

**For Immediate Release**

**SingPost Group's unaudited results  
for the fourth quarter and financial year ended 31 March 2007**

**SINGPOST DELIVERS GOOD RESULTS FOR FY2006/07**

- **Q4 revenue up 7.3% to S\$113M; net profit rose 24.8% to S\$39M**
- **Full-year revenue rose 5.6% to S\$436M; net profit up 13.3% to S\$140M**
- **Proposed total annual dividend increased 13.6% to 6.25 cents per share**

**Singapore, 27 April 2007** – Singapore Post Limited (“SingPost”) today announced its unaudited results for the fourth quarter and financial year ended 31 March 2007.

Financial Highlights

A summary of the financial performance of the Group for the fourth quarter and financial year ended 31 March 2007 is as follows:

	<b>FY2006/07 4<sup>th</sup> Qtr S\$'000</b>	<b>FY2005/06 4<sup>th</sup> Qtr S\$'000</b>	<b>Variance %</b>	<b>FY2006/07 Full Year S\$'000</b>	<b>FY2005/06 Full Year S\$'000</b>	<b>Variance %</b>
Revenue	<b>112,645</b>	104,997	7.3	<b>436,045</b>	412,799	5.6
Other gains (net)						
- Rental and property-related income	<b>5,236</b>	4,532	15.5	<b>20,238</b>	17,848	13.4
- Miscellaneous	<b>717</b>	1,005	(28.7)	<b>7,682</b>	4,992	53.9
Total expenses	<b>(78,508)</b>	(74,375)	5.6	<b>(304,102)</b>	(289,750)	5.0
Share of profit of associated company and joint ventures	<b>1,761</b>	2,542	(30.7)	<b>6,554</b>	8,349	(21.5)
Profit before income tax	<b>41,851</b>	38,701	8.1	<b>166,417</b>	154,238	7.9
Income tax expense	<b>(3,150)</b>	(7,639)	(58.8)	<b>(26,160)</b>	(30,361)	(13.8)
<b>Total profit</b>	<b>38,701</b>	31,062	24.6	<b>140,257</b>	123,877	13.2
Attributable to:						
Equity holders of the Company	<b>38,579</b>	30,924	24.8	<b>139,761</b>	123,344	13.3
Minority interest	<b>122</b>	138	(11.6)	<b>496</b>	533	(6.9)
	<b>38,701</b>	31,062	24.6	<b>140,257</b>	123,877	13.2
<b>Operating Profit<sup>1</sup></b>	<b>42,258</b>	38,259	10.5	<b>169,265</b>	151,829	11.5
<b>Underlying Net Profit<sup>2</sup></b>	<b>36,328</b>	31,085	16.9	<b>132,180</b>	123,498	7.0
Earnings per share for profit attributable to the equity holders of the Company during the period						
- basic	<b>2.01 cents</b>	1.62 cents		<b>7.30 cents</b>	6.46 cents	
- diluted	<b>2.01 cents</b>	1.62 cents		<b>7.29 cents</b>	6.45 cents	

Notes

1 Operating profit is defined as profit before interest, tax, exceptional items and share of profit of associated company and joint ventures.

2 Underlying net profit is defined as profit after tax and minority interest, excluding gain or loss on sale of investments, properties, plant and equipment and the one-off impact from the reduction in tax rate from 20% to 18% on opening balances of deferred taxes as at 1 April 2006.

**Strong Q4 performance****- revenue grew 7.3% to S\$113M; net profit up 24.8% to S\$39M**

The Group continued on its growth momentum, posting good results in the fourth quarter of FY2006/07. Revenue increased by 7.3% from S\$105.0 million to S\$112.6 million, boosted by the strong performance of all business segments – Mail, Logistics and Retail.

- Mail revenue increased 7.1% from S\$82.0 million to S\$87.8 million in the fourth quarter, underpinned by growth in domestic mail, international mail, hybrid mail and philatelic.
- Logistics revenue grew 5.2% from S\$15.2 million to S\$16.0 million, on higher *Speedpost* revenue and shipping contributions from *vPOST* online-shopping transactions.
- Retail revenue rose 8.6% from S\$13.3 million to S\$14.5 million. Contributions from higher-value financial services continued to offset the decline in bill presentment and payment/agency services due to pricing pressure.

As a result of the strong operational performance and continued tight rein over expenses, the Group's operating profit grew 10.5% from S\$38.3 million to S\$42.3 million.

For the fourth quarter, the Group achieved a 24.8% increase in net profit from S\$30.9 million to S\$38.6 million. This included a one-off impact from the reduction in corporate tax rate from 20% to 18% on deferred taxes amounting to S\$2.2 million. Underlying net profit, which excluded profit from sale of properties and the one-off impact of the tax rate reduction on deferred taxes, increased 16.9% to S\$36.3 million.

