

Financial results presentation

Q3 FY10: Quarter ended 31 December 2009

9 Feb 2010



Forward looking statements - important note

The following presentation contains forward looking statements by the management of Singapore Telecommunications Limited ("SingTel"), 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that could cause actual results, performance or events to differ materially from those in the statements as originally made.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 SingTel. In particular, such targets should not be regarded as a forecast or projection of future performance of SingTel. It should be noted that the actual performance of SingTel may vary significantly from such targets.

"S\$" means Singapore dollars and "A\$" means Australian dollars unless otherwise indicated. Any discrepancies between individual amounts and totals are due to rounding.

Asia's Leading Communications Company

Chua Sock Koong
Group CEO



Group Q3 FY10: strong earnings growth

Group performance

Revenue
➤ up 20%

S\$4,450m

Underlying NPAT
➤ up 18%

S\$990m

Singapore

Revenue
➤ up 2%

S\$1,530m

EBITDA¹
➤ up 3%

S\$580m

Optus

Revenue²
➤ up 5%

A\$2,302m

EBITDA²
➤ up 4%

A\$529m

Regional Mobile

Customers³
➤ up 23%

285m

Earnings⁴
➤ up 21%

S\$560m

1. Excludes Group and International Business net corporate costs
2. In A\$ terms
3. Group mobile subscribers, including SingTel, Optus and Regional Mobile Associates
4. Based on the Group's share of Regional Mobile Associates earnings before tax and exceptionals

Group Q3 FY10 highlights

Proportionate EBITDA¹ outside Singapore

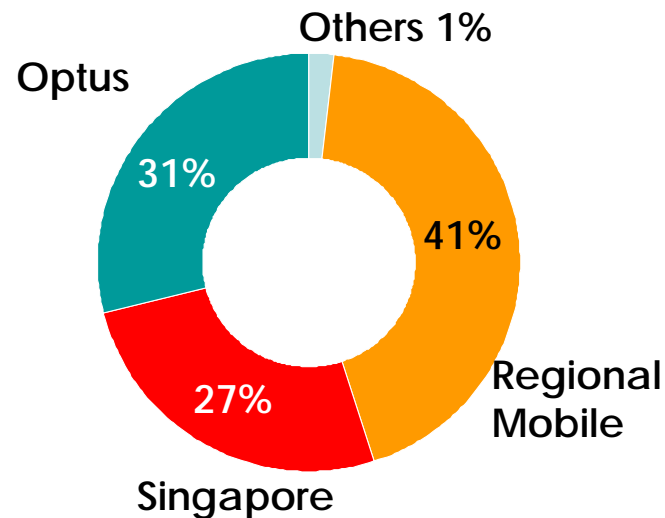
73%

Group

LTE trials in Singapore, Australia, Philippines & Indonesia

1H2010

commencement



Singapore

Highest quarterly growth in mio TV

29k

AMPed wins Best Mobile Music Service²



Optus

Record postpaid additions

164k

Additional 3G spectrum

10Mhz

Regional Mobile

strong customer growth³

11m

Bharti: strong net adds in a competitive market

8.4m

1. Based on 3 months to Dec 09
2. GSMA's Asia Mobile Awards 2009
3. Group mobile subscribers including SingTel, Optus and Regional Mobile Associates

Q3 FY10: Double-digit earnings growth

S\$m	3 months to Dec 09	3 months to Dec 08	YoY % change	3 months to Sep 09	Sequential % change
Operating revenue	4,450	3,701	20.2%	4,103	8.5%
Operational EBITDA	1,233	1,057	16.7%	1,149	7.3%
- margin	27.7%	28.6%	NM	28.0%	NM
Associates (ex exceptionals)	592	486	22.0%	606	(2.3%)
EBITDA ¹	1,825	1,542	18.3%	1,756	4.0%
Net profit	991	799	24.0%	956	3.6%
Exclude: Exceptional items	(1)	39	NM	(4)	NM
Underlying net profit ²	990	838	18.2%	952	4.0%








1. Operational EBITDA+share of results of associates
2. Excludes exceptional items

9M FY10: Strong rebound in associates earnings

S\$m	9 months to Dec 09	9 months to Dec 08	YoY % change
Operating revenue	12,400	11,369	9.1%
Operational EBITDA	3,511	3,282	7.0%
- margin	28.3%	28.9%	NM
Associates (ex exceptionals)	1,845	1,517	21.7%
EBITDA ¹	5,356	4,802	11.5%
Net profit	2,892	2,545	13.6%
Exceptional items/FX	(5)	(49)	NM
Underlying net profit ²	2,887	2,496	15.7%

