

LETTER TO SHAREHOLDERS

SINGAPORE PRESS HOLDINGS LIMITED

(Incorporated in the Republic of Singapore)
Company Registration No. 198402868E

Board of Directors:

Tony Tan Keng Yam (*Chairman*)
Cham Tao Soon
Chan Heng Loon Alan
Willie Cheng Jue Hiang
Ngiam Tong Dow
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Singapore 318994

5 November 2008

To: The Shareholders of
Singapore Press Holdings Limited

Dear Sir/Madam

PROPOSED RENEWAL OF THE SHARE BUY BACK MANDATE

1. BACKGROUND

1.1 **Introduction.** At the Annual General Meeting of Singapore Press Holdings Limited (the “**Company**”) held on 5 December 2007 (“**2007 AGM**”), Shareholders had approved, *inter alia*, the renewal of a mandate (the “**Share Buy Back Mandate**”) to enable the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company (the “**Ordinary Shares**”). The rationale for, the authority and limitations on, and the financial effects of, the Share Buy Back Mandate were set out in the Company’s Letter to shareholders of the Company (the “**Shareholders**”) dated 5 November 2007 (the “**2007 Circular**”) and Ordinary Resolution 8(iii) set out in the Notice of the 2007 AGM.

The Share Buy Back Mandate was expressed to take effect on the date of the passing of Ordinary Resolution 8(iii) at the 2007 AGM and will expire on the date of the forthcoming Twenty-Fourth Annual General Meeting (the “**2008 AGM**”) which has been convened to be held on 4 December 2008.

As at 2 October 2008, being the latest practicable date prior to the printing of this letter (the “**Latest Practicable Date**”), the Company had purchased or acquired an aggregate of 2,080,000 Ordinary Shares by way of On-Market Share Buy Backs (as defined in paragraph 2.2.3 below) pursuant to the Share Buy Back Mandate approved by Shareholders at the 2007 AGM. As at the Latest Practicable Date, 6,781,000 Ordinary Shares purchased or acquired by the Company were held as treasury shares.

1.2 **Proposed Renewal of the Share Buy Back Mandate.** The Directors propose that the Share Buy Back Mandate be renewed at the 2008 AGM to authorise the Company to purchase or acquire issued Ordinary Shares. The Share Buy Back Mandate is set out in Ordinary Resolution No. 8(iii) under the heading “Special Business” in the Notice of the 2008 AGM accompanying the Summary Financial Report 2008 of the Company.

2. THE SHARE BUY BACK MANDATE

2.1 **Rationale.** The rationale for the Company to undertake the purchase or acquisition of its issued Ordinary Shares (“**Share Buy Back**”) is as follows:

- (a) It is a principal mission of the Directors and management to constantly increase Shareholders’ value and to improve, *inter alia*, the return on equity (the “**ROE**”) of the Company and its subsidiaries (the “**Group**”). Share Buy Backs at the appropriate price level is one of the ways through which the ROE of the Group may be enhanced.
- (b) The Share Buy Back Mandate will enable the Directors to return part of the Group’s surplus funds, in excess of the financial and possible investment needs of the Group, to the Shareholders. It is an expedient, effective and cost-efficient way of returning surplus cash to Shareholders.
- (c) The Share Buy Back Mandate will give the Company greater flexibility to control, *inter alia*, the Company’s share capital structure and give Directors the ability to purchase the Ordinary Shares on the Singapore Exchange Securities Trading Limited (the “**SGX-ST**”), where appropriate, to buffer short-term share price volatility.
- (d) Repurchased Ordinary Shares which are held in treasury may be transferred for the purposes of employee share schemes implemented by the Company, to enable the Company to take advantage of tax deductions under the current taxation regime. The use of treasury shares in lieu of issuing new Ordinary Shares would also mitigate the dilution impact on existing Shareholders.

