

Financial Statements and Related Announcement::Third Quarter Results

Issuer & Securities

Issuer/ Manager	SINGAPORE POST LIMITED
Securities	SINGAPORE POST LIMITED - SG1N89910219 - S08
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Announcement Details

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Additional Details

For Financial Period Ended	31/12/2015
Attachments	<p>SGXNETQ3FY201516.pdf</p> <p>PresentationSlidesQ3FY201516.pdf</p> <p>PressRelease.pdf</p> <p>Total size =2431K</p>

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**SINGAPORE POST LIMITED
AND ITS SUBSIDIARIES**

(Registration number: 199201623M)

**SGXNET ANNOUNCEMENT
UNAUDITED RESULTS FOR THE
THIRD QUARTER AND NINE MONTHS
ENDED 31 DECEMBER 2015**

PART I INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF YEAR AND FULL YEAR RESULTS

(1)(a)(i) Statement of comprehensive income for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Consolidated Income Statement

	FY2015/16 Q3 S\$'000	FY2014/15 Q3 S\$'000 (Restated)*	Variance %	FY2015/16 9M S\$'000	FY2014/15 9M S\$'000 (Restated)*	Variance %
Revenue	316,184	239,617	32.0%	833,963	670,873	24.3%
Other income and gains (net)						
- Rental and property-related income	9,253	10,910	(15.2%)	29,887	33,016	(9.5%)
- Miscellaneous	3,018	181	@	46,168	8,776	@
Labour and related expenses	(73,985)	(65,427)	13.1%	(220,828)	(191,768)	15.2%
Volume-related expenses ¹	(151,876)	(98,894)	53.6%	(375,740)	(265,818)	41.4%
Administrative and other expenses	(33,657)	(25,231)	33.4%	(102,471)	(76,469)	34.0%
Depreciation and amortisation	(10,203)	(6,837)	49.2%	(23,347)	(20,575)	13.5%
Selling expenses	(3,150)	(2,299)	37.0%	(7,066)	(6,109)	15.7%
Finance expenses	(393)	540	(172.8%)	(7,610)	(3,927)	93.8%
Total expenses	(273,264)	(198,148)	37.9%	(737,062)	(564,666)	30.5%
Share of profit of associated companies and joint ventures	242	1,520	(84.1%)	3,612	3,297	9.6%
Profit before income tax	55,433	54,080	2.5%	176,568	151,296	16.7%
Income tax expense	(10,769)	(10,356)	4.0%	(30,385)	(27,709)	9.7%
Total profit	44,664	43,724	2.1%	146,183	123,587	18.3%
Net profit attributable to:						
Equity holders of the Company	43,504	43,224	0.6%	143,531	122,057	17.6%
Non-controlling interests	1,160	500	132.0%	2,652	1,530	73.3%
Operating Profit²	54,599	50,947	7.2%	176,794	149,174	18.5%
Underlying Net Profit³	43,947	43,625	0.7%	121,772	120,364	1.2%
Earnings per share for profit attributable to the equity holders of the Company during the period: ⁴						
- Basic	1.84 cents	1.84 cents		6.15 cents	5.37 cents	
- Diluted	1.84 cents	1.83 cents		6.12 cents	5.35 cents	

Notes

- Volume-related expenses comprise mainly of traffic expenses and cost of sales.
- Operating profit for the purposes of paragraph 8 "Review of the performance of the Group" is defined as profit before interest, tax and share of profit or loss of associated companies and joint ventures.
- Underlying net profit is defined as profit after tax and non-controlling interests, before one-off items such as gains and losses on sale of investment, property, plant and equipment and M & A related professional fees.
- Earnings per share were calculated based on net profit attributable to equity holders of the Company less distribution attributable to perpetual securities holders, divided by the weighted average number of ordinary shares outstanding (excluding treasury shares).

@ Denotes variance exceeding 300%.

* Prior year comparatives are restated. Please see Paragraph 5 for more details.

Consolidated Statement of Comprehensive Income

	FY2015/16	FY2014/15	Variance	FY2015/16	FY2014/15	Variance
	Q3	Q3		9M	9M	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
		(Restated)*			(Restated)*	
Total profit	44,664	43,724	2.1%	146,183	123,587	18.3%
Other comprehensive income / (loss) (net of tax):						
Items that may be reclassified subsequently to profit or loss:						
Available for sale financial assets - fair value gains / (losses)	(79)	(218)	(63.8%)	(697)	(419)	66.3%
Currency translation differences arising from consolidation						
- Gains / (losses)	5,342	685	679.7%	(696)	1,770	(139.4%)
Other comprehensive income / (loss) for the period (net of tax)	5,263	467	1026.8%	(1,393)	1,351	(203.2%)
Total comprehensive income for the period*	49,927	44,191	13.0%	144,790	124,938	15.9%
Total comprehensive income attributable to:						
Equity holders of the Company	46,792	43,911	6.6%	139,342	123,845	12.5%
Non-controlling interests	3,135	280	1019.6%	5,448	1,093	398.4%
	49,927	44,191	13.0%	144,790	124,938	15.9%

* As shown in the Statement of changes in equity on pages 8 and 9.

Underlying Net Profit Reconciliation Table

	FY2015/16	FY2014/15	Variance	FY2015/16	FY2014/15	Variance
	Q3	Q3		9M	9M	
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
		(Restated)*			(Restated)*	
Profit attributable to equity holders of the Company	43,504	43,224	0.6%	143,531	122,057	17.6%
Loss / (gains) on sale of investments, property, plant and equipment, net of Severance	141	127	11.0%	(34,109)	(4,120)	@
Provision for the restructuring of overseas operation	-	-	-	-	1,123	N.M.
Professional fees relating to M & A activities	302	274	10.2%	12,350	1,304	@
Underlying Net Profit	43,947	43,625	0.7%	121,772	120,364	1.2%

N.M. Not meaningful.

@ Denotes variance exceeding 300%.

* Prior year comparatives are restated. Please see Paragraph 5 for more details.

(1)(a)(ii) The following items have been included in arriving at profit before income tax:

	FY2015/16	FY2014/15		FY2015/16	FY2014/15	
	Q3	Q3	Variance	9M	9M	Variance
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
		(Restated)*			(Restated)*	
Other operating income and interest income [#]	12,271	11,091	10.6%	76,055	41,792	82.0%
Interest on borrowings	2,194	1,293	69.7%	5,632	4,208	33.8%
Depreciation and amortisation	10,555	7,189	46.8%	24,401	21,628	12.8%
Allowance for doubtful debts and bad debts written off	124	160	(22.5%)	510	472	8.1%
Foreign exchange gains - net	3,539	922	283.8%	3,841	538	@
Gains on sale of investments, property, plant and equipment ^{# +}	(141)	(127)	(11.0%)	34,510	4,120	727.9%

[#] Including one-off gains and losses on sale of investments, property, plant and equipment.

N.M. Not meaningful.

@ Denotes variance exceeding 300%.

* Prior year comparatives are restated. Please see Paragraph 5 for more details.

+ Gains on sale of investments, property, plant and equipment:

	FY2015/16	FY2014/15		FY2015/16	FY2014/15	
	Q3	Q3	Variance	9M	9M	Variance
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
(Losses) / gains on sale of property, plant and equipment	(141)	(8)	@	1,166	4,239	(72.5%)
Gain on sale of DataPost	-	-	-	24,916	-	N.M.
Gain on sale of Novation Solutions	-	-	-	8,428	-	N.M.
De-registration of vPOST HK	-	(119)	N.M.	-	(119)	N.M.
	(141)	(127)	11.0%	34,510	4,120	@

(1)(b)(i) **Statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	The Group		The Company	
	Dec-15 S\$'000	Mar-15 S\$'000	Dec-15 S\$'000	Mar-15 S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	185,063	584,140	64,828	477,045
Financial assets	10,089	21,878	9,742	21,531
Trade and other receivables	230,311	164,054	235,019	178,644
Derivative financial instruments	4,954	-	4,587	-
Inventories	4,818	6,298	394	484
Other current assets	17,788	21,220	7,276	5,573
	<u>453,023</u>	<u>797,590</u>	<u>321,846</u>	<u>683,277</u>
Non-current assets				
Financial assets	39,380	12,718	39,134	12,651
Trade and other receivables	5,356	4,776	508,252	152,016
Investments in associated companies and joint ventures	120,861	105,106	26,080	26,080
Investments in subsidiaries	-	-	341,285	292,890
Investment properties	714,124	638,818	710,720	633,826
Property, plant and equipment	483,723	329,984	245,471	250,286
Intangible assets	542,396	302,893	236	263
Deferred income tax assets	3,609	5,371	-	-
Other non-current asset	6,185	551	-	-
	<u>1,915,634</u>	<u>1,400,217</u>	<u>1,871,178</u>	<u>1,368,012</u>
Total assets	<u>2,368,657</u>	<u>2,197,807</u>	<u>2,193,024</u>	<u>2,051,289</u>
LIABILITIES				
Current liabilities				
Trade and other payables	368,186	352,068	237,414	261,936
Current income tax liabilities	30,594	35,318	24,130	29,704
Deferred income ¹	7,278	6,961	7,278	6,961
Derivative financial instruments	-	3,718	-	3,718
Borrowings	142,662	16,947	123,239	-
	<u>548,720</u>	<u>415,012</u>	<u>392,061</u>	<u>302,319</u>
Non-current liabilities				
Trade and other payables	15,405	10,508	-	-
Borrowings	218,430	221,380	203,219	203,749
Deferred income ¹	58,601	59,569	58,601	59,569
Deferred income tax liabilities	38,016	23,601	21,816	17,278
	<u>330,452</u>	<u>315,058</u>	<u>283,636</u>	<u>280,596</u>
Total liabilities	<u>879,172</u>	<u>730,070</u>	<u>675,697</u>	<u>582,915</u>
NET ASSETS	<u>1,489,485</u>	<u>1,467,737</u>	<u>1,517,327</u>	<u>1,468,374</u>
EQUITY				
Capital and reserves attributable to the Company's equity holders				
Share capital	447,143	429,980	447,143	429,980
Treasury shares	(2,116)	(2,831)	(2,116)	(2,831)
Other reserves	4,416	7,448	6,260	5,802
Retained earnings	680,384	682,639	715,505	688,597
Ordinary equity	<u>1,129,827</u>	<u>1,117,236</u>	<u>1,166,792</u>	<u>1,121,548</u>
Perpetual securities ²	350,535	346,826	350,535	346,826
	<u>1,480,362</u>	<u>1,464,062</u>	<u>1,517,327</u>	<u>1,468,374</u>
Non-controlling interests	9,123	3,675	-	-
Total equity	<u>1,489,485</u>	<u>1,467,737</u>	<u>1,517,327</u>	<u>1,468,374</u>

