

## General Announcement::Presentation Slides - Non Deal Roadshow

## Issuer &amp; Securities

<b>Issuer/ Manager</b>	SINGAPORE POST LIMITED
<b>Securities</b>	SINGAPORE POST LIMITED - SG1N89910219 - S08
<b>Stapled Security</b>	No

## Announcement Details

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<b>Description (Please provide a detailed description of the event in the box below)</b>	Please refer to the attached.
<b>Attachments</b>	<a href="#">Presentation.pdf</a> Total size =2346K

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# Non Deal Roadshow Presentation

**Dr. Wolfgang Baier**

Group Chief Executive Officer, Singapore Post

3 September 2015

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- (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or
- (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, shares, debentures and units of shares and debentures of that corporation or the beneficiaries’ rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Securities pursuant to an offer made under Section 275 of the SFA except:
  - (1) to an institutional investor (for corporations, under Section 274 of the SFA) or to a relevant person defined in Section 275(2) of the SFA, or to any person pursuant to an offer that is made on terms that such shares, debentures and units of shares and debentures of that corporation or such rights and interest in that trust are acquired at a consideration of not less than S\$200,000 (or its equivalent in a foreign currency) for each transaction, whether such amount is to be paid for in cash or by exchange of securities or other assets, and further for corporations, in accordance with the conditions specified in Section 275 of the SFA;
  - (2) where no consideration is or will be given for the transfer; or
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- **Introduction**
- **Protecting The Core**
- **Growing The Wings**
- **Financial Overview**

