25th Annual General Meeting

20 July 2017

Agenda

FY2016/17 Financials

Cash flow and Balance sheet

TradeGlobal

Business & Corporate updates

Summary & Outlook

FY2016/17 Performance

FY2016/17 P&L, $M

	FY16/17	FY15/16[1]	YoY % change
Revenue	1,348.5	1,151.5	+17.1%
Other income and gains / (losses)			
Rental and property-related income	36.6	39.4	(7.1%)
Miscellaneous	9.8	12.0	(18.5%)
Total expenses	1,250.1	1,020.1	+22.5%
Exceptional items	(88.7)	95.3	N.M.
Operating profit	58.4	284.3	(79.5%)
Share of associated companies & JVs	(1.2)	9.1	N.M.
Net profit attributable to equity holders	33.4	248.9	(86.6%)
Underlying net profit	115.6	153.6	(24.7%)

- Inclusion of US acquisitions

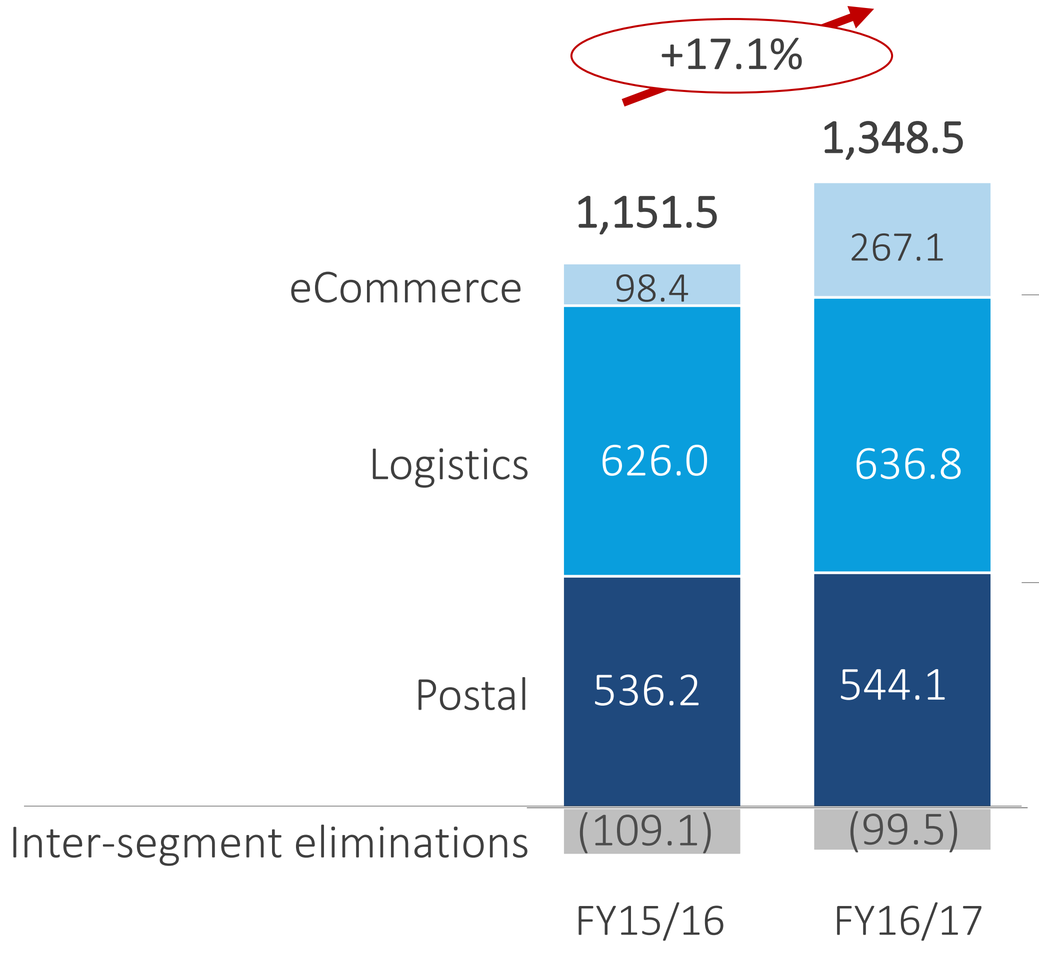
Impairment charges mainly for TradeGlobal, partially offset by revaluation gain on SingPost Centre. Last year, there were exceptional divestment gains.