Notes

- 1 Mainly relates to the postassurance collaboration with AXA Life Insurance Singapore Private Limited.
- 2 Perpetual securities amounting to S\$350 million were issued by the Company on 2 March 2012. The perpetual securities are cumulative and distributions are at the option of the Company, subject to terms and conditions of the securities issue. Based on accounting rules in FRS32 "Financial Instruments: Disclosure and Presentation", the perpetual securities are presented within equity.

(1)(b)(ii) In relation to the aggregate amount of the group's borrowings and debt securities.

	Dec-15	Mar-15
	S\$'000	S\$'000
Amount repayable in one year or less, or on demand		
- Borrowings (secured)	2,423	2,647
- Borrowings (unsecured)	140,239	14,300
Amount repayable after one year:		
- Borrowings (secured)	15,211	17,631
- Borrowings (unsecured)	203,219	203,749
	361,092	238,327

The Group's unsecured borrowings comprised mainly S\$200 million 10-year Fixed Rate Notes (the "Notes") issued in March 2010. The Fixed Rate Notes is listed on the SGX-ST and carry a fixed interest rate of 3.5% per annum.

Details of any collateral.

Secured borrowings comprised bank loans and are secured over investment properties, or guaranteed by a director of a subsidiary with non-controlling interests.

(1)(c) Statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	The Group			
	FY2015/16	FY2014/15	FY2015/16	FY2014/15
	Q3	Q3	9M	9M
	S\$'000	S\$'000	S\$'000	S\$'000
Cash flows from operating activities		(Restated)*		(Restated)*
Total profit	44,664	43,724	146,183	123,587
Adjustments for:				
Income tax expense	10,769	10,356	30,385	27,709
Amortisation of deferred income	(1,826)	(1,745)	(5,599)	(5,234)
Amortisation of intangible assets	1,751	939	2,453	2,816
Depreciation	8,804	6,250	21,948	18,812
Losses/(gains) on sale of investments, property, plant and equipment	141	127	(34,510)	(4,120)
Share-based staff costs	708	653	3,179	1,983
Interest expense	2,194	1,293	5,632	4,208
Interest income	(986)	(1,073)	(3,772)	(2,752)
Share of profit of associated companies and joint ventures	(242)	(1,520)	(3,612)	(3,297)
	21,313	15,280	16,104	40,125
Operating cash flow before working capital changes	65,977	59,004	162,287	163,712
Changes in working capital, net of effects from acquisition of subsidiaries				
Inventories	239	(658)	17	(27)
Trade and other receivables	(28,377)	(11,861)	(43,710)	(13,099)
Trade and other payables	26,241	11,944	(16,969)	(2,818)
Cash generated from operations	64,080	58,429	101,625	147,768
Income tax paid	(14,061)	(16,718)	(29,668)	(33,894)
Net cash provided by operating activities	50,019	41,711	71,957	113,874
Cash flows from investing activities				
Acquisition of subsidiaries, net of cash acquired	(233,139)	(112,418)	(256,434)	(115,085)
Additions to property, plant and equipment	(59,219)	(45,431)	(229,931)	(70,977)
Disposal of a subsidiary, net of cash disposed of	-	-	50,962	-
Investment in associated companies and joint ventures	14	-	(13,261)	-
Dividends received from associated companies	-	-	1,208	-
Interest received	1,099	5,046	4,103	6,763
Loan to an associated company	-	(13,853)	(1,360)	(13,853)
Secured loan to a shareholder of an associated company	-	-	(10,881)	-
Payment relating to purchase of a business	-	-	(250)	-
Proceeds from disposal of property, plant and equipment	44	9	1,539	10,806
Proceeds on maturity of financial assets	2,250	1,500	17,250	4,500
Purchase of financial assets	-	(1,289)	(28,321)	(22,340)
Repayment of loans by associated companies	138	-	1,436	246
Net cash used in investing activities	(288,813)	(166,436)	(463,940)	(199,940)
Cash flows from financing activities				
Distribution paid to perpetual securities	-	-	(7,499)	(7,499)
Dividends paid to shareholders	(32,375)	(26,818)	(134,576)	(101,302)
Interest paid	(288)	(87)	(4,326)	(3,001)
Proceeds from issuance of ordinary shares	8,020	3,254	15,854	297,738
Proceeds from re-issuance of treasury shares	-	-	-	31,932
Proceeds from bank loan	250,413	-	253,113	-
Repayment of bank loan	(128,518)	(887)	(129,660)	(2,145)
Net cash (used in)/provided by financing activities	97,252	(24,538)	(7,094)	215,723
Net (decrease) / increase in cash and cash equivalents	(141,542)	(149,263)	(399,077)	129,657
Cash and cash equivalents at beginning of financial period	326,605	683,350	584,140	404,430
Cash and cash equivalents at end of financial period	185,063	534,087	185,063	534,087

* Prior year comparatives are restated. Please see Paragraph 5 for more details.

(1)(d)(i) Statement of changes in equity (for the issuer and group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

The Group – Q3

	Attributable to ordinary shareholders of the Company					Perpetual securities	Non-controlling interests	Total equity	
	Share capital	Treasury shares	Retained earnings	Other reserves	Total				
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000				
Balance at 1 October 2015	438,440	(2,203)	673,005	1,190	1,110,432	346,785	1,457,217	5,988	1,463,205
Dividends	-	-	(32,375)	-	(32,375)	-	(32,375)	-	(32,375)
Total comprehensive income for the period	-	-	39,754	3,288	43,042	3,750	46,792	3,135	49,927
	438,440	(2,203)	680,384	4,478	1,121,099	350,535	1,471,634	9,123	1,480,757
Employee share option scheme:									
- Value of employee services	-	-	-	708	708	-	708	-	708
- New shares issued	8,703	-	-	(683)	8,020	-	8,020	-	8,020
- Treasury shares re-issued	-	87	-	(87)	-	-	-	-	-
Balance at 31 December 2015	447,143	(2,116)	680,384	4,416	1,129,827	350,535	1,480,362	9,123	1,489,485
Balance at 1 October 2014 as previously reported	425,110	(2,831)	245,597	2,708	670,584	346,785	1,017,369	2,981	1,020,350
Effect of change in accounting for investment properties	-	-	419,325	1,290	420,615	-	420,615	-	420,615
As restated	425,110	(2,831)	664,922	3,998	1,091,199	346,785	1,437,984	2,981	1,440,965
Dividends	-	-	(26,818)	-	(26,818)	-	(26,818)	-	(26,818)
Total comprehensive income for the period	-	-	39,475	687	40,162	3,749	43,911	280	44,191
	425,110	(2,831)	677,579	4,685	1,104,543	350,534	1,455,077	3,261	1,458,338
Employee share option scheme:									
- Value of employee services	-	-	-	653	653	-	653	-	653
- New shares issued	3,641	-	-	(387)	3,254	-	3,254	-	3,254
Balance at 31 December 2014	428,751	(2,831)	677,579	4,951	1,108,450	350,534	1,458,984	3,261	1,462,245

The Group – 9M

	Attributable to ordinary shareholders of the Company					Perpetual securities	Total	Non-controlling interests	Total equity
	Share capital	Treasury shares	Retained earnings	Other reserves	Total				
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000				
Balance at 1 April 2015	429,980	(2,831)	682,639	7,448	1,117,236	346,826	1,464,062	3,675	1,467,737
Reclass to capital reserve	-	-	(2)	2	-	-	-	-	-
Distribution paid on perpetual securities	-	-	-	-	-	(7,499)	(7,499)	-	(7,499)
Dividends	-	-	(134,576)	-	(134,576)	-	(134,576)	-	(134,576)
Total comprehensive income for the period	-	-	132,323	(4,189)	128,134	11,208	139,342	5,448	144,790
	429,980	(2,831)	680,384	3,261	1,110,794	350,535	1,461,329	9,123	1,470,452
Employee share option scheme:									
- Value of employee services	-	-	-	3,179	3,179	-	3,179	-	3,179
- New shares issued	17,163	-	-	(1,309)	15,854	-	15,854	-	15,854
- Treasury shares re-issued	-	715	-	(715)	-	-	-	-	-
Balance at 31 December 2015	447,143	(2,116)	680,384	4,416	1,129,827	350,535	1,480,362	9,123	1,489,485
Balance at 1 April 2014 as previously reported	129,082	(35,346)	250,700	2,402	346,838	346,826	693,664	2,168	695,832
Effect of change in accounting for investment properties	-	-	417,331	1,290	418,621	-	418,621	-	418,621
As restated	129,082	(35,346)	668,031	3,692	765,459	346,826	1,112,285	2,168	1,114,453
Distribution paid on perpetual securities	-	-	-	-	-	(7,499)	(7,499)	-	(7,499)
Dividends	-	-	(101,302)	-	(101,302)	-	(101,302)	-	(101,302)
Total comprehensive income for the period	-	-	110,850	1,788	112,638	11,207	123,845	1,093	124,938
	129,082	(35,346)	677,579	5,480	776,795	350,534	1,127,329	3,261	1,130,590
New shares issued	280,621	-	-	-	280,621	-	280,621	-	280,621
Treasury shares re-issued	-	31,915	-	-	31,915	-	31,915	-	31,915
Employee share option scheme:									
- Value of employee services	-	-	-	1,983	1,983	-	1,983	-	1,983
- New shares issued	19,048	-	-	(1,931)	17,117	-	17,117	-	17,117
- Treasury shares re-issued	-	600	-	(581)	19	-	19	-	19
Balance at 31 December 2014	428,751	(2,831)	677,579	4,951	1,108,450	350,534	1,458,984	3,261	1,462,245

