POSTAL NEWS
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MAY 31, 2010, 10:36 A.M. ET

1. Japan Lower House Passes Bill To Reverse Postal Privatization

TOKYO (Dow Jones)--Japan's Lower House of Parliament passed legislation Monday to reverse the privatization of the nation's sprawling postal services, likely intensifying tensions with U.S. and European officials worried that such steps could work against non-Japanese financial firms.

The bill will now move to the Upper House of Parliament. The ruling coalition led by the Democratic Party of Japan plans to enact it before the end of the current parliamentary session on June 16.

Monday's development could add to speculation that the U.S. and Europe may bring a suit to the World Trade Organization over the move, which they argue ...

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June 2, 2010, 7:01 a.m. EDT · Recommend · Post:

2. ChinaCast Education's Subsidiary China Post Media Signs Exclusive 10-Year Agreement With the China Post Group

Landmark Agreement Paves Way for a Nationwide Advertising and Retail Product Distribution Network Through 38,000 Post Offices Across China

BEIJING, Jun 2, 2010 (GlobeNewswire via COMTEX) -- ChinaCast Education ("ChinaCast" or the "Company") (CAST 6.20, -0.25, -3.88%) , a leading for-profit, post-secondary education and e-Learning
services provider in China, announced today that its 43% owned subsidiary, China Post Media ("CPM"), formalized a 10-year exclusive agreement with Hunan Copote Corporation (Shanghai Stock Exchange:600476), a majority owned company by the

China Post Group, to commission a nationwide advertising and retail product distribution network through 38,000 retail post office outlets located throughout China.

China Post Media and the China Post Group will co-own the branding of the "China Post Information Broadcasting Network," which will be utilized as a commercial media platform for advertising media sales, retail product distribution as well as to provide information on the China Post Group to the general public. The agreement is renewable after the initial ten-year term upon mutual approval.

Since 2009, China Post Media has deployed approximately 1,590 LCD media panels in over 1,000 China Post Offices located in Hunan province and Beijing to provide advertising from various sponsors and a variety of program content. Content is deployed from a centralized location providing enhanced control and operating leverage. During 2010, CPM plans to install an additional 4,000 LCD media panels in existing and new post office locations, with an additional 26,000 LCD media panels expected to be installed during 2011. CPM hopes to have over 53,000 LCD media panels installed by the end of 2013.

In addition to the advertising media sales, China Post Media plans to enhance its revenue through retail product distribution sales by offering a variety of consumer products through collaboration with TV shopping networks, selected brand products and direct marketing operators at China Post Offices throughout the country. Through this network, CPM will offer a nationwide marketplace for these products while leveraging China Post logistics for customer ordering, payment and delivery. CPM will earn a commission without any of the associated expenses for typical retail sales such as inventory management and delivery.

Mr. Stephen Lai, Chief Executive Officer of China Post Media commented, "In 2009, China Post spent over $220 million in nationwide advertising for its own products and services and generated $870 million in revenue through distribution of retail products and agency services. We hope to capitalize on our relationship with China Post to capture a portion of this revenue. In addition, China Post has over 20 million customers collectively walk through its 38,000 locations each day who also pay bills and conduct banking transactions at the China Postal Savings Bank, the fourth largest bank in China. The majority of these postal offices are located in the rural areas of China, which covers 60% of the total China population (780 million consumers). These consumers generate 40% of the country's total retail spending (over US$600 billion). Thus, we believe the China Post Media network, with its large, captive audience and broad demographics, will create one of China's first nationwide turnkey platforms for product advertising, order placement, product delivery and payment services for global retail companies."

Added Mr. Ron Chan, Chairman and CEO of ChinaCast Education, "We invested approximately $630,000 in initial capital in China Post Media more than five years ago to establish a joint venture to resell our services to the China Post Group and are pleased with the progress they have made to date with the signing of this landmark agreement. While China Post Media is a separately managed and operated company from ChinaCast

and we do not currently plan to consolidate CPM's financials, we believe our 43% ownership stake in CPM will demonstrate our ability to unlock shareholder value from our balance sheet and that the return to our shareholders from this investment will be significant in the future."

About China Post Media and the China Post Group

China Post Media (www.postmedia.com.cn), established in 2004 and headquartered in Beijing, is 43% owned by ChinaCast Education Corporation (CAST 6.20, -0.25, -3.88%) and 47% owned by Hunan Copote Corporation (Shanghai Stock Exchange:600476). Hunan Copote Corporation is majority owned by the China Post Group. China Post Media's seasoned management team has extensive experience in media, retailing, and technology. Mr. Stephen Lai, Chief Executive Officer of China Post Media, was previously CEO of Shanghai-based media company, Vision Express, from 2007-2009, and Managing Director, Asia Pacific at UK-based De La Rue Cash Systems from 1996-2006.

