

Audited Financial Statements

Balance Sheets

as at August 31, 2001

	Note	Group		Company	
		2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Capital Employed					
Share capital	3	369,644	370,567	369,644	370,567
Share premium		93,190	77,523	93,190	77,523
Capital redemption reserve		2,268	-	2,268	-
Capital reserve	4	69,844	69,754	-	-
Retained profit		1,627,591	1,551,863	1,466,184	1,413,489
		2,162,537	2,069,707	1,931,286	1,861,579
Exchange translation difference		(12,147)	(14,474)	-	-
Shareholders' interests		2,150,390	2,055,233	1,931,286	1,861,579
Minority interests		16,422	20,842	-	-
		2,166,812	2,076,075	1,931,286	1,861,579
Non-current liabilities					
Deferred taxation	5a	73,226	52,900	58,028	39,934
Other non-current liabilities	6	550,000	568,587	-	-
		2,790,038	2,697,562	1,989,314	1,901,513
Employment of Capital					
Fixed assets	7	576,408	460,507	330,121	253,513
Investment properties	8	1,089,438	863,156	-	-
Interests in subsidiaries	9	-	-	1,317,188	1,495,613
Interests in associates	10	173,863	205,586	149,549	149,549
Long-term investments	11	300,074	348,706	425	575
Other non-current assets	12	6,618	6,163	6,080	5,839
Current assets					
Stocks	13	59,126	45,118	51,742	45,019
Prepaid film rights		8,366	-	-	-
Trade debtors	14	117,948	138,004	103,995	133,455
Other debtors and prepayments	15	18,683	22,173	4,661	4,487
Short-term investments	16	517,162	638,603	47,847	50,382
Cash on deposit		526,981	669,646	326,497	426,179
Cash and bank balances		27,357	32,306	20,819	26,219
		1,275,623	1,545,850	555,561	685,741
Current liabilities					
Trade creditors		40,367	66,254	22,784	49,420
Other creditors and accrued liabilities	17	175,758	164,461	134,093	153,048
Short-term loans	18	183,500	-	-	-
Current taxation	5b	92,820	142,798	73,192	127,956
Proposed dividends (net)		139,541	358,893	139,541	358,893
		631,986	732,406	369,610	689,317
Net current assets/(liabilities)					
		643,637	813,444	185,951	(3,576)
		2,790,038	2,697,562	1,989,314	1,901,513

Income Statements

for the Year ended August 31, 2001

	Note	Group		Company	
		2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Turnover	20				
Newspapers and magazines		960,467	1,009,655	947,793	993,758
Multimedia and broadcasting		25,683	5,480	3,397	1,566
Property		44,342	37,612	-	-
		1,030,492	1,052,747	951,190	995,324
Other operating income		17,927	17,152	13,798	15,107
		1,048,419	1,069,899	964,988	1,010,431
Materials, consumables & broadcasting costs		(228,239)	(175,506)	(200,887)	(170,869)
Staff costs		(287,474)	(246,947)	(236,814)	(222,073)
Depreciation	7	(42,056)	(56,044)	(27,971)	(45,269)
Other operating expenses		(152,960)	(153,634)	(149,629)	(157,071)
Profit from operations	21	337,690	437,768	349,687	415,149
Finance costs	22	(23,316)	(21,919)	-	-
Net income from investments	23	77,509	85,797	7,118	14,113
Dividends from unquoted subsidiaries, gross		-	-	20,000	20,000
Share of profit of associates		4,702	13,887	-	-
Profit before exceptional items		396,585	515,533	376,805	449,262
Exceptional items	24	32,011	21,875	-	-
Profit before taxation		428,596	537,408	376,805	449,262
Taxation	25	(88,815)	(118,140)	(77,731)	(114,049)
Profit after taxation		339,781	419,268	299,074	335,213
Minority interests		1,020	134	-	-
Profit attributable to shareholders		340,801	419,402	299,074	335,213
Earnings per S\$1 share (S\$)	29				
Basic		0.92	1.13		
Diluted		0.92	1.13		

The accompanying notes form part of these financial statements.

Statements of Changes in Shareholders' Equity

for the Year ended August 31, 2001

Group

	Share Capital S\$'000	Share Premium S\$'000	Capital Redemption Reserve S\$'000	Capital Reserve S\$'000	Retained Profit S\$'000	Exchange Translation Difference S\$'000	Total S\$'000
Balance as at September 1, 2000	370,567	77,523	-	69,754	1,551,863	(14,474)	2,055,233
Goodwill on consolidation (<i>Note 26</i>)	-	-	-	-	(18,694)	-	(18,694)
Exchange translation difference @	-	-	-	-	-	2,327	2,327
Transfer from deferred taxation	-	-	-	90	-	-	90
(Losses)/gains not recognised in the income statement	-	-	-	90	(18,694)	2,327	(16,277)
Profit for the financial year	-	-	-	-	340,801	-	340,801
Issue of shares (<i>Note 3</i>)	1,345	-	-	-	-	-	1,345
Premium on issue of shares	-	15,667	-	-	-	-	15,667
Share buy back (<i>Note 27</i>)	(2,268)	-	2,268	-	(49,667)	-	(49,667)
Dividends (<i>Note 28</i>)	-	-	-	-	(196,712)	-	(196,712)
Balance as at August 31, 2001	369,644	93,190	2,268	69,844	1,627,591	(12,147)	2,150,390
Balance as at September 1, 1999	368,910	59,380	-	1,915	1,642,760	(4,681)	2,068,284
Goodwill on consolidation (<i>Note 26</i>)	-	-	-	-	(95,806)	-	(95,806)
Exchange translation difference @	-	-	-	-	-	(9,793)	(9,793)
Losses not recognised in the income statement	-	-	-	-	(95,806)	(9,793)	(105,599)
Profit for the financial year	-	-	-	-	419,402	-	419,402
Issue of shares (<i>Note 3</i>)	1,657	-	-	-	-	-	1,657
Premium on issue of shares	-	18,143	-	67,839	-	-	85,982
Dividends (<i>Note 28</i>)	-	-	-	-	(414,493)	-	(414,493)
Balance as at August 31, 2000	370,567	77,523	-	69,754	1,551,863	(14,474)	2,055,233

@ The exchange translation difference arose from the translation of investment in foreign entity.

Statements of Changes in Shareholders' Equity

for the Year ended August 31, 2001

	Company				
	Share Capital	Share Premium	Capital Redemption Reserve	Retained Profit	Total
	SS'000	SS'000	SS'000	SS'000	SS'000
Balance as at September 1, 2000	370,567	77,523	-	1,413,489	1,861,579
Profit for the financial year	-	-	-	299,074	299,074
Issue of shares (<i>Note 3</i>)	1,345	-	-	-	1,345
Premium on issue of shares	-	15,667	-	-	15,667
Share buy back (<i>Note 27</i>)	(2,268)	-	2,268	(49,667)	(49,667)
Dividends (<i>Note 28</i>)	-	-	-	(196,712)	(196,712)
Balance as at August 31, 2001	369,644	93,190	2,268	1,466,184	1,931,286
Balance as at September 1, 1999	368,910	59,380	-	1,492,769	1,921,059
Profit for the financial year	-	-	-	335,213	335,213
Issue of shares (<i>Note 3</i>)	1,657	-	-	-	1,657
Premium on issue of shares	-	18,143	-	-	18,143
Dividends (<i>Note 28</i>)	-	-	-	(414,493)	(414,493)
Balance as at August 31, 2000	370,567	77,523	-	1,413,489	1,861,579

