



SINGAPORE PRESS HOLDINGS LIMITED

Reg. No. 198402868E
(Incorporated in Singapore)

**ANNOUNCEMENT
UNAUDITED RESULTS* FOR THE PERIOD ENDED 31 MAY 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 Third Quarter ended 31 May 2018

	Group		
	3Q 2018	3Q 2017	Change
	S\$'000	S\$'000	%
Operating revenue			
Media	167,941	182,496	(8.0)
Property	60,100	61,561	(2.4)
Others	22,033	15,906	38.5
	250,074	259,963	(3.8)
Other operating income	4,797	5,657	(15.2)
	254,871	265,620	(4.0)
Materials, production and distribution costs	(34,951)	(37,780)	(7.5)
Staff costs	(87,360)	(93,229)	(6.3)
Premises costs	(16,864)	(16,265)	3.7
Depreciation	(8,238)	(8,777)	(6.1)
Other operating expenses	(31,015)	(29,475)	5.2
Impairment of goodwill and intangibles	(22,326)	(37,780)	(40.9)
Finance costs	(9,707)	(8,049)	20.6
	44,410	34,265	29.6
Operating profit#	44,410	34,265	29.6
Net income from investments	21,895	11,682	87.4
Share of results of associates and joint ventures	2,163	(560)	NM
Profit before taxation	68,468	45,387	50.9
Taxation	(11,834)	(8,611)	37.4
Profit after taxation	56,634	36,776	54.0
Attributable to:			
Shareholders of the Company	47,443	28,872	64.3
Non-controlling interests	9,191	7,904	16.3
	56,634	36,776	54.0

* 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		
	3Q 2018	3Q 2017	Change
	S\$'000	S\$'000	%
(Allowance)/Write-back of allowance for stock obsolescence	(26)	171	NM
Share-based compensation expense	(782)	(1,367)	(42.8)
Reversal of provision for retrenchment and outplacement costs	1,280	-	NM
(Impairment)/Write-back of impairment of trade receivables	(555)	1,013	NM
Bad debts recovery	3	7	(57.1)
Write-back of impairment of property, plant and equipment	178	-	NM
(Loss)/Profit on disposal of property, plant and equipment	(8)	8	NM
Amortisation of intangible assets	(2,449)	(2,825)	(13.3)
Impairment of goodwill	(17,240)	(9,879)	74.5
Impairment of intangible assets	(5,086)	(27,901)	(81.8)
Interest income	2,602	2,010	29.5
Net profit on disposal of investments	14,762	1,806	NM
Net fair value changes on			
- Investments at fair value through profit or loss	(18)	(482)	(96.3)
- Derivatives	(2,153)	1,478	NM
Net foreign exchange differences	816	(381)	NM
Impairment of investments	(2,066)	(1,755)	17.7
Net over/(under)-provision of prior years' taxation	483	(57)	NM

1(a)(iii) Statement of Comprehensive Income

	Group		Change
	3Q 2018	3Q 2017	
	S\$'000	S\$'000	%
Profit after taxation	56,634	36,776	54.0
Other comprehensive income, net of tax			
<u>Items that may be re-classified subsequently to profit or loss</u>			
Cash flow hedges			
- net fair value changes	564	(3,110)	NM
- transferred to income statement	766	1,304	(41.3)
Net fair value changes on available-for-sale financial assets			
- net fair value changes	15,819	35,546	(55.5)
- transferred to income statement	(12,092)	160	NM
Currency translation difference			
- arising from consolidation of financial statements of foreign subsidiaries, associates and joint ventures	580	(1,684)	NM
	<u>5,637</u>	<u>32,216</u>	(82.5)
Total comprehensive income	<u>62,271</u>	<u>68,992</u>	(9.7)
Attributable to:			
Shareholders of the Company	52,687	62,186	(15.3)
Non-controlling interests	9,584	6,806	40.8
	<u>62,271</u>	<u>68,992</u>	(9.7)