The Company – Q3

	Attributable to ordinary shareholders of the Company						
	Share capital	Treasury shares	Retained earnings	Other reserves	Total	Perpetual securities	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 October 2015	438,440	(2,203)	707,365	6,401	1,150,003	346,785	1,496,788
Dividends	-	-	(32,375)	-	(32,375)	-	(32,375)
Total comprehensive income / (loss) for the period	-	-	40,515	(79)	40,436	3,750	44,186
	438,440	(2,203)	715,505	6,322	1,158,064	350,535	1,508,599
Employee share option scheme:							
- Value of employee services	-	-	-	708	708	-	708
- New shares issued	8,703	-	-	(683)	8,020	-	8,020
- Treasury shares re-issued	-	87	-	(87)	-	-	-
Balance at 31 December 2015	447,143	(2,116)	715,505	6,260	1,166,792	350,535	1,517,327
Balance at 1 October 2014 as previously reported	425,110	(2,831)	212,076	3,956	638,311	346,785	985,096
Effect of change in accounting for investment properties	-	-	462,973	1,290	464,263	-	464,263
As restated	425,110	(2,831)	675,049	5,246	1,102,574	346,785	1,449,359
Dividends	-	-	(26,818)	-	(26,818)	-	(26,818)
Total comprehensive income / (loss) for the period	-	-	36,629	(218)	36,411	3,749	40,160
	425,110	(2,831)	684,860	5,028	1,112,167	350,534	1,462,701
Employee share option scheme:							
- Value of employee services	-	-	-	653	653	-	653
- New shares issued	3,641	-	-	(387)	3,254	-	3,254
Balance at 31 December 2014	428,751	(2,831)	684,860	5,294	1,116,074	350,534	1,466,608

The Company – 9M

	Attributable to ordinary shareholders of the Company						
	Share capital	Treasury shares	Retained earnings	Other reserves	Total	Perpetual securities	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
Balance at 1 April 2015	429,980	(2,831)	688,597	5,802	1,121,548	346,826	1,468,374
Distribution paid on perpetual securities	-	-	-	-	-	(7,499)	(7,499)
Dividends	-	-	(134,576)	-	(134,576)	-	(134,576)
Total comprehensive income / (loss) for the year	-	-	161,484	(697)	160,787	11,208	171,995
	429,980	(2,831)	715,505	5,105	1,147,759	350,535	1,498,294
Employee share option scheme:							
- Value of employee services	-	-	-	3,179	3,179	-	3,179
- New shares issued	17,163	-	-	(1,309)	15,854	-	15,854
- Treasury shares re-issued	-	715	-	(715)	-	-	-
Balance at 31 December 2015	447,143	(2,116)	715,505	6,260	1,166,792	350,535	1,517,327
Balance at 1 April 2014 as previously reported	129,082	(35,346)	217,615	4,952	316,303	346,826	663,129
Effect of change in accounting for investment properties			460,807	1,290	462,097	-	462,097
As restated	129,082	(35,346)	678,422	6,242	778,400	346,826	1,125,226
Merger of a subsidiary	-	-	57	-	57	-	57
Distribution paid on perpetual securities	-	-	-	-	-	(7,499)	(7,499)
Dividends	-	-	(101,302)	-	(101,302)	-	(101,302)
Total comprehensive income / (loss) for the year	-	-	107,683	(419)	107,264	11,207	118,471
	129,082	(35,346)	684,860	5,823	784,419	350,534	1,134,953
New shares issued	280,621	-	-	-	280,621	-	280,621
Treasury shares re-issued	-	31,915	-	-	31,915	-	31,915
Employee share option scheme:							
- Value of employee services	-	-	-	1,983	1,983	-	1,983
- New shares issued	19,048	-	-	(1,931)	17,117	-	17,117
- Treasury shares re-issued	-	600	-	(581)	19	-	19
Balance at 31 December 2014	428,751	(2,831)	684,860	5,294	1,116,074	350,534	1,466,608

- (1)(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

During the third quarter ended 31 December 2015, the Company issued 5,615,000 ordinary shares at prices ranging from S\$0.89 to S\$1.76 upon the exercise of options granted under the Singapore Post Share Option Scheme.

As at 31 December 2015, there were unexercised options for 48,215,000 (31 March 2015: 51,112,000) unissued ordinary shares under the Singapore Post Share Option Scheme (including Performance Option Plan but excluding Restricted Share Plan) and unvested shares for 1,650,832 (31 March 2015: 1,686,445) unissued ordinary shares under the Restricted Share Plan.

As at 31 December 2015, the Company held 2,045,709 treasury shares (31 March 2015: 2,744,393).

- (1)(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

As at 31 December 2015, total issued shares were 2,159,568,909 (31 March 2015: 2,146,774,225).

- (1)(d)(iv) A statement showing all sales, transfers, disposal, cancellation and / or use of treasury shares as at end of the current financial period reported on.**

During the third quarter ended 31 December 2015, the Company re-issued 85,493 treasury shares at a cost of S\$1.025 upon the vesting of shares granted under the Restricted Share Plan.

- (2) Whether the figures have been audited or reviewed, and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed.

- (3) Where figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- (4) Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

Except as disclosed under paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current reporting period ended 31 December 2015 compared with the audited financial statements for the financial year ended 31 March 2015.

- (5) **If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.**

On 1 April 2015, the Group adopted the new or amended FRS and Interpretations to FRS ("INT FRS") that are mandatory for application from that date. Changes to the Group's accounting policies have been made as required, in accordance with the transitional provisions in the respective FRS and INT FRS.

The adoption of these new or amended FRS and INT FRS did not result in substantial changes to the Group's and Company's accounting policies and had no material effect on the amounts reported for the current or prior financial years.

Accounting for Investment Properties

During the financial year ended 31 March 2015, the Group's accounting policy with respect to the measurement of investment properties, has been changed from the cost model to the fair value model. Along with the accounting policy change from the cost model to the fair value model, management has undertaken a review of the Group's property allocation between investment properties and property, plant and equipment and made reclassification as appropriate.

The effects of the voluntary change in accounting policy and review of the Group's investment property assets has been restated on the Group's consolidated income statements for Q3 FY2014/15 and 9M FY2014/15 as follows:

	Increase/ (decrease) Q3 FY2014/15 S\$'000	Increase/ (decrease) 9M FY2014/15 S\$'000
Consolidated Statement of Comprehensive Income:		
Depreciation, amortisation and impairment	(997)	(2,991)
Net profit attributable to:		
- Equity holders of the Company	977	2,991
- Non-controlling interests	-	-
Earnings per share attributable to equity		
- Basic (cents)	0.05	0.14
- Diluted (cents)	0.05	0.14

- (6) **Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

	FY2015/16 Q3	The Group FY2014/15 Q3 (Restated)*	FY2015/16 9M	FY2014/15 9M (Restated)*
Based on weighted average number of ordinary shares in issue	1.84 cents	1.84 cents	6.15 cents	5.37 cents
On fully diluted basis	1.84 cents	1.83 cents	6.12 cents	5.35 cents

* Prior year comparatives are restated. Please see Paragraph 5 for more details.

- (7) **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the current financial period reported on and immediately preceding financial year.**

	The Group		The Company	
	Dec-15	Mar-15	Dec-15	Mar-15
Net asset value per ordinary share based on issued share capital of the Company at the end of the financial period (cents)	68.97	68.37	70.26	68.40

	The Group		The Company	
	Dec-15	Mar-15	Dec-15	Mar-15
Ordinary equity per ordinary share based on issued share capital of the Company at the end of the financial period (cents)	52.32	52.04	54.03	52.24

- (8) **Review of the performance of the group.**

Third Quarter And Nine Months Ended 31 December 2015

Revenue

	FY2015/16			FY2014/15		
	Q3	Q3	Variance	9M	9M	Variance
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
Mail	130,601	130,111	0.4%	372,266	376,780	(1.2%)
Logistics	162,247	122,063	32.9%	458,374	328,490	39.5%
Retail & eCommerce	54,543	22,882	138.4%	102,552	68,017	50.8%
Inter-segment eliminations*	(31,207)	(35,439)	(11.9%)	(99,229)	(102,414)	(3.1%)
Total	316,184	239,617	32.0%	833,963	670,873	24.3%

* Inter-segment eliminations relate to the elimination of inter-segment billings for internal services to better reflect the profitability of each business segment.

Group revenue grew 32.0% and 24.3% respectively in Q3 and 9M ended 31 December 2015, with continued growth in eCommerce related activities and the inclusion of new subsidiaries.