Consolidated Cash Flow Statement

for the Year ended August 31, 2001

	Group	
	2001 S\$'000	2000 S\$'000
Cash Flows from Operating Activities		
Profit before taxation	428,596	537,408
Adjustments for:-		
Depreciation	42,056	56,044
Interest on loans and bonds	23,316	21,919
Loss on disposal of fixed assets	627	4,293
Capital work-in-progress written off	215	-
Foreign exchange difference	-	30
Share of profit of associates	(4,702)	(13,887)
Investment income	(77,509)	(85,797)
Exceptional items	(32,011)	(21,875)
Operating cash flow before working capital changes	380,588	498,135
Changes in working capital:-		
Stocks	(14,008)	(14,203)
Prepaid film rights	(8,366)	-
Debtors	23,965	(35,868)
Creditors	(21,639)	4,558
	360,540	452,622
Income tax paid	(118,377)	(103,997)
Dividends paid	(416,064)	(172,987)
Dividends paid (net) by a subsidiary to a minority shareholder	(122)	-
	(174,023)	175,638
(Increase)/Decrease in non-current assets	(455)	2,021
Net cash (used in)/from operating activities	(174,478)	177,659

Consolidated Cash Flow Statement

for the Year ended August 31, 2001

Group

	2001 S\$'000	2000 S\$'000
Cash Flows from Investing Activities		
Purchase of short-term investments	(269,043)	(345,516)
Additions to investment properties	(6,810)	(12,132)
Purchase of fixed assets	(182,020)	(62,817)
Purchase of long-term investments	(113,938)	(36,377)
Loans to associates	(3,106)	(750)
Amounts owing to associates	1,282	60
Acquisition of shares in associates	(33,634)	(109,324)
Acquisition of additional interests in subsidiaries	(25)	(500)
Disposal of partial interest in a subsidiary	820	500
Proceeds on disposal of short-term investments	410,156	93,779
Proceeds on disposal/redemption of long-term investments	173,616	90,431
Proceeds on disposal of fixed assets including residential properties	94,206	28,181
Net increase in funds under management	(5,375)	(89,005)
Investment income	77,509	85,797
Cash inflow on acquisition of a subsidiary <i>[Note (a)]</i>	7,061	-
Acquisition of loan from shareholder of an associate	(30,862)	-
Partial distribution on liquidation of an associate	1,100	-
Proceeds on completion of liquidation of a subsidiary	-	435
	120,937	(357,238)
Add: Items not involving movement of funds		
(Write-back of provision)/Provision for diminution in value of investments	(19,895)	16,550
Profit on sale of investments	(1,373)	(41,614)
Accretion of discount on bonds	(2,299)	(2,974)
Amortisation of premium on bonds	552	1,093
Net cash from/(used in) investing activities	97,922	(384,183)

Consolidated Cash Flow Statement

for the Year ended August 31, 2001

	Group	
	2001 S\$'000	2000 S\$'000
Cash Flows from Financing Activities		
Repayment of bank loans	(520,000)	-
Share buy back	(49,667)	-
Repayment of loan from minority shareholder of subsidiary	(48,587)	(14,356)
Interest on loans and bonds	(23,316)	(22,818)
Bank loans	553,500	-
Proceeds on issue of shares by Company	17,012	19,800
Proceeds received from third parties on issue of shares by a subsidiary	-	85,295
Additional capital received from minority shareholder of subsidiary	-	180
Net cash (used in)/from financing activities	(71,058)	68,101
Net decrease in cash and cash equivalents	(147,614)	(138,423)
Cash and cash equivalents at beginning of year	701,952	840,375
Cash and cash equivalents at end of year [Note (b)]	554,338	701,952
Notes to the Cash Flow Statement		
(a) Acquisition of Subsidiary (formerly an associate)		
Fixed assets	(27)	-
Investment property	(240,006)	-
Current assets (including cash)	(7,480)	-
Current liabilities	7,049	-
Short-term loan	180,000	-
Non-current liability	30,862	-
Interest in associate	30,377	-
	775	-
Goodwill on consolidation	(775)	-
Total purchase consideration	*	-
Less: Cash and cash equivalents of subsidiary acquired	7,061	-
Cash inflow on acquisition of subsidiary	7,061	-
* <i>The purchase consideration is S\$1.</i>		
(b) Cash and Cash Equivalents at the end of the year comprised:		
Cash on deposit	526,981	669,646
Cash and bank balances	27,357	32,306
	554,338	701,952

Notes to the Financial Statements

August 31, 2001

These notes form an integral part of and should be read in conjunction with the financial statements.

1. General

The Company is incorporated and domiciled in Singapore. The financial statements of the Company and the consolidated financial statements of the Group are expressed in Singapore dollars.

The principal activities of the Group consist of:-

- (a) publishing, printing and distributing newspapers,
- (b) publishing and distributing magazines,
- (c) providing multimedia, broadcasting and telecommunications services,
- (d) holding investments, and
- (e) holding and managing properties.

The principal activities of the Company consist of:-

- (a) publishing, printing and distributing newspapers,
- (b) distributing magazines,
- (c) providing multimedia content and services,
- (d) holding shares in subsidiaries,
- (e) holding investments, and
- (f) providing management services to subsidiaries.

During the financial year, the Group commenced its broadcasting operations through a subsidiary, SPH MediaWorks Ltd.

2. Significant Accounting Policies

(a) Basis of Preparation

The financial statements are prepared in accordance with and comply with Singapore Statements of Accounting Standard.

The financial statements are prepared in accordance with the historical cost convention.

(b) Basis of Consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to the end of the financial year. The results of subsidiaries acquired or disposed of during the year are included in or excluded from the consolidated income statement from the date of their acquisition or disposal. Inter-company balances and transactions are eliminated on consolidation and the consolidated financial statements reflect external transactions only.

(c) Exchange Translation Difference

On consolidation of foreign entities, the assets and liabilities are converted into Singapore dollars at the rates of exchange closely approximating to those ruling at the balance sheet date and the income statements are converted into Singapore dollars at the average rates of exchange ruling during the year. The exchange translation difference arising therefrom is reported as a separate component of shareholders' interests.

Exchange differences arising on monetary items that, in substance, form part of the Group's or the Company's net investment in foreign entities are taken to the exchange translation difference account until the disposal of the net investments, at which time they will be recognised as income or expense in the income statements.

(d) **Goodwill on Consolidation**

Goodwill on consolidation, which represents the difference between the cost of acquisition of a subsidiary or an associate over the fair value of net identifiable assets acquired, is written off against reserves in the year of acquisition.

(e) **Deferred Taxation**

Provision is made under the liability method on significant timing differences between the accounting and taxation treatment of relevant items at the current rate of tax. In accounting for timing differences, deferred tax debits are not recognised unless there is a reasonable expectation of their realisation.

(f) **Fixed Assets and Depreciation**

(i) Fixed assets are stated at cost less accumulated depreciation.

(ii) Depreciation is calculated to write off the cost on a straight-line basis over the expected useful lives of the assets. The estimated useful lives for this purpose are:-

Freehold buildings	30 years
Leasehold land and buildings	30 years or life of lease if less than 30 years
Plant and equipment	3-20 years
Furniture and fittings	7-10 years
Motor vehicles	3-5 years

(iii) No depreciation is charged on freehold land and land held on 999-year lease or in respect of major capital work-in-progress until commissioned.