2.2 **Authority and Limits on the Share Buy Back Mandate.** The authority and limitations placed on purchases or acquisitions of Ordinary Shares under the Share Buy Back Mandate, if renewed at the 2008 AGM, are substantially the same as previously approved by Shareholders and are as follows:

2.2.1 **Maximum Number of Ordinary Shares**

Only Ordinary Shares which are issued and fully paid may be purchased or acquired by the Company. The total number of Ordinary Shares which may be purchased or acquired by the Company pursuant to the Share Buy Back Mandate is limited to that number of Ordinary Shares representing not more than 10% of the issued Ordinary Shares as at the date of the 2008 AGM at which the renewal of the Share Buy Back Mandate is approved. Any Ordinary Shares which are held as treasury shares will be disregarded for purposes of computing the 10% limit.

Based on 1,593,134,521 issued Ordinary Shares as at the Latest Practicable Date (and disregarding 6,781,000 Ordinary Shares held in treasury as at the Latest Practicable Date) and assuming no further Ordinary Shares are issued or repurchased and held as treasury shares, on or prior to the 2008 AGM, the purchase by the Company of up to the maximum limit of 10% of its issued Ordinary Shares (excluding the 6,781,000 Ordinary Shares held in treasury) will result in the purchase or acquisition of 158,635,352 Ordinary Shares.

2.2.2 **Duration of Authority**

Purchases or acquisitions of Ordinary Shares may be made, at any time and from time to time, on and from the date of the 2008 AGM at which the renewal of the Share Buy Back Mandate is approved up to:

- (a) the date on which the next Annual General Meeting of the Company is held or required by law to be held; or
- (b) the date on which the authority conferred by the Share Buy Back Mandate is revoked or varied,

whichever is the earlier.

2.2.3 **Manner of Share Buy Back**

A Share Buy Back may be made by way of:

- (a) an on-market Share Buy Back (“**On-Market Share Buy Back**”), transacted on the SGX-ST through the ready market or the special trading counter on SGX-ST trading system, through one or more duly licensed stock brokers appointed by the Company for the purpose; and/or
- (b) an off-market Share Buy Back (“**Off-Market Equal Access Share Buy Back**”) effected pursuant to an equal access scheme.

The Directors may impose such terms and conditions which are not inconsistent with the Share Buy Back Mandate, the listing manual of the SGX-ST, including any amendments made thereto up to the Latest Practicable Date (the “**Listing Manual**”) and the Companies Act, Chapter 50 of Singapore, as amended or modified from time to time (the “**Companies Act**”) as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes.

An Off-Market Equal Access Share Buy Back must, however, satisfy all the following conditions:

- (i) offers for the Share Buy Back shall be made to every person who holds Ordinary Shares to purchase or acquire the same percentage of their Ordinary Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Ordinary Shares with different accrued dividend entitlements and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Ordinary Shares.

If the Company wishes to make an Off-Market Equal Access Share Buy Back in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (I) terms and conditions of the offer;
- (II) period and procedures for acceptances; and
- (III) information required under Rules 883(2), (3), (4) and (5) of the Listing Manual.

2.2.4 **Purchase Price**

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for an Ordinary Share will be determined by the committee constituted for the purposes of effecting Share Buy Backs. The purchase price to be paid for the Ordinary Shares pursuant to Share Buy Backs (both On-Market Share Buy Backs and Off-Market Equal Access Share Buy Backs) must not exceed 105% of the Average Closing Price of the Ordinary Shares (excluding related expenses of the purchase or acquisition).

For the above purposes:

“**Average Closing Price**” means the average of the last dealt prices of an Ordinary Share for the five consecutive market days on which the Ordinary Shares are transacted on the SGX-ST immediately preceding the date of the On-Market Share Buy Back by the Company or, as the case may be, the date of the making of the offer pursuant to the

Off-Market Equal Access Share Buy Back, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST for any corporate action that occurs after the relevant five-day period; and

“**date of the making of the offer**” means the date on which the Company announces its intention to make an offer for an Off-Market Equal Access Share Buy Back, stating the purchase price (which shall not be more than 105% of the Average Closing Price of the Ordinary Shares, excluding related expenses of the purchase or acquisition) for each Ordinary Share and the relevant terms of the equal access scheme for effecting the Off-Market Equal Access Share Buy Back.