In the Mail segment, revenue was steady for Q3 and declined marginally by 1.2% for 9M, despite the cessation of revenues from Novation Solutions and DataPost which were divested in Q1 and Q2 respectively. Excluding the impact of the divestments, Mail revenue would have grown by 8.8% and 4.5% compared to Q3 and 9M last year. This was largely driven by higher International mail revenue as a result of increased cross-border eCommerce related deliveries.

Logistics revenue rose by 32.9% and 39.5% for Q3 and 9M respectively, on the back of growing contributions from eCommerce logistics activities as well as the inclusion of new subsidiaries.

The increase in Retail and eCommerce revenue in Q3 and 9M was attributable to the consolidation of new US subsidiary Trade Global from 14 November 2015.

Other Income

Rental and property-related income decreased 15.2% and 9.5% in Q3 and 9M respectively. This was due to lower retail rental revenue following the commencement of the redevelopment of Singapore Post Centre retail mall, which is due for completion by mid-2017.

Miscellaneous income amounted to S\$3.0 million in Q3 and S\$46.2 million in 9M, compared to S\$0.2 million and S\$8.8 million in the comparative periods last year. The increases recorded under Q3 and 9M were attributed to trade-related foreign exchange translation differences and one-off gains from the disposals of Novation Solutions and DataPost respectively.

Total Expenses

Total expenses increased 37.9% and 30.5% in Q3 and 9M over the same periods last year, in tandem with the inclusion of new subsidiaries and growth in business volumes.

Labour and related expenses were higher with annual salary increments and additional headcount from new subsidiaries and the Group's growth initiatives.

The increase in volume-related expenses was in line with higher international traffic volumes, increased business activities and inclusion of new subsidiaries.

Administrative and other expenses increased as a result of higher property related expenses such as warehouse rental costs, and professional fees related to the Group's growth and transformation initiatives.

Finance expenses increased S\$0.9 million and S\$3.7 million respectively in Q3 and 9M due to interest expense on higher average borrowings and higher non-trade related foreign exchange translation differences.

Operating Profit

	FY2015/16 Q3	FY2014/15 Q3	Variance	FY2015/16 9M	FY2014/15 9M	Variance
	S\$'000	S\$'000	%	S\$'000	S\$'000	%
		(Restated)*			(Restated)*	
Mail	38,894	37,946	2.5%	112,716	107,102	5.2%
Logistics	12,120	6,938	74.7%	26,123	16,572	57.6%
Retail & eCommerce	4,168	1,745	138.9%	5,465	7,241	(24.5%)
Others [#]	(583)	4,318	(113.5%)	32,490	18,259	77.9%
Total	54,599	50,947	7.2%	176,794	149,174	18.5%

[#] Others refer to the commercial property rental operations, unallocated corporate overhead items and one-off items.

* Prior year comparatives are restated. Please see Paragraph 5 for more details.

Operating profit grew 7.2% in Q3 with higher contributions from all three business segments. For 9M, operating profit included one-off gains from the divestment of Novation Solutions (S\$8.4 million) in Q1 and DataPost (S\$24.9 million) in Q2. Excluding one-off gains, operating profit increased by 7.2% for Q3 and 5.1% for 9M.

Mail operating profit rose 2.5% in Q3 and 5.2% in 9M, driven by higher volumes from eCommerce related deliveries, which helped offset the decline in traditional letter mail. The Group's continued focus on productivity and efficiency, particularly with investments in mail infrastructure, contributed to the positive performance.

In Logistics, operating profit increased 74.7% in Q3 and 57.6% in 9M, with contributions from new subsidiaries and increased eCommerce logistics activities. The Group continues to focus on integrating the new subsidiaries into its eCommerce logistics network.

Retail & eCommerce operating profit in Q3 was boosted by the inclusion of newly acquired subsidiary TradeGlobal from 14 November 2015. For 9M, Retail & eCommerce operating profit declined due to lower contribution from agency services and continued investment in eCommerce infrastructure and capabilities.

The operating loss from Others in Q3 was largely due to lower retail rental contributions as a result of the redevelopment of Singapore Post Centre. For 9M, higher operating profit from Others was due mainly to one-off gains from divestments of subsidiaries.

Share of profit of associated companies and joint ventures

Share of profit of associated companies and joint ventures decreased in Q3 due to lower profits from associated companies. For the nine months, contributions from associated companies and joint ventures increased with earnings growth mainly from 4PX and GD Express.

Net Profit and Underlying Net Profit

Net profit attributable to equity holders was up 0.6% for Q3 and 17.6% for 9M, the latter on the back of one-off gains from divestment of subsidiaries. Excluding one-off items, Q3 underlying net profit improved slightly by 0.7% from S\$43.6 million to S\$43.9 million whilst underlying net profit for 9M was up 1.2% from S\$120.4 million to S\$121.8 million.

Balance Sheet

The Group's total assets amounted to S\$2.4 billion as at 31 December 2015, compared to S\$2.2 billion as at 31 March 2015. The lower cash balance was offset by higher trade receivables as a result of consolidation of new subsidiaries, investment properties, property, plant and equipment, intangible assets and investments in associated companies and joint ventures arising from acquisitions.

Total liabilities were S\$879.2 million, compared to S\$730.1 million as at 31 March 2015. The increase was mainly due to higher short term borrowings for the acquisition of the US subsidiary, pending the near term maturity of fixed deposits. Subsequent to the close of the financial period, short term borrowings were partially reduced with funds from the maturity of a portion of the Group's fixed deposits.

As a result of the reduction of cash and an increase in short-term borrowings, the Group showed a net current liability position of S\$95.7M as at 31 December 2015. The cash and short-term funds were largely utilised for the acquisition of TradeGlobal and capital expenditure. This resulted in the Group holding higher non-current assets that were funded by cash and short term borrowings which will be repaid from its fixed deposits as and when they mature.

As at 31 December 2015, the Group was in a net debt position¹ of S\$176.0 million. Total borrowings increased from S\$238.3 million as at 31 March 2015 to S\$361.1 million as at 31 December 2015. The borrowings have been utilised for acquisition of a subsidiary, capital expenditure, working capital and other funding needs. Interest coverage ratio² remained healthy at 36.4 times, compared to 41.4 times for 9M last year.

¹ Cash and cash equivalents less borrowings

² EBITDA to interest expense

Ordinary shareholders' equity was unchanged as at 31 December 2015 at S\$1.1 billion, compared to the opening position as at 31 March 2015.

Cash Flow

Net cash inflow from operating activities for the nine months amounted to S\$72.0 million. Working capital declined S\$44.7 million due to higher receivables and lower trade and other payables arising from settlement of terminal dues.

Net cash outflow for investing activities was S\$463.9 million, compared to S\$199.9 million for the same period last year. Capital expenditure of S\$229.9 million in the nine months comprised expenditure for the construction of the eCommerce Logistics Hub, acquisition of Toh Guan building and redevelopment of Singapore Post Centre retail mall. In addition to capital expenditure, the Group also added S\$28.3 million of financial assets comprising corporate bonds and invested S\$269.7 million to acquire new subsidiaries and associated companies. These were partly offset by receipts of S\$51.0 million from the disposal of Novation Solutions and DataPost and S\$17.3 million from the maturity of financial assets.

Net cash outflow from financing activities was S\$7.1 million, compared to net cash inflow of S\$215.7 million last year, largely due to proceeds from its share issue to Alibaba Investment Limited. During the nine months, the Group mainly paid dividends of S\$134.6 million and received net proceeds from bank loans of S\$123.5 million.

The use of the proceeds from the share issue to Alibaba Investment Limited is in line with the intended use originally stated in the SGXNET announcement dated 28 May 2014 and the subsequent SGXNET announcement dated 8 October 2015.

(9) Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

(10) A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The Group continues to strengthen its end-to-end eCommerce logistics solutions business in Asia Pacific and the USA. In January 2016, the Group launched SP Commerce, a global omni-channel commerce and fulfilment platform, with the integration of newly acquired TradeGlobal Holdings, Inc. and Jagged Peak, Inc. (acquisition pending completion).

The Group also announced in January 2016 that it has entered into a conditional shares sale agreement to sell part of its stake in GD Expresss Carrier Bhd (GDEX). Following completion of the conditional share sale agreement, its shareholding in GDEX will decrease to 11.2%. The reduction in stake will free up capital to allow the Group to further invest in its eCommerce logistics operations across the region including its warehousing capabilities in Malaysia through its regional logistics arm Quantum Solutions.

Capital expenditure is expected to remain high in FY2015/16 and FY2016/17 due to the ongoing construction of the eCommerce Logistics Hub and redevelopment of Singapore Post Centre retail mall which are due for completion in mid-2016 and mid-2017 respectively.

As SingPost continues its transformation to build its capabilities in the eCommerce logistics space, the Group will be focusing on post-merger integration and extracting synergies from its acquisitions. The Group's operating cash flow before working capital changes remains healthy to support its dividend commitment and debt obligations, and it expects to sustain short term borrowings for working capital requirements.

In November 2015, Standard & Poor's Ratings Services (S&P) placed SingPost's 'A' credit rating on credit watch, with the opinion that the acquisition spending and capital expenditure to grow its logistics and eCommerce operations, and the investment in the Singapore Post Centre retail mall redevelopment, may put pressure on SingPost's capital structure and affect the stability of its earnings. The Group's financial position remains strong. Operating cash flows are healthy and interest coverage ratio remains high.

In July 2015, the Group announced that it had entered into a conditional joint venture agreement with Alibaba Investment Limited where the latter will acquire a 34% stake in Quantum Solutions International Pte Ltd for approximately S\$91.7 million. The Group and Alibaba Investment Limited are in the process of fulfilling the conditions precedent as spelled out in the joint venture agreement.

