

# 24<sup>th</sup> Annual General Meeting

14 July 2016



The following presentation contains forward looking statements by the management of Singapore Post Limited (“SingPost”) relating to financial trends for future periods, compared to the results for previous periods.

Some of the statements contained in this presentation that are not historical facts are statements of future expectations with respect to the financial conditions, results of operations and businesses, and related plans and objectives. Forward looking information is based on management's current views and assumptions including, but not limited to, prevailing economic and market conditions. These statements involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those in the statements as originally made. Such statements are not, and should not be construed as a representation as to future performance of SingPost. In particular, such targets should not be regarded as a forecast or projection of future performance of SingPost. It should be noted that the actual performance of SingPost may vary significantly from such statements.

“\$” means Singapore dollars unless otherwise indicated.

Vision

Global leader in eCommerce Logistics and Trusted Communications

Strategy

Protect the Core

Grow the Wings

Unlock Value

POSTAL

Defend the core  
Postal Business

E-COMMERCE LOGISTICS

Grow a strong eCommerce  
Logistics network

PROPERTY & OTHERS

Unlock value in Property  
and Non-core assets

Objective

Deliver long-term sustainable shareholder value

## Revenue crossed S\$1 billion milestone

	FY2015/16	YoY change
Operating revenue	S\$1,151.5 million	+25.2%
Net profit	S\$248.9 million	+57.9%
Less one-off items <sup>1</sup>	-S\$95.3 million	
Underlying net profit	S\$153.6 million	-4.1% <sup>2</sup>

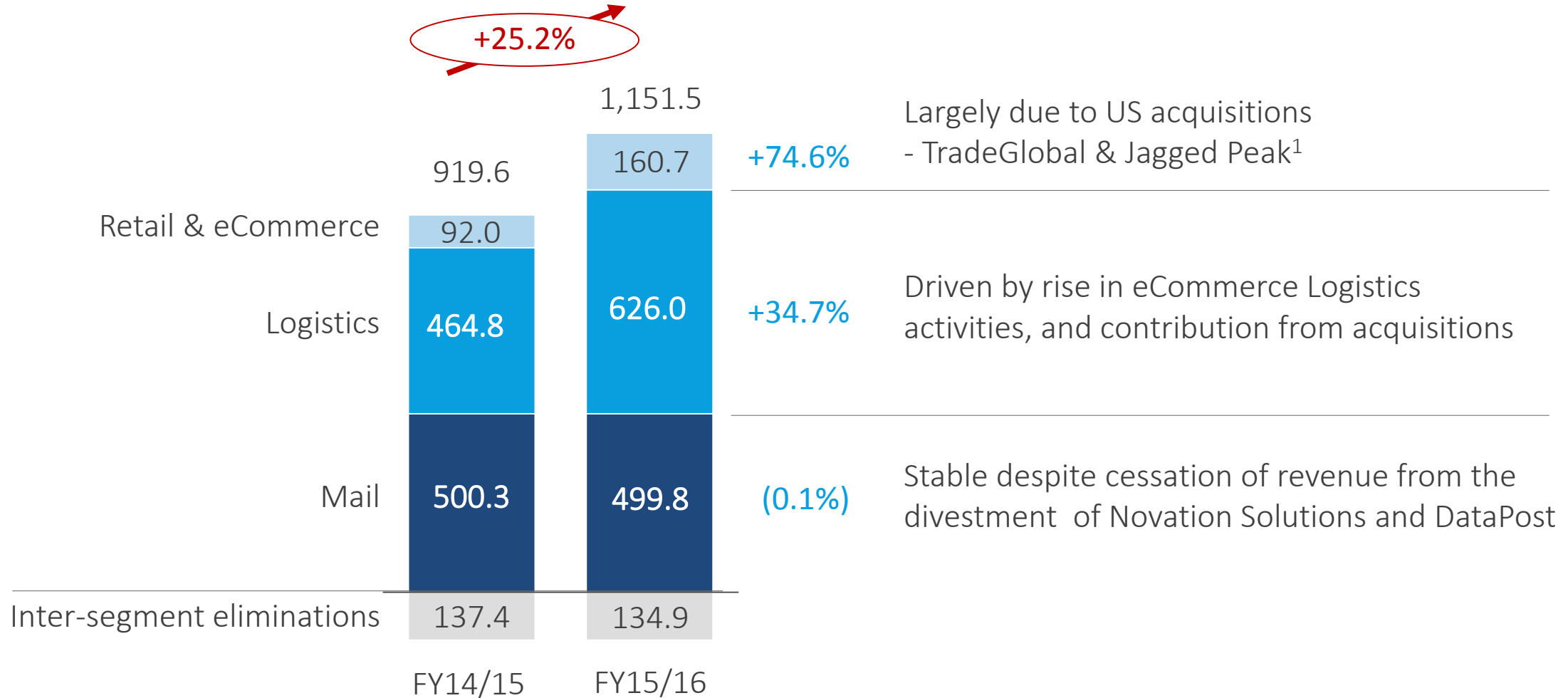
1. One-off items includes gains from sale of investments, net of loss on disposal of PPE and M&A related professional fees