Due to the impact of planned investments in building out our eCommerce Logistics platform such as the Regional eCommerce Logistics Hub and associates which are investing for growth; higher losses in the US eCommerce business; and a decline in Postal operating profit.

1. Figures in the comparative period last year have been adjusted to be consistent with the current classification

Revenue movement

FY2015/16 vs. FY2016/17 Revenue performance, $M



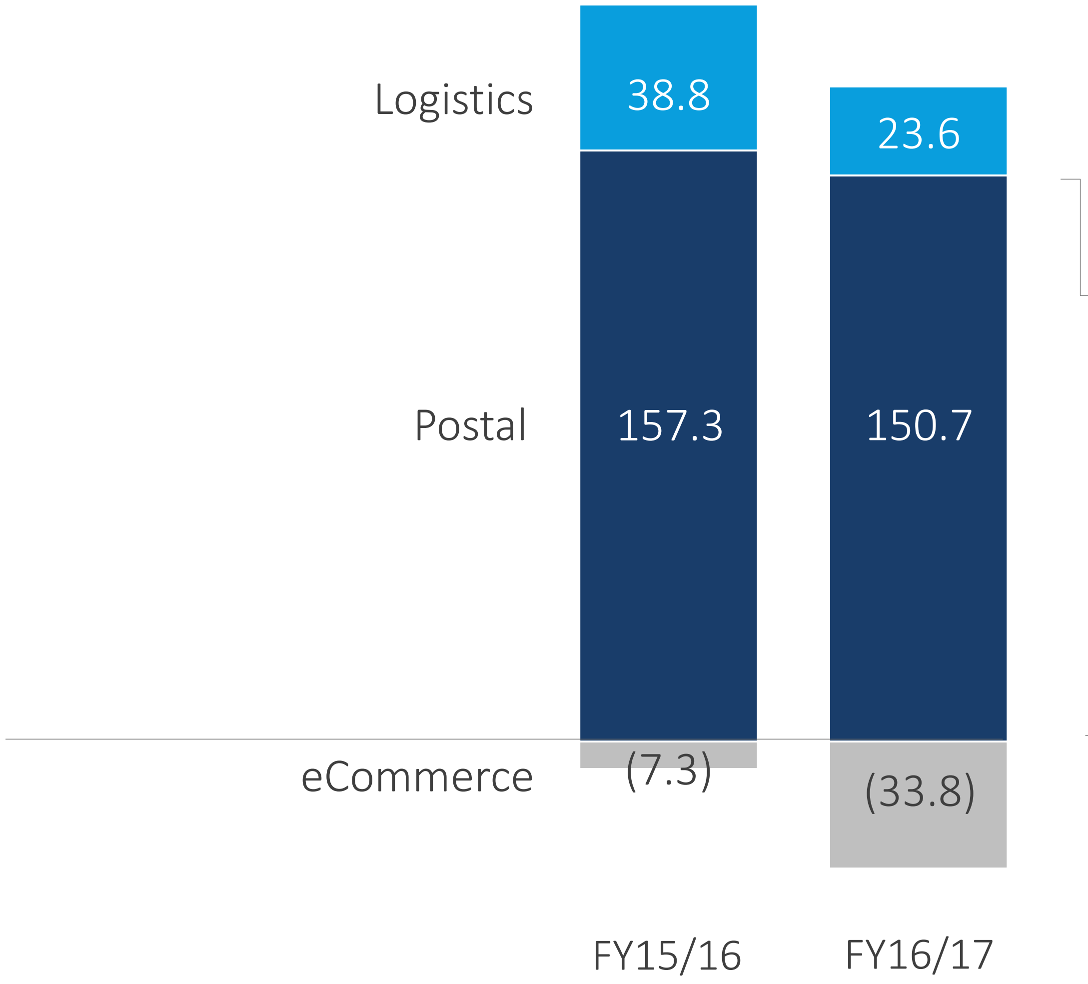
+171.4%	Inclusion of US eCommerce subsidiaries TradeGlobal and Jagged Peak[1]
+1.7%	Driven by higher contribution from Couriers Please from increased eCommerce deliveries
+1.5%	Growth in International mail revenue offsets decline in Domestic mail revenue

