

For Immediate Release

**SingPost revises postage rates to recover GST
from 3 February 2004**

Singapore, 22 December 2003 – Singapore Post Limited (“SingPost”) today announced that it will revise its domestic postage rates for standard mail for the first two weight-steps of 20 gm and 40 gm with effect from 3 February 2004 to account for the revised 5 per cent Goods and Services Tax (GST) which will take effect from 1 January 2004.

In this revision, the postage rate for standard mail of up to 20 gm will be revised from S\$0.22 to S\$0.23 whilst the postage rate for standard mail of up to 40 gm will be revised from S\$0.30 to S\$0.31. There will be no change in postage rates for all other weight-steps, i.e. 100 gm, 250 gm and 500 gm. (See following table)

Weight-step	Existing postage rate (S\$)	New postage rate (S\$) from 3 February 2004
<u>Standard Regular Mail (Letters)</u>		
20 gm	0.22	0.23
40 gm	0.30	0.31
<u>Standard Large Mail</u>		
100 gm	0.50	0.50 (unchanged)
250 gm	0.80	0.80 (unchanged)
500 gm	1.00	1.00 (unchanged)
<u>Non-Standard Mail</u>		
40 gm	0.50	0.50 (unchanged)
100 gm	0.80	0.80 (unchanged)
250 gm	1.00	1.00 (unchanged)
500 gm	1.50	1.50 (unchanged)

For details on Standard Regular, Standard Large and Non-Standard Mail, please refer to the attached document.

SingPost is not able to recover the exact 5 per cent GST due to practical and operational difficulties as the lowest denomination is one cent.

New Rates To Account For Revised GST

The new rates for these two weight-steps take into account the revised 5 per cent GST

applicable to all weight-steps. SingPost has been absorbing the additional GST since it was revised from 3 per cent to 4 per cent on 1 January 2003.

As for credit or billed customers, their bills will be amended to reflect the revised 5 per cent GST with effect from 1 January 2004 while their net postage excluding GST remains unchanged.

The purpose of this rate revision is to account for the revised GST. Hence, the overall net financial impact to SingPost is expected to be almost revenue-neutral, with a net increase in revenue estimated at S\$367 thousand or less than 0.1 per cent of SingPost's total revenue.

Last Rate Revision In 1995

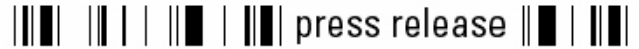
The basic domestic postage rate for the first 20 gm was last revised in April 1995. In that revision, the domestic postage rate for mail of up to 20 gm was adjusted from S\$0.20 to S\$0.22, inclusive of the then 3 per cent GST.

New Stamps

SingPost will release a new stamp under the Tropical Marine Fish Definitive Series on 3 February 2004. The stamp will denote the postage for letters in the second weight-step of up to 40 gm. It will have "31¢" and "2nd Local" printed on it to denote the postage for the second weight-step of 40 gm. This is to give the public time to adjust to the new term 2nd Local. Over time, SingPost will remove the postage value of "31¢" and continue to print the words "2nd Local" only on this stamp. This 2nd Local stamp will, in future, denote the prevailing postage rate for letters in the second weight-step of up to 40 gm.

The words "1st Local" will be printed on a stamp within the *Singapore Skyline* special stamp issue, which will be released in March 2004. The words "1st Local" will eventually replace the current words 'For Local Addresses Only' on the stamp that denotes postage for letters in the first weight-step of up to 20 gm. The 'For Local Addresses Only' stamp presently has the value of 22 cents (current postage rate), but will automatically take on the new value of S\$0.23 from 3 February 2004. It will continue to be concurrently sold and valid as postage for mail up to 20 gm. Hence, the public can continue to use the current 'For Local Addresses Only' stamp for the prevailing postage value for letters of up to 20 gm.

More details of these two new stamps will be released later.



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Information

General information on postage rates may be obtained from SingPost's enquiry line 1605 (toll-free within Singapore) or from www.singpost.com.

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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 has achieved domestic mail market share of greater than 95 per cent. Its Spring joint venture is a market leader in private cross-border business mail solutions.

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## CONDITIONS FOR STANDARD MAIL AND NON-STANDARD MAIL

### Standard Mail Conditions

1. Letter, printed paper or paper based items in a paper-based envelope.
2. Postcards or mail items in card form
3. Mail items should be fully sealed at all sides.
4. Not smaller than 90mm (Width) x 140mm (Length) x 0.2mm(Thickness)
5. Not larger than 229mm (Width) x 324mm (Length) x 14.0mm (Thickness)
6. Not lighter than 2g or heavier than 500g
7. Mail items in card form or postcards must not exceed 162mm x 240mm with paper quality of at least 230gsm.
8. Mail items should be of light colour, white, cream or pastel colour.
9. Credit cards, membership cards, and other similar cards properly packed in an envelope; and pressure sealed and pagemail items are also acceptable under Standard Mail.

### Standard Regular Mail

Envelope Size: C6, DL and C5

| Size    | Width  | Length | Thickness | Weight |
|---------|--------|--------|-----------|--------|
| Minimum | 90 mm  | 140 mm | 0.2 mm    | 2g     |
| Maximum | 162 mm | 240 mm | 6.0 mm    | 40g    |

## Standard Large Mail

Envelope Size: up to C4

| Size    | Width  | Length | Thickness | Weight |
|---------|--------|--------|-----------|--------|
| Minimum | 90 mm  | 140 mm | 0.2 mm    | 2g     |
| Maximum | 229 mm | 324 mm | 14.0 mm   | 500g   |

## Non-Standard Mail Conditions

1. All mail items that do not meet the above Standard Mail conditions
2. Non – Standard Mail include :
  - a) Mail items containing bulky items, metal, very stiff and hard or inflexible objects, and sharp object e.g. audiotapes, CD/VCDs/CD-Roms, etc.
  - b) Odd shaped mail e.g. rounds, triangle, multi – sided, etc.
  - c) Mail items in plastic envelopes, pillow case envelope, etc.
  - d) Mail set or mail with sprocket holes or computer printout.
  - e) Mail items smaller than 90mm x 140mm x 0.2mm.
  - f) Mail items thicker than 14.0mm.
  - g) Mail items with dark intense colours, with background design, patterning or embossing, and with watermark or security printing.
  - h) Mail in roll form.
3. Maximum dimensions:
  - 900mm ( length + width + thickness ) with greatest side not exceeding 600mm.
  - In roll form: 1040mm (length + twice the diameter ) with greatest side not exceeding 900mm.
  - Maximum Weight: 500g