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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	16-Nov-2005 07:13:45
Announcement No.	00003

>> Announcement Details
 The details of the announcement start here ...

Announcement Title *

Description

Attachments: [MSPresentationSlides.pdf](#)
 Total size = **367K**
 (2048K size limit recommended)"/>

Singapore Post Limited

Company Presentation

16-17 November 2005

Morgan Stanley Asia Pacific Summit

Singapore

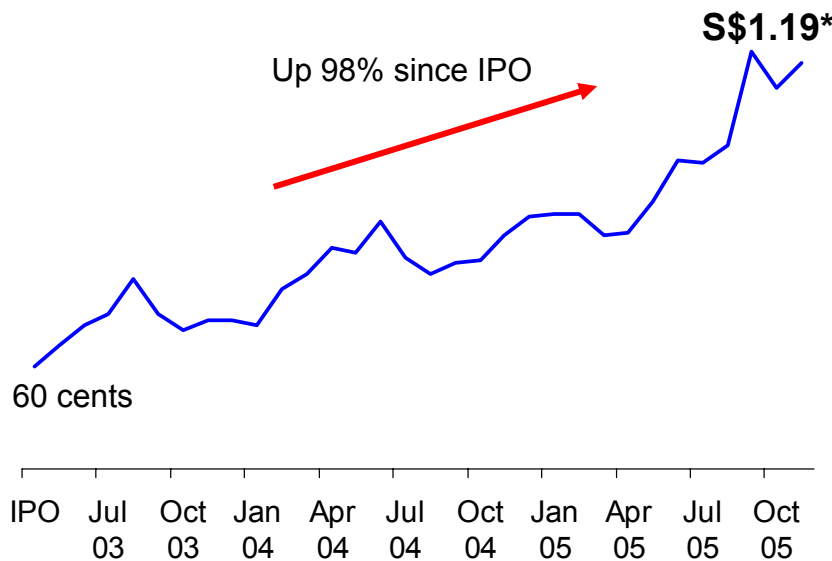
Commitment to Creating Shareholder Value

Commitment to Shareholder Value

TSR of >120% over 2½ years

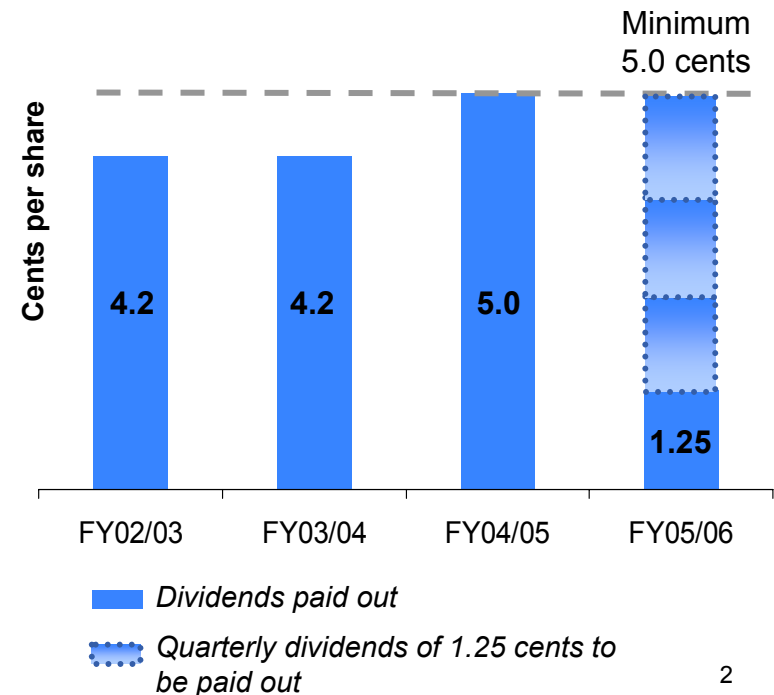
- ◆ Share price up nearly 100% since IPO in May 2003
- ◆ Total 14.65 cents dividends paid out since IPO

Share Price Performance



* As at 14 November 2005

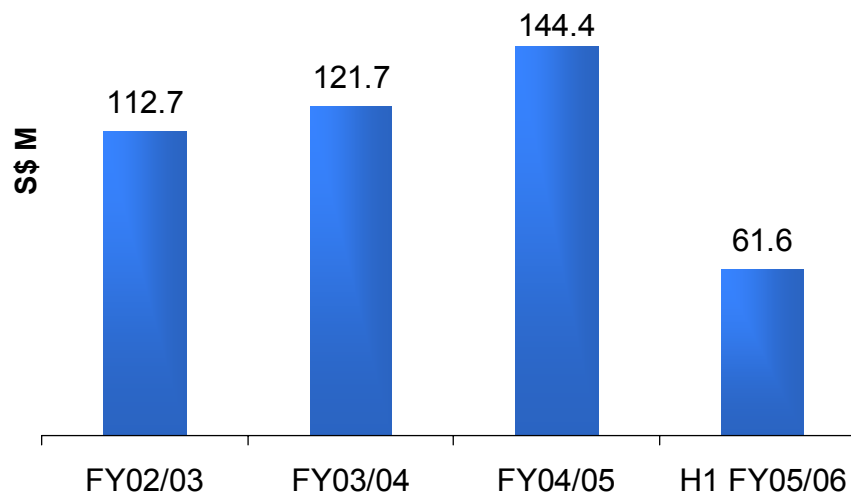
Dividends Per Share



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

◆ **Special dividend**

- Special payout of 10 cents per share or about S\$191 million
- Books closure date: 4 January 2006
- Payment date: 16 January 2006

◆ **Rationale for special dividend**

- Aim to achieve a more optimal capital structure
- Increasing shareholder returns while maintaining financial flexibility
- Retain a strong investment-grade credit profile