2. Excluding the impact of loss of income from SPC mall redevelopment and deconsolidation of DataPost and Novation Solutions, Underlying Net Profit would be stable



# Revenue growth driven by eCommerce related activities and acquisitions

FY2014/15 vs. FY2015/16 Revenue performance, \$M



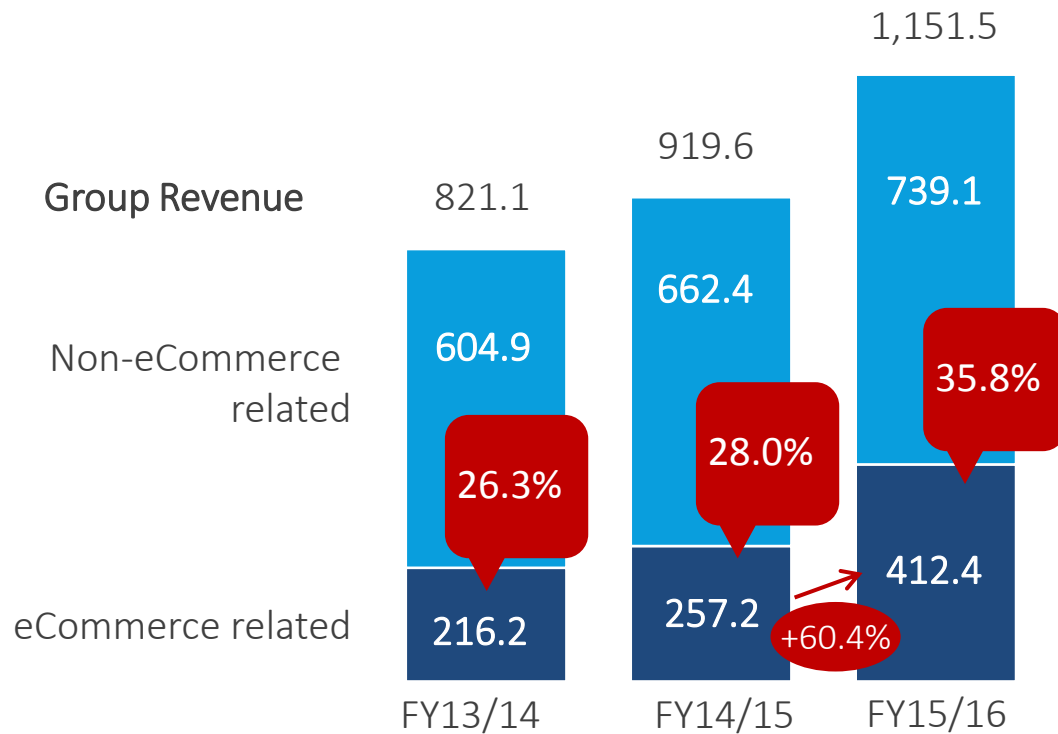
