



Singapore Telecommunications Limited And Subsidiary Companies

MANAGEMENT DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION, RESULTS OF OPERATIONS AND CASH FLOWS FOR THE FOURTH QUARTER AND YEAR ENDED 31 MARCH 2014

The financial statements of the Group are prepared in accordance with Singapore Financial Reporting Standards, which are the same, in material respects, to International Financial Reporting Standards. The financial statements for the year ended, and as at, 31 March 2014 are audited.

Numbers in all tables may not exactly add due to rounding.

For all pages, "@" denotes more than +/- 500%, "" denotes less than +/- S\$500,000 or A\$500,000 and "***" denotes less than +/- 0.05%, unless otherwise indicated.*

For all tables, a negative sign for year-on-year change denotes a decrease in operating revenue, expense, gain or loss.

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SECTION 1 : GROUP

FINANCIAL HIGHLIGHTS**FOR THE FOURTH QUARTER ENDED 31 MARCH 2014**

- Results adversely impacted by currency movements with the steep weakening of the Australian Dollar, Indonesian Rupiah and the Indian Rupee against the Singapore Dollar.
- EBITDA declined 9.2%, while EBIT and underlying net profit declined 6.2% and 8.1% respectively mainly due to foreign currency weakness.
- Net profit after exceptional items increased 3.5%.
- In constant currency terms¹, EBITDA declined 2.4% but EBIT grew 2.5% and underlying net profit was stable. Net profit after exceptional items grew 13%.
- Free cash flow of S\$868 million was lower by S\$397 million or 31% due to higher capital expenditure with phasing.

FOR THE YEAR ENDED 31 MARCH 2014

- EBITDA, EBIT and underlying net profit were stable amid adverse currency movements.
- Net profit after exceptional items increased 4.1%.
- In constant currency terms¹, EBITDA grew 4.5%, while EBIT and underlying net profit rose 7.2% and 5.9% respectively. Net profit after exceptional items grew 10%.
- Free cash flow² of S\$3.39 billion was lower by S\$368 million or 9.8% due to weaker Australian Dollar, higher cash taxes in Australia and working capital movements.

¹ Assuming constant exchange rates for the Australian Dollar and/or regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding periods ended 31 March 2013.

² Adjusted to exclude payment of S\$143 million to NetLink Trust during the quarter ended 31 December 2013 in consideration of tax benefits utilised by the Group. The S\$143 million was subsequently applied by NetLink Trust towards its acquisition of OpenNet.

SECTION 1 : GROUP

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Operating revenue	4,128	4,481	-7.9	16,848	18,183	-7.3
EBITDA	1,297	1,428	-9.2	5,155	5,200	-0.9
EBITDA margin	31.4%	31.9%		30.6%	28.6%	
Share of associates' pre-tax profits	566	540	4.8	2,201	2,106	4.5
EBITDA and share of associates' pre-tax profits	1,863	1,969	-5.3	7,357	7,306	0.7
EBIT	1,330	1,418	-6.2	5,224	5,178	0.9
(excluding share of associates' pre-tax profits)	764	878	-13.0	3,023	3,072	-1.6
Underlying net profit	920	1,001	-8.1	3,610	3,611	**
Exceptional items (post-tax)	(21)	(132)	-84.0	42	(103)	nm
Net profit	898	868	3.5	3,652	3,508	4.1
Free cash flow ⁽¹⁾	868	1,266	-31.4	3,391	3,759	-9.8
Underlying earnings per share (S cents)	5.77	6.28	-8.1	22.65	22.66	**
Basic earnings per share (S cents)	5.64	5.45	3.5	22.92	22.02	4.1

	As at		
	31 Mar 2014 S\$ m	31 Dec 2013 S\$ m	31 Mar 2013 S\$ m
Total assets	39,320	38,970	39,984
Shareholders' funds	23,868	22,536	23,965
Net debt ⁽²⁾	7,534	7,146	7,477
Net debt gearing ratio ⁽³⁾	24.0%	24.1%	23.8%
Net debt to EBITDA and share of associates' pre-tax profits ⁽⁴⁾	1.02X	0.98X	1.02X
Interest cover: - EBITDA and share of associates' pre-tax profits/ net interest expense ⁽⁵⁾	28.7X	28.0X	24.5X

Notes:

- (1) Adjusted to exclude payment of S\$143 million to NetLink Trust during the quarter ended 31 December 2013 in consideration of tax benefits utilised by the Group. The S\$143 million was subsequently applied by NetLink Trust towards its acquisition of OpenNet.
- (2) Net debt is defined as gross debt less cash and bank balances adjusted for related hedging balances.
- (3) Net debt gearing ratio is defined as the ratio of net debt to net capitalisation. Net capitalisation is the aggregate of net debt, shareholders' funds and minority interests.
- (4) Net debt to EBITDA and share of associates' pre-tax profits is calculated on an annualised basis.
- (5) Net interest expense refers to interest expense less interest income.

SECTION 1 : GROUP**GROUP SUMMARY INCOME STATEMENTS****For The Fourth Quarter And Year Ended 31 March 2014**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Operating revenue	4,128	4,481	-7.9	16,848	18,183	-7.3
Operating expenses	(2,860)	(3,092)	-7.5	(11,800)	(13,100)	-9.9
	1,269	1,390	-8.7	5,048	5,083	-0.7
Other income	28	39	-26.7	108	117	-7.9
EBITDA	1,297	1,428	-9.2	5,155	5,200	-0.9
- EBITDA margin	31.4%	31.9%		30.6%	28.6%	
Share of associates' pre-tax profits						
- operating results	580	540	7.3	2,201	2,106	4.5
- exceptional items	(14)	-	nm	*	-	nm
	566	540	4.8	2,201	2,106	4.5
EBITDA and share of associates' pre-tax profits	1,863	1,969	-5.3	7,357	7,306	0.7
Depreciation	(491)	(510)	-3.8	(1,964)	(1,971)	-0.4
Amortisation of intangibles	(43)	(41)	5.7	(168)	(156)	7.8
	(534)	(551)	-3.1	(2,133)	(2,127)	0.2
EBIT	1,330	1,418	-6.2	5,224	5,178	0.9
Net finance expense						
- net interest expense	(60)	(71)	-14.5	(257)	(298)	-13.9
- other finance income	17	7	155.4	75	*	nm
	(44)	(64)	-31.7	(181)	(298)	-39.2
Profit before exceptional items and tax	1,286	1,354	-5.0	5,043	4,880	3.3
Taxation	(366)	(352)	3.9	(1,428)	(1,267)	12.7
Profit after tax	920	1,002	-8.2	3,615	3,613	**
Minority interests	*	(1)	nm	(5)	(2)	113.0
Underlying net profit	920	1,001	-8.1	3,610	3,611	**
Exceptional items (post-tax)	(21)	(132)	-84.0	42	(103)	nm
Net profit	898	868	3.5	3,652	3,508	4.1
Depreciation as % of operating revenue	12%	11%		12%	11%	

Unless otherwise stated, the presentation of income statements in this document is consistent with prior periods. For income statements presented in accordance with FRS 1, **Presentation of Financial Statements**, please refer to "SGX Appendix 7.2 Announcement".

SECTION 1 : GROUP

BUSINESS SEGMENT TOTALS

From 1 April 2012, the Group is organised by three business segments, Group Consumer, Group Enterprise and Group Digital Life, to better serve the evolving needs of its customers and to exploit growth opportunities globally.

Group Consumer comprises the consumer businesses across Singapore and Australia, as well as the Group's investments, namely AIS in Thailand, Airtel in India and Africa, Globe in the Philippines, PBTCL in Bangladesh, and Telkomsel in Indonesia. It focuses on driving greater value and performance from the core carriage business including mobile, residential pay TV, fixed, as well as equipment sales.

Group Enterprise comprises the business groups across Singapore and Australia and focuses on growing the Group's position in the enterprise markets. Key services include mobile, voice and data infrastructure, managed services, cloud computing, and IT services and professional consulting.

Group Digital Life focuses on using the latest internet technologies and assets of the Group's operating companies to develop new revenue and growth engines by entering adjacent businesses where it has a competitive advantage. It includes mobile advertising, e-commerce, concierge and hyper-local services.

Corporate comprises the costs of Group functions not allocated to the business segments.

The following table shows the operating performance of the three business segments:

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Operating revenue						
Group Consumer	2,466	2,796	-11.8	10,411	11,629	-10.5
Group Enterprise	1,613	1,657	-2.7	6,268	6,443	-2.7
Group Digital Lfe	50	29	73.1	169	111	51.5
Group	4,128	4,481	-7.9	16,848	18,183	-7.3
EBITDA						
Group Consumer	875	934	-6.4	3,345	3,331	0.4
Group Enterprise	490	556	-12.0	2,032	2,063	-1.5
Group Digital Lfe	(55)	(33)	66.9	(170)	(104)	63.1
Corporate	(12)	(29)	-59.4	(52)	(89)	-41.8
Group	1,297	1,428	-9.2	5,155	5,200	-0.9
EBIT (exclude share of associates' pre-tax profits)						
Group Consumer	526	569	-7.7	1,941	1,907	1.8
Group Enterprise	317	379	-16.4	1,352	1,397	-3.2
Group Digital Lfe	(67)	(45)	47.3	(217)	(146)	49.3
Corporate	(12)	(26)	-52.1	(54)	(86)	-37.5
Group	764	878	-13.0	3,023	3,072	-1.6

SECTION 1 : GROUP

FINAL DIVIDEND

The Directors have proposed a final ordinary dividend of 10.0 cents per share (FY2013: 10.0 cents per share), totalling approximately S\$1.59 billion in respect of the current financial year ended 31 March 2014.

Together with the interim dividend of 6.8 cents per share amounting to S\$1.08 billion paid in the quarter, the total amount of ordinary dividends in respect of the current financial year ended 31 March 2014 would be 16.8 cents per share (FY2013: 16.8 cents per share), totalling approximately S\$2.68 billion. This represented a payout ratio of 74% of underlying net profit.

REVIEW OF GROUP OPERATING PERFORMANCE

For The Fourth Quarter Ended 31 March 2014

In constant currency terms, the Group recorded net profit growth of 13% and stable net profit before exceptional items ("underlying net profit"). However, with the effect of weaker Australian Dollar and the regional currencies, net profit grew 3.5% and underlying net profit declined 8.1%.

In the March quarter last year, the revenue and earnings of the Group were lifted by the recognition of one-off contract revenue of S\$33 million (A\$25 million) in Australia.

The Group's operating revenue declined 7.9% as the Australian Dollar declined 11%. In constant currency terms, revenue would have declined 1.1%, reflecting lower mobile revenue in Australia and a cautious business climate.

EBITDA declined 9.2%, and in constant currency terms would have decreased by 2.4% from a year ago.

Group Consumer registered EBITDA growth of 3.1% in constant currency terms. In Singapore, EBITDA grew 13% driven by growth in Mobile Communications and Home Services revenues, as well as cost management. In Australia, operating revenue fell 4.8% while EBITDA was stable with improved cost structure. The lower revenue was also due to lower equipment sales, lower fixed revenues and lower incoming revenue from a further mandated decline in mobile termination rates from 1 January 2014. Consequently, Group Consumer revenue declined 12% and in constant currency terms would have declined by 3.0%.

Group Enterprise revenue and EBITDA declined 2.7% and 12% respectively. Revenue and EBITDA in the same quarter last year were lifted by the recognition of S\$33 million (A\$25 million) of one-off contract revenue in Australia. In constant currency terms and excluding the one-off contract revenue, revenue would have increased 2.9% while EBITDA would have declined by 4.7% reflecting a cautious business climate as well as keen competition.

During the quarter, Group Enterprise secured major infrastructure outsourcing contract wins and overseas contracts including a service and system integration project in China. In the Managed ICT space, Group Enterprise expanded its suite of cloud solutions with the launch of *Unified Communications-as-a-Service* in Asia Pacific.

SECTION 1 : GROUP

Group Digital Life achieved strong revenue growth of S\$21 million or 73% in the quarter, with Amobee delivering a significant increase in mobile advertising revenue. Ongoing start-up costs and higher investments in digital businesses resulted in negative EBITDA of S\$55 million. Group Digital Life continued to develop customer-centric products and services. As at end of March 2014, Group Digital Life had 10 million of monthly active customers using its various mobile apps and web, such as NewsLoop, AMPed, HungryGoWhere and inSing.

The Group and its regional mobile associates continued to record strong customer growth. The combined mobile customer base reached 514 million as at 31 March 2014, up 10% from a year ago.

The Group's share of associates' pre-tax profits increased 4.8% to S\$566 million with earnings growth from Airtel. Excluding currency translation effect, the pre-tax contribution from the associates would have recorded a strong growth of 18%.

Telkomsel recorded strong data growth and higher EBITDA which was partly offset by increased depreciation charges from network rollout. AIS reported lower profits as service revenue declined amid the unstable political situation in Thailand and with higher depreciation and amortisation charges from the 3G rollout. Globe registered higher profits with growth momentum in mobile and data services. Airtel reported strong operating momentum in India but losses in Africa increased due to higher finance costs and increased taxes. In Indian Rupee terms, Airtel's consolidated revenue grew 13% and EBITDA increased 21%.

Net finance expense decreased 32%. This was due to lower interest rates, and recognition of S\$11 million (Q4 FY2013: Nil) of dividend income from a joint venture, Pacific Carriage Holdings Limited ("PCHL"), which is part of the Southern Cross Consortium.

The higher tax expense resulted mainly from share of Airtel's higher income taxes in Africa attributable to higher withholding taxes on increased income received from its subsidiaries and various tax assessments.

The net exceptional loss of S\$21 million mainly comprised S\$14 million of impairment charges on non-current assets including venture investments, and S\$5 million (Q4 FY2013: S\$34 million) from the Group's post-tax share of Globe's accelerated depreciation from its network and IT transformation.

Free cash flow was S\$868 million, lower by S\$397 million or 31% from the same quarter last year mainly due to higher capital expenditure with phasing.

The Group continued to maintain a healthy capital structure. As at 31 March 2014, net debt gearing ratio was at 24%.

The Group has successfully diversified its earnings base through its expansion and investments in overseas markets. Consequently, the Group is exposed to currency movements. On a proportionate basis if the associates are consolidated line-by-line, operations outside Singapore accounted for 73% (Q4 FY2013: 76%) of the Group's proportionate revenue and 76% (Q4 FY2013: 78%) of proportionate EBITDA.

SECTION 1 : GROUP

For The Year Ended 31 March 2014

The Group's performance is in line with its guidance issued for the year ended 31 March 2014.

Operating revenue for the year declined 7.3% to S\$16.85 billion but would have declined by 2.3% if the Australian Dollar has remained stable from a year ago.

EBITDA was stable at S\$5.16 billion but would have increased 4.5% in constant currency terms, reflecting an improved cost structure and strong yield focus. Underlying net profit was stable at S\$3.61 billion, and in constant currency terms would have been up 5.9% with higher associates' contributions and lower net finance expense.

The Group's net exceptional gain of S\$42 million for the year mainly comprised a S\$150 million dilution gain on its equity interest in Airtel, an exceptional charge of S\$61 million from the share of Globe's accelerated depreciation and share of an exceptional tax charge of Airtel (see Page 16).

Including exceptional items, net profit for the year grew 4.1% to S\$3.65 billion, and in constant currency terms would have increased 10%.

The Group's free cash flow, excluding the tax benefit consideration payment to NetLink Trust, declined by S\$368 million or 9.8% to S\$3.39 billion. Further excluding dividends received from associates, free cash flow was S\$2.34 billion, 18% lower than last year due to the weaker Australian Dollar, higher cash tax payments in Australia and working capital movements.

SECTION 1 : GROUP**SEQUENTIAL QUARTERLY RESULTS**

Results for the current quarter compared to the preceding quarter ended 31 December 2013 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2014 S\$ m	31 Dec 2013 S\$ m	
Operating revenue	4,128	4,263	-3.2
EBITDA	1,297	1,264	2.6
EBITDA margin	31.4%	29.6%	
Share of associates' pre-tax profits	566	539	5.1
EBITDA and share of associates' pre-tax profits	1,863	1,803	3.4
EBIT	1,330	1,270	4.7
Profit before exceptional items and tax	1,286	1,236	4.0
Underlying net profit	920	910	1.1
Exceptional items (post-tax)	(21)	(37)	-43.0
Net profit	898	872	3.0
Free Cash Flow (excluding tax benefit payment to NetLink Trust)	868	712	22.0

Operating revenue decreased 3.2% due to the weaker Australian Dollar and seasonally lower mobile revenue. EBITDA grew 2.6% on lower customer acquisition and retention costs from lower mobile connection volumes. The higher free cash flow was mainly due to positive movements in working capital partly offset by increased capital expenditure.

SECTION 1 : GROUP

OUTLOOK FOR THE FINANCIAL YEAR ENDING 31 MARCH 2015

Macro-economic Environment

The Singapore economy is forecasted to grow between 2.0% and 4.0% in 2014. The Australia GDP is projected to grow by 2.25% to 3.25% for the fiscal year ending June 2015.

