

FINANCIAL REVIEW

GROUP SIMPLIFIED FINANCIAL POSITION

	2013 S\$'000	2012* S\$'000	2011 S\$'000	2010# S\$'000	2009# S\$'000
Assets					
Property, plant and equipment	331,778	362,548	394,086	427,783	462,534
Investment properties	3,672,565	3,517,147	1,754,259	1,730,069	1,174,465
Investments	1,557,332	884,741	1,065,543	1,269,900	756,531
Cash and cash equivalents	465,398	372,459	392,514	460,995	299,253
Trade and other receivables	150,761	186,889	156,136	264,124	458,277
Inventories	23,890	27,079	37,317	26,974	29,370
Other assets	171,630	134,496	88,919	54,157	54,928
Total	6,373,354	5,485,359	3,888,774	4,234,002	3,235,358
Shareholders' interests					
Capital and reserves	3,536,480	3,680,160	2,232,005	2,226,282	2,055,176
Non-controlling interests	679,226	73,016	74,584	79,744	9,486
Liabilities					
Borrowings					
Non-current	1,738,222	1,280,322	1,011,168	860,114	723,393
Current	2,721	3,293	100,800	570,800	870
Trade and other payables					
Non-current	34,026	32,953	27,776	21,438	22,858
Current	268,969	278,683	296,670	286,861	254,838
Taxation					
Deferred	41,318	47,227	49,481	54,161	80,232
Current	69,613	81,856	89,488	120,213	71,584
Other liabilities	2,779	7,849	6,802	14,389	16,921
Total	6,373,354	5,485,359	3,888,774	4,234,002	3,235,358

Certain figures have been reclassified to conform with current year's presentation.

* With effect from this financial year, the Group changed its accounting policy for investment properties from cost to fair value model. The change was applied retrospectively and accordingly, the comparative financial statements were restated.

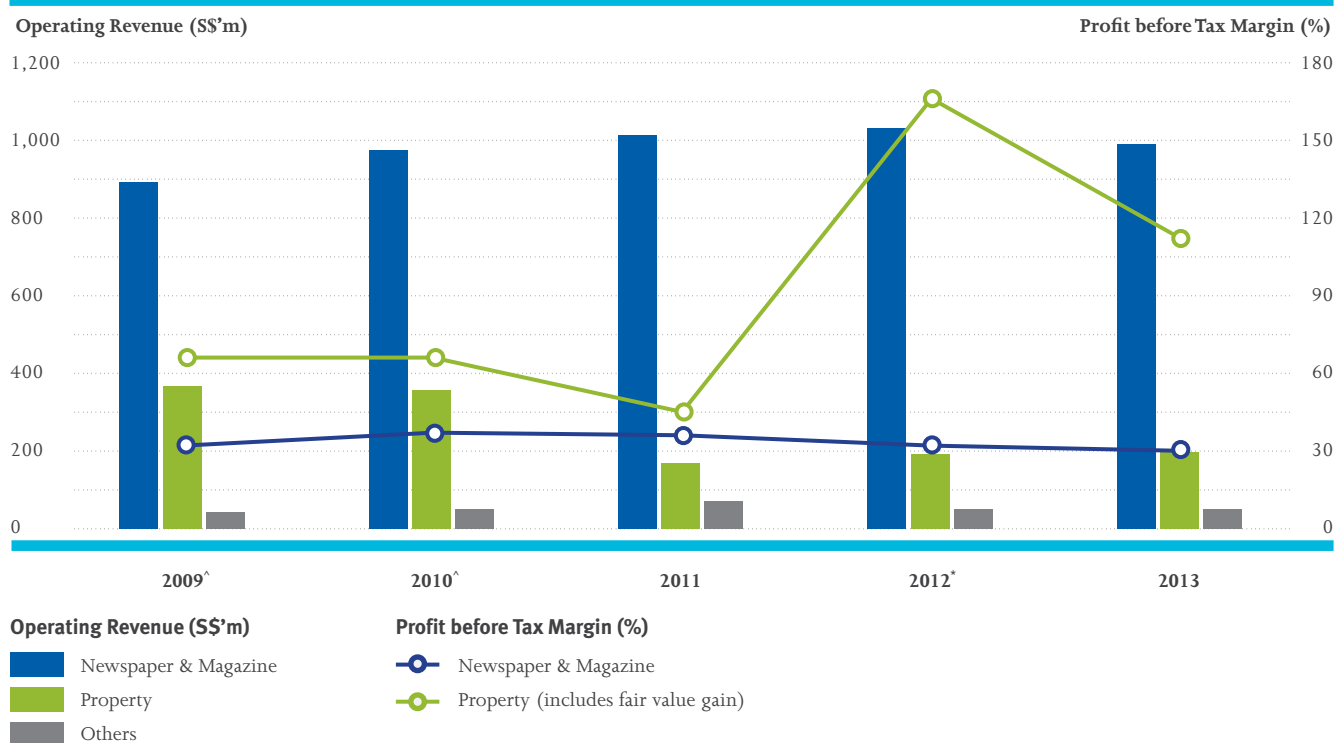
GROUP QUARTERLY RESULTS

	2013					2012*				
	1ST QTR*	2ND QTR*	3RD QTR	4TH QTR	FULL YEAR	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Full Year
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Operating revenue	322,092	282,183	324,951	310,226	1,239,452	332,406	298,451	331,840	310,216	1,272,913
Operating profit	114,340	84,606	91,535	78,807	369,288	124,983	95,055	117,555	91,229	428,822
Profit before taxation	115,360	90,333	204,754	78,652	489,099	124,842	101,837	124,850	307,421	658,950
Profit attributable to shareholders	95,123	75,597	187,535	72,699	430,954	100,767	88,207	103,773	281,957	574,704
Earnings per share (S\$)	0.06	0.05	0.12	0.04	0.27	0.06	0.05	0.06	0.19	0.36

