

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

**ACQUISITION OF THE ENTIRE ISSUED AND PAID-UP SHARE CAPITAL OF
COURIERS PLEASE HOLDINGS PTY LIMITED**

1. INTRODUCTION

The Board of Directors of Singapore Post Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) is pleased to announce that its indirectly wholly-owned subsidiary, Quantum Solutions (Australia) Pty Ltd (the “**Purchaser**”), has on 3 December 2014 entered into a sale and purchase agreement (the “**Agreement**”) with New Zealand Post Holdings Limited (“**NZP Holdings**”) and New Zealand Post Limited (“**NZPL**”) (collectively, the “**Sellers**”), pursuant to which the Purchaser has agreed to purchase from the Sellers the entire issued and paid-up share capital of Couriers Please Holdings Pty Limited (“**CP Holdings**”), comprising (a) 64,500,000 issued and paid-up ordinary shares owned by NZP Holdings and (b) 44,706,231 issued non-voting redeemable preference shares owned by NZPL (the “**Acquisition**”). The CP Holdings group comprises Couriers Please Australia Pty Limited, a wholly-owned subsidiary of CP Holdings (“**CP Australia**”) and Couriers Please Pty Ltd (“**CPPL**”), a wholly-owned subsidiary of CP Australia (collectively, the “**CP Group**”).

The completion of the Acquisition (the “**Completion**”) will take place by 15 December 2014. Upon Completion, CP Holdings will become a wholly-owned subsidiary of the Company.

2. INFORMATION REGARDING THE CP GROUP

The CP Group is one of Australia’s leading metropolitan small parcel delivery businesses. It has extensive national coverage, a low cost network and operates an asset light franchisee model, with depots located primarily in Eastern and Southern Australia, comprising the majority of the Australian delivery market.

3. RATIONALE

The Acquisition is in line with the Group’s strategic objective of building regional ecommerce delivery networks as a key component of its logistics growth. Along with the Group’s existing warehousing assets, the Acquisition will allow the Group to roll out end-to-end solutions across ecommerce, forwarding, warehousing and delivery in Australia.

4. CONSIDERATION

Pursuant to the Agreement, the aggregate consideration for the Acquisition is AUD 95 million (equivalent to approximately S\$105 million¹) on a cash free, debt free basis, subject to post Completion working capital adjustments (if any).

The consideration for the Acquisition was arrived at on a “willing buyer-willing seller” basis, taking into account, amongst others, the future performance of CP Holdings and its existing assets and operations.

¹ At an exchange rate of AUD1.00 = SGD1.110 as at 5 p.m. on 2 December 2014. Source: Bloomberg

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

5. VALUE OF ASSETS BEING ACQUIRED

The net tangible asset value² of CP Holdings based on the latest audited financial statements for the financial year ended 30 June 2014 is AUD 2,765,000 (equivalent to approximately S\$3,069,150³).

6. FINANCIAL EFFECTS

Net tangible assets: For illustrative purposes only and assuming that the Acquisition had been effected on 31 March 2014, the pro forma financial effects on the consolidated net tangible assets ("NTA") of the Group for the financial year 2013-14 are as follows:

	Before the Acquisition	After the Acquisition
NTA (S\$'000)	512,207	400,425
NTA per share (Singapore cents)	26.88	21.02

Earnings: For illustrative purposes only and assuming the Acquisition had been effected on 1 April 2013, the pro forma financial effects on the consolidated earnings of the Group for the financial year 2013-14 are as follows:

	Before the Acquisition	After the Acquisition
Net profit attributable to ordinary shareholders of the Group (S\$'000)	128,175	137,592
Earnings per share (Singapore cents)	6.75	7.24

Note: The Group's net profit figures have been adjusted for the distribution for perpetual securities.

7. 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
Chief Legal Officer / Group Company Secretary

3 December 2014

² Net assets less intangible assets.

³ At the above exchange rate.