Differences in total due to rounding

1. TradeGlobal acquisition was completed in November 2015 and Jagged Peak acquisition was completed in March 2016

# eCommerce related revenues and Overseas revenues continue to grow

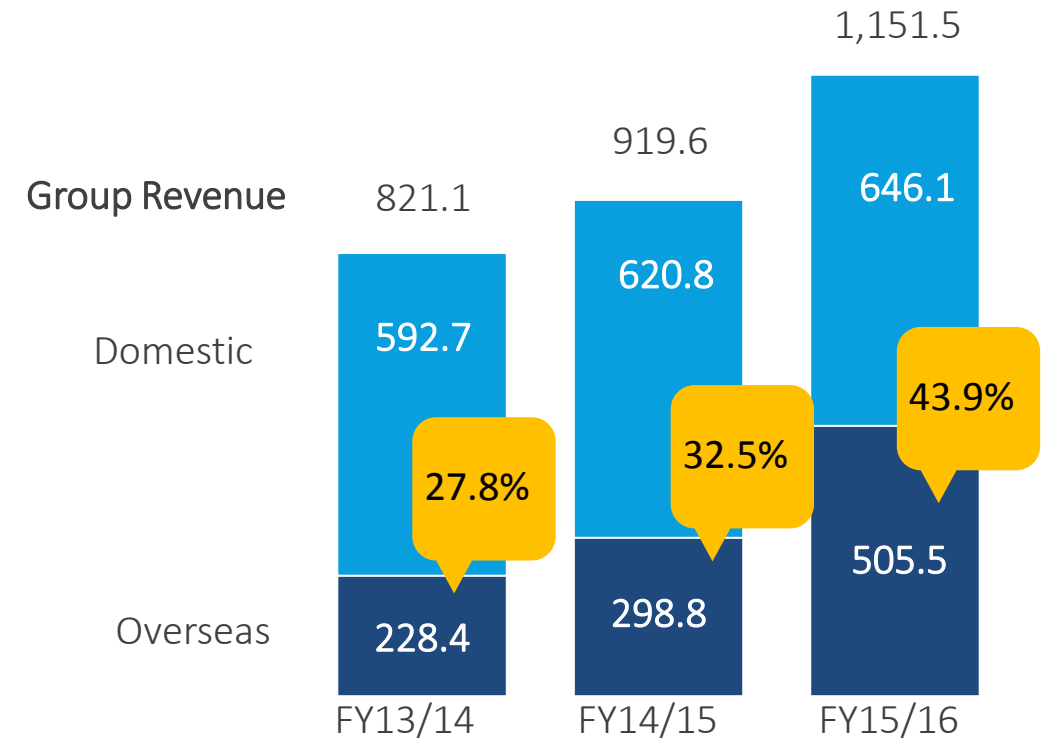
eCommerce related revenues  
now 35.8% of Group revenue

