

For Immediate Release

**SingPost Enters Into An Agreement With ACCS
To Purchase Up To 29.9% New ACCS Shares**

Singapore, 7 March 2005 – Singapore Post Limited (“SingPost”) today announced that it has entered into an agreement (“Agreement”) with Accord Customer Care Solutions Limited (“ACCS”) whereby SingPost will purchase S\$7.5 million of new ACCS shares (“Tranche A”) and have the right to subscribe for additional new shares to own up to a maximum of 29.9% of the then existing issued share capital of ACCS (“Tranche B”).

In connection with Tranche A of the Agreement, SingPost will purchase 25 million new ACCS shares at 30 cents per share, representing a 6.25% discount from last Friday’s closing price of 32 cents. The total consideration for Tranche A shares is S\$7.5 million.

In connection with Tranche B, SingPost has the right, at its sole and absolute discretion, to further subscribe for additional new shares to own up to a total of 29.9% of the then existing issued share capital of ACCS within 3 months, subject to due diligence. The issue price for Tranche B Shares is also at 30 cents per share. The total investment for SingPost if it subscribes in full for Tranche B is around S\$123 million.

Under the Agreement, SingPost has the right to nominate one representative to be appointed to the Board of ACCS upon completion of the purchase of Tranche A shares, and a second representative upon completion of the purchase of Tranche B shares. Mr Lim Ho Kee, Chairman of SingPost, will be SingPost’s first nominee director on the Board of ACCS. Upon completion of the purchase of Tranche B shares, either of the two representatives shall be appointed non-executive chairman of the Board of ACCS.

Mr Lim Ho Kee said: “SingPost has been actively looking for growth areas to strengthen our core business in mail, logistics and retail to enhance shareholder value. We view this investment as a good opportunity to enhance our core business.”

SingPost is focused on strengthening its core business of Mail, Logistics and Retail. The Group envisages that there are potential strategic fit and synergies between the businesses of ACCS and SingPost that would enhance our ability to grow SingPost's Logistics and Retail businesses and to widen our regional network.

Said Mr Lim, "Given the strategic fit we see with our business, we are positioning ourselves for a closer association with ACCS. We have approached this prudently. We will initially take up a 2.5% stake and conduct due diligence over the next 3 months to decide whether to proceed with the option to subscribe to the rest of the shares. We do not expect this transaction to impact our dividend policy, as we intend to fund the transaction with external borrowings."

The purchase of Tranche A shares will not have any significant financial effect on the earnings per share or net tangible assets per share of SingPost. Should SingPost proceed with the acquisition of Tranche B shares, it will announce the financial effects, if any.

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Note: This Press Release should be read in conjunction with the full text of the SGXNET Announcement dated 7 March 2005. A copy of the SGXNET Announcement is available on www.sgx.com.



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About Singapore Post Limited

Singapore Post (SingPost) is a household name in Singapore with strong brand recognition. With a highly efficient mail delivery services utilising a sophisticated distribution infrastructure and advanced mail processing technology, it is the dominant provider of domestic and international mail services in Singapore and one of the most efficient and profitable postal operators globally. SingPost also offers one-stop logistics business solutions and through its extensive retail distribution network in Singapore, a comprehensive range of postal, agency and financial services.

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