# SingPost Group at a glance today

**> 150 years**

of serving Singapore

**> 3 million**

mail items delivered  
each business day

**28%**

Ecommerce revenue

**15 countries**

footprint

**42%**

Logistics revenue

**~33%**

regional revenue

**1000+**

Ecommerce customers  
in the region

**S\$4.1B**

market capitalisation

**7,000**

size of workforce



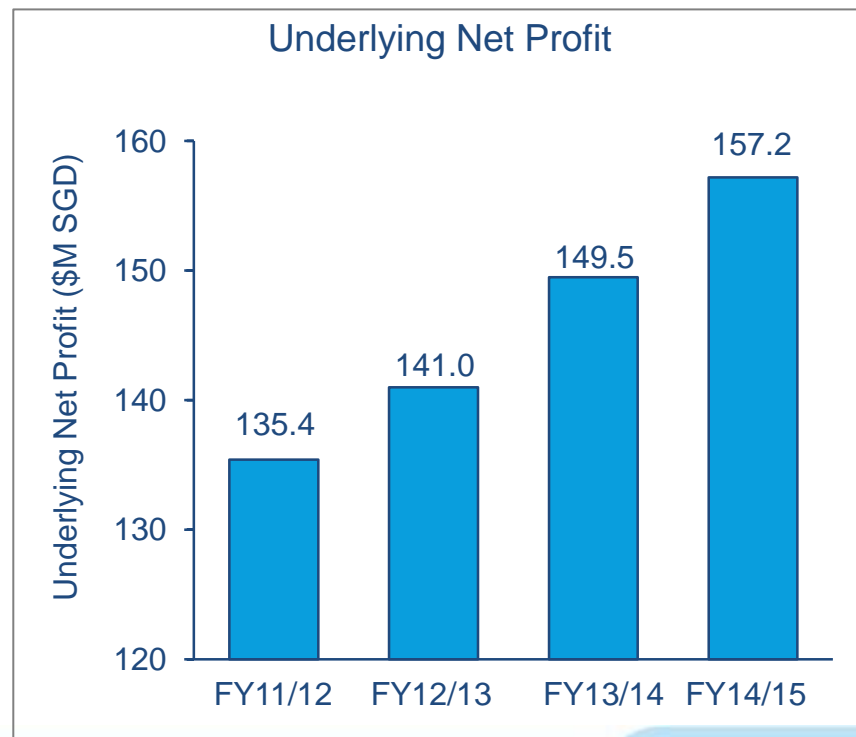
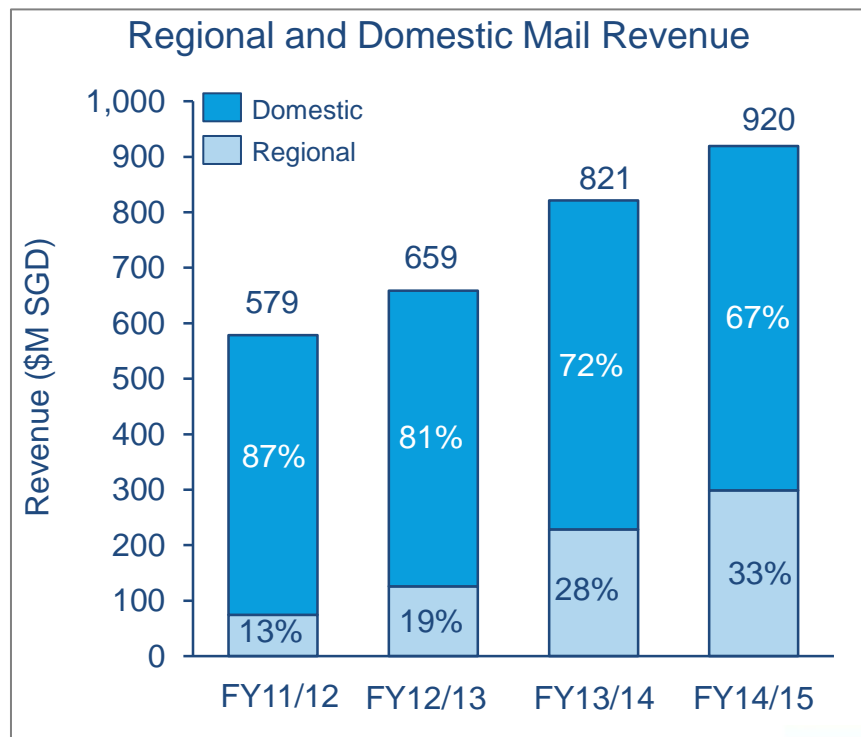
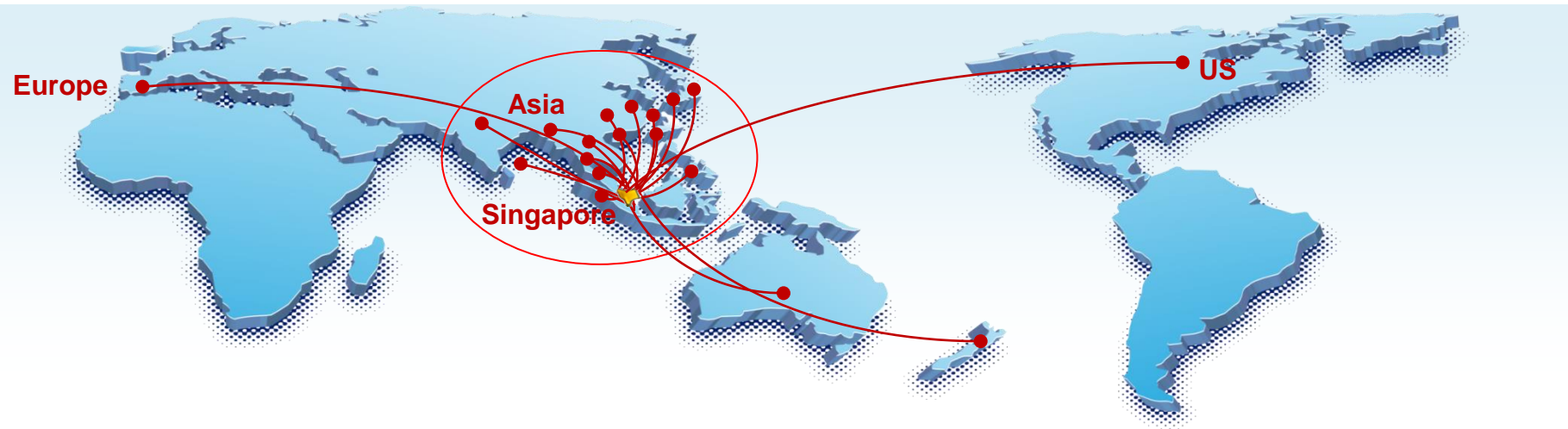
**Alibaba.com™**