(iv) It is not the Group's policy to revalue fixed assets at regular intervals.

(v) The carrying amount of fixed assets is written down when the recoverable amount of fixed assets has decreased below the carrying amount. The recoverable amount is the amount expected to be recovered from the future use of an asset, including its residual value on disposal.

(g) **Subsidiaries**

Interests in subsidiaries are included in the financial statements at cost and provision is made for diminution in value which is other than temporary, determined on an individual basis.

(h) **Associates**

These are companies (not being subsidiaries) in which the Group has a substantial interest of not less than 20% of the equity and/or in whose financial and operating policy decisions the Group exercises significant influence.

The Group's share of the results of associates is included in the consolidated income statement. The Group's share of the post-acquisition retained profits and reserves or accumulated losses of associates is added to or deducted from the cost of these investments in the consolidated balance sheet.

In the Company's balance sheet, investments in associates are stated at cost and provision is made for diminution in value which is other than temporary, determined on an individual basis.

(i) Investments

Long-term investments in equity are stated at cost. Long-term investments in bonds are stated at cost, adjusted for amortisation of premium and accretion of discount. Where cost of these investments exceeds realisable value, provision is made for diminution in value which is other than temporary, determined on an individual basis.

Short-term investments are stated at the lower of cost and realisable value on an individual basis.

Dividend income from investments other than subsidiaries is recognised on a cash basis and interest income on an accrual basis.

Dividend income from subsidiaries is recognised in the accounting period in which it is proposed.

Profit or loss on sale of investments is recognised on completion of sale.

(j) Investment Properties

Investment properties are held for the primary purpose of producing rental income and are not held for resale in the ordinary course of business.

Investment properties are stated at cost and provision is made for diminution in value which is other than temporary, determined on an individual basis.

Cost of investment properties includes capitalisation of interest incurred on borrowings for the purchase, renovation and extension of the investment properties while these activities are in progress. For this purpose, the interest rates applied to funds provided for the development are based on the actual interest rates payable on the borrowings for such development.

(k) Stocks

Stocks comprise raw materials and consumable stores, acquired film rights and production cost of programmes.

(i) Raw materials and consumable stores

These are stated at cost less provision for obsolete, slow moving and defective stocks.

Cost includes transport and handling costs, and any other directly attributable costs. Cost is determined on the weighted average or specific identification basis.

(ii) Acquired Film Rights

Prepaid film rights are reported as acquired film rights when the license period commences and materials have been received.

Acquired film rights are valued at the gross amount paid for such rights.

(iii) Production Cost of Programmes

Production cost includes costs incurred on own production, commissioned works and co-produced programmes.

Cost of own production comprises direct labour, material cost and allocated overheads capitalised based on the normal level of activity during the term of production.

Commissioned works and co-produced programmes are stated at cost.

Acquired film rights and production cost of programmes are valued at the lower of unamortised cost and estimated net realisable value.

Acquired film rights, cost of own production, commissioned works and co-produced programmes are expensed to the income statements based on the estimated number of showings and the ratio that the current year revenue bears to the anticipated total gross revenue from the exploitation of the films.

(l) Prepaid Film Rights

Advanced payment made for film rights for which the license period has not commenced, or the materials have not been received, are classified as prepaid film rights.

(m) Debtors

Bad debts are written off and specific provision is made for those debts considered to be doubtful. In addition, a general provision is made on the balance of trade debtors to cover any unexpected losses which have not been specifically identified.

(n) Foreign Currencies

Monetary assets and liabilities expressed in foreign currencies are converted to Singapore dollars at the rates of exchange closely approximating to those ruling at the balance sheet date. Transactions during the year are converted to Singapore dollars at rates of exchange ruling on the transaction dates. Differences in exchange are included in the income statements.

(o) Revenue Recognition

Revenue from the sale of the Group's products and services after accounting for trade discounts, returns and goods and services tax is recognised on completion of delivery.

Revenue from advertisements is recognised when the advertisement is published or broadcast.

Revenue from rental and rental-related services is recognised on an accrual basis.

The policies relating to the recognition of revenue from investments are set out in Note 2(i) above.

3. Share Capital

	2001		2000	
	Number of Shares ('000)	S\$'000	Number of Shares ('000)	S\$'000
Authorised				
Management shares of S\$1 each	10,000	10,000	10,000	10,000
Ordinary shares of S\$1 each	990,000	990,000	990,000	990,000
	1,000,000	1,000,000	1,000,000	1,000,000
Issued and fully paid				
Management shares of S\$1 each	3,719	3,719	3,706	3,706
Ordinary shares of S\$1 each	365,925	365,925	366,861	366,861
	369,644	369,644	370,567	370,567

Movements during the financial year were:-

	2001 S\$'000	2000 S\$'000
Opening balance	370,567	368,910
Cancellation of 2,268,000 (2000: Nil) ordinary shares of S\$1 each under the share buy back mandate approved by shareholders in January 2001 (<i>Note 27</i>)	(2,268)	-
Issue of 1,332,329 (2000: 1,640,078) ordinary shares of S\$1 each fully paid under the Singapore Press Holdings Group Executives' Share Option Scheme	1,332	1,640
Issue of 13,457 (2000: 16,568) management shares of S\$1 each fully paid in accordance with the Newspaper and Printing Presses Act	13	17
Closing balance	369,644	370,567

3. Share Capital (cont'd)

Details of the unissued shares of the Company under option at the end of the financial year are as follows:-

Singapore Press Holdings Group Executives' Share Option Scheme ("1990 Scheme")

Date of Grant	Exercise Period	Exercise Price (a)	Balance 1.9.00	Options Exercised	Options Cancelled	Balance 31.8.01
Dec 18, 1995	Dec 19, 1997 to Dec 18, 2000	S\$10.66	279,019	(279,019)	-	-
Nov 20, 1996	Nov 21, 1998 to Nov 20, 2001	S\$10.48	588,797	(332,899)	-	255,898
Nov 19, 1997	Nov 20, 1999 to Nov 19, 2002	S\$13.01	1,271,529	(231,014)	-	1,040,515
Nov 17, 1998	Nov 18, 2000 to Nov 17, 2003	S\$14.76	1,981,454	(489,397)	-	1,492,057
			4,120,799	(1,332,329)	-	2,788,470

(a) *Exercise prices were adjusted as a result of bonus shares issued during the financial year 1998 and the capital reduction exercise during the financial year 1999.*

Singapore Press Holdings Group (1999) Share Option Scheme ("1999 Scheme")

Date of Grant	Exercise Period	Exercise Price	Balance 1.9.00 (a)	Options Exercised	Options Cancelled	Balance 31.8.01
Oct 27, 1999	Oct 28, 2001 to Oct 27, 2009	S\$28.42	2,965,300	-	(52,600)	2,912,700
Oct 30, 2000	Oct 31, 2002 to Oct 30, 2010	S\$24.22	3,147,500	-	(25,500)	3,122,000
			6,112,800	-	(78,100)	6,034,700

(a) *Or later date of grant.*

4. Capital Reserve

	Group	
	2001 S\$'000	2000 S\$'000
Capital reserve is made up as follows:-		
Distributable	1,375	1,375
Non-Distributable	68,469	68,379
	69,844	69,754

