Financial Results for Q4 & FY ended 31 March 2018

11 May 2018

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Summary

"$" means Singapore dollars unless otherwise indicated.

FY2017/18 Profit & Loss

FY2017/18 P&L, $M

	FY17/18	FY16/17	YoY % change
Revenue	1,464.1	1,347.8	+8.6%
Other income and gains (net)			
Rental and property-related income	47.5	36.6	+29.9%
Miscellaneous	11.3	9.8	+16.0%
Total expenses	1,388.2	1,249.3	+11.1%
Operating profit before exceptional items	143.5	147.0	(2.4%)
Exceptional items	14.5	(88.7)	N.M.
Share of associated companies & JVs	(3.1)	(1.2)	(163.3%)
Net profit attributable to equity holders	126.4	33.4	+278.4%
Underlying net profit	105.0	115.6	(9.2%)

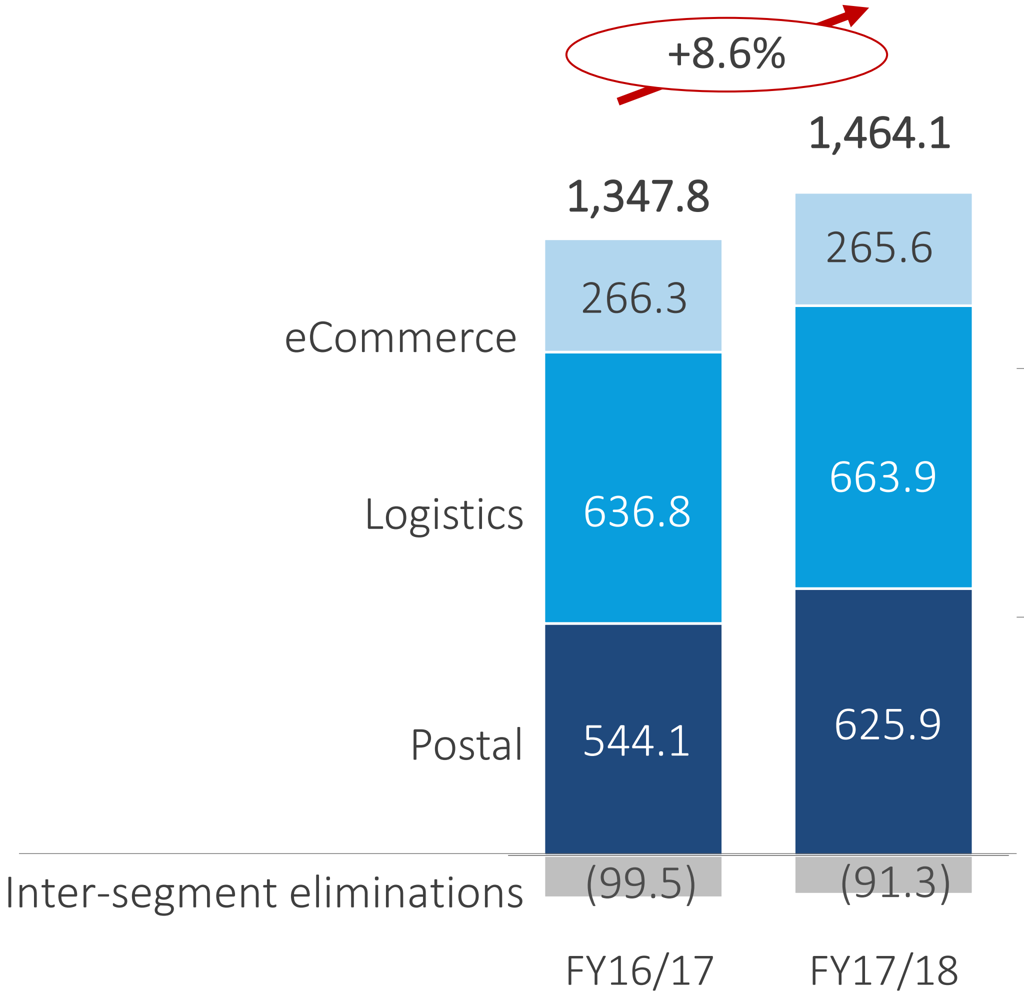
- Revenue growth driven by higher eCommerce-related activities
- Boosted by rental income from SingPost Centre retail mall which opened in October 2017
- Exceptional losses last year were largely due to impairment charges
- Net profit rose 278.4%
- Excluding exceptional & one-off items, underlying net profit declined 9.2% largely due to lower Logistics contribution

N.M. denotes Not Meaningful

Figures in the comparative period last year have been adjusted to be consistent with the current year's presentation

Revenue movement

FY2016/17 vs. FY2017/18 Revenue performance, $M



(0.3%) Stable despite the loss of two major customers as previously disclosed, as TradeGlobal added new customers over the year

+4.3% Increased last-mile deliveries across Singapore and Australia, and higher freight forwarding volumes. These were partially offset by lower revenue from Quantium Solutions Hong Kong