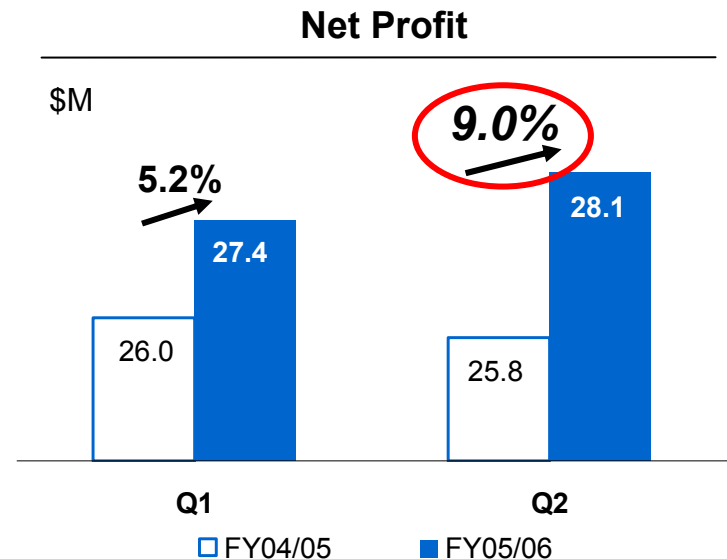
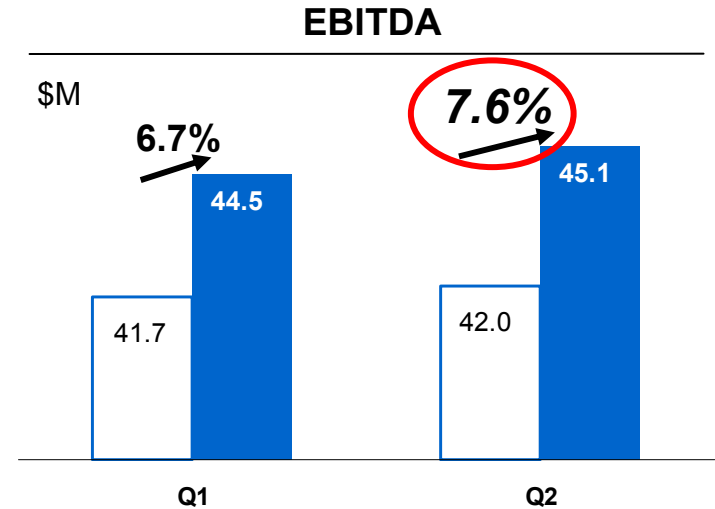
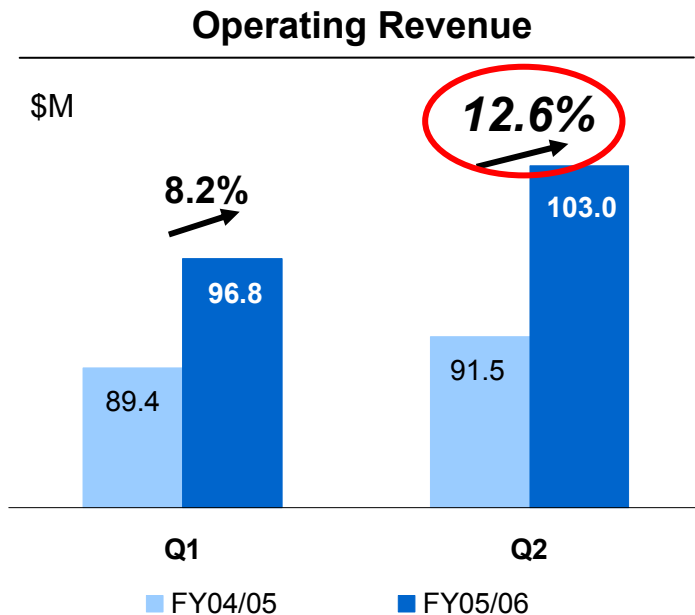
◆ **Dividend policy unchanged**

- Continue to maintain robust dividend policy
- Aim to pay out 5 cents per share or 80-90% of net profit, whichever is higher, barring unforeseen circumstances

Q2 & H1 FY2005/06 Results Highlights

Highlights – Q2 FY05/06 Group Results

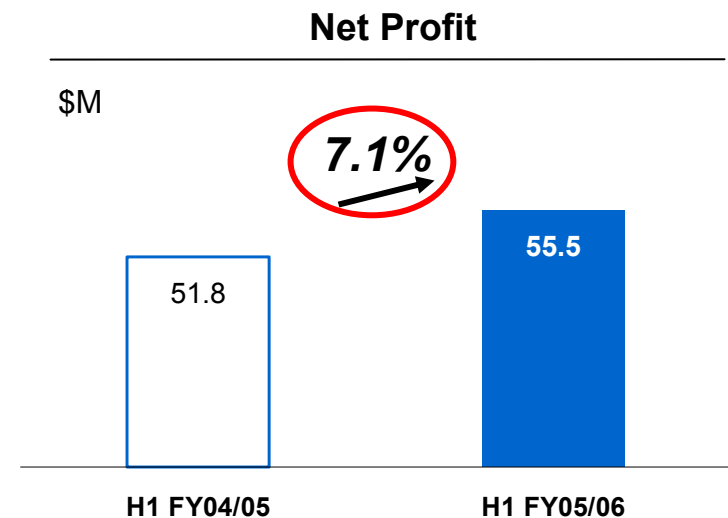
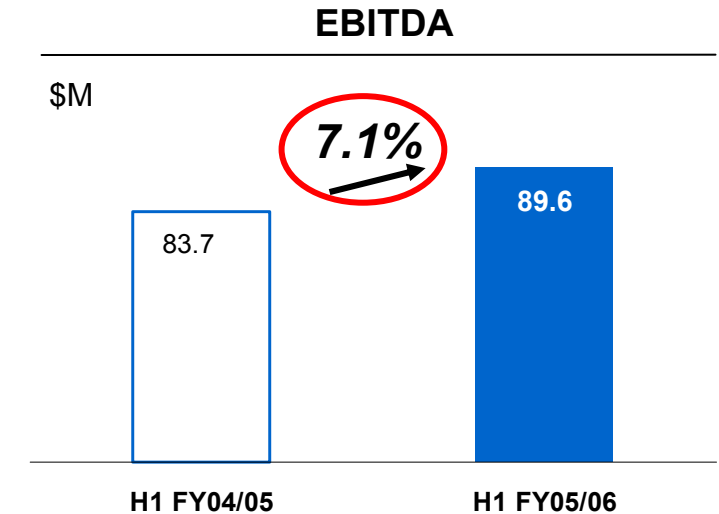
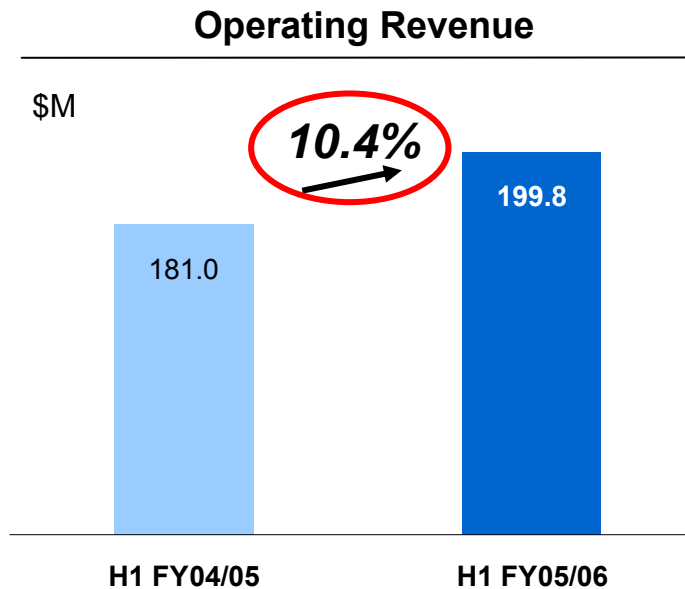
Q2 underlying performance*



* Excluding exceptional items and depreciation impact from change in assets' useful lives

Highlights – H1 FY05/06 Group Results

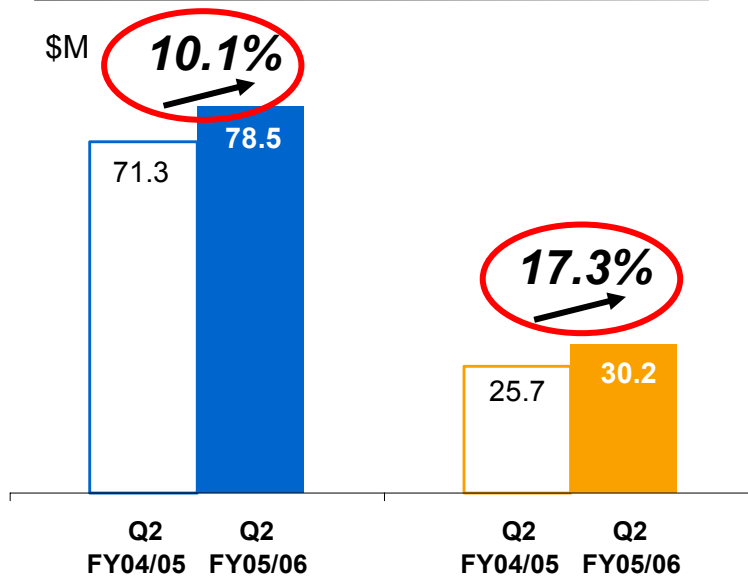
1st half underlying performance*



* Excluding exceptional items and depreciation impact from change in assets' useful lives