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 31 May 2018

	Note	Group		Company	
		31 May 2018 S\$'000	31 Aug 2017 S\$'000	31 May 2018 S\$'000	31 Aug 2017 S\$'000
CAPITAL EMPLOYED					
Share capital		522,809	522,809	522,809	522,809
Treasury shares		(5,753)	(7,384)	(5,753)	(7,384)
Reserves		334,353	324,397	25,417	32,907
Retained profits		2,556,801	2,648,576	1,101,623	1,277,297
Shareholders' interests		3,408,210	3,488,398	1,644,096	1,825,629
Non-controlling interests		754,139	734,926	-	-
Total equity		4,162,349	4,223,324	1,644,096	1,825,629
EMPLOYMENT OF CAPITAL					
Non-current assets					
Property, plant and equipment		228,961	235,042	72,337	78,044
Investment properties		4,040,186	4,034,771	-	-
Subsidiaries		-	-	442,917	438,077
Associates		93,367	68,792	-	-
Joint ventures		53,881	8,696	600	-
Investments		482,972	513,728	20,094	27,173
Intangible assets		178,053	204,443	44,761	46,832
Trade and other receivables	(a)	244,702	8,935	283,652	4,650
Derivatives		200	200	-	-
		5,322,322	5,074,607	864,361	594,776
Current assets					
Inventories		17,771	21,892	15,655	19,557
Trade and other receivables	(a)	135,221	314,421	2,102,548	2,391,965
Investments		402,647	363,370	-	-
Asset held for sale	(b)	-	18,000	-	18,000
Derivatives		128	1,473	-	-
Cash and cash equivalents		236,297	312,647	120,875	150,467
	(c)	792,064	1,031,803	2,239,078	2,579,989
Total assets		6,114,386	6,106,410	3,103,439	3,174,765
Non-current liabilities					
Trade and other payables		38,252	37,556	2,876	2,876
Deferred tax liabilities		47,545	49,190	11,998	13,564
Borrowings	(a)	942,131	528,044	279,090	-
Derivatives		2,267	7,365	-	-
		1,030,195	622,155	293,964	16,440
Current liabilities					
Trade and other payables		214,267	241,352	1,018,624	1,020,196
Current tax liabilities		36,871	46,591	16,755	16,500
Borrowings	(a)	668,725	971,695	130,000	296,000
Derivatives		1,979	1,293	-	-
	(c)	921,842	1,260,931	1,165,379	1,332,696
Total liabilities		1,952,037	1,883,086	1,459,343	1,349,136
Net assets		4,162,349	4,223,324	1,644,096	1,825,629

Notes to the Statements of Financial Position

- (a) On 21 June 2017, the Group's 50:50 joint venture was awarded the land tender for a 99 year leasehold mixed commercial and residential site at Upper Serangoon Road. As at 31 August 2017, an amount of S\$168.4 million had been paid by the Company for the Group's share of part-payment of the tender price.

On 12 September 2017, the Company established a 4-year unsecured term loan facility of S\$280 million which was fully drawn down. The loan facility was utilised to provide shareholders' contributions for the payment of the Upper Serangoon Road land tender price. This included repayment of short-term loan facilities of S\$168.4 million which had been utilised for part-payment of the tender price.

During the quarter, a tranche of SPH REIT's term loan facilities of S\$135 million due in March 2018 was refinanced as a four-year loan.

- (b) The divestment of MediaCorp Press Ltd and MediaCorp TV Holdings Pte. Ltd. was completed on 29 September 2017.
- (c) As at 31 May 2018, the Group is in a net current liabilities position due to certain bank loans due in 2018. The Group has various financing options for these loan amounts and adequate unutilised credit facilities available for use.

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

Group Borrowings

Amount repayable in one year

As at 31 May 2018		As at 31 August 2017	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
484,995	183,730	619,198	352,497

Amount repayable after one year

As at 31 May 2018		As at 31 August 2017	
Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
663,041	279,090	528,004	40

Details of collateral

The secured bank loan facilities as at 31 May 2018 and as at 31 August 2017 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\$850 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\$1,148.0 million as at 31 May 2018 (31 August 2017: S\$1,147.2 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 Third Quarter ended 31 May 2018