+15.0% Strong growth in International mail revenue, which rose 37.4% year-on-year, driven by cross-border eCommerce deliveries

Differences in total due to rounding

Operating expenses

Total expenses FY2017/18 breakdown, $M

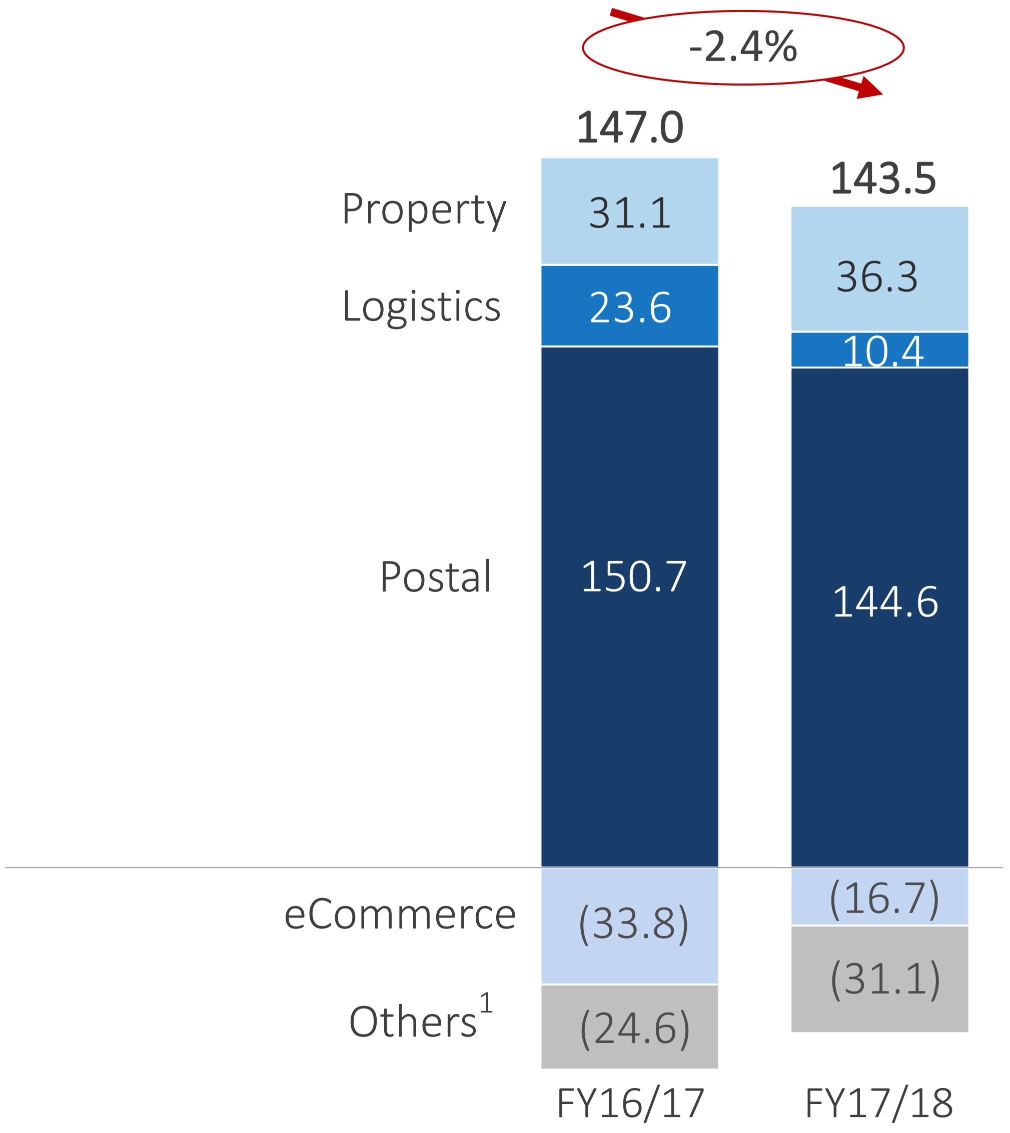
	FY17/18	FY16/17	YoY % change
Labour & related[1]	328.2	328.6	(0.1%)
Volume-related[1]	816.1	704.5	+15.8%
Traffic & related	*490.3*	*374.1*	*+31.1%*
Outsourcing services and delivery expenses	*325.8*	*330.3*	*(1.4%)*
Admin & others	154.7	144.3	+7.2%
Depreciation & amortisation	60.7	51.0	+19.1%
Selling	15.1	15.3	(1.5%)
Finance expense	13.4	5.7	+136.4%
Total expenses	1,388.2	1,249.3	+11.1%

- largely stable due to cost management initiatives
- higher International mail terminal dues and air conveyance costs in line with higher volume
- higher professional fees
- mainly due to depreciation costs at the Regional eCommerce Logistics Hub, and shortening of amortisation period for intangible assets of TradeGlobal
- mainly due to unfavourable non-trade related foreign exchange differences