5. Taxation

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
(a) Deferred Taxation				
Opening balance	52,900	65,033	39,934	51,885
Transfer from/(to) income statements	20,416	(12,133)	18,094	(11,951)
Transfer to capital reserve	(90)	-	-	-
Closing balance	73,226	52,900	58,028	39,934
This represents tax on:-				
Excess of capital allowances over depreciation	89,407	70,244	77,394	59,570
Revaluation surplus	2,202	2,292	-	-
Other timing differences	(18,383)	(19,636)	(19,366)	(19,636)
	73,226	52,900	58,028	39,934
(b) Current Taxation				
Opening balance	142,798	116,522	127,956	103,650
Income tax paid	(118,377)	(103,997)	(114,401)	(101,694)
Provision for the year	81,601	130,214	73,562	126,000
(Over)/under provision in prior years	(3,702)	59	(4,425)	-
Tax rebate				
Current year	(3,400)	-	(3,400)	-
Prior year	(6,100)	-	(6,100)	-
Closing balance	92,820	142,798	73,192	127,956

6. Non-Current Liabilities

	Group	
	2001 S\$'000	2000 S\$'000
Transferable term loans <i>[Note a]</i>	520,000	-
Bank loans - unsecured <i>[Note b]</i>	30,000	-
Transferable term loan with embedded bond call option <i>[Note c]</i>	-	270,000
4.6% secured bond due 2002 <i>[Note c]</i>	-	150,000
Floating rate notes due 2002 <i>[Note c]</i>	-	87,750
Standby revolving credit facility due 2002 <i>[Note c]</i>	-	12,250
Loan from minority shareholder of a subsidiary - unsecured	-	48,587
	550,000	568,587

- (a) A subsidiary has bank loan facilities amounting to S\$782,000,000, comprising a S\$700,000,000 transferable loan facility (“TLF”) and a S\$82,000,000 revolving credit facility (“RCF”). Of this amount, S\$520,000,000 was drawn-down during the financial year under the TLF to redeem and refinance existing loans *[Note 6(c)]*, at lower interest rates. These facilities are secured by way of a legal mortgage on the investment properties *[Note 8]*, an assignment of rental proceeds from those investment properties under various trust deeds, and an undertaking by the Company to pay all interests payable in respect of the facilities if the subsidiary fails to pay the same.

After taking into account an interest rate swap arrangement entered into by the subsidiary, the effective interest rate on the TLF of S\$520,000,000 is 3.87% per annum. The loans granted under the TLF are repayable no later than January 31, 2007.

- (b) The subsidiary has obtained unsecured bank loan facilities of S\$55,000,000 from certain banks. Of this amount, S\$30,000,000 was drawn-down during the financial year. The full amount is repayable on July 27, 2004. Interest is payable in arrears at the end of each half-year.

The subsidiary has also entered into interest rate swap agreements covering bank loans amounting to S\$22,500,000 to convert the variable interest rates into fixed interest rates which range from 3.37% to 3.40% per annum. The balance of S\$7,500,000 is charged interest at a fixed interest rate of 3.33% per annum.

- (c) During the financial year, the subsidiary terminated its bank loan facilities amounting to S\$520,000,000 (2000: S\$520,000,000). The amount of facilities utilised as at the end of last financial year of S\$520,000,000 was fully repaid during the year.

7. Fixed Assets

(a)

	Group					
	Land and Buildings		Plant and Equipment	Furniture and Fittings	Motor Vehicles	Total
	Freehold S\$'000	Leasehold S\$'000				
Cost						
Opening balance	70,559	156,673	446,167	15,831	2,518	691,748
Additions	-	413	33,255	3,333	117	37,118
Acquisition of a subsidiary	-	-	54	-	-	54
Transfer in from capital work-in-progress	-	3,623	96,792	1,992	-	102,407
Disposals	(23,109)	(2,306)	(4,914)	(1,200)	(40)	(31,569)
Closing balance	47,450	158,403	571,354	19,956	2,595	799,758
Accumulated Depreciation						
Opening balance	15,149	46,172	258,149	11,292	1,652	332,414
Charge for the year	608	5,922	34,170	1,040	316	42,056
Acquisition of a subsidiary	-	-	27	-	-	27
Disposals	(1,681)	(401)	(4,596)	(976)	(40)	(7,694)
Closing balance	14,076	51,693	287,750	11,356	1,928	366,803
Net book value at						
August 31, 2001	33,374	106,710	283,604	8,600	667	432,955
Capital work-in-progress	-	54,847	87,726	880	-	143,453
Closing balance	33,374	161,557	371,330	9,480	667	576,408
Capital work-in-progress						
Opening balance	215	13,083	87,554	321	-	101,173
Additions	-	45,387	96,964	2,551	-	144,902
Transfer out to fixed assets	-	(3,623)	(96,792)	(1,992)	-	(102,407)
Amounts written off to income statements	(215)	-	-	-	-	(215)
Closing balance	-	54,847	87,726	880	-	143,453
2000 Comparatives						
Net book value at						
August 31, 2000	55,410	110,501	188,018	4,539	866	359,334
Capital work-in-progress	215	13,083	87,554	321	-	101,173
Closing balance	55,625	123,584	275,572	4,860	866	460,507
Depreciation for 2000	625	5,959	46,767	2,437	256	56,044

7. Fixed Assets (cont'd)

(b)

	Company			
	Plant and Equipment S\$'000	Furniture and Fittings S\$'000	Motor Vehicles S\$'000	Total S\$'000
Cost				
Opening balance	398,833	11,580	2,149	412,562
Additions	7,883	212	112	8,207
Transfer in from capital work-in-progress	92,316	1,977	-	94,293
Transfer in	58	-	-	58
Transfer out	(130)	(5)	-	(135)
Disposals	(3,444)	(914)	(40)	(4,398)
Closing balance	495,516	12,850	2,221	510,587
Accumulated Depreciation				
Opening balance	234,173	8,924	1,438	244,535
Charge for the year	27,213	483	275	27,971
Transfer in	58	-	-	58
Transfer out	(27)	(5)	-	(32)
Disposals	(3,379)	(863)	(40)	(4,282)
Closing balance	258,038	8,539	1,673	268,250
Net book value at				
August 31, 2001	237,478	4,311	548	242,337
Capital work-in-progress	86,904	880	-	87,784
Closing balance	324,382	5,191	548	330,121
Capital work-in-progress				
Opening balance	85,165	321	-	85,486
Additions	94,055	2,551	-	96,606
Transfer out to fixed assets	(92,316)	(1,977)	-	(94,293)
Transfer out	-	(15)	-	(15)
Closing balance	86,904	880	-	87,784
2000 Comparatives				
Net book value at				
August 31, 2000	164,660	2,656	711	168,027
Capital work-in-progress	85,165	321	-	85,486
Closing balance	249,825	2,977	711	253,513
Depreciation for 2000	42,860	2,195	214	45,269

8. Investment Properties

Details of the investment properties are as follows:-

Group Freehold Land and Buildings

	2001 S\$'000	2000 S\$'000
Cost	961,227	721,221
Development expenditure at cost	129,810	123,000
Loan interest capitalised	18,935	18,935
	1,109,972	863,156
Provision for diminution in value	(20,534)	-
	1,089,438	863,156
Interest capitalised during the year	-	899
Rental income	32,532	25,710
Fair value	1,090,000	820,000

Fair value of the investment properties, Paragon and Promenade on Orchard Road, are stated at directors' valuation based on independent professional valuations carried out by Knight Frank Pte Ltd on June 28, 2001 (2000: August 20, 2000) for Paragon and December 28, 2000 for Promenade on the basis of open market value for existing use. The Promenade is included in the Group's investment properties with effect from this financial year upon acquisition of the remaining 50% stake in Orchard 300 Ltd. The investment properties are mortgaged to certain banks as security for loan facilities.