2.3 **Status of Purchased Ordinary Shares.** Ordinary Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to the Ordinary Shares will expire on such cancellation) unless such Ordinary Shares are held by the Company as treasury shares. The total number of issued Ordinary Shares will be diminished by the number of Ordinary Shares purchased or acquired by the Company and which are not held as treasury shares.

2.4 **Treasury Shares.** Under the Companies Act, Ordinary Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act, are summarised below:

2.4.1 ***Maximum Holdings***

The number of Ordinary Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Ordinary Shares.

2.4.2 ***Voting and Other Rights***

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company’s assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

2.4.3 ***Disposal and Cancellation***

Where Ordinary Shares are held as treasury shares, the Company may at any time (but subject always to the Singapore Code on Take-overs and Mergers (the “**Take-over Code**”)):

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to an employees’ share scheme;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

In addition, under the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares. Such announcement must include details such as the date of the sale, transfer, cancellation and/or use of such treasury shares, the purpose of such sale, transfer, cancellation and/or use of such treasury shares, the number of treasury shares which have been sold, transferred, cancelled and/or used, the number of treasury shares before and after such sale, transfer, cancellation and/or use, the percentage of the number of treasury shares against the total number of issued shares (of the same class as the treasury shares) which are listed before and after such sale, transfer, cancellation and/or use and the value of the treasury shares if they are used for a sale or transfer, or cancelled.

2.5 **Funding of Share Buy Backs.** The Company may use internal sources of funds, or a combination of internal resources and external borrowings, to finance Share Buy Backs. The Directors do not propose to exercise the Share Buy Back Mandate to such an extent that it would materially affect the working capital requirements or investment ability of the Group.

2.6 **Financial Effects.** The financial effects of a Share Buy Back on the Group will depend on, *inter alia*, whether the Ordinary Shares are purchased or acquired out of profits and/or capital of the Company, the number of Ordinary Shares purchased or acquired, the price paid for such Ordinary Shares and whether the Ordinary Shares purchased or acquired are held in treasury or cancelled. The financial effects on the audited financial information of the Group for the financial year ended 31 August 2008 are based on the assumptions set out below:

2.6.1 ***Purchase or Acquisition out of Profits and/or Capital***

Under the Companies Act, purchases or acquisitions of Ordinary Shares by the Company may be made out of the Company's profits and/or capital.

Where the consideration paid by the Company for the purchase or acquisition of Ordinary Shares is made out of profits, such consideration (excluding brokerage, commission, applicable goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company.

Where the consideration paid by the Company for the purchase or acquisition of Ordinary Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

2.6.2 ***Number of Ordinary Shares Acquired or Purchased***

Based on 1,593,134,521 issued Ordinary Shares as at the Latest Practicable Date (and disregarding the 6,781,000 Ordinary Shares held in treasury), and assuming no further Ordinary Shares are issued or repurchased and held as treasury shares on or prior to the 2008 AGM, the maximum number of Ordinary Shares which the Company may purchase or acquire is 158,635,352 Ordinary Shares. (Please refer to paragraph 2.2.1 above).

2.6.3 ***Maximum Price Paid for Ordinary Shares Acquired or Purchased***

Assuming that the Company purchases or acquires the 158,635,352 Ordinary Shares at the Maximum Price of S\$4.13 for one Ordinary Share (being the price equivalent to 105% of the average last dealt prices of the Ordinary Shares for the five consecutive market days on which the Ordinary Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for such Share Buy Back is approximately S\$655.2 million.

The maximum amount of funds required for such Share Buy Back is the same regardless of whether the Company effects an On-Market Share Buy Back or an Off-Market Equal Access Share Buy Back.