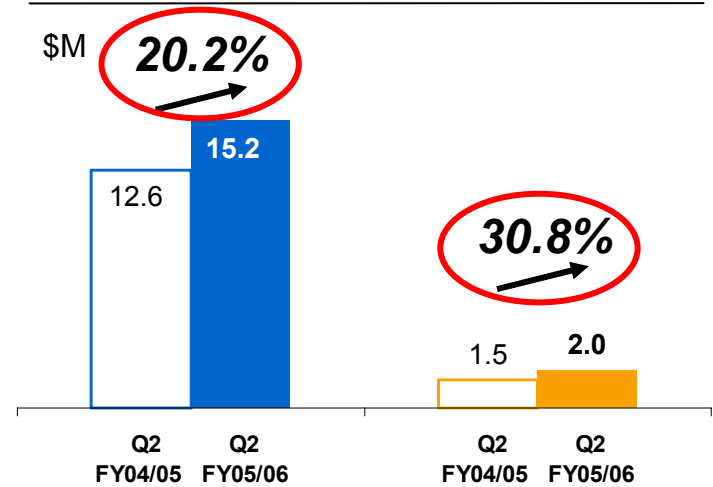
Highlights – Segment Results

Mail

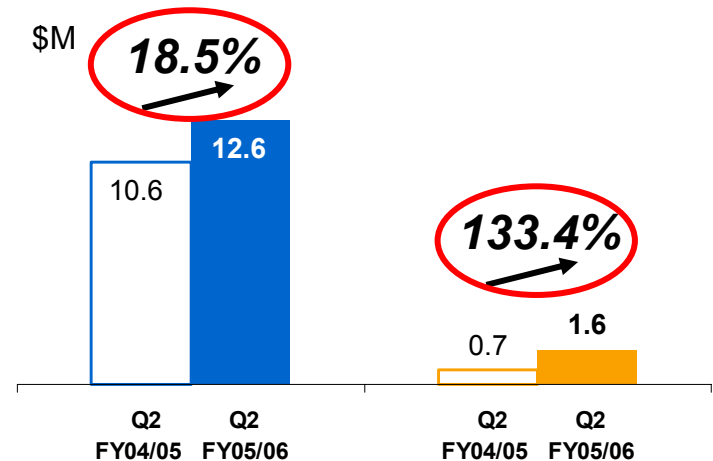


■ Operating Revenue
■ Operating Profit

Logistics

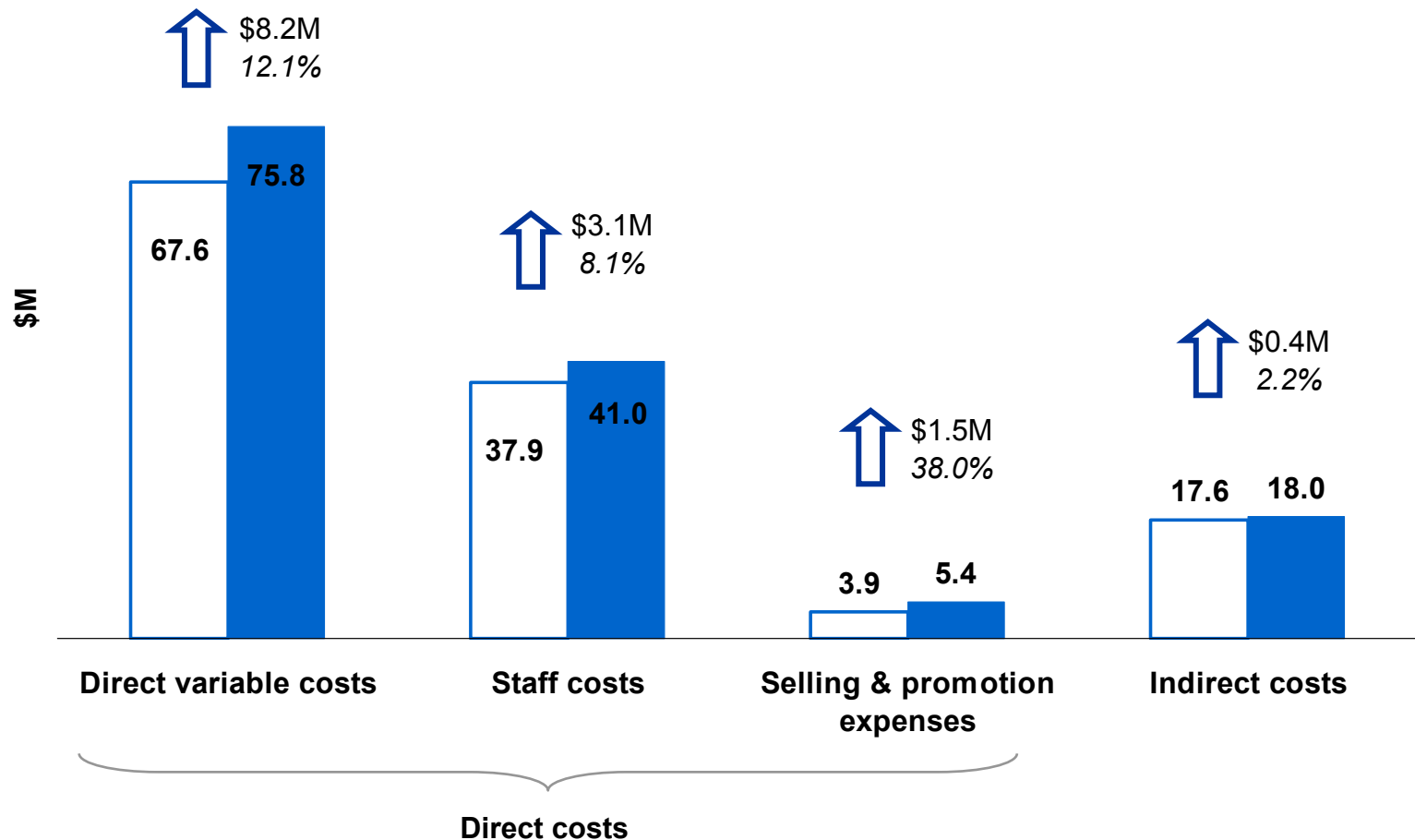


Retail



H1 FY05/06 Operating Expenses

- ◆ Higher costs, namely direct costs, in tandem with growth in business

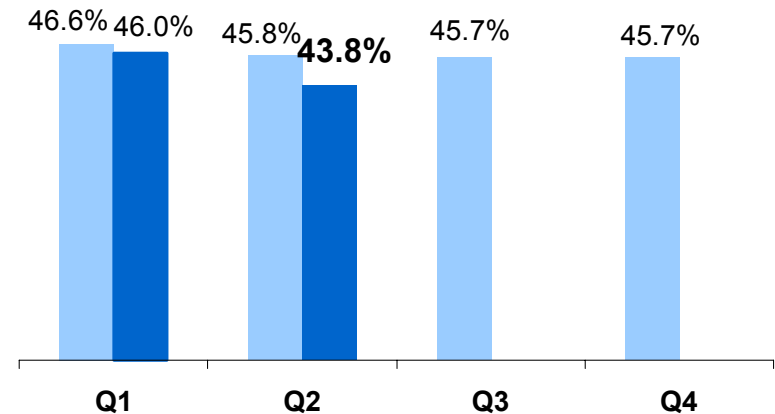


Quarterly Profit Margins

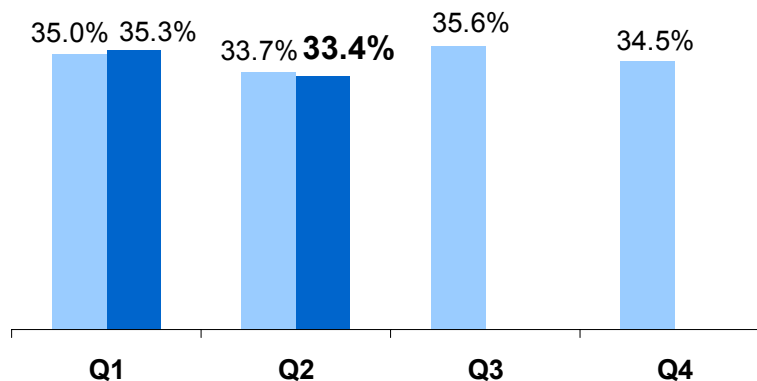
Underlying performance *

- ◆ Slight margin decline from higher direct costs, as well as lower contributions from associates & JVs

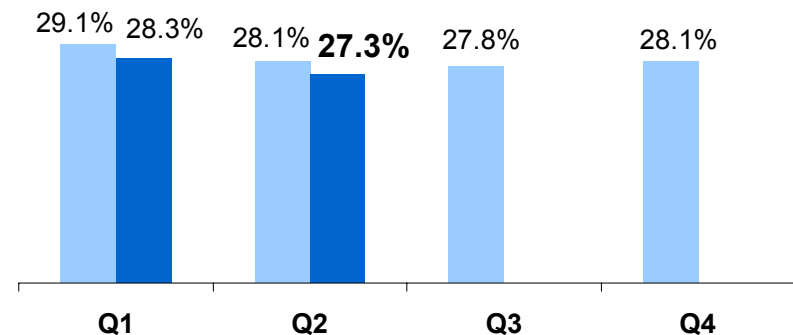
EBITDA Margins



Operating Profit Margins