	Note	3Q 2018 S\$'000	3Q 2017 S\$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		68,468	45,387
Adjustments for:			
Depreciation		8,238	8,777
Write-back of impairment of property, plant and equipment		(178)	-
Loss/(Profit) on disposal of property, plant and equipment		8	(8)
Share of results of associates and joint ventures		(2,163)	560
Net income from investments		(21,895)	(11,682)
Amortisation of intangible assets		2,449	2,825
Impairment of goodwill		17,240	9,879
Impairment of intangibles assets		5,086	27,901
Finance costs		9,707	8,049
Share-based compensation expense		782	1,367
Other non-cash items		476	463
Operating cash flow before working capital changes		88,218	93,518
Changes in operating assets and liabilities, net of effects from acquisition and disposal of subsidiaries and business:			
Inventories		512	(633)
Trade and other receivables, current		(3,197)	(3,888)
Trade and other payables, current		(4,803)	6,224
Trade and other receivables, non-current		(148)	(146)
Trade and other payables, non-current		(1,401)	(1,542)
Others		722	(43)
		79,903	93,490
Income tax paid		(15,738)	(21,585)
Dividends paid		(96,961)	(96,928)
Dividends paid (net) by a subsidiary to non-controlling interests		(10,953)	(10,672)
Net cash used in operating activities		(43,749)	(35,695)

Consolidated Statement of Cash Flows for the Third Quarter ended 31 May 2018 (cont'd)

	3Q 2018	3Q 2017
Note	S\$'000	S\$'000
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(3,962)	(2,916)
Additions to intangible assets	-	(450)
Proceeds from disposal of property, plant and equipment	210	58
Additions to investment properties	(3,506)	(2,144)
Acquisition of a subsidiary (net of cash acquired)	-	(157,184)
Acquisition of business by a subsidiary	(2,000)	-
Acquisition of interests in joint ventures	(39)	(800)
Dividends received from associates	1,469	2,735
Decrease/(Increase) in amounts owing by associates/ joint ventures	57	(64)
Increase in amounts owing to associates/ joint ventures	190	286
Purchase of investments, non-current	(7,251)	(12,109)
Purchase of investments, current	(75,945)	-
Proceeds from capital distribution/disposal of investments, non-current	59,694	3,524
Proceeds from disposal of investments, current	82,114	9,451
Dividends received	9,437	9,433
Interest received	1,215	1,701
Other investment income	1,308	(530)
Net cash from/(used in) investing activities	62,991	(149,009)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from bank loans	232,452	164,000
Repayment of bank loans	(232,938)	(7,467)
Interest paid	(8,942)	(7,406)
Share buy-back	(2,150)	(1,695)
Proceeds from partial divestment of interest in a subsidiary	-	1,529
Net cash (used in)/from financing activities	(11,578)	148,961
Net increase/(decrease) in cash and cash equivalents	7,664	(35,743)
Cash and cash equivalents at beginning of period	228,633	269,506
Cash and cash equivalents at end of period	236,297	233,763

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 Third Quarter ended 31 May 2018

(a) Group

	← Attributable to Shareholders of the Company →								Total	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			
	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 March 2018	522,809	(3,603)	(10,261)	6,497	(2,502)	338,160	(3,567)	2,606,290	3,453,823	756,480	4,210,303
Total comprehensive income for the quarter	-	-	-	-	926	3,727	591	47,443	52,687	9,584	62,271
Transactions with owners, recognised directly in equity											
<u>Contributions by and distributions to owners</u>											
Share-based compensation	-	-	-	782	-	-	-	-	782	-	782
Share buy-back – held as treasury shares	-	(2,150)	-	-	-	-	-	-	(2,150)	-	(2,150)
Dividends	-	-	-	-	-	-	-	(96,961)	(96,961)	(10,953)	(107,914)
<u>Changes in ownership interest in subsidiaries without a change in control</u>											
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	29	29	(29)	-
Change in contribution by non-controlling interest	-	-	-	-	-	-	-	-	-	(943)	(943)
Balance as at 31 May 2018	522,809	(5,753)	(10,261)	7,279	(1,576)	341,887	(2,976)	2,556,801	3,408,210	754,139	4,162,349