For illustrative purposes only, assuming:

- (a) the Share Buy Back Mandate had been effective on 1 September 2007;
- (b) the number of issued Ordinary Shares as at 1 September 2007 was the same as the number of issued Ordinary Shares as at the Latest Practicable Date, that is, 1,593,134,521 issued Ordinary Shares (out of which 6,781,000 Ordinary Shares were held in treasury);
- (c) 34,900 Ordinary Shares issued pursuant to the exercise of options (“**Options**”) granted under the Singapore Press Holdings Group (1999) Share Option Scheme adopted at an extraordinary general meeting of the Company held on 16 July 1999, as modified from time to time (the “**1999 Share Option Scheme**”) and 353 management shares in the capital of the Company (the “**Management Shares**”) issued in consequence thereof between 1 September 2008 and the Latest Practicable Date, had been issued on 1 September 2007;
- (d) the Company had purchased 158,635,352 Ordinary Shares on 1 September 2007 at S\$4.13 for each Ordinary Share (being 105% of the average last dealt prices of the Ordinary Shares for the five consecutive market days on which the Ordinary Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date);
- (e) the purchase or acquisition of 158,635,352 Ordinary Shares was made equally out of profits and capital and cancelled; and
- (f) the purchase or acquisition of 158,635,352 Ordinary Shares was made equally out of profits and capital, of which the maximum number of Ordinary Shares permitted under the Companies Act to be held in treasury are held in treasury and the balance are cancelled,

the financial effects of the Share Buy Back (whether pursuant to an On-Market Share Buy Back or an Off-Market Equal Access Share Buy Back) on the audited financial information of the Group for the financial year ended 31 August 2008 would have been as follows:

Scenario 1

Share Buy Back of up to a maximum of 10% made equally out of profits (5%) and capital (5%) and all cancelled

	Group		
	Per Audited Accounts	Adjusted before the Share Buy Back ⁽¹⁾	Proforma after the Share Buy Back
	S\$'000	S\$'000	S\$'000
Shareholders' funds ^(2a)	2,088,899	2,089,016	1,425,665
Net assets ^(2b)	2,088,899	2,089,016	1,425,665
Current assets	1,138,265	1,138,382	499,363
Current liabilities	367,444	367,444	366,886
Total borrowings ^(2c)	574,416	574,416	574,416
Profit attributable to Shareholders ⁽³⁾	437,444	437,444	458,892
Number of Shares ('000)			
Ordinary Shares	1,593,100	1,593,135	1,434,499
Management shares	16,285	16,286	16,286
Less: treasury shares	(6,781)	(6,781)	(6,781)
Issued and paid-up share capital (net of treasury shares)	1,602,604	1,602,639	1,444,004
Weighted average number of issued and paid-up shares	1,602,016	1,602,051	1,443,416
Financial ratios			
Net assets per share	S\$1.30	S\$1.30	S\$0.99
Current ratio ^(2d) (times)	3.10	3.10	1.36
Gearing ^(2e) (times)	0.27	0.27	0.40
Earnings per share ^(2f)	S\$0.27	S\$0.27	S\$0.32
Return on Shareholders' funds ^(2g) (%)	20.94	20.94	32.19

Notes:

- (1) Adjusted for 34,900 Ordinary Shares issued pursuant to the exercise of 34,900 Options and 353 Management Shares issued consequent thereof between 1 September 2008 and the Latest Practicable Date.
- (2) For the purposes of the above calculations:
- (a) "Shareholders' funds" means the aggregate amount of issued share capital, treasury shares, capital reserve, share-based compensation reserve, hedging reserve, fair value reserve, retained profit and currency translation reserve;
- (b) "Net assets" as disclosed above excludes minority interests;
- (c) "Total borrowings" means the aggregate borrowings from banks and financial institutions;
- (d) "Current ratio" represents the ratio of Current assets to Current liabilities;
- (e) "Gearing" represents the ratio of Total borrowings to Shareholders' funds;
- (f) "Earnings per share" is calculated based on Profit attributable to Shareholders and Weighted average number of issued and paid-up shares; and
- (g) "Return on Shareholders' funds" is calculated based on Profit attributable to Shareholders and Shareholders' funds.
- (3) The increase in Profit attributable to Shareholders from S\$437.4 million to S\$458.9 million arises mainly from the assumed sale of certain investments, at market values prevailing on 31 August 2008, to finance the Share Buy Backs.