The Group had also announced a new share issue of 5% of the existing share capital to Alibaba Investment Limited. As the Company requires a longer time to fulfil the conditions precedent, the Company and Alibaba Investment Limited are working towards extending the long-stop date.

(11) Dividends

Current financial period reported on

Interim dividend

For the third quarter ended 31 December 2015, the Board of Directors has declared an interim dividend of 1.50 cents per ordinary share (tax exempt one-tier).

The interim quarterly dividend of 1.50 cents per ordinary share will be paid on 4 March 2016. The transfer book and register of members of the Company will be closed on 23 February 2016 for the preparation of dividend warrants. Duly completed registrable transfers of the ordinary shares in the capital of the Company received by the Company's registrar up to 5.00 pm on 22 February 2016 will be registered to determine members' entitlements to the dividend.

Corresponding period of the immediately preceding financial year

Interim dividend

An interim dividend of 1.25 cents per ordinary share (tax exempt one-tier) for the third quarter ended 31 December 2014 was declared on 4 February 2015 and paid on 6 March 2015.

(12) If no dividend has been declared (recommended), a statement to that effect.

Not applicable.

PART III OTHER INFORMATION

(13) Interested Person Transactions

During the third quarter and nine months ended 31 December 2015, the following interested person transactions were entered into by the Group:

	Aggregate value of all interested person transactions during the financial period (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	FY2015/16 Q3 S\$'000	FY2014/15 Q3 S\$'000	FY2015/16 Q3 S\$'000	FY2014/15 Q3 S\$'000
Sales				
Singapore Telecommunications Group	-	-	1,298*	7,135*
	-	-	1,298	7,135
Purchases				
SATS Group	-	-	400*	-
SembCorp Group	-	-	3,267	-
Singapore Telecommunications Group	-	-	-	110
	-	-	3,667	110
Total interested person transactions	-	-	4,965	7,245

	Aggregate value of all interested person transactions during the financial period (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 (excluding transactions less than S\$100,000)	
	FY2015/16 9M S\$'000	FY2014/15 9M S\$'000	FY2015/16 9M S\$'000	FY2014/15 9M S\$'000
Sales				
Mediacorp Group	-	-	799*	540
Postea Group	-	-	198*	-
Singapore Airlines Group	-	-	1,704*	-
Singapore Telecommunications Group	-	-	2,952*	9,825*
Starhub Group	-	-	860	631
	-	-	6,513	10,996
Purchases				
Certis Cisco Security Pte Ltd	-	-	162*	723*
PSA Corporation Limited	-	-	1,808*	2,727*
SATS Group	-	-	57,239*	-
SembCorp Group	-	-	3,267	95,360*
Singapore Airlines Group	-	-	1,540	4,480
Singapore Telecommunications Group	-	-	-	110
SMRT Group	-	-	-	1,188*
	-	-	64,016	104,588
Loan to associated company				
Postea, Inc and its associates	-	742*	-	-
	-	742	-	-
Total interested person transactions	-	742	70,529	115,584

Note

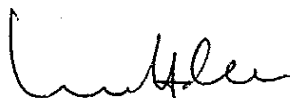
All the transactions set out in the above table were based on the Group's interested person transactions register. They were either based on contractual values for the duration of the contracts (which vary from 4 months to 15 years) or annual values for open-ended contracts.

*Include contracts of duration exceeding one year.

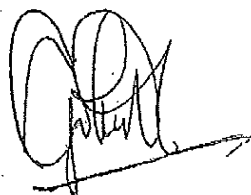
(14) Confirmation by the Board pursuant to rule 705(5) of the Listing Manual

On behalf of the Board of Directors of the Company, we, the undersigned, hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the financial statements for the third quarter and nine months ended 31 December 2015 to be false or misleading in any material aspect.

On behalf of the Board of Directors



MR LIM HO KEE
Chairman



MR GOH YEOW TIN
Executive Director

Singapore
4 February 2016

Q3 & 9M FY2015/16 Financial Results

4 February 2016



Overview & 9M FY15/16 Financials

eCommerce-Related Revenues

Segmental Results

Business Update

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.

All figures for 9M FY2015/16, unless otherwise stated

Transformation well on track

- eCommerce growth momentum continues, with eCommerce related revenues rising 53% to S\$278.1 million
- eCommerce related revenues now makes up 33.4% of Group revenue

Improved operating profit margins from scale benefits and synergies from post-merger integration

- In particular, Logistics margins rose to 7.5% in Q3 FY15/16, up from 5.7% last year

Net profit rose 17.6% to \$143.5 million

Underlying net profit rose 1.2%, despite investments in transformation into a global eCommerce logistics company

Declared quarterly dividend of 1.5 cents per share, up from 1.25 cents in the corresponding quarter last year

9M FY2015/16: Delivered earnings growth despite investments in transformation

9M FY2015/16 P&L, \$M

	9M FY15/16	9M FY14/15	YoY % change	
Revenue	834.0	670.9	+24.3%	— New acquisitions; eCommerce related growth
Rental and property-related income	29.9	33.0	(9.5%)	— Redevelopment of SPC mall
Miscellaneous	46.2	8.8	@	— One-off gains on divestments
Total expenses	(737.1)	(564.7)	+30.5%	— In tandem with business growth
Operating profit	176.8	149.2	+18.5%	
Share of associated companies & JVs	3.6	3.3	+9.6%	
Income tax	(30.4)	(27.7)	+9.7%	
Net profit attributable to equity holders	143.5	122.1	+17.6%	
Underlying net profit	121.8	120.4	+1.2%	— Excluding one-off items

@ denotes changes exceed 300%

Q3 FY2015/16: Operating profit up 7.2%

Q3 FY2015/16 P&L, \$M

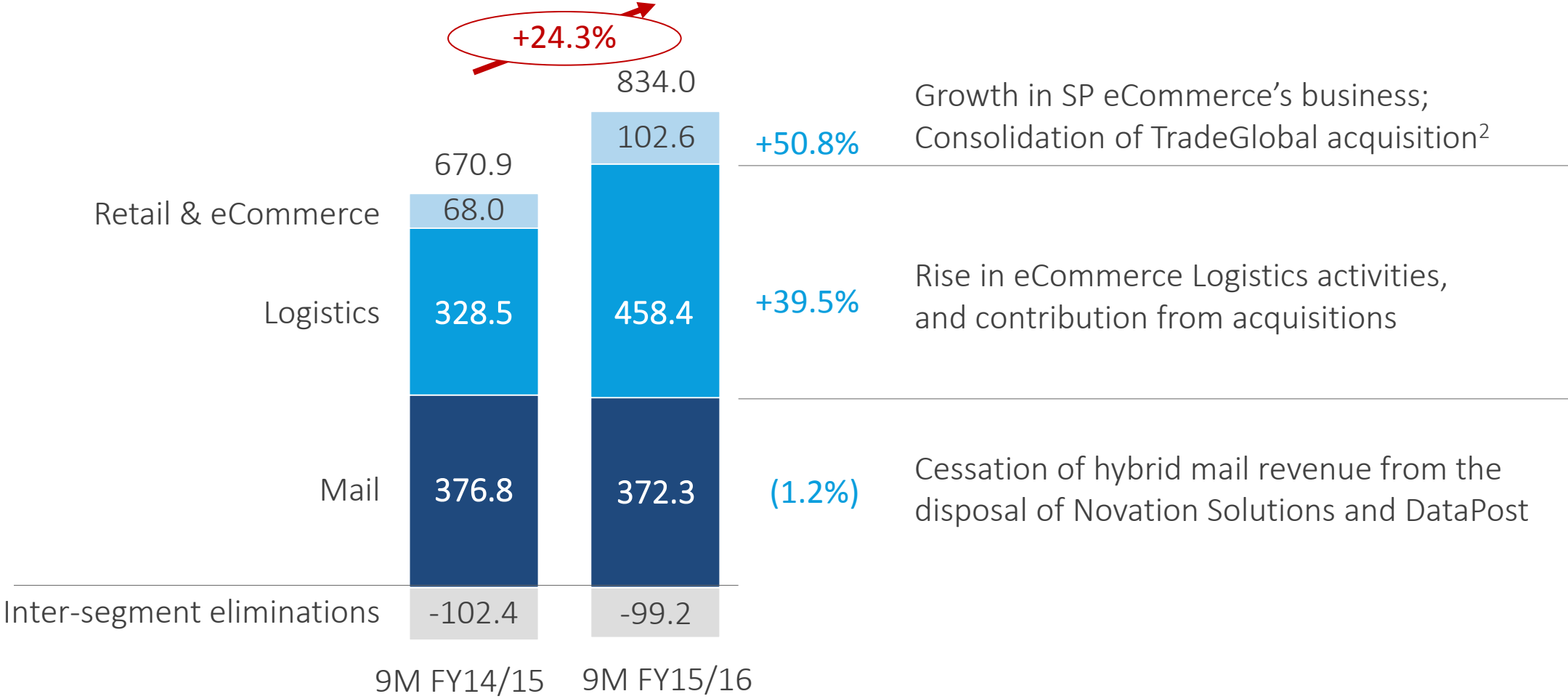
	Q3 FY15/16	Q3 FY14/15	YoY % change
Revenue	316.2	239.6	+32.0%
Rental and property-related income	9.3	10.9	(15.2%)
Miscellaneous	3.0	0.2	@
Total expenses	(273.3)	(198.1)	+37.9%
Operating profit	54.6	50.9	+7.2%
Share of associated companies & JVs	0.2	1.5	(84.1%)
Income tax	(10.8)	(10.4)	+4.0%
Net profit attributable to equity holders	43.5	43.2	+0.6%
Underlying net profit	43.9	43.6	+0.7%