Statements of Changes in Total Equity for the Third Quarter ended 31 May 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	
Balance as at 1 March 2017	522,809	(5,689)	(11,597)	5,713	(4,919)	366,517	(3,777)	2,494,659	3,363,716	730,860	4,094,576
Total comprehensive income for the quarter	-	-	-	-	(1,265)	35,706	(1,127)	28,872	62,186	6,806	68,992
Transactions with owners, recognised directly in equity											
<u>Contributions by and distributions to owners</u>											
Share-based compensation	-	-	-	1,367	-	-	-	-	1,367	-	1,367
Share buy-back – held as treasury shares	-	(1,695)	-	-	-	-	-	-	(1,695)	-	(1,695)
Dividends	-	-	-	-	-	-	-	(96,928)	(96,928)	(10,672)	(107,600)
<u>Changes in ownership interests in subsidiaries without a change in control</u>											
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	-	(16)	(16)	16	-
Dilution of interest in a subsidiary	-	-	12	-	4	-	-	26	42	1,487	1,529
Balance as at 31 May 2017	522,809	(7,384)	(11,585)	7,080	(6,180)	402,223	(4,904)	2,426,613	3,328,672	728,497	4,057,169

Statements of Changes in Total Equity for the Third Quarter ended 31 May 2018 (cont'd)

(b) Company

	Share Capital	Treasury Shares	Share-based Compensation Reserve	Fair Value Reserve	Retained Profits	Total Equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance as at 1 March 2018	522,809	(3,603)	6,497	24,073	1,169,197	1,718,973
Total comprehensive income for the quarter	-	-	-	(5,935)	29,387	23,452
Transactions with owners, recognised directly in equity						
<u>Contributions by and distributions to owners</u>						
Share-based compensation	-	-	782	-	-	782
Share buy-back – held as treasury shares	-	(2,150)	-	-	-	(2,150)
Dividends	-	-	-	-	(96,961)	(96,961)
Balance as at 31 May 2018	522,809	(5,753)	7,279	18,138	1,101,623	1,644,096
Balance as at 1 March 2017	522,809	(5,689)	5,713	27,821	905,456	1,456,110
Total comprehensive income for the quarter	-	-	-	(1,666)	82,388	80,722
Transactions with owners, recognised directly in equity						
<u>Contributions by and distributions to owners</u>						
Share-based compensation	-	-	1,367	-	-	1,367
Share buy-back – held as treasury shares	-	(1,695)	-	-	-	(1,695)
Dividends	-	-	-	-	(96,928)	(96,928)
Balance as at 31 May 2017	522,809	(7,384)	7,080	26,155	890,916	1,439,576

- 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 31 May 2018, the number of shares granted and outstanding (being contingent award) under the Share Plan and the 2016 Share Plan (collectively, "SPH PSP") was 4,479,906 (31 May 2017: 4,407,623). Movements in the number of performance shares during the current quarter are summarised below:

<u>Outstanding as at 01.03.18</u>	<u>Lapsed</u>	<u>Outstanding as at 31.05.18</u>
('000)	('000)	('000)
4,544	(64)	4,480

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 1 December 2017), the Company bought back 800,000 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\$2.2 million and was deducted against shareholders' equity.

Share Capital and Treasury Shares

As at 31 May 2018, the Company had 1,598,853,733 ordinary shares, 16,361,769 management shares and 1,795,388 treasury shares (31 May 2017: 1,598,612,211 ordinary shares, 16,361,769 management shares and 2,036,910 treasury shares).

The treasury shares held represent 0.1% (31 May 2017: 0.1%) of the total number of issued shares (excluding treasury shares).

The Company has no subsidiary holdings as at 31 May 2018 and 31 May 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 31 May 2018, the Company had 1,598,853,733 ordinary shares and 16,361,769 management shares (31 August 2017: 1,598,612,211 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 31 May 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, 9, 10, 11 and 17 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

The financial information has been prepared in accordance with the same accounting policies and methods of computation adopted in the audited financial statements of the previous financial year, except for new or amended Financial Reporting Standards ("FRS") and Interpretations to FRS ("INT FRS") which became effective from this financial year.

The adoption of the new/revised FRS and INT FRS has not resulted in any substantial changes to the Group's accounting policies nor any significant impact on these financial statements.

