

 [Print this page](#)

Miscellaneous

* Asterisks denote mandatory information

Name of Announcer *	SINGAPORE POST LIMITED
Company Registration No.	199201623M
Announcement submitted on behalf of	SINGAPORE POST LIMITED
Announcement is submitted with respect to *	SINGAPORE POST LIMITED
Announcement is submitted by *	Leong Chee Sian (Ms)
Designation *	Company Secretary
Date & Time of Broadcast	14-Sep-2005 07:18:43
Announcement No.	00003

>> Announcement Details

The details of the announcement start here ...

Announcement Title *

Description

Attachments:

 [SingPost-Presentation.pdf](#)
Total size = **305K**
(2048K size limit recommended)

[Close Window](#)

Singapore Post Limited

Company Presentation

14-15 September 2005
CLSA Investors' Forum, Hong Kong

Committed to Yield

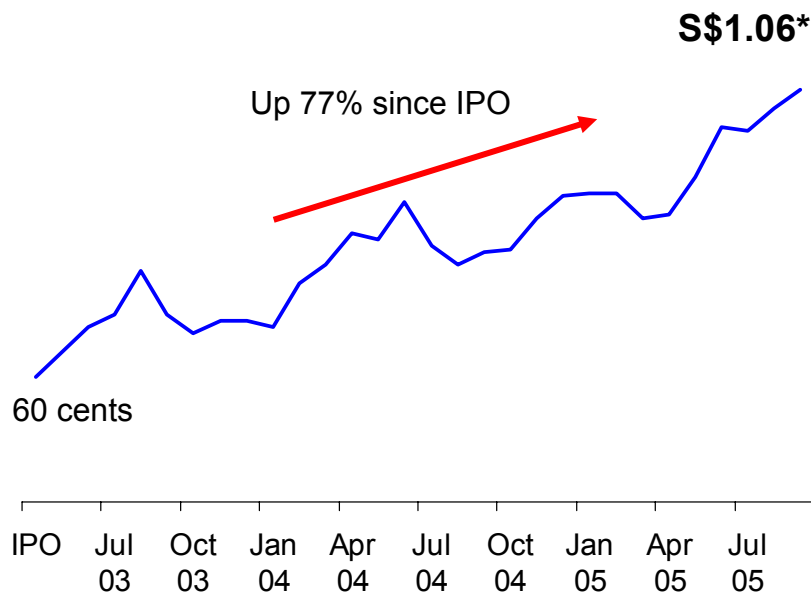
Building Momentum

Commitment to Shareholder Value

TSR of >100% over 2½ years

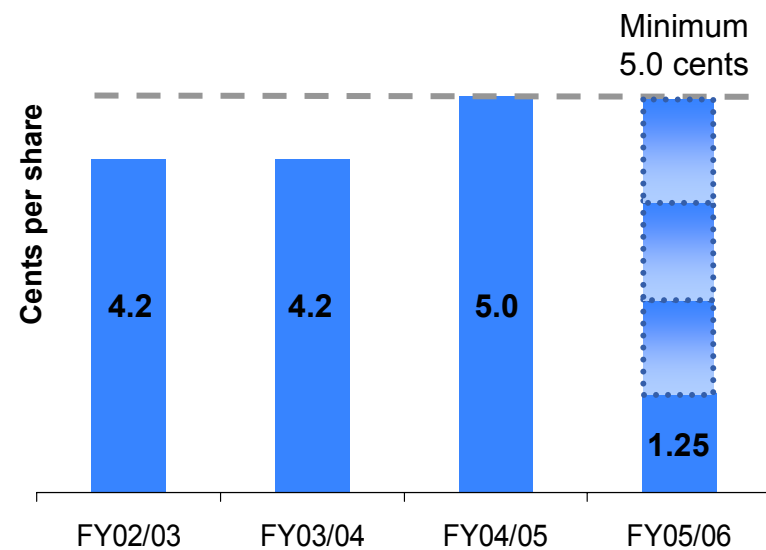
- ◆ Share price up 77% since IPO in May 2003
- ◆ Total 14.65 cents dividends paid out since IPO