1. Figures in the comparative period last year have been adjusted to be consistent with the current year's presentation

Operating Profit before exceptional items

FY2016/17 vs. FY2017/18 Operating Profit performance, $M



+16.8%	Boosted by rental income from SingPost Centre retail mall, which opened in October 2017
(56.0%)	Due to lower contribution from Quantium Solutions, which faced intense competitive pressures in Hong Kong, as well as a doubtful debt provision in Q2 for a key customer
(4.0%)	Due to decline in Domestic mail letter volumes, partially offset by higher contribution from International cross-border eCommerce deliveries
+50.6%	eCommerce operating losses narrowed as TradeGlobal executed in line with the turnaround business plan and delivered good cost controls over the peak season

Differences in total due to rounding

1. Refer to unallocated corporate overhead items and trade-related foreign currency translation differences

FY2017/18 Underlying Net Profit movement

Underlying Net Profit performance, $M

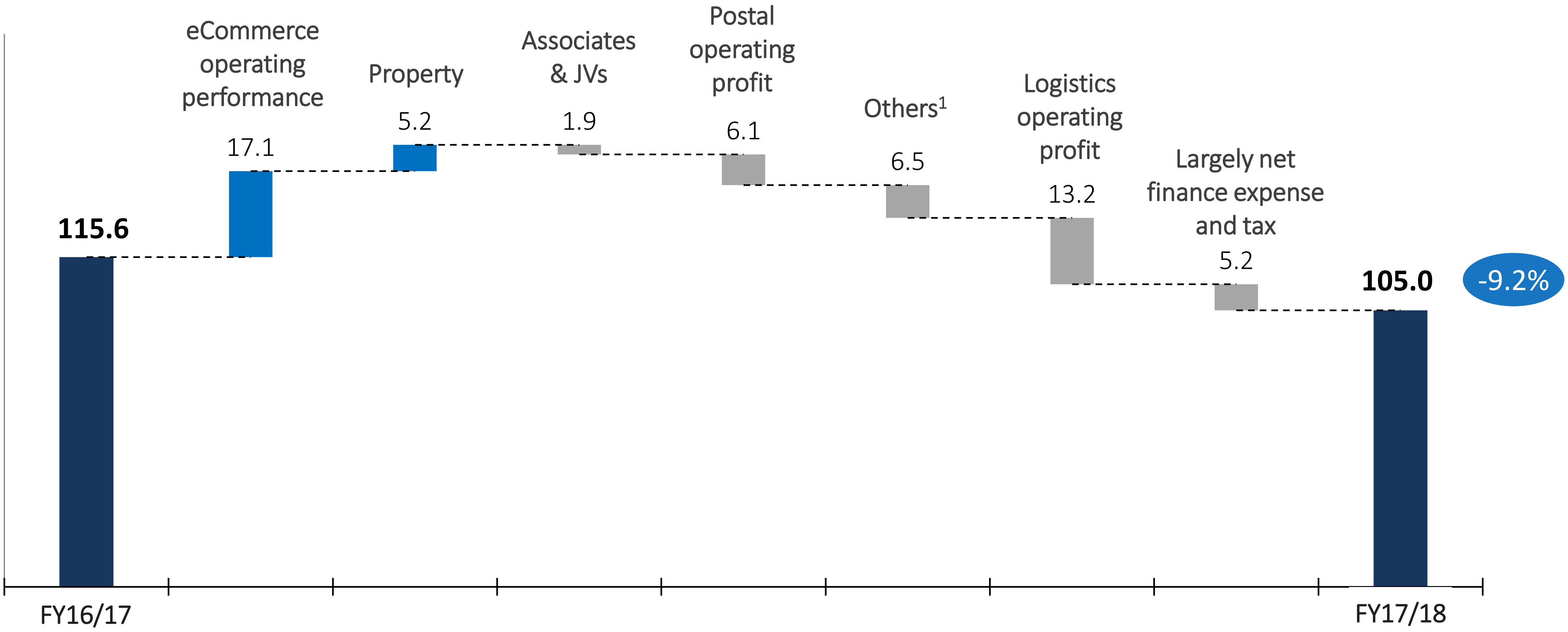


Chart not shown to scale, differences in total due to rounding

1. Refers to unallocated corporate overhead items and trade-related foreign currency differences. Previously grouped in “Property & Others”.