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 Third Quarter ended 31 May 2018

	Group	
	3Q 2018	3Q 2017
(a) Based on the weighted average number of shares on issue (S\$)	0.03	0.02
(b) On fully diluted basis (S\$)	0.03	0.02

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	
	31 May 2018	31 Aug 2017	31 May 2018	31 Aug 2017
Net asset value per share based on total number of issued shares at the end of period/year (S\$)	2.11	2.16	1.02	1.13

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**

Business Segments/Review of Results

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 of the Group. 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, events and exhibitions, aged care, education and the New Media Fund.

Review of Results for the Third Quarter ended 31 May 2018 (“3Q 2018”) compared with the Third Quarter ended 31 May 2017 (“3Q 2017”)

- 7.1 Group operating revenue of S\$250.1 million was S\$9.9 million (3.8%) lower compared to 3Q 2017. Revenue for the Media business declined S\$14.6 million (8%) to S\$167.9 million as advertisement and circulation revenue fell S\$12.7 million (10.1%) and S\$2 million (5%) respectively.

Revenue for the Property segment decreased by S\$1.5 million (2.4%) to S\$60.1 million due to lower rental income from the retail assets of the Group.

Revenue from the Group’s other businesses rose S\$6.1 million (38.5%) to S\$22 million with contributions from the aged care and education businesses.

- 7.2 Materials, production and distribution costs fell S\$2.8 million (7.5%) in line with lower revenue.

Staff costs decreased by S\$5.9 million (6.3%) due to lower bonus provision.

Other operating expenses increased S\$1.5 million (5.2%) due to higher business promotion costs and impairment of trade receivables, partially cushioned by reversal of provision for retrenchment and outplacement costs.

Impairment charges on goodwill and intangibles of S\$22.3 million and S\$37.8 million were recognised in 3Q 2018 and 3Q 2017 respectively. The charges in 3Q 2018 primarily related to the online classifieds business due to challenging market conditions.

- 7.3 Operating profit of S\$44.4 million was S\$10.1 million (29.6%) higher compared to the same period last year. Excluding the impairment of goodwill and intangibles, operating profit was lower by S\$5.3 million (7.4%).

- 7.4 Investment income for the quarter of S\$21.9 million increased by S\$10.2 million (87.4%) attributable mainly to profit on disposal of investments.

- 7.5 The share of results of associates and joint ventures improved by S\$2.7 million due to a gain recognised on disposal of an investment.

- 7.6 Taxation charge of S\$11.8 million was based on the statutory tax rate, taking into account non-deductible expenses and non-taxable income. This included an amount of S\$0.5 million for over-provision of taxation in respect of prior years.

- 7.7 Net profit attributable to shareholders of S\$47.4 million was S\$18.6 million (64.3%) higher compared to 3Q 2017.

8. 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.

9(a)(i) **Performance for the Year-To-Date ended 31 May 2018**

Results for the Year-To-Date ended 31 May 2018

	Group		Change %
	YTD 3Q 2018 S\$'000	YTD 3Q 2017 S\$'000	
Operating revenue			
Media	497,472	552,433	(9.9)
Property	181,777	183,978	(1.2)
Others	63,283	39,827	58.9
	<u>742,532</u>	<u>776,238</u>	(4.3)
Other operating income	19,919	13,000	53.2
	<u>762,451</u>	<u>789,238</u>	(3.4)
Materials, production and distribution costs	(106,078)	(115,740)	(8.3)
Staff costs	(264,810)	(275,631)	(3.9)
Premises costs	(51,873)	(48,094)	7.9
Depreciation	(24,687)	(28,446)	(13.2)
Other operating expenses	(103,419)	(102,405)	1.0
Impairment of goodwill and intangibles	(22,326)	(37,780)	(40.9)
Finance costs	(27,585)	(23,086)	19.5
Operating profit [#]	161,673	158,056	2.3
Net income from investments	43,562	26,597	63.8
Share of results of associates and joint ventures	3,027	808	NM
Profit before taxation	208,262	185,461	12.3
Taxation	(30,811)	(28,994)	6.3
Profit after taxation	<u>177,451</u>	<u>156,467</u>	13.4
Attributable to:			
Shareholders of the Company	148,065	128,109	15.6
Non-controlling interests	29,386	28,358	3.6
	<u>177,451</u>	<u>156,467</u>	13.4