Differences in total due to rounding

1. The acquisitions of TradeGlobal and Jagged Peak were completed in November 2015 and March 2016 respectively.

Operating Profit for the Postal, Logistics and eCommerce segments

FY2015/16 vs. FY2016/17 Operating Profit performance, $M



(39.2%) Due to costs from planned investments in the Logistics network as well as pricing and competitive pressures in the eCommerce Logistics space

(4.2%) Decline in Domestic mail operating profit in line with lower letter mail volumes, partially mitigated by growth in International eCommerce deliveries

@ Due largely to TradeGlobal operating losses

@ denotes variance exceeding 300%
Differences in total due to rounding

FY2016/17 Underlying Net Profit movement

Underlying Net Profit performance, $M

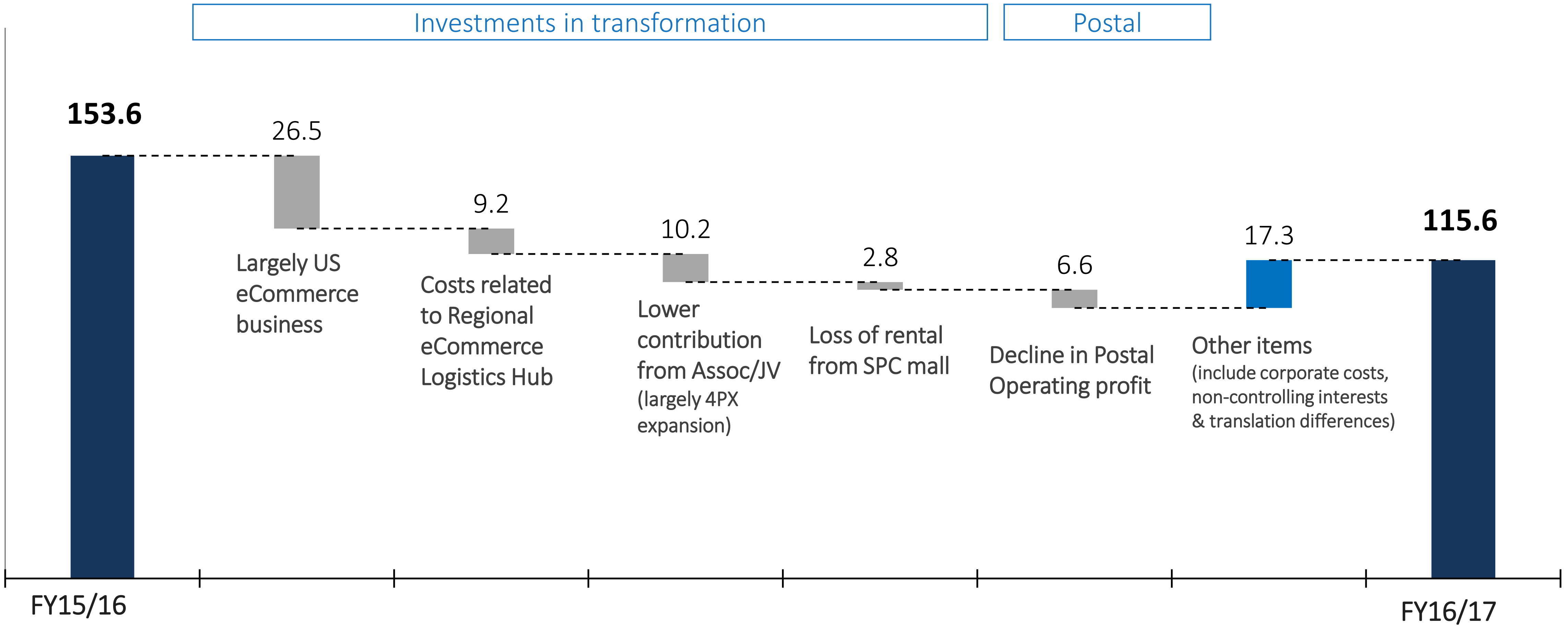


Chart not shown to scale
Differences in total due to rounding

Agenda

FY2016/17 Financials

Cash flow and Balance sheet

TradeGlobal

Business & Corporate updates

Summary & Outlook

Cash Flow movement

$M, unless otherwise stated

	FY16/17	FY15/16
Net cash provided by operating activities	200.1	131.4
Cash flow used in investing activities	(89.6)	(457.1)
Cash flow (used in) / provided by financing activities	129.5	(131.8)
Net increase / (decrease) in cash & cash equivalents	**240.0**	**(457.5)**