Strong revenue growth driven by eCommerce related activities and acquisitions



9M FY2014/15 vs. 9M FY2015/16 Revenue performance, \$M



1. Differences in total due to rounding
 2. TradeGlobal acquisition was completed on 16 November 2015

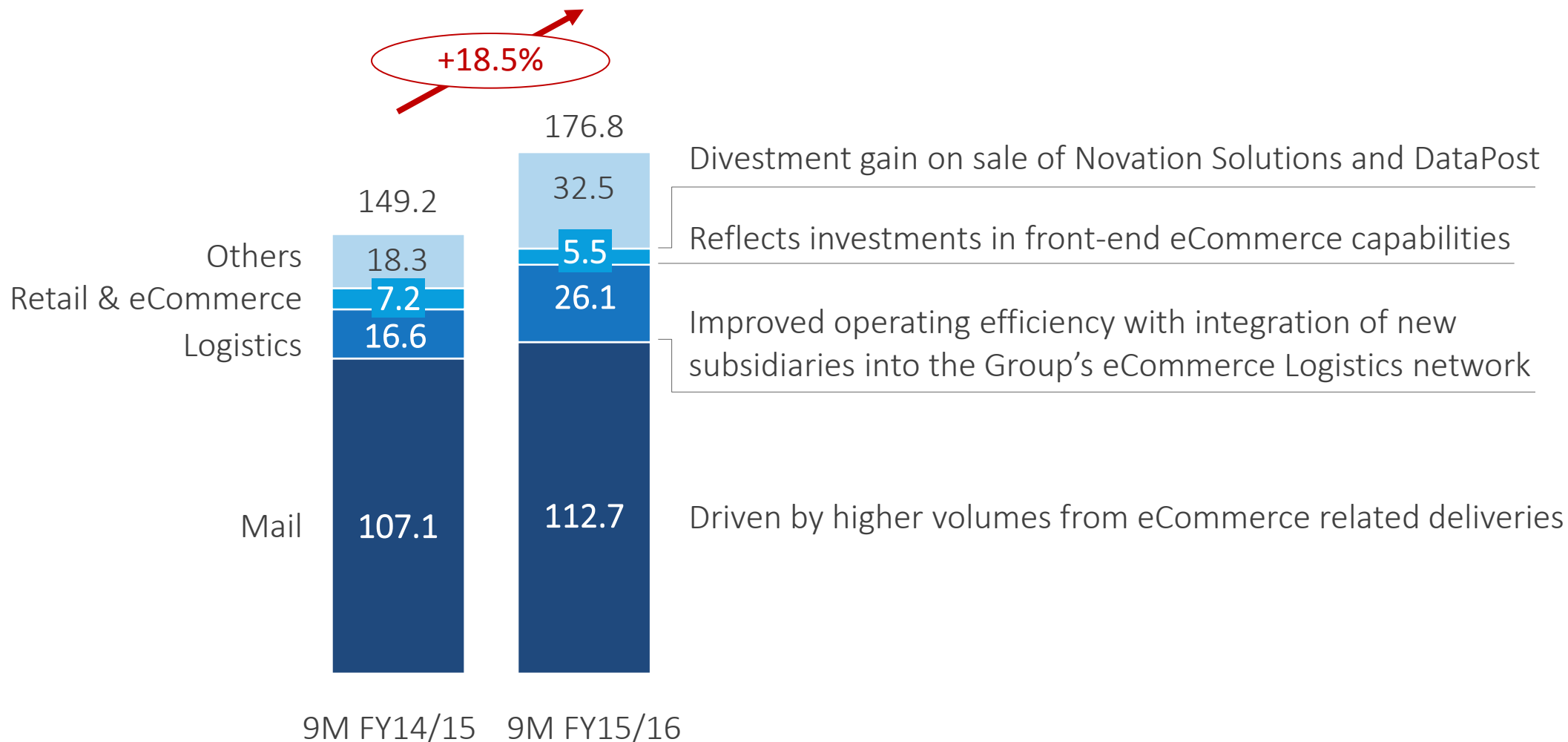
Expenses rose in tandem with business growth

Total expenses 9M FY2015/16 breakdown, \$M

	9M FY15/16	9M FY14/15	YoY % change	
Labour & related	220.8	191.8	+15.2%	
Volume-related	375.7	265.8	+41.4%	In line with higher traffic volumes and increased business activities
Admin & others	102.5	76.5	+34.0%	Mainly from higher warehousing capacity in line with increased business activities
Depreciation & amortisation	23.3	20.6	+13.5%	
Selling	7.1	6.1	+15.7%	
Finance expense	7.6	3.9	+93.8%	Increase in interest expense on higher average borrowings
Total	737.1	564.7	+30.5%	

Operating profit up 18.5% on strong growth in Logistics segment and one-off divestment gains

9M FY2014/15 vs. 9M FY2015/16 Operating profit performance, \$M



Differences in total due to rounding

Healthy balance sheet & financial indicators

\$M

	9M FY15/16	9M FY14/15	
Operating Cash Flow (before working capital changes)	162.3	163.7	— Steady operating cash flows
Changes in working capital	(60.7)	(15.9)	— Higher receivables & higher settlements for trade payables
Cash flow used in investing activities	(463.9)	(199.9)	— Due to acquisitions and capex for eCommerce Logistics Hub and SPC Mall
Cash flow (used in) / provided by financing activities	(7.1)	215.7	— Dividends paid during the period. Last year, the Group received proceeds from share issuance to Alibaba
Net increase / (decrease) in cash & cash equivalents	(399.1)	129.7	

	Dec 2015	Mar 2015
Cash & cash equivalents at end of financial period	185.1	584.1

Financial Indicators	Dec 2015	Mar 2015	
(Net debt) / Net cash position	(176.0)	345.8	— Due to decline in ending cash balance, with investments in acquisitions and capex
EBITDA to interest expense	36.4X	36.4X	
Net debt to equity	11.8%	Net cash	

Overview & 9M FY15/16 Financials

eCommerce-Related Revenues

Segmental Results

Business Update

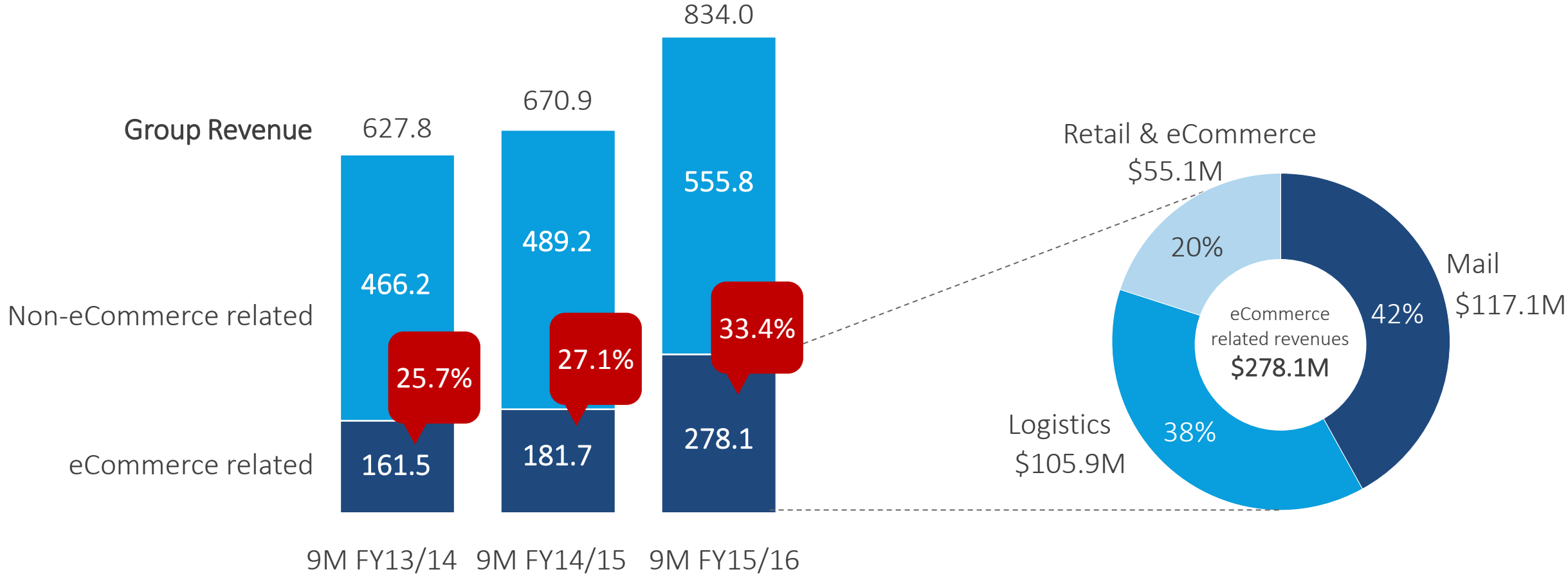
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“\$” means Singapore dollars unless otherwise indicated.