Net Profit Margins



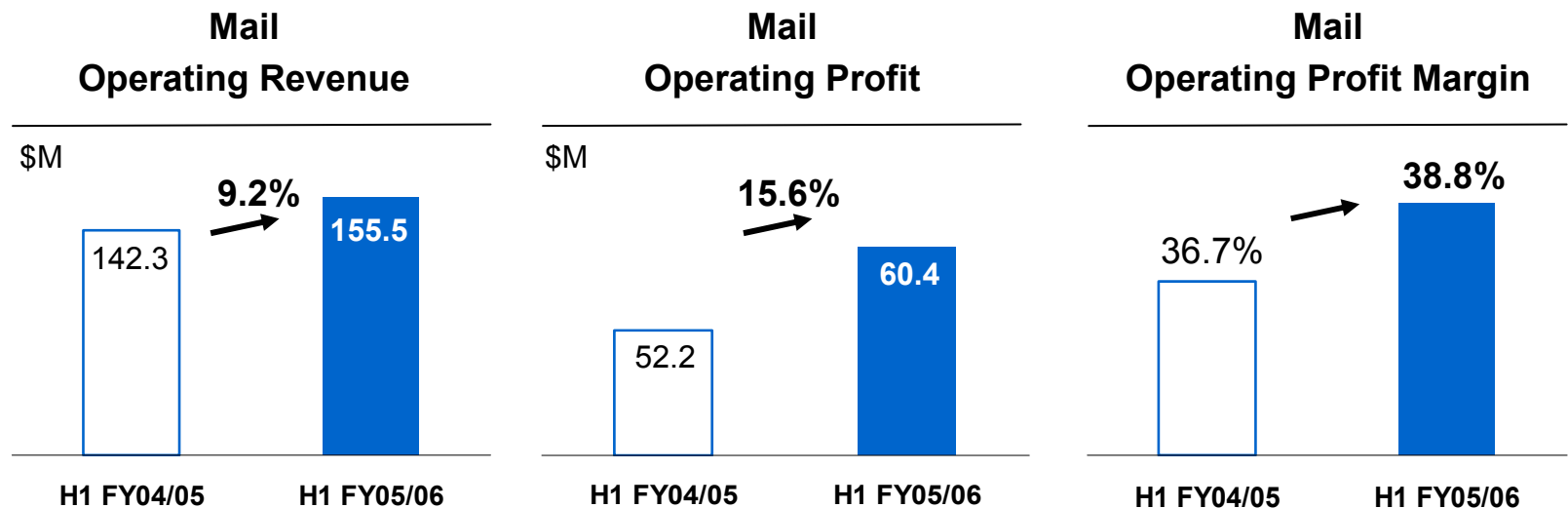
* Excluding exceptional items and depreciation impact from change in assets' useful lives

Enhancing the Core, Growing the Wings

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

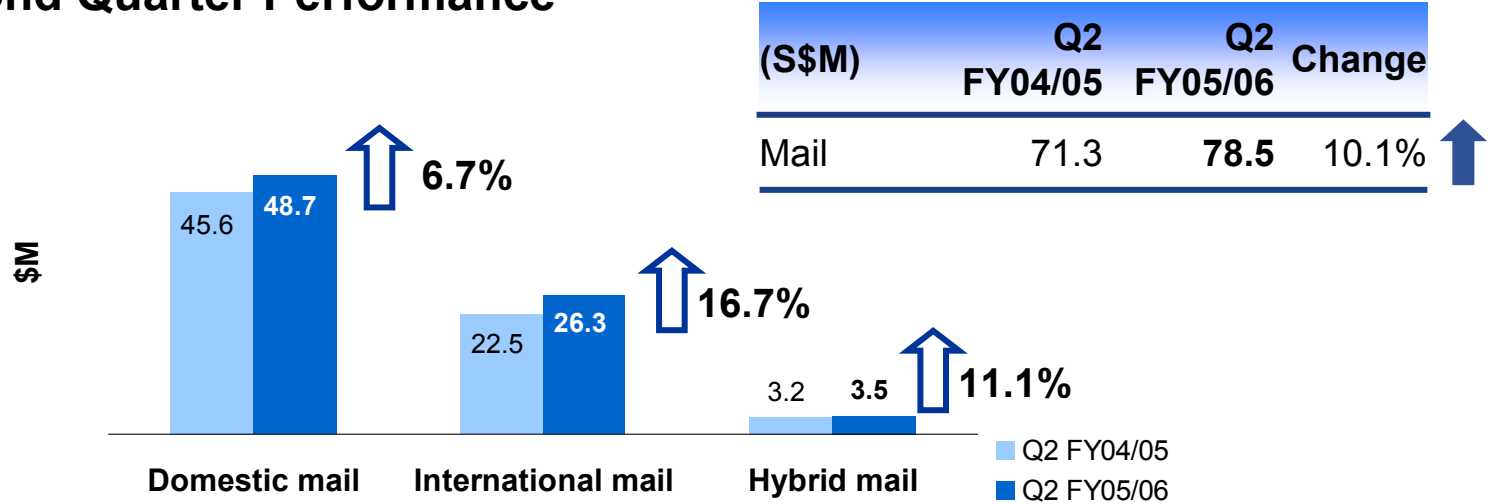
Defending and Growing Mail

- ◆ Growth in all business lines – domestic mail, international mail and hybrid mail
- ◆ Benefiting from efforts and initiatives to grow Mail segment
 - Domestic mail → Direct mail initiatives, mailroom activities
 - International mail → Increased mailings from customers
 - Hybrid mail → Establishing regional presence