Increase in cash & cash equivalents due to higher cash provided by operating activities, as well as proceeds received from the sale of a 34% stake in QSI and issuance of new SingPost shares to Alibaba

	FY16/17	FY15/16
Net cash provided by operating activities	200.1	131.4
Capital expenditure	(199.8)	(279.7)
Free cash flow	**0.3**	**(148.3)**

Returned to positive free cash flow for FY16/17 after two years of high capital expenditure, largely for construction of the Regional eCommerce Logistics Hub and SPC retail mall

Balance Sheet and financial indicators

$M, unless otherwise stated

Financial indicators	As at Mar 2017	As at Mar 2016
Cash & cash equivalents at end of financial period	366.6	126.6
Borrowings	364.0	280.3
Net cash / (net debt) position[1]	2.6	(153.6)
Net debt to ordinary shareholders equity (%)	Net cash	12.8%
EBITDA to interest expense (times)[2]	21.6x	29.8x

- Includes cash proceeds from Alibaba to be used in accordance with the investment agreements
- Increased borrowings with cash and short-term funds utilised for committed capital expenditure
- Net cash position due to higher cash balance
- Interest coverage ratio remains strong

1. Differences in total due to rounding
2. Excludes one-off gains or losses. Including one-off gains or losses, the ratios in Mar 2017 and 2016 were 13.3x and 42.1x respectively

Agenda

FY2016/17 Financials

Cash flow and Balance sheet

TradeGlobal

Business & Corporate updates

Summary & Outlook

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.

Impairment on TradeGlobal

- Under the Financial Reporting Standards, the Group is required to test the carrying value of its assets against the recoverable amount for impairment annually, or whenever there is any objective evidence or indication that these assets may be impaired. The recoverable amount is defined as the higher of the asset's fair value less costs of disposal and its value in use.

- For the financial year ended 31 March 2017, SingPost has recorded an impairment charge of $185.0 million on the carrying value of its investment in TradeGlobal.

- The valuation process involved a review of TradeGlobal's FY2016/17 performance and a detailed evaluation of the underlying assumptions of the future business plan.

- Management had proposed the impairment charge based on the turnaround business plan prepared by Paul Demirdjian, interim CEO for SingPost's US Businesses, based on a bottom-up approach.

- Given the extent of the impairment to SingPost's investment in TradeGlobal, the Board had also appointed FTI Consulting, an independent global business advisory firm, which has verified that the impairment charge was properly calculated following an appropriate review process and that the assumptions adopted were reasonable.

- The impairment charge was agreed by SingPost's external auditors and approved by the Board.

- There are key structural challenges which will impact TradeGlobal moving forward, which are detailed in the next slide.