eCommerce related revenues rose 53% year-on-year to S\$278.1m



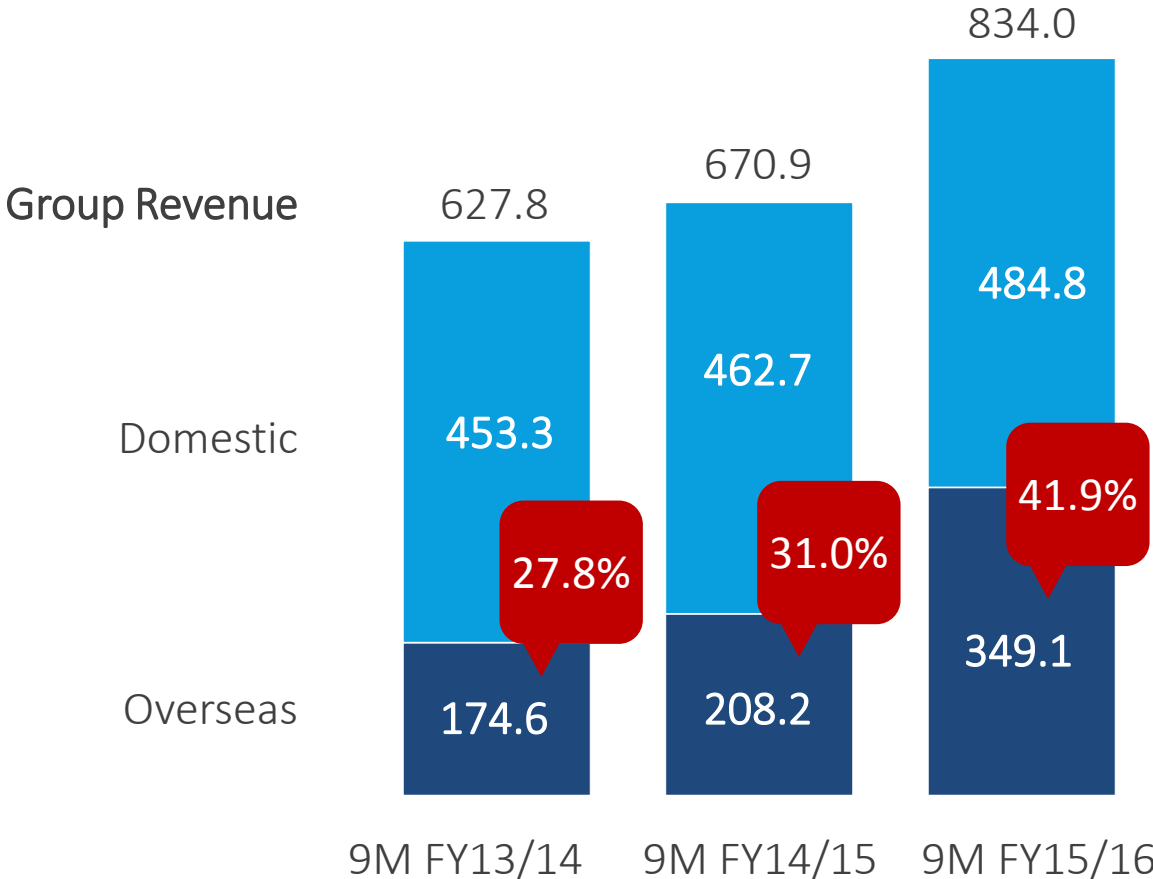
Revenue 9M FY2013/14 – 9M FY2015/16, \$M



Differences in total due to rounding

Overseas revenue now 41.9% of Group revenue

Group revenue footprint 9M FY2013/14 – 9M FY2015/16



Differences in total due to rounding

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Mail: Q3 FY2015/16 Performance



\$M

Mail	Q3 FY15/16	Q3 FY14/15	YoY % change
Revenue	130.6	130.1	+0.4%
Operating profit	38.9	37.9	+2.5%
OP margin	29.8%	29.2%	

Mail revenue rose 0.4% despite the cessation of Hybrid mail revenues from the divestment of Novation Solutions in Q1 and DataPost in Q2

Revenue breakdown	Q3 FY15/16	Q3 FY14/15	YoY % change
Domestic mail	63.7	64.5	-1.1%
International mail	65.8	54.6	+20.4%
Hybrid mail	-	10.1	N.M.
Philatelic	1.1	0.9	+21.3%
Total	130.6	130.1	+0.4%

International mail revenues rose 20.4%, driven by higher cross-border eCommerce volumes in the peak season from October to December

Mail operating profit rose 2.5%, with continued focus on productivity and efficiency

N.M. = Not meaningful

Mail: 9M FY2015/16 Performance



\$M

Mail	9M FY15/16	9M FY14/15	YoY % change
Revenue	372.3	376.8	(1.2%)
Operating profit	112.7	107.1	5.2%
OP margin	30.3%	28.4%	
Revenue breakdown			
Revenue breakdown	9M FY15/16	9M FY14/15	YoY % change
Domestic mail	192.0	186.9	+2.7%
International mail	165.4	156.0	+6.0%
Hybrid mail	11.3	31.4	(64.1%)
Philatelic	3.6	2.5	+43.5%
Total	372.3	376.8	(1.2%)



Logistics: Q3 FY2015/16 Performance



\$M

Logistics	Q3 FY15/16	Q3 FY14/15	YoY % change
Revenue	162.2	122.1	+32.9%
Operating profit	12.1	6.9	+74.7%
OP margin	7.5%	5.7%	

Strong revenue growth driven by higher contributions from eCommerce related activities and inclusion of new subsidiaries

Operating profit grew with margin rising to 7.5% on improved operating efficiency and synergies from post-merger integration

Revenue breakdown	Q3 FY15/16	Q3 FY14/15	YoY % change
Quantium Solutions	74.9	48.6	+54.1%
Famous	59.2	48.4	+22.5%
Others	28.1	25.1	+12.0%
Total	162.2	122.1	+32.9%

All 3 sub-segments recorded operating profit growth year-on-year, benefitting from increased eCommerce Logistics activities during the December quarter

Logistics: 9M FY2015/16 Performance

\$M

Logistics	9M FY15/16	9M FY14/15	YoY % change
Revenue	458.4	328.5	+39.5%
Operating profit	26.1	16.6	+57.6%
OP margin	5.7%	5.0%	

Revenue breakdown	9M FY15/16	9M FY14/15	YoY % change
Quantium Solutions	216.8	130.7	+65.8%
Famous	166.8	127.4	+30.9%
Others	74.8	70.3	+6.4%
Total	458.4	328.5	+39.5%



Retail & eCommerce: 3Q FY2015/16 Performance

\$M

Retail & eCommerce	3Q FY15/16	3Q FY14/15	YoY % change
Revenue	54.5	22.9	+138.4%
Operating profit	4.2	1.7	+138.9%
OP margin	7.6%	7.6%	

Revenue driven by consolidation of TradeGlobal financials from 14 Nov 2015, as well as growth in SP eCommerce business

Revenue breakdown	3Q FY15/16	3Q FY14/15	YoY % change
eCommerce	39.2	7.4	@
<i>SP eCommerce</i>	9.8	7.4	+32.4%
<i>TradeGlobal¹</i>	29.4	-	N.M.
Financial services	5.3	5.2	+0.5%
Agency services & retail products	10.1	10.2	(1.6%)
Total	54.5	22.9	+138.4%

SP eCommerce revenue rose 32.4%, as the Group continued to gain traction from its front-end eCommerce capabilities

TradeGlobal contributed S\$29.4m in revenue and S\$2.1m in operating profit during the quarter, boosted by the peak shopping season

1. The acquisition of TradeGlobal was completed on 14 Nov 2015

2. @ denotes changes exceed 300%

Retail & eCommerce: 9M FY2015/16 Performance

\$M

Retail & eCommerce	9M FY15/16	9M FY14/15	YoY % change
Revenue	102.6	68.0	+50.8%
Operating profit	5.5	7.2	(24.5%)
OP margin	5.3%	10.6%	
Revenue breakdown	9M FY15/16	9M FY14/15	YoY % change
eCommerce	55.1	19.3	+184.9%
<i>SP eCommerce</i>	25.7	19.3	+33.0%
<i>TradeGlobal¹</i>	29.4	-	N.M.
Financial services	16.2	17.7	(8.6%)
Agency services & retail products	31.3	31.0	+0.9%
Total	102.6	68.0	+50.8%



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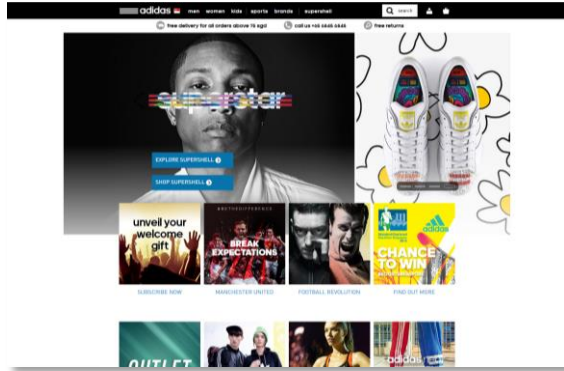
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eCommerce Logistics Network Development



1 eCommerce Services



eCommerce



Marcelo Wessler
CEO,
SP eCommerce

2 Warehousing & Fulfilment



Logistics & Operations



Sascha Hower
Group COO,
CEO (Quantum
Solutions)

3 Last Mile Delivery & Returns



Postal



Woo Keng Leong
CEO,
Postal Services

4 Freight, Customs & Regulations Management



International mail



Goh Hui Ling
Deputy CEO,
International Mail

Corporate Services, Post-merger integration



Mervyn Lim
Group CFO,
Deputy GCEO
(Corporate Services)

SP Commerce now offers global eCommerce logistics solutions with the integration of TradeGlobal and Jagged Peak



sp commerce

A SingPost Group Company

specommerce
A SingPost Group Company

ASIA PACIFIC'S LEADING
FULL-SERVICE ECOMMERCE
ENABLER

 **TRADEGLOBAL**
An SP Commerce Company

POWERING GLOBAL COMMERCE
FOR FASHION AND LIFESTYLE
BRANDS

JAGGED PEAK¹
An SP Commerce Company

OMNICHANNEL COMMERCE
SOLUTIONS FOR HIGH-VELOCITY
PRODUCTS



GROSS
MERCHANDISE
VALUE
US\$3b
ANNUALLY

OPERATING IN
18
COUNTRIES

END-TO-END
SOLUTIONS TO
MORE THAN
100
MONOBRANDS

50+
FULFILMENT
CENTRES
GLOBALLY

GENERATING
REVENUE & PROFIT
Synergies
ACROSS
SINGPOST GROUP

1. Pending completion of acquisition



Rollout of new international service

On top of domestic packages delivery, Couriers Please introduced a new outbound delivery service, leveraging SingPost's international network to handle overseas parcel delivery