**Good results for FY2006/07****- full-year revenue rose 5.6% to S\$436M; net profit up 13.3% to S\$140M**

The Group performed well in FY2006/07. Revenue rose 5.6% from S\$412.8 million to S\$436.0 million, as all business segments maintained their growth momentum.

- Mail revenue, which accounted for 78% of total revenue, rose 4.4% from S\$324.2 million to S\$338.4 million, as all business lines – domestic mail, international mail, hybrid mail and philatelic – showed improvements in contributions.
- Logistics revenue grew 5.7% from S\$60.8 million to S\$64.3 million, due to growth in *Speedpost* revenue and shipping contributions from *vPOST* online-shopping transactions.
- Retail revenue increased 12.1% from S\$49.6 million to S\$55.6 million, as contributions from higher-value financial services and retail products offset the decline in contributions from bill presentment and payment/agency services.

Rental and property-related income increased by 13.4% from S\$17.8 million to S\$20.2 million in FY2006/07. This was attributed to yield enhancement initiatives undertaken by the Group over the last two years.

Other miscellaneous gains rose 53.9% from S\$5.0 million to S\$7.7 million. During the year, the Group disposed two properties, recording a gain of S\$5.3 million. This offset the decline in interest income and trade-related exchange gains.

As a result of the good business performance and cost control, operating profit growth for FY2006/07 was strong at 11.5%, rising to S\$169.3 million, from S\$151.8 million in the previous financial year.

For FY2006/07, the Group achieved a net profit of S\$139.8 million, an increase of 13.3% over S\$123.3 million recorded in FY2005/06. Excluding gains from the disposal of properties amounting to S\$5.3 million and the one-off impact of the tax rate reduction on deferred taxes amounting to S\$2.2 million, the Group's underlying net profit amounted to S\$132.2 million, an increase of 7.0% from S\$123.5 million in FY2005/06.

Said SingPost's Group CEO Mr Lau Boon Tuan: "The SingPost Board has, over the years, guided and helped transform the Group into the commercial entity it is today. To prepare for the challenges of further postal liberalisation and to create greater shareholder value, the Board made the strategic decision to leverage our Retail network and enhance the core business. New revenue streams were generated with the diversification into financial services as SingPost continued to grow the mail and logistics business."

Mr Lau Boon Tuan added: "In FY2006/07, we further executed on our strategy, pursuing initiatives to grow the business further. In Mail, we continued to focus on growing direct mail and attracting international publishers to print and distribute out of Singapore. We also expanded our hybrid mail business, setting up a subsidiary in Hong Kong and expanding our facility in Malaysia. For Logistics, we focused on growing our customer base. Our e-business was also extended into the region. Throughout the year, we continued to keep a close watch on our costs and also enhanced productivity and processes. All these efforts resulted in a strong 13.3% growth in net profit to S\$140 million. For FY2007/08, we will also focus on driving growth, not just in Singapore but also in the region."

**Total annual dividend increased 13.6% to 6.25 cents per share**

The Group's cashflow generation remained strong. Net cash inflow from operating activities amounted to S\$160.9 million, compared to S\$149.7 million last year.

Free cashflow (net cash inflow from operating activities less cash capital expenditure) amounted to S\$152.4 million for FY2006/07, compared to S\$139.4 million for the previous financial year.

With the good performance and robust cash flow, the Board of Directors is proposing a final dividend of 2.5 cents per share for FY2006/07. Together with the interim dividends of 1.25 cents per share paid in each of the first three quarters of FY2006/07, the proposed total annual dividend for FY2006/07 would amount to 6.25 cents per share.

This represents an increase of 13.6% over the total dividend of 5.5 cents per share for FY2005/06 and a payout ratio of 85.6%, which is within the target range of 80-90% of net profit.

- End -

### **About Singapore Post Limited**

SingPost is a trusted household name in Singapore, enjoying strong brand recognition. It is the dominant provider of domestic and international postal services, offering an efficient and high quality mail delivery service utilising a sophisticated distribution infrastructure and advanced mail processing technology. SingPost is one of the most efficient postal operators in the world. It is also the dominant logistics provider in the domestic market, with global service offerings to more than 220 territories/countries. In Singapore, SingPost owns one of the largest retail distribution networks through its tri-channel platform of post offices, Self-service Automated Machines (SAMs) and *vPOST*, its internet portal. With its extensive network, SingPost provides a one-stop convenience to its customers for a wide range of products and services, including agency, postal and financial services.

~~~~~

**For general information on SingPost, call 1605 toll-free  
or visit [www.singpost.com](http://www.singpost.com)**