

The Directors present their report to the members together with the audited financial statements of the Group for the financial year ended August 31, 2006 and the balance sheet of the Company at August 31, 2006.

DIRECTORS

1. The Directors of the Company in office at the date of this report are:

Tony Tan Keng Yam
Cham Tao Soon
Chan Heng Loon Alan
Willie Cheng Jue Hiang
Cheong Choong Kong
Lee Ek Tieng
Ngiam Tong Dow
Philip N Pillai
Sum Soon Lim
Yeo Ning Hong

ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS

2. Neither during nor at the end of the financial year was the Company a party to any arrangement whose object was to enable the Directors of the Company to acquire benefits through the acquisition of shares in or debentures of the Company or any other body corporate, except as disclosed under 'Share Options in the Company' in paragraph 6.

DIRECTORS' INTERESTS IN SHARES

3. The Directors holding office as at August 31, 2006 who had interests in shares and options in the Company and its subsidiaries as recorded in the register of Directors' shareholdings were as follows:

	Direct Interests			Deemed Interests		
	Sept 1, 2005	Aug 31, 2006	Sept 21, 2006	Sept 1, 2005	Aug 31, 2006	Sept 21, 2006
THE COMPANY						
Management Shares						
Tony Tan Keng Yam	–	4	4	–	–	–
Cham Tao Soon	4	4	4	–	–	–
Chan Heng Loon Alan	12	12	12	–	–	–
Willie Cheng Jue Hiang	4	4	4	–	–	–
Cheong Choong Kong	4	4	4	–	–	–
Lee Ek Tieng	4	4	4	–	–	–
Ngiam Tong Dow	4	4	4	–	–	–
Philip N Pillai	4	4	4	–	–	–
Sum Soon Lim	4	4	4	–	–	–
Yeo Ning Hong	4	4	4	–	–	–

DIRECTORS' INTERESTS IN SHARES (CONT'D)

	Direct Interests			Deemed Interests		
	Sept 1, 2005	Aug 31, 2006	Sept 21, 2006	Sept 1, 2005	Aug 31, 2006	Sept 21, 2006
THE COMPANY						
Ordinary Shares						
Tony Tan Keng Yam	–	35,797	35,797	–	–	–
Cham Tao Soon	10,000	10,000	10,000	10,183	10,183	10,183
Chan Heng Loon Alan	39,500	39,500	39,500	–	–	–
Willie Cheng Jue Hiang	8,500	8,500	8,500	12,750	12,750	12,750
Cheong Choong Kong	34,000	34,000	34,000	8,500	8,500	8,500
Ngiam Tong Dow	–	–	–	–	12,000	12,000
Philip N Pillai	17,000	17,000	17,000	–	–	–
Yeo Ning Hong	33,660	33,660	33,660	54,697 [^]	54,697[^]	54,697[^]
Options for Ordinary Shares						
Chan Heng Loon Alan	1,275,000	1,912,500	1,912,500	–	–	–

[^] Held jointly by Dr Yeo and his wife.

Full detailed information regarding Directors' shareholdings can be obtained in accordance with Sections 164(8) and (9) of the Companies Act, Chapter 50.

DIRECTORS' CONTRACTUAL BENEFITS

4. Since the end of the previous financial year, no Director has received or become entitled to receive a benefit under a contract which is required to be disclosed by Section 201(8) of the Companies Act, Chapter 50.

MATERIAL CONTRACTS

5. There are no material contracts of the Group and of the Company involving the interests of the Chief Executive Officer, each Director or controlling shareholder, either still subsisting at the end of the financial year or if not then subsisting, entered into since the end of the previous financial year.

SHARE OPTIONS IN THE COMPANY

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

6. (a) The 1999 Scheme was approved by shareholders at an Extraordinary General Meeting held on July 16, 1999.
- (b) Details of options granted previously have been disclosed in the Directors' Reports for the respective years.
- (c) During the financial year, options were granted for a total of 17,412,250 ordinary shares, details of which are as follows:
- (i) Categories of persons to whom options were granted:

Category	No. of Persons	Total No. of Ordinary Shares under option granted
Executive Director	1	637,500
Employee	1,452	16,774,750
	1,453	17,412,250

- (ii) The expiry date of these options is disclosed in Note 5 to the financial statements, provided that they have not been subsequently cancelled.
- (iii) The persons to whom the options have been granted do not have the right to participate, by virtue of the options, in any share issue of any other company.

SHARE OPTIONS IN THE COMPANY (CONT'D)

6. (d) The aggregate number of options granted since the commencement of the 1999 Scheme on July 16, 1999 to August 31, 2006 is 103,090,950 options to subscribe for ordinary shares.
7. The unissued ordinary shares of the Company under option at the end of the financial year pursuant to the 1999 Scheme are set out in Note 5 to the financial statements.

SHARE OPTIONS IN SUBSIDIARIES

8. No option to take up unissued shares of subsidiaries has been granted during the financial year.
9. No shares of subsidiaries have been issued during the financial year by virtue of the exercise of options to take up unissued shares.
10. At the end of the financial year, there were no unissued shares of subsidiaries under option.

AUDIT COMMITTEE

11. The Audit Committee carried out its functions in accordance with Section 201B(5) of the Companies Act, Chapter 50, and the Singapore Exchange Listing Manual.

Its functions include reviewing the audit plans and audit reports of the internal and external auditors, the auditors' evaluation of the internal accounting controls, and the scope of the internal audit function; reviewing the balance sheet of the Company and financial statements of the Group before submitting them to the Board for approval; reviewing any interested person transaction; and reviewing the independence, objectivity and cost effectiveness of the external auditors and the nature and extent of non-audit services supplied by them; and overseeing any internal investigation into cases of fraud and irregularities.

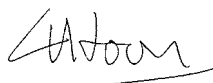
It also recommends to the Board the appointment of external auditors, serves as a channel of communications between the Board and the auditors, and performs such other functions as may be agreed by the Audit Committee and the Board.

On behalf of the Directors



TONY TAN KENG YAM
Chairman

Singapore,
October 12, 2006



CHAN HENG LOON ALAN
Director



**STATEMENT
BY DIRECTORS**

In the opinion of the Directors,

- (a) the balance sheet of the Company and the consolidated financial statements of the Group for the year ended August 31, 2006 are drawn up so as to exhibit a true and fair view of:
 - (i) the results of the business, changes in equity and cash flows of the Group; and
 - (ii) the state of affairs of the Group and of the Company.
- (b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Directors

TONY TAN KENG YAM

Chairman

CHAN HENG LOON ALAN

Director

Singapore,
October 12, 2006



**AUDITORS'
REPORT**

TO THE MEMBERS OF SINGAPORE PRESS HOLDINGS LIMITED

We have audited the balance sheet of Singapore Press Holdings Limited and the consolidated financial statements of the Group for the financial year ended August 31, 2006 set out on pages 62 to 112. These financial statements are the responsibility of the Company's directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform our audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion,

- (a) the accompanying balance sheet of the Company and the consolidated financial statements of the Group are properly drawn up in accordance with the provisions of the Singapore Companies Act, Cap 50 ("the Act") and Singapore Financial Reporting Standards so as to give a true and fair view of the state of affairs of the Company and of the Group as at August 31, 2006 and the results, changes in equity and cash flows of the Group for the financial year ended on that date; and
- (b) the accounting and other records required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

A handwritten signature in black ink that reads "PricewaterhouseCoopers".

PricewaterhouseCoopers

Certified Public Accountants

Singapore,
October 12, 2006