S\$m



Overseas revenue  
now 43.9% of Group revenue

S\$m

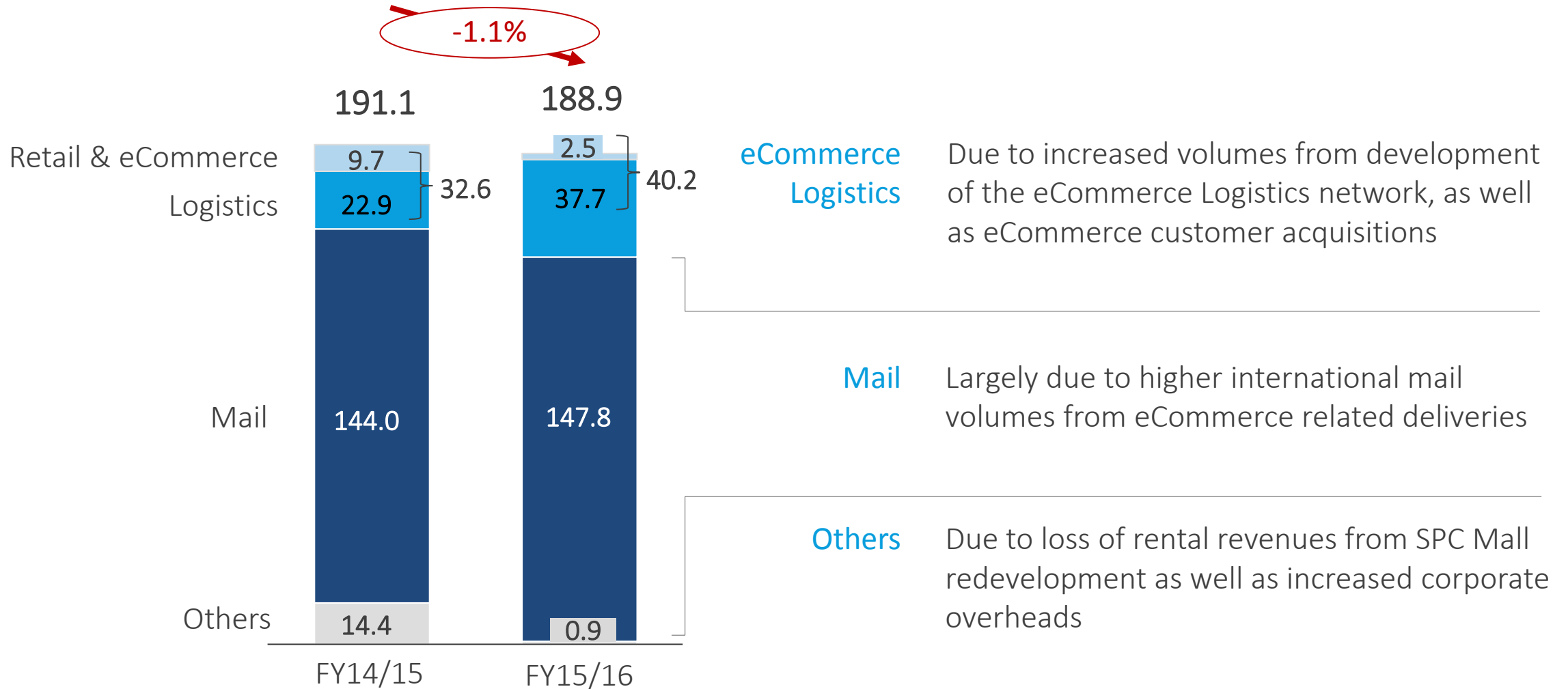


Differences in total due to rounding

# Operating Profit (excluding one-off items) declined marginally year-on-year



FY2014/15 vs. FY2015/16 Operating profit performance, excluding one-off items, \$M



Differences in total due to rounding

## Cashflow & financial indicators

\$M, unless otherwise stated

	Cashflow	FY15/16	FY14/15
Operating Cash Flow (before working capital changes)		202.0	215.1
Cash flow used in investing activities		(457.0)	(235.9)
Cash flow (used in) / provided by financing activities		(131.8)	180.6

- Resilient operating cashflow
- Investing cashflow largely for acquisitions of TradeGlobal and Jagged Peak, as well as capex for eCommerce Logistics Hub and SPC Mall

Financial Indicators	Mar 2016	Mar 2015
Cash & cash equivalents at end of financial period	126.6	584.1
Borrowings	280.3	238.3
(Net debt) / Net cash position	(153.6)	345.8
EBITDA to interest expense (times)	42.1x	36.4X
Net debt to ordinary shareholders equity (%)	12.8%	Net cash