## SingPost's Vision

**Regional Leader in eCommerce Logistics  
and Trusted Communications**

# Regional footprint and financials



# Protecting The Core



# Protecting The Core – Continued investments in trusted communications

## Regional Leader in eCommerce Logistics & Trusted Communications

### Protecting the Core

Mail & Digital  
Services

Property

### Growing the Wings

Logistics

eCommerce

Retail &  
Fin'l Services

Committed to service obligations and high quality of service as Singapore's Public Postal Licensee

S\$100M investment in postal infrastructure, service quality and innovation over 3 years from FY2013/14

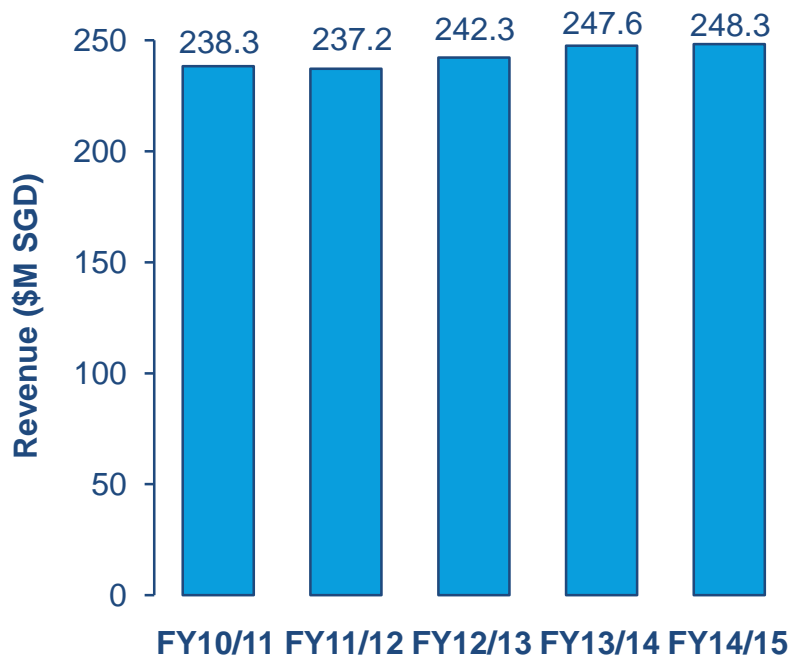
Building innovative channels in digital communications

Managing cost challenges with focus on productivity and efficiency



# Domestic mail revenue is stable, and we continue to invest in protecting our core

## Singapore Domestic Mail Revenue Development



### Continued Investment

We invested more than SGD 100m in Mail Infrastructure, Process & People

### High Service Quality

We continue to focus on maintaining top service quality

### Protecting Our Core

The recent price increase will create positive impact on mail revenue and profitability

# Upgrading our property portfolio allows us to deploy our cash in an earnings accretive fashion

## SPC Mall



- Expansion and upgrading of SingPost HQ
- Attractive location at the crossroads of two subway lines
- Expected completion by Q2 2017

## Logistics Hub



- State-of-the-art integrated logistics hub for SingPost
- More than 550,000 sqft of logistics and warehouse space
- Most advanced Ecommerce logistics facility in Southeast Asia