Q4 FY2017/18 Profit & Loss

Q4 FY2017/18 P&L, $M

	Q4 FY17/18	Q4 FY16/17	YoY % change
Revenue	367.5	323.8	+13.5%
Other income and gains (net)			
Rental and property-related income	13.9	8.8	+58.1%
Miscellaneous	2.0	7.3	(72.1%)
Total expenses	354.6	317.5	+11.7%
Operating profit before exceptional items	31.4	26.6	+18.0%
Exceptional items	8.7	(93.1)	N.M.
Share of associated companies & JVs	(6.2)	(1.9)	(227.9%)
Net profit attributable to equity holders	23.9	(65.2)	N.M.
Underlying net profit	15.3	21.4	(28.6%)

- Revenue growth across all three segments driven by higher eCommerce-related activities
- Rental income from SingPost Centre retail mall
- Higher gains on trade-related foreign exchange differences last year
- Strong growth in operating profit before exceptional items
- Lower associates' contribution, which continues to invest for growth
- UNP declined 28.6%, as higher operating profit was offset by lower associates' contribution and higher tax provision

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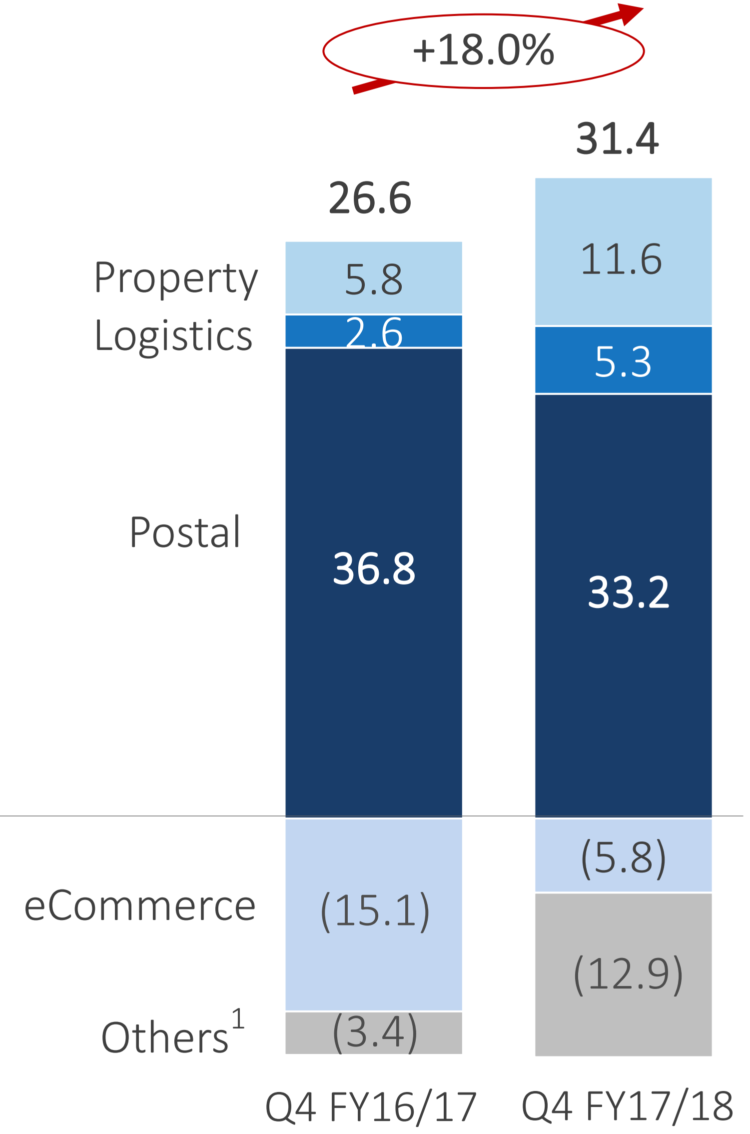
Operating Profit before exceptional items

Q4 FY2016/17 vs. Q4 FY2017/18 Operating Profit performance, $M



+101.8%	Rental income from SingPost Centre retail mall
+108.7%	Increased last-mile deliveries in Singapore and Australia, higher freight forwarding volumes
(9.8%)	Margin for International mail was impacted as the industry went through a period of adjustment with the new terminal dues system taking effect during the quarter
+61.3%	eCommerce operating losses narrowed as TradeGlobal executed in line with the turnaround business plan

