



*For immediate release*

## SingPost reports second quarter net profit of S\$25.1 million

- Profit on operating activities rises 33.5 per cent to S\$40.0 million, driven by Post and Parcel, Logistics and Property segments
- Revenue rose 2.2 per cent to S\$368.7 million
- Net profit declined on adjustments to fair value of associated company warrants
- Underlying net profit increased 0.4 per cent as improved operating profit was offset by negative contribution from associates
- Interim dividend of 0.5 cent per share declared

### Financial Highlights

	Q2 FY18/19 (S\$'000)	Q2 FY17/18 (S\$'000)	Variance (%)	H1 FY18/19 (S\$'000)	H1 FY17/18 (S\$'000)	Variance (%)
<b>GROUP RESULTS</b>						
Revenue	368,672	360,571	2.2	741,256	721,118	2.8
Operating expenses	(331,723)	(332,970)	(0.4)	(665,409)	(656,199)	1.4
Profit on operating activities	39,953	29,929	33.5	79,133	68,698	15.2
Share of (loss) / profit of associated companies	(3,632)	4,921	N.M.	(7,109)	2,118	N.M.
Exceptional items	(2,944)	890	N.M.	(8,906)	4,917	N.M.
Net profit	25,149	28,873	(12.9)	43,864	60,248	(27.2)
Underlying net profit	28,093	27,983	0.4	52,770	55,331	(4.6)
Earnings per share (cents)	0.95	1.11		1.61	2.32	
Dividend per share (cents)	0.5	0.5		1.0	1.0	

N.M. – Not Meaningful

**SINGAPORE, 2 November 2018** – Singapore Post Limited (“SingPost”) today announced its results for the second quarter ended 30 September 2018.

Revenue for the quarter increased 2.2 per cent to S\$368.7 million, on stronger contributions from international mail and property.

Net profit attributable to equity holders decreased 12.9 per cent to S\$25.1 million, due largely to an exceptional fair value loss on warrants from an associated company.

Excluding such one-off items, underlying net profit was stable at S\$28.1 million, as improved operating profit, which rose 33.5 per cent to S\$40.0 million, was offset by negative contributions from associates investing for growth.



Mr Paul Coutts, Group Chief Executive Officer, said: “We have shown progress in many parts of our business, including winning in our home market with average daily parcel volumes up 38 per cent from a year ago, as well as improved profitability in the Logistics and Property segments. In the eCommerce segment, we continue to integrate our US businesses for improved efficiency and execution for the coming peak season.”

### **Strong growth in profit on operating activities**

SingPost continued to make progress in its transformation. Revenue from eCommerce-related activities across the Group rose 2.2 per cent in the quarter to S\$189.1 million, or 51.3 per cent of total revenue.

In the Post and Parcel segment, revenue increased on growth in cross-border eCommerce deliveries, while profit on operating activities rose 5.1 per cent, driven by higher margins from last-mile eCommerce deliveries in Singapore. The Group is starting to reap operating synergies from the ongoing integration of its postal and parcel delivery networks.

The Logistics segment reversed a loss in the previous year to record an operating profit on flat revenue. The continued turnaround was due largely to reduced losses at Quantum Solutions, which has been reviewing unfavourable customer contracts to improve profitability, and strong contributions from the freight forwarding business.

The eCommerce segment saw operating losses rise as the US Businesses were impacted by pricing pressures. Costs also increased due to ongoing initiatives to integrate TradeGlobal and Jagged Peak, as well as investments in automation.

Profit on operating activities from Property rose 54.1 per cent, boosted by rental income from the SingPost Centre retail mall, which re-opened in October 2017. Committed occupancy for the mall improved to 99 per cent as at 30 September 2018, from 97 per cent as at 30 June 2018.

### **Interim dividend**

For the second quarter of FY2018/19, the Board of Directors has declared an interim dividend of 0.5 cent per ordinary share (tax exempt one-tier) to be paid on 30 November 2018.

### **About Singapore Post Limited**

For 160 years, Singapore Post (SingPost) as the country’s postal service provider, has been delivering trusted and reliable services to homes and businesses in Singapore.

Today, SingPost is pioneering and leading in eCommerce logistics as well as providing innovative mail and logistics solutions in Singapore and around the world, with operations in 19 markets.

Building on its trusted communications through domestic and international postal services, SingPost is taking the lead in end-to-end integrated and digital mail solutions. The suite of SingPost eCommerce logistics solutions includes front end web management, warehousing and fulfilment, last mile delivery and international freight forwarding.



**Media Contact**

Robin Goh  
Tel: +65 9093 5772  
Email: [robingoh@singpost.com](mailto:robingoh@singpost.com)

Bryan Lee  
Tel: +65 9645 0640  
Email: [bryanlee@singpost.com](mailto:bryanlee@singpost.com)