Scenario 2

Share Buy Back of up to a maximum of 10% made equally out of profits (5%) and capital (5%) and up to the maximum number permitted held in treasury and the balance cancelled

	Group		
	Per Audited Accounts	Adjusted before the Share Buy Back ⁽¹⁾	Proforma after the Share Buy Back
	S\$'000	S\$'000	S\$'000
Shareholders' funds ^(2a)	2,088,899	2,089,016	1,425,665
Net assets ^(2b)	2,088,899	2,089,016	1,425,665
Current assets	1,138,265	1,138,382	499,363
Current liabilities	367,444	367,444	366,886
Total borrowings ^(2c)	574,416	574,416	574,416
Profit attributable to Shareholders ⁽³⁾	437,444	437,444	458,892
Number of Shares ('000)			
Ordinary Shares	1,593,100	1,593,135	1,586,353
Management shares	16,285	16,286	16,286
Less: treasury shares	(6,781)	(6,781)	(158,635)
Issued and paid-up share capital (net of treasury shares)	1,602,604	1,602,639	1,444,004
Weighted average number of issued and paid-up shares	1,602,016	1,602,051	1,443,416
Financial ratios			
Net assets per share	S\$1.30	S\$1.30	S\$0.99
Current ratio ^(2d) (times)	3.10	3.10	1.36
Gearing ^(2e) (times)	0.27	0.27	0.40
Earnings per share ^(2f)	S\$0.27	S\$0.27	S\$0.32
Return on Shareholders' funds ^(2g) (%)	20.94	20.94	32.19

Notes:

- (1) Adjusted for 34,900 Ordinary Shares issued pursuant to the exercise of 34,900 Options and 353 Management Shares issued consequent thereof between 1 September 2008 and the Latest Practicable Date.
- (2) For the purposes of the above calculations:
- (a) "Shareholders' funds" means the aggregate amount of issued share capital, treasury shares, capital reserve, share-based compensation reserve, hedging reserve, fair value reserve, retained profit and currency translation reserve;
- (b) "Net assets" as disclosed above excludes minority interests;
- (c) "Total borrowings" means the aggregate borrowings from banks and financial institutions;
- (d) "Current ratio" represents the ratio of Current assets to Current liabilities;
- (e) "Gearing" represents the ratio of Total borrowings to Shareholders' funds;
- (f) "Earnings per share" is calculated based on Profit attributable to Shareholders and Weighted average number of issued and paid-up shares; and
- (g) "Return on Shareholders' funds" is calculated based on Profit attributable to Shareholders and Shareholders' funds.
- (3) The increase in Profit attributable to Shareholders from S\$437.4 million to S\$458.9 million arises mainly from the assumed sale of certain investments, at market values prevailing on 31 August 2008, to finance the Share Buy Backs.

SHAREHOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE FOR ILLUSTRATION PURPOSES ONLY (BASED ON THE AFOREMENTIONED ASSUMPTIONS). IN PARTICULAR, IT IS IMPORTANT TO NOTE THAT THE ABOVE ANALYSIS IS BASED ON THE HISTORICAL PROFORMA NUMBERS FOR THE FINANCIAL YEAR ENDED 31 AUGUST 2008, AND IS NOT NECESSARILY REPRESENTATIVE OF FUTURE FINANCIAL PERFORMANCE.