Differences in total due to rounding

1. Refer to unallocated corporate overhead items and trade-related foreign currency translation differences.

Q4 Underlying Net Profit movement

Underlying Net Profit performance, $M

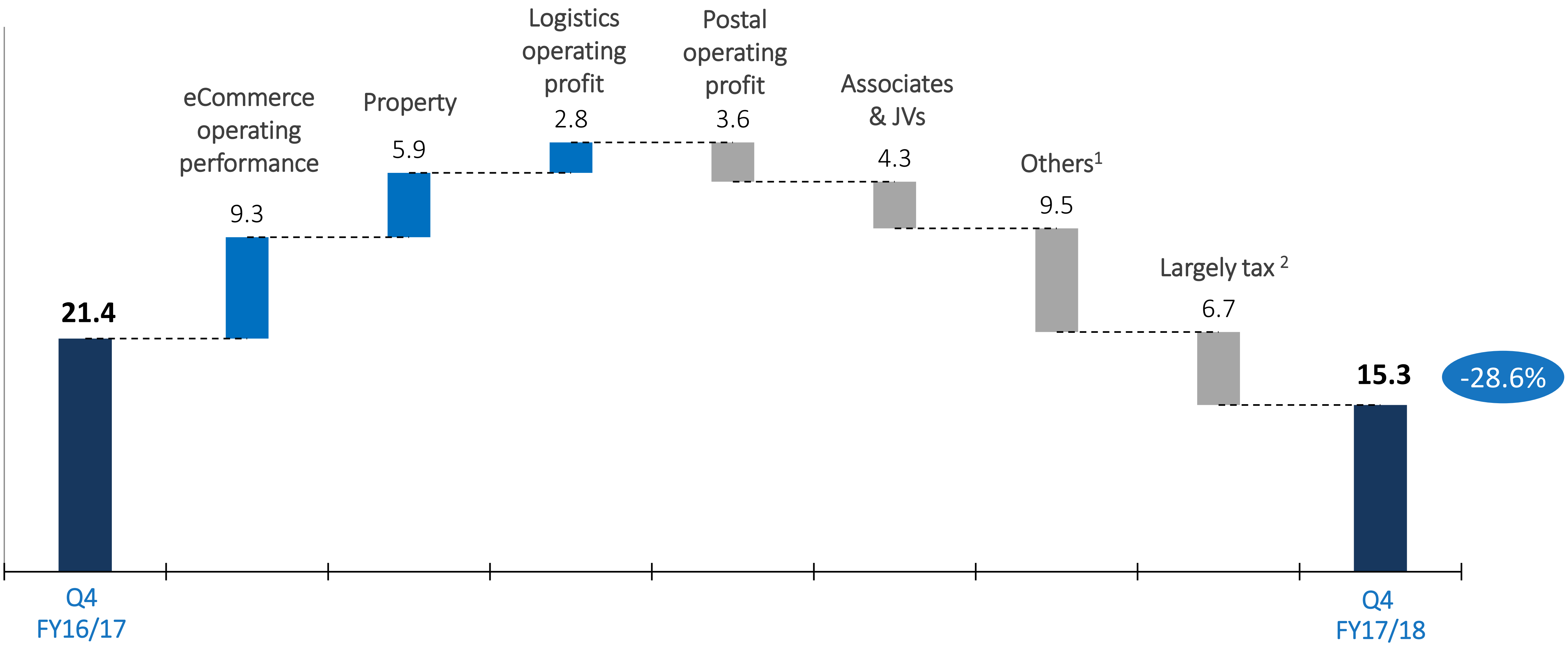


Chart not shown to scale, differences in total due to rounding

1. Refers to unallocated corporate overhead items and trade-related foreign currency differences. Previously grouped in "Property & Others".
2. Due to higher tax provision and lower government tax incentives

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Cash Flow movement

$M, unless otherwise stated

	FY17/18	FY16/17
Net cash provided by operating activities	198.2	200.1
Operating cash flow before working capital changes	196.2	196.9
Changes in working capital	33.3	33.7
Income tax paid	(31.2)	(30.5)
Capital expenditure	(62.1)	(199.8)
Free cash flow	**136.1**	**0.3**

- Stable operating cash flow
- Lower capital expenditure with the completion of SingPost Centre retail mall and Regional eCommerce Logistics Hub
- Free cash flow improved significantly

	FY17/18	FY16/17
Net cash provided by operating activities	198.2	200.1
Cash flow used in investing activities	(48.8)	(172.9)
Cash flow (used in) / provided by financing activities	(202.1)	212.8
Net increase / (decrease) in cash & cash equivalents	**(52.6)**	**240.0**

- Due to lower capital expenditure
- Due to net repayment of short-term borrowings of S$118.9 million, compared to net inflow from borrowings last year. Last year, the Group also recorded proceeds from issuance of ordinary shares and partial divestment of interest in a subsidiary to the Alibaba Group

Differences in total due to rounding

Balance Sheet and financial indicators

$M, unless otherwise stated

Financial indicators	As at Mar 2018	As at Mar 2017	
Cash & cash equivalents at end of financial period	314.1	366.6	Includes cash proceeds from Alibaba to be used in accordance with the investment agreements
Borrowings	244.0	364.0	Lower borrowings with partial repayment of short-term bank loans
Net cash position	70.1	2.6	Improved net cash position
EBITDA	215.7	118.1	Improved EBITDA performance
EBITDA to interest expense (times)	25.2x	13.3x	Interest coverage ratio remains strong

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Postal: FY2017/18 Performance

$M

Postal	FY17/18	FY16/17	YoY % change
Revenue	625.9	544.1	+15.0%
Operating profit	144.6	150.7	(4.0%)
OP margin	23.1%	27.7%	

Revenue breakdown	FY17/18	FY16/17	YoY % change
Domestic mail[1]	229.4	245.7	(6.6%)
International mail[2]	369.0	268.6	+37.4%
Post office products & services[3]	27.4	29.8	(7.8%)
Total	**625.9**	**544.1**	**+15.0%**

Revenue rose 15.0% for the full year with strong growth in International mail revenue, driven by higher cross-border eCommerce deliveries.

