

For Immediate Release

Overwhelming demand for SingPost's Initial Public Offering

Issue priced at S\$0.60 per share

Singapore, 7 May 2003 – Singapore Post Limited (“SingPost”), Singapore’s leading provider of postal services and one of the world’s most efficient and profitable postal operators, announced today that the initial public offering (the “Offering”) by Singapore Telecommunications Limited (“SingTel”) of 1.14 billion shares in SingPost (the “Offering Shares”) closed yesterday.

Following the completion of a book-building process, the Offering Price has been fixed at S\$0.60 per Offering Share. Indications of interest at the Offering Price of S\$0.60 pursuant to the placement tranche under the Offering (“Placement”) were received for approximately 9,563 million shares. At the close of the public offer tranche in Singapore under the Offering (the “Public Offer”), there were 26,494 valid applications for approximately 425.1 million shares (excluding Reserved Shares).

Taking into consideration the total demand received, and to ensure a reasonable spread of shareholders, The Development Bank of Singapore Ltd (“DBS Bank”) and UBS AG acting through its business group, UBS Warburg (“UBS Warburg”, and together with DBS Bank, the “Underwriters”) in consultation with SingTel, have allocated 1,060.6 million Offering Shares to be sold in the Placement and 79.4 million Offering Shares to be sold in the Public Offer. In addition, the Joint Global Coordinators have also over-allocated 171 million shares to be sold in the Placement.

Further details on allocations will be published in The Straits Times and Lianhe Zaobao prior to the listing of SingPost on the Mainboard of the Singapore Exchange Securities Trading Limited (“SGX-ST”), which is currently expected to take place on 13 May 2003.

In connection with the Offering, UBS Warburg, on behalf of the Underwriters, has been granted an over-allotment option (the “Over-allotment Option”) by SingTel to purchase from SingTel up to an aggregate of 171 million shares in SingPost at the Offering Price, solely to cover over-allotment of the Offering Shares. The Over-allotment Option is exercisable by UBS Warburg, in consultation with DBS Bank, in

full or in part within 30 days from the commencement of dealing in the SingPost shares on the SGX-ST. An announcement will be made if and when the Over-allotment Option is exercised.

Commenting on the overwhelming demand, Mr Lim Ho Kee, Chairman of SingPost, said, "We are extremely delighted with the positive response from both the public and institutions to the SingPost Offering. This reflects the investment appeal of SingPost, which we believe, is one of the most efficient and profitable postal operators in the world. The strong demand from investors also represents a strong vote of confidence in a company with a strong business and world-class operations."

Mr William Tan Soo Hock, Chief Executive Officer of SingPost, added, "The SingPost management team will continue to focus on delivering value to shareholders. We remain committed to SingPost's long term success and will continue to remain focused on capitalising on new growth opportunities so as to remain a company that delivers in more ways than one."

According to Mr Eric Ang, Joint Head of Investment Banking Group at DBS Bank, "We expected the SingPost Offering to be well received as it appeals to all types of investors. In such challenging times, investors are more discerning and are on the lookout for investment opportunities that offer both sound business fundamentals and attractive yields. SingPost clearly meets their investment criteria, hence the overwhelming demand."

Mr Colin West, Head of Asian Equity Capital Markets at UBS Warburg, added, "Despite embarking on a non-conventional virtual roadshow outside Singapore, SingPost has attracted an enthusiastic response from investors globally. The quality of the book and diverse geographical spread should provide SingPost with a strong foundation of shareholders as a newly listed company and is a testament to investors' recognition for the quality of its business and management team."

The net dividend intended to be declared by SingPost for the financial year ended 31 March 2003 is S\$80 million which is expected to be franked with tax credits. Based on the Offering Price of S\$0.60 per share, the anticipated gross dividend yield of such dividend is approximately 9% (or S\$0.054) per share which translates into a net dividend yield of approximately 7% (or S\$0.042) per share.

About Singapore Post Limited

SingPost is a household name in Singapore with strong brand recognition. It is the dominant provider of domestic and international postal services in Singapore. It is one of the most efficient and profitable postal operators globally and offers customers a one-stop mail, logistics and retail distribution network in Singapore.

With a highly efficient mail delivery services utilising a sophisticated distribution infrastructure and advanced mail processing technology, SingPost estimates that it has achieved domestic mail market share of greater than 95 per cent. It believes that its Spring joint venture is a market leader in private cross-border business mail solutions.

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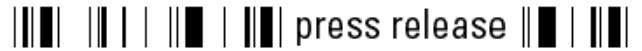
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