1. Operational EBITDA+share of results of associates
2. Excludes exceptional items and currency translation gains

Foreign exchange movements

Currency	Exchange rate ¹		Currency appreciation / (depreciation) against S\$	
		S\$ 1.00	YoY	QoQ
1 AUD ² 		S\$ 1.2681	27.1%	5.7%
INR 		33.4	(1.8%)	0.9%
IDR 		6,803	6.4%	2.0%
PHP 		33.6	(3.1%)	(0.6%)
THB 		23.9	(2.1%)	(1.3%)
BDT 		49.5	(6.9%)	(2.9%)
PKR 		59.9	(11.3%)	(4.2%)

1. Average exchange rates for the quarter ended 31 Dec 09
2. Average A\$ rate for translation of Optus' operating revenue

Trends in constant currency terms¹

3 months to Dec 09	3Q FY10 (reported S\$m)	YoY % change (reported S\$)	YoY % change (at constant FX) ¹
Group revenue	4,450	20.2%	3.4%
Group underlying NPAT	990	18.2%	12.0%
Optus revenue	2,920	33.1%	4.8%
Associates earnings ²	592	22.0%	19.9%

9 months to Dec 09	9M FY10 (reported S\$m)	YoY % change (reported S\$)	YoY % change (at constant FX) ¹
Group revenue	12,400	9.1%	7.6%
Group underlying NPAT	2,887	15.7%	16.8%
Optus revenue	8,045	10.6%	8.0%
Associates earnings ²	1,845	21.7%	25.5%

1. Assuming constant exchange rates from corresponding period in FY09

2. Based on the Group's share of associates earnings before tax and exceptionals

Singapore



Singapore: strong mobile performance

Q3 FY10	Revenue (\$\$ m)	YoY Change	Highlights
Total revenue	1,530	 2%	<ul style="list-style-type: none"> continued mobile performance offsets slower data growth & international telephone decline
Mobile	406	 9%	<ul style="list-style-type: none"> strong growth in customer base with stable ARPUs
Data & Internet	392	 1%	<ul style="list-style-type: none"> growth in Managed Services offsets ILC decline
IT & Engineering ¹	363	 1%	<ul style="list-style-type: none"> excluding SCS' extra month (Sep 08) in prior period: <ul style="list-style-type: none"> IT&E revenue grew 13% NCS Group revenue declined 4%
International telephone	140	 13%	<ul style="list-style-type: none"> lower average collection rates mainly due to mobile "free IDD"
Sale of equipment	79	 15%	<ul style="list-style-type: none"> higher handset sales volume due to customer growth and penetration of smartphones