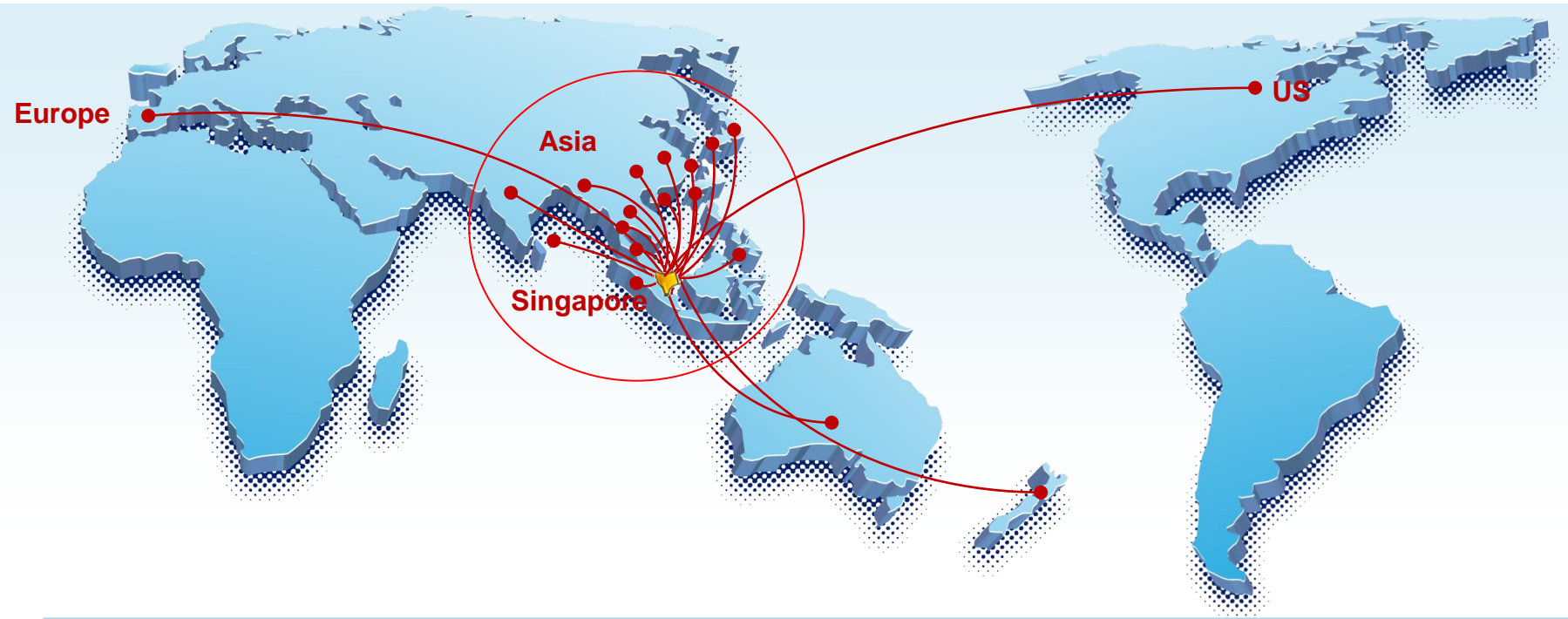
## Self Storage



- Personal storage space provider in Singapore and Hong Kong
- Tap onto the increasing demand in high density cities

# Growing The Wings

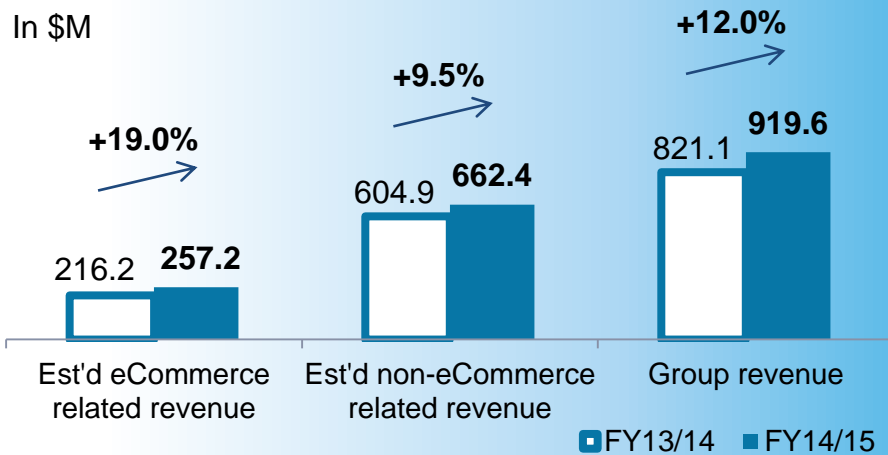
# Growing The Wings: Serving the needs of the emerging middle class in Asia



