

SINGAPORE POST LIMITED
(Incorporated in the Republic of Singapore)
(Co Reg. No. 199201623M)

INVESTMENT IN SHENZHEN 4PX EXPRESS CO. LTD, BY WHOLLY-OWNED SUBSIDIARY

The Board of Directors of Singapore Post Limited ("**SingPost**") wishes to announce that its wholly-owned subsidiary, Quantum Solutions International Pte. Ltd. ("**QSI**") has entered into a capital increase agreement with Shenzhen 4PX Express Co., Ltd. ("**4PX**"), Shenzhen Shangcheng Investment Co., Ltd. and Shenzhen Capital Group Co., Ltd ("**SCG**") and an equity interest transfer agreement with SCG, for an aggregate investment of 20 per cent of the total equity interest in 4PX (the "**Sale Interest**") (the "Investment"), in the manner set forth below:

- (a) subscription for 15 per cent of the total equity interest in 4PX; and
- (b) purchase of 5 per cent of the total equity interest in 4PX from SCG.

The Investment was completed on 4 July 2011.

4PX is a company incorporated in Shenzhen, the People's Republic of China, that provides international express delivery services (not including postal services), international freight forwarding, import and export of goods and import and export of technology. The Investment is in line with SingPost's strategy of growing its inbound and outbound logistics and e-commerce market.

The purchase consideration for the Sale Interest is RMB60.0 million or approximately S\$11.548 million (based on an exchange rate of RMB5.2 to S\$1), paid in cash funded from internal sources, was arrived at following negotiations on a willing buyer, willing seller basis, taking into consideration, *inter alia*, various factors, including the existing assets, financial position and business prospect of 4PX.

Consequent to the completion of the Investment, 4PX is now an indirect associated company of SingPost.

The net book value of the 20 per cent equity interest in 4PX is RMB7.4 million or approximately S\$1.423 million (based on an exchange rate of RMB5.2 to S\$1), based on 4PX's audited financial statements as at 31 December 2010.

The Investment is not expected to have any material impact on SingPost's net tangible assets and earnings per share for the financial year ending 31 March 2012.

None of the directors or substantial shareholders of SingPost has any interest, direct or indirect, in the transaction.

By Order of the Board

Genevieve Tan McCully (Mrs)
Company Secretary

5 July 2011