

For immediate release

SingPost Group's unaudited results
for the first quarter ended 30 June 2010

SingPost's Q1 net profit up 3.2%

Singapore, 28 July 2010 – Singapore Post Limited (“SingPost”) today announced its unaudited results for the first quarter ended 30 June 2010. Below are some highlights.

FINANCIAL HIGHLIGHTS

	Q1 FY10/11 (S\$M)	Q1 FY09/10 (S\$M)	Variance (%)
GROUP RESULTS			
Revenue	138.2	121.8	13.5
Rental & Property-Related Income	10.1	10.0	1.6
Total Expenses	103.1	86.7	19.0
Net Profit	40.7	39.4	3.2
Underlying Net Profit	37.3	36.9	1.0
Earnings per share	2.111cts	2.045cts	

Improved Performance in Core Business

The Group's revenue for the first quarter of FY 2010/11 increased 13.5% to S\$138.2 million. Growth was attributed to improved performance in the Mail and Logistics segments as well as the consolidation of Quantum Solutions for the full quarter compared to two months in the same quarter last year.

Mail revenue increased 11.4% to S\$95.7 million, on higher domestic and international mail traffic. Logistics revenue recorded a 34.4% jump to S\$46.3 million mainly attributable to the inclusion of Quantum Solutions and growth in transshipments and vPOST shipping. Retail revenue dipped 1.2% to S\$16.3 million as lower contributions from agency and retail products offset the growth in financial services.

Rental and property-related income recorded a marginal growth of 1.6% to S\$10.1 million. Miscellaneous income rose to S\$4.2 million from the amortization of deferred gain on intellectual property rights related to the collaboration with Postea, Inc, as well as trade-related foreign exchange gains.

Total expenses for the Group rose 19.0% to S\$103.1 million. This was due partly to the consolidation of Quantum Solutions as well as higher expenses in labour and related costs and the effect of reduced benefits from the Government's Jobs Credit Scheme. Finance expenses also rose as a result of additional interest expenses from the S\$200 million Fixed Rate Notes issued on 30 March 2010.

The Group's net profit grew 3.2% to S\$40.7 million. Excluding one-off items, such as benefits from the Jobs Credit Scheme and amortisation of deferred gain on intellectual property rights, the underlying net profit rose a marginal 1.0% to S\$37.3 million.

Said Mr Ng Hin Lee, Deputy Group Chief Executive Officer of SingPost: "In spite of the challenging landscape, particularly pressure from e-substitution and competition, we have managed to grow our business in the first quarter. We are seeing an increase in business activity, thanks to a recovering economy."

Transforming to remain globally relevant

Mr Ng added: "As we continue with our transformation to remain globally relevant, we will focus our efforts on diversification and growth. Our objective is to build a more balanced revenue and earnings portfolio by growing non-mail contributions and driving regional growth."

"We will continue to push for regional growth through Quantum Solutions, especially in the area of e-commerce logistics, against the backdrop of rapid internet growth in North Asia. Concurrently, we are expanding our in-country distribution networks in the region, especially in the India market."

Interim quarterly dividend of 1.25 cents per share

Net cash from operating activities amounted to S\$29.1 million in Q1 FY2010/11, compared to S\$67.7 million in the same quarter of last year, due to an increase in working capital.

The Board of Directors has declared an interim quarterly dividend of 1.25 cents per ordinary share (tax exempt one-tier) payable on 31 August 2010.

End

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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