Consolidated S\$'000
Operating revenue						
External sales	173,938	61,197	-	23,623	-	258,758
Inter-segmental sales	1,005	475	-	275	(1,755)	-
Total operating revenue	174,943	61,672	-	23,898	(1,755)	258,758
Result						
Segment result	28,040	46,782	11,200	4,731	-	90,753
Finance costs	-	(8,310)	(496)	(4)	-	(8,810)
Share of results of associates and joint ventures	123	1,181	-	(1,077)	-	227
Profit before taxation	28,163	39,653	10,704	3,650	-	82,170

Group Segmental Review

Media

Revenue for the Media business declined S\$11.8 million (6.8%) from S\$173.9 million in 1Q 2018 to S\$162.1 million in 1Q 2019. Print advertisement revenue declined S\$9.8 million (9.2%) while digital advertisement revenue increased by S\$1.1 million (12.9%) year-on-year. Circulation revenue fell S\$4.2 million (10.7%) due to reduction in newspaper print copies.

Profit before tax improved S\$4.1 million (14.7%), from S\$28.2 million in 1Q 2018 to S\$32.3 million in 1Q 2019, with the decline in revenue of S\$11.8 million (6.8%) cushioned by lower business promotion expense of S\$2 million (32.4%), and absence of retrenchment costs of S\$11.6 million taken up in 1Q 2018.

Property

Revenue for the Property segment increased by S\$6.8 million (11.1%), from S\$61.2 million in 1Q 2018 to S\$68 million in 1Q 2019, with contribution from the UK student accommodation portfolio of S\$6.3 million and S\$0.5 million from the retail properties.

Profit before tax grew S\$2.1 million (5.2%), from S\$39.7 million in 1Q 2018 to S\$41.7 million in 1Q 2019, boosted by net operating income of S\$3.2 million from the UK student accommodation portfolio which was partially negated by showflat and marketing expenses for The Woodleigh Residences.

Treasury and Investments

Profit before tax was S\$7.9 million (73.9%) lower year-on-year, from S\$10.7 million in 1Q 2018 to S\$2.8 million in 1Q 2019, as 1Q 2019 saw lower investment income with divestment of the treasury investment funds in the previous financial year.

Others

Revenue for the Others segment increased S\$0.6 million (2.6%), from S\$23.6 million in 1Q 2018 to S\$24.2 million in 1Q 2019, with higher contributions from online classifieds and education businesses.

Profit before tax was S\$2.9 million (79.5%) lower year-on-year, from S\$3.7 million in 1Q 2018 to S\$0.7 million 1Q 2019. This was due to the absence of a one-off gain of S\$5.9 million from the dilution of interest on the IPO listing of MindChamps Preschool in 1Q 2018. However, there was improved performance from aged care, and events and exhibitions businesses of S\$0.7 million (64.4%) and S\$0.8 million (137%) respectively, and a narrowing of losses from the online classifieds business in Indonesia and Thailand by S\$0.9 million (76.4%).

9. **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.

10. **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**

10.1 The Group's core Media business is focused on accelerating its digitisation efforts to capture growth opportunities while print continues to face industry headwinds.

10.2 The Property business remains the largest profit segment for the Group.

10.3 The Group recently invested in student accommodation assets in the UK and believes that the fundamentals remain positive. Demand for UK university education is expected to be sustained even after Brexit, as the UK is a popular destination for quality education for international students. An extensive deal pipeline is being actively reviewed as part of plans to build the portfolio to a more sizeable platform.

10.4 The Group continues to make good progress in growing its digital portfolio and aged care businesses.

10.5 In delivering sustainable returns to shareholders, the Group screens investments and businesses rigorously. It also conducts regular review of existing investments and businesses performance. It then looks to recycle capital for new businesses in line with the Group's diversification strategy, and investments for growth.

11. **Dividends**

(a) **Current Financial Period Reported On**

Any dividend recommended for the current financial period reported on?

No.

(b) **Corresponding Period of the Immediately Preceding Financial Year**

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

No.

(c) **Date payable**

Not applicable.

(d) **Record Date**

Not applicable.

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

No interim dividend has been declared or recommended in the current reporting period.

13. **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.

14. **Please disclose a confirmation that the Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1).**

The Company confirms that it has procured undertakings from all its Directors and Executive Officers pursuant to Rule 720(1) of the SGX Listing Manual.

BY ORDER OF THE BOARD

Ginney Lim May Ling
Khor Siew Kim

Company Secretaries

Singapore,
11 January 2019



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

We, Lee Boon Yang and Ng Yat Chung, 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 first quarter ended 30 November 2018 to be false or misleading in any material respect.

On behalf of the Directors


LEE BOON YANG
Chairman


NG YAT CHUNG
Director

Singapore,
11 January 2019



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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 financial statements of Singapore Press Holdings Limited (the “Company”) and its Subsidiaries (the “Group”), which comprised the statements of financial position of the Group and the Company as at 30 November 2018, and the consolidated statements of income, comprehensive income, changes in total equity and cash flows of the Group for the three-month period 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 Standards (International) (“SFRS(I)”) 1-34 *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 SFRS(I) 1-34 *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 LP

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore
11 January 2019