



## **SINGAPORE PRESS HOLDINGS LIMITED**

*Reg. No. 198402868E  
(Incorporated in Singapore)*

### **SPH reports Third Quarter Net Profit of \$28.9 million**

**SINGAPORE, 14 July 2017** – Singapore Press Holdings Limited (SPH) today reported its results for the third quarter ended 31 May 2017 (3Q 2017). Net profit attributable to shareholders of \$28.9 million was \$23.8 million or 45.2% lower against the corresponding period last year (3Q 2016).

The results for the current quarter were impacted by impairment charges of \$37.8 million, which primarily related to the magazine business whose performance continued to deteriorate further amid unfavourable market conditions.

At the operating level, Group recurring earnings of \$34.3 million was \$26.5 million or 43.6% lower year-on-year (“yoy”). Excluding the impairment charges, group recurring earnings would have fallen by \$17.1 million or 19.2% due to decline in Media revenue.

Group operating revenue slid \$31.6 million or 10.8% yoy to \$260.0 million, as performance of the Media business continued to be hurt by the disruption of the media industry and a muted economic environment. Reflecting the challenging headwinds, the Media business saw a \$34.1 million or 15.7% dip in operating revenue as advertisement revenue fell \$29.2 million or 18.7% yoy and circulation revenue declined \$4.8 million or 10.6% against 3Q 2016.

Despite a depressed retail environment, the Property segment delivered a creditable set of results with a \$1.2 million or 2% yoy revenue growth. The steady performance was achieved on the back of higher rental income from the Group’s retail assets.

Revenue from the Group's other businesses was \$1.2 million or 8.2% higher against the corresponding period last year, with the maiden contribution from the newly acquired healthcare business partially offset by lower revenue from the exhibitions business.

On the cost front, the Group continued to exercise stringent cost discipline. Excluding the impairment charges, total costs for the quarter were \$193.6 million, some \$14.0 million or 6.7% lower yoy despite inflationary pressures.

Investment income at \$11.7 million was \$7.0 million or 37.4% below 3Q 2016, attributable to a fall in dividend income and lower fair value gains on hedges for portfolio investments.

On a year-to-date basis, for the three quarters ended 31 May 2017, Group recurring earnings fell \$69.8 million or 30.6% yoy to \$158.1 million. Net profit attributable to shareholders of \$128.1 million was \$60.0 million or 31.9% lower against the corresponding period last year. Besides the decline in Media revenue, other major factors impacting the results were the current quarter's impairment charges and restructuring charges in 1Q 2017 totalling \$53.7 million, as compared to an impairment charge of \$28.4 million in the corresponding period last year.

The Group has completed the sale of 701Search on 30 June 2017 and expects to recognise a profit of approximately \$150 million from the divestment in the next reporting period. 701Search operates an online classifieds business in Malaysia, Vietnam and Myanmar.

On the business outlook, Mr Alan Chan, Chief Executive Officer of SPH, said: "The Group will forge ahead with its drive to transform the core Media business. We have pursued other growth opportunities to diversify revenue streams. To-date, we have made steady progress with the recent acquisition of Orange Valley Healthcare and our joint venture winning the tender to develop a mixed commercial and residential site at Bidadari."

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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.

#### **Media**

The English/Malay/Tamil Media group comprises the print and digital operations of The Straits Times, The Business Times, The New Paper, Berita Harian and their respective student publications. It also includes subsidiaries Tamil Murasu Ltd, which publishes Tamil Murasu and tabla!; book publishing arm Straits Times Press; SPH Data Services, which licenses the use of the Straits Times Index, in partnership with the Singapore Exchange and FTSE-Russell Ltd; financial data company ShareInvestor; the two English stations of SPH Radio - Kiss92 and ONE FM 91.3 and SPH Golf (including SPH Pacom Ltd).

The Chinese Media group publishes three Chinese newspapers in print and digital format - Lianhe Zaobao, Lianhe Wanbao and Shin Min Daily News; four student weeklies - zbCOMMA, Thumbs Up, Thumbs Up Junior and Thumbs Up Little Junior, and ZBBZ Newsgazine. It also operates SPH Radio's Chinese radio station, UFM100.3, and Focus Publishing, which produces a range of books and magazines including U-Weekly.

SPH's other new media initiatives include AsiaOne, Stomp, zaobao.sg, zaobao.com and SPH Razor.

On an average day, 2.5 million<sup>1</sup> individuals or 59 per cent of people above 15 years old, read one of SPH's news publications in print copies or one of our digital platforms.

SPH Magazines, SPH's wholly-owned subsidiary, publishes and produces more than 100 magazine titles and has various online sites, like [hardwarezone.com](http://hardwarezone.com), [herworldplus.com](http://herworldplus.com) and [luxuryinsider.com](http://luxuryinsider.com) in Singapore and the region, covering a broad range of interests from lifestyle to information technology. It has also invested in digital newsstand Magzter.

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<sup>1</sup> Nielsen Media Index 2016, Monday-Sunday, read any SPH newspapers in print or digital format

SPH also provides out-of-home (OOH) advertising options where it manages large format digital screens and static billboards at key locations in the Central Business District, Orchard Road, City Fringe as well as major heartland hubs.

SPH Buzz is a modern retail convenience chain with a network of stores around the island.

SPH has a 20 per cent stake in MediaCorp TV Holdings Pte Ltd, which operates free-to-air channels 5, 8 and U, and a 40 per cent stake in MediaCorp Press Limited, which publishes the free newspaper, Today.

### **Properties**

SPH REIT is a Singapore-based REIT established to invest in a portfolio of income-producing real estate primarily for retail purposes. SPH REIT comprises Paragon, a premier upscale retail mall and medical suite/office property in Orchard Road and The Clementi Mall, a mid-market suburban mall in the centre of Clementi town.

The Seletar Mall, located in Sengkang, is SPH's latest retail development. This property is a potential asset to be injected into SPH REIT. SPH's wholly-owned subsidiary, Times Development Pte Ltd, also developed a 43-storey upmarket residential condominium, Sky@eleven, at Thomson Road.

### **Other Businesses**

#### **Online Classifieds**

SPH's online classifieds include the leading online marketplace for jobs (STJobs, FastJobs), property (STProperty), cars (STCars) and general classifieds (STClassifieds, Trezo), sgCarMart and StreetSine.

SPH's regional joint venture online classifieds business has a number of leading online classifieds sites in the region.

#### **Events and Exhibitions**

Sphere Exhibits, Sphere Conferences, Exhibits Inc and Bizlink Exhibition Services organise innovative consumer and trade events and exhibitions as well as large scale conferences in Singapore and the region.

#### **Healthcare**

SPH owns Orange Valley which operates nursing homes.

#### **Education**

SPH has a 22 per cent stake in preschool and enrichment provider MindChamps.

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