- Singapore Post growth strategy capitalizes on serving the lifestyle needs of the emerging middle class across Asia-Pacific
- Asia e-commerce logistics is going to boom in the next decade, especially in Southeast Asia which is currently underdeveloped
- Singapore Post well positioned to play a leading role in this emerging market because of unique capabilities in postal and non-postal delivery, customs clearance and e-commerce warehousing

# Growing The Wings – Accelerating growth in regional ecommerce logistics

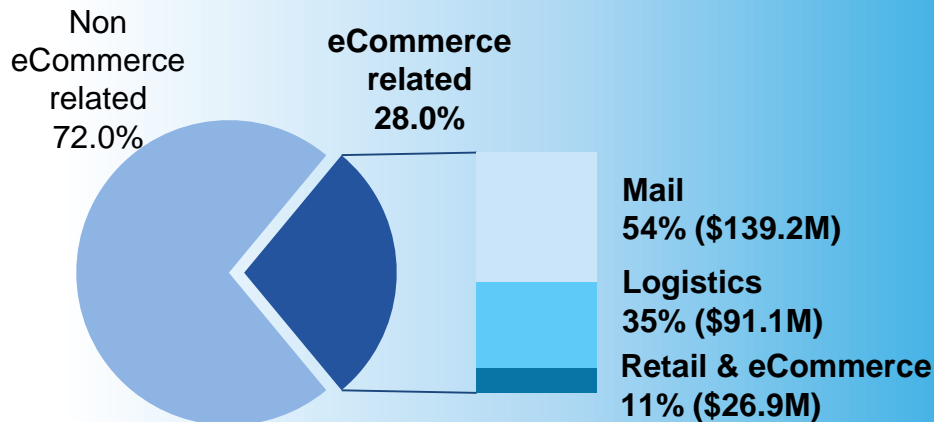
Growing eCommerce related contributions across business segments, estimated at 28% of FY2014/15 Group revenue




19.0% YoY growth in eCommerce related revenue

Non-eCommerce revenue growth (+9.5%) from acquisitions tempered increase in ecommerce revenue share

eCommerce revenue estimated at 28% of Group revenue vs 26.3% last year



# eCommerce Market Potential

A world map with a light blue background. The Asia Pacific region is highlighted in a darker blue. Several countries in the Asia Pacific region are marked with white circles and labeled: China, India, Thailand, Malaysia, Singapore, Vietnam, Philippines, Taiwan, Japan, Australia, and New Zealand. The word 'Europe' is also labeled on the map.

