

For immediate release

SingPost Group's unaudited results
for the second quarter and half year ended 30 September 2009

- **Q2 revenue rose 7.9%; net profit up 8.3%**
- **Interim quarterly dividend of 1.25 cents per share**

Singapore, 29 October 2009 – Singapore Post Limited (“SingPost”) today announced its unaudited results for the second quarter and half year ended 30 September 2009. Below are some key highlights.

KEY FINANCIAL HIGHLIGHTS

	Q2 FY09/10 (S\$M)	Q2 FY08/09 (S\$M)	Variance (%)		H1 FY09/10 (S\$M)	H1 FY08/09 (S\$M)	Variance (%)
GROUP RESULTS							
Revenue	130.3	120.7	7.9		252.0	241.6	4.3
Other Income	13.1	7.5	75.8		24.0	16.0	49.9
Total Expenses	94.4	85.2	10.8		181.1	167.4	8.2
Net Profit	40.5	37.4	8.3		79.9	76.9	4.0
Underlying Net Profit	35.4	38.7	(8.6)		72.3	77.7	(6.9)
Net Cash from Operating Activities	20.9	19.0	9.9		88.5	70.8	25.1
Earnings per Share	2.104¢	1.943 ¢	8.3		4.149¢	3.993¢	4.0
Dividends	1.25 ¢	1.25 ¢	-		2.50 ¢	2.50¢	-

Q2 revenue rose 7.9%; net profit up 8.3%

The Group’s revenue increased 7.9% to S\$130.3 million in the second quarter, boosted by the consolidation of revenue from Quantum Solutions Group (formerly known as G3 Worldwide Aspac group of companies) (“Quantum Solutions”), which became wholly-owned since May 2009. On a comparable basis with the same quarter last year, the Group’s revenue would have registered a decline of 4.5% without the consolidation of Quantum Solutions.

Mail revenue decreased 4.4% to S\$87.6 million on lower international mail contributions. Logistics revenue increased 142.6%, benefiting from the first full quarterly contribution from Quantum Solutions, although revenue from Speedpost saw a decline. In Retail, revenue remained relatively steady.

Rental and property-related income continued to grow, rising 23.1% to S\$10.1 million, with higher rental income from Singapore Post Centre and the leasing of space at the repurposed post office buildings.

The Group’s total expenses increased 10.8% to S\$94.4 million in the second quarter, due mainly to the consolidation of Quantum Solutions. Excluding Quantum Solutions, Group expenses would have declined 4.0%. Labour and related expenses rose, as higher staff base offset the benefits from the Jobs Credit Scheme. Volume-related expenses increased, as higher costs of sales offset the decline in traffic expenses. The rise in administrative and

other expenses was largely due to additional costs from Quantum Solutions and higher professional and consultancy fees.

For the second quarter, the Group's net profit grew 8.3% to S\$40.5 million while its underlying net profit declined by 8.6% to S\$35.4 million.

Said Mr Wilson Tan, Group Chief Executive Officer of SingPost: "Although the global economy is showing signs of recovery, the postal industry typically experiences a longer recovery runway. We are certainly not out of the woods yet and we continue to face unrelenting pressures from the operating environment."

He added: "We remain disciplined on cost management, and are focused on expanding Quantum Solutions' business beyond cross-border mail and extending its core competencies in Asia Pacific. We will continue to reinvent ourselves and stay relevant to our customers, while actively pursuing new growth opportunities."

Review of First-half Performance

In the first half of FY2009/10, the Group's revenue grew 4.3% to S\$252.0 million as the consolidation of Quantum Solutions offset revenue declines from Mail and Logistics. Excluding the consolidation of Quantum Solutions, revenue in the first half declined by 5.6%.

Total expenses rose 8.2% to S\$181.1 million in the first half, due to the consolidation of Quantum Solutions. Excluding Quantum Solutions, total expenses would have declined 3.3%.

For the first half, the Group's net profit grew 4.0% to S\$79.9 million while underlying net profit declined by 6.9% to S\$72.3 million.

Interim quarterly dividend of 1.25 cents per share

Net cash from operating activities amounted to S\$88.5 million in the first half, compared to S\$70.8 million in the same period last year.

SingPost's Board of Directors has declared an interim dividend of 1.25 cents per ordinary share (tax exempt one-tier), to be paid on 30 November 2009.

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About Singapore Post Limited

(Reg. No. 199201623M)

SingPost, the designated Public Postal Licensee for Singapore, offers reliable and high quality domestic and international postal services as well as end-to-end mail solutions including data printing, letter-shopping, delivery and mailroom management. It is also the leading logistics provider in the domestic market, with global service offerings to more than 220 territories/countries. SingPost has earned the honour of being the only postal company to have won the EMS Cooperative Certification Gold Level Award by the Universal Postal Union (UPU) for its *Speedpost* Worldwide service for eight consecutive years since 2001. As the owner of one of the largest retail distribution networks through its tri-channel platform of post offices, Self-service Automated Machines (SAM) and *vPOST*, its internet portal, SingPost provides convenience to its customers for a wide range of products and services, including agency, postal and financial services. SingPost's regional footprint spans 10 countries/territories in Asia Pacific where it offers cross-border mail services.

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