Although the Share Buy Back Mandate would authorise the Company to purchase or acquire up to 10% of its issued Ordinary Shares (excluding Ordinary Shares held in treasury), the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of its issued Ordinary Shares (excluding Ordinary Shares held in treasury). In addition, the Company may cancel all or part of the Ordinary Shares repurchased or hold all or part of the Ordinary Shares repurchased as treasury shares.

- 2.7 **Shareholding Limits.** The Newspaper and Printing Presses Act, Chapter 206 of Singapore (the “**Newspaper Act**”) prohibits any person from being a substantial shareholder of a newspaper company or any person, whether alone or together with his associates (as defined in the Newspaper Act) from holding or controlling 12% of the voting shares or any person from being an indirect controller (as defined in the Newspaper Act) of a newspaper company (collectively, the “**Prescribed Limits**”), without first obtaining the approval of the Minister for Information, Communications and the Arts (the “**Minister**”).

A Share Buy Back may inadvertently cause the percentage shareholding of a Shareholder whose current shareholding in the Company is close to any of the Prescribed Limits, to exceed such limits.

A Shareholder whose current shareholding is close to any of the Prescribed Limits and whose shareholding may exceed any such limits by reason of a Share Buy Back **is advised to seek the prior approval of the Minister** to continue to hold, on such terms as may be imposed by the Minister, the Ordinary Shares which he may hold in excess of any of the Prescribed Limits, as a consequence of a Share Buy Back.

- 2.8 **Take-over implications arising from Share Buy Backs.** Appendix 2 of the Take-over Code (“**Appendix 2**”) contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Ordinary Shares are set out below.

2.8.1 ***Obligation to make a Take-over Offer***

If, as a result of any purchase or acquisition by the Company of Ordinary Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. If such increase results in a change of effective control, or, as result of such increase, a Shareholder or a group of Shareholders acting in concert obtains or consolidates effective control of the Company, such Shareholder or group of Shareholders acting in concert could become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code.

2.8.2 ***Persons Acting in Concert***

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert:

- (a) the following companies:
 - (i) a company;

- (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv);
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
 - (vii) any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights; and
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

The circumstances under which Shareholders (including Directors) and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Ordinary Shares by the Company are set out in Appendix 2.

2.8.3 **Effect of Rule 14 and Appendix 2**

In general terms, the following are the effects of Rule 14 and Appendix 2:

- (a) Unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Ordinary Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or if the voting rights of such Directors and their concert parties fall between 30% and 50% of the Company's voting rights, the voting rights of such Directors and their concert parties increase by more than 1% in any period of six months. In calculating the percentages of voting rights of such Directors and their concert parties, treasury shares shall be excluded.
- (b) A Shareholder who is not acting in concert with Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Ordinary Shares, the voting rights of such Shareholder in the Company would increase to 30% or more, or if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder increases by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buy Back Mandate.

Based on information in the Company's Register of Shareholders as at the Latest Practicable Date, no Shareholder will become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the acquisition or purchase by the Company of the maximum limit of 10% of its issued Ordinary Shares (excluding treasury shares) as at the Latest Practicable Date.

Shareholders are reminded that those who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of Share Buy Backs by the Company should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.

- 2.9 **Listing Status of the Ordinary Shares.** The Listing Manual requires a listed company to ensure that at least 10% of the equity securities (excluding treasury shares, preference shares and convertible equity securities) in a class that is listed is at all times held by the public (as defined in the Listing Manual). As at the Latest Practicable Date, not less than 99.61% of the issued

Ordinary Shares (excluding Ordinary Shares held in treasury) are held by public Shareholders. Accordingly, the Company is of the view that there is a sufficient number of Ordinary Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Ordinary Shares up to the full 10% limit pursuant to the proposed Share Buy Back Mandate without affecting the listing status of the Ordinary Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.

The Company will not effect a Share Buy Back if immediately following the Share Buy Back, the continuing shareholding spread requirement prescribed by the SGX-ST which is in force at the time of the intended Share Buy Back cannot be maintained. The Directors will ensure that Share Buy Backs will not have an adverse effect on the listing status of the Ordinary Shares on the SGX-ST.