This helped offset the decline in Domestic mail revenue with the continued migration towards electronic forms of communication.

Operating profit declined 4.0% for the full year, as higher contribution from International mail was not sufficient to offset the decline in Domestic mail operating profit.

1. Includes Philatelic
2. Includes cross-border eCommerce items via transhipment
3. Includes Agency services, Retail products and Financial services

Postal: Q4 FY2017/18 Performance

$M

Postal	Q4 FY17/18	Q4 FY16/17	YoY % change
Revenue	161.7	136.8	+18.2%
Operating profit	33.2	36.8	(9.8%)
OP margin	20.5%	26.9%	

Revenue breakdown	Q4 FY17/18	Q4 FY16/17	YoY % change
Domestic mail[1]	56.8	58.4	(2.7%)
International mail[2]	98.8	71.2	+38.8%
Post office products & services[3]	6.1	7.2	(15.1%)
Total	**161.7**	**136.8**	**+18.2%**

Despite the new terminal dues system taking effect, International mail revenue rose 38.8%.

Margins for International mail was impacted as the industry went through a period of adjustment during the quarter.

As a result, Postal operating profit declined 9.8% in Q4.

Mitigating measures had helped reduce the adverse impact. The full extent of these measures will come into effect progressively over the next few quarters.

1. Includes Philatelic
2. Includes cross-border eCommerce items via transhipment
3. Includes Agency services, Retail products and Financial services

Logistics: FY2017/18 Performance

$M

Logistics	FY17/18	FY16/17	YoY % change
Revenue	663.9	636.8	+4.3%
Operating profit	10.4	23.6	(56.0%)
OP margin	1.6%	3.7%	

Revenue breakdown	FY17/18	FY16/17	YoY % change
Quantium Solutions	93.3	110.3	(15.4%)
Couriers Please	150.7	142.3	+5.9%
SP Parcels	91.4	78.4	+16.6%
Famous	247.7	227.7	+8.8%
Others[1]	80.7	78.0	+3.5%
Total	**663.9**	**636.8**	**+4.3%**

Revenue increased 4.3% for the full year, driven by higher last-mile eCommerce delivery volumes in Singapore and Australia for SP Parcels and Couriers Please respectively, as well as higher freight forwarding volumes for Famous Holdings.

Operating profit declined 56.0%, impacted by the competitive pressures that Quantium Solutions faced in Hong Kong over the course of the year, as well as a doubtful debt provision in Q2 for a key customer.

1. Includes the self storage business under Lock+Store

Logistics: Q4 FY2017/18 Performance

$M

Logistics	Q4 FY17/18	Q4 FY16/17	YoY % change
Revenue	157.9	154.7	+2.0%
Operating profit	5.3	2.6	+108.7%
OP margin	3.4%	1.6%	

Revenue breakdown	Q4 FY17/18	Q4 FY16/17	YoY % change
Quantium Solutions	22.2	25.8	(14.0%)
Couriers Please	36.1	34.9	+3.6%
SP Parcels	23.6	20.3	+16.7%
Famous	60.5	54.7	+10.6%
Others[1]	15.4	19.0	(19.3%)
Total	**157.9**	**154.7**	**+2.0%**

Logistics revenue increased 2.0% in Q4, driven by SP Parcels and Famous.

Operating profit rose 108.7%, which reflects improved contributions from our last-mile entities, SP Parcels and Couriers Please, as well as higher earnings from Famous Holdings.

1. Includes the self storage business under Lock+Store

eCommerce: FY2017/18 Performance

$M

eCommerce	FY17/18	FY16/17	YoY % change
Revenue	265.6	266.3	(0.3%)
Operating profit	(16.7)	(33.8)	+50.6%
OP margin	(6.3%)	(12.7%)	

Revenue breakdown	FY17/18	FY16/17	YoY % change
TradeGlobal	129.2	124.5	+3.7%
Jagged Peak	103.8	106.7	(2.7%)
SP eCommerce	32.7	35.2	(7.0%)
Total	**265.6**	**266.3**	**(0.3%)**

The US businesses' performance improved as management executed on the turnaround business plan for TradeGlobal, which grew revenue and demonstrated good cost controls, in particular over the peak period.

As a result, the eCommerce segment's operating losses narrowed significantly by 50.6% to S$16.7 million for the full year.

Revenue from Jagged Peak's merchant of record ("MOR") service is presented on a net basis for the quarter and full year ended 31 March 2018, compared to a gross basis previously. Figures for prior periods have been adjusted to be consistent with the current presentation.