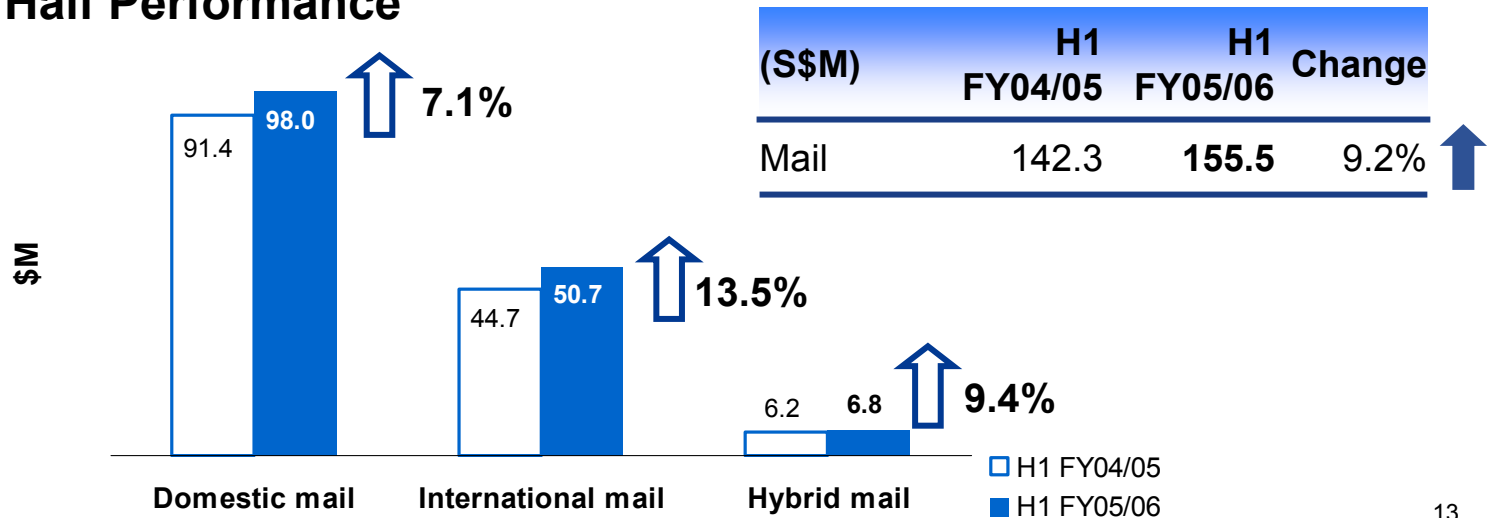


Mail – Revenue Breakdown

Second Quarter Performance



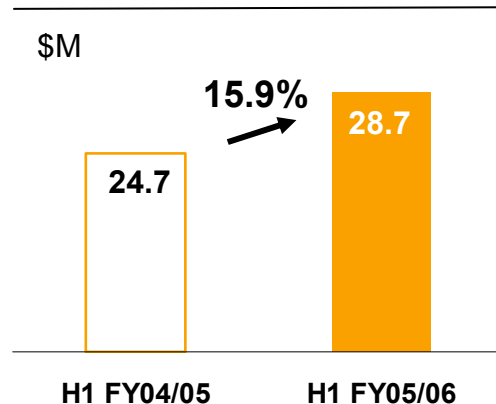
First Half Performance



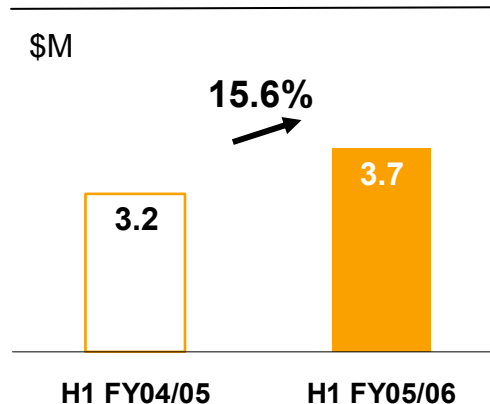
Enhancing Logistics Business

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

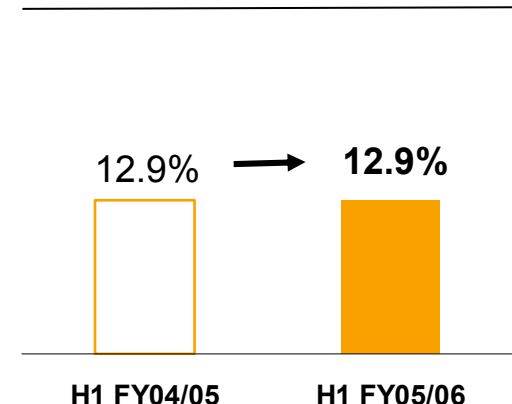
**Logistics
Operating Revenue**



**Logistics
Operating Profit**

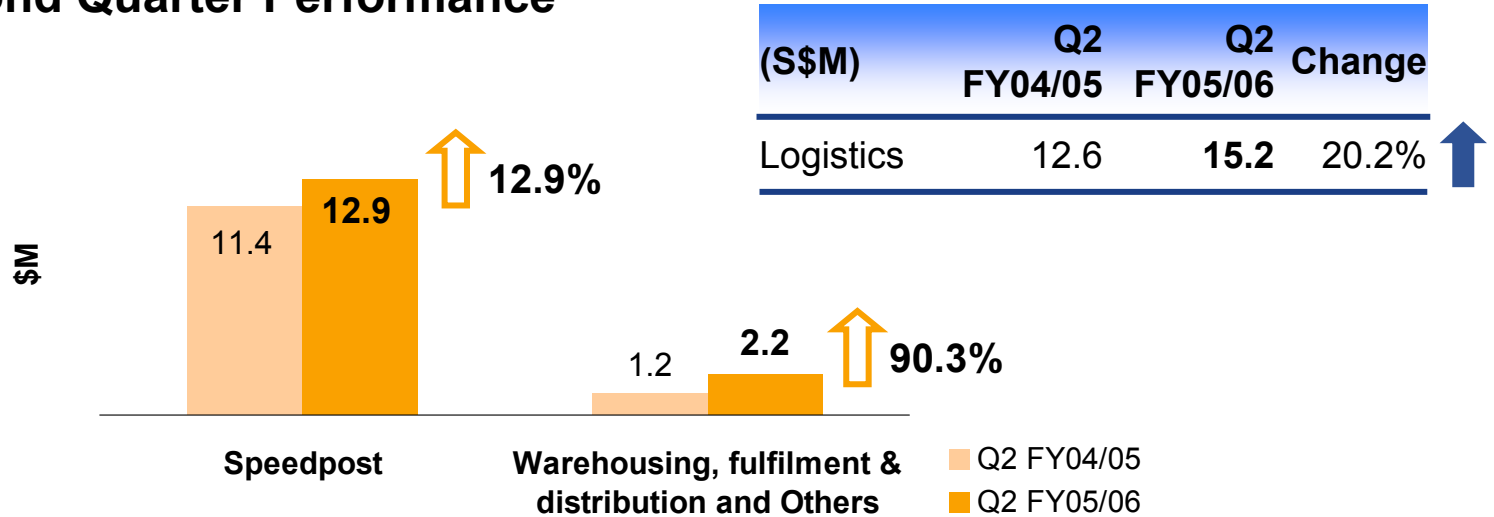


**Logistics
Operating Profit Margin**

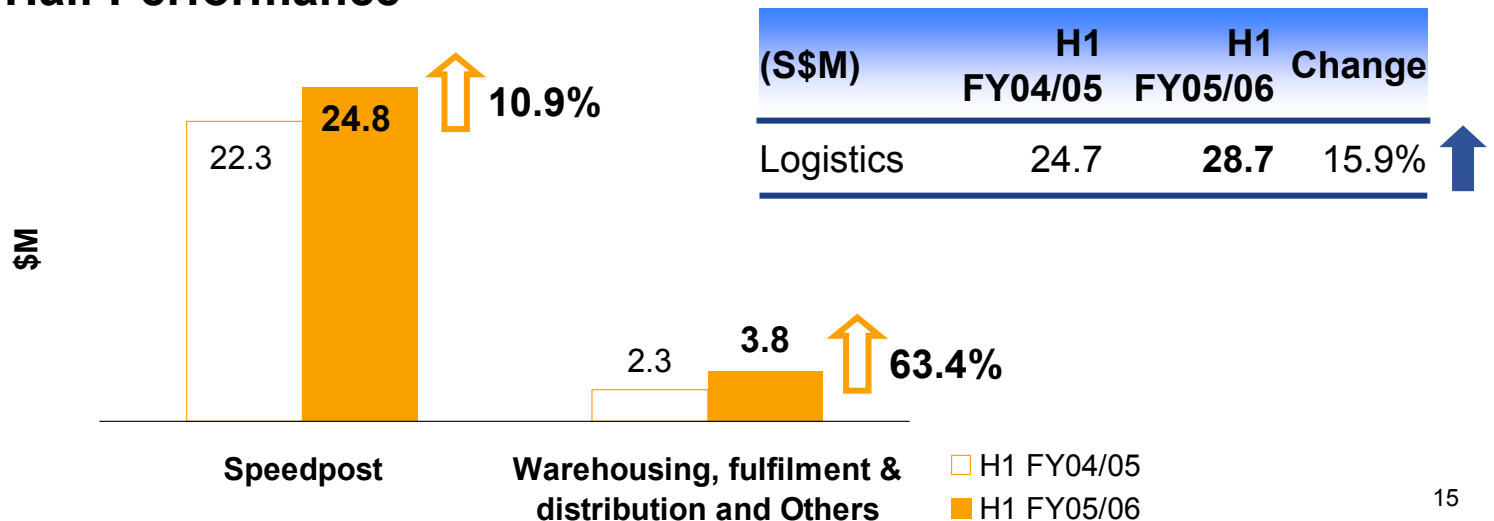


Logistics – Revenue Breakdown