1. Comparative quarter last year included 4 months of contribution from SCS from Sep - Dec 08

Data & Mobile: leading & shaping the market

Mobile – Q3 net adds

81k

Corporate data services revenue

\$285m

Market share¹

46%

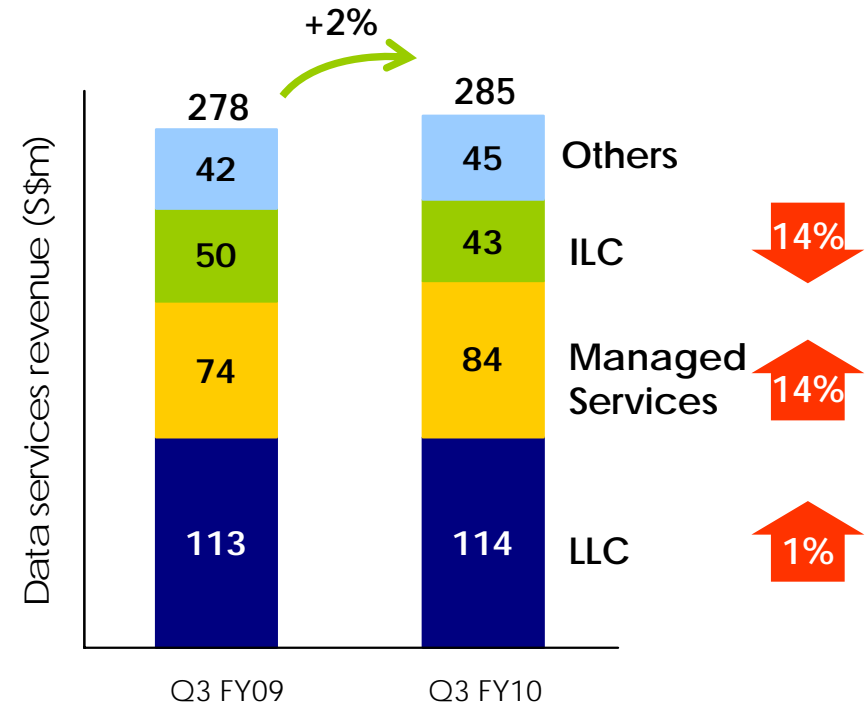
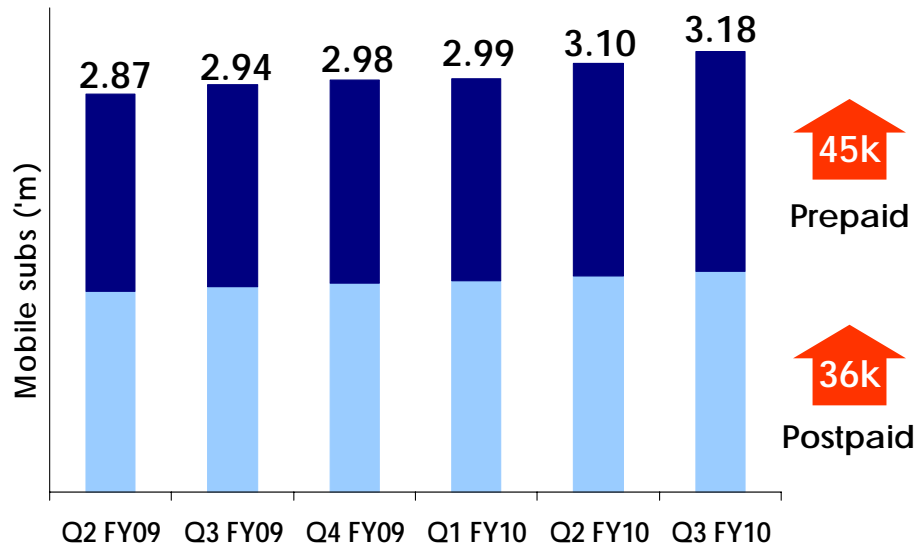
postpaid

46%

prepaid

Wireless BB subs²

413k



1. Management estimates as at 31 Dec 09
2. Mobile subscribers who registered for monthly wireless broadband data subscription plans

Delivering integrated ICT & multimedia services

IT & Engineering revenue¹ **S\$363m**

Redefining entertainment & communications

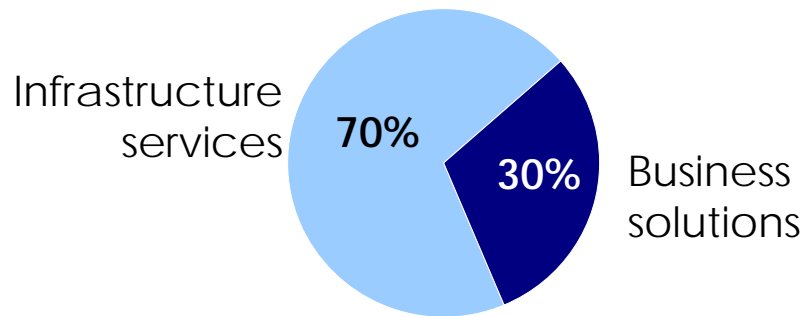
NCS Group revenue²: **S\$308m**
 ➤ down 4%

mio TV customers **155k**
 ➤ up 29,000

NCS Group:
2 main business segments

- Infrastructure services
- Business solutions

mio Plan & mio Home customers **169k**
 ➤ up 17,000



Implemented first interactive in-room multimedia entertainment system for Resorts World Sentosa **\$21m**
 contract value

NCS Group order book³ **S\$1.3bn**

1. Includes NCS Group and rollout of fibre for OpenNet
 2. Excluding fibre rollout for OpenNet and adjusting for extra month (Sep 08) in prior comparative period
 3. As at 31 Dec 09