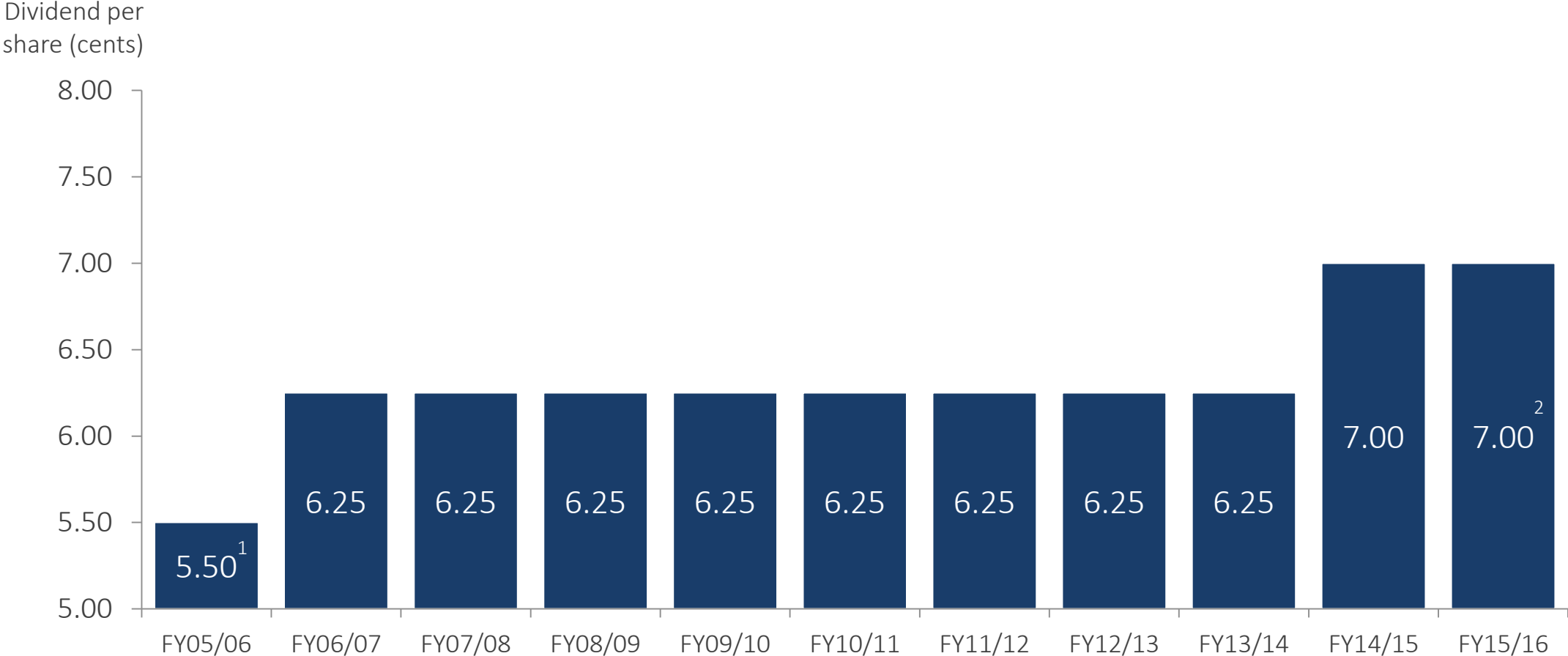
- With funds utilised for investing activities, the Group entered into a net debt position as at March 2016
- Interest coverage ratio remains strong, while net debt to equity ratio remains low



# Strong dividend track record



- Annual dividend raised to 7.0 cents per share from FY14/15



1. Excludes special dividend of 10 cents paid in Jan 2006  
2. Includes proposed final dividend of 2.5 cents per share to be approved at this AGM

# Share price performance largely in line with the Straits Times Index

- Share price performance largely in line with Straits Times Index despite challenges
- Strong long-term shareholder returns : Total shareholder returns of **312%** from IPO till 13 July 2016

% change from  
31 March 2015



TSR based on share price of \$1.57 as at 13 July 2016, plus total dividends paid of 90.4 cents (excluding 2.5 cents proposed this AGM), over IPO price of 60 cents

