

**OPENING REMARKS BY MR ALAN CHAN, CEO SPH
AT MEDIA BRIEFING ON SPH'S RECEIPT OF ETL FOR SPH REIT
ON MONDAY, MAY 27, 2013**

A good evening to all of you.

Before we begin, I would like to thank you for taking the time to attend this evening's media briefing at such short notice.

As many of you would recall, on 10 March 2013, SPH announced that the Group was contemplating the establishment of a REIT. Since that time, our team has been working hard to realise this new business – one which would unlock and release capital from our Retail Properties back to the SPH Group, to allow us to explore new growth strategies across our investment property, media and other businesses.

On this front, I am pleased to announce that we have today, attained a key milestone with the receipt of the Eligibility to List approval from the Singapore Exchange. Subject to shareholders' approval at an upcoming EGM, we plan to establish SPH REIT which will primarily focus on retail assets in Singapore and across Asia Pacific.

We plan to inject Paragon and The Clementi Mall into SPH REIT.

SPH believes that SPH REIT will serve as an efficient platform for the holding of investment properties which SPH may divest in the future. In addition, being a separate listed entity, SPH REIT will be able to finance itself independently.

Upon listing, 99-year leasehold interests in Paragon and The Clementi Mall will be sold to the REIT's Trustee for an aggregate value of S\$3.07 billion, with the consideration for the properties to be paid in both units in SPH REIT and cash. SPH is expected to hold approximately 70% of the units in SPH REIT upon listing, allowing SPH shareholders to

continue to benefit from the Group's majority ownership of these quality properties through new revenue streams.

These transactions will strengthen the Group's balance sheet through reduced gearing and higher net asset value per share. Backed by a more robust capital structure and substantial debt headroom, the Group will be in a stronger position to pursue our growth strategies across all our businesses.

In line with this development, the SPH Board has determined that part of the proceeds from the sale of the 99-year leasehold interests in Paragon and The Clementi Mall should be distributed to SPH shareholders in the form of a Special Cash Dividend of S\$0.18.

Simply put, SPH shareholders get to enjoy the best of both worlds: The Special Dividend will reward shareholders for their investment in the SPH Group and through SPH's stake in SPH REIT, they will continue to benefit from the establishment of SPH REIT.

Thank you.