Sustained EBITDA growth

S'pore Biz EBITDA

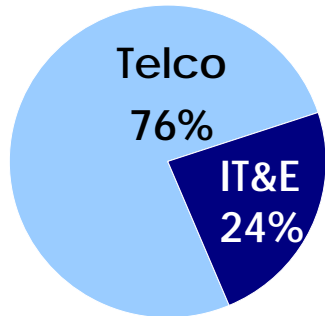
- EBITDA margin 37.9%

↑ 3%

Operating expenses

↑ 1%

SG Biz Revenue
S\$1.5b

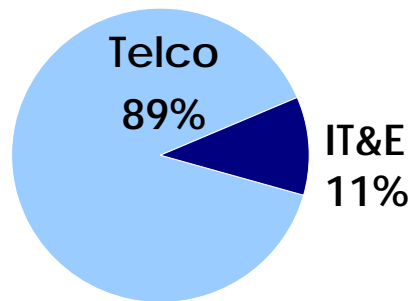


Telco EBITDA margin

➤ down 1.9% points

44.3%

SG Biz EBITDA
S\$580m



IT&E EBITDA margin

➤ up 8.5% points

17.1%

Selling & Admin

- higher mobile subscriber acquisition & retention costs
- higher mioTV content costs

↑ 15%

Cost of sales

- stable - consistent with IT&E revenue

↓ 1%

Staff costs

- job credits & lower average headcount

↓ 8%

Traffic expenses

- lower international outpayment rates

↓ 1%

Optus



Optus: strong mobile performance drives revenue growth

Q3 FY10	Revenue A\$m	YoY change	Highlights
Total revenue	2,302	5%	<ul style="list-style-type: none"> strong mobile performance
Mobile	1,459	10%	<ul style="list-style-type: none"> double digit growth in service revenue postpaid momentum continues
Business & Wholesale Fixed	500	3%	<ul style="list-style-type: none"> cautious corporate spending increased revenue from D3 satellite
Consumer & SMB Fixed	346	3%	<ul style="list-style-type: none"> continued exit of unprofitable resale consumer fixed on-net revenue growth