Second Quarter Performance

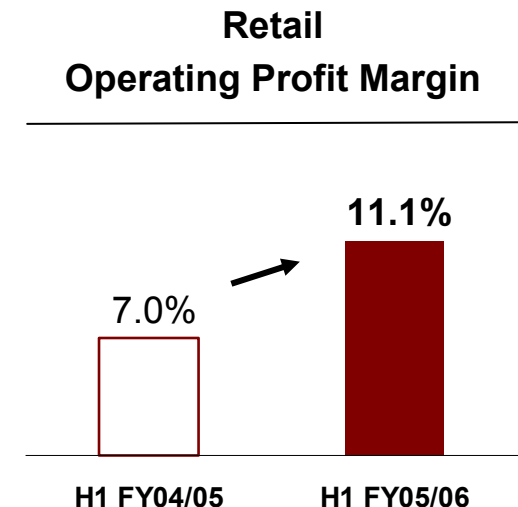
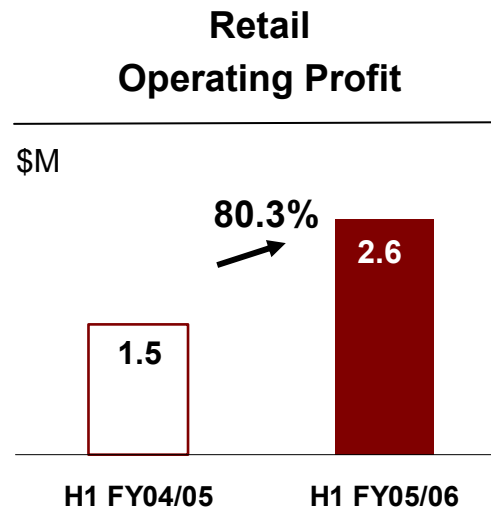
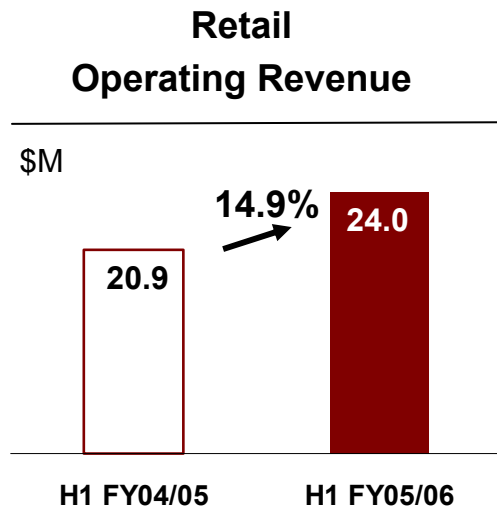


First Half Performance



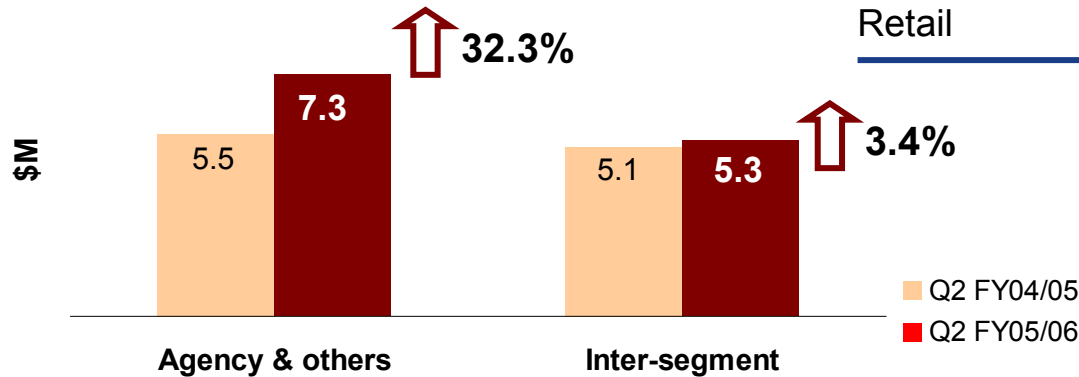
Leveraging Retail Network

- ◆ Leveraging on existing capabilities and tri-channel retail network
- ◆ Prudent approach in growing new revenue streams
- ◆ Strong growth in financial services, retail products and vPOST transactions
- ◆ Financial services accounted for about 40% of Retail revenue increase