9. Interests in Subsidiaries

(a)

	Company	
	2001 S\$'000	2000 S\$'000
Quoted equities, at cost	50,000	50,000
Unquoted equities, at cost	420,594	381,414
Amounts owing by subsidiaries (non-trade)	1,012,124	1,260,147
	1,482,718	1,691,561
Amounts owing to subsidiaries (non-trade) <i>[Note 9(b)]</i>	(165,530)	(195,948)
	1,317,188	1,495,613
Market value of quoted equities	150,000	380,000

Details of subsidiaries are set out in Note 32.

(b) The amounts owing to subsidiaries are unsecured, interest free and with no fixed repayment terms. However, repayment is not expected within the next twelve months.

10. Interests in Associates

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Unquoted equities, at cost	241,786	212,252	152,529	152,529
Loan to be converted to capital	1,300	-	-	-
Loans to associates	60,920	113,155	-	-
Amounts owing (to)/by associates (non-trade)	(1,298)	151	-	-
	302,708	325,558	152,529	152,529
Goodwill on consolidation written off	(115,135)	(96,046)	-	-
Share of losses less profits	(13,710)	(23,926)	-	-
Provision for diminution in value of an associate	-	-	(2,980)	(2,980)
	173,863	205,586	149,549	149,549

Details of associates are set out in Note 33.

11. Long-Term Investments

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Quoted, at cost				
Equities	37,938	39,549	-	-
Bonds	164,788	218,434	-	-
Unquoted, at cost				
Equities	50,070	43,766	-	-
Other investments	63,206	61,100	425	575
	316,002	362,849	425	575
Accretion of discount on bonds	817	6,775	-	-
Amortisation of premium on bonds	(62)	-	-	-
Provision for diminution in value of investments - Quoted	(4,713)	(12,798)	-	-
- Unquoted	(11,970)	(8,120)	-	-
	300,074	348,706	425	575

11. Long-Term Investments (cont'd)

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Movements in provision				
Opening balance	20,918	26,157	-	-
(Write-back)/provision for the year				
- Quoted	(8,085)	(1,882)	-	-
- Unquoted	4,850	20	-	-
Investments written off	(1,000)	(3,377)	-	-
Closing balance	16,683	20,918	-	-
Market value of quoted investments				
Equities	60,799	103,562	-	-
Bonds	172,955	225,469	-	-
	233,754	329,031	-	-

12. Other Non-Current Assets

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Long-term debtors	5,796	5,356	5,377	5,194
Loans to directors of subsidiaries	822	807	703	645
	6,618	6,163	6,080	5,839

13. Stocks

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Raw materials and consumable stores	54,323	46,300	53,852	46,201
Acquired film rights	4,389	-	-	-
Production cost of programmes	2,524	-	-	-
Provision for stocks	(2,110)	(1,182)	(2,110)	(1,182)
	59,126	45,118	51,742	45,019
Made up as follows:-				
Weighted average	50,845	33,923	50,845	33,923
Specific identification	8,281	11,195	897	11,096
	59,126	45,118	51,742	45,019
Movements in provision				
Opening balance	1,182	648	1,182	648
Provision for the year	1,094	538	1,094	538
Stocks written off	(166)	(4)	(166)	(4)
Closing balance	2,110	1,182	2,110	1,182

14. Trade Debtors

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Amount owing	137,078	152,975	122,078	148,055
Provision for doubtful debts	(19,130)	(14,971)	(18,083)	(14,600)
	117,948	138,004	103,995	133,455
Movements in provision				
Opening balance	14,971	12,366	14,600	11,948
Provision for the year	6,977	5,239	6,242	5,101
Bad debts written off	(2,833)	(2,634)	(2,759)	(2,449)
Acquisition of a subsidiary	15	-	-	-
Closing balance	19,130	14,971	18,083	14,600

15. Other Debtors and Prepayments

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Accrued interest	8,232	14,835	354	282
Sundry debtors	5,542	4,860	3,052	3,344
Prepayments	4,639	2,212	1,022	632
Loans to directors of subsidiaries	270	266	233	229
	18,683	22,173	4,661	4,487

16. Short-Term Investments

(a) Internally managed

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Quoted				
Equities, at cost	76,666	92,485	-	-
Bonds, at cost	311,805	338,068	-	-
Accretion of discount on bonds	4,025	3,999	-	-
Amortisation of premium on bonds	(115)	(494)	-	-
Unquoted				
Equities, at cost	3,480	-	-	-
Bonds, at cost	28,007	141,306	-	-
Accretion of discount on bonds	102	138	-	-
Amortisation of premium on bonds	-	(1,051)	-	-
	423,970	574,451	-	-
Provision for diminution in value of investments - Quoted	(42,842)	(41,659)	-	-
- Unquoted	(7,170)	(32,018)	-	-
	373,958	500,774	-	-
Movements in provision				
Opening balance	73,677	57,525	-	-
Provision/(write-back) for the year - Quoted	1,183	6,023	-	-
- Unquoted	(17,843)	12,389	-	-
Investments written off	(7,005)	(2,260)	-	-
Closing balance	50,012	73,677	-	-

16. Short-Term Investments (cont'd)

(b) Funds under management

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Quoted investments, at cost				
Equities	18,683	20,736	18,683	20,736
Bonds	123,078	121,404	29,836	33,716
	141,761	142,140	48,519	54,452
Provision for diminution in value of quoted investments	(9,632)	(7,172)	(8,998)	(6,974)
	132,129	134,968	39,521	47,478
Cash on deposit	5,895	702	5,895	702
Bank balances	3,881	2,728	1,074	1,094
Accrued interest	1,121	659	555	622
Due from/(to) brokers	178	(1,228)	802	486
	143,204	137,829	47,847	50,382
Movements in provision				
Opening balance	7,172	4,777	6,974	4,777
Provision for the year	2,460	2,395	2,024	2,197
Closing balance	9,632	7,172	8,998	6,974
Total Short-Term Investments	517,162	638,603	47,847	50,382
Total market value of quoted investments				
Equities	55,025	106,304	15,617	20,982
Bonds	444,252	457,511	26,023	31,316
	499,277	563,815	41,640	52,298

17. Other Creditors and Accrued Liabilities

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Accrued operating expenses	151,391	152,956	122,715	142,813
Sundry creditors	20,022	6,332	7,471	5,338
Customers' deposits and credits	4,345	5,173	3,907	4,897
	175,758	164,461	134,093	153,048

Sundry creditors include liabilities for fixed asset purchases.

18. Short-Term Loans

	Group	
	2001 S\$'000	2000 S\$'000
4.875% secured bonds due 2002 <i>[Note a]</i>	180,000	-
Revolving credit facility - Unsecured	3,500	-
	183,500	-

- (a) These bonds of a subsidiary are secured by way of a legal mortgage on its investment property [Note 8] and by an assignment of rental proceeds from the investment property. The bonds are further secured by an additional banker's guarantee amounting to S\$18,900,000.