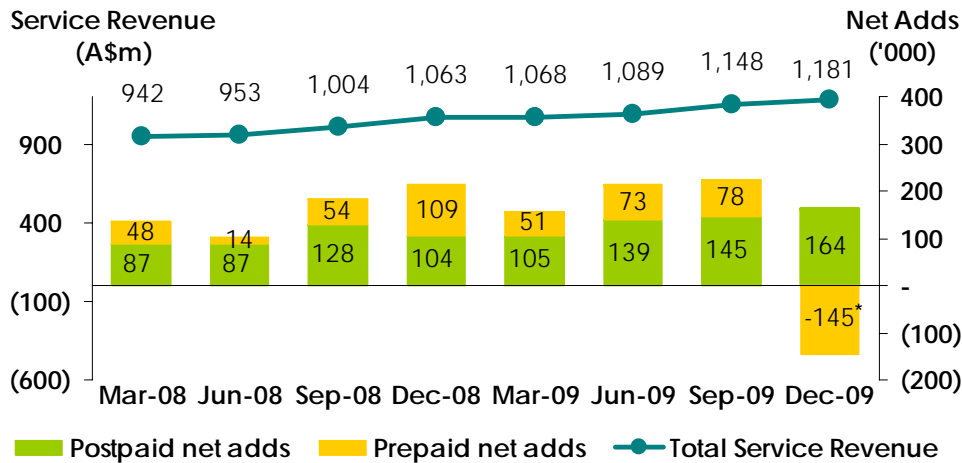
Mobile: record postpaid net adds

Mobile service revenue



Record postpaid net adds

164k



Wireless broadband subs¹

- net adds of 111k

799k

Postpaid ARPU at A\$70

- up 6% excluding wireless BB

1%

Total data % of ARPU

- 14% non-sms data

36%

* One-off prepaid deactivation

-272k

Subscriber acquisition cost

- up 18% yoy and up 3% qoq

A\$211

EBITDA margin

- down 1% pt yoy
- EBITDA growth of 5%

25%

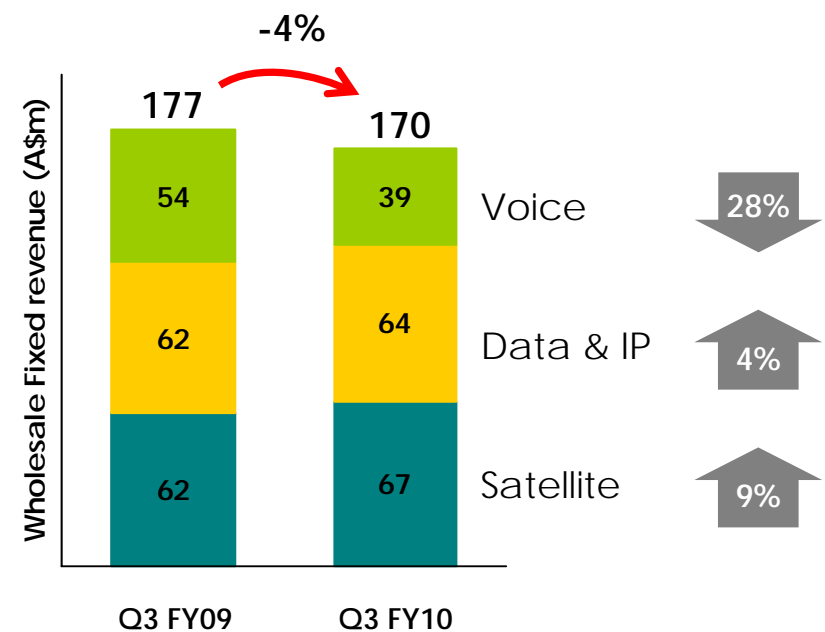
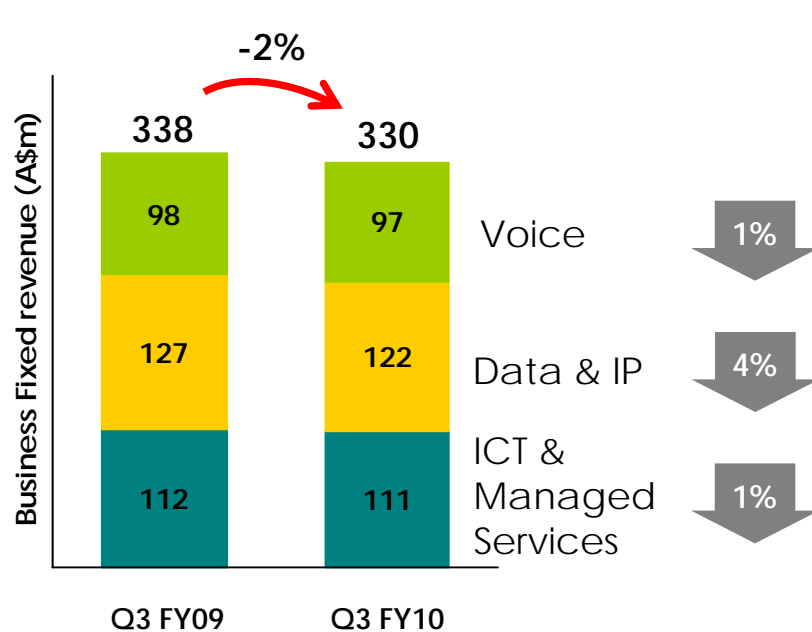


1. Subscribers provisioned with HSPA broadband service on both postpaid and prepaid. Excludes data pack attached to voice services