India, Indonesia and the Philippines are expected to register economic growth of between 5% and 7%. The Thai economy is anticipated to increase by 3%. Airtel's key countries in Africa are expected to deliver GDP growth of between 6% and 9%.

Strategic focus

SingTel continues to strengthen its core business and build new growth engines.

In its core business³, SingTel will drive profitable revenue growth and operational efficiencies with scale and a competitive cost structure. These will be underpinned by investments in networks, systems and technology to enhance customer experience.

In its digital business, SingTel will leverage its unique telco assets to create innovative and differentiated digital services that will enhance the core business and deliver new revenue streams for the Group.

Mid-term plans

SingTel will seek to maximise shareholder value through its strategic investment and divestment decisions.

The Group will allocate up to S\$2 billion for investments in the digital space till FY2016. The allocated amount is not a commitment to spend. The actual investment amount will depend on the availability and size of suitable opportunities.

SingTel continues to review opportunities for upstakes in its associates, as well as investment opportunities in technology companies with capabilities to enhance the Group's service offerings and solutions.

SingTel is the 100% unitholder of NetLink Trust and has given an undertaking to IDA to divest its stake in NetLink Trust to less than 25% holding by 22 April 2018.

Currency

The guidance for FY2015 is based on the following average exchange rates during FY 2014.

³ Comprises Group Consumer and Group Enterprise.

SECTION 1 : GROUP

Australian Dollar	AUD 1	SGD 1.1737
Indonesian Rupiah	SGD 1	IDR 8,655
Indian Rupee	SGD 1	INR 48.2
Thailand Baht	SGD 1	THB 24.9
Philippine Peso	SGD 1	PHP 34.5

The Group's consolidated results and cash flow may be impacted by material exchange rate movements in the Australian Dollar and regional currencies.

Group

Consolidated revenue and EBITDA for the Group are expected to be stable.

Capital expenditure is expected to approximate S\$2.3 billion, comprising approximately S\$900 million for Singapore and the balance for Australia. This reflects the Group's continued strategic investments in mobile network, particularly in Australia, and expected increased spend in customer care and management systems.

Spectrum payments would be approximately S\$900 million, mainly for Optus' 4G spectrum in the 700 Mhz range. Consequently, amortisation costs would be higher.

Excluding spectrum payments and associates' dividends, free cash flow is expected to be stable.

Ordinary dividends from the regional mobile associates are expected to be approximately S\$1.0 billion. With a change in Globe's dividend payout from semi-annual to quarterly instalments, the Group will receive one quarter less dividend from Globe in FY2015.

Key Business Units

	Revenue	EBITDA
Core Business	Stable	Increase low single digit level
Singapore Mobile Communications revenue	Increase mid single digit level	
Australia Mobile Service revenue	Decrease low single digit level	
Group ICT revenue (comprising Managed services and Business solutions)	Increase low single digit level	
Group Digital Life (for existing businesses only)	Increase about 50%	Negative EBITDA to decrease by about 20%

SECTION 1 : GROUP

For **Group Consumer**, Optus will drive data revenue growth by leveraging an improved network, increased penetration of 4G devices and 'SIM only' plans, and innovative products to drive service revenue across various mobile devices.

In Singapore, SingTel is focused on capturing value from mobile data growth and bundling opportunities for home fibre services.

Group Enterprise continues to experience keen competition and a shift in revenue mix from legacy services to new lower-margin ICT services. Fibre rollout and maintenance revenue is expected to decline with the cessation of SingTel's role as the key subcontractor to OpenNet (see note below).

However, at the consolidated level, the impact of the decline in fibre rollout and maintenance revenue is expected to be offset by increased profits from NetLink Trust.

Group Digital Life will drive active usage of its digital services and focus on growing scale in the fast-growing digital advertising market. During the year, Group Digital Life will be launching new initiatives, such as in video content distribution and data analytics.

Dividend policy

SingTel's dividend payout ratio is between 60% and 75% of underlying net profit. The dividend payout is influenced by the Group's cash flow generation, including dividends from associates.

The Group remains committed to an optimal capital structure and investment grade credit ratings, while maintaining financial flexibility to pursue growth.

Note:

During FY2015, SingTel will cease its role as the key subcontractor to OpenNet for the installation and maintenance of Singapore's Next Generation Nationwide Broadband Network (Next Gen NBN). This is in connection with NetLink Trust's acquisition of OpenNet in August 2013. NetLink Trust will be responsible for the installation, operations and maintenance of the Next Gen NBN.

Accordingly, SingTel's fibre rollout and maintenance revenue is expected to decline.

SECTION 1 : GROUP**OPERATING REVENUE**

By Products and Services	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Mobile communications	1,749	1,915	-8.7	7,250	7,837	-7.5
Data and Internet	767	849	-9.7	3,141	3,434	-8.5
Managed services	485	503	-3.5	1,698	1,744	-2.6
National telephone	353	424	-16.9	1,503	1,723	-12.8
Sale of equipment	261	309	-15.5	1,244	1,486	-16.3
Business solutions	169	146	16.2	568	560	1.4
International telephone	161	183	-11.9	689	760	-9.3
Pay television	68	59	15.4	252	218	15.5
Digital businesses ⁽¹⁾	49	29	69.6	165	111	48.2
Fibre rollout and maintenance	27	25	5.1	154	117	31.3
Others	40	40	-0.7	186	194	-3.8
Total	4,128	4,481	-7.9	16,848	18,183	-7.3
Operating revenue	4,128	4,481	-7.9	16,848	18,183	-7.3
Associates' proportionate revenue ⁽²⁾	2,842	2,897	-1.9	11,393	11,344	0.4
Group's proportionate revenue	6,970	7,378	-5.5	28,241	29,527	-4.4

Notes:

- (1) Comprise revenues mainly from mobile advertising, e-commerce, concierge and hyper-local services. Exclude TV advertising revenue under 'Pay television' from 1 April 2013.
- (2) Proportionate share of revenue of associates is based on operating revenue of the associate multiplied by SingTel's effective ownership interest.

Operating Revenue Mix	Quarter		Year	
	31 Mar		31 Mar	
	2014 %	2013 %	2014 %	2013 %
Mobile communications	42.4	42.7	43.0	43.1
Data and Internet	18.6	18.9	18.6	18.9
Managed services	11.8	11.2	10.1	9.6
National telephone	8.5	9.5	8.9	9.5
Sale of equipment	6.3	6.9	7.4	8.2
Business solutions	4.1	3.3	3.4	3.1
International telephone	3.9	4.1	4.1	4.2
Pay television	1.6	1.3	1.5	1.2
Digital businesses	1.2	0.6	1.0	0.6
Fibre rollout and maintenance	0.6	0.6	0.9	0.6
Others	1.0	0.9	1.1	1.0
Total	100.0	100.0	100.0	100.0

Operating revenue trends of the Group have been impacted by the weaker Australian Dollar this quarter. In constant currency terms, revenue declined 1.1%.

SECTION 1 : GROUP

Mobile Communications revenue declined 8.7% on lower revenue in Australia and weaker Australian Dollar.

Data and Internet revenue fell 9.7% reflecting the impact of price competition and decline in legacy data services.

Revenue from Managed Services fell 3.5% year-on-year. Excluding the one-off contract revenue of S\$33 million recognised in the March quarter last year, Managed Services grew 3.3% with growth in maintenance revenue, and infrastructure and ICT projects which commenced this quarter.

The lower equipment sales arose mainly from lower shipment volumes and a change in channel mix to Optus owned stores in Australia.

The Group's enlarged revenue, including the proportionate share of operating revenue from the associates, was at S\$6.97 billion, down 5.5% due mainly to weaker regional currencies. In constant currency terms, the Group's enlarged revenue rose 2.9%.

OPERATING EXPENSES (Before Depreciation and Amortisation)

	Quarter		YOY %	Year		YOY %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Selling & administrative	952	1,037	-8.2	3,952	4,580	-13.7
Cost of sales	671	715	-6.3	2,655	2,977	-10.8
Traffic expenses	606	669	-9.4	2,576	2,848	-9.5
Staff costs	545	585	-6.8	2,285	2,347	-2.6
Repair & maintenance	90	81	10.7	337	332	1.5
Others	(4)	5	nm	(6)	16	nm
Total	2,860	3,092	-7.5	11,800	13,100	-9.9

As a percentage of operating revenue	Quarter		Year	
	31 Mar		31 Mar	
	2014 %	2013 %	2014 %	2013 %
Selling & administrative	23.1	23.1	23.4	25.2
Cost of sales	16.2	16.0	15.7	16.4
Traffic expenses	14.7	14.9	15.3	15.7
Staff costs	13.2	13.1	13.6	12.9
Repair & maintenance	2.2	1.8	2.0	1.8
Others	-0.1	0.1	**	0.1
Total	69.3	69.0	70.0	72.0

Total operating expenses decreased 7.5% from the same quarter last year, but in constant currency terms would have been stable.

SECTION 1 : GROUP

Selling and administrative expenses, the largest expense category at 23% of operating revenue, declined 8.2% mainly due to lower customer acquisition costs and commissions.

Cost of sales fell 6.3%, corresponding to lower equipment sales.

Traffic expenses decreased 9.4% due to lower interconnect costs from the mandated decline in mobile voice termination rates in Australia.

STAFF COSTS

	Quarter		YOY %	Year		YOY %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Staff costs						
Optus	269	305	-11.7	1,183	1,277	-7.4
SingTel and other subsidiaries	276	280	-1.4	1,102	1,070	3.1
Group	545	585	-6.8	2,285	2,347	-2.6

	Quarter			Year		YOY Chge %
	31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar		
				2014	2013	
Average number of staff						
Optus	9,014	8,848	8,745	8,767	9,034	-3.0
SingTel and other subsidiaries	12,997	13,029	12,986	13,063	13,157	-0.7
Group	22,011	21,877	21,731	21,830	22,191	-1.6
As at end of period						
Optus	9,088	8,921	8,740	9,088	8,740	4.0
SingTel and other subsidiaries	12,978	13,020	12,955	12,978	12,955	0.2
Group	22,066	21,941	21,695	22,066	21,695	1.7

Staff costs decreased 6.8% year-on-year. It would have been stable in constant currency terms due mainly to annual salary increments partly offset by lower bonus accruals, as well as headcount increase at Optus to support its retail distribution strategy.

As of 31 March 2014, Group headcount increased 371 or 1.7% from a year ago to 22,066.

SECTION 1 : GROUP**NET FINANCE EXPENSE**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Net interest expense:						
- Interest income	7	4	86.8	17	15	16.0
- Interest expense	(72)	(79)	-8.7	(294)	(334)	-11.8
	(65)	(76)	-13.5	(277)	(319)	-13.1
- Net interest income from NetLink Trust ⁽¹⁾	5	5	**	20	20	**
	(60)	(71)	-14.5	(257)	(298)	-13.9
Other finance income:						
- Dividend income from Southern Cross/ PCHL	11	-	nm	59	-	nm
- Investment gain ⁽²⁾	1	1	-16.7	5	6	-3.6
- Net foreign exchange gain/ (loss)	*	5	nm	*	(8)	nm
- Fair value adjustments ⁽³⁾	5	1	360.0	12	3	286.7
	17	7	155.4	75	*	nm
Net finance expense	(44)	(64)	-31.7	(181)	(298)	-39.2

Notes:

- (1) Comprise interest earned on the unitholder's loan to NetLink Trust, net of the finance lease expenses on the exchange buildings leased from NetLink Trust.
- (2) Comprise mainly dividend income from other non-equity accounted investments.
- (3) Comprise mainly adjustments for hedging instruments measured at fair values at reporting date under FRS 39, *Financial Instruments: Recognition and Measurement*.

Interest income increased on higher average cash balance while interest expense decreased due mainly to lower interest rates.

In the quarter, the Group received dividend income of S\$11 million from Pacific Carriage Holdings Limited, part of the Southern Cross consortium.

SECTION 1 : GROUP**EXCEPTIONAL ITEMS ⁽¹⁾**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Exceptional (losses)/ gains						
Dilution gain on Airtel	-	-	-	150	-	nm
Gain on sale of FET (available-for-sale investment)	-	-	-	-	119	nm
Gain on sale of venture investments	1	-	nm	7	-	nm
Net dividend income from Southern Cross (joint venture)	-	149	nm	-	149	nm
Net income from Optus' legal disputes	-	-	-	-	36	nm
Loss on sale of Warid Pakistan (associate)	-	(225)	nm	-	(225)	nm
Optus' ex-gratia costs	-	(16)	nm	(6)	(101)	-93.7
SingTel's ex-gratia costs	*	(6)	nm	(3)	(6)	-49.2
Share of Globe's accelerated depreciation	(7)	(44)	-84.5	(91)	(114)	-20.2
Impairment of venture investments	(4)	(5)	-14.0	(22)	(12)	93.1
Impairment of other non-current assets	(10)	-	nm	(10)	-	nm
Accrued penalty charges for network incidents	(6)	-	nm	(6)	-	nm
Others	*	(1)	nm	5	(1)	nm
Group net exceptional (losses)/ gains (pre-tax)	(27)	(149)	-82.0	23	(154)	nm
Exceptional tax credit/ (expense)						
Share of Airtel's exceptional tax credit /(expense)	2	-	-	(15)	-	nm
Share of Globe's tax credit on accelerated depreciation	2	10	-79.8	30	31	-2.6
Others	2	6	-69.5	4	21	-80.0
Group exceptional taxes	6	16	-65.6	19	51	-63.0
Group net exceptional (losses)/ gains (post-tax)	(21)	(132)	-84.0	42	(103)	nm

Note:

(1) Exceptional items are material non-recurring items for which separate disclosure is considered necessary to avoid distortion of reported results of performance.

In the quarter, the exceptional items comprised mainly impairment charges of S\$14 million on non-current assets, including S\$4 million for venture investments, and the Group's post-tax share of S\$5 million (Q4 FY2013: S\$34 million) of Globe's accelerated depreciation from its network and IT transformation.

SECTION 1 : GROUP**TAX EXPENSE**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Income tax expense						
Optus	118	151	-21.7	421	428	-1.7
SingTel and other subsidiaries	26	24	6.6	162	118	37.7
Tax expense of SingTel and subsidiaries (a)	144	175	-17.8	583	546	6.8
Share of associates' tax expense (b)	197	154	27.7	729	621	17.3
Withholding taxes on associates' dividend income from associates ⁽¹⁾	25	23	10.4	116	100	16.3
Total	366	352	3.9	1,428	1,267	12.7
Profit before exceptional items and tax	1,286	1,354	-5.0	5,043	4,880	3.3
Exclude:						
Share of associates' pre-tax profits	(566)	(540)	4.8	(2,201)	(2,106)	4.5
Adjusted pre-tax profit (c)	720	814	-11.5	2,841	2,774	2.4
Effective tax rate of SingTel and subsidiaries (a)/(c)	20.0%	21.5%		20.5%	19.7%	
Share of associates' pre-tax profits (d)	566	540	4.8	2,201	2,106	4.5
Effective tax rate of associates (b)/(d)	34.8%	28.5%		33.1%	29.5%	

Note:

- (1) Withholding taxes are deducted at source when dividends are remitted by the overseas associates. For accounting purposes, the associates' dividend income and related withholding taxes are accrued when approved. Dividend income has no impact on the income statement of the Group as they are eliminated at Group. The cash inflows upon the receipt of dividend are shown in **Section 5**.

The increase in the Group's tax expense was mainly due to Airtel's higher income taxes in Africa attributable to higher withholding taxes on increased income received from its subsidiaries and various tax assessments.

SECTION 1 : GROUP**SUMMARY STATEMENTS OF FINANCIAL POSITION**

	As at		
	31 Mar 2014 S\$ m	31 Dec 2013 S\$ m	31 Mar 2013 S\$ m
Current assets (excluding cash)	3,729	3,708	3,895
Cash and bank balances	623	1,283	911
Non-current assets	34,969	33,980	35,178
Total assets	39,320	38,970	39,984
Current liabilities	5,690	7,265	5,792
Non-current liabilities	9,737	9,150	10,203
Total liabilities	15,427	16,415	15,994
Net assets	23,893	22,556	23,989
Share capital	2,634	2,634	2,634
Reserves	21,234	19,902	21,331
Equity attributable to shareholders	23,868	22,536	23,965
Minority interest	24	19	25
	23,893	22,556	23,989

The Group is in a sound financial position as at 31 March 2014. SingTel is rated Aa3 by Moody's and A+ by Standard & Poor's.

SECTION 1 : GROUP**LIQUIDITY AND GEARING**

	As at		
	31 Mar 2014 S\$ m	31 Dec 2013 S\$ m	31 Mar 2013 S\$ m
Gross debt			
Current debt	814	1,633	392
Non-current debt	7,227	6,710	7,537
Gross debt as reported in statement of financial position	8,040	8,343	7,929
Related net hedging liability ⁽¹⁾	117	86	459
	8,157	8,429	8,388
Less : Cash and bank balances	(623)	(1,283)	(911)
Net debt	7,534	7,146	7,477
Gross debt gearing ratio ⁽²⁾	25.5%	27.2%	25.9%
Net debt gearing ratio	24.0%	24.1%	23.8%

Notes:

(1) The net hedging liability relates to the fair values of cross currency and interest rate swaps.