Figures in the comparative period last year have been adjusted to be consistent with the current year's presentation

eCommerce: Q4 FY2017/18 Performance

$M

eCommerce	Q4 FY17/18	Q4 FY16/17	YoY % change
Revenue	65.3	56.4	+15.7%
Operating profit	(5.8)	(15.1)	+61.3%
OP margin	(9.0%)	(26.8%)	

Revenue breakdown	Q4 FY17/18	Q4 FY16/17	YoY % change
TradeGlobal	31.6	22.8	+38.5%
Jagged Peak	26.2	24.5	+7.0%
SP eCommerce	7.5	9.1	(17.9%)
Total	**65.3**	**56.4**	**+15.7%**

eCommerce revenue rose 15.7% in Q4.

Despite the loss of two major customers as disclosed last year, TradeGlobal registered revenue growth of 38.5% in Q4 through the addition of new customers.

Operating losses narrowed by 61.3% to S$5.8 million.

Figures in the comparative period last year have been adjusted to be consistent with the current year's presentation

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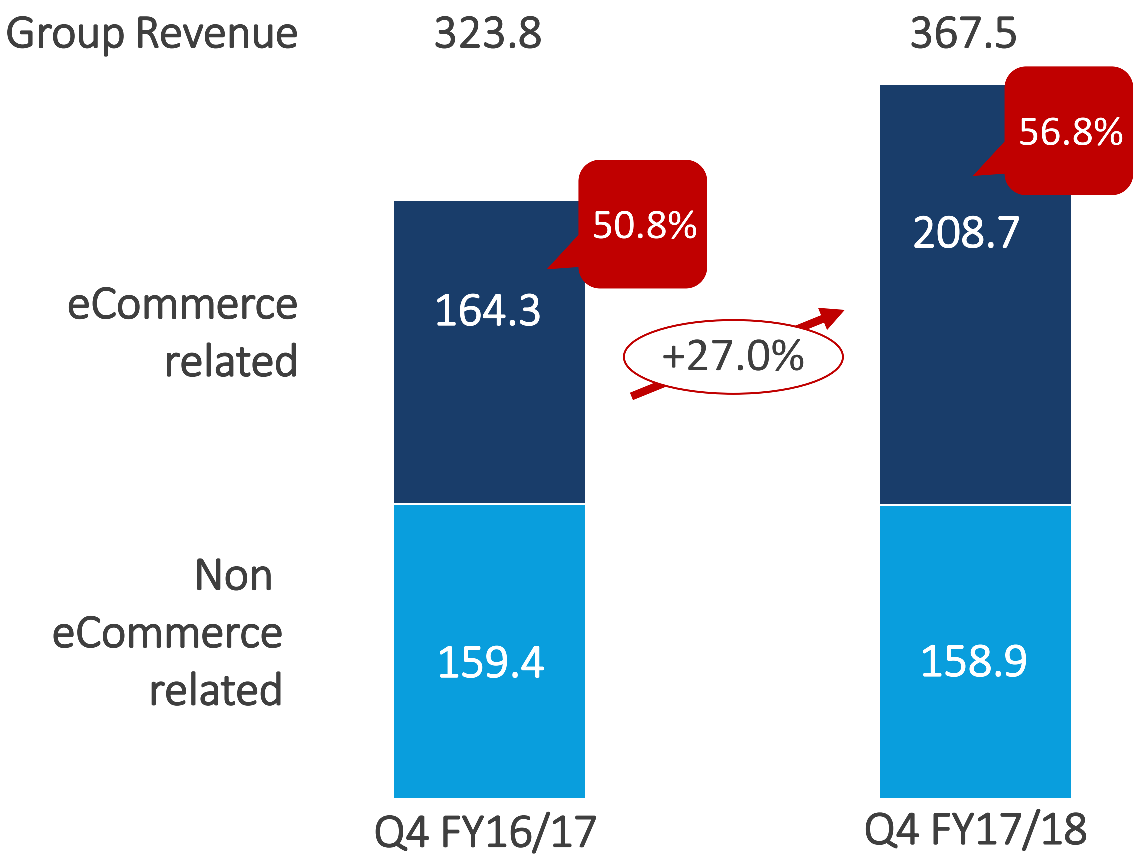
eCommerce-related revenue

Revenue performance, Q4 FY2016/17 vs Q4 FY2017/18, $M

eCommerce-related revenue rose 27.0% year-on-year, forming 56.8% of Group revenue



Differences in total due to rounding

Key operating indicators

Regional eCommerce Logistics Hub

Warehousing

Utilisation 96%[1]

Parcel sorting

Utilisation 21%[2]