Business & Wholesale Fixed: impacted by lower corporate spending

Business: lower Data & IP revenues

Wholesale: higher satellite revenues



EBITDA margin

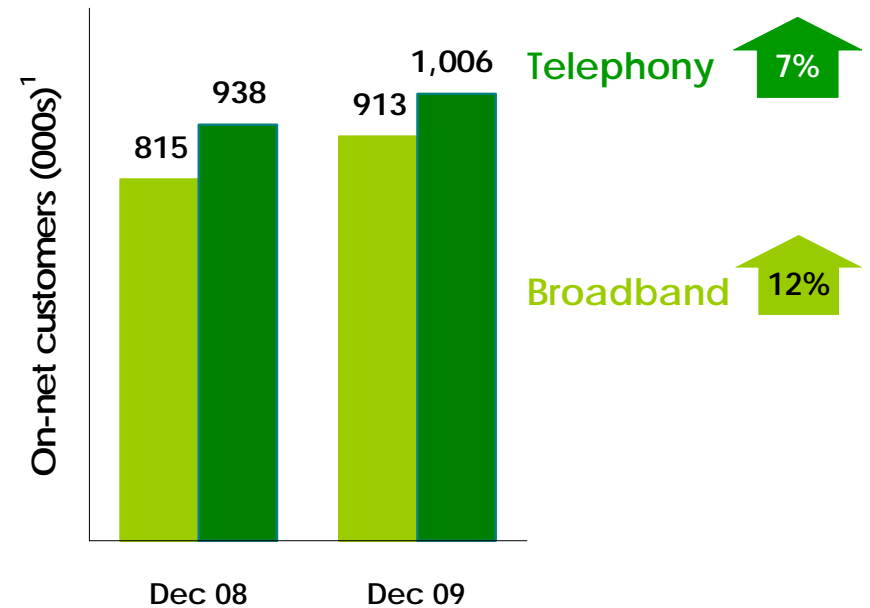
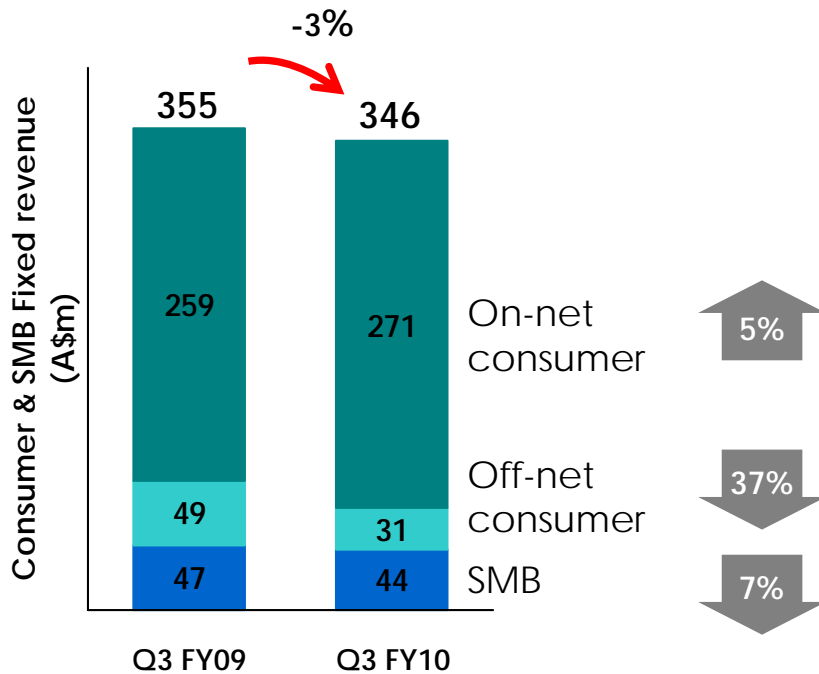
- stable margin yoy
- EBITDA down 3%