Impairment on TradeGlobal

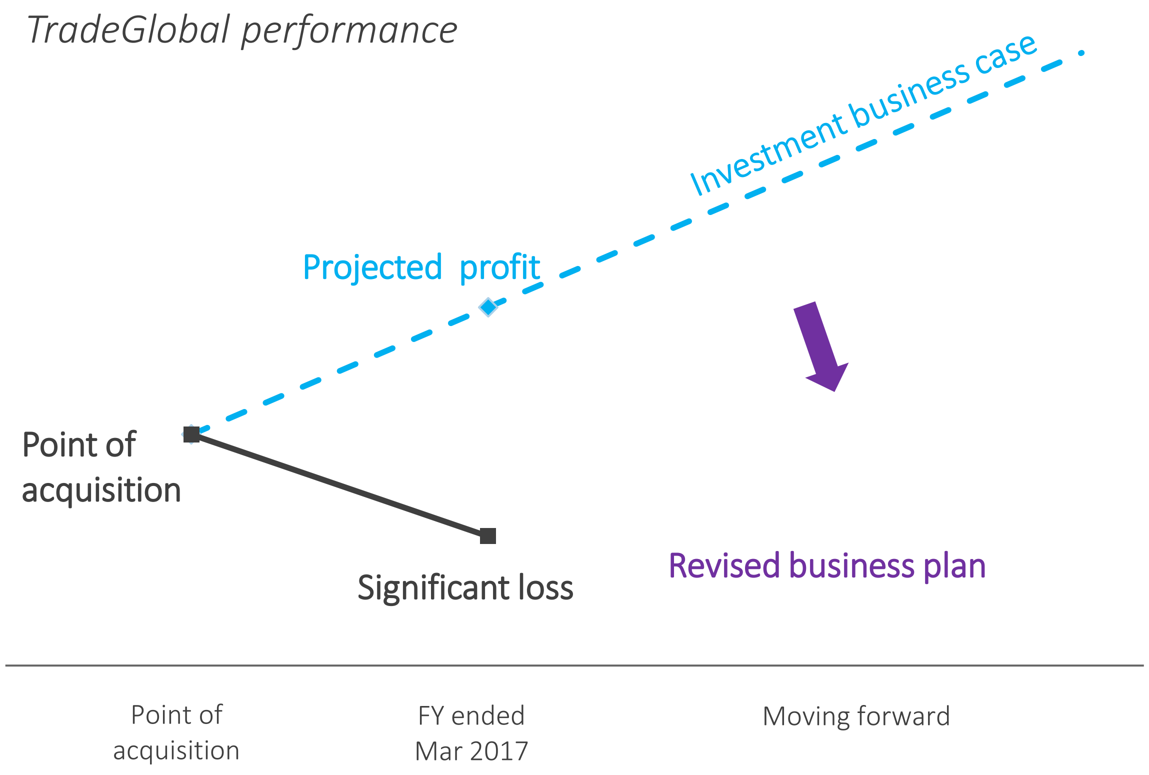
Operational and structural challenges

- TradeGlobal has significantly underperformed the business case which supported the investment. Instead of a projected profit of $9.4 million for FY16/17, TradeGlobal incurred a significant loss of $25.8 million.

- Operational difficulties included a surge in labour costs during the recent peak season, delays in warehouse automation which impacted productivity, as well as management changes.

- Key structural challenges which will impact the business moving forward include:
  - Disruption in the US fashion retail industry which is adversely affecting key customers;
  - Loss of two large key customers which accounted for 30% to 40% of revenue; and
  - Sustained cost pressures arising from labour shortage in Cincinnati, USA.

The future cash flows that the Group expects to derive from TradeGlobal's performance has been lowered.



Graph is for illustrative purposes only, and not drawn to scale nor based on actual figures or projections.

Impairment on TradeGlobal

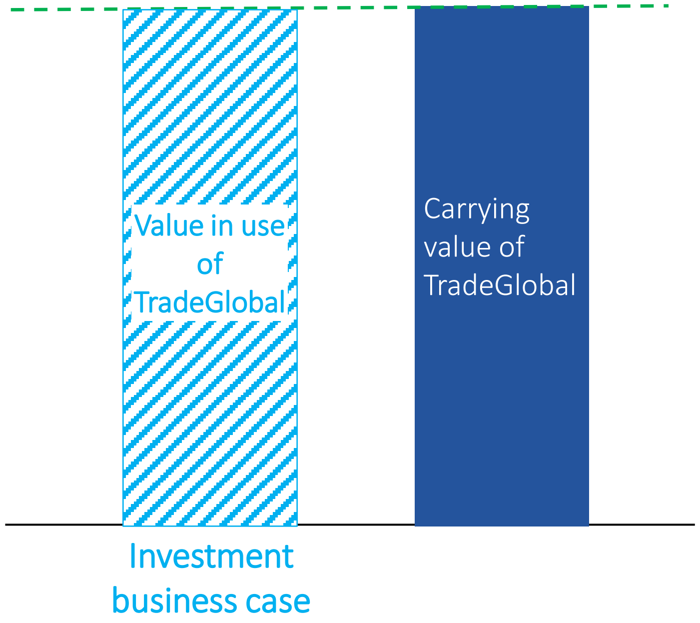
When SingPost acquired TradeGlobal, a carrying value[1] was recorded on the balance sheet, which was supported by the investment business case.