2.10 Reporting Requirements. The Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 a.m. (a) in the case of an On-Market Share Buy Back, on the market day following the day of purchase or acquisition of any of its shares, and (b) in the case of an Off-Market Equal Access Share Buy Back, on the second market day after the close of acceptances of the offer. Such announcement (which must be in the form of Appendix 8.3.1 to the Listing Manual) must include, *inter alia*, details of the date of the purchase, the total number of shares purchased, the number of shares cancelled, the number of shares held as treasury shares, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, the total consideration (including stamp duties and clearing charges) paid or payable for the shares, the number of shares purchased as at the date of announcement (on a cumulative basis), the number of issued shares excluding treasury shares and the number of treasury shares held after the purchase.

2.11 Details of Share Buy Backs in the last 12 months. In the last 12 months immediately preceding the Latest Practicable Date, the Company purchased or acquired 2,080,000 Ordinary Shares, by way of On-Market Share Buy Backs, pursuant to the Share Buy Back Mandate approved by Shareholders at the 2007 AGM. The highest and lowest price paid was S\$4.24 and S\$3.98 per Ordinary Share respectively. The total consideration paid for all of the purchases was S\$8,507,583.26.

3. DIRECTORS' INTERESTS

3.1 Directors' Interests in Ordinary Shares. The interests of the Directors in Ordinary Shares as recorded in the Register of Directors' Shareholdings as at the Latest Practicable Date are set out below:

Director	Direct Interest		Deemed Interest	
	No. of Ordinary Shares	%	No. of Ordinary Shares	%
Tony Tan Keng Yam	235,797	0.01	200,000	0.01
Cham Tao Soon	10,000	—	10,183	—
Chan Heng Loon Alan	107,000	0.01	—	—
Willie Cheng Jue Hiang	108,500	0.01	12,750	—
Ngiam Tong Dow	—	—	20,000	—
Ng Ser Miang	—	—	—	—
Philip N Pillai	17,000	—	—	—
Sum Soon Lim	—	—	—	—
Yeo Ning Hong	33,660	—	54,697 ⁽¹⁾	—
Yong Pung How	600,000	0.04	4,708,300	0.30

Note:

⁽¹⁾ Held jointly by Yeo Ning Hong and his spouse.

The interests of the Directors in outstanding Options and awards granted under share option or share incentive plans implemented by the Company as at the Latest Practicable Date are set out below:

	No. of Ordinary Shares comprised in outstanding Options	No. of Ordinary Shares comprised in conditional awards
Chan Heng Loon Alan	1,275,000	up to 590,400

3.2 **Directors' Interests in Management Shares.** The interests of the Directors in Management Shares as recorded in the Register of Directors' Shareholdings as at the Latest Practicable Date are set out below:

Director	Direct Interest		Deemed Interest	
	No. of Management Shares	%	No. of Management Shares	%
Tony Tan Keng Yam	4	—	—	—
Cham Tao Soon	4	—	—	—
Chan Heng Loon Alan	12	—	—	—
Willie Cheng Jue Hiang	4	—	—	—
Ngiam Tong Dow	4	—	—	—
Ng Ser Miang	4	—	—	—
Philip N Pillai	4	—	—	—
Sum Soon Lim	4	—	—	—
Yeo Ning Hong	4	—	—	—
Yong Pung How	4	—	—	—

4. DIRECTORS' RECOMMENDATIONS

The Directors are of the opinion that the proposed renewal of the Share Buy Back Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 8(iii), being the Ordinary Resolution relating to the proposed renewal of the Share Buy Back Mandate to be proposed at the 2008 AGM.

5. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy of the information given in this letter and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and opinions expressed in this letter are fair and accurate and that there are no material facts the omission of which would make any statement in this letter misleading.

Yours faithfully
for and on behalf of the
Board of Directors of
Singapore Press Holdings Limited

Tony Tan Keng Yam
Chairman