19. Capital and Other Commitments

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Commitments for:-				
(a) Capital expenditure:-				
Authorised and contracted for	204,024	154,998	118,857	24,882
Authorised but not contracted for	48,007	205,735	38,588	190,101
(b) Equity investments	3,400	10,000	-	-
(c) Operating leases due:-				
Within 1 year	4,951	4,849	-	-
Between 1 – 5 years	10,708	11,954	-	-
After 5 years	52,080	53,433	-	-
(d) Foreign currency forward contracts	175,549	294,246	166,486	294,246

20. Turnover

- (a) In the Group, turnover represents revenue from advertisements, printing, circulation, rental, multimedia and broadcasting services.
- (b) In the Company, turnover represents revenue from advertisements, printing, circulation, multimedia content and services, and management services provided to subsidiaries.
- (c) Turnover comprises the following significant categories:-

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Newspapers and Magazines				
Advertisements	764,312	804,346	753,074	791,472
Circulation	179,967	190,611	174,556	183,719
Others	16,188	14,698	20,163	18,567
	960,467	1,009,655	947,793	993,758
Multimedia and Broadcasting				
Advertisements	20,145	1,368	-	-
Multimedia services	5,538	4,112	3,397	1,566
	25,683	5,480	3,397	1,566
Property				
Rental and rental-related services	44,342	37,612	-	-
	1,030,492	1,052,747	951,190	995,324

21. Profit from Operations

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
(a) Profit from operations is arrived at:-				
After charging				
Audit fees:-				
Company's auditors:				
Current year	259	228	124	125
Prior year	1	-	(1)	-
Other auditors:				
Current year	45	47	-	-
Prior year	(9)	-	-	-
Non-audit fees:-				
Company's auditors	119	100	58	59
Directors' remuneration:-				
Company's Directors				
[<i>Note 21 (c)</i>]	3,750	2,934	3,732	2,930
Directors of subsidiaries	1,885	842	-	-
Net loss on disposal of fixed assets	627	4,293	58	4,216
Capital work-in-progress written off	215	-	-	-
Provision for stocks (<i>Note 13</i>)	1,094	538	1,094	538
Provision for doubtful				
trade debts (<i>Note 14</i>)	6,977	5,239	6,242	5,101
Rental expense	4,784	3,051	33,062	27,105
Exchange loss	819	-	24	-
and after crediting				
Bad trade debts recovered	252	179	252	170
Exchange gain	-	165	-	121
Interest income:-				
Others	1,505	712	119	169
(b) Average number of employees	4,229	3,546	3,458	3,095

(c) Directors' Remuneration

Details of the remuneration of the Company's Directors in compliance with the requirements of the Singapore Exchange Securities Trading Limited are as follows:-

Remuneration Bands

No. of Directors

	2001	2000
S\$0 - S\$249,999	8	5
S\$250,000 - S\$499,999	-	-
S\$500,000 and above	2	2
Total	10	7

22. Finance Costs

	Group	
	2001 S\$'000	2000 S\$'000
Interest on:-		
Bank loans	17,475	14,957
Bonds	5,841	6,900
Minority shareholder's loan	-	62
	<u>23,316</u>	<u>21,919</u>

23. Net Income from Investments

(a)

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Deposit interest	14,755	17,211	9,728	12,555
Interest from bonds	29,799	34,559	-	-
Dividends from quoted equities	3,045	3,301	-	-
Foreign exchange gain	1,842	1,476	-	-
(Loss)/profit on sale of investments:-				
Short-term investments	(2,891)	9,718	-	-
Long-term investments	4,264	31,896	(75)	-
	<u>50,814</u>	<u>98,161</u>	<u>9,653</u>	<u>12,555</u>
Accretion of discount on bonds	2,299	2,974	-	-
Amortisation of premium on bonds	(552)	(1,093)	-	-
Write-back of provision/(provision) for diminution in value of investments - Quoted	6,902	(4,141)	-	-
- Unquoted	12,993	(12,409)	-	-
	<u>72,456</u>	<u>83,492</u>	<u>9,653</u>	<u>12,555</u>
Income/(loss) from funds under management [Note 23(b)]	5,053	2,305	(2,535)	1,558
	<u>77,509</u>	<u>85,797</u>	<u>7,118</u>	<u>14,113</u>

23. Net Income from Investments (cont'd)

(b) Income/(loss) from funds under management

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
(Loss)/profit on sale of investments	(3,624)	2,667	(3,624)	2,667
Interest on deposits and bonds	10,575	2,354	2,354	1,266
Dividends from quoted equities	356	367	356	367
Foreign exchange gain/(loss)	630	(301)	630	(301)
Expenses and fees	(424)	(387)	(227)	(244)
	7,513	4,700	(511)	3,755
Provision for diminution in value of quoted investments	(2,460)	(2,395)	(2,024)	(2,197)
	5,053	2,305	(2,535)	1,558

24. Exceptional Items

	Group	
	2001 S\$'000	2000 S\$'000
Surplus on sale of residential properties	70,958	20,558
Share of an associate's provision for diminution in value of an investment property	(21,322)	-
Provision for diminution in value of an investment property of a subsidiary	(17,625)	-
Surplus on restructuring of a long-term equity investment	-	882
Surplus on completion of liquidation of a subsidiary	-	435
	32,011	21,875

25. Taxation

	Group		Company	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
The taxation charge is made up as follows:-				
Current Year				
Income tax	81,601	130,214	73,562	126,000
Deferred tax	22,791	(10,798)	19,660	(10,777)
Tax rebate	(3,400)	-	(3,400)	-
	100,992	119,416	89,822	115,223
Prior Years				
Income tax	(3,702)	59	(4,425)	-
Deferred tax	(2,375)	(1,335)	(1,566)	(1,174)
Tax rebate	(6,100)	-	(6,100)	-
	88,815	118,140	77,731	114,049

As at August 31, 2001, certain subsidiaries had unutilised tax losses of S\$53.7 million (2000: S\$9.7 million) available for offsetting against future taxable income subject to there being no substantial change in shareholders in accordance with the relevant provisions of the Income Tax Act. These tax losses have yet to be agreed with the Comptroller of Income Tax.

26. Goodwill on Consolidation

	Group	
	2001 S\$'000	2000 S\$'000
Goodwill on consolidation arising on acquisition of:-		
Interests in associates	18,195	96,046
Interests in subsidiaries	499	(240)
	18,694	95,806

27. Share Buy Back

Under the share buy back mandate approved by shareholders, the Company repurchased 2,268,000 (2000: Nil) ordinary shares of S\$1 each during the financial year at an average price of S\$21.90 per share, amounting to a total cost, including brokerage, of S\$49.7 million. The repurchase transactions were financed by internally generated funds. The amounts were adjusted against the Company's share capital and retained profit accounts.