(2) Gross debt gearing ratio refers to the ratio of gross debt to gross capitalisation. Gross capitalisation is the aggregate of gross debt, shareholders' funds and minority interests.

Hedged gross debt decreased by S\$272 million to S\$8.16 billion from a quarter ago mainly due to a net decrease in borrowings of S\$359 million, and mark-to-market movements.

SECTION 1 : GROUP

CASH FLOW AND CAPITAL EXPENDITURE

	Quarter			Year		YOY Chge %
	31 Mar	31 Mar	31 Dec	31 Mar		
	2014	2013	2013	2014	2013	
	S\$ m	S\$ m	S\$ m	S\$ m	S\$ m	
Net cash inflow from operating activities						
Profit before exceptional items and tax	1,286	1,354	1,236	5,043	4,880	3.3
Non-cash items	10	67	33	122	292	-58.2
Operating cash flow before working capital changes	1,296	1,421	1,269	5,165	5,172	-0.1
Changes in operating assets and liabilities	248	213	(112)	(305)	(92)	232.5
	1,544	1,634	1,157	4,860	5,080	-4.3
Cash paid to employees under performance share plans	-	-	-	(5)	(3)	48.5
Net tax paid on operating activities	(97)	(51)	(37)	(409)	(160)	156.5
Operating cash flow (before associates' dividends)	1,447	1,583	1,120	4,445	4,917	-9.6
Dividends received from associates	85	90	51	1,157	993	16.4
Withholding tax paid on dividends received	(10)	(10)	-	(109)	(93)	17.0
	1,522	1,664	1,171	5,493	5,818	-5.6
Tax benefit payment to NetLink Trust	-	-	(143)	(143)	-	nm
	1,522	1,664	1,029	5,350	5,818	-8.0
Net cash outflow for investing activities						
Payment for purchase of property, plant and equipment	(654)	(398)	(460)	(2,102)	(2,059)	2.1
Investment in associates	(3)	(1)	(13)	(400)	(8)	@
Proceeds from disposal of associates	*	87	38	38	87	-56.3
Payment for purchase of licences and other intangibles	(23)	(25)	(24)	(276)	(167)	65.9
Payment for purchase of subsidiaries	(2)	(28)	(7)	(51)	(698)	-92.7
Investment in venture investments	(2)	(11)	(2)	(50)	(56)	-11.4
Proceeds from disposal of available-for-sale investments	5	-	*	13	337	-96.2
Proceeds from disposal of property, plant and equipment	1	2	*	7	10	-29.0
Withholding tax paid on interest received on inter-company loans	(16)	(20)	-	(34)	(51)	-34.7
Others (interest received, etc)	8	4	20	53	47	11.6
	(685)	(390)	(448)	(2,801)	(2,557)	9.6
Net cash outflow for financing activities						
Net (decrease)/ increase in borrowings	(359)	(36)	(56)	205	(805)	nm
Net interest paid on borrowings and swaps	(65)	(73)	(85)	(309)	(343)	-10.0
Final dividend paid to shareholders	-	-	-	(1,594)	(1,434)	11.2
Interim dividend paid to shareholders	(1,084)	(1,084)	-	(1,084)	(1,084)	**
Purchase of performance shares	(6)	(6)	(6)	(37)	(37)	-0.5
Others	*	*	(6)	(7)	1	nm
	(1,514)	(1,198)	(153)	(2,825)	(3,702)	-23.7
Net (decrease)/ increase in cash and cash equivalents	(677)	75	428	(275)	(442)	-37.6
Exchange effects on cash and cash equivalents	17	5	(6)	(13)	6	nm
Group cash and cash equivalents at beginning	1,283	831	861	911	1,346	-32.3
Group cash and cash equivalents at end	623	911	1,283	623	911	-31.7
Singapore ⁽¹⁾	353	479	370	1,324	1,491	-11.2
Optus	440	706	290	1,020	1,367	-25.4
	793	1,185	660	2,344	2,859	-18.0
Dividends received from associates (net of withholding tax)	75	80	51	1,048	900	16.4
Group free cash flow ⁽¹⁾	868	1,266	712	3,391	3,759	-9.8
Group free cash flow	868	1,266	569	3,249	3,759	-13.6
Optus (in A\$)	387	549	250	903	1,068	-15.4
Cash capex to operating revenue	16%	9%	11%	12%	11%	

SECTION 1 : GROUP

Note:

- (1) Adjusted to exclude payment of S\$143 million to NetLink Trust during the quarter ended 31 December 2013 in consideration of tax benefits utilised by the Group. The S\$143 million was subsequently applied by NetLink Trust towards its acquisition of OpenNet.

Operating cash flow (before associates' dividend receipts) declined 8.6% to S\$1.45 billion due mainly to lower EBITDA impacted by the weaker Australian Dollar as well as higher cash tax payments in Australia.

Compared to the preceding quarter, operating cash flow (excluding tax benefit payment to NetLink Trust) grew 29% mainly attributed to positive working capital movements in the quarter.

Net cash outflow for investing activities was S\$685 million. Capital expenditure was 64% higher at S\$654 million, and constituted 16% of operating revenue. Major investments across Singapore and Australia in the quarter included approximately S\$379 million for mobile networks including LTE deployment, and S\$162 million for fixed and data infrastructure.

With higher capital expenditure and the weaker Australian Dollar, the Group's free cash flow declined 31% to S\$868 million.

Net cash financing outflow of S\$1.51 billion mainly comprised interim dividend payment of S\$1.08 billion in respect of the current financial year, net decrease in borrowings of S\$359 million and interest payments of S\$65 million.

Overall cash balance decreased S\$660 million from a quarter ago, and the cash balance was S\$623 million at 31 March 2014.

SECTION 2 : GROUP CONSUMER

GROUP CONSUMER

MANAGEMENT DISCUSSION AND ANALYSIS

Group Consumer comprises the consumer businesses across Singapore and Australia, as well as the regional mobile associates in the emerging markets. Group Consumer's reported results have been adversely impacted by currency movements, with the strengthening of the Singapore Dollar against the Australian Dollar by 11% this quarter. The results of regional mobile associates are discussed in **Section 5**.

FINANCIAL HIGHLIGHTS

FOR THE FOURTH QUARTER ENDED 31 MARCH 2014

- Operating revenue at S\$2.47 billion – down 12%.
- EBITDA at S\$875 million – down 6.4%.
- EBIT at S\$526 million – down 7.7%.

FOR THE YEAR ENDED 31 MARCH 2014

- Operating revenue at S\$10.41 billion – down 11%.
- EBITDA stable at S\$3.35 billion.
- EBIT at S\$1.94 billion – up 1.8%.

SECTION 2 : GROUP CONSUMER**GROUP CONSUMER SUMMARY INCOME STATEMENTS**
For The Fourth Quarter And Year Ended 31 March 2014

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Operating revenue	2,466	2,796	-11.8	10,411	11,629	-10.5
Operating expenses	(1,613)	(1,888)	-14.6	(7,138)	(8,389)	-14.9
	854	908	-5.9	3,273	3,240	1.0
Other income	21	26	-20.8	72	90	-20.0
EBITDA	875	934	-6.4	3,345	3,331	0.4
- margin	35.5%	33.4%		32.1%	28.6%	
Depreciation & amortisation	(349)	(365)	-4.3	(1,404)	(1,424)	-1.4
EBIT	526	569	-7.7	1,941	1,907	1.8

	Quarter		YOY Change %	Year		YOY Change %
	31 Mar			31 Mar		
	2014	2013		2014	2013	
	S\$ m	S\$ m		S\$ m	S\$ m	
Selling & administrative	676	795	-15.0	2,913	3,623	-19.6
Traffic expenses	429	484	-11.4	1,850	2,072	-10.7
Cost of sales	242	318	-23.9	1,228	1,499	-18.1
Staff costs	212	233	-8.9	925	953	-3.0
Repair & maintenance	49	52	-6.4	196	217	-9.6
Others	5	6	-17.2	26	26	1.5
Operating expenses	1,613	1,888	-14.6	7,138	8,389	-14.9

GROUP CONSUMER OPERATING HIGHLIGHTS**For The Fourth Quarter Ended 31 March 2014**

Australia Consumer contributed 77% (Q4 FY2013: 81%) and 78% (Q4 FY2013: 82%) to the Group Consumer operating revenue and EBITDA respectively. The Australian Dollar declined 11% against the Singapore Dollar from the same quarter last year, impacting Group Consumer's results.

EBITDA margin expanded 2.1 percentage points. With the weaker Australian Dollar, Group Consumer revenue declined 12% and EBITDA declined 6.4%. If the Australian Dollar was held constant against the Singapore Dollar, Group Consumer revenue would have declined 3.0% and EBITDA would have increased 3.1%.

SECTION 2 : GROUP CONSUMER

Operating revenue for Singapore Consumer grew 4.7% while Australia Consumer revenue in Australian Dollar terms fell 4.8%. Revenue in Australia declined with lower equipment sales, lower fixed revenues and lower incoming service revenue from a further mandated decline in mobile termination rates from 1 January 2014.

In Singapore, EBITDA grew 13% driven by both revenue growth and cost management. Investments in the 4G LTE and 3G networks continued to deliver customer growth and increased data penetration, while handset subsidies continued to reduce.

In Australia, EBITDA was stable despite operating revenue decline of A\$85 million or 4.8%. Total operating expenses decreased 7.5% year-on-year, driven by lower cost of sales, selling and administrative and traffic expenses.

Group Consumer EBIT declined 7.7%, however in constant currency terms, EBIT would have increased 1.3%.

For The Year Ended 31 March 2014

Group Consumer EBITDA remained stable and EBIT grew 1.8% for the full year despite a 11% decline in revenues.

In constant currency terms, operating revenue declined 4.1% while EBITDA and EBIT were up 8.0% and 9.3% respectively.

SEQUENTIAL QUARTERLY RESULTS

Results for the current quarter compared to the preceding quarter ended 31 December 2013 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2014 S\$ m	31 Dec 2013 S\$ m	
Operating revenue	2,466	2,668	-7.6
Operating expenses	(1,613)	(1,879)	-14.2
EBITDA	875	805	8.6
- margin	35.5%	30.2%	
EBIT	526	455	15.5

EBITDA and EBIT grew 8.6% and 16% respectively in this quarter compared to the preceding quarter. Operating revenue was seasonally lower, while operating expenses declined mainly on lower cost of sales and selling and administrative expenses.

SECTION 2 : GROUP CONSUMER

SINGAPORE CONSUMER SUMMARY INCOME STATEMENT
For The Fourth Quarter And Year Ended 31 March 2014

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Operating revenue	565	539	4.7	2,295	2,209	3.9
Operating expenses	(368)	(369)	-0.3	(1,591)	(1,600)	-0.6
Other income	197	170	15.6	704	609	15.7
	3	6	-51.2	9	23	-61.6
EBITDA	200	177	13.1	713	632	12.8
- margin	35.4%	32.8%		31.1%	28.6%	
EBIT	138	120	15.1	482	408	17.9

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Mobile communications	314	302	3.9	1,264	1,192	6.1
Sale of equipment	59	51	14.2	263	265	-1.0
International telephone	54	57	-5.6	224	240	-6.9
Fixed broadband	52	56	-8.0	211	224	-6.0
Residential mio TV	44	30	46.9	151	106	42.9
National telephone	34	36	-5.5	138	147	-6.4
Others ⁽²⁾	8	6	31.6	45	34	32.0
Operating revenue	565	539	4.7	2,295	2,209	3.9
Selling & administrative	176	178	-1.0	730	753	-3.2
Traffic expenses	71	70	0.8	317	301	5.3
Cost of sales	52	48	7.6	250	253	-1.3
Staff costs	47	48	-1.9	197	197	0.2
Repair & maintenance	12	11	11.7	46	42	9.8
Others ⁽³⁾	11	15	-26.6	51	53	-4.4
Operating expenses	368	369	-0.3	1,591	1,600	-0.6

Notes:

- (1) The above figures exclude costs of International Group which have responsibility over the regional mobile associates.
- (2) Include inter-operator tariff discounts, and revenue from mobile network cabling works and projects.
- (3) Include property related expenses, project costs recovery and other operating expenses.

SECTION 2 : GROUP CONSUMER

SINGAPORE CONSUMER OPERATING PERFORMANCE

For The Fourth Quarter Ended 31 March 2014

In this quarter, Singapore Consumer EBITDA and EBIT grew 13% and 15% respectively.

Operating revenue increased 4.7% with robust growth from mio TV, Mobile Communications and equipment sales revenue offsetting the decline in other services.

Mobile Communications revenue grew 3.9%. This sustained growth was supported by higher subscription and roaming revenues as well as data revenue. Data usage trends continued to grow as more postpaid customers subscribed to the tiered 4G data plans and a greater proportion of prepaid customers took up data bundles.

Consumer Home Services revenue comprising residential mio TV, fixed broadband and voice grew by 5.8%. The number of customers on bundled triple/quad play services also grew 6.1% to 368,000 as at 31 March 2014. mio TV further expanded its revenue by 47% helped by enriched content suite and bundle upgrades. Fixed broadband revenue was impacted by promotional offers in a highly competitive environment.

Overall operating expenses were stable. Selling and administrative expenses fell 1.0% from lower advertising and promotion spend, as well as reduction in handset subsidies. Staff costs fell 1.9%, contributed by lower bonus accruals this quarter. Cost of sales increased 7.6% from higher equipment sales. Other operating expenses fell 27% from lower property and miscellaneous expenses.

For The Year Ended 31 March 2014

Operating revenue for the full year grew 3.9% to S\$2.30 billion while EBITDA and EBIT expanded by 13% and 18% respectively. The increase in EBITDA margin of 2.5 percentage points resulted from cost management with reduction in handset subsidies and lower rates for roaming traffic.

SECTION 2 : GROUP CONSUMER**SEQUENTIAL QUARTERLY RESULTS**

Results for the current quarter compared to the preceding quarter ended 31 December 2013 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2014 S\$ m	31 Dec 2013 S\$ m	
Operating revenue	565	607	-6.9
Operating expenses	(368)	(449)	-18.0
EBITDA	200	159	25.8
- margin	35.4%	26.2%	
EBIT	138	101	36.5

EBITDA and EBIT grew 26% and 37% respectively in this quarter compared to the preceding quarter. The growth was contributed by lower operating expenses, which declined 18% from lower handset subsidies and roaming traffic expenses. This was partially offset by lower operating revenue which fell 6.9% mainly from lower seasonal roaming.

SECTION 2 : GROUP CONSUMER**AUSTRALIA CONSUMER SUMMARY INCOME STATEMENTS**
For The Fourth Quarter And Year Ended 31 March 2014

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 A\$ m	2013 A\$ m		2014 A\$ m	2013 A\$ m	
Operating revenue	1,671	1,756	-4.8	6,914	7,350	-5.9
Operating expenses	(1,088)	(1,177)	-7.5	(4,703)	(5,282)	-11.0
Other income	582	578	0.7	2,212	2,068	6.9
	15	15	0.1	53	52	2.1
EBITDA - margin	598 35.8%	594 33.8%	0.7	2,265 32.8%	2,120 28.8%	6.8
EBIT	345	354	-2.6	1,266	1,184	6.9

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 A\$ m	2013 A\$ m		2014 A\$ m	2013 A\$ m	
Incoming	211	228	-7.2	907	980	-7.4
Outgoing	873	879	-0.7	3,497	3,610	-3.1
Total Mobile Service ⁽¹⁾	1,084	1,107	-2.1	4,404	4,590	-4.1
Equipment	144	175	-17.4	698	839	-16.8
Total Mobile Revenue	1,228	1,282	-4.2	5,102	5,429	-6.0
Voice	136	154	-11.7	564	619	-8.8
Broadband	112	117	-4.2	453	480	-5.7
Pay TV	19	19	-2.3	75	78	-2.9
Mass Market Fixed On-net	266	290	-8.1	1,093	1,177	-7.1
Mass Market Fixed Off-net	11	7	65.0	30	32	-4.4
Total Mass Market Fixed	278	297	-6.4	1,123	1,208	-7.1
Data & IP	59	61	-3.2	230	239	-3.7
Voice	33	33	1.7	143	136	4.9
Satellite	72	83	-13.4	317	338	-6.2
Total Wholesale Fixed	165	177	-7.1	690	713	-3.2
Operating revenue	1,671	1,756	-4.8	6,914	7,350	-5.9

Note:

(1) Includes international incoming and outgoing revenue.