Share Price Performance



* As at 9 September 2005

Dividends Per Share



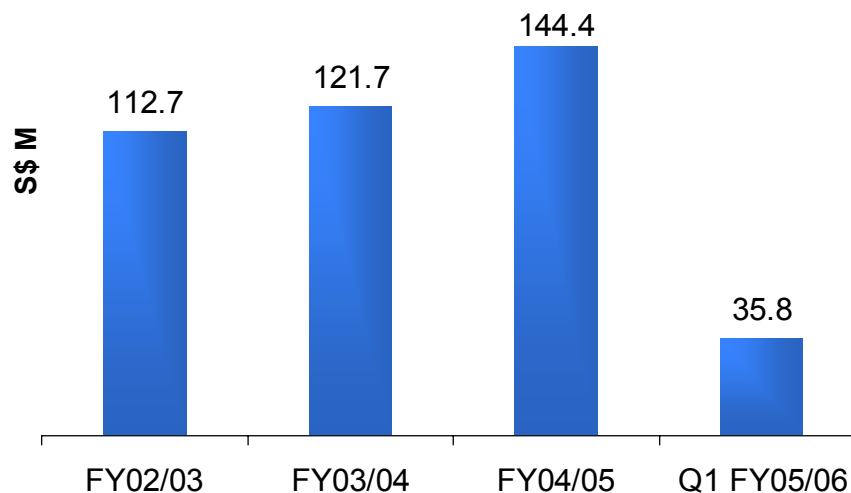
■ Dividends paid out

▤ Quarterly dividends of 1.25 cents to be paid out

Enhanced Dividend Policy

- ◆ Strong cash flow supports dividend policy
- ◆ Dividend payout of 80-90% of net profit or 5 cents per share, whichever is higher
- ◆ Quarterly dividend payments from Q1 FY2005/06

Net Operating Cashflow



Quarterly Dividends

Q1 Interim	1.25 cents
Q2 Interim	1.25 cents
Q3 Interim	1.25 cents
Q4 Final	1.25 + x cents

x = target dividend minus 5 cents

- ◆ **Committed to creating shareholder value**

- Strong commitment to dividend policy

- ◆ **Building momentum**

- Implementing initiatives and strategies to grow the business

Enhancing the Core, Growing the Wings

**...while remaining committed
to our dividend policy**

◆ Domestic mail

- Positive on prospects of publications & direct mail segment
- Direct mail initiatives
- Mail room activities

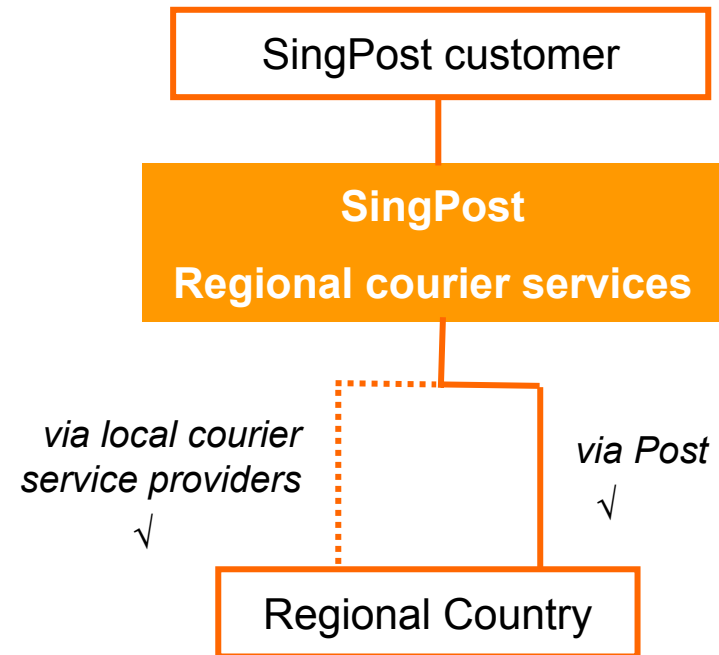
◆ International mail

- Growing volumes despite declining trend worldwide
- Working with customers to increase worldwide distribution from Singapore

◆ Hybrid mail

- Establishing regional presence

- ◆ Expanding logistics' regional network, complementing existing post to post network
- ◆ Forming strategic alliances and collaborations with partners in Singapore and the region



Leveraging Retail Network

- ◆ Leveraging on existing capabilities and tri-channel retail network
- ◆ Prudent approach in growing new revenue streams
- ◆ Exercising tight control over start-up costs and additional expenditure



Pawnbroking statistics (1H2004)

(source: Registry of Pawnbrokers):

- ◆ Pawnbroking value: S\$0.78bn
- ◆ No. of transactions: 1.66m
- ◆ Oct 2004: 91 pawnshops

Status:

- ◆ Marketing via roadshows in communities where outlets are located, as well as AdMail to create awareness
- ◆ Target to open 3 more outlets in FY05/06



Target market:

- ◆ Est. 459,000 foreign workers from targeted regional markets (e.g. Philippines, Thailand, China, Indonesia)

Status:

- ◆ Will continue to work with partners who provide reliable payment pipes to regional countries for different modes of delivery



Life insurance statistics

(source: Life Insurance Assoc.):

- ◆ Total premiums received:
2004: S\$6.56bn
2003: S\$5.25bn

Status:

- ◆ 2 new products in Q2 – single premium plans and personal accident policy
- ◆ Rolled out to 18 post offices; target to double by 31 Mar 06



Target market:

(source: Statistics Dept 2000)

- ◆ Est. 500,000 working population earning < S\$30,000 p.a.

Status:

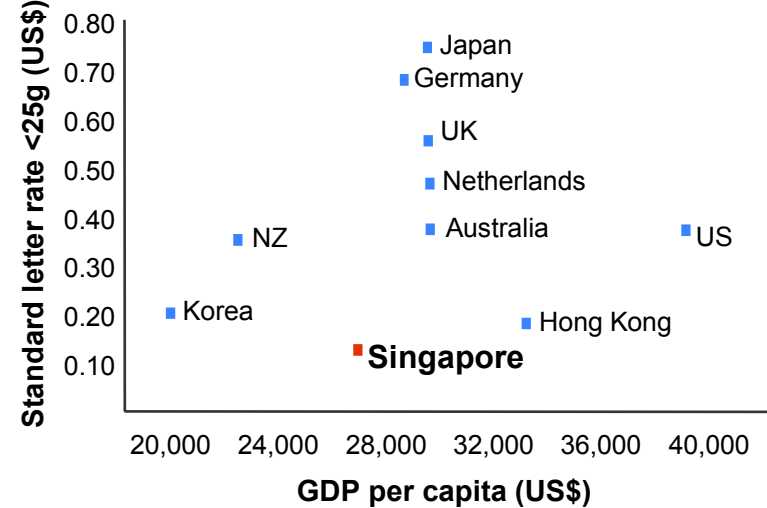
- ◆ Promotion by active referrals at post offices and advertisements to create greater product awareness
- ◆ Rolled out to 14 post offices; target 20 by 31 Mar 06