28. Dividends

	Group and Company	
	2001 S\$'000	2000 S\$'000
Payment of interim dividend of 20 cents per share less tax at 24.5% (2000: 20 cents less tax at 25.5%)	55,975	55,201
Payment of prior year's final dividend on new shares issued before book closure date	1,196	399
Proposed final dividend of 50 cents per share less tax at 24.5% (2000: 50 cents less tax at 25.5%)	139,541	138,036
Proposed special dividend of 80 cents per share less tax at 25.5%	-	220,857
	<u>196,712</u>	<u>414,493</u>

29. Earnings per Share

	Group			
	2001 S\$'000		2000 S\$'000	
	Basic	Diluted	Basic	Diluted
Profit attributable to shareholders	340,801	340,801	419,402	419,402
	Number of Shares '000		Number of Shares '000	
Weighted average number of shares	370,380	370,380	370,041	370,041
Adjustment for assumed conversion of share options	-	1,080	-	2,432
Weighted average number of shares used to compute earnings per share	370,380	371,460	370,041	372,473
Earnings per S\$1 share (S\$)	0.92	0.92	1.13	1.13

30. Subsequent Events

(a) Privatisation of SPH AsiaOne Ltd

- (i) On October 3, 2001, the Directors of the Company and SPH AsiaOne Ltd (“AsiaOne”) jointly announced (the “Scheme Announcement”) a proposed scheme of arrangement under Section 210 of the Companies Act, to seek the approval of the minority shareholders of AsiaOne (the “Scheme Shareholders”) for the privatisation of AsiaOne (the “Scheme”). Under the Scheme, the Company is making a cash offer of S\$0.30 per ordinary share to acquire all the 148 million ordinary shares of the Scheme Shareholders (the “Scheme Shares”). Based on the number of Scheme Shares in issue as at the date of the Scheme Announcement, the total purchase consideration will be approximately S\$44.4 million.
- (ii) If and when the Scheme becomes effective, it is expected to result in a goodwill of approximately S\$30.8 million that will be written off against the consolidated income statement of the Company for the financial year ending August 31, 2002. The Scheme will also result in the realisation in the same financial year, of approximately S\$67.8 million of capital reserve arising from the initial public offering of AsiaOne which was recognised in the capital reserve account in the previous financial year.

(b) Capital Distribution Exercise

- (i) On October 16, 2001, the Directors of the Company announced a capital distribution exercise (the “Exercise”) involving, inter alia, a capital reduction under Section 73 of the Companies Act (the “Capital Distribution”) and in conjunction with that, a return of capital to all shareholders of the Company (“Shareholders”) on the basis of S\$0.25 cash per share for every share held as at the books closure date to be determined. The Exercise would involve the reduction of the share premium of the Company and would not result in a change in the number of issued ordinary or management shares of the Company or in the par value of such shares.
- (ii) Based on the number of shares of the Company in issue as at the date of the announcement of the Exercise, the total capital distribution would amount to S\$92.2 million. The Capital Distribution is subject to the approval of the Shareholders and confirmation by the High Court and the filing of the court order.

31. Re-classification

In the current financial year, the Group adopted Singapore Statements of Accounting Standard (“SAS”) 1 – Presentation of Financial Statements, SAS 8 – Net Profit or Loss for the Period, Fundamental Errors and Changes in Accounting Policies, SAS 15 – Leases and SAS 23 – Segment Reporting. As a result of the adoption of the revised SAS 8, the extraordinary items of the Group reported in the financial statements for the year ended August 31, 2000 have been re-classified as exceptional items to conform with the current financial year’s presentation. Other than this difference, the profit before taxation is not affected by the adoption of the above standards in these financial statements as the Group was already following the recognition and measurement principles in those standards. Other than as stated above, the effect of adoption has primarily been on the presentation and disclosures contained in the financial statements. The comparative figures have been re-classified accordingly to conform with the current financial year’s presentation.

32. Subsidiaries

Name of Subsidiary	Principal Activities	Country of Incorporation/ Operation [#]	Class of Shares	Cost of Investment		Effective % of Equity held by the Group	
				2001 S\$'000	2000 S\$'000	2001 %	2000 %
Hipro Printing Pte Ltd	Publishing newspapers	Singapore	Ord	360	360	80.00	80.00
Focus Publishing Ltd	Publishing newspapers and magazines	Singapore	Mgt Ord	* *	* *	99.96 100.00	99.96 100.00
Singapore Press Holdings (Overseas) Limited	Servicing and holding investments	Singapore	Mgt Ord	* *	* *	99.98 100.00	99.98 100.00
SPH (Americas) Pte Ltd	Provision of news reporting services	Singapore	Ord	*	-	100.00	-
SPH Stop Press Pte Ltd	Non-specialised retail trade stores (Dormant from May 2001)	Singapore	Ord	^^	^^	100.00	100.00
Times Periodicals Private Limited	Publishing magazines	Singapore	Ord	*	*	100.00	100.00
Lianhe Publishing Pte Ltd	Publishing magazines	Singapore	Ord	*	*	51.00	51.00
@** SPH AsiaOne Ltd	Operation of Internet portal sites and provision of advertising, content and audiotex services	Singapore	Ord	50,000	50,000	87.11	87.11
@ Zaobao.com Ltd	Operation of Internet portal site	Singapore	Ord	*	*	87.11	87.11
SPH MediaWorks Ltd	Provision of broadcasting and broadband services	Singapore	Ord	88,680	49,500	98.53	99.00
SPH MultiMedia Private Limited	Holding investments	Singapore	Ord	8,500	8,500	100.00	100.00
The Straits Times Press (1975) Limited	Holding investments	Singapore	Mgt Ord	579 57,387	579 57,387	100.00 100.00	100.00 100.00
Lianhe Investments Pte. Ltd.	Holding investments for dealing purposes	Singapore	Ord	6,335	6,335	100.00	100.00
Balance c/f				211,841	172,661		

32. Subsidiaries (cont'd)

Name of Subsidiary	Principal Activities	Country of Incorporation/ Operation [#]	Class of Shares	Cost of Investment		Effective % of Equity held by the Group	
				2001 S\$'000	2000 S\$'000	2001 %	2000 %
Balance b/f				211,841	172,661		
SPH Data Services Pte Ltd	Licensing of copyrights & trademarks	Singapore	Ord	*	*	100.00	100.00
Singapore Newspaper Services Private Limited	Holding investments and properties	Singapore	Ord	50,000	50,000	100.00	100.00
Vinora Holdings Limited	Holding investments	British Virgin Islands	Ord	*	*	100.00	100.00
Futura Management Limited	Holding investments	Cook Islands	Ord	*	*	100.00	100.00
Crestville Investments Limited	Holding investments	British Virgin Islands	Ord	*	*	100.00	100.00
Morningvista Investments Limited	Holding investments	British Virgin Islands	Ord	*	*	100.00	100.00
Singapore News and Publications Limited	Holding investments and properties	Singapore	Mgt Ord	1,309 129,617	1,309 129,617	100.00 100.00	100.00 100.00
SPH Asset Management Limited	Providing investment advisory and portfolio management services	Singapore	Ord	*	*	100.00	100.00
Sin Chew Jit Poh (Singapore) Limited	Holding investments and properties	Singapore	Mgt Ord	* *	* *	100.00 100.00	100.00 100.00
Times Properties Private Limited	Letting properties	Singapore	Ord	77,827	77,827	100.00	100.00
Orchard 290 Ltd	Holding investments & managing of shopping centres & other commercial properties	Singapore	Ord	*	*	100.00	85.00
[^] Orchard 300 Ltd	Holding investments	Singapore	Ord	*	*	100.00	50.00
Asia Century Publishing Pte Ltd	Dormant	Singapore	Ord	*	*	26.01	26.01
Balance c/f				470,594	431,414		

32. Subsidiaries (cont'd)

Name of Subsidiary	Principal Activities	Country of Incorporation/ Operation [#]	Class of Shares	Cost of Investment		Effective % of Equity held by the Group	
				2001 S\$'000	2000 S\$'000	2001 %	2000 %
Balance b/f				470,594	431,414		
The Straits Times Press (London) Limited	Dormant	United Kingdom	Ord	*	*	100.00	100.00
+ Mantown Enterprises Limited	Dormant	Hongkong	Ord	*	*	93.10	93.10
+ Solar River Investments Limited	Dormant	Hongkong	Ord	*	*	93.10	93.10
+ Video Post Limited	Dormant	Hongkong	Ord	*	*	93.10	93.10
++ Jiuding (Tianjin) Information Services Company Limited	Dormant	People's Republic of China	Ord	*	*	51.00	51.00
				470,594	431,414		

Notes:-

- @ Company audited by Ernst & Young, Singapore.
- ** SPH AsiaOne Ltd is listed on the Singapore Exchange Securities Trading Limited.
- # Singapore Press Holdings (Overseas) Limited operates in Japan, Hongkong, Australia, Philippines, Thailand, China, Taiwan, Indonesia, United States of America, United Kingdom, India and Belgium.