24%

Consumer & SMB Fixed: on-net customers drive strong EBITDA growth

On-net growth;
resale exit continues

On-net telephony customers **>1m**



EBITDA margin

- up 2% pts yoy
- EBITDA growth of 9%

15%

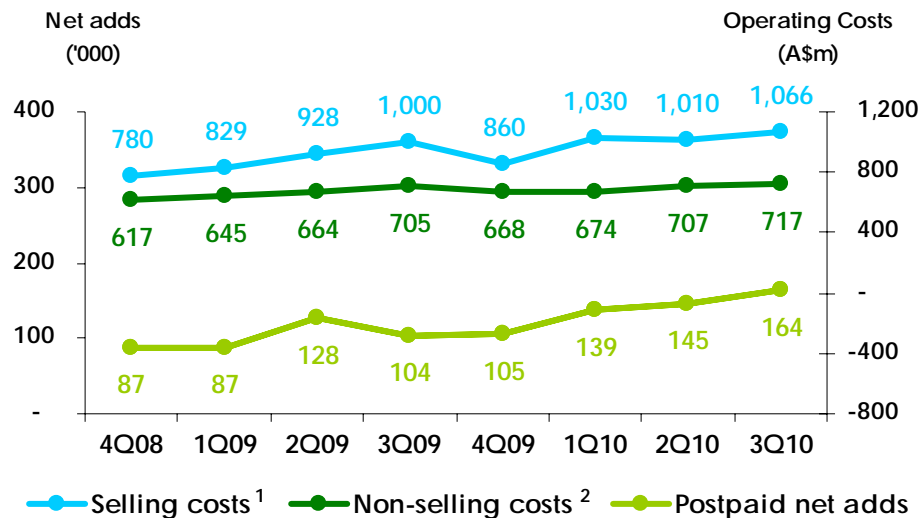
¹ Bundling rate of 84%

Operating costs: investing in customer growth

Mobile postpaid customer growth drives increase in selling costs

Operating expenses

- Opex excl selling up 2%



Selling costs¹

- increased customer acquisition/retention costs



Traffic expenses

- appreciation of A\$ and improved outpayment rates



Staff costs

- headcount remains flat
- incentive adjustment

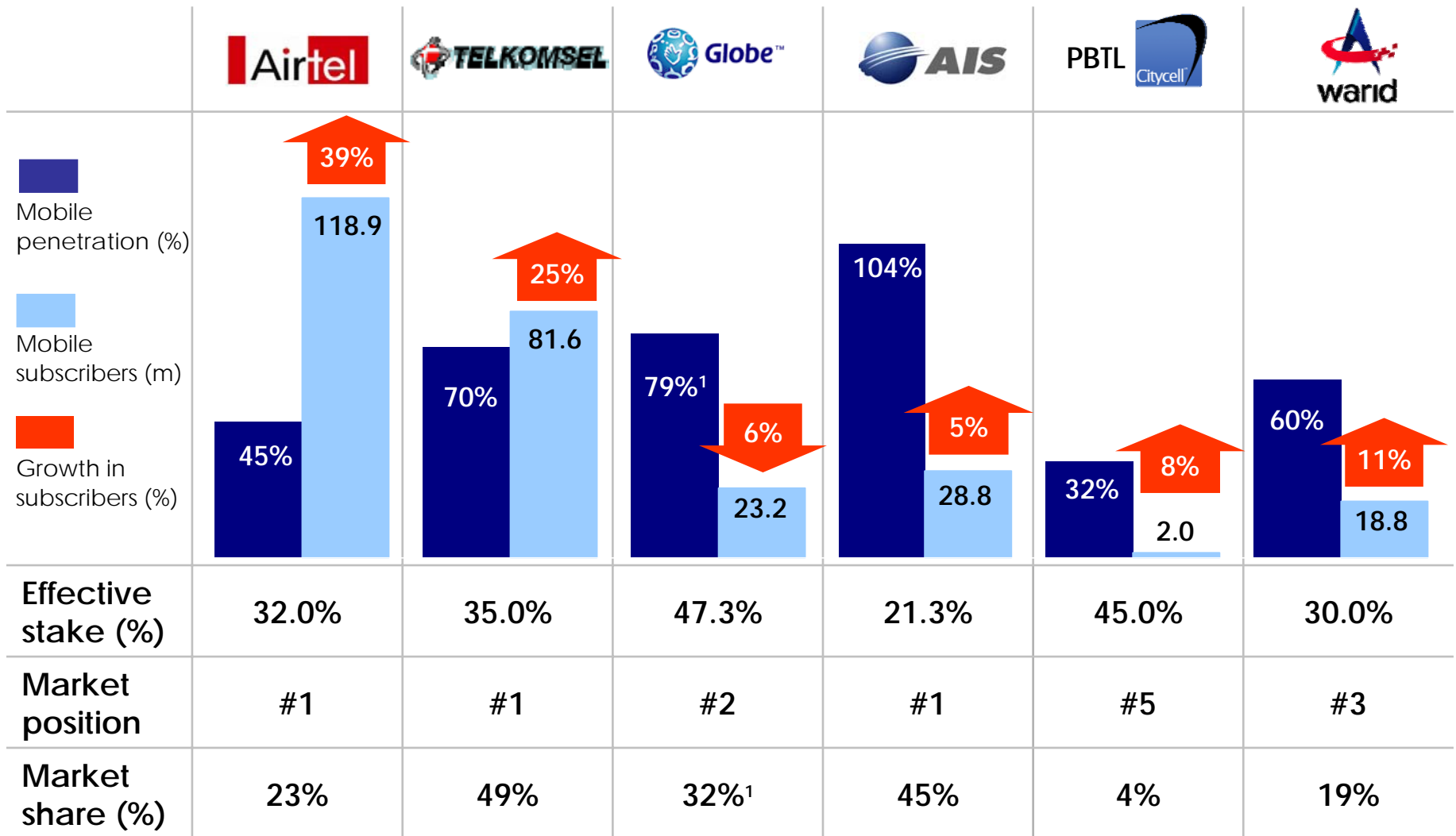


1. Selling costs include: Selling & Admin and Cost of sales
 2. Non-selling costs include: traffic, staff costs, repair & maintenance and capitalised costs