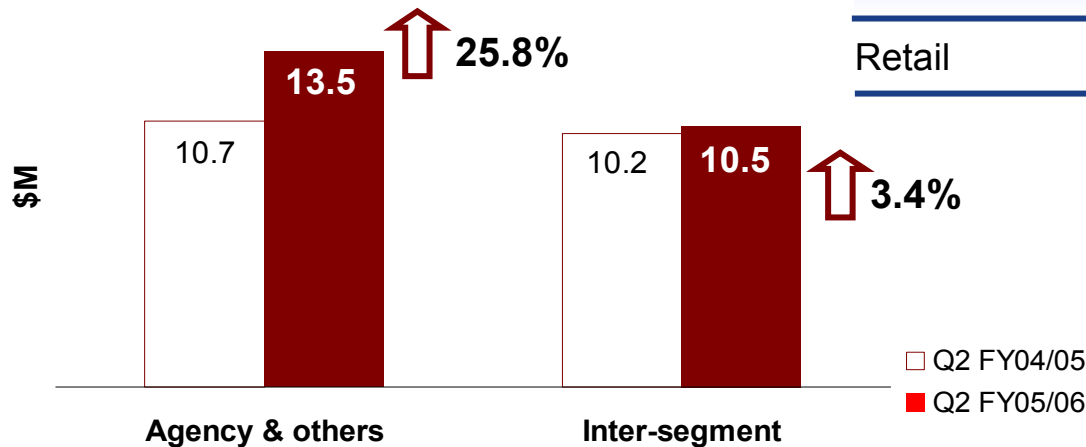
Retail – Revenue Breakdown

Second Quarter Performance



(S\$M)	Q2 FY04/05	Q2 FY05/06	Change
Retail	10.6	12.6	18.5%

First Half Performance



(S\$M)	H1 FY04/05	H1 FY05/06	Change
Retail	20.9	24.0	14.9%



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
- ◆ 2 new outlets in Q3; target 1 more new outlet by 31 Mar 06



Target market:

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

Status:

- ◆ 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 34 post offices; target 36 by 31 Mar 06



Target market:

(source: Statistics Dept 2000)

- ◆ Est. 500,000 working population earning S\$1,600 to <\$2,500 p.m.

Status:

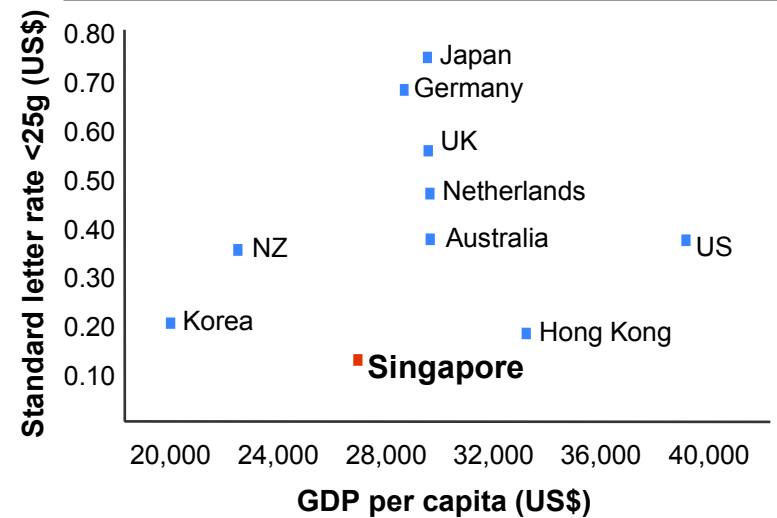
- ◆ Promotion by active referrals at post offices, advertisements and Admail to create greater product awareness
- ◆ Rolled out to 17 post offices; target 20 by 31 Mar 06

Building on Strengths, Transforming SingPost

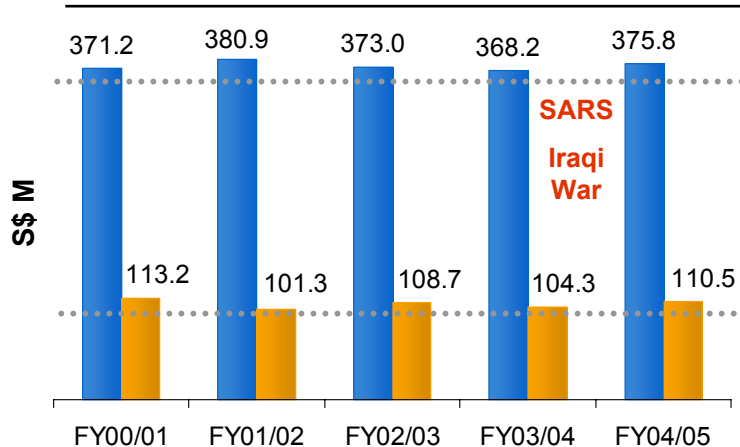
Building on Strengths

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

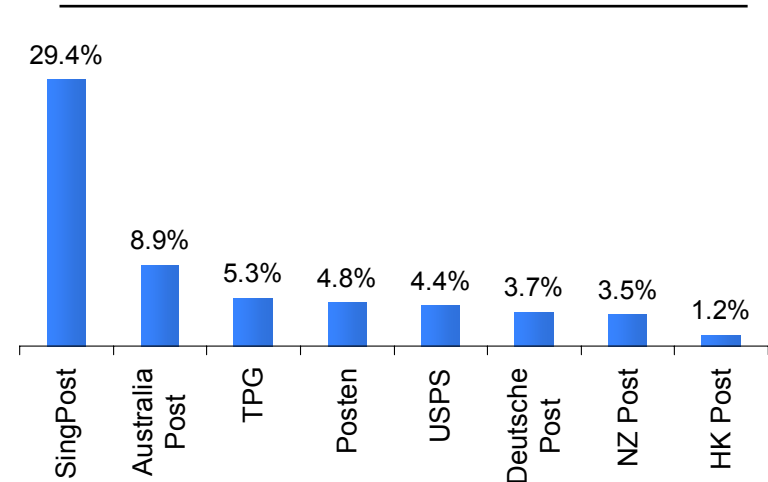
Postal Rates



Revenue and Net Profit Past Trends



Net Profit Margin

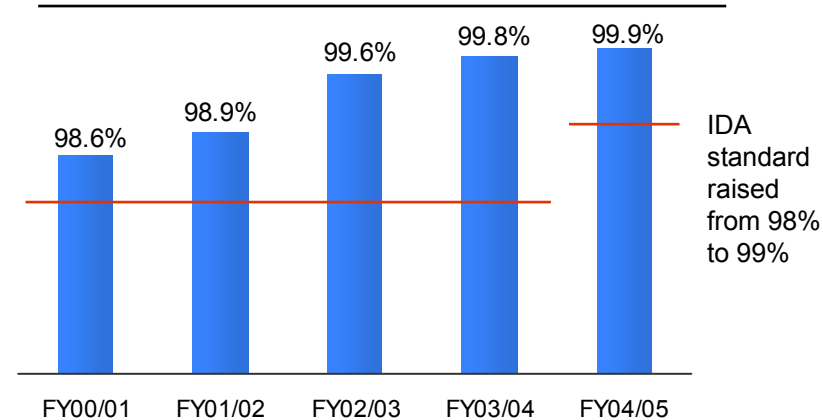


Source: Company annual reports/websites, World Factbook (2004 estimates)