SPH (Americas) Pte Ltd operates in United States of America.
- * The shareholdings of these companies are held by subsidiaries of the Company.
- ^^ Less than S\$1,000.
- ^ During the financial year, the Group increased its effective shareholding from 50% to 100%. The interest of 50% was disclosed as an investment in an associate in the previous financial year.
- + These companies have been placed under liquidation.
- ++ The liquidation of the company was completed during the financial year.

33. Associates

Name of Associate	Principal Activities	Country of Incorporation/ Operation [#]	Class of Shares	Cost of Investment		Effective % of Equity held by the Group	
				2001 S\$'000	2000 S\$'000	2001 %	2000 %
Held by the Company							
Singapore Cable Vision Limited	Providing subscription television services	Singapore	Ord	149,549	149,549	26.67	26.67
Business Day Company Limited	Publishing newspapers	Thailand	Ord	2,980	2,980	24.97	24.97
				152,529	152,529		
Held by Subsidiaries							
MobileOne (Asia) Pte Ltd	Providing telecommunication services	Singapore	Ord	49,000	49,000	35.00	35.00
American Bourses Corporation Pte Ltd (formerly known as Asian Bourses Corporation Pte Ltd)	Development & maintenance of software & multimedia works; Business management & consultancy services	Singapore	Ord	6,375	6,375	17.42	17.42
⁺ FantasticOne (Asia-Pacific) Pte Ltd	Satellite uplink & downlink services; Other computer related activities	Singapore	Ord	-	3,600	34.84	34.84
[^] Orchard 300 Ltd	Holding investments	Singapore	Ord	-	500	-	50.00
Citta Bella Sdn Bhd	Publishing and distributing magazines	Malaysia	Ord	248	248	24.99	24.99
Keppel-SPH Investment Pte Ltd	Holding investments	Singapore	Ord	*	*	50.00	50.00
		Balance c/f		208,152	212,252		

33. Associates (cont'd)

Name of Associate	Principal Activities	Country of Incorporation/ Operation [#]	Class of Shares	Cost of Investment		Effective % of Equity held by the Group	
				2001 S\$'000	2000 S\$'000	2001 %	2000 %
Held by Subsidiaries							
Balance b/f				208,152	212,252		
StarEastWorks Limited	Content production	Hongkong	Ord	33,634	-	50.00	-
UnionWorks Pte Ltd	Radio broadcaster	Singapore	Ord	*	-	50.00	-
				<u>241,786</u>	<u>212,252</u>		

Notes:-

1. + The company has been placed under liquidation.
2. * Less than S\$1,000.
3. ^ Refer to Note 32 to the financial statements.

34. Segmental Information

2001

	Newspapers and Magazines S\$'000	Multimedia, Broadcasting and Telecommunications S\$'000	Treasury and Investment S\$'000	Property S\$'000	Eliminations S\$'000	Consolidated S\$'000
Turnover						
External sales	960,467	25,683	-	44,342	-	1,030,492
Inter-segmental sales	6,042	65	218	21,208	(27,533)	-
Total Turnover	966,509	25,748	218	65,550	(27,533)	1,030,492
Result						
Segment result	360,830	(58,748)	76,124	35,488	-	413,694
Finance costs	-	(74)	-	(23,242)	-	(23,316)
Finance income	392	734	-	379	-	1,505
Share of profit/(loss) of associates	17	6,548	-	(1,863)	-	4,702
Exceptional items	-	-	-	32,011	-	32,011
Profit before taxation	361,239	(51,540)	76,124	42,773	-	428,596
Taxation						(88,815)
Profit after tax						339,781
Minority interest						1,020
Profit attributable to shareholders						340,801
Other Information						
Segment assets	602,615	85,574	1,309,485	1,250,487	-	3,248,161
Investment in associates	71	173,792	-	-	-	173,863
Consolidated total assets						3,422,024
Segment liabilities	161,790	58,905	327	728,603	-	949,625
Current taxation						92,820
Proposed dividends						139,541
Deferred taxation						73,226
Consolidated total liabilities						1,255,212
Capital expenditure	112,929	33,408	17	282,536	-	428,890
Depreciation	32,659	5,242	15	4,140	-	42,056

34. Segmental Information (cont'd)

2000

	Newspapers and Magazines S\$'000	Multimedia, Broadcasting and Telecommunications S\$'000	Treasury and Investment S\$'000	Property S\$'000	Eliminations S\$'000	Consolidated S\$'000
Turnover						
External sales	1,009,655	5,480	-	37,612	-	1,052,747
Inter-segmental sales	2,931	14	127	17,279	(20,351)	-
Total Turnover	1,012,586	5,494	127	54,891	(20,351)	1,052,747
Result						
Segment result	423,051	(13,820)	84,497	29,125	-	522,853
Finance costs	-	-	-	(21,919)	-	(21,919)
Finance income	431	144	-	137	-	712
Share of profit/(loss) of associates	67	14,914	-	(1,094)	-	13,887
Exceptional items	435	-	882	20,558	-	21,875
Profit before taxation	423,984	1,238	85,379	26,807	-	537,408
Taxation						(118,140)
Profit after tax						419,268
Minority interest						134
Profit attributable to shareholders						419,402
Other Information						
Segment assets	555,074	62,618	1,603,244	1,003,446	-	3,224,382
Investment in associates	39	153,790	-	51,757	-	205,586
Consolidated total assets						3,429,968
Segment liabilities	208,651	5,179	313	585,159	-	799,302
Current taxation						142,798
Proposed dividends						358,893
Deferred taxation						52,900
Consolidated total liabilities						1,353,893
Capital expenditure	44,065	10,136	6	21,641	-	75,848
Depreciation	50,174	1,685	22	4,163	-	56,044

34. Segmental Information (cont'd)

Notes:

- (a) **Business segments:** For management purposes, the Group is organised into four major operating segments, namely Newspapers and Magazines, Multimedia, Broadcasting and Telecommunications, Treasury and Investment, and Property. The basis on which the Group reports its primary segment information is through direct identification. The Newspapers and Magazines segment is involved in the publishing, printing and distributing of newspapers and magazines. The Multimedia, Broadcasting and Telecommunications segment provides services which include provision of portal sites, broadcasting and broadband services and other related services. The Treasury and Investment segment manages the investment activities of the Group. The Property segment holds and manages properties owned by the Group.
- (b) **Geographical segments:** The principal geographical area in which the Group operates is Singapore. The Group's overseas operations comprise mainly holding overseas investments and the provision of marketing, editorial, art and graphical services overseas.

	Sales Revenue		Segment Assets		Capital Expenditure	
	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000	2001 S\$'000	2000 S\$'000
Singapore	1,030,492	1,052,074	3,298,373	3,326,682	428,718	75,452
Other Countries	-	673	123,651	103,286	172	396
	1,030,492	1,052,747	3,422,024	3,429,968	428,890	75,848