# Highlights: Creating a global end-to-end eCommerce logistics network

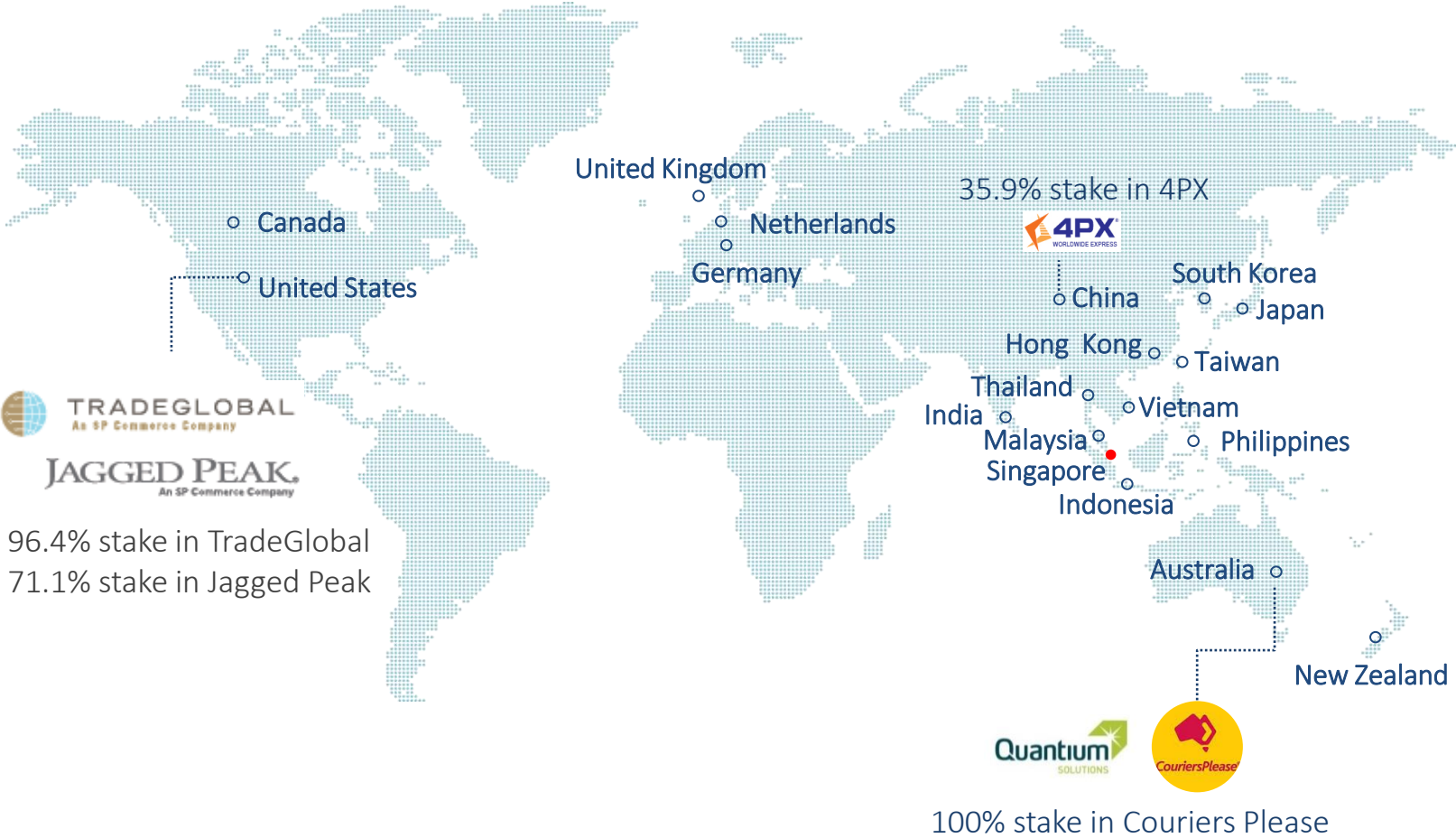


## SingPost Group today

Global eCommerce Logistics network spanning **19** markets

**>50** fulfilment centres globally

Processes **>S\$5 billion** in gross merchandise value annually through our eCommerce networks