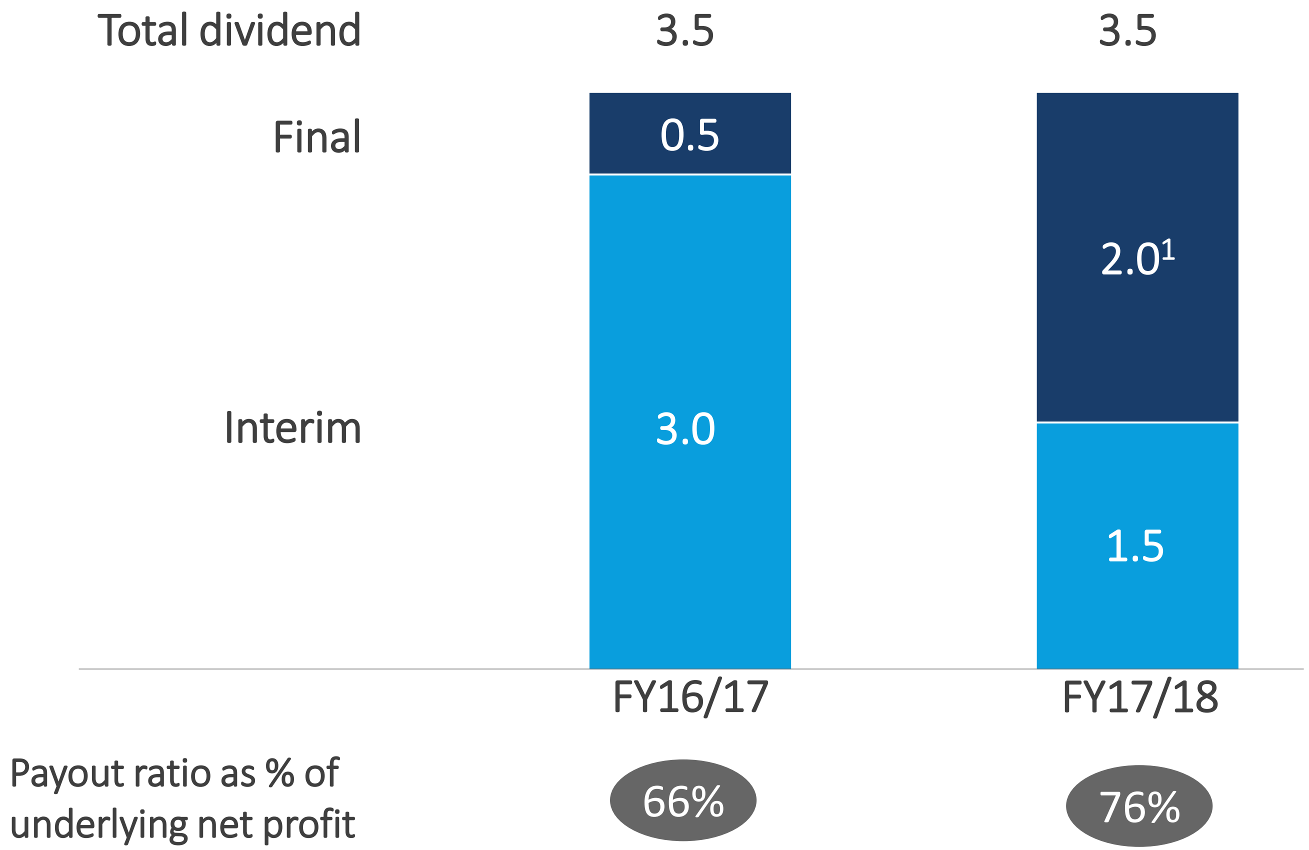
SingPost Centre retail mall

Committed occupancy 95.6%[1]

1. As at 31 March 2018
2. Average daily utilisation for the quarter ended 31 March 2018, based on handling capacity of 100,000 parcels a day

Proposed final dividend for FY2017/18: 2.0 cents

Dividend, FY2016/17 vs FY2017/18, S$ cents



Dividend policy is based on a payout ratio ranging from 60% to 80% of underlying net profit for each financial year.

1. Final dividend for FY2017/18 is subject to shareholders' approval at the Annual General Meeting

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FY2017/18 Summary

- Revenue rose 8.6%, driven by eCommerce-related activities

- Net profit up 278.4% due to exceptional losses in the same period last year

- Underlying net profit declined 9.2% largely due to:
  - lower operating profit from the Logistics segment

- Cash flow and balance sheet position:
  - free cash flow improved to S$136.1 million due to lower capital expenditure
  - improved net cash position of S$70.1 million

- FY17/18 final dividend of 2.0 cents per share proposed, bringing total dividend for the year to 3.5 cents per share

SingPost - connecting communities in an eCommerce world

A Win in our home market

- Gain leading share in **Parcels**
- Drive scale of eCommerce **warehouse and fulfillment**
- Accelerate **urban solutions** for a Smart Nation
- **Mitigate** mail decline through innovative digital solutions

B Ignite future growth engines

- Drive **Southeast Asia** with end-to-end capabilities
- Capture **global cross-border eCommerce flows**

C Extract full value from investments

- **Maximise value** from international subsidiaries and associates
- Turnaround **TradeGlobal** and **scale combined US** businesses

D Drive to cost leadership

- Optimise cost position
- Drive productivity, reduce non-conformance
- Instill continuous improvement

Thank you