The China Post Group was established in 2007 as a separate commercially-focused company from the China State Post Bureau (SPB). There are now currently over 38,000 post offices and an additional 200,000 franchised postal service centers located throughout China. Total revenue of the China Post Group in 2009 was $23.7 billion, representing 16% growth over 2008. In 2009, China Post spent $220 million in nationwide advertising for its own products and services and generated $870 million through distribution of retail products and agency services. China Postal Savings Bank, which is also owned by the China Post Group and is the fourth largest bank in China, has over 400 million bank accounts with deposits exceeding $290 billion. The bank branches are co-located with the post office locations and are used by millions of customers on a daily basis to pay bills, transfer money and conduct other banking transactions.

About ChinaCast Education Corporation

Established in 1999, ChinaCast Education Corporation is a leading for-profit, post-secondary education and e-Learning services provider in China. The Company provides post-secondary degree and diploma programs through its two universities in China: The Foreign Trade and Business College of Chongqing Normal University and the Lijiang College of Guangxi Normal University. These universities offer fully accredited, career-oriented bachelor's degree and diploma programs in business, economics, law, IT/computer engineering, hospitality and tourism management, advertising, language studies, art and music. The Company provides its e-Learning services to post-secondary institutions, K-12 schools, government agencies and corporate enterprises via its nationwide satellite/fiber broadband network. These services include interactive distance learning applications, multimedia education content delivery, English language training and vocational training courses. The Company is listed on NASDAQ Global Select Market with the ticker symbol CAST.

Safe Harbor Statement

This press release may contain statements that are forward-looking, as that term is defined by the Private Securities Litigation Reform Act of 1995. These forward-looking statements express our current expectations or forecasts of possible future results or events, including projections of future performance, statements of management's plans and objectives, future contracts, and forecasts of trends and other matters. These projections, expectations and trends are dependent on certain risks and uncertainties including such factors, among others, as growth in demand for education services, smooth and timely implementation of new training centers and other risk factors listed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2009. Forward-looking statements speak only as of the date of this filing, and we undertake no obligation to update or revise such statements to reflect new circumstances or unanticipated events as they occur. You can identify these statements by the fact that they do not relate strictly to historic or current facts and often use words such as "anticipate," "estimate," "expect," "believe," "will likely result," "outlook," "project" and other words and expressions of similar meaning. No assurance can be given that the results in any forward-looking statements will be achieved and actual results could be affected by one or more factors, which could cause them to differ materially. For these statements, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act.

This news release was distributed by GlobeNewswire, www.globenewswire.com

SOURCE: ChinaCast Education Corporation

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3. FACTBOX-Policy implications of change of Japan leadership

Wed Jun 2, 2010 4:27am EDT

June 2 (Reuters) - Japanese Prime Minister Yukio Hatoyama and his ruling party No.2 quit on Wednesday to try to boost the party's chances in an election next month, less than a year after sweeping into office with promises of change.

The latest political turmoil could delay government efforts to thrash out plans to cut huge public debt and a strategy to engineer growth in an ageing society. [ID:nTOE65100Q]

But if fiscally conservative Finance Minister Naoto Kan takes the helm, as many expect, there may be a greater chance of bolder steps to rein in debt, including a pledge to consider raising the 5 percent sales tax after the next general election, due by 2013.

Following are some implications of a change in leadership on different areas of policy.

MONETARY POLICY

The BOJ, which has called for the need to set up a credible plan to rein in Japan's huge public debt, is worried that the policy stalemate will delay the government's crafting of the fiscal reform plan initially set for release later this month.

But the political vacuum also gives the central bank some breathing space and relieves it from government pressure for further action to beat deflation, at least until after the July upper house election.

The BOJ sees little need to ease policy and feels it has done enough for now by outlining last month a loan programme aimed at supporting industries with growth potential. [ID:nECONJP]

Unless sharp yen rises or a plunge in stock prices risk hurting business sentiment and the economic outlook, the BOJ is seen holding off on easing at least for the next few months.

FISCAL POLICY

Debt problems in the euro zone have turned a spotlight on Japan's indebtedness, which the International Monetary Fund put at 217.7 percent of gross domestic product last year, far worse than Greece's debt-GDP ratio of 115.1 percent.