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

NM Not Meaningful

9(a)(ii) Notes:
Profit after taxation is arrived at after accounting for:

	Group		Change
	YTD 3Q	YTD 3Q	
	2018	2017	
	S\$'000	S\$'000	%
Write-back of allowance for stock obsolescence	93	112	(17.0)
Share-based compensation expense	(3,105)	(3,914)	(20.7)
Provision for retrenchment and outplacement costs	(10,332)	(7,238)	42.7
(Impairment)/Write-back of impairment of trade receivables	(961)	1,766	NM
Bad debts recovery	16	145	(89.0)
Write-back of impairment/(Impairment) of property, plant and equipment	178	(2,614)	NM
Profit/(Loss) on disposal of property, plant and equipment	147	(97)	NM
Amortisation of intangible assets	(7,733)	(8,272)	(6.5)
Impairment of goodwill	(17,240)	(9,879)	74.5
Impairment of intangible assets	(5,086)	(27,901)	(81.8)
Gain on divestment of interests in associates	5,966	-	NM
Gain on divestment of interest in a joint venture	-	298	NM
Impairment of an associate	-	(4,786)	NM
Impairment of a joint venture	-	(159)	NM
Interest income	8,391	5,989	40.1
Net profit on disposal of investments	29,248	17,607	66.1
Net fair value changes on			
- Investments at fair value through profit or loss	(1,236)	(512)	NM
- Derivatives	1,279	(4,177)	NM
Net foreign exchange differences	(203)	(1,389)	(85.4)
Impairment of investments	(2,263)	(2,476)	(8.6)
Net over-provision of prior years' taxation	1,677	292	NM

9(a)(iii) Statement of Comprehensive Income

	Group		
	YTD 3Q 2018 S\$'000	YTD 3Q 2017 S\$'000	Change %
Profit after taxation	177,451	156,467	13.4
Other comprehensive income, net of tax <u>Items that may be re-classified subsequently to profit or loss</u>			
Cash flow hedges			
- net fair value changes	3,241	(2,222)	NM
- transferred to income statement	2,999	4,183	(28.3)
Net fair value changes on available-for-sale financial assets			
- net fair value changes	28,593	(28,823)	NM
- transferred to income statement	(24,661)	(12,902)	91.1
Currency translation difference			
- arising from consolidation of financial statements of foreign subsidiaries, associates and joint ventures	1,994	(2,149)	NM
	12,166	(41,913)	NM
Total comprehensive income	<u>189,617</u>	<u>114,554</u>	65.5
Attributable to:			
Shareholders of the Company	158,227	86,338	83.3
Non-controlling interests	31,390	28,216	11.2
	<u>189,617</u>	<u>114,554</u>	65.5

9(b) **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 Year-To-Date ended 31 May 2018

	YTD 3Q 2018 S\$'000	YTD 3Q 2017 S\$'000
Note		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	208,262	185,461
Adjustments for:		
Depreciation	24,687	28,446
(Write-back of impairment)/Impairment of property, plant and equipment	(178)	2,614
(Profit)/Loss on disposal of property, plant and equipment	(147)	97
Share of results of associates and joint ventures	(3,027)	(808)
Gain on divestment of interests in associates	(5,966)	-
Gain on divestment of interest in a joint venture	-	(298)
Impairment of an associate	-	4,786
Impairment of a joint venture	-	159
Net income from investments	(43,562)	(26,597)
Amortisation of intangible assets	7,733	8,272
Impairment of goodwill	17,240	9,879
Impairment of intangible assets	5,086	27,901
Finance costs	27,585	23,086
Share-based compensation expense	3,105	3,914
Other non-cash items	(1,101)	1,496
Operating cash flow before working capital changes	239,717	268,408
Changes in operating assets and liabilities, net of effects from acquisition and disposal of subsidiaries and business:		
Inventories	4,121	(106)
Trade and other receivables, current	(1,640)	3,118
Trade and other payables, current	(24,540)	(14,461)
Trade and other receivables, non-current	453	(2,895)
Trade and other payables, non-current	696	(5,738)
Others	2,146	(440)
	220,953	247,886
Income tax paid	(42,901)	(51,075)
Dividends paid	(242,309)	(274,556)
Dividends paid (net) by a subsidiary to non-controlling interests	(32,261)	(31,415)
Net cash used in operating activities	(96,518)	(109,160)