2014 Asia Pacific online population  
**1.033 billion**

*Source: Forrester Research*

2016F Asia Pacific B2C ecommerce sales  
**US\$675 billion**

*Source: eMarketer*

2016F Asia Pacific ecommerce logistics market  
**US\$175 billion**

*Source: Forrester/Transport Intelligence*

2012-2016 CAGR of **20.5%** in Asia Pacific  
ecommerce logistics market

*Source: Forrester/Transport Intelligence*

# eCommerce as THE growth opportunity – example South East Asia (SEA)

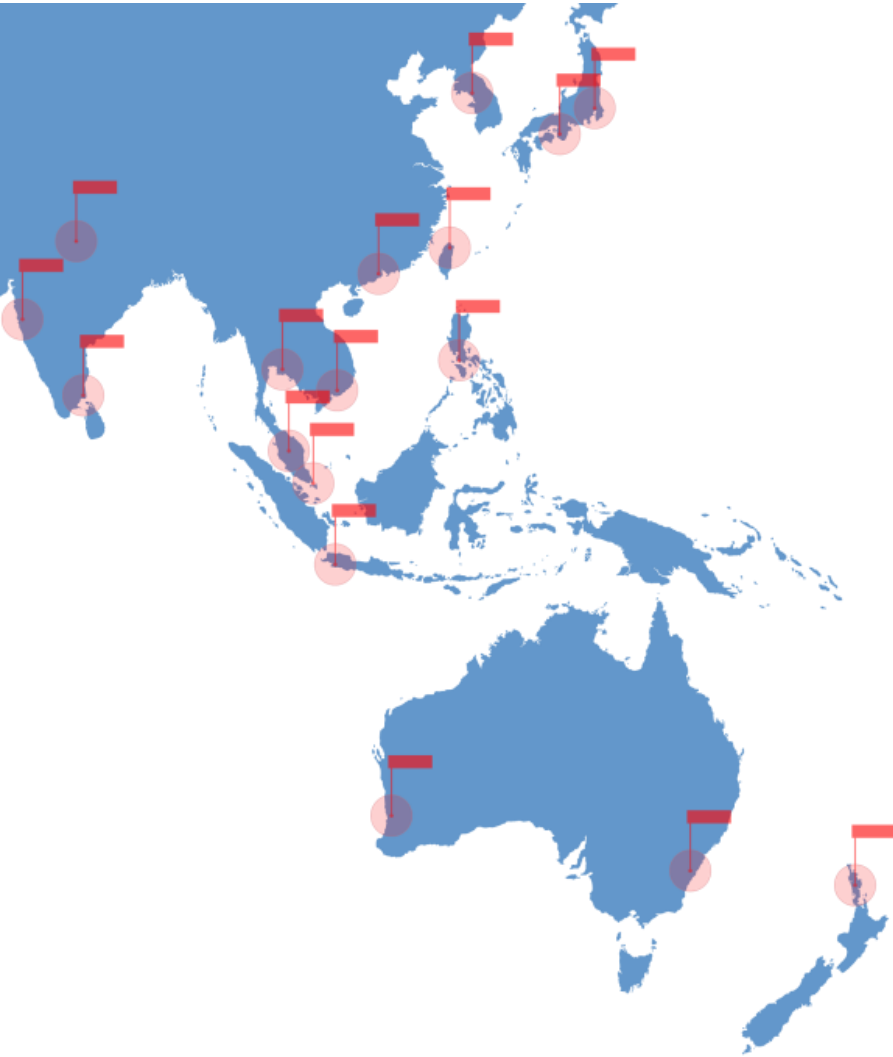
## SEA eCommerce Market Outlook for 2020

	ID	SG	PH	VN	TH	MY	Aggregate	China
Population (m)	245	5	98	89	68	30	534	1,344
# Online (m)	76	4	34	31	31	19	194	618
% Online	31%	74%	34%	35%	46%	63%	36%	46%
Retail sales (US\$ bn)	100	30	34	80	94	98	436	3,812
eCommerce % of retail	0.1%	1%	0.3%	0.1%	0.2%	0.2%	0.2%	8.0%
Opportunity (US\$ bn) by 2020 at 8% retail sales	8.0	2.4	2.7	6.4	7.6	7.9	<b>USD 34.9bn</b>	

Source: UBS, 2013



# Growing the Wings - Diversifying into ecommerce networks



## eCommerce Supply Chain provider in Asia

22 Logistics Centers 13 Countries & Offices 4 Call Centers 8 Languages & Dialects

Own Technology IP,  
Rapid Growth



# EUR 380M Alibaba investment is a validation of our eCommerce strategy

Investment	Rationale
<ul style="list-style-type: none"> <li>First postal investment by any eCommerce company</li> <li>Two step investment process: 10.5% in 2014 in SingPost Group followed by a 4.5% investment* in the SingPost Group and a 34% investment in Quantum Solutions</li> </ul>	<ul style="list-style-type: none"> <li>Alibaba required logistics solutions for international growth outside of China</li> <li>SingPost gained access to international volumes from Alibaba</li> </ul>
Collaboration	Impact on SingPost
<ul style="list-style-type: none"> <li>IT and systems integration</li> <li>Business collaborations with Alibaba in Singapore and South-East Asia</li> <li>Development of unique, tailor-made postal solutions (e.g. with Brazil Post)</li> </ul>	<ul style="list-style-type: none"> <li>Extremely well received by capital markets</li> <li>Strengthened and validated eCommerce strategy</li> <li>Raised international awareness of SingPost</li> </ul>



\* Subject to regulatory and shareholder approvals

# Financials

# Our financial position and cash flow<sup>1</sup> are strong

## Financial position

\$M	Jun 15	Mar 15
NAV (cents per share)	<b>70.4</b>	68.4
Ordinary shareholders' equity	<b>1,159.8</b>	1,117.2
Borrowings	<b>236.9</b>	238.3
Net cash *	<b>329.0</b>	345.8
EBITDA to interest expenses	<b>42.1x</b>	36.4x