PROFIT AFTER TAXATION	(S\$m)	RETURN ON OPERATING REVENUE	(%)
2013	434.3	2013	34.8
2012*	586.6	2012*	45.1
2011	383.8	2011	31.1
2010^	509.5	2010^	36.0
2009^	418.4	2009^	32.4

EARNINGS PER SHARE	(S\$)	RETURN ON EQUITY	(%)
2013	0.27	2013*	12.2
2012*	0.36	2012*	15.6
2011	0.24	2011	17.4
2010^	0.31	2010^	22.4
2009^	0.26	2009^	20.5

SEGMENTAL OPERATING REVENUE AND PROFIT MARGIN

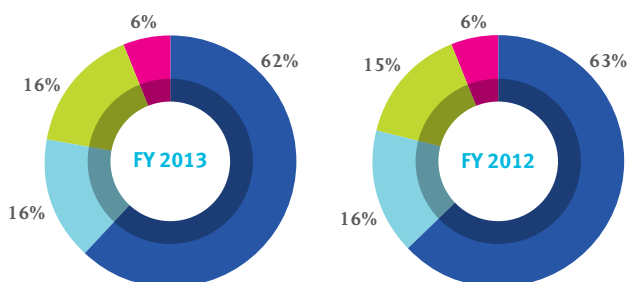


^ FY2009 to FY2010 included profits from the Group's Sky@eleven development.

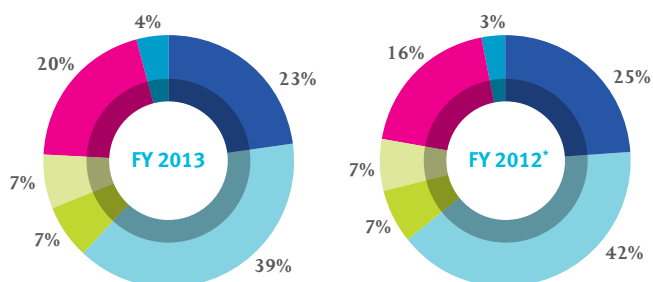
* With effect from this financial year, the Group changed its accounting policy for investment properties from cost to fair value model. The change was applied retrospectively and accordingly, the comparative financial statements were restated.

FINANCIAL REVIEW

OPERATING REVENUE COMPOSITION



COST COMPOSITION



REVIEW OF RESULTS FOR FY 2013

Group operating revenue of S\$1,239.5 million for FY 2013 was S\$33.5 million (2.6%) lower compared to FY 2012. Revenue for the Newspaper and Magazine business fell S\$40.0 million (3.9%) to S\$991.2 million. This was attributable to declines in advertisement revenue (S\$31.7 million or 4.0%) and circulation revenue (S\$7.2 million or 3.6%).

Rental income for the Group edged up S\$6.7 million (3.5%) to S\$198.1 million on the back of higher rental rates achieved by Paragon, while income from The Clementi Mall remained stable.

Operating revenue from the Group's other businesses dipped by S\$0.2 million (0.3%) to S\$50.1 million.

Materials, production and distribution costs saw a reduction of S\$12.9 million (5.8%) with newsprint costs being lower by S\$12.2 million (12.2%).

Staff costs decrease of S\$10.5 million (2.9%) was attributable to a lower variable bonus provision partially offset by salary increments.

Other operating expenses rose S\$40.4 million (29.6%). The increase was largely attributable to non-recurring charges relating to impairment of an overseas magazine subsidiary (S\$15.6 million), impairment loss on proposed divestment of an associate (S\$4.3 million), and an increase in fair value loss on

loans from non-controlling interests (S\$6.1 million). In addition, there was an increase in cost of S\$8.0 million in tandem with a step-up in business promotion activities particularly for the online businesses.

Finance costs increased by S\$7.5 million (30.6%) due to cost incurred upon refinancing of loans for Paragon, and additional borrowings undertaken by SPH REIT.

Consequently, the Group's recurring earnings of S\$369.3 million for FY 2013 was S\$59.5 million (13.9%) lower compared to FY 2012.

The Group changed its accounting policy for investment properties from cost to fair value model with effect from this financial year. The fair value gain on investment properties of S\$111.4 million for FY 2013 comprised the change in fair value for the current financial year. This was S\$87.3 million (43.9%) lower compared to the fair value gain of S\$198.7 million recognised in FY 2012.

Investment income fell S\$18.6 million (57.1%) to S\$14.0 million. This was due to impairment charges of S\$17.6 million on portfolio investments arising from prolonged decline in value.

Net profit attributable to shareholders was S\$431.0 million, S\$143.8 million (25.0%) lower compared to FY 2012.

* With effect from this financial year, the Group changed its accounting policy for investment properties from cost to fair value model. The change was applied retrospectively and accordingly, the comparative financial statements were restated.