Associates and joint ventures



Regional Mobile: world's fastest growing mobile markets



1. As at Sep 09

Strong growth in Regional Mobile Associates earnings

Q3 FY10	PBT ¹ (S\$ m)	% Change (S\$)	% Change (local curr)	Highlights
Regional Mobile	560	21%	NA	<ul style="list-style-type: none"> strong profit growth at Telkomsel & fair value gains on foreign currency liabilities
Bharti	235	5%	7%	<ul style="list-style-type: none"> strong customer additions tariff pressure impacted revenue and profit
Telkomsel	238	53%	43%	<ul style="list-style-type: none"> strong revenue growth on higher customer base continued cost management
Globe	54	6%	3%	<ul style="list-style-type: none"> competition in mobile impacted revenue robust broadband customer & corporate business growth
AIS ²	52	12%	11%	<ul style="list-style-type: none"> weaker consumer sentiment due to economic slowdown
Warid	(15)	46%	40%	<ul style="list-style-type: none"> cost management measures

1. Excluding exceptional items – compared to 3 months to Dec 08

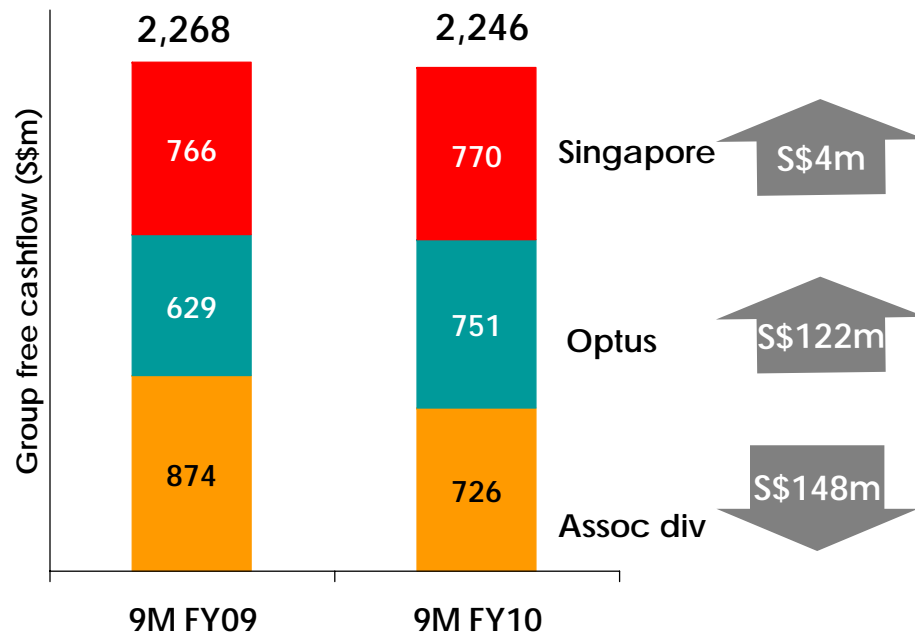
2. SingTel accounted for AIS Sep 09 quarter results in these results

Financial position



Strong financial position

Generating solid free cash flow¹



Strong balance sheet

Net debt

\$6.2bn

Net gearing

22%

Net debt:EBITDA²

0.9x

EBITDA:net interest expense

25x

S&P's rating

A+

Moody's rating

Aa2

1. Operating cash including associates dividends less cash capex
2. Annualised

Group outlook maintained

Operating Revenue

Singapore : grow at single-digit level
Australia (A\$)

EBITDA

Singapore : grow at low single-digit level
Australia (A\$)

Capex

Singapore : below S\$800m
Australia (A\$) : approximately A\$1.1 billion

Free cash flow

Singapore : decline slightly
Australia (A\$) : stable

Regional Mobile Associates

Bharti and Telkomsel earnings to grow in local currency terms
Ordinary dividends from regional mobile associates to be lower



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