Building on Strengths

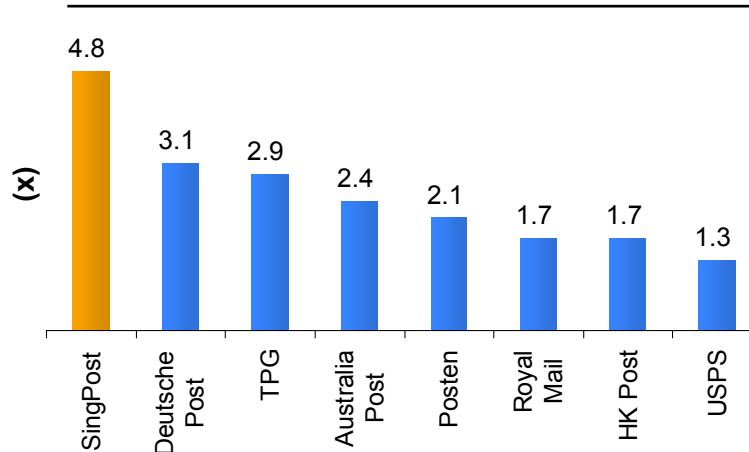
- ◆ Strong operational efficiency
- ◆ Service excellence

Percentage of Mail Delivered* Next Working Day



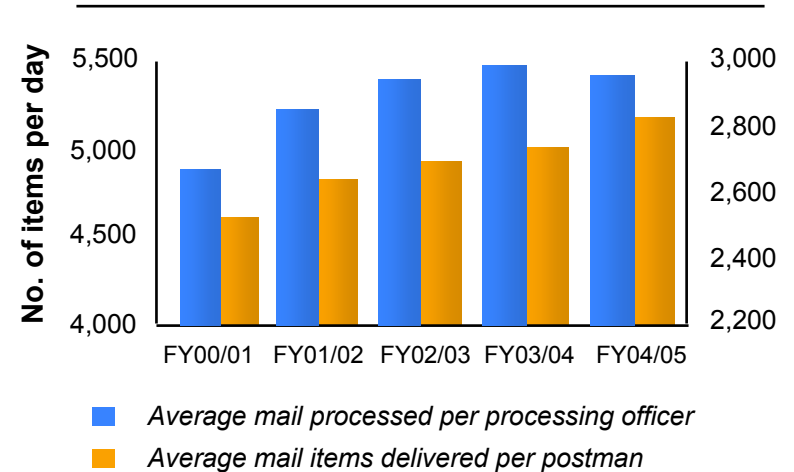
* Within CBD

Revenue-to-Staff Costs



Source: Company annual reports, websites

Productivity Indicators

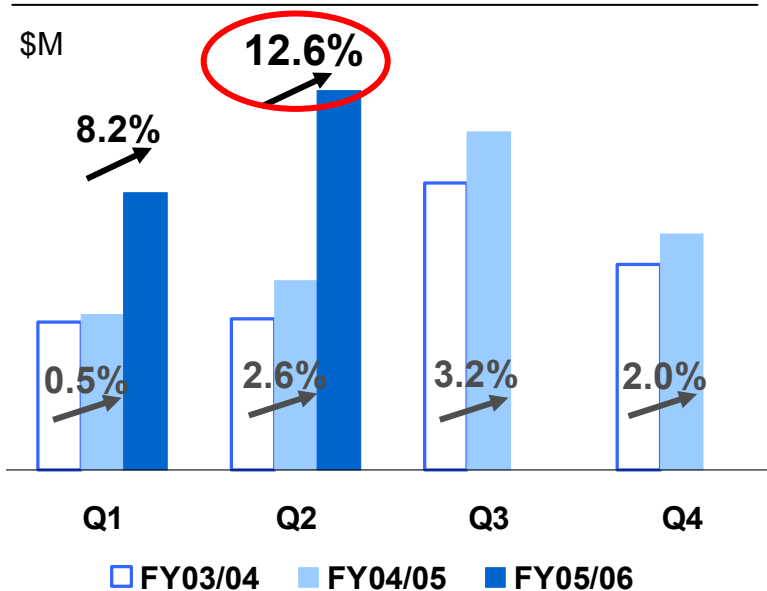


Quarterly Performance Overview

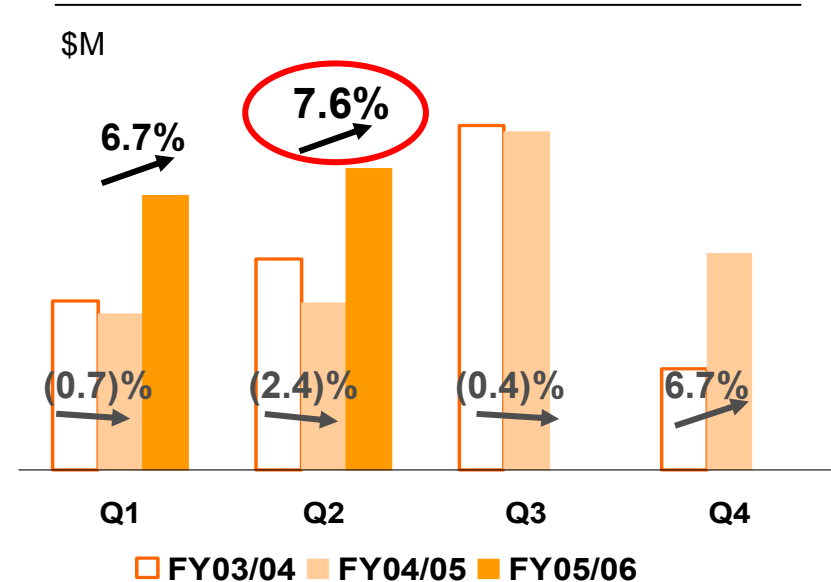
◆ Growth momentum in first half

- Building on strong foundation
- Transforming SingPost

Quarterly Operating Revenue



Quarterly EBITDA*



□ FY03/04 □ FY04/05 ■ FY05/06

* Excluding exceptional items

Transforming SingPost through Total System Management

◆ Total System Management

- A structured process and effective communication tool used to drive SingPost's transformation
- Helps move the company from vision to action
- Energises the whole network in pursuit of the vision

◆ Focused on the 3 Ps:

- Product, Process, People

Rejuvenating, Reinventing

- ◆ **Creative and innovative ways of delivering value to customers**
- ◆ **Recasting existing products and business in new forms**

MyStamp

→ rediscovering stamps

SAM^{plus}

→ repackaging SAM and smart lockers

Friday Mailbox Surprise!

→ promoting direct mail

Killiney Post Office

→ Christmas light-up

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

- Enlarged sales & marketing team
- Sales training, incentive schemes for front-line staff

◆ Creative initiatives to drive revenue, traffic

- Spending on advertising and promotion
- Product launches utilising post office and delivery networks
- Cross-selling opportunities, e.g. mailroom, financial services
- 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**

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