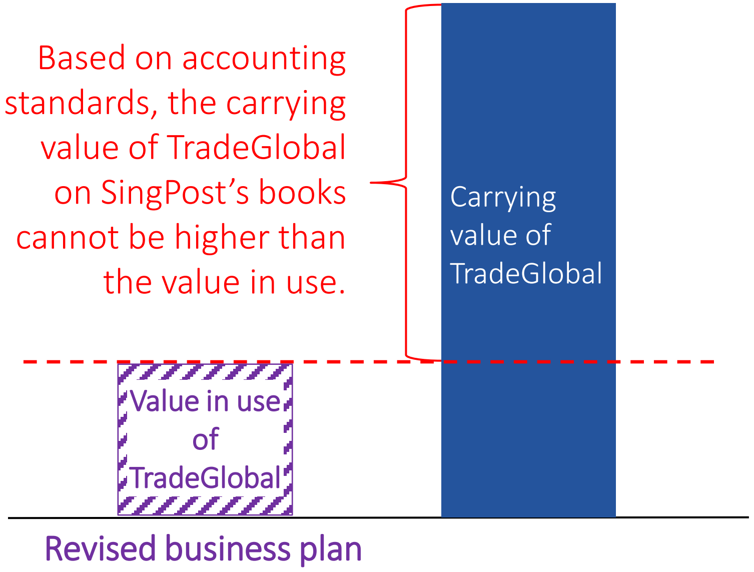
With lower future cashflows, the value in use of TradeGlobal has been reduced.

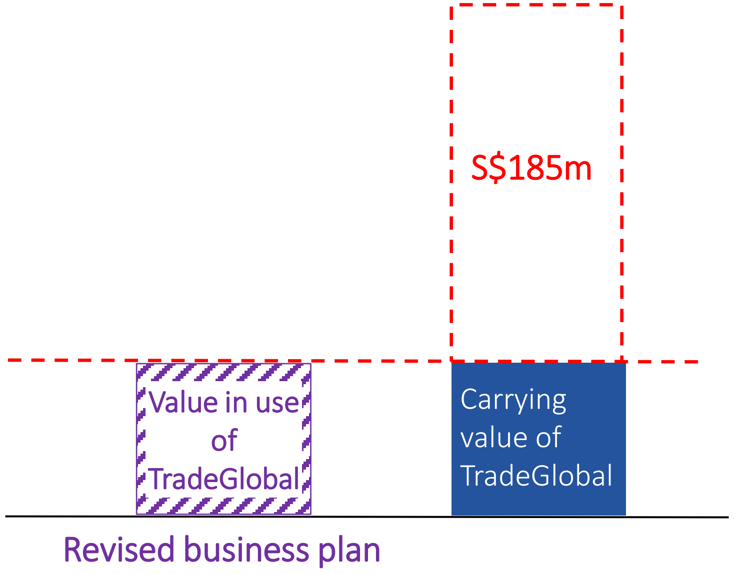
An impairment charge is taken against the carrying value of TradeGlobal to bring it down to the value in use.

At acquisition

Impairment is required







1. Comprising tangible assets and intangible assets such as goodwill and customer relationships, amounting to S$236 million

Impairment on TradeGlobal

Where is the impairment recognised? What is the impact of the impairment charge?

- The impairment charge is recognised in the FY16/17 income statement.
- The balance sheet will reflect the lower carrying value of the impaired asset.
- The impairment charge is treated as an exceptional item and does not affect underlying net profit, and therefore it did not affect what was available for dividend payout in FY16/17.