Consolidated Statement of Cash Flows for the Year-To-Date ended 31 May 2018 (cont'd)

	Note	YTD 3Q 2018 S\$'000	YTD 3Q 2017 S\$'000
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment		(18,487)	(6,591)
Additions to intangible assets		-	(450)
Proceeds from disposal of property, plant and equipment		437	182
Additions to investment properties		(5,415)	(6,587)
Additions of a subsidiary (net of cash acquired)		-	(157,184)
Acquisition of business by a subsidiary		(4,840)	-
Acquisition of interests in associates		(11,205)	(30,981)
Acquisition of interests in joint ventures		(25,639)	(878)
Dividends received from associates		2,488	6,268
Proceeds from divestment of interest in an associate		17	-
(Increase)/Decrease in amounts owing by associates/ joint ventures		(86,533)	197
Decrease in amounts owing to associates/ joint ventures		(1,920)	(1,855)
Purchase of investments, non-current		(31,210)	(19,721)
Purchase of investments, current		(132,602)	(53,382)
Proceeds from capital distribution/disposal of investments, non-current		81,023	15,170
Proceeds from capital distribution/disposal of investments, current		129,582	110,911
Dividends received		12,136	11,860
Interest received		4,016	5,166
Other investment income		4,681	(7,746)
Net cash used in investing activities		(83,471)	(135,621)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from bank loans (net of transaction costs)	(i)	555,332	195,000
Repayment of bank loans		(446,333)	(10,023)
Interest paid		(25,517)	(22,374)
Share buy-back		(2,150)	(4,486)
Proceeds from partial divestment of interests in subsidiaries		22,307	7,522
Loan from a non-controlling interest		-	11
Net cash from financing activities		103,639	165,650
Net decrease in cash and cash equivalents		(76,350)	(79,131)
Cash and cash equivalents at beginning of period		312,647	312,894
Cash and cash equivalents at end of period		236,297	233,763

Note to the Statement of Cash Flows

- (i) Refer to Notes to the Statements of Financial Position (a) on page 5.

10. Earnings Per Share for the Year-To-Date ended 31 May 2018

	Group	
	YTD 3Q 2018	YTD 3Q 2017
(a) Based on the weighted average number of shares on issue (S\$)	0.09	0.08
(b) On fully diluted basis (S\$)	0.09	0.08

11. Review of Results for the Year-to-date ended 31 May 2018 (“YTD 3Q 2018”) compared with the Year-to-date ended 31 May 2017 (“YTD 3Q 2017”)

11.1 Group operating revenue of S\$742.5 million was S\$33.7 million (4.3%) lower compared to the same period last year. Revenue for the Media business decreased by S\$55 million (9.9%) to S\$497.5 million as advertisement and circulation revenue fell S\$47.6 million (12.3%) and S\$8.1 million (6.6%) respectively.

Revenue for the Property segment fell marginally by S\$2.2 million (1.2%).

Revenue from the Group’s other businesses rose by S\$23.5 million (58.9%) to S\$63.3 million, led by contributions from the aged care business.

11.2 Other operating income increased by S\$6.9 million (53.2%) mainly due to a gain of S\$5.9 million arising from the dilution of interest on an associate’s IPO listing.

11.3 Materials, production and distribution costs fell S\$9.7 million (8.3%) in line with lower revenue.

Staff costs decreased by S\$10.8 million (3.9%) due to lower bonus provision.

Premises costs increase of S\$3.8 million (7.9%) was attributable to the aged care business.

Depreciation charges reduced by S\$3.8 million (13.2%) as certain assets were fully depreciated or impaired.