Building on Strengths, Transforming SingPost

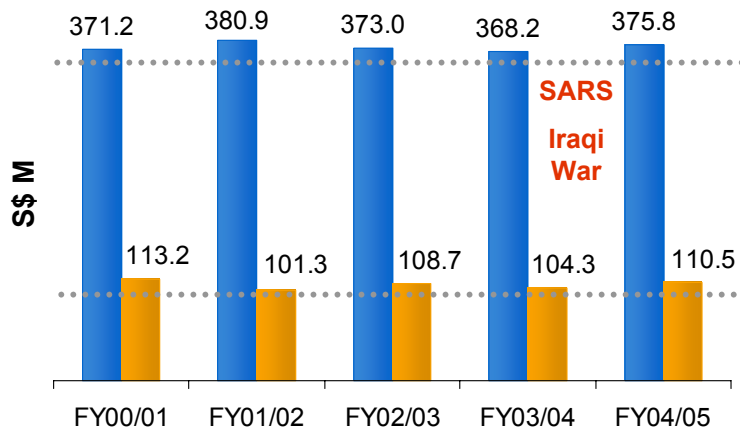
Building on Strengths

- ◆ Resilient core business model
- ◆ Best in class in global benchmarking

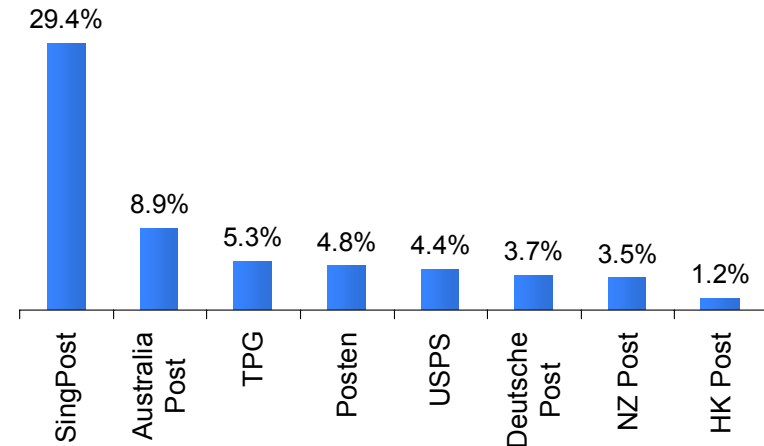
Postal Rates



Revenue and Net Profit Past Trends



Net Profit Margin

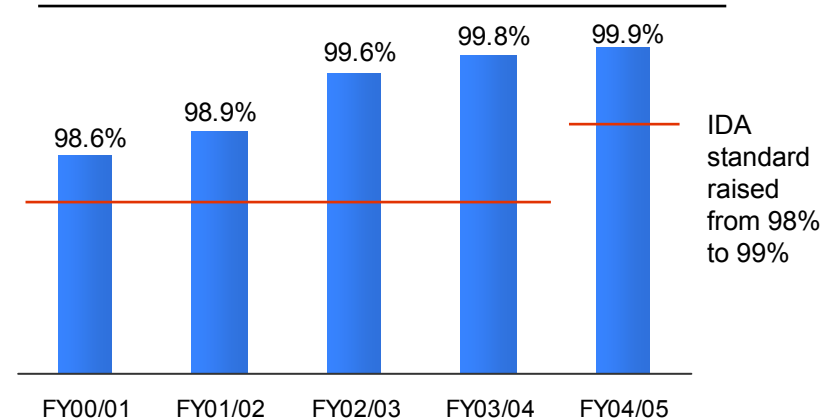


Source: Company annual reports/websites, World Factbook (2004 estimates)

Building on Strengths

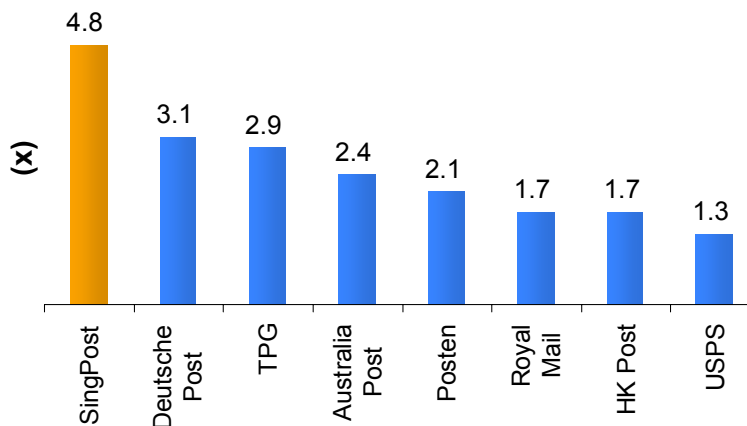
- ◆ Strong operational efficiency
- ◆ Service excellence