Most of Japan's debt is held by domestic investors, who are less sensitive to credit rating agency downgrades than foreign investors, but that is slowly changing as the population ages and household savings fall.

Politicians have so far sent mixed messages on how far they will change fiscal policy. But the government may accelerate fiscal reforms if the ruling party picks Kan or National Strategy Minister Yoshito Sengoku as its next leader.

The two have been leading advocates of fiscal reforms, including discussing a hike in the consumption tax.

DIPLOMACY, SECURITY POLICY

Regardless of who is at the helm, Japan's foreign and security policies are unlikely to shift drastically.

The Democrats took power promising to steer a diplomatic course more independent of close ally the United States, but Hatoyama's efforts to do so hit a roadblock when he failed to find an alternative to keeping a U.S. Marine airbase on Japan's southern Okinawa island.

Tokyo and Washington have agreed basically to implement a 2006 agreement to shift the Marines' Futenma airbase to a less crowded part of Okinawa, host to about half the U.S. troops in the country. But local opposition clouds the outlook for implementation, and

experts worry that Hatoyama opened a Pandora's box by fanning anti-base sentiment that could undermine the 50-year-old alliance.

The next prime minister will also likely keep stressing the need to deepen ties with Asia including China, given Japan's increasing reliance on the region for economic growth.

CLIMATE POLICY

Hatoyama's government has approved a 2020 goal to cut Japan's greenhouse gas emissions by 25 percent from 1990 levels premised on an international framework in which major emitting countries agree with ambitious targets. [ID:nLDE6371AV]

The powerful lower house passed a climate bill including the goal and a short-list of domestic measures to achieve it, but upper house passage of the bill could be delayed given a tighter schedule after Hatoyama's resignation.

Even if it doesn't get passed, the DPJ still holds power and is expected to compile a bill with the same goal, though it may be may be changed if it needs to appease new coalition partners.

POSTAL REFORM

It is unclear whether parliament will now have the time or enough support to enact a bill to scale back postal privatisation by the end of the current parliament session in view of the political turmoil.

The fate of Japan Post could sway the financial markets and industry because the entity, which has retail banking and insurance services, is the world's largest financial conglomerate with financial assets of about 300 trillion yen ($3.3 trillion).

The United States and Europe last month said draft postal reform legislation had not addressed their concerns about what they see as the preferential treatment that Japan Post receives compared with private-sector companies.

Shizuka Kamei, the banking minister from a tiny ruling coalition partner, said the bill must be enacted in the current parliament session, set to end on June 16, Jiji news agency reported on Wednesday. But the process of picking a new prime minister will take up time before the session ends.

It is also unclear if the Social Democrats, whose support is essential for the bill to be approved in an upper house committee, will back the legislation after Hatoyama fired its party chief over a U.S. airbase dispute. The bill passed the lower house on May 31.
(Compiled by Leika Kihara, Hideyuki Sano, Charlotte Cooper, Yoko Nishikawa and Risa Maeda; Editing by Hugh Lawson)

Posted: May 30, 2010

4. **Here's another way to get newspapers at home**

The Detroit Free Press and the Detroit News soon will be available for premium home-delivery in some areas by independent newspaper carriers on Monday, Tuesday, Wednesday and Saturday, making home delivery available all seven days. The service is expected to start in about a month in limited locations in metro Detroit and will expand over time.

We're taking this step for two reasons: First, the U.S. Postal Service is seeking to stop mail delivery on Saturdays. We have 4,500 same-day mail subscribers in the metro area who pay a premium rate to receive the newspaper, and we've been looking for a way to continue to meet those subscribers' needs. And most important, we want to respond to all of our customers who have told us they want seven-day home delivery -- and value it enough to pay for it.

In the new program, the Free Press and News will sell Monday, Tuesday, Wednesday and Saturday newspapers to independent carriers, who will be able to set the price, time of delivery and other terms of service directly with readers. Availability on those days will depend on whether an area has an independent carrier in place. The Detroit Media Partnership, which oversees the business functions of both newspapers, will work with independent contractors to build service across the metro Detroit market over time.

If you are interested in home delivery on Monday, Tuesday, Wednesday and Saturday, call 800-395-3300, and a customer service representative will take your information. A carrier will contact you when delivery becomes available in your area.

In the meantime, subscribers who currently receive home delivery on Thursdays, Fridays and Sundays will continue to receive the newspaper on those days at the current rates.

We believe this new plan will help many readers who want the newspaper at home all seven days -- and the creative entrepreneurs who choose to provide this service to build their delivery business.

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