## Highlights: Regional eCommerce Logistics Hub



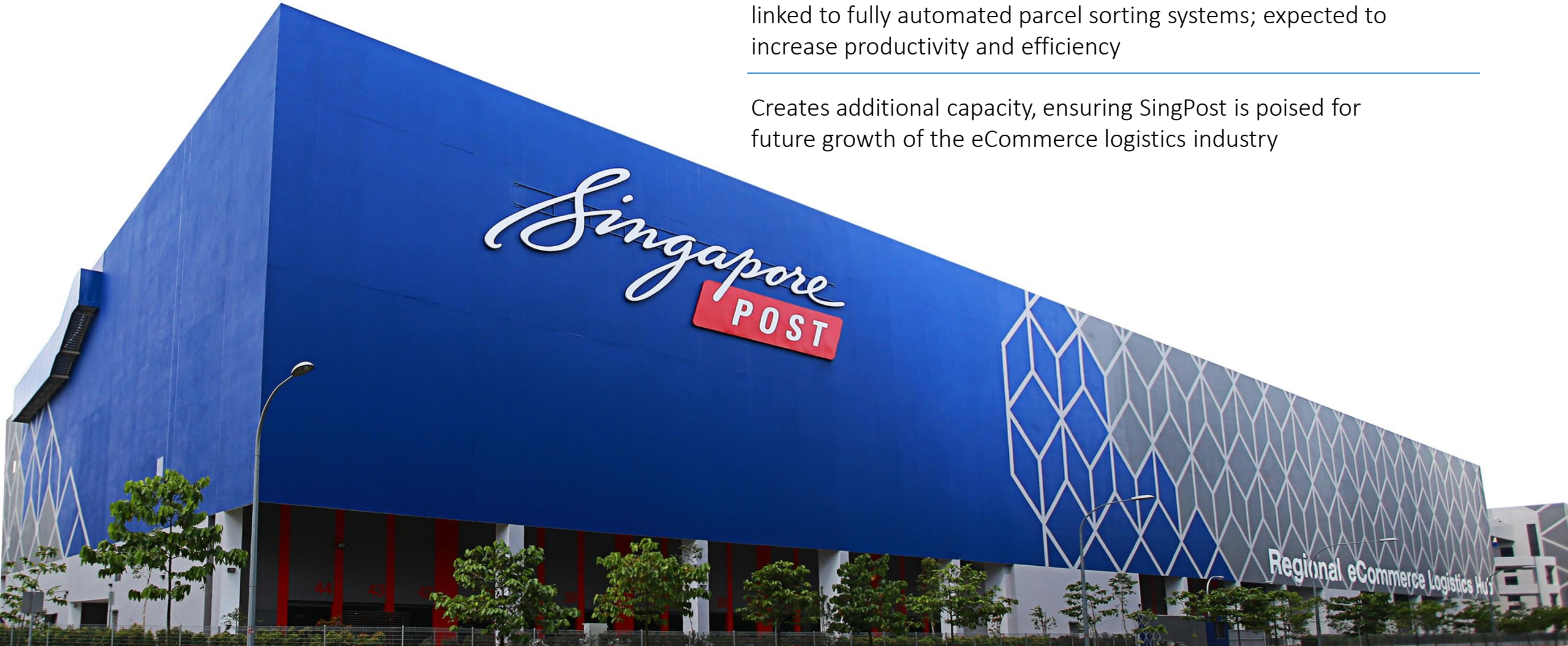
Expected to be fully operational in 2<sup>nd</sup> half of this calendar year

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Equipped with integrated, automated warehousing equipment linked to fully automated parcel sorting systems; expected to increase productivity and efficiency

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Creates additional capacity, ensuring SingPost is poised for future growth of the eCommerce logistics industry