SECTION 2 : GROUP CONSUMER

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 A\$ m	2013 A\$ m		2014 A\$ m	2013 A\$ m	
Selling & administrative	422	463	-8.8	1,788	2,176	-17.8
Traffic expenses	314	322	-2.4	1,306	1,381	-5.4
Cost of sales	167	210	-20.5	833	973	-14.4
Staff costs	141	140	0.9	605	577	4.8
Repair & maintenance	32	32	0.5	127	136	-6.6
Others	11	9	15.5	44	39	13.3
Operating expenses	1,088	1,177	-7.5	4,703	5,282	-11.0

AUSTRALIA CONSUMER OPERATING PERFORMANCE**For The Fourth Quarter Ended 31 March 2014**

This quarter, Australia Consumer continued to execute on its transformation plan, and kept its focus on improving customer experience and sustaining profitability while positioning itself to leverage network investments and capitalise on mobile data usage growth. EBITDA was stable although operating revenue declined A\$85 million or 4.8%.

The decline in mobile revenue of A\$54 million or 4.2% was attributed to the following items that have minimal impact on EBITDA:

- Lower equipment sales by A\$31 million from lower shipment volumes and change in channel mix to Optus owned stores; and
- Lower mobile incoming revenue by A\$16 million from the mandated reduction in the mobile termination rate from 4.8 cents to 3.6 cents per minute from 1 January 2014.

The number of 4G mobile customers increased 342,000 in the quarter, resulting in the total 4G customer base increasing to 2.15 million at 31 March 2014, up from 1.81 million a quarter ago.

The introduction of *My Plan*, which provides customers with data usage certainty, contributed to increased data revenues. Mobile outgoing service revenues were stable, as customer usage trends continued with lower roaming and voice breakage revenues.

Continued focus on customer engagement and innovation has resulted in significant improvements in the market NPS³ scores, improving to +5 with average monthly postpaid churn reducing from 1.6% to 1.3% this quarter. As a key part of the customer-centric strategy in Australia, Optus continued to rebrand and refit stores while increasing the number of owned stores by 30 this quarter to 152 as at 31 March 2014.

Optus continued its focus on mobile network investment. As at 31 March 2014, Optus had expanded the 4G metro population coverage to 75% (on-street) and 55% (in-building), with 1,784 sites upgraded to 4G. The past twelve months also saw the completion of the 3G U900 upgrade program and the improvement in metro in-building population coverage to 94% through the upgrade of over 4,400 sites nationally since the rollout commenced.

³ The Net Promoter Score ("NPS") is a widely used metric to measure customer experience by scoring the willingness of customers to recommend a brand following an interaction with the company.

SECTION 2 : GROUP CONSUMER

In Mass Market Fixed, on-net revenue declined 8.1% on lower telephony customer numbers and reduced ARPU.

Wholesale fixed revenue was down 7.1% compared to the same quarter last year as the increase in voice revenue was offset by lower Satellite and Data and IP revenues. The Satellite revenue decline was mainly driven by lower equipment sales. This quarter, Optus secured a 4-year, A\$19.5 million satellite contract renewal with the Australian Department of Defence and signed a new 5-year agreement with NBN Co to operate its two new satellites that will deliver high-speed broadband services to rural and remote Australia.

Total operating expenses fell 7.5%. Selling and administrative expenses declined 8.8% due to lower subscriber acquisition costs and commissions. Traffic expenses declined 2.4% due to lower interconnect costs from the mandated decline in mobile voice termination rates and lower outpayment costs. Cost of sales declined 21% due to lower shipment volumes and change in channel mix to Optus owned stores.

Overall Australia Consumer EBITDA was stable year-on-year and EBITDA margin expanded by 2.0 percentage points to 35.8%.

EBIT decreased by 2.6%, driven by higher depreciation and amortisation charges from increased investment in the mobile network.

For The Year Ended 31 March 2014

For the full year, Australia Consumer EBITDA grew 6.8% and EBIT was up 6.9%. Operating revenue declined 5.9% from lower equipment sales, higher mobile service credits associated with device repayment plans, lower incoming revenue from reduction of mobile termination rates and lower fixed revenues. Operating expenses reduced 11% with lower selling and administrative expenses, cost of sales and traffic costs.

SECTION 2 : GROUP CONSUMER**SEQUENTIAL QUARTERLY RESULTS**

Results for the current quarter compared to the preceding quarter ended 31 December 2013 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2014 A\$ m	31 Dec 2013 A\$ m	
Operating revenue	1,671	1,779	-6.1
Operating expenses	(1,088)	(1,230)	-11.5
EBITDA	598	562	6.4
- margin	35.8%	31.6%	
EBIT	345	309	11.5

Operating revenue declined 6.1% in the quarter due to seasonally lower Mobile revenue, while EBITDA and EBIT both improved on lower expenses.

Australian Government's NBN Project

On 12 December 2013, NBN Co released its report following a strategic review of the Australian Government's NBN project. NBN Co has recommended an optimised multi-technology mix model which would require the re-negotiation of a number of existing contracts. On 8 April 2014, the Government issued a new Statement of Expectations to NBN Co which endorses the recommendation to transition to a multi-technology approach. The HFC Subscriber Agreement (2012) continues to apply and Optus continues to operate under those terms having commenced migration of customers during 2013.

SECTION 3 : GROUP ENTERPRISE

GROUP ENTERPRISE

MANAGEMENT DISCUSSION AND ANALYSIS

Group Enterprise provides comprehensive and integrated ICT solutions to enterprise customers both in Singapore and Australia, covering mobile, voice and data infrastructure, managed services, cloud computing, and IT services and professional consulting.

FINANCIAL HIGHLIGHTS

FOR THE FOURTH QUARTER ENDED 31 MARCH 2014

- Operating revenue at S\$1.61 billion – down 2.7%.
- EBITDA at S\$490 million – down 12%.
- EBIT at S\$317 million – down 16%.
- One-off contract revenue with corresponding EBITDA and EBIT of S\$33 million (A\$25 million) recognised in March 2013 quarter, which impacted this quarter's growth trends.

FOR THE YEAR ENDED 31 MARCH 2014

- Operating revenue at S\$6.27 billion – down 2.7%.
- EBITDA at S\$2.03 billion – down 1.5%.
- EBIT at S\$1.35 billion – down 3.2%.

SECTION 3 : GROUP ENTERPRISE**GROUP ENTERPRISE SUMMARY INCOME STATEMENTS**
For The Fourth Quarter And Year Ended 31 March 2014

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014	2013		2014	2013	
	S\$ m	S\$ m		S\$ m	S\$ m	
Operating revenue	1,613	1,657	-2.7	6,268	6,443	-2.7
Operating expenses	(1,127)	(1,108)	1.7	(4,265)	(4,408)	-3.2
	486	550	-11.6	2,004	2,035	-1.5
Other income	4	7	-42.4	28	28	2.5
EBITDA	490	556	-12.0	2,032	2,063	-1.5
- margin	30.4%	33.6%		32.4%	32.0%	
Depreciation & amortisation	(173)	(177)	-2.4	(680)	(666)	2.1
EBIT	317	379	-16.4	1,352	1,397	-3.2

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014	2013		2014	2013	
	S\$ m	S\$ m		S\$ m	S\$ m	
Cost of sales	429	387	10.6	1,424	1,460	-2.5
Staff costs	283	305	-7.2	1,188	1,249	-4.9
Selling & administrative	207	205	0.6	821	827	-0.8
Traffic expenses	177	185	-4.0	726	776	-6.4
Repair & maintenance and other expenses/ recoveries	32	25	24.9	106	96	10.6
Operating expenses	1,127	1,108	1.7	4,265	4,408	-3.2

GROUP ENTERPRISE OPERATING HIGHLIGHTS**For the Fourth Quarter Ended 31 March 2014**

Singapore Enterprise revenue grew 3.6% and contributed 72% (Q4 FY2013: 68%) to the Group Enterprise operating revenue. Group Enterprise revenue, EBITDA and EBIT in the same quarter last year were lifted by the recognition of S\$33 million (A\$25 million) of one-off contract revenue in Australia. Consequently, together with the weaker Australian Dollar, revenue declined 2.7% while EBITDA and EBIT declined 12% and 16% respectively. Excluding the one-off contract revenue, revenue would be stable and EBITDA and EBIT would have declined 6.4% and 8.4% respectively.

SECTION 3 : GROUP ENTERPRISE

If the Australian Dollar was held constant against the Singapore Dollar, and excluding the one-off contract revenue, revenue growth would be 2.9% and EBITDA would have decreased by 4.7%.

Operating expenses grew 1.7%, reflecting higher cost of sales in line with related revenue growth and increased repair and maintenance costs on a higher asset base partially offset by lower staff cost and traffic expenses. Staff cost declined 7.2% primarily due to workforce restructuring in Australia, and traffic expenses declined 4.0% on lower mobile termination rates in Australia.

The operating results of Group Enterprise reflected the cautious business environment. Competition continued to be intense with price erosions in international and domestic carriage businesses. There was also an increase in revenue contribution from non-carriage services which carried lower margins.

Group Enterprise expanded its infrastructure capacity and added new IP gateways in Thailand and Malaysia, further strengthening its competitiveness in the international carriage business. It also invested in SEA-ME-WE 5 cable networks to enhance the connectivity and diversity to Europe and Middle East.

In the Managed ICT space, Group Enterprise expanded its suite of cloud solutions with the launch of *Unified Communications-as-a-Service* in Asia Pacific.

Group Enterprise continued to gain industry wide recognition overseas for its Managed ICT services. SingTel was awarded the Best Managed Services Provider in Hong Kong at IT Square Editors' Choice Awards 2013, and the Best Innovative Managed Service ICT Service Provider in China by China Network World.

Group Enterprise formed the Bridge M2M Alliance - the region's largest Machine-to-Machine (M2M) alliance, along with 10 other leading Asia Pacific mobile players to offer a 'one-stop-shop' experience for M2M deployment across the region.

For The Year Ended 31 March 2014

In constant currency terms, operating revenue and EBITDA would have been stable, reflecting disciplined cost management and the impact of some one-off credits. EBIT would have declined 2.9% with higher depreciation charges from investments in data centres and core infrastructure.

Singapore Enterprise contributed 71% (FY2013: 69%) to the Group Enterprise operating revenue, with growth in Mobile Communications and fibre rollout and maintenance revenue partially offset by lower Managed Services attributed partly to customers' longer procurement decision cycle in some segments of the market.

In Australia, revenue declined 2.0% primarily due to declines in Data and IP and Voice revenues compensated by higher ICT and Managed Services. The decline reflected price competition and decline in legacy services as customers continued to migrate to lower cost IP based solutions.

SECTION 3 : GROUP ENTERPRISE**SEQUENTIAL QUARTERLY RESULTS**

Results for the current quarter compared to the preceding quarter ended 31 December 2013 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2014 S\$ m	31 Dec 2013 S\$ m	
Operating revenue	1,613	1,548	4.2
Operating expenses	(1,127)	(1,041)	8.2
EBITDA	490	513	-4.5
EBITDA margin	30.4%	33.1%	
EBIT	317	344	-7.8

Operating revenue grew 4.2% with seasonally higher revenue in the March quarter partially offset by lower mobile roaming traffic and fibre rollout and maintenance revenue. The results of the preceding quarter benefited from one-off recognition of deferred revenue from fibre rollout in Singapore, and write-back of certain provisions no longer required in Australia. Excluding these one-offs, EBITDA and EBIT would have increased 1.7% and 1.5% respectively in constant currency terms.

SECTION 3 : GROUP ENTERPRISE**SINGAPORE ENTERPRISE OPERATING REVENUE**

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014	2013		2014	2013	
	S\$ m	S\$ m		S\$ m	S\$ m	
Data and Internet ⁽¹⁾	318	319	-0.2	1,282	1,289	-0.6
Managed services ⁽²⁾	321	310	3.7	1,089	1,121	-2.8
Mobile communications ⁽³⁾	194	189	2.6	791	754	4.9
Business solutions ⁽⁴⁾	169	146	16.2	568	560	1.4
International telephone ⁽³⁾	54	59	-8.7	228	242	-5.7
National telephone	45	46	-2.0	184	187	-1.5
Fibre rollout and maintenance ⁽⁵⁾	27	25	5.1	154	117	31.3
Miscellaneous ⁽³⁾⁽⁶⁾	38	32	17.4	170	162	4.7
Operating revenue	1,166	1,125	3.6	4,465	4,432	0.8

Notes:

- (1) Include Local Leased Circuits (LLC), International Leased Circuits (ILC), Fixed Broadband and STIX.
(2) Include facility management, managed and network services, and value-added reselling and services.
(3) Include revenue from customers on staff mobile schemes of Enterprise's customers.
(4) Include applications management services and outsourcing, system integration and business process outsourcing and communication engineering services.
(5) Include revenue from OpenNet for maintenance of fibre which commenced from April 2013.
(6) Include sale of equipment and other miscellaneous revenue.

Singapore Enterprise revenue was up 3.6% at S\$1.17 billion on growth in Business Solutions and Managed Services.

Data and Internet revenue was stable despite managed price declines from increased competition.

Managed Services revenue grew 3.7% due to revenue from government infrastructure and ICT projects which commenced this quarter.

Mobile Communications grew 2.6% with growth in mobile customer base. The increase in plan subscription revenue and data usage from increased proportion of customers on tiered data plans was offset by lower voice usage, SMS, VAS and roaming revenues.

Business Solutions revenue grew 16% year-on-year due to higher project related equipment revenue. This quarter, NCS recorded a solid order book of S\$2.1 billion on the back of major infrastructure outsourcing contract wins. Overseas major wins included a three-year contract to provide Business Process Outsourcing services and system integration to a customer in China.

International Telephone revenue declined 8.7% with lower inpayment rates and call revenue. The impact of the decline on earnings was partially mitigated by lower traffic outpayment rates.

SECTION 3 : GROUP ENTERPRISE

AUSTRALIA ENTERPRISE OPERATING REVENUE

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 A\$ m	2013 A\$ m		2014 A\$ m	2013 A\$ m	
ICT and Managed Services	140	150	-6.6	510	486	4.9
Data and IP	98	104	-6.1	390	432	-9.8
Voice	89	95	-5.8	367	382	-3.9
Mobile ⁽¹⁾	65	64	1.5	270	269	0.6
Operating revenue ⁽²⁾	392	413	-5.0	1,537	1,569	-2.0
<i>(ex-one off contract revenue)</i>	392	388	1.1	1,537	1,544	-0.5

Notes:

(1) Include mobile service revenue and sale of equipment revenue.

(2) Exclude small and medium business segment which is reported under Australia Consumer.

ICT and Managed Services revenue in March 2013 quarter was lifted by the recognition of A\$25 million of one-off contract revenue. Excluding the impact of this one-off contract revenue, ICT and Managed Services would have increased 12% from growth in maintenance revenue and hardware and software sales.

Data and IP revenue fell 6.1% reflecting continued price competition and migration of legacy data services to IP network solutions.

Voice revenue declined 5.8% which was in line with the market decline, due to price erosions and declines in switched voice as businesses migrated to lower cost IP-based voice solutions.

Mobile revenue grew 1.5% from higher equipment revenue and value added services partially offset by the decline in mobile termination rates and lower roaming tariffs.

During the quarter, Optus launched *Contact Centre-as-a-Service*. This solution allows companies to manage their contact centres through the *Unified Communications-as-a-Service* platform.

SECTION 4 : GROUP DIGITAL L!FE

GROUP DIGITAL L!FE**MANAGEMENT DISCUSSION AND ANALYSIS**

Group Digital L!fe focuses on using the latest Internet technologies and assets of the Group's operating companies to develop new revenue and growth engines by entering adjacent businesses where it has a competitive advantage.

FINANCIAL HIGHLIGHTS**FOR THE FOURTH QUARTER ENDED 31 MARCH 2014**

- **Operating revenue at S\$50 million – up 73%.**
- **Negative EBITDA of S\$55 million, reflecting start-up costs and investment initiatives.**
- **Negative EBIT of S\$67 million.**

FOR THE YEAR ENDED 31 MARCH 2014

- **Operating revenue at S\$169 million – up 52%.**
- **Negative EBITDA of S\$170 million.**
- **Negative EBIT of S\$217 million.**

SECTION 4 : GROUP DIGITAL LIFE**GROUP DIGITAL LIFE SUMMARY INCOME STATEMENTS**
For The Fourth Quarter And Year Ended 31 March 2014

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Advertising Business						
- Mobile advertising ⁽¹⁾	35	13	168.2	113	54	110.4
- Other advertising ⁽²⁾	4	5	-18.5	18	22	-19.6
	40	19	114.0	131	76	72.8
Others ⁽³⁾	10	10	-3.0	38	36	6.5
Operating revenue	50	29	73.1	169	111	51.5
Operating expenses	(104)	(63)	66.5	(336)	(216)	55.3
	(55)	(34)	60.9	(168)	(105)	59.3
Other income	(1)	1	nm	(2)	1	nm
EBITDA	(55)	(33)	66.9	(170)	(104)	63.1
Depreciation	(4)	(4)	-16.3	(18)	(15)	17.8
Amortisation of intangibles	(8)	(8)	-1.3	(30)	(26)	13.0
	(11)	(12)	-6.7	(48)	(41)	14.7
EBIT	(67)	(45)	47.3	(217)	(146)	49.3

Notes:

(1) Mainly advertising revenue from Amobee.

