



Yellow Pages (Singapore) Limited

Company Registration Number: 200304719G

NEWS RELEASE

YELLOW PAGES REPORTS FY2007 NET PROFIT OF S\$12.6M

- **Proposed final dividend of 4.0 cents per ordinary share (Total FY2007 dividend of 7.5 cents per ordinary share)**
- **Mobile Yellow Pages and Enhanced Internet Yellow Pages Launched to Accelerate Growth of Digital Business**

Singapore, May 24, 2007 - Yellow Pages (Singapore) Limited ("YPS" or "the Group"), Singapore's largest publisher of telephone directories and provider of classified directory advertising and associated products and services, today reported a 1.6% rise in group revenue, from S\$58.1 million to S\$59.0 million for its financial year ended March 31, 2007 ("FY2007"). This is the first topline increase recorded since FY1998.

"We have successfully stemmed the decline in revenue to report an increase of 1.6% to S\$59.0 million. This is a clear signal that our efforts and investments to better tap the potential for print and digital directories are bearing fruit," said Mr Goh Sik Ngee, CEO of Yellow Pages (Singapore) Limited.

To expand its revenue streams and deepen market penetration of its print directories, the Group has invested in the strengthening of its sales and marketing units. It has also continued with operational improvements introduced earlier, such as door-to-door delivery of the Singapore Phone Directories (which is into its second year) and innovative sales and marketing enhancements and promotions.

To accelerate growth, YPS has invested more than S\$1 million in its digital business, including the upgrading of its search engine, which powers its Internet Yellow Pages ("IYP"). With these enhanced capabilities and resources, the Group had successfully

blazed a new trail with the soft launch of its Mobile Yellow Pages (“MYP”) and an enhanced IYP in March this year.

Operating profit (before interest, tax and share of results of associated companies) decreased by 10.3% to S\$19.7 million. Net profit of S\$12.6 million was 13.1% lower than the S\$14.5 million achieved in the previous year. This was mainly due to increased investment to strengthen the Group’s sales and marketing resources as well as investment in upgrading the IYP server to accelerate the growth of digital business.

The prior year’s bottomline was also boosted by write-back in excess provision for FY2005’s staff bonus and higher write-back of doubtful debt provision, amounting to a total of S\$1.3 million. The Group’s earnings are broadly in line with market consensus.

“Our investments for the future are yielding the desired results. Our advertiser retention rate of 79.9% is at a historical high (since the 1997/98 edition). Correspondingly, the number of advertisers for the SPD increased by 3.3%, from 11,574 advertisers in FY2006 to 11,956 advertisers in FY2007. Usage of our print directories also registered an increase of 20%. IYP continued to register strong revenue growth, with a 74.3% increase year-on-year,” added Mr Goh.

YPS had proposed a final dividend of 4.0 cents per ordinary share. Together with the interim dividend of 3.5 cents per ordinary share, which was paid out in December 2006, the proposed total dividend to shareholders amounted to 7.5 cents per share.

Outlook

To deepen market penetration of the print directories, the Group will continue to make operational investments, leveraging on increased usage to realize the revenue potential in Singapore. Some of the Group’s new product initiatives include reconfiguring existing products to make them more user-friendly and the development of new products that cater to special needs of specific user segments.

The Group had successfully blazed a new trail with the soft launch of its MYP and enhanced IYP. MYP is Singapore's first mobile directory that allows users to access shopping, dining and business information on their mobile phones. Available to users on SingTel, M1 and StarHub mobile networks, MYP provides anytime, anywhere location-based information like company names, brands, products and services. The IYP is the most comprehensive online directory in Singapore. It allows users to conduct searches by product, service brand name, company name or geographical location. The IYP was recently ranked as the #1 website in the Business and Finance category – Business Directories 2006 in the latest Hitwise Singapore Online Performance awards programme.

“IYP is currently the Group's fastest-growing business segment and we believe our new MYP and the enhanced IYP are set to be significant future growth drivers for YPS' digital business in the next three to five years. In addition to converting print advertisers, IYP allows us to tap on the larger pool of non-advertisers traditionally not served by print directories. International experience has shown that IYP creates opportunities for incremental growth in both revenue and the number of advertisers.

“With the Group's first-mover advantage and strong domain knowledge in this digital sector, and commitment to maintain leading edge technologies and capabilities, we believe the Group is poised to tap the growing potential of this digital business segment.

“We currently have another 19,000 print advertisers overseas through our subsidiaries in Malaysia and associated companies in India and Brunei. This would be another market for IYP to tap,” Mr Goh added.

About Yellow Pages (Singapore) Limited

Established in 1967, Yellow Pages (Singapore) Limited is the largest publisher of telephone directories and provider of classified directory advertising and associated products and services in Singapore. The Group maintains, develops and updates extensive classified databases of information on businesses, the core of which are small and medium-sized enterprises in Singapore.

The Group's principal activities are in the sale of advertising in, and the preparation and publication of classified directories that connect businesses to businesses (B2B) and businesses to consumers (B2C) in both print and digital form. The Group's Internet Yellow Pages (IYP) is the most comprehensive online directory in Singapore and was ranked as the #1 website in the Business and Finance category – Business Directories 2006 in the Hitwise Singapore Online Performance awards programme.

In March 2007, the Group successfully blazed a new trail with the soft launch of its enhanced IYP and Mobile Yellow Pages (MYP). MYP is Singapore's first mobile directory that allows users to access shopping, dining and business information on their mobile phones.

The Group was listed on SGX-ST on December 9, 2004.

For more information, please visit www.yellowpages.com.sg/ypinfo

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