Cash holdings of \$565.9M; for investment needs, capex, working capital and other funding requirements

\* Cash and cash equivalents less borrowings

## Cash flow highlights

\$M	Q1 FY15/16	Q1 FY14/15
Net cash from operating activities	<b>59.2</b>	51.3
Net cash used in investing activities	<b>(80.2)</b>	(13.1)
Net cash from financing activities	<b>2.8</b>	2.8
Net increase/(decrease) in cash	<b>(18.2)</b>	41.0
Cash & cash equivalents	<b>565.9</b>	445.4

Healthy operating cash flows

Additions to property, plant & equipment and investments in associated company, financial assets; offset by proceeds from disposal of subsidiary, maturity of financial assets

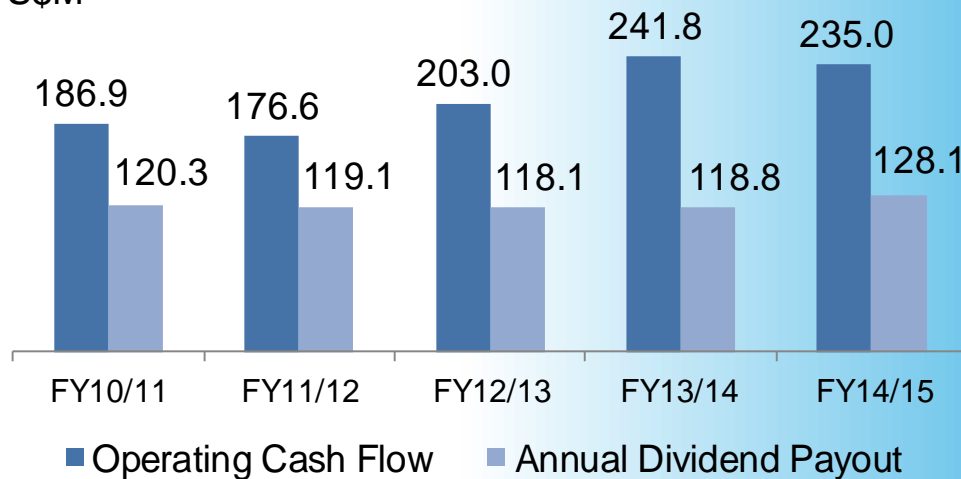
Notes:

1. Q1 FY2015/2016 figures are based on SingPost Group's Unaudited Results for the First Quarter Ended 30 June 2015

# And we enhanced our dividend

## Our healthy cash flows support dividend payout

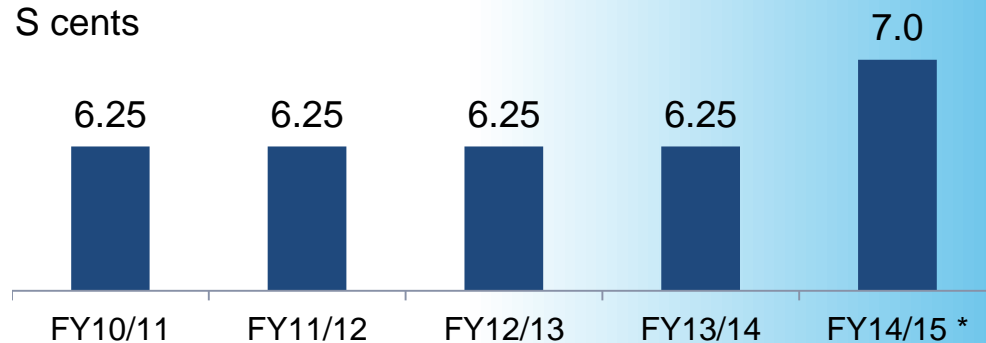
S\$M



**Barring unforeseen circumstances, SingPost will make a total annual dividend payout of 7 cents per share from FY2015/16**

## Dividends

S cents



Note: comprised ordinary dividend of 6.25 cents and special dividend of 0.75 cents



Please visit our website at [www.singpost.com](http://www.singpost.com) for more information.