Expanded delivery & pick-up capabilities via Hubbed² network

CouriersPlease now provides delivery and pick-up of parcels through the Hubbed national network of more than 680 newsagents, providing greater convenience to customers



Leveraging Group technological innovation – POPStation rollout

Leveraging SingPost's experience in Singapore, as well as scale benefits, CouriersPlease is rolling out POPStation lockers throughout Australia, offering value added services such as parcel delivery, collection and returns

1. SingPost's wholly owned nationwide parcel delivery network in Australia, acquired in Dec 2014
2. Hubbed Holdings Pty Ltd, a 30% owned Associate of SingPost, acquired in Jun 2015

■ Good performance in Q3 and 9M FY2015/16

- Continued eCommerce growth momentum
- Declining trend of transactional mail volumes but offset by increasing international mail volumes

■ Continued momentum in transformation initiatives

■ Focusing on consolidation and post-merger integration for scale benefits and synergies

Thank you





SingPost achieves strong growth in revenue as transformation progresses

- Revenue grew 24.3 per cent to S\$834.0 million in the first nine months of FY2015/16 as net profit rose 17.6 per cent to S\$143.5 million
- Transformation into a global eCommerce logistics company bears fruit with 53 per cent growth year-on-year in eCommerce-related revenues, now 33.4 per cent of Group revenue
- Operating profit margins improving through scale and synergies from post-merger integration; Logistics margins in Q3 rose to 7.5 per cent, 31.6 per cent above prior year
- Operating profit rose 18.5 per cent, with underlying net profit increasing 1.2 per cent
- Q3 FY2015/2016 dividend of 1.5 cents per share, up from 1.25 cents in the corresponding quarter last year

Financial Highlights

	9M FY15/16 (S\$'000)	9M FY14/15 (S\$'000)	Variance (%)		Q3 FY15/16 (S\$'000)	Q3 FY14/15 (S\$'000)	Variance (%)
GROUP RESULTS							
Revenue	833,963	670,873	24.3		316,184	239,617	32.0
Rental & property related income	29,887	33,016	(9.5)		9,253	10,910	(15.2)
Total expenses	(737,062)	(564,666)	30.5		(273,264)	(198,148)	37.9
Operating profit	176,794	149,174	18.5		54,599	50,947	7.2
Net profit	143,531	122,057	17.6		43,504	43,224	0.6
Underlying net profit	121,772	120,364	1.2		43,947	43,625	0.7
Earnings per share (cents)	6.15	5.37			1.84	1.84	
Dividend per share (cents)	4.5	3.75			1.5	1.25	

SINGAPORE, 4 February 2016 – Singapore Post Limited (“SingPost”) today announced its results for the first nine months of the financial year ended 31 December 2015.

Continuing expansion in eCommerce and Logistics activities, along with contributions from new subsidiaries raised SingPost’s revenue for the first nine months of FY2015/2016 by 24.3 per cent to S\$834.0 million. Operating profit improved 18.5 per cent to S\$176.8 million due to strong growth in Logistics and eCommerce-driven international mail as well as one-off gains from divestments. These improvements came during the peak season and arose out of increases in scale and synergies from post-merger integration of new subsidiaries.

Net profit was S\$143.5 million, an increase of 17.6 per cent.

These figures bear out the Group’s transformation into a global eCommerce logistics company, which was achieved while growing underlying net profit, up 1.2 per cent to S\$121.8 million.



Mr Mervyn Lim, Deputy Group Chief Executive Officer (Corporate Services) and Group Chief Financial Officer, said: “We are realising the potential of our transformation into the global eCommerce logistics space with more scale and synergies from integration. Our transformation is showing in our financial results, which reflect how SingPost is on a new growth trajectory. The investments we made in the last few years are driving up both top and bottom line growth, with Group revenue up 24 per cent and net profit, 18 per cent. With the integration of these acquisitions into existing operations, we can expect further synergies and expansion of our eCommerce business as we provide retail brands with easy one-stop access to eCommerce markets in the US, Europe, China and the rest of the Asia Pacific region.”

eCommerce Transformation Drives Revenue Growth

eCommerce-related revenues rose 53 per cent and made up 33.4 per cent of Group revenue, up from 27.1 per cent the previous year. eCommerce activities drove growth across all three business segments and improved margins as SingPost continued to build its eCommerce capabilities.

SingPost’s expansion beyond a traditional domestic mail business into the fast-growing global eCommerce logistics space is showing up in the geographical makeup of its revenue streams. Overseas revenues increased to 41.9 per cent of Group revenue in the first nine months, from 31.0 per cent in the corresponding period last year.

Revenue from Logistics operations increased 39.5 per cent to S\$458.4 million on the back of growing contributions from eCommerce logistics activities and the inclusion of revenues of new subsidiaries. Operating profit was up 57.6 per cent. This growth reflects SingPost’s increasing participation in the fast expanding eCommerce market and higher margins on improved operating efficiency and synergies from post-merger integration. Operating profit margin for the third quarter jumped to 7.5 per cent, from 5.7 per cent the prior year. This was a 31.6 per cent improvement over last year’s peak season.

Over the past nine months, the integration of Quantum Solutions and CouriersPlease, as well as SingPost’s partnerships, boosted the company’s eCommerce logistics capabilities in the region, allowing it to deliver what matters to its mono-brand clients and their customers: efficient end-to-end logistics solutions from warehousing to convenient touchpoints, flexible doorstep delivery and returns.

Mail revenue was stable at S\$372.3 million despite the cessation of revenue from hybrid mail with the divestment of Novation Solutions in the first quarter and DataPost in the second quarter. Excluding the impact of the divestments, Mail revenue was 4.5 per cent higher compared to the same period last year. Operating profit rose 5.2 per cent.

International mail package volumes expanded strongly on the back of increasing eCommerce cross-border deliveries, more than offsetting declines in traditional letter mail. This together with improvements in productivity and service efficiency from investments in mail infrastructure resulted in positive performance overall.

Retail and eCommerce revenue rose 50.8 per cent to S\$102.6 million due mainly to higher eCommerce growth and the inclusion of new US subsidiary TradeGlobal’s revenue from 14 November 2015 of S\$29.4 million. Operating profit declined on lower contributions from financial services and continued investments in eCommerce infrastructure and capabilities.



Mr Marcelo Wessler, Chief Executive Officer of SP Commerce, said: “Our transformation into a global end-to-end eCommerce logistics enabler is taking shape. Last month, we launched SP Commerce, a global omni-channel commerce and fulfilment platform that integrates leading US-based eCommerce providers TradeGlobal Holdings, which we acquired recently, and Jagged Peak. SingPost now processes US\$3 billion of merchandise every year. We do this through more than 50 distribution centres across over 18 countries that include major eCommerce markets in the US, Europe, China and the rest of the Asia Pacific. We provide end-to-end eCommerce logistics solutions to more than 100 mono-brand clients.”

The increase in operating profit for the segment of “Others” in the first nine months was due to one-off gains from the divestment of Novation Solutions and DataPost.

Total expenses rose 30.5 per cent to S\$737.1 million in the first nine months, in tandem with the inclusion of new subsidiaries and growth in business volumes. Administrative and other expenses increased as a result of higher property related expenses, such as warehouse rental costs, and professional fees related to SingPost’s growth and transformation initiatives.

Healthy Cash Flows Amid Transformation Initiatives

Cash generated from operations was healthy. Operating cash flow before working capital changes was S\$162.3 million for the first nine months of FY2015/16. Cash used for investing activities for the nine months was S\$463.9 million. This went mainly to the acquisition of TradeGlobal, and the development of the eCommerce Logistics Hub and a new retail mall at Singapore Post Centre.

As at 31 December 2015, SingPost’s cash and cash equivalents stood at S\$185.1 million, with a net debt position of S\$176.0 million.

Interim Dividend

For the third quarter of FY2015/2016, the Board of Directors has declared an interim dividend of 1.50 cents per ordinary share (tax exempt one-tier) to be paid on 4 March 2016. Together with the 1.5 cents paid on 27 August 2015, and on 27 November 2015, a total of 4.5 cents would be paid for the first nine months of FY2015/2016.

About Singapore Post Limited

For over 150 years, Singapore Post (SingPost) as the country’s postal service provider, has been delivering trusted and reliable services to homes and businesses in Singapore.

Today, SingPost is pioneering and leading in eCommerce logistics as well as providing innovative mail and logistics solutions in Singapore and the Asia Pacific, with operations in 18 countries.

Building on its trusted communications through domestic and international postal services, SingPost is taking the lead in end-to-end integrated and digital mail solutions. The suite of SingPost eCommerce logistics solutions includes front end web management, warehousing and fulfilment, last mile delivery and international freight forwarding.

Listed on the Main Board of the Singapore Exchange in 2003, SingPost is a constituent stock of various main global benchmark indices - FTSE All-World Index Series, FTSE All-World Minimum



Variance Index, FTSE All-World High Dividend Yield Index, FTSE RAFI Index Series, FTSE Global Infrastructure Index Series and FTSE ST Index Series. It has a strong credit rating of 'A/Stable/NR' by Standard & Poor's.

To find out more about SingPost, please visit www.singpost.com and <https://www.singpost.com/corporate-information/businesses.html> for more information on SingPost's subsidiaries and businesses.

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