Impairment charges on goodwill and intangibles of S\$22.3 million and S\$37.8 million were recognised in YTD 3Q 2018 and YTD 3Q 2017 respectively. The charges in YTD 3Q 2018 primarily related to the online classifieds business due to challenging market conditions.

11.4 Operating profit was S\$161.7 million, S\$3.6 million (2.3%) higher than the same period last year. Excluding the impairment of goodwill and intangibles, operating profit declined by S\$11.8 million (6%).

11.5 Investment income increase of S\$17 million (63.8%) arose from higher gain on disposal of investments and foreign exchange differences on hedges for portfolio investments.

11.6 Taxation charge of S\$30.8 million was based on the statutory tax rate, taking into account non-deductible expenses and non-taxable income. This included an amount of S\$1.7 million for over-provision of taxation in respect of prior years.

11.7 Net profit attributable to shareholders of S\$148.1 million was S\$20 million (15.6%) higher compared to YTD 3Q 2017.

12. **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**

12.1 As the Group continues to sharpen its Media capabilities in the face of digital disruption, it is seeing early signs of a slower decline in Media revenue.

12.2 At the same time, the Group is making efforts to diversify, with new growth thrusts. The Group's new strategy is to focus on the acquisition of cash-yielding real estate assets overseas. It is also preparing the Aged Care business for overseas expansion.

12.3 New Singapore property cooling measures on home purchases were introduced on 6 July. As it is a recent development, the Group is still monitoring the potential impact on The Woodleigh Residences, a joint project between SPH and Kajima Development.

13. **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.

14. **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.

15. **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.

16. **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.

17. **Segmental information (of the group) for the Year-To-Date ended 31 May 2018**

YTD 3Q 2018

	Media	Property	Treasury and Investment	Others	Eliminations	Consolidated
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Operating revenue						
External sales	497,472	181,777	-	63,283	-	742,532
Inter-segmental sales	2,716	1,869	-	1,626	(6,211)	-
Total operating revenue	500,188	183,646	-	64,909	(6,211)	742,532
Result						
Segment result	71,772	142,883	29,649	(11,484)	-	232,820
Finance costs	-	(26,077)	(1,495)	(13)	-	(27,585)
Share of results of associates and joint ventures	96	3,744	-	(813)	-	3,027
Profit/(Loss) before taxation*	71,868	120,550	28,154	(12,310)	-	208,262

YTD 3Q 2017

	Media	Property	Treasury and Investment	Others	Eliminations	Consolidated
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Operating revenue						
External sales	552,433	183,978	-	39,827	-	776,238
Inter-segmental sales	3,263	1,698	-	2,700	(7,661)	-
Total operating revenue	555,696	185,676	-	42,527	(7,661)	776,238
Result						
Segment result	52,229	141,437	21,199	(7,126)	-	207,739
Finance costs	-	(21,832)	(1,244)	(10)	-	(23,086)
Share of results of associates and joint ventures	542	3,036	-	(2,770)	-	808
Profit/(Loss) before taxation*	52,771	122,641	19,955	(9,906)	-	185,461

* The results for YTD 3Q 2018 included impairment charges for goodwill and intangibles of S\$0.7 million (YTD 3Q 2017: S\$29.8 million) taken up in the Media segment and S\$21.6 million (YTD 3Q 2017: S\$8 million) in the Others segment.

BY ORDER OF THE BOARD

Ginney Lim May Ling
Khor Siew Kim

Company Secretaries

Singapore,
11 July 2018



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 third quarter ended 31 May 2018 to be false or misleading in any material respect.

On behalf of the Directors

A handwritten signature in blue ink, appearing to read 'Lee Boon Yang', written over a horizontal line.

LEE BOON YANG
Chairman

A handwritten signature in blue ink, appearing to read 'Ng Yat Chung', written over a horizontal line.

NG YAT CHUNG
Director

Singapore,
11 July 2018



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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 31 May 2018, and the consolidated statements of income, comprehensive income, changes in total equity and cash flows of the Group for the three-month and nine-month periods 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 Standard (“FRS”) 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 FRS 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 LLP

KPMG LLP

*Public Accountants and
Chartered Accountants*

Singapore
11 July 2018