(2) Mainly advertising revenues from TV and Internet.

(3) Include revenues from e-commerce, concierge and hyper-local services.

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Selling & administrative	64	31	108.9	198	105	89.4
Staff costs	36	26	40.7	124	91	36.2
Cost of sales	*	4	nm	3	14	-77.5
Others	4	2	82.6	11	7	55.7
Operating expenses	104	63	66.5	336	216	55.3

SECTION 4 : GROUP DIGITAL LIFE

GROUP DIGITAL LIFE OPERATING HIGHLIGHTS**For The Fourth Quarter Ended 31 March 2014**

Group Digital Life achieved strong operating revenue growth of S\$21 million or 73% to S\$50 million this quarter, with Amobee delivering a significant increase in mobile advertising revenue.

The negative EBITDA of S\$55 million reflected ongoing start-up costs and investments in digital businesses. Including depreciation and amortisation of intangibles, negative EBIT amounted to S\$67 million.

Group Digital Life continued to develop products and services that engaged customers and enhanced lifestyles.

In the quarter, NewsLoop, a top-rated news aggregation app was upgraded to include video content after being successfully rolled out to regional markets such as Australia and Indonesia.

As at end of March 2014, Group Digital Life had 10 million of monthly active customers using its various mobile apps and web, such as NewsLoop, AMPed, HungryGoWhere and inSing.

In April 2014, Innov8 Sparks was launched with the aim to provide assistance to eligible startups to expand in Singapore, Australia, Indonesia, Philippines and Thailand.

For The Year Ended 31 March 2014

Operating revenue grew by 52% to S\$169 million, contributed mainly by advertising. Negative EBITDA and EBIT were at S\$170 million and S\$217 million respectively.

SECTION 4 : GROUP DIGITAL LIFE**SEQUENTIAL QUARTERLY RESULTS**

Results for the current quarter compared to the preceding quarter ended 31 December 2013 were as follows:

	Quarter		QOQ Chge %
	31 Mar 2014 S\$ m	31 Dec 2013 S\$ m	
Operating revenue	50	48	3.8
Operating expenses	(104)	(90)	16.4
EBITDA	(55)	(42)	30.7
EBIT	(67)	(56)	19.4

Operating revenue remained strong at S\$50 million. Operating expenses grew by 16% as a result of continued investment in acquiring digital talents as well as cost of new launches such as the mobile gaming platform, 'WePlay' in Indonesia.

SECTION 5: ASSOCIATES / JOINT VENTURES

FINANCIAL HIGHLIGHTS

FOR THE FOURTH QUARTER ENDED 31 MARCH 2014

- Associates' pre-tax contributions were up 4.8% to S\$566 million, with strong overall results diluted by adverse currency movements.
- Airtel reported sharply improved earnings on strong data momentum and higher margin in India.
- If the regional currencies were held constant from a year ago, the pre-tax and post-tax contributions from the associates would have increased by 18% and 8.0% respectively.
- The Group's combined mobile customer base⁴ was up 13.3 million or 2.7% in the quarter to 514 million.

FOR THE YEAR ENDED 31 MARCH 2014

- Associates' strong operating performance was impacted by adverse currency movements and fair value losses.
- Associates' pre-tax contributions grew 4.5%. With higher taxes recorded by Airtel, the post-tax contributions were stable.
- If the regional currencies had remained stable from last year, the pre-tax and post-tax contributions from the associates would have increased by 13% and 7.2% respectively.

⁴ Combined mobile customer base here refers to the total number of mobile customers in SingTel, Optus and the regional mobile associates.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Pre-tax profit contribution	Equity Int %	Quarter		YOY Chge %	Year		YOY Chge %
		31 Mar			31 Mar		
		2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Regional mobile associates							
Telkomsel	35.0						
- operating results		215	242	-11.2	958	1,012	-5.3
- fair value gains/ (losses)		1	*	nm	(21)	(8)	154.9
		216	242	-10.7	937	1,004	-6.6
AIS	23.3						
- operating results		107	119	-9.5	431	435	-1.0
- fair value gains/ (losses)		1	2	-58.8	(3)	3	nm
		108	120	-10.2	428	438	-2.3
Bharti Telecom / Bharti Airtel ("Airtel") ⁽²⁾	32.4						
- operating results (India)		208	161	29.1	736	591	24.5
- operating results ("International" - Africa, Bangladesh and Sri Lanka) ⁽³⁾		28	23	18.0	107	101	6.3
- net finance costs		(56)	(74)	-24.7	(239)	(300)	-20.5
- fair value losses		(10)	(15)	-32.2	(85)	(23)	273.1
		170	96	77.7	519	369	40.9
Globe ⁽⁴⁾	47.2						
- operating results		64	58	10.3	237	209	13.3
- fair value (losses) / gains		*	(2)	nm	(7)	1	nm
		64	57	13.3	231	210	9.8
Warid Pakistan ⁽⁵⁾	-	-	-	-	-	(18)	nm
		558	514	8.5	2,115	2,002	5.6
Other SingTel associates							
Singapore Post	25.5	10	8	17.1	46	43	5.8
Southern Cross ⁽⁶⁾	40.0	-	11	nm	-	41	nm
Others		12	7	82.4	41	20	101.5
SingTel share of ordinary results (pre-tax)		580	540	7.3	2,201	2,106	4.5
Optus share of ordinary results (pre-tax)		*	*	nm	*	*	nm
Group share of ordinary results (pre-tax)		580	540	7.3	2,201	2,106	4.5
Exceptional item ("EI")							
Airtel - one-off items		(14)	-	nm	(7)	-	nm
ACPL Marine - gain on sale of asset		-	-	-	8	-	nm
Group share of EI		(14)	-	nm	*	-	nm
SingTel share of pre-tax profit ⁽⁴⁾		566	540	4.8	2,201	2,106	4.5
Optus share of pre-tax profit		*	*	nm	*	*	nm
Group share of pre-tax profit ⁽⁴⁾		566	540	4.8	2,201	2,106	4.5

Share of associates' tax	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
SingTel share of associates' tax	(194)	(153)	26.9	(724)	(619)	16.9
Optus share of associates' tax	(2)	(1)	166.7	(5)	(2)	130.4
Group share of associates' tax (a)	(197)	(154)	27.7	(729)	(621)	17.3
Group share of pre-tax results (b)	566	540	4.8	2,201	2,106	4.5
Effective tax rate (a)/(b)	34.8%	28.5%		33.1%	29.5%	

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Post-tax profit contribution	Quarter				YOY Chge %	Year				YOY Chge %
	31 Mar					31 Mar				
	2014		2013			2014		2013		
	S\$ m	% ⁽⁹⁾	S\$ m	% ⁽⁹⁾		S\$ m	% ⁽⁹⁾	S\$ m	% ⁽⁹⁾	
Regional mobile associates										
Telkomsel	164	18	185	19	-11.7	705	20	754	21	-6.5
AIS	86	9	96	10	-10.5	335	9	338	9	-1.0
Airtel ⁽²⁾⁽⁸⁾										
- ordinary results (India)	162		80		103.0	479		366		30.9
- ordinary results (International) ⁽³⁾	(81)		(42)		91.5	(257)		(198)		30.2
- exceptional item	(17)		-		nm	(19)		-		nm
Globe ⁽⁴⁾	64	7	38	4	70.1	203	6	169	5	20.6
	44	5	43	4	1.6	159	4	150	4	5.7
Warid Pakistan ⁽⁵⁾	-	-	-	-	-	-	-	(18)	(1)	nm
	357	39	362	36	-1.3	1,402	39	1,393	39	0.7
Other SingTel associates	15	2	25	3	-41.8	76	2	94	3	-19.7
SingTel share of post-tax profit ⁽⁴⁾⁽⁸⁾	372	40	387	39	-4.0	1,478	41	1,487	41	-0.6
Optus share of post-tax profit	(2)	**	(1)	**	166.7	(5)	**	(2)	**	126.1
Group share of post-tax profit ⁽⁴⁾⁽⁸⁾	369	40	386	39	-4.4	1,472	41	1,485	41	-0.8

Post-tax profit contribution (in constant currency) ⁽⁷⁾	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014	2013		2014	2013	
	S\$ m	S\$ m		S\$ m	S\$ m	
Regional mobile associates						
- operating results	640	529	20.9	2,421	2,036	18.9
- fair value losses	(9)	(15)	-38.7	(122)	(34)	257.5
	631	514	22.6	2,299	2,002	14.9
Other associates	22	26	-15.1	86	104	-17.2
Group share of ordinary results	653	540	20.8	2,386	2,106	13.3
Group share of exceptional items	(15)	-	nm	(1)	-	nm
Group share of pre-tax profit	637	540	18.0	2,384	2,106	13.2
Group share of tax	(220)	(154)	43.0	(793)	(621)	27.6
Group share of post-tax profit	417	386	8.0	1,592	1,485	7.2

Notes:

- (1) The accounts of the associates are prepared based on local GAAP. Where applicable, the accounting policies of the associates have been restated for compliance with the Group's accounting policies.
- (2) In August 2013, the Group increased its shareholding in Airtel from 30.76% to 32.34%. As at 31 March 2014, the Group's equity interest in Airtel further increased to 32.38% following Bharti Telecom Ltd's additional investment in Airtel.
- (3) With effect from 1 April 2013, Airtel reported the results of Africa, Bangladesh and Sri Lanka as part of its "International" segment. Comparatives have been restated accordingly.
- (4) Share of results for the fourth quarter and year ended 31 March 2014, and 31 March 2013, excluded the Group's share of Globe's accelerated depreciation arising from its network modernisation and IT transformation which has been classified as an exceptional item of the Group.
- (5) Warid Pakistan was disposed in March 2013.
- (6) With effect from 1 April 2013, equity accounting of Southern Cross is suspended and dividend income from Southern Cross is recognised in the income statement when the right to receive payment is established.
- (7) Assuming constant exchange rates for the regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding quarter/ year ended 31 March 2013.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

- (8) Share of results for the year ended 31 March 2014 excluded the Group's share of Airtel's exceptional tax expense which has been classified as an exceptional item of the Group.
- (9) Shows the post-tax profit contribution of the associates to the Group's underlying net profit.

*"**" denotes less than +/-S\$500,000.*

The Group's share of associates' pre-tax profits grew 4.8% with strong earnings growth partially offset by the depreciation of the regional currencies. In particular, the Indonesian Rupiah and Indian Rupee declined steeply by 20% and 11% respectively against the Singapore Dollar from the same quarter last year. If the regional currencies were held constant, the pre-tax and post-tax contributions from the associates would have increased by 18% and 8.0% respectively, mainly contributed by Airtel's increased earnings.

Telkomsel recorded strong data growth and higher EBITDA which was partly offset by increased depreciation charges from network rollout. AIS reported lower profits as service revenue declined amid the unstable political situation in Thailand and with higher depreciation and amortisation charges from the 3G rollout. Globe registered higher profits with growth momentum in mobile and data services. Airtel reported strong operating momentum in India but losses in Africa increased due to higher finance costs and increased taxes. In Indian Rupee terms, Airtel's consolidated revenue grew 13% and EBITDA increased 21%.

On a post-tax basis, the associates in total contributed 40% to the Group's underlying net profit for the quarter, compared to 39% a year ago.

For the full year, the Group's share of associates' pre-tax profits grew 4.5% while share of post-tax profits were stable due to higher taxes recorded by Airtel. If the regional currencies had remained stable from a year ago, the pre-tax and post-tax contributions from the associates would have increased by 13% and 7.2% respectively.

PT Telekomunikasi Selular ("Telkomsel")

Telkomsel is the leading operator of cellular telecommunications services in Indonesia with over 74,300 radio base stations (of which 41% are 3G Node B) providing nationwide coverage. Telkomsel continued to expand its network with a focus to grow data and digital businesses. In the quarter, Telkomsel added approximately 4,500 radio base stations (of which 79% are 3G Node B).

Operating revenue was up a robust 10% year-on-year boosted by the successful implementation of its market segmentation and cluster-based pricing strategy. Voice revenue grew 7% while data and digital businesses rose 31% with continued customer growth and data adoption. Consequently, EBITDA grew 7% despite higher operation and maintenance costs from increased network deployment. With higher depreciation charges on the expanded network rollout, the Group's share of Telkomsel's pre-tax operating profit (before fair value adjustments) rose 6% in Indonesian Rupiah terms.

With the significant 20% depreciation of the Indonesian Rupiah against the Singapore Dollar this quarter, the Group's overall share of Telkomsel's pre-tax profit declined 11%.

On a post-tax basis, Telkomsel's reported contribution for the quarter declined 12% to S\$164 million and comprised 18% (Q4 FY2013: 19%) of the Group's underlying net profit.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Compared to the preceding quarter, operating revenue declined 5% on seasonality while EBITDA was stable with lower network costs and marketing expenses.

Telkomsel gained 1.1 million mobile customers in the quarter, compared to 3.6 million in the preceding quarter. The total mobile customer base grew 12.0 million or 10% from a year ago to 133 million, including 63 million data customers at end of March 2014.

Advanced Info Service (“AIS”)

AIS is the largest mobile communications operator in Thailand and is listed on the Stock Exchange of Thailand.

Service revenue (excluding interconnect revenue) declined 2% amid the political tensions and weak consumer sentiment in Thailand. The decline in voice revenue was partly offset by growing demand for mobile data from 3G 2.1GHz services launched in May 2013 and increased smartphone penetration. EBITDA was stable as higher costs related to the 3G expansion were mitigated by lower regulatory fees from higher proportion of 3G service revenue. Including higher depreciation and amortisation charges from the 3G rollout, AIS' pre-tax profit fell 4.2% in Thai Baht terms. In Singapore Dollar terms, the Group's share of AIS' pre-tax profit declined 10% to S\$108 million, as the Thai Baht depreciated 7% against the Singapore Dollar this quarter.

Post-tax contribution declined 11% to S\$86 million and comprised 9% (Q4 FY2013: 10%) of the Group's underlying net profit.

Against the preceding quarter, both AIS' service revenue and EBITDA were flat amid the unstable political situation in Thailand.

AIS added 1.5 million mobile customers this quarter, compared to 1.7 million in the preceding quarter. The total customer base grew 5.2 million or 14% from a year ago to 42 million. Following the commercial 3G launch in May 2013, AIS gained 9.9 million 3G customers in the quarter, bringing the total 3G customers to 26 million as at 31 March 2014.

Bharti Telecom Group (“Airtel”)

Airtel is listed on the Indian Stock Exchanges, National Stock Exchange and the Bombay Stock Exchange, and is a leading integrated telecommunications company with operations in 20 countries across Asia and Africa, offering telecom services under wireless and fixed line technology, national and international long distance connectivity, digital TV and IPTV service and complete integrated telecom solutions to its enterprise customers. Airtel also owns tower infrastructure pertaining to telecom operations through its subsidiary and joint venture companies.

India

In the spectrum auction conducted in February 2014, Airtel retained 900 MHz spectrum in Delhi and Kolkata, as well as secured additional 900 MHz spectrum for Mumbai and 1800 MHz in 15 other circles. Altogether, Airtel won 115 MHz of spectrum for a total cost of Rs 184 billion, of which Rs 55 billion had been paid, with the balance to be paid in 10 instalments after a moratorium of two years.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

In the quarter, Airtel launched India's first 4G for mobile in Bengaluru. Airtel also entered into a strategic agreement with Loop Mobile to integrate their operations in Mumbai service area. With this, Airtel have a combined customer base of over 7 million in Mumbai.

Airtel continued its strong operating momentum in India this quarter. Operating revenue grew 12% underpinned by an enlarged mobile customer base and strong mobile data growth. Year-on-year, total minutes on the network increased by 5% and voice realisation per minute was up 6%. Total data traffic on the network rose 95%. EBITDA increased strongly by 21% and margin expanded on robust revenue growth and improved operational efficiency.

The Group's share of pre-tax operating profit (before finance costs and fair value adjustments) grew a robust 43% in Indian Rupee terms. However, with the significant 11% depreciation of the Indian Rupee against the Singapore Dollar, Airtel India's pre-tax operating profit contribution rose by 29% to S\$208 million.

Compared to the preceding quarter, revenue and EBITDA grew 3% and 6% respectively.

Airtel added 7.0 million mobile customers in India this quarter, up from 5.1 million added in the preceding quarter. As at 31 March 2014, Airtel had 206 million mobile customers, the first operator to cross the 200 million customer mark in India. Reflecting the continued improved quality of customer acquisitions, the average monthly churn reduced to 2.4% from 2.7% a quarter ago.

Africa, Bangladesh and Sri Lanka ("International")

During the quarter, Airtel completed its integration with Warid Telecom, Uganda. Airtel also acquired Warid Congo S.A., making it the largest mobile operator in Congo S.A. in terms of customer base.

In US Dollar terms, Airtel International revenues grew 3% while EBITDA increased 4%.

In Africa, Airtel offers mobile services in 17 countries. As at end of March 2014, Airtel has launched 3G mobile services across 14 African countries and 'Airtel Money' service in all the 17 African countries.

