



Press Release

XPRESS SIGNS RMB200 MILLION DEALS WITH SEVEN ARGUABLY PRC'S LEADING SPECIAL INTEREST MEDIA HOUSES; CONTRACTS ARE A TESTIMONY OF SUCCESS TO XPRESS' UNIQUE AND SCALABLE PRINT MANAGEMENT MODEL.

SINGAPORE, 30 January 2008 – Singapore Exchange Main Board-listed **Xpress Holdings Ltd** (“Xpress” or the “Group”) announced today it signed significant deals worth at least RMB 200 million per year of fast turnaround print solution jobs with seven major People’s Republic of China (“PRC”) media customers. Xpress believes that the huge win is a direct result of the appeal and competitiveness of Xpress’ one-stop print management model which is unique in the PRC. This model utilises:

- Xpress Print Stations’ growing and extensive network of 20 major locations for marketing, distribution and logistics management;
- staff that are located in client’s premises thereby providing dedicated pre-press services to that client;
- split printing capability which allows for layout from the client’s location to be electronically delivered to multi end-user locations where the film development and printing take place; and
- a network of owned and authorised printers who simultaneously print for their local region.

Xpress believes that the successful launch of the one-stop print management model in the PRC has set the industry standard for the country’s lucrative financial printing industry – covering the entire value chain from pre-press, through print and to delivery logistics.

The benefits to Xpress’ clients are a more dedicated and higher quality product (tailored solution), shortened project management time, improved communications between publisher and printer, better service, lower cost, faster delivery and their ability to meet their end customers’ needs. Xpress is hopeful that improved competitiveness from these benefits will translate into better sales and profits.

With these one-stop print management services which also include creative design, layout, photo retouching, electronic imposition and professional color-proofing, Xpress has strengthened its position in a market that has experienced continual surge in demand for time-sensitive financial print. Furthermore, the rapid economic

development and financial reforms taking place in the PRC have led to higher demand for fast-turnaround, time-sensitive print solutions. Xpress notes with interest that such demand is coming not only from financial institutions but also from non-financial printing, e.g. periodicals, magazines, and M.I.C.E. print jobs.

To Xpress, delivery of top quality print products for these deals remains paramount. In conjunction with the event, Xpress is also signing a contract with a leading print quality consultant, Bits and Bytes Marketing Pte Ltd, to embark on a project for certification of ISO 12647 for print management and graphic technology. It will be one of the first print companies to be certified for international standard management of print process control from pre-press to color separation, proof and production print across its wide network of Print Stations and factories.

While the concept of locating dedicated pre-press work team and facilities on site is relatively new in the PRC, it has been widely practiced in the United States, Europe and Australia. For Xpress, this concept was already successfully used in the late 1980s when it printed financial research and other time-sensitive reports for global research institutions in the region.

Commenting on the contracts, Executive Director for Strategic Planning and Business Development, Mr Poh Eng Seng said, "The contracts mark another important milestone for Xpress as we continue to strengthen our position in one of the PRC's fastest growing industries. By setting up facilities close to where our clients operate, we can offer them quick and fuss-free access to our pre-press, split printing and delivery logistics expertise.

"A win-win situation, it brings about cost-savings and shorter project delivery time for our clients. The signing of the agreements is clear evidence that this print model is an attractive proposition for major PRC print customers," he added.

Details of Contracts

The major PRC-based customers have entered into agreements with Xpress for access to the Group's print management services. The management fee which Xpress receives is between 8% and 12% of the turnover. Xpress will work closely with its 30%-owned associate company Shenzhen Jiaxinda Printing Group for the agreements.

Under these three-year agreements with the seven customers, Xpress's dedicated on-site teams will work closely with each customer, managing a total of more than 22 publication titles, comprising a good mix of monthly and weekly magazines. The subscriber bases of these magazines are expected to increase in the next three years and this will potentially increase the size of the contracts accordingly.

These magazines include widely read publications such as Chinese Venture, Funds Observer and Money Journal – for which the NASDAQ-listed company Xinhua Financial Media Limited has exclusive rights to sell advertising and Entertainment Weekly – published by Yin Yang Media. Other prominent customers in the agreements include Media Shell, SunGrace Culture, Econ Word and Tongji Technology.

These milestone agreements follow recent MOUs signed by the Group in 2007 to jointly publish comprehensive financial yearbooks in Chinese and English of all PRC-listed companies for the next six years; and to form two joint-venture companies with a leading established provider of professional translation and oral interpretation

services to offer specialized financial translation to PRC companies printing financial reports in various languages for the international market.

Commenting on the agreements, Mr Poh added, "We are extremely delighted to enter into these agreements with prominent customers. Being entrusted widely read magazines such as 'Chinese Venture', 'Funds Observer' and 'Money Journal' are strong testimonies of the premium print services and strong value proposition we can offer to our clients. In addition, Yin Yang Media's Entertainment Weekly represents our success in extending from time sensitive financial print product into commercial print.

"We have made steady progress in capturing a greater share of the PRC print market that has been growing by leaps and bounds in recent times. Having extended our time-sensitive print facilities and our split-print network, our marketing reach, and our offerings of value-added services such as financial translation expertise to our clients, we have an excellent business model with which we can use as Xpress expands globally beyond Asia Pacific," he added.

Xpress' founder and Chief Operating Officer Mr KK Fong commented, "At Xpress, our clients always come first and we are constantly on the look-out for more innovative ways which we can add further value to our customers and harness new technology to improve the speed and ease of print for them. By setting up our pre-press print facilities on site, we aim to help our customers enjoy cost savings up to 20% to 30%.

"Also, the implementation of ISO 12647 - signifies Xpress Group's commitment to service quality improvement which will put us ahead of the competition. Once again, Xpress has raised the standard for printing, not just in the PRC but also the world," he added.

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About Xpress Holdings Ltd

Established as an instant name card printer in 1986, the Singapore Exchange Main Board-listed Xpress provides a full spectrum of integrated print solutions from pre-press processes to production systems as well as global distribution and delivery. Its products and services include the design, production and printing of time-sensitive and quick turnaround publications like Annual Reports, IPO prospectuses, shareholder circulars, fund management reports, brochures and newsletters.

Headquartered in Singapore, Xpress has offices that span the Asia Pacific region, including Malaysia, Australia, Hong Kong, China and Vietnam.