# Highlights: Singapore Post Centre Retail Mall

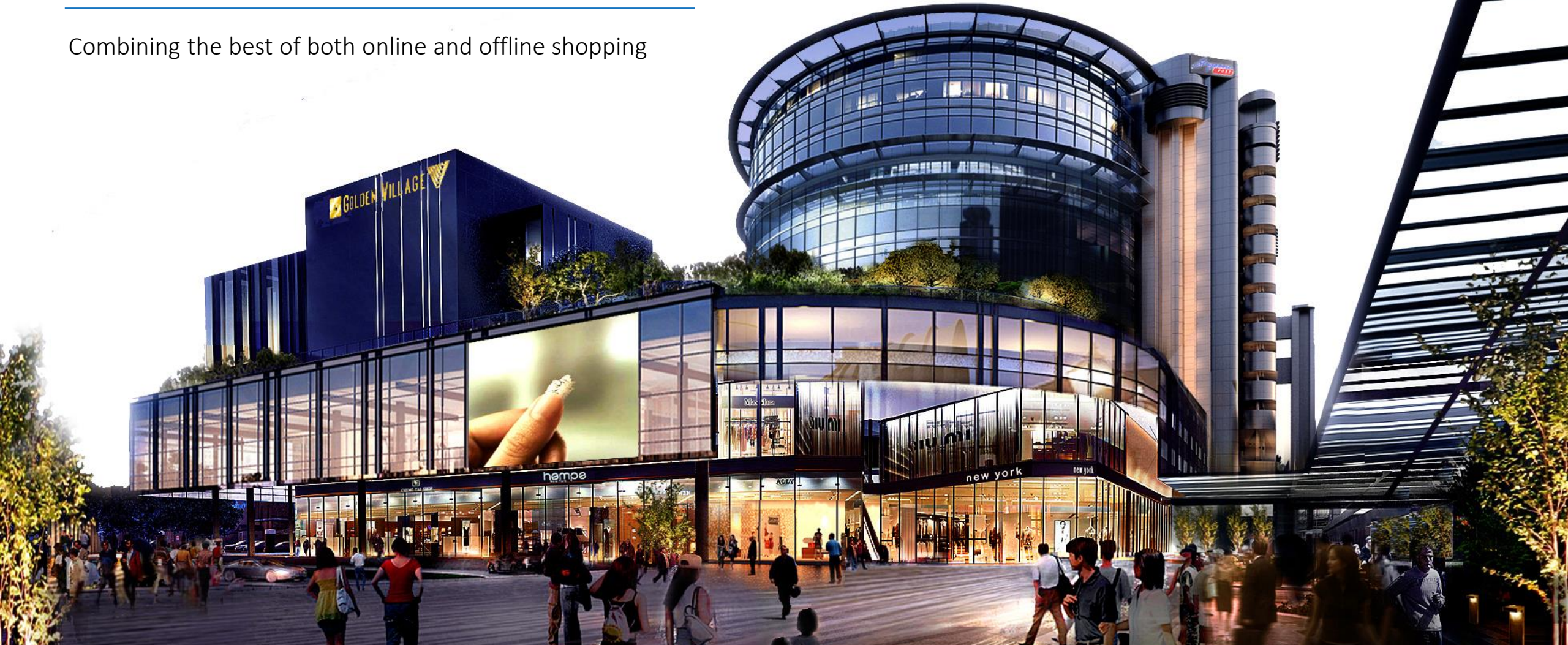
Expected to be ready by middle of calendar year 2017

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25,000 square metres of retail space over five levels

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Combining the best of both online and offline shopping



Ongoing transformation delivers good performance for FY2015/16, with continued eCommerce growth momentum.

While the Group continues to face pressures of declining letter mails in the traditional postal business, it is making good progress on its transformation into becoming a global eCommerce Logistics player.

As the Group progresses with its transformation initiatives, it will continue to strengthen its global eCommerce logistics ecosystem by integrating its related businesses and extracting synergies from its recent acquisitions.



Thank you