In US Dollar terms, Africa's operating revenue rose 2% and would have increased by 3% in constant currency terms. Revenue growth was adversely affected by the decline in mobile termination rates in certain African countries. Mobile data revenue, however, grew strongly by 81% on higher data customer base. EBITDA also grew 2%. Africa generated positive cash flows of US\$114 million for the quarter, up from US\$50 million in the same quarter last year.

'South Asia' comprised operations in Sri Lanka and Bangladesh. Overall operating revenue in South Asia grew by 14% with continued positive EBITDA while EBIT losses reduced compared to the same quarter last year.

The Group's share of Airtel International's pre-tax operating profit (before finance costs and fair value adjustments) amounted to S\$28 million in the quarter, up from S\$23 million in the same quarter last year. With higher finance costs and increased taxes due to higher withholding taxes on increased income received from its subsidiaries and tax assessments in Africa, the share of Airtel International's losses increased from a year ago.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Compared to the preceding quarter, Airtel International's revenue and EBITDA declined 2% and 4% respectively in US Dollar terms, impacted by seasonal downturn in some parts of Africa and regulatory interventions in Nigeria.

Africa's mobile customer base grew 1.1 million in the quarter, compared to 1.9 million in the preceding quarter. Customer acquisition in Nigeria was impacted by regulatory restrictions on SIM card sales. As at 31 March 2014, the total customer base stood at 69 million, an increase of 5.7 million or 9.0% from a year ago. Including 8.6 million mobile customers from South Asia, Airtel International's mobile customer base reached 78 million as at end March 2014.

Overall

The Group's share of Airtel's overall ordinary pre-tax profit increased 97% in Indian Rupee terms. In Singapore Dollar terms, with the Indian Rupee depreciating by 11%, the Group's share of overall ordinary pre-tax profit from Airtel grew 78% to S\$170 million after including the share of net finance costs of S\$56 million (Q4 FY2013: S\$74 million) and fair value losses of S\$10 million (Q4 FY2013: S\$15 million). The decline in net finance costs was due to higher investment income from mark to market of short term investments.

The Group's share of Airtel's exceptional post-tax losses of S\$17 million in the quarter mainly comprised integration costs from acquisitions and various tax charges.

Including the exceptional losses, the Group's share of Airtel's post-tax profit rose a strong 70% to S\$64 million, which comprised 7% (Q4 FY2013: 4%) of the Group's underlying net profit.

Including mobile customers across operations in 20 countries covering India, Bangladesh, Sri Lanka and across Africa, Airtel's total mobile customer base across all geographies grew 24 million or 9.1% from a year ago to 284 million as at 31 March 2014.

In the quarter, Airtel successfully issued CHF 350 million of 6-year fixed rate notes and Standard and Poor's Rating Services (S&P) upgraded Airtel to 'BBB-' with a stable outlook. The above reflected the strong business and financial profile of Airtel, as well as the improving regulatory and competitive environment in India.

Globe Telecom, Inc ("Globe")

Globe is the second largest mobile communications service provider in the Philippines and is listed on the Philippine Stock Exchange.

Globe's service revenue grew 9% driven by a higher mobile customer base and strong take-up of data services. Operating expenses however increased 15% on higher subsidy, staff costs and service expenses to drive customer acquisitions and transformation initiatives. Consequently, Globe's EBITDA was stable. With lower depreciation charges due to fully depreciated assets, Globe's pre-tax operating profit (before exceptional items and fair value adjustments) rose 19% from a year ago in Philippine Peso terms.

Globe's ordinary pre-tax profit contribution increased 13% year-on-year to S\$64 million on 7% depreciation of the Philippine Peso against the Singapore Dollar. This contribution excluded Globe's accelerated depreciation charges related to its network modernisation and IT transformation programs. The Group's share of this exceptional charge of S\$7 million (S\$5 million post-tax) has been classified as an exceptional item of the Group.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

On a post-tax basis, Globe contributed S\$44 million or 5% (Q4 FY2013: 4%) to the Group's underlying net profit.

Against the preceding quarter, Globe's service revenue was stable while EBITDA grew 7% on lower staff costs and reduced spending on marketing and service expenses.

Globe added 2.3 million mobile customers in the quarter, compared to 2.0 million in the preceding quarter. As at 31 March 2014, its mobile customer base expanded to 41 million, up 5.6 million or 16% from a year ago.

PROFORMA INFORMATION

The following tables show unaudited proforma proportionate financial information which has been derived from the Income Statements of the Group prepared on a statutory basis.

Proportionate presentation is not required by Singapore GAAP and is not intended to replace the financial statements prepared in accordance with Singapore GAAP. However, since the associates are not consolidated on a line by line basis, proportionate information is provided as supplemental data to facilitate a better appreciation of the relative contribution from the Group's operations in Australia, Singapore and other regional markets.

Proportionate operating revenue	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Group operating revenue						
SingTel	1,776	1,688	5.2	6,912	6,732	2.7
Optus	2,352	2,793	-15.8	9,936	11,451	-13.2
	4,128	4,481	-7.9	16,848	18,183	-7.3
Proportionate share of operating revenue of associates						
Regional mobile associates	2,705	2,777	-2.6	10,915	10,897	0.2
Singapore associates	118	85	39.1	409	319	28.2
Other overseas associates	18	35	-47.1	70	128	-45.3
	2,842	2,896.6	-1.9	11,393.3	11,343.6	0.4
Enlarged revenue	6,970	7,378	-5.5	28,241	29,527	-4.4
% of overseas revenue to enlarged revenue	73%	76%		74%	76%	

In the quarter, overseas revenue contributed 73% to the Group's enlarged revenue against 76% a year ago. The lower contribution was mainly due to the stronger Singapore Dollar against the regional currencies.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Proportionate EBITDA	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Group EBITDA						
SingTel	549	529	3.9	2,223	2,147	3.6
Optus	748	900	-16.9	2,932	3,053	-4.0
	1,297	1,428	-9.2	5,155	5,200	-0.9
Proportionate share of associates' EBITDA ⁽¹⁾						
Regional mobile associates	1,084	1,076	0.8	4,372	4,274	2.3
Singapore associates	34	26	29.6	130	109	20.0
Other overseas associates	13	29	-53.0	55	103	-46.5
	1,132	1,131	0.1	4,557	4,485	1.6
Total proportionate EBITDA	2,429	2,559	-5.1	9,712	9,685	0.3
Overseas proportionate EBITDA as a % to total proportionate EBITDA	76%	78%		76%	77%	
Contributions to total proportionate EBITDA						
Regional mobile associates	45%	42%		45%	44%	
Australia	31%	35%		30%	32%	
Singapore	24%	22%		24%	23%	
Others	1%	1%		1%	1%	
	100%	100%		100%	100%	

Note:

(1) Proportionate share of associates' EBITDA represents the Group's effective interests in the respective entities' EBITDA. As such, proportionate EBITDA does not represent EBITDA available to the Group.

Through its investments in key market overseas, the Group has diversified its earnings base. Overseas operations contributed 76% to proportionate EBITDA against 78% a year ago.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

Number of mobile customers (000s)	Total Number			Proportionate Share ⁽¹⁾		
	31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Dec 2013	31 Mar 2013
SingTel	3,984	3,960	3,806	3,984	3,960	3,806
Optus	9,432	9,431	9,592	9,432	9,431	9,592
	13,416	13,391	13,398	13,416	13,391	13,398
Regional Mobile Associates						
Airtel						
- India	205,519	198,513	188,220	66,547	64,199	60,868
- International	78,061	76,733	71,624	25,276	24,816	23,163
	283,580	275,246	259,844	91,823	89,015	84,031
Telkomsel	132,651	131,513	120,611	46,428	46,029	42,214
AIS	42,363	40,861	37,119	9,879	9,529	8,656
Globe	40,749	38,475	35,142	19,242	18,179	16,626
	499,343	486,095	452,716	167,372	162,752	151,527
PBTL	1,414	1,365	1,451	636	614	653
	500,757	487,460	454,167	168,008	163,366	152,180
Group	514,173	500,851	467,565	181,424	176,757	165,578

Note:

- (1) Proportionate share of mobile customers represents the total number of mobile customers of an associate multiplied by the Group's effective percentage ownership in the associate at the respective dates.

The Group's combined mobile customer base was 514 million as at 31 March 2014, up 13 million or 2.7% from a quarter ago, and 47 million or 10% from a year ago. On a proportionate share basis, the increase was 2.6% to 181 million from a quarter ago.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

CASH DIVIDENDS RECEIVED FROM ASSOCIATES / JOINT VENTURES ⁽¹⁾

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 S\$ m	2013 S\$ m		2014 S\$ m	2013 S\$ m	
Regional mobile associates						
Telkomsel ⁽²⁾						
- final dividend FY 2012 / FY 2011	-	-	-	589	485	21.6
AIS ⁽³⁾						
- interim dividend FY 2013 / FY 2012	-	-	-	181	163	11.2
- final dividend FY 2012 / FY 2011	-	-	-	144	118	22.0
Globe ⁽⁴⁾						
- second dividend FY 2012 / FY 2011	-	-	-	61	60	1.3
- first dividend FY2013 / FY2012	67	63	5.7	67	63	5.7
	67	63	5.7	127	123	3.6
Airtel ⁽⁵⁾						
- final dividend FY 2013 / FY 2012	-	-	-	12	13	-12.7
	67	63	5.7	1,054	902	16.8
Other associates						
Southern Cross/ PCHL ⁽⁶⁾	11	19	-40.2	59	47	23.6
SingPost	6	6	**	31	31	**
Others	1	2	-60.0	13	13	3.1
Total	85	90	-5.8	1,157	993	16.4

Notes:

- (1) The cash dividends received from overseas associates as stated here are before related tax payments.
- (2) Telkomsel declared a full year dividend of 90% on net profit for its 2013 financial year (FY 2012: 85%). The Group's share of the dividend of approximately S\$595 million is expected to be received in the June 2014 quarter.
- (3) AIS declared a full year dividend of 100% on net profit for its 2013 financial year (FY 2012: 93%). Dividends will be paid twice a year, with an interim dividend distributed from the first half operating results and final dividend distributed from the second half operating results. On 26 March 2014, AIS declared a final dividend of THB 5.75 per share for its 2013 financial year. The Group received its share of final dividend of S\$152 million in April 2014.
- (4) Globe's dividend policy is to pay ordinary dividends of 75% to 90% of prior year's core net income, payable semi-annually in March and September of each year. Globe declared a full year dividend of 86% of core net income for its 2013 financial year (FY 2012: 86%). Globe paid its first semi-annual dividend of PHP 37.5 per common share in March 2014. The Group's share of this dividend is PHP 2.35 billion (S\$67 million). Effective from the second half of its 2014 financial year, Globe will pay dividends on a quarterly basis.
- (5) Airtel does not have a fixed dividend policy. Airtel declared a final dividend of Rs 1.8 per share for its 2014 financial year, subject to shareholders' approval. The Group's share of this dividend is Rs 1,080 million (S\$23 million) which will be received in September 2014 quarter.
- (6) Southern Cross Cables Holdings Limited and Pacific Carriage Holdings Limited (PCHL), part of the Southern Cross consortium, do not have fixed dividend policies.

The total dividends received from the associates for the quarter amounted to S\$85 million, comprising mainly S\$67 million from Globe.

SECTION 5 : ASSOCIATES/ JOINT VENTURES

KEY OPERATIONAL DATA

	Airtel ⁽¹⁾	Telkomsel	AIS	Globe	PBTL
SingTel's investment:					
Year of initial investment	2000	2001	1999	1993	2005
Effective shareholding (%)	32.4%	35.0%	23.3%	47.2%	45.0%
Investment to date	S\$2.69 bil	S\$1.93 bil	S\$1.20 bil	S\$1.02 bil	S\$238 mil
Closing market share price ⁽²⁾	INR 318.9	NA	THB 226.0 ⁽⁷⁾	PHP 1,664	NA
Market capitalisation					
- Total	S\$26.28 bil	NA	S\$26.14 bil	S\$6.25 bil	NA
- SingTel holding	S\$8.51 bil	NA	S\$6.10 bil	S\$2.96 bil	NA
Operational Performance :					
Mobile penetration rate ⁽³⁾	73%	121%	147%	112%	70%
Market share, 31 Mar 2014 ⁽³⁾	22.5%	43.9%	44.6%	36.6%	1.2%
Market share, 31 Dec 2013 ⁽⁴⁾	22.4%	43.5%	44.6%	35.5%	1.2%
Market position ^{(3) (5)}	#1	#1	#1	#2	#6
Mobile customers ('000)					
- Aggregate	283,580	132,651	42,363	40,749	1,414
- Proportionate	91,823	46,428	9,879	19,242	636
Growth in mobile customers (%) ⁽⁶⁾	9.1%	10.0%	14%	16%	-2.5%
Credit ratings					
- Sovereign (Moody's/ S&P's)	Baa3/BBB-	Baa3/BB+	Baa1/BBB+	Baa3/BBB-	Ba3/BB-
- Company (Moody's/ S&P's)	Baa3/BBB-	Baa1/BBB-	NA/A-	NA	NA

Notes:

- (1) Mobile penetration rate, market share and market position pertain to India market only.
- (2) Based on closing market price on 31 March 2014, in local currency.
- (3) Based on actual or estimated data available as at 31 March 2014. Market share for Airtel was based on 28 February 2014 while market share for AIS was based on 31 December 2013, which was the latest available data.
- (4) Based on actual data.
- (5) Based on number of mobile customers.
- (6) Compared against 31 March 2013 and based on aggregate mobile customers.
- (7) Based on local market price quoted on the Stock Exchange of Thailand.

NA Denotes not applicable.

Please refer to **Appendix 5** for the currency rate movements of the major associates.

SECTION 6 : PRODUCT INFORMATION

SINGAPORE MOBILE

	Quarter			Year		YOY Chge %
	31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Mar 2013	
Mobile Communications revenue (S\$'M) ⁽¹⁾	508	525	491	2,055	1,946	5.6
Number of mobile subscribers (000s)						
Prepaid	1,784	1,772	1,711	1,784	1,711	4.3
Postpaid	2,200	2,188	2,095	2,200	2,095	5.0
Total	3,984	3,960	3,806	3,984	3,806	4.7
4G mobile subscribers (000s)	1,074	899	378	1,074	378	184.1
Mobile broadband subscribers (000s) ⁽²⁾	1,806	1,766	1,554	1,806	1,554	16.2
MOUs per subscriber per month ⁽³⁾						
Prepaid	324	328	334	330	336	-1.8
Postpaid ⁽⁴⁾	277	285	302	289	310	-6.8
Average revenue per subscriber per month ^{(3) (5)} (S\$ per month)						
Prepaid	16	16	15	16	15	7.3
Postpaid	75	78	78	78	80	-2.6
Blended	49	50	49	50	51	-0.8
Data services as % of ARPU						
- total data ⁽⁶⁾	45%	43%	42%	43%	42%	
- non-SMS data	32%	30%	23%	29%	22%	
Tiered data plans						
- postpaid base on tiered data plans ⁽⁷⁾	50%	44%	23%	50%	23%	
- tiered data plan customers exceeding data bundles	16%	14%	12%	16%	12%	
Acquisition cost per postpaid subscriber (S\$)	263	282	288	254	302	-15.9
Postpaid external churn per month ⁽⁸⁾	0.8%	0.9%	0.8%	0.9%	0.9%	
Singapore mobile penetration rate ⁽⁹⁾	155%	156%	153%	155%	153%	
Singapore mobile subscribers ('000s) ⁽⁹⁾	8,437	8,420	8,068	8,437	8,068	
Market share ⁽⁹⁾						
Prepaid	46.1%	45.5%	45.6%	46.1%	45.6%	
Postpaid	48.2%	48.3%	48.5%	48.2%	48.5%	
Overall	47.2%	47.0%	47.2%	47.2%	47.2%	

Notes:

- (1) This comprises cellular service revenue in Singapore only and is determined net of bill rebates and net of prepaid sales discount, and includes revenue earned from mio plans and mobile broadband. It excludes revenue earned from international calls classified under "International Telephone" revenue.
- (2) Mobile customers who registered for the monthly mobile broadband data subscription plans, including data packs attached to voice services.
- (3) Based on average subscribers, calculated as the simple average of opening and closing subscribers.
- (4) MOU of postpaid base excludes customers that have 'data only' SIM plans.
- (5) ARPU includes revenue earned from international telephone calls. For prepaid, ARPU is computed net of sales discounts.
- (6) Includes revenue from SMS, *SEND, MMS and other data services.
- (7) If excluding data-only SIMs, approximately 60% of postpaid customers are on tiered plans. Of these customers, 16% have exceeded their data bundles.

SECTION 6 : PRODUCT INFORMATION

- (8) Calculated by expressing the number of postpaid subscribers who deactivate or disconnect their service (both voluntary and the Company's initiated churn) as a percentage of the average subscribers.
- (9) Source: IDA. The market share data as at 31 March 2014 was based on Telco operators' published results. The other market statistics were based on IDA's latest available published statistics as of 28 February 2014.