Percentage of Mail Delivered* Next Working Day

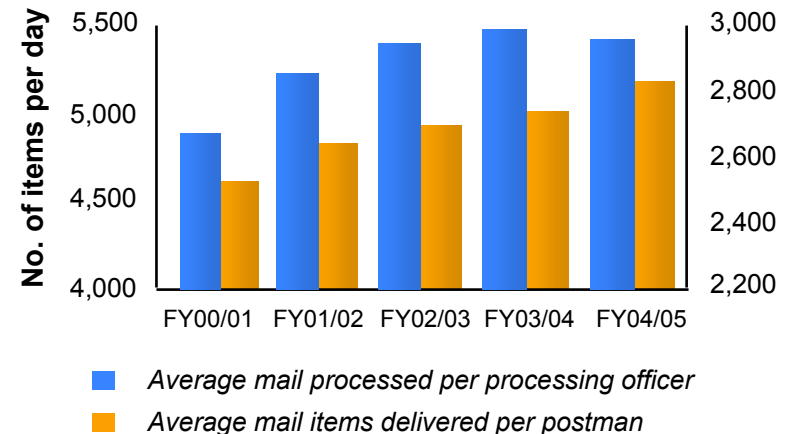


* Within CBD

Revenue-to-Staff Costs



Productivity Indicators



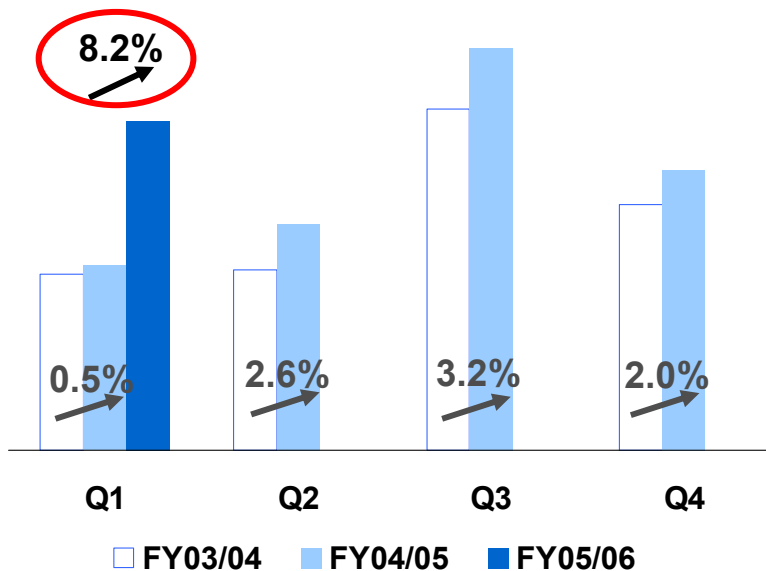
Source: Company annual reports, websites

Transforming SingPost

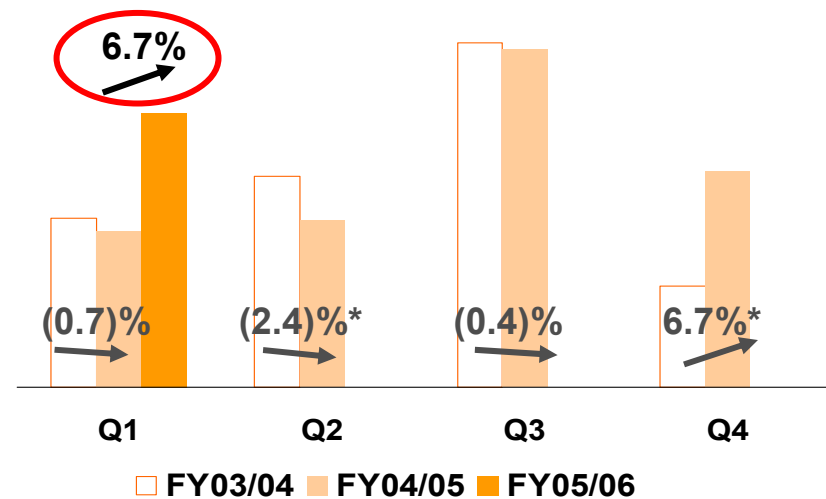
◆ Growth momentum in Q1 FY05/06

- Building on strong foundation
- Transforming SingPost

Quarterly Operating Revenue



Quarterly EBITDA



* Excluding exceptional items

Focus on Service *plus* Sales & Marketing

◆ Focus on service quality

- Customer care initiatives
 - Centralised call centre; Service Ambassadors

◆ Proactive drive to attract and acquire customers

- A sales-oriented consumer business
- Enlarged sales & marketing team
- Sales training, incentive schemes for front-line staff

Focus on Service *plus* Sales & Marketing

◆ Creative initiatives to drive revenue, traffic

- Cross-selling opportunities, e.g. mailroom, financial services
- Spending on advertising and promotion
- Launch of direct mail showcase *Friday Mailbox Surprise!*
- Big-bang product launches utilising post office and delivery networks
 - *Harry Potter* book launch; *Singapore Monopoly*; *i-Dog*
- Conducting roadshows at post offices

Focus on Process and Costs

◆ **Continual pursuit of efficiencies**

- Benefits from operational review

◆ **Process re-engineering**

- Reducing administrative work by sales team and increasing 'selling time'
- Priority given to sales-generating IT projects
- Investing in equipment and technology to equip our people

◆ **Control and compliance**

Focus on Employees

◆ Employee satisfaction

- Key performance indicators
- Performance related compensation

◆ Communication

- Total System Management – rally for staff; yearly themes

Summary

Yield plus Growth

Strong, Resilient Core Business Model

- ◆ Attractive market characteristics
- ◆ Dominant market position
- ◆ Stable regulatory environment
- ◆ High barriers to entry
- ◆ Enhancing core business and operations

Growing our Wings

- ◆ Pursuing growth strategy with prudent capital investment
- ◆ Leveraging network for growth

Superior Returns with Yield and Growth

- ◆ Strong cash flow
- ◆ Modest capital expenditure
- ◆ High and sustainable dividend
- ◆ Balance sheet efficiency

Thank You