Agenda

FY2016/17 Financials

Cash flow and Balance sheet

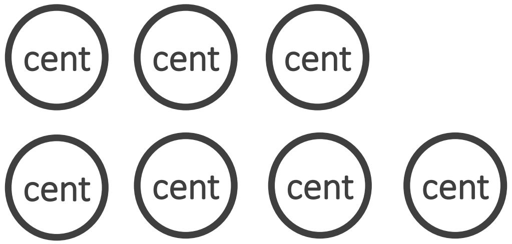
TradeGlobal

Business & Corporate updates

Summary & Outlook

Revised dividend policy to ensure sustainability

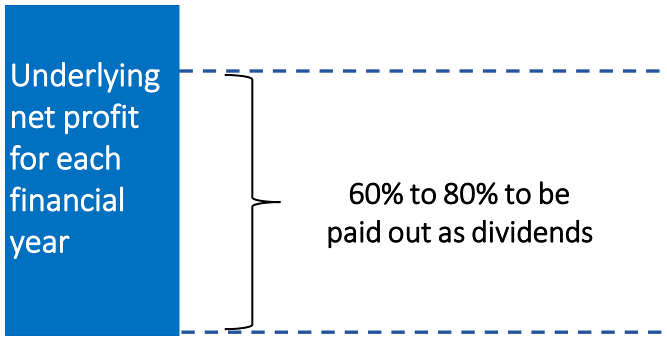
Previous dividend policy



Absolute amount each financial year

- SingPost’s dividends were previously supported largely by the domestic mail business which continues to see declining volumes.
- To provide future sources of earnings, we have made significant transformational investments in eCommerce and eCommerce logistics, as well as in the redevelopment of the SingPost Centre retail mall.
- These investments will impact earnings in the short term, and the revised dividend policy should be understood in this context.

Revised dividend policy



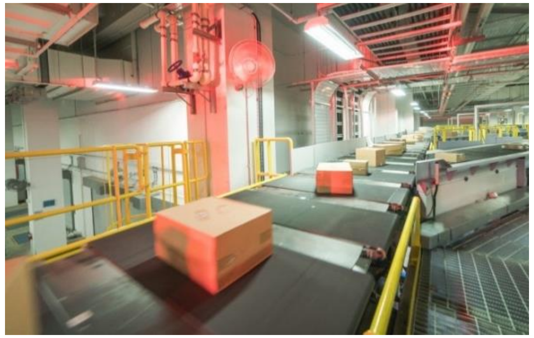
Based on 60% to 80% of underlying net profit for each financial year

- To ensure that the dividends are sustainable, the dividend policy has been changed from an absolute amount to one based on a payout ratio ranging from 60% to 80% of underlying net profit for each financial year.
- For FY16/17, the interim dividends and proposed final dividend amount to **3.5 cents**, which represents **66%** of underlying net profit for the year.

Key developments in FY2016/17

Enhanced capabilities with opening of Regional eCommerce Logistics Hub

Officially opened on 1 Nov 2016



- Sorting capacity of 100,000 parcels a day
- Fully automated parcel sorting system and automated warehouse
- End-to-end sorting, shipping and returns management capabilities

Strengthening eCommerce Logistics network & partnerships

Alibaba Group took a 34% stake in Quantium Solutions International in October 2016, and raised its stake in SingPost to 14.4% in January 2017

Maximising yields and returns

- Retail mall at SingPost Centre expected to open in second half of 2017, with a net lettable area of about 175,000 sq ft
- CapitaLand appointed as retail mall manager, which will help optimise returns from the mall

Renewal of Postal license

Renewed for a period of 20 years with effect from 1 April 2017

New policies implemented to strengthen Corporate Governance

- Code of Business Conduct and Ethics
- Policy on Directors' Conflict of Interest
- Board Renewal and Tenure Policy
- Market Disclosure Policy which sets out the principles, guidelines and procedures governing market disclosure

Agenda

FY2016/17 Financials

Cash flow and Balance sheet

TradeGlobal

Business & Corporate updates

Summary & Outlook

Summary & Outlook

In FY2016/17, revenue rose with the inclusion of US eCommerce acquisitions.

Underlying net profit declined largely due to:

- the impact of planned investments in building out our eCommerce Logistics platform such as the Regional eCommerce Logistics Hub and associates which are investing for growth;
- higher losses in the US eCommerce business; and
- a decline in Postal operating profit due to lower domestic letter mail volumes.

SingPost recorded strong cash flow and balance sheet position for the financial year ended 31 March 2017.

Proposed final dividend of 0.5 cent per share brings total dividends for FY2016/17 to 3.5 cents per share, which represents 66% of underlying net profit.

In FY2017/18, the Group plans to grow revenue and volumes through new business opportunities, integrating past acquisitions and extracting synergies, as well as leveraging the strategic partnership with Alibaba and its subsidiaries.

SingPost continues to build its capabilities to transform from a Singapore postal company into a leading eCommerce Logistics provider. This will lay a foundation for long term sustainable growth. However, it will take time for the investments to contribute materially to earnings.

Thank you