AUSTRALIA MOBILE

	Quarter			Year		YOY Chge %
	31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Mar 2013	
Optus' mobile revenue (A\$'M) ⁽¹⁾	1,296	1,403	1,349	5,385	5,711	-5.7
Optus' mobile service revenue (A\$'M)	1,139	1,174	1,163	4,637	4,829	-4.0
Number of mobile subscribers (000s)						
Prepaid	4,013	3,994	4,089	4,013	4,089	-1.8
Postpaid ⁽²⁾	5,419	5,437	5,503	5,419	5,503	-1.5
Total	9,432	9,431	9,592	9,432	9,592	-1.7
4G mobile subscribers (000s) ⁽³⁾	2,148	1,806	785	2,148	785	173.6
Mobile penetration rate ⁽⁴⁾	ND	133%	ND	ND	ND	
MOUs per subscriber per month ⁽⁵⁾						
Prepaid	121	124	115	121	110	9.8
Postpaid	205	220	216	216	227	-5.0
ARPU per month (A\$) ⁽⁶⁾						
Prepaid	24	24	22	23	22	5.9
Postpaid	52	54	54	54	58	-7.9
Blended	40	41	40	41	42	-3.8
Data revenue as a % of service revenue						
- total data	64%	63%	53%	63%	51%	
- non-SMS data	39%	38%	29%	37%	27%	
Market share - total ⁽⁴⁾	ND	29.6%	ND	ND	ND	
Retail postpaid churn rate per month ⁽⁷⁾	1.3%	1.4%	1.6%	1.4%	1.6%	
Acquisition cost per subscriber (A\$)						
Prepaid	11	5	13	13	19	-31.2
Postpaid	239	237	210	231	290	-20.1
Blended	118	115	112	117	155	-24.1

Notes:

- (1) This comprises mobile service revenue (both outgoing and incoming) and sales of equipment in Australia, covering Australia Consumer as well as Australia Enterprise.
- (2) Includes bundled telephony and broadband products delivered over the 3G and 4G network.
- (3) Defined as 4G handsets on the Optus network.
- (4) Penetration and subscriber market share are estimated by Optus based on published data.
- (5) Based on average customers, calculated as the simple average of opening and closing customers. MOU includes outgoing minutes only. This calculation is based on customers with voice plan only – i.e. it excludes customers with only wireless broadband.
- (6) Based on average customers, calculated as the simple average of opening and closing customers. Excludes equipment revenue.
- (7) Churn calculation includes subscriber churn from Optus, Virgin Mobile and other Optus subsidiaries' subscribers but excludes customers transferring from postpaid to prepaid.

SECTION 6 : PRODUCT INFORMATION**SINGAPORE CONSUMER HOME**

	Quarter			Year		YOY Chge %
	31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Mar 2013	
Singapore Consumer home revenue (S\$'M) ⁽¹⁾	127	123	120	490	463	5.9
Average revenue per household per month ⁽²⁾ (S\$ per month)	58	56	53	55	51	8.0
Number of customers on bundled plans (000s) ⁽³⁾	368	364	347	368	347	6.1

Notes:

- (1) This comprises fixed broadband, fixed voice and mio TV in the residential segment only and does not include mobile.
- (2) Based on average number of households, calculated as the simple average of opening and closing number of households.
- (3) Total residential customers who subscribe to bundled plans which comprise mio Plan (bundling of mobile, fixed broadband and fixed voice), mio Home and Fibre Entertainment Bundle (bundling of fixed broadband, fixed voice and mio TV).

	Quarter			Year		YOY Chge %
	31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Mar 2013	
mio TV revenue (S\$'M)	50	46	36	175	125	39.6
Average revenue per customer per month (S\$ per month)	35	32	25	31	22	40.4
Number of residential TV customers (000s)	418	418	404	418	404	3.5

SECTION 6 : PRODUCT INFORMATION

OTHER PRODUCTS

Singapore	Quarter			Year		YOY Chge %
	31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Mar 2013	
<u>Internet</u>						
Number of fixed broadband lines (000s) ⁽¹⁾	574	567	557	574	557	3.1
Singapore fixed broadband penetration rate ⁽²⁾	106%	106%	103%	106%	103%	
Fixed broadband market share ^{(3) (4)}	43.3%	43.4%	44.4%	43.3%	44.4%	
Number of fibre broadband lines (000s)	321	291	192	321	192	67.2
Fibre broadband market share ⁽⁴⁾	58%	58%	58%	58%	58%	
<u>International Telephone</u>						
International telephone outgoing minutes (m mins) (excl Malaysia)	878	854	847	3,492	3,323	5.1
Average collection rate - net basis (S\$/ min) (excl Malaysia)	0.092	0.097	0.103	0.096	0.104	-7.7
<u>National Telephone</u>						
Fixed working lines (000s) ⁽⁵⁾						
Residential	871	878	905	871	905	-3.8
Business	749	756	765	749	765	-2.1
Total	1,620	1,634	1,670	1,620	1,670	-3.0
Singapore fixed line penetration rate ⁽⁶⁾	36.5%	36.5%	37.4%	36.5%	37.4%	
Singapore fixed working lines ('000s) ⁽⁶⁾	1,971	1,971	1,988	1,971	1,988	
Fixed line market share ⁽⁶⁾	82.2%	82.9%	84.0%	82.2%	84.0%	

Notes:

- (1) Include ADSL and fibre lines.
- (2) Total estimated ADSL, cable and fibre lines divided by total number of households (Source: IDA). The market penetration rate as at 31 March 2014 was based on IDA's latest available published statistics as of 28 February 2014.
- (3) Based on total SingTel ADSL and fibre lines divided by total ADSL, cable and fibre lines in the population.
- (4) The market share data as at 31 March 2014 was based on management's estimates.
- (5) Fixed working lines refer to Direct Exchange Lines (DEL) and mio voice. Some lines are for connections of second set top box under mio bundles.
- (6) The market share data as at 31 March 2014 was based on management's estimates. The other market statistics as at 31 March 2014 were based on IDA's latest available published statistics as of 31 December 2013.

SECTION 6 : PRODUCT INFORMATION

Australia	Quarter			Year		YOY Chge %
	31 Mar 2014	31 Dec 2013	31 Mar 2013	31 Mar 2014	31 Mar 2013	
Enterprise Fixed						
Business voice minutes (m min)	1,260	1,219	1,273	5,030	5,088	-1.1
Buildings connected at the end of the period ⁽¹⁾	18,143	18,117	18,022	18,143	18,022	0.7
Wholesale Fixed						
Wholesale domestic voice minutes (m min)	1,030	1,073	974	4,245	4,025	5.5
Mass Market Fixed						
On-net ARPU (A\$) ⁽²⁾						
Voice	49	49	51	50	50	-0.9
Broadband	44	44	44	44	45	-1.4
Telephony customers ('000)						
HFC ⁽³⁾	470	472	488	470	488	-3.7
ULL ⁽⁴⁾	495	496	525	495	525	-5.7
On-net	966	967	1,013	966	1,013	-4.7
Resale	23	25	29	23	29	-23.1
Long distance only	5	5	6	5	6	-15.1
Off-net	28	30	35	28	35	-21.7
<i>HFC bundling rate ⁽⁵⁾</i>	91%	92%	91%	91%	91%	
<i>HFC penetration</i>	34%	34%	35%	34%	35%	
Internet customers (000s)						
On-net						
HFC broadband	419	421	431	419	431	-2.8
ULL broadband ⁽⁴⁾	531	524	539	531	539	-1.5
Business grade broadband	29	29	30	29	30	-3.8
	978	974	999	978	999	-2.1
Off-net						
Broadband	10	11	15	10	15	-31.6
Broadband subtotal	988	985	1,014	988	1,014	-2.5
Dial-up	10	10	13	10	13	-17.7
Total Internet customers	999	996	1,027	999	1,027	-2.7

Notes:

- (1) Directly connected buildings include all connections via all access media - fibre, DSL, fixed wireless, satellite and leases.
- (2) Per month, based on average HFC and ULL customers.
- (3) Includes all customers who take local telephony over the HFC network, and customers who take one or more of pay TV or cable internet services over the HFC network.
- (4) Include wholesale ULL subscribers.
- (5) Based on customers who are receiving a "bundled benefit" from taking a package of products (local telephony plus at least one of broadband, dial-up internet or pay TV).

SECTION 7 : GLOSSARY

“ACCC”	Australian Competition And Consumer Commission.
“ADSL”	Asymmetric digital subscriber line.
“ARPU”	Average revenue per user.
“Associate”	Refers to an associate and/or a joint venture company under Singapore Financial Reporting Standard.
“DEL”	Direct exchange lines, which are telephone lines connected directly to a telephone switch.
“Digital business”	Refers to all businesses under Group Digital Life segment.
“EI”	Exceptional items, which refer to items of income or expense within profit or loss from ordinary activities that are of such size, nature or incidence that their separate disclosure is considered necessary to explain the performance for the financial period.
“EBIT”	Earnings before interest and tax.
“EBITDA”	Earnings before interest, tax, depreciation and amortisation, namely the aggregate of operating revenue and other income less operating expenses of the Singapore and Australia operations, and excludes the share of pre-tax results of associates.
“EBITDA margin”	Ratio of EBITDA over operating revenue.
“EPS”	Earnings per share.
“FRS”	Financial Reporting Standard.
“Free Cash Flow”	Free cash flow refers to cash flow from operating activities less cash capital expenditure.
“ICT”	Infocomm Technology.
“IDA”	Infocomm Development Authority of Singapore.
“IP VPN”	Internet Protocol Virtual Private Network.
“MMS”	Multimedia messaging service.
“MOU”	Minutes of use per subscriber.
“NA”	Not applicable.
“ND”	Not disclosed.
“NetLink Trust”	NetLink Trust, a business trust established as part of IDA's effective open access requirements under Singapore's NextGen NBN, is currently 100% owned by SingTel. NetLink Trust is equity accounted as an associate in the Group as SingTel does not control it and it now owns 100% of OpenNet.
“NextGen NBN”	Next Generation Nationwide Broadband Network in Singapore.
“NM”	Not meaningful.
“OpenNet”	OpenNet Pte Ltd, the Netco for Singapore's NextGen NBN, which SingTel previously held a 30% equity interest and was subsequently sold to NetLink Trust in November 2013.
“Optus”	SingTel Optus Pty Limited, SingTel's wholly-owned subsidiary, and its subsidiaries.
“SAI”	SingTel Australia Investment Ltd, SingTel's wholly-owned subsidiary, which has 100% equity interest in Singapore Telecom Australia Investments Pty Limited (“STAI”).
“STAI”	Singapore Telecom Australia Investments Pty Limited, which has 100% equity interest in Optus.
“SMS”	Short message service.
“Singapore”	The term refers to the Group's operations but excludes Optus and the associates. Therefore, this includes the overseas operations of SingTel including Amobee, Inc.
“Underlying net profit”	Defined as net profit before exceptional items and exchange differences on capital reductions of certain overseas subsidiaries, net of hedging, as well as significant exceptional items of associates.

GROUP SUMMARY INCOME STATEMENTS
For The Fourth Quarter Ended 31 March 2014

	Quarter							YOY Chge %
	31 Mar							
	2014			2014		2014	2013	
	Singapore S\$ m	Asso/JV S\$ m	Corp S\$ m	SingTel S\$ m	Optus S\$ m	Group S\$ m	Group S\$ m	
Operating revenue	1,776	-	-	1,776	2,352	4,128	4,481	-7.9
Operating expenses	(1,236)	-	-	(1,236)	(1,623)	(2,860)	(3,092)	-7.5
Other income	540	-	-	540	729	1,269	1,390	-8.7
	9	-	-	9	19	28	39	-26.7
EBITDA	549	-	-	549	748	1,297	1,428	-9.2
- EBITDA margin	31%	-	-	31%	32%	31%	32%	
Share of associates' pre-tax profits								
Regional mobile associates	-	558	-	558	-	558	514	8.5
Other associates	-	22	-	22	-	22	26	-15.1
- ordinary operations	-	580	-	580	-	580	540	7.3
- exceptional items	-	(14)	-	(14)	-	(14)	-	nm
	-	566	-	566	-	566	540	4.8
EBITDA and share of associates' pre-tax profits	549	566	-	1,116	748	1,863	1,969	-5.3
Depreciation & amortisation	(185)	-	-	(185)	(348)	(534)	(551)	-3.1
EBIT	364	566	-	930	400	1,330	1,418	-6.2
Net finance expense			-					
- net interest expense	(26)	-	-	(26)	(35)	(60)	(71)	-14.5
- other finance income	2	-	-	2	14	17	7	155.4
	(23)	-	-	(23)	(20)	(44)	(64)	-31.7
Profit before EI and tax	341	566	-	907	379	1,286	1,354	-5.0
Taxation								
- current and deferred taxes	(26)	-	-	(26)	(118)	(144)	(175)	-17.8
- share of associates' taxes	-	(194)	-	(194)	(2)	(197)	(154)	27.7
- withholding taxes ⁽¹⁾	-	-	(25)	(25)	-	(25)	(23)	10.4
	(26)	(194)	(25)	(246)	(121)	(366)	(352)	3.9
Profit after tax	315	372	(25)	661	259	920	1,002	-8.2
Minority interests	*	-	-	*	-	*	(1)	nm
Underlying net profit	314	372	(25)	661	259	920	1,001	-8.1
Exceptional items ("EI") (post-tax)	(15)	(3)	1	(17)	(4)	(21)	(132)	-84.0
Net profit	300	369	(25)	644	255	898	868	3.5

Note:

(1) These are withholding taxes deducted at source when dividends are remitted by the overseas associates.

GROUP SUMMARY INCOME STATEMENTS
For The Year Ended 31 March 2014

	Year							YOY Chge %
	31 Mar							
	2014			2014		2014	2013	
	Singapore S\$ m	Asso/JV S\$ m	Corp S\$ m	SingTel S\$ m	Optus S\$ m	Group S\$ m	Group S\$ m	
Operating revenue	6,912	-	-	6,912	9,936	16,848	18,183	-7.3
Operating expenses	(4,729)	-	-	(4,729)	(7,072)	(11,800)	(13,100)	-9.9
Other income	2,183	-	-	2,183	2,865	5,048	5,083	-0.7
	40	-	-	40	68	108	117	-7.9
EBITDA	2,223	-	-	2,223	2,932	5,155	5,200	-0.9
- EBITDA margin	32%			32%	30%	31%	29%	
Share of associates' pre-tax profits								
Regional mobile associates	-	2,115	-	2,115	-	2,115	2,002	5.6
Other associates	-	86	-	86	*	86	104	-17.2
- ordinary operations	-	2,201	-	2,201	*	2,201	2,106	4.5
- exceptional items	-	*	-	*	-	*	-	nm
	-	2,201	-	2,201	*	2,201	2,106	4.5
EBITDA and share of associates' pre-tax profits	2,223	2,201	-	4,424	2,933	7,357	7,306	0.7
Depreciation & amortisation	(711)	-	-	(711)	(1,421)	(2,133)	(2,127)	0.2
EBIT	1,512	2,201	-	3,713	1,511	5,224	5,178	0.9
Net finance expense								
- net interest expense	(106)	-	-	(106)	(150)	(257)	(298)	-13.9
- other finance income	14	-	11	25	50	75	*	nm
	(92)	-	11	(81)	(100)	(181)	(298)	-39.2
Profit before EI and tax	1,419	2,201	11	3,632	1,411	5,043	4,880	3.3
Taxation								
- current and deferred taxes	(162)	-	-	(162)	(421)	(583)	(546)	6.8
- share of taxes of associates	-	(724)	-	(724)	(5)	(729)	(621)	17.3
- withholding taxes ⁽¹⁾	-	-	(116)	(116)	-	(116)	(100)	16.3
	(162)	(724)	(116)	(1,002)	(426)	(1,428)	(1,267)	12.7
Profit after tax	1,257	1,478	(105)	2,630	985	3,615	3,613	**
Minority interests	(5)	-	-	(5)	-	(5)	(2)	113.0
Underlying net profit	1,252	1,478	(105)	2,625	985	3,610	3,611	**
EI (post-tax)	(28)	(76)	155	51	(9)	42	(103)	nm
Net profit	1,224	1,402	50	2,676	976	3,652	3,508	4.1

Note:

(1) These are withholding taxes deducted at source when dividends are remitted by the overseas associates.

GROUP SUMMARY INCOME STATEMENTS

For The Fourth Quarter and Year Ended 31 March 2014

	Quarter	YOY		Year	YOY	
	31 Mar	Change	Change in constant currency ⁽¹⁾	31 Mar	Change	Change in constant currency ⁽¹⁾
	2014			2014		
	S\$ m			S\$ m		
Operating revenue	4,128	-7.9	-1.1	16,848	-7.3	-2.3
Operating expenses	(2,860)	-7.5	-0.7	(11,800)	-9.9	-5.0
	1,269	-8.7	-1.9	5,048	-0.7	4.6
Other income	28	-26.7	-19.9	108	-7.9	-2.3
EBITDA	1,297	-9.2	-2.4	5,155	-0.9	4.5
-EBITDA margin	31%			31%		
Share of associates' pre-tax profits						
- Telkomsel	216	-10.7	7.0	937	-6.6	5.4
- AIS	108	-10.2	-4.2	428	-2.3	-1.4
- Airtel	170	77.7	96.6	519	40.9	55.4
- Globe	64	13.3	21.7	231	9.8	13.1
- Warid	-	-	nm	-	nm	nm
Regional mobile associates	558	8.5	22.6	2,115	5.6	14.9
Other associates	22	-15.1	-15.1	86	-17.2	-17.2
- ordinary operations	580	7.3	20.8	2,201	4.5	13.3
- exceptional items	(14)	nm	nm	*	nm	nm
	566	4.8	18.0	2,201	4.5	13.2
EBITDA and share of associates' pre-tax profits	1,863	-5.3	3.2	7,357	0.7	7.0
Depreciation & amortisation	(534)	-3.1	5.1	(2,133)	0.2	6.5
EBIT	1,330	-6.2	2.5	5,224	0.9	7.2
Net finance expense	(44)	-31.7	-26.4	(181)	-39.2	-36.4
Profit before EI and tax	1,286	-5.0	3.8	5,043	3.3	9.9
Taxation	(366)	3.9	14.9	(1,428)	12.7	20.9
Profit after tax	920	-8.2	0.1	3,615	**	6.0
Minority interests	(0)	nm	-66.7	(5)	113.0	113.0
Underlying net profit	920	-8.1	**	3,610	**	5.9
EI (post-tax)	(21)	-84.0	-83.5	42	nm	nm
Net profit	898	3.5	12.7	3,652	4.1	10.1

Note:

(1) Assuming constant exchange rates for the Australian Dollar and/or regional currencies (Indian Rupee, Indonesian Rupiah, Philippine Peso and Thai Baht) from the corresponding periods ended 31 March 2013.

GROUP STATEMENTS OF FINANCIAL POSITION

	As at		
	31 Mar 2014 (Audited) S\$ million	31 Dec 2013 (Unaudited) S\$ million	31 Mar 2013 (Audited) S\$ million
Current assets			
Cash and cash equivalents	623	1,283	911
Trade and other receivables	3,556	3,480	3,680
Inventories	170	220	214
Derivative financial instruments	3	8	1
	4,351	4,991	4,806
Non-current assets			
Property, plant and equipment	11,096	10,499	11,725
Intangible assets	10,740	10,730	10,709
Associates	178	173	196
Loan to an associate	1,331	1,331	1,331
Joint ventures	9,950	9,585	9,691
Available-for-sale investments	291	256	240
Deferred tax assets	829	858	945
Derivative financial instruments	298	349	131
Other non-current receivables	256	199	210
	34,969	33,980	35,178
Total assets	39,320	38,970	39,984
Current liabilities			
Trade and other payables	3,798	3,395	4,228
Advance billings	644	621	671
Current tax liabilities	366	471	429
Interim dividend payable	-	1,084	-
Borrowings (unsecured)	775	1,595	350
Borrowings (secured)	39	38	42
Derivative financial instruments	12	3	15
Net deferred gain ⁽¹⁾	58	58	58
	5,690	7,265	5,792
Non-current liabilities			
Borrowings (unsecured)	7,047	6,529	7,330
Borrowings (secured)	180	181	207
Derivative financial instruments	413	426	588
Advance billings	299	315	332
Deferred income	8	8	11
Net deferred gain ⁽¹⁾	1,156	1,159	1,186
Deferred tax liabilities	445	349	299
Other non-current liabilities	191	183	249
	9,737	9,150	10,203
Total liabilities	15,427	16,415	15,994
Net assets	23,893	22,556	23,989
Share capital and reserves			
Share capital	2,634	2,634	2,634
Reserves	21,234	19,902	21,331
Equity attributable to shareholders of the Company	23,868	22,536	23,965
Non-controlling interests	24	19	25
Total equity	23,893	22,556	23,989

Note:

(1) This relates to deferred gain on transfer of certain assets and business to NetLink Trust.

SINGAPORE CASH FLOW AND CAPITAL EXPENDITURE
For The Fourth Quarter And Year Ended 31 March 2014

	Quarter			Year		YOY Chge %
	31 Mar	31 Mar	31 Dec	31 Mar		
	2014	2013	2013	2014	2013	
	S\$ m	S\$ m	S\$ m	S\$ m	S\$ m	
Net cash inflow from operating activities						
Profit before exceptional items and tax	341	331	335	1,419	1,364	4.1
Non-cash items	212	206	204	814	811	0.3
Operating cash flow before working capital changes	552	536	539	2,233	2,175	2.7
Changes in operating assets and liabilities	59	147	37	(22)	189	nm
	612	683	576	2,211	2,364	-6.5
Cash paid to employees under performance share plans	-	-	-	(5)	(3)	48.5
Net tax paid on operating activities	(19)	(18)	(37)	(114)	(139)	-17.8
Operating cash flow	593	665	539	2,092	2,222	-5.9
Tax benefit payment to NetLink Trust	-	-	(143)	(143)	-	nm
	593	665	396	1,949	2,222	-12.3
Net cash inflow/ (outflow) for investing activities						
(Repayment)/ loan to STAI from Optus ⁽¹⁾	(81)	(186)	-	95	129	-26.4
Dividend received by STAI from Optus ⁽¹⁾	640	703	-	640	703	-8.9
Withholding tax paid on interest received on inter-company loans	(16)	(20)	-	(34)	(51)	-34.7
Payment for purchase of subsidiaries	-	(28)	(7)	(48)	(407)	-88.1
Payment for purchase of property, plant and equipment	(240)	(186)	(169)	(768)	(731)	5.2
Investment in venture investments	(2)	(11)	(2)	(50)	(56)	-11.4
Proceeds from disposal of available-for-sale investments	5	-	*	13	337	-96.2
Proceeds from disposal of property, plant and equipment	1	2	*	7	10	-29.0
Investment in associates	-	-	(11)	(395)	(6)	@
Proceeds from disposal of associates	*	87	38	38	87	-56.3
Payment for purchase of licences and other intangibles	(9)	(3)	(3)	(39)	(13)	199.2
Others <i>(interest received, etc)</i>	1	1	17	39	36	9.4
	300	359	(137)	(502)	38	nm
Net cash outflow for financing activities						
Net (decrease)/ increase in borrowings	(127)	94	(159)	101	(566)	nm
Net interest paid on borrowings and swaps	(27)	(28)	(42)	(139)	(148)	-6.1
Interim dividend paid to shareholders	(1,084)	(1,084)	-	(1,084)	(1,084)	**
Final dividend paid to shareholders	-	-	-	(1,594)	(1,434)	11.2
Purchase of performance shares	(6)	(5)	(5)	(25)	(28)	-10.9
Others	*	*	(6)	(7)	1	nm
	(1,244)	(1,023)	(212)	(2,747)	(3,259)	-15.7
Net (decrease)/ increase in cash balance from Singapore	(351)	1	48	(1,299)	(999)	30.1
Net (decrease)/ increase in cash balance from Singapore	(351)	1	48	(1,299)	(999)	30.1
Dividends received from associates	74	90	15	1,109	993	11.7
Withholding tax paid	(10)	(10)	-	(109)	(93)	17.0
Net dividends received from associates	64	80	15	1,000	900	11.1
Net (decrease)/ increase in cash and cash equivalents	(287)	82	63	(299)	(99)	203.0
SingTel cash and cash equivalents at beginning	704	627	640	716	804	-11.0
Exchange effects on cash and cash equivalents	2	7	1	2	11	-83.8
SingTel cash and cash equivalents at end	418	716	704	418	716	-41.6
Singapore free cash flow ⁽²⁾	353	479	370	1,324	1,491	-11.2
Singapore free cash flow	353	479	227	1,181	1,491	-20.8
Free cash flow from associates' dividends	64	80	15	1,000	900	11.1
Cash capex to operating revenue	11%	11%	10%	11%	11%	

Notes

(1) The inter-company amounts are eliminated at the Group level.

(2) Adjusted to exclude payment of S\$143 million to NetLink Trust during the quarter ended 31 December 2013 in consideration of tax benefits utilised by the Group. The S\$143 million was subsequently applied by NetLink Trust towards its acquisition of OpenNet.

OPTUS CASH FLOW AND CAPITAL EXPENDITURE
For The Fourth Quarter And Year Ended 31 March 2014

	Quarter			Year		YOY Chge %
	31 Mar	31 Mar	31 Dec	31 Mar		
	2014	2013	2013	2014	2013	
	A\$ m	A\$ m	A\$ m	A\$ m	A\$ m	
Net cash inflow from operating activities						
Profit before exceptional items and tax	333	376	314	1,206	1,100	9.7
Non-cash items	320	313	317	1,295	1,237	4.7
Operating cashflow before working capital changes	653	688	631	2,501	2,336	7.0
Changes in operating assets and liabilities	167	51	(131)	(210)	(217)	-3.1
Net tax paid	(69)	(25)	*	(251)	(15)	@
Operating cash flow	751	714	501	2,039	2,104	-3.1
Net cash outflow from investing activities						
Payment for purchase of property, plant and equipment	(363)	(165)	(251)	(1,136)	(1,036)	9.6
Payment for purchase of subsidiary, net of cash acquired	(2)	*	-	(2)	(228)	-99.1
Loan to STAI ⁽¹⁾	(139)	(155)	-	(288)	(400)	-28.1
Repayment of loan by STAI ⁽¹⁾	210	300	-	210	300	-30.0
Purchase of licences and other intangibles	(12)	(18)	(18)	(200)	(120)	66.7
Others	3	2	*	7	7	-3.8
	(303)	(37)	(269)	(1,409)	(1,477)	-4.6
Net cash (outflow)/ inflow from financing activities						
Net increase/ (decrease) in bank borrowings	(200)	(100)	100	75	(175)	nm
Dividend paid to STAI ⁽¹⁾	(560)	(550)	-	(560)	(550)	1.8
Purchase of SingTel shares	-	*	(1)	(10)	(7)	39.5
Finance lease payments (exclude interest)	(2)	(2)	(2)	(6)	(6)	-
Net interest paid on borrowings and swaps	(33)	(35)	(37)	(145)	(152)	-4.6
	(795)	(687)	61	(647)	(891)	-27.4
Net (decrease)/ increase in cash balance from Optus	(347)	(10)	293	(17)	(264)	-93.7
Dividends received from associates	10	-	32	41	-	nm
Net (decrease)/ increase in cash balance from Optus	(337)	(10)	324	25	(264)	nm
Optus cash and cash equivalents at beginning	513	161	189	151	415	-63.6
Optus cash and cash equivalents at end	175	151	513	175	151	16.4
Optus free cash flow	387	549	250	903	1,068	-15.4
Free cash flow from associates' dividends	10	-	32	41	-	nm
Cash capex to operating revenue	18%	8%	12%	13%	12%	

Note:

(1) The inter-company amounts are eliminated at the Group level.

OPTUS FINANCIALS IN AUSTRALIAN DOLLARS

	Quarter		YOY Chge %	Year		YOY Chge %
	31 Mar			31 Mar		
	2014 A\$ m	2013 A\$ m		2014 A\$ m	2013 A\$ m	
Operating revenue	2,066	2,173	-4.9	8,466	8,934	-5.2
Operating expenses	(1,426)	(1,490)	-4.3	(6,022)	(6,608)	-8.9
	640	683	-6.3	2,444	2,325	5.1
Other income	17	17	-1.8	58	56	3.6
EBITDA - EBITDA margin	657 31.8%	700 32.2%	-6.1	2,502 29.5%	2,381 26.7%	5.1
Share of results of joint ventures	*	*	nm	*	*	nm
EBITDA and share of results of joint ventures	657	700	-6.1	2,502	2,381	5.1
Depreciation & amortisation	(306)	(291)	5.0	(1,212)	(1,140)	6.3
EBIT	351	408	-14.1	1,290	1,241	3.9
Net finance expense	(18)	(33)	-45.3	(84)	(141)	-40.6
Profit before exceptional items	333	376	-11.4	1,206	1,100	9.7
Exceptional items	(5)	(13)	-60.0	(10)	(51)	-79.7
Profit before tax	328	363	-9.7	1,196	1,048	14.1
Tax expense	(104)	(114)	-8.7	(361)	(320)	12.8
Net profit after tax	223	249	-10.2	835	728	14.6
Net profit	223	249	-10.2	835	728	14.6
Exclude:						
Exceptional items	(5)	(13)	-60.0	(10)	(51)	-79.7
Deferred tax on exceptional items	2	4	-60.5	3	15	-79.9
Underlying net profit	227	257	-11.9	842	764	10.2

Optus' contribution to certain Group items in the statement of financial position were –

	As at		
	31 Mar 2014	31 Dec 2013	31 Mar 2013
	A\$ m	A\$ m	A\$ m
Property, plant and equipment (net)	6,455	6,305	6,325
Gross debt			
Current debt	156	356	6
Non-current debt	2,139	2,198	1,963
Gross debt as reported in the statement of financial position	2,295	2,554	1,970
Related net hedging (assets)/ liabilities	(45)	(97)	241
	2,250	2,457	2,210
Less: Cash and bank balances	(176)	(513)	(151)
Net debt	2,075	1,944	2,060

CURRENCY RISK MANAGEMENT & OTHER MATTERS

The Group maintains a policy of hedging all known foreign currency exposures related to commercial commitments or transactions. These commitments or transactions include payment of operating expenses, traffic settlement, capital expenditure, interest and debt. Translation risks of foreign currency EBITDA and net investments are not hedged unless specifically approved by the Board.

Financial instruments such as foreign currency forward contracts and cross currency swaps are used only to hedge underlying commercial exposures and are not held or sold for speculative purposes. All hedging transactions are reviewed regularly.

To minimise the adverse impact of foreign exchange movements on the Group's financial position, the Group determines the appropriate debt currency mix by matching it to the currency mix of the Group's underlying cash flows.

Debt Currency Mix	As at		
	31 Mar 2014	31 Dec 2013	31 Mar 2013
SGD	67%	66%	65%
AUD	33%	34%	35%
Total	100%	100%	100%

The debt currency mix is constantly being reviewed and aligned with the Group's cash flows.

CREDIT RATINGS

As at 31 Mar 2014	SingTel	Optus
Standard & Poor's	A+ (stable)	A (stable)
Moody's Investors Service	Aa3 (stable)	A1 (stable)

MAJOR CURRENCY AVERAGE EXCHANGE RATES

1 Australian Dollar buys:	Q1	Q2	Q3	Q4	H1	H2	Full Year
Derived weighted average exchange rate ⁽¹⁾ for:							
Operating revenue							
<u>SGD</u>							
FY2014	1.2355	1.1615	1.1587	1.1383	1.1985	1.1487	1.1737
FY2013	1.2768	1.2953	1.2699	1.2856	1.2860	1.2775	1.2818
<i>Change (last corresponding period)</i>	-3.2%	-10.3%	-8.8%	-11.5%	-6.8%	-10.1%	-8.4%
Underlying net profit							
<u>SGD</u>							
FY2014	1.2389	1.1625	1.1544	1.1407	1.1954	1.1475	1.1696
FY2013	1.2773	1.2954	1.2708	1.2863	1.2864	1.2799	1.2827
<i>Change (last corresponding period)</i>	-3.0%	-10.3%	-9.2%	-11.3%	-7.1%	-10.3%	-8.8%

Note:

- (1) The monthly income statement of Optus is translated from Australian Dollar to Singapore Dollar based on the average exchange rate for the month. These rates represent the derived weighted average exchange rates for the Australian Dollar for the period to date.

1 Singapore Dollar buys:	Q1	Q2	Q3	Q4	H1	H2	Full Year
<u>Rupiah</u>							
FY2014	7,813	8,403	9,259	9,346	8,106	9,304	8,655
FY2013	7,353	7,634	7,874	7,813	7,501	7,844	7,669
<i>Change (last corresponding period)</i>	6.3%	10.1%	17.6%	19.6%	8.1%	18.6%	12.9%
<u>Indian Rupee</u>							
FY2014	44.6	48.8	49.5	48.5	47.1	49.0	48.2
FY2013	42.7	44.2	44.2	43.9	43.6	44.0	43.8
<i>Change (last corresponding period)</i>	4.4%	10.4%	12.0%	10.5%	8.0%	11.4%	10.0%
<u>Baht</u>							
FY2014	23.9	24.8	25.4	25.7	24.3	25.5	24.9
FY2013	24.8	25.1	25.1	24.1	24.9	24.5	24.7
<i>Change (last corresponding period)</i>	-3.6%	-1.2%	1.2%	6.6%	-2.4%	4.1%	0.8%
<u>Peso</u>							
FY2014	33.4	34.5	34.8	35.3	33.9	35.2	34.5
FY2013	33.8	33.6	33.7	32.9	33.7	33.1	33.4
<i>Change (last corresponding period)</i>	-1.2%	2.7%	3.3%	7.3%	0.6%	6.3%	3.3%