

SINGAPORE POST LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration Number: 199201623M)

ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF TRAS-INTER CO., LTD

1. INTRODUCTION

The Board of Directors of Singapore Post Limited (the "**Company**") wishes to announce that its subsidiary, Famous Holdings Pte Ltd (the "**Purchaser**"), has on 29 January 2014 entered into a sale and purchase agreement (the "**Agreement**") with Eiji Hironaka (the "**Vendor**"), pursuant to which the Purchaser has agreed to purchase from the Vendor the entire issued and paid-up share capital of TRAS-Inter Co., Ltd. ("**TRAS**"), comprising 200 issued and paid-up common shares in total, which are wholly-owned by the Vendor (the "**Acquisition**"). Upon the completion of the Acquisition (the "**Completion**"), TRAS will become a subsidiary of the Company.

2. RATIONALE

Founded in 2001, TRAS is a Japan-based customs broker and freight forwarder/ Non-Vessel Operating Common Carrier, focusing on customs brokerage and clearance for inbound and outbound shipments from Japan as well as air and sea freight forwarding.

The Acquisition is part of the Company's regional logistics expansion strategy and complements its existing freight forwarding presence in Japan by adding customs brokerage and clearance capabilities and further strengthens its ability to provide a fully integrated logistics solution to customers in Japan and the region. TRAS' capabilities will also complement the Company's e-commerce logistics capabilities in regional fulfillment and warehousing, as well as its postal and parcel delivery networks.

3. CONSIDERATION

Under the Agreement, the aggregate consideration for the Acquisition is up to ¥240.0 million (equivalent to approximately S\$3.0 million, based on an exchange rate of ¥80 to S\$1 as at 29 January 2014) (the "**Consideration**"), subject to certain adjustments to be made, after Completion, to the actual net profit after tax of TRAS in accordance with the terms of the Agreement. The Consideration was arrived at on a "willing buyer-willing seller" basis, taking into account, amongst others, the future performance of TRAS and after adjusting for the amount of loan indebtedness owing to financial institutions.

The Consideration will be satisfied wholly in cash and will be funded from the Company's internal resources.

4. VALUE OF ASSETS BEING ACQUIRED

The net asset value of TRAS based on the latest unaudited financial statements for the financial year ended 30 April 2013 is ¥11.9 million (equivalent to approximately S\$148,000) based on an exchange rate of ¥80 to S\$1 as at 29 January 2014).

5. FINANCIAL EFFECTS

The Acquisition is not expected to have a material effect on the net tangible assets per share or earnings per share of the Company for the financial year ending 31 March 2014.

6. DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS

None of the directors or controlling shareholders of the Company has any interest, direct or indirect, in the Acquisition.

BY ORDER OF THE BOARD

Winston Paul Wong Chi